Annual Securities Report
for the fiscal year ended March 31, 2024

MITSUI & CO., LTD.

Certain References and Information

This report is prepared for overseas investors and compiled based on contents of the Annual Securities Report ("Yukashoken Hokokusho") of Mitsui & Co., Ltd. filed with the Director-General of the Kanto Local Finance Bureau of the Ministry of Finance of Japan on June 19, 2024.

As used in this report, "Mitsui," "Mitsui & Co." and the "Company" are used to refer to Mitsui & Co., Ltd. (Mitsui Bussan Kabushiki Kaisha), and the "Group" and the "Mitsui & Co. Group" are used to indicate Mitsui & Co., Ltd. and its consolidated subsidiaries, unless otherwise indicated. "Share" means one share of Mitsui's common stock, "ADS" means an American Depositary Share representing 20 shares, and "ADR" means an American Depositary Receipt evidencing one or more ADSs. Also, "dollar" or "$" means the lawful currency of the United States of America, and "yen," "Yen" or "¥" means the lawful currency of Japan.

All financial statements and information contained in this report have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board except where otherwise noted.

A Cautionary Note on Forward-Looking Statements

This report includes forward-looking statements based on our current expectations, assumptions, estimates and projections about our business, our industry and capital markets around the world. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "may," "expect," "anticipate," "estimate," "forecast," "plan" or similar words. The forward-looking statements in this report are subject to various risks, uncertainties and assumptions. These statements discuss future expectations, identify strategies, contain projections of results of operations or our financial position, or state other forward-looking information. Known and unknown risks, uncertainties and other factors could cause our actual operating results to differ materially from those contained or implied in any forward-looking statement. Our expectations expressed in these forward-looking statements may not turn out to be correct, and our actual results could materially differ from and be worse than our expectations.

Important risks and factors that could cause our actual results to differ materially from our expectations are discussed in "2. Operating and Financial Review and Prospects, 3. Risk Factors" or elsewhere in this report and include, without limitation:

- changes in economic conditions that may lead to unforeseen developments in markets for products handled by us;
- fluctuations in currency exchange rates that may cause unexpected deterioration in the value of transactions;
- adverse political developments in the various jurisdictions where we operate, which among things, may create delays or postponements of transactions and projects;
- changes in laws, regulations or policies in any of the countries where we conduct our operations; and
- significant changes in the competitive environment.

We do not assume, and specifically disclaim, any obligation to update any forward-looking statements which speak only as of the date made.

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1. Overview of Mitsui and Its Subsidiaries

1. Selected Financial Data

Fiscal year		105th	104th	103rd	102nd	101st
Year ended		March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020
Consolidated financial data						
Revenue	(Millions of Yen)	13,324,942	14,306,402	11,757,559	8,010,235	8,484,130
Gross profit	(Millions of Yen)	1,319,715	1,396,228	1,141,371	811,465	839,423
Profit for the year attributable to owners of the parent	(Millions of Yen)	1,063,684	1,130,630	914,722	335,458	391,513
Comprehensive income for the year attributable to owners of the parent	(Millions of Yen)	1,544,461	1,224,588	1,370,647	964,652	(259,448)
Total equity attributable to owners of the parent	(Millions of Yen)	7,541,848	6,367,750	5,605,205	4,570,420	3,817,677
Total assets	(Millions of Yen)	16,899,502	15,380,916	14,923,290	12,515,845	11,806,292
Equity attributable to owners of the parent per share	(Yen)	5,036.80	4,177.49	3,501.21	2,739.28	2,235.83
Basic earnings per share attributable to owners of the parent	(Yen)	705.60	721.82	561.61	199.28	226.13
Diluted earnings per share attributable to owners of the parent	(Yen)	705.14	721.41	561.38	199.18	225.98
Equity attributable to owners of the parent ratio	(%)	44.63	41.40	37.56	36.52	32.34
Return on Equity (ROE)	(%)	15.29	18.89	17.98	8.00	9.69
Price Earnings Ratio (PER)	(Times)	10.07	5.70	5.93	11.55	6.65
Cash flows from operating activities	(Millions of Yen)	864,419	1,047,537	806,896	772,696	526,376
Cash flows from investing activities	(Millions of Yen)	(427,547)	(178,341)	(181,191)	(322,474)	(185,230)
Cash flows from financing activities	(Millions of Yen)	(1,013,078)	(634,685)	(614,325)	(486,963)	(204,561)
Cash and cash equivalents at end of year	(Millions of Yen)	898,204	1,390,130	1,127,868	1,063,150	1,058,733
Number of employees (excluding average number of part-time employees)	(Number of persons)	53,602	46,811	44,336	44,509	45,624
		(27,659)	(9,063)	(8,869)	(9,721)	(10,760)
Total Shareholder Return	(%)	447.3	263.4	209.4	143.6	92.1
(Comparative index: TOPIX)	(%)	(173.9)	(125.9)	(122.3)	(122.8)	(88.2)
Highest price of Mitsui's shares	(Yen)	7,268	4,299	3,414	2,415	1,999
Lowest price of Mitsui's shares	(Yen)	3,906	2,727	2,198	1,396	1,378

(Notes) 1. The consolidated financial statements have been prepared on the basis of IFRS Accounting Standards (IFRS).

2. Effective from the 102nd fiscal year, revisions have been made to the presentation of revenue for certain transactions, and the figures for the 101st year have been restated.

3. The Total Shareholder Return are the ratio as calculated by dividing the sum of the stock price at the end of each fiscal year and the cumulative dividends per share from the year ended March 31, 2020 to each fiscal year, by the stock price at the end of the year ended Mar 31, 2019.
4. The highest and lowest share prices are those quoted on the Prime Market of the Tokyo Stock Exchange from April 4, 2022, and prior to that date, the prices are for the first section of the Tokyo Stock Exchange.

2. History

Mitsui Bussan Kabushiki Kaisha (“Mitsui & Co., Ltd.” in English) was originally incorporated on July 25, 1947, as Daiichi Bussan Kabushiki Kaisha with a common stock of ¥195,000, with the main purpose of importing, exporting and selling a wide variety of products.

Since our establishment, our business results have developed strongly, and we have grown in scale as the result of capital increases or stock dividends, the issuance of foreign currency-denominated and domestic convertible bonds, as well as integration with other new companies. On February 16, 1959, we changed our name to our present name of Mitsui Bussan Kabushiki Kaisha (Mitsui & Co., Ltd.), and took the form of a general trading company in both name and practice. From then until the present day, we have continued to expand our business through mergers and acquisitions of other businesses and companies.

The significant developments for the companies that occurred during this time, including name changes, mergers, establishment of major affiliated companies, listings on securities exchanges, and other, are as follows:

Jul. 1947	Daiichi Bussan Kabushiki Kaisha established with common stock of ¥195,000
May 1949	Listed on the Tokyo Stock Exchange
Nov. 1954	Listed on Sapporo Securities Exchange, Nagoya Stock Exchange and Osaka Securities Exchange (Integrated Cash equity market of Osaka Securities Exchange into Tokyo Stock Exchange)
Apr. 1956	Established Daiichi Bussan Kabushiki Kaisha Australia (currently Mitsui & Co. (Australia))
Feb. 1959	Changed the name to Mitsui Bussan Kabushiki Kaisha (Mitsui & Co., Ltd.)
Feb. 1959	Listed on Fukuoka Stock Exchange
Jan. 1963	Participated in the development of the Moura Coal Mine in Australia (currently the Dawson Coal Mine)
May 1963	Issued American Depositary Receipts (ADR) in the U.S. (registered on NASDAQ in the U.S. in February 1971)
Feb. 1965	Decided to participate in Robe River iron mine in Australia
Apr. 1966	Established Mitsui & Co. (U.S.A.)
Oct. 1966	Concluded long-term purchase agreement of iron ore from Mount Newman in Australia
Mar. 1971	Split off lease business and established Mitsui Leasing, Ltd. (currently JA Mitsui Leasing)
Sept. 1971	Signed basic agreement on development of Liquefied Natural Gas (LNG) in Das Island, Abu Dhabi
Oct. 1971	Signed basic agreement on Iran Petrochemical Project
May 1976	Established AIM SERVICES with ARA (currently ARAMARK Corporation)
Nov. 1976	Moved head office to Otemachi, Chiyoda-ku, Tokyo
Jul. 1985	Participated in North West Shelf LNG project in Western Australia
Apr. 1988	Established Mitsui & Co. UK PLC (currently Mitsui & Co. Europe)
Dec. 1990	Concluded Iran Petrochemical Project due to winding up of Iran Chemical Development
Oct. 1991	Introduced Chief Operating Officer system
Jun. 1994	Signed development contracts (production sharing contract) for the Sakhalin II petroleum and natural gas projects
Feb. 2001	Participated in Penske Automotive Group, a diversified international transportation service company
Apr. 2002	Introduced Managing Officer system
Mar. 2003	Participated in ownership interest in International Methanol Company of Saudi Arabia
Jun. 2003	First appointment of external director
Sept. 2003	Invested in Valepar, the holding company of Vale, the diversified resource company after joint management of Caemi with CVRD (current Vale)
Apr. 2004	Abolished Domestic Branches and Offices Segment and included them in each business unit by product
Apr. 2006	Introduced overseas regional business unit system
Jun. 2007	Acquired Steel Technologies, a U.S. steel processing service center
Feb. 2010	Decided to participate in the Marcellus Shale Gas production development project in the U.S.
Apr. 2011	Delisted from NASDAQ (deregistered from the U.S. Securities and Exchange Commission in July 2011)
Aug. 2012	Established a strategic alliance with Codelco and participated in a joint venture to jointly hold shares of Anglo American Sur.
Nov. 2014	Moved head office to Marunouchi, Chiyoda-ku, Tokyo due to reconstruction of the head office building
Aug. 2017	Incorporated Valepar, the holding company, by Vale, the Brazilian diversified resource company
Mar. 2019	Became IHH Healthcare’s largest shareholder through an additional investment (Initially invested in 2011)
May 2020	Relocated head office to Otemachi, Chiyoda-ku, Tokyo with the completion of the new head office building
Apr. 2022	Transited from 1st Section of the Tokyo Stock Exchange to the Prime Market

3. Business Overview

In each business area including Mineral & Metal Resources, Energy, Machinery & Infrastructure, Chemicals, Iron & Steel Products, Lifestyle and Innovation & Corporate Development, the Company and its consolidated subsidiaries engage in a diversified range of services, including trading, manufacturing, transport, and finance involving various commodities, making full use of the global office network, which is centering on the Company, a general trading company, with its ability to gather information. The Company and its consolidated subsidiaries furthermore engage in a wide range of initiatives that include development of natural resources and infrastructure projects, business investments in relation to the environment, new technologies, next-generation fuels and wellness, and value creation that leverages digital tools.

The Company assigns headquarters business units by business in the head office. Each headquarters business unit drafts overall strategies that unify the regional business units and blocs internally and externally for each business area in respect of which they are in charge and develops business activities for the entire world with affiliated companies. As a driver of the regional strategy, the regional business units and blocs are responsible for the regions they are in charge of, and cooperate with the headquarters business units while carrying out broad and diversified business along with affiliated companies under each umbrella.

For the disclosure pursuant to IFRS 8 “Operating Segments,” these headquarters business units and regional business units are organized into seven business segments based on the business domains taking into account managerial decisions relating to allocation of resources, assessment of such operating performance, and the products or services they handle.

We have 491 affiliated companies for consolidation, which consist of 212 overseas subsidiaries, 84 domestic subsidiaries, 159 overseas equity accounted investees and 36 domestic equity accounted investees.

Segment	Products or Services	Major Subsidiaries	Major Equity Accounted Investees
Mineral & Metal Resources	Iron ore, Metallurgical coal, Copper, Nickel, Aluminum, Ferrous raw materials, Metal Recycling, and others	MITSUI BUSSAN METALS, Mitsui Iron Ore Development, Mitsui Iron Ore Corporation, Mitsui Resources, BUSSAN SUMISHO CARBON ENERGY, Oriente Copper Netherlands, Japan Collahuasi Resources	Inner Mongolia Erdos Electrical Power & Metallurgical, NIPPON AMAZON ALUMINIUM
Energy	Natural gas, LNG, Crude oil, Petroleum products, Environmental and next-generation energy, and others	Mitsui Oil Exploration, Mitsui E&P Middle East, Mitsui E&P USA, MEP Texas Holdings, Mitsui E&P Australia Holdings, Mitsui E&P Italia B, MEP South Texas, Mitsui & Co. Energy Trading Singapore, Mitsui & Co. LNG Investment USA, Mitsui & Co. Energy Marketing and Services (USA), MIT SEL Investment, MyPower	ENEOS GLOBE, JAPAN ARCTIC LNG, Japan Australia LNG (MIMI), Mitsui E&P Mozambique Area 1, Forsee Power

Segment	Products or Services	Major Subsidiaries	Major Equity Accounted Investees
Machinery & Infrastructure	Electric power, Marine energy, Gas distribution, Water treatment and supply, Logistics and social infrastructure, Automotive, Construction, Transportation, Ships, Aircraft, and others	Portek International, Mit-Power Capitals (Thailand), MIT Wind Power, Mitsui & Co. Middle East and Africa Projects Investment & Development, MIT Power India, MITSUI GAS E ENERGIA DO BRASIL, Ecogen Brasil Solucoes Energeticas, MIZHA ENERGIA PARTICIPACOES, Shamrock Investment International, Mitsui & Co. Infrastructure Solutions, Mitsui & Co. Plant Systems, Tokyo International Air Cargo Terminal, Mitsui Water Holdings (Thailand), GUMI BRASIL PARTICIPACOES, Toyota Chile, Mitsui Automotriz, MITSUI AUTO FINANCE CHILE, Mitsui Auto Finance Peru, HINO MOTORS SALES MEXICO, Komatsu-Mitsui Maquinarias Peru, Road Machinery, KOMEK MACHINERY, KOMEK MACHINERY Kazakhstan, Aptella, Veloce Logistica, MBK USA Commercial Vehicles, Ellison Technologies, lnversiones Mitta, OMC SHIPPING, ORIENT MARINE, M&T AVIATION, Mitsui Bussan Aerospace	PAITON ENERGY, 3B POWER, SEA TERMINAL MANAGEMENT & SERVICE, SAFI ENERGY, Caitan, IPM Eagle, Compania de Generacion Valladolid, India Yamaha Motor, TOYOTA MANILA BAY, HINO MOTORS SALES (THAILAND), TAIYOKENKI RENTAL, KOMATSU AUSTRALIA, VLI, Penske Automotive Group, Bussan Auto Finance, WILLIS MITSUI & CO ENGINE SUPPORT
Chemicals	Petrochemical raw material and products, Inorganic raw material and products, Synthetic resin material and products, Agricultural material, Feed additives, Tank terminal, Living and environmental materials, and others	Mitsui Bussan Chemicals, Japan-Arabia Methanol, MMTX, Shark Bay Salt, MBWA Investment, Intercontinental Terminals Company, MITSUI & CO. PLASTICS, Mitsui Plastics Trading (Shanghai), Diana Elastomers, Lee Soon Seng Plastic Industries, Mitsui Bussan Packaging, Mitsui Bussan Woodchip Oceania, MITSUI PLASTICS, Mitsui AgriScience International, Certis U.S.A., Bharat Certis, DAIICHI TANKER, Mitsui Bussan Agro Business, B Food Science, Bussan Animal Health, Mitsui Agro Business, Novus International, Consorcio Agroindustrias del Norte	Kansai Helios Coatings, Honshu Chemical Industry, HEXAGON COMPOSITES, LABIX, SMB KENZAI, OURO FINO QUIMICA, MVM Resources International, Nutrinova Netherlands, Ourofino Saude Animal Participacoes, ITC RUBIS TERMINAL ANTWERP, Kingsford Holdings
Iron & Steel Products	Steel products for infrastructure projects, Automotive components, Steel products used in energy industry, and others	Mitsui & Co. Steel, EURO-MIT STAAL, Regency Steel Asia	GRI Renewable Industries, NIPPON STEEL TRADING, MM&KENZAI, Shanghai Bao-Mit Steel Distribution, Gestamp Brasil Industria De Autopecas, GESTAMP 2020, NuMit, GEG (Holdings), SIAM YAMATO STEEL
Lifestyle	Foods, Fashion, Healthcare, Outsourcing services, and others	XINGU AGRI, United Grain Corporation of Oregon, Mitsui & Co. Agri Foods, PRIFOODS, KASET PHOL SUGAR, Mitsui Norin, Mit-Salmon Chile, Retail System Service, Bussan Logistics Solutions, VENDOR SERVICE, MITSUI FOODS, Mitsui & Co. Retail Holdings, S.V.D., WILSEY FOODS, MKU Holdings, MAX MARA JAPAN, Mitsui Bussan Logistics, SANLI HOLDINGS, Mitsui & Co. Foresight, AIM SERVICES, ARAMARK Uniform Services Japan, MBK Wellness Holdings, MBK Human Capital	FEED ONE, IPSP Oriental Holding Company, Starzen, Mitsui DM Sugar Holdings, Euricom, BIGI HOLDINGS, MN Inter-Fashion, IHH Healthcare

Segment	Products or Services	Major Subsidiaries	Major Equity Accounted Investees
Innovation & Corporate Development	Asset management, Leasing, Insurance, Buyout investment, Venture investment, Commodity derivatives, Logistics center, Information system, Real estate, and others	MITSUI KNOWLEDGE INDUSTRY, Mitsui Bussan Secure Directions, World Hi-Vision Channel, M&Y Asia Telecom Holdings, Mitsui & Co. Insurance Holdings, Mitsui & Co. Alternative Investments, Mitsui & Co. Asset Management Holdings, SABRE INVESTMENTS, MITSUI & CO. REAL ESTATE, MBK Real Estate Asia, MBK Real Estate Holdings, Mitsui & Co., Principal Investments, MITSUI & CO. Global Investment, Mitsui Bussan Commodities, Mitsui & Co. Global Logistics	QVC JAPAN, Altius Link, JA Mitsui Leasing

* We sold all of our shares in PAITON ENEGY in April 2024.

* We sold a portion of our shares in VLI in April 2024, and as a result, VLI is no longer accounted for using the equity method.

* Mitsui & Co. Retail Holdings and its operating companies Retail System Service, Bussan Logistics Solutions, VENDOR SERVICE and MITSUI FOODS were merged to launch Mitsui & Co. Retail Group on April 1, 2024.

* Altius Link was established as a result of the integration of Relia and KDDI Evolva as of September 1, 2023.

4. Affiliated Companies

(1) Parent Company

Mitsui does not have parent company.

(2) Major Subsidiaries

Operating Segment	Registered Name	Principal Lines of Business	Jurisdiction of Incorporation	Ownership of Voting Shares (%)
Mineral & Metal Resources	MITSUI BUSSAN METALS	Sales and trading of non-ferrous scrap, alloy and products	Japan	100.0
	Mitsui Iron Ore Development	Mining and sales of Australian iron ore	Australia	100.0
	Mitsui Iron Ore Corporation	Mining and sales of Australian iron ore	Australia	100.0
	Mitsui Resources	Investments in Australian metallurgical coal business	Australia	100.0
	BUSSAN SUMISHO CARBON ENERGY	Import and sales of coal, biomass fuel, etc. for Japanese General Industries	Japan	51.0
	Oriente Copper Netherlands	Investment in and loan to copper business in Chile (AAS)	The Netherlands	100.0
	Japan Collahuasi Resources	Investment in a copper mine in Chile (Collahuasi)	The Netherlands	100.0
Energy	Mitsui Oil Exploration	Exploration, development and production of oil, natural gas and geothermal energy resources	Japan	100.0
	Mitsui E&P Middle East	Exploration, development and production of oil and natural gas	The Netherlands	100.0
	Mitsui E&P USA	Exploration, development and production of oil and natural gas	U.S.A.	100.0
	MEP Texas Holdings	Exploration, development and production of oil and natural gas	U.S.A.	100.0
	MEP South Texas	Exploration, development and production of oil and natural gas	U.S.A.	100.0
	Mitsui E&P Australia Holdings	Exploration, development and production of oil and natural gas	Australia	100.0
	Mitsui E&P Italia B	Exploration, development and production of oil and natural gas	Italy	100.0
	Mitsui & Co. Energy Trading Singapore	Global trading of petroleum, biofuel, LNG and emissions credit	Singapore	100.0
	Mitsui & Co. LNG Investment USA	Investment in natural gas liquefaction business in the U.S. and sales of LNG	U.S.A.	100.0
	Mitsui & Co. Energy Marketing and Services (USA)	Physical/futures trading of natural gas, power and oil	U.S.A.	100.0
	MIT SEL Investment	Investment in Sakhalin Energy	U.A.E.	100.0
	MyPower	Investment and portfolio management of New Downstream business in the U.S.	U.S.A.	100.0

Operating Segment	Registered Name	Principal Lines of Business	Jurisdiction of Incorporation	Ownership of Voting Shares (%)
Machinery & Infrastructure	Portek International	Development and operation of container terminal	Singapore	100.0
	Mit-Power Capitals (Thailand)	Cogeneration and power generation service business in Thailand	Thailand	100.0
	MIT Wind Power	Investment in Offshore Wind Power Project in Taiwan	The Netherlands	100.0
	Mitsui & Co. Middle East and Africa Projects Investment & Development	Infrastructure project development and asset management in Middle East and Africa	U.A.E.	100.0
	MIT Power India	Investment in a large-scale renewable energy project	Japan	100.0
	MITSUI GAS E ENERGIA DO BRASIL	Investments in gas distribution companies	Brazil	100.0
	Ecogen Brasil Solucoes Energeticas	Utility equipment rental, operation and maintenance in Brazil	Brazil	100.0
	MIZHA ENERGIA PARTICIPACOES	Power generation in Brazil	Brazil	100.0
	Shamrock Investment International	Investment in Mainstream Renewable Power	Norway	100.0
	Mitsui & Co. Infrastructure Solutions	Water treatment, electricity generation & supply, energy management etc.	Mexico	96.4
	Mitsui & Co. Plant Systems	Sales of various plants, electric power facilities and transportation equipment	Japan	100.0
	Tokyo International Air Cargo Terminal	Operation of air cargo terminal at Tokyo International Airport	Japan	100.0
	Mitsui Water Holdings (Thailand)	Investment in water supply business	Thailand	100.0
	GUMI BRASIL PARTICIPACOES	Investment in Guarana Urban Mobility Inc in Brazil	Brazil	100.0
	Toyota Chile	Import and sales of automobiles and auto parts in Chile	Chile	100.0
	Mitsui Automotriz	Retail sales of automobiles and auto parts	Peru	100.0
	MITSUI AUTO FINANCE CHILE	Automobile retail finance	Chile	100.0
	Mitsui Auto Finance Peru	Automobile retail finance	Peru	100.0
	HINO MOTORS SALES MEXICO	Wholesale of Hino vehicles and parts in Mexico	Mexico	65.0
	Komatsu-Mitsui Maquinarias Peru	Sales of construction and mining equipment	Peru	60.0
	Road Machinery	Sales of construction and mining equipment	U.S.A.	100.0
	KOMEK MACHINERY	Distributor of KOMATSU products	Russia	95.0
	KOMEK MACHINERY Kazakhstan	Distributor of KOMATSU products	Kazakhstan	95.0
	Aptella	System integrator of machine control solution	Australia	80.0
	Veloce Logistica	Automotive parts logistics	Brazil	100.0
	MBK USA Commercial Vehicles	Investment in Penske Truck Leasing	U.S.A.	100.0
	Ellison Technologies	Sales of machine tools	U.S.A.	100.0
	lnversiones Mitta	Chilean automobile lease and rental business	Chile	80.0

Operating Segment	Registered Name	Principal Lines of Business	Jurisdiction of Incorporation	Ownership of Voting Shares (%)
Machinery & Infrastructure	OMC SHIPPING	Shipping business	Singapore	100.0
	ORIENT MARINE	Shipping business	Japan	100.0
	M&T AVIATION	Aircraft trading	Ireland	100.0
	Mitsui Bussan Aerospace	Import and sales of helicopters and defense and aerospace products	Japan	100.0
Chemicals	Mitsui Bussan Chemicals	Domestic and foreign trade of solvents, coating chemicals, etc.	Japan	100.0
	Japan-Arabia Methanol	Investment in methanol producing business in Saudi Arabia and sales of products	Japan	55.0
	MMTX	Methanol business in the U.S.	U.S.A.	100.0
	Shark Bay Salt	Production of salt	Australia	100.0
	MBWA Investment	Investment in JV for EDC and caustic soda marketing and purchasing	U.S.A.	100.0
	Intercontinental Terminals Company	Chemical tank leasing	U.S.A.	100.0
	MITSUI & CO. PLASTICS	Trading and sales of plastics and chemicals	Japan	100.0
	Mitsui Plastics Trading (Shanghai)	Sales and marketing of plastics and chemicals	China	100.0
	Diana Elastomers	Investment in synthetic rubbers producing and marketing business	U.S.A.	100.0
	Lee Soon Seng Plastic Industries	Manufacturing and sales of rigid plastic container	Malaysia	60.0
	Mitsui Bussan Packaging	Domestic sales and import and export related to paper, pulp and packaging	Japan	100.0
	Mitsui Bussan Woodchip Oceania	Plantation, processing and sales of woodchips, generating emissions credits	Australia	100.0
	MITSUI PLASTICS	Sales and marketing of plastics and chemicals	U.S.A.	100.0
	Mitsui AgriScience International	Investments in crop protection businesses in Europe	Belgium	100.0
	Certis U.S.A.	Manufacture and sales of biological crop protection products	U.S.A.	100.0
	Bharat Certis	Investment in crop protection business in India	Japan	82.0
	DAIICHI TANKER	Operation of chemical tankers	Japan	100.0
	Mitsui Bussan Agro Business	Development and sales of fertilizers and agricultural products	Japan	100.0
	B Food Science	Manufacturing and sales of functional food, pharmaceutical, and chemical product materials.	Japan	100.0
	Bussan Animal Health	Manufacturing, processing and sales of veterinary pharmaceuticals for animals	Japan	100.0
	Mitsui Agro Business	Investment in fertilizer producing business and sales of products in South America	Chile	100.0
	Novus International	Manufacturing and sales of feed additives	U.S.A.	80.0
	Consorcio Agroindustrias del Norte	Sales of fertilizer and other agricultural inputs, provision of farming guidance services	Mexico	85.0

Operating Segment	Registered Name	Principal Lines of Business	Jurisdiction of Incorporation	Ownership of Voting Shares (%)
Iron & Steel Products	Mitsui & Co. Steel	Domestic sales, export, import of steel products	Japan	100.0
	EURO-MIT STAAL	Steel processing	The Netherlands	100.0
	Regency Steel Asia	Wholesale and retail of steel products	Singapore	100.0
Lifestyle	XINGU AGRI	Farmland leasing	Switzerland	100.0
	United Grain Corporation of Oregon	Grain collection and export	U.S.A.	100.0
	Mitsui & Co. Agri Foods	Importing and sales of agricultural products	Japan	100.0
	PRIFOODS	Production, processing and sales of broilers	Japan	46.5
	KASET PHOL SUGAR	Production and sales of sugar	Thailand	68.0
	Mitsui Norin	Manufacture and sales of food products	Japan	100.0
	Mit-Salmon Chile	Investment in salmon farming, processing and sales company	Chile	100.0
	Retail System Service	Sales of foods, groceries and services for retailers	Japan	100.0
	Bussan Logistics Solutions	Operation and management of logistics centers	Japan	100.0
	VENDOR SERVICE	Sales of foods, packaging products, and packaging materials	Japan	100.0
	MITSUI FOODS	Wholesale of foods and beverages	Japan	100.0
	Mitsui & Co. Retail Holdings	Management of wholesaler distribution companies	Japan	100.0
	S.V.D.	Sales of foods, groceries for retailers	Japan	50.5
	WILSEY FOODS	Investment in Ventura Foods	U.S.A.	90.0
	MKU Holdings	Holding Company of U.S. Prepared Foods Manufacturer	U.S.A.	83.1
	MAX MARA JAPAN	Sales of Italian luxury ladies' brand MAX MARA products in Japan	Japan	65.5
	Mitsui Bussan Logistics	Sales of foods, sundries, and packaging products	U.S.A.	100.0
	SANLI HOLDINGS	Investment in Chinese pharmaceutical company.	Japan	80.0
	Mitsui & Co. Foresight	Property management	Japan	100.0
	AIM SERVICES	Contract food services	Japan	100.0
	ARAMARK Uniform Services Japan	Rental, sales and cleaning service of uniforms	Japan	60.8
	MBK Wellness Holdings	Preventative care, HR development and recruitment business	Japan	100.0
	MBK Human Capital	Investment in healthcare staffing business	U.S.A.	100.0

Operating Segment	Registered Name	Principal Lines of Business	Jurisdiction of Incorporation	Ownership of Voting Shares (%)
Innovation & Corporate Development	MITSUI KNOWLEDGE INDUSTRY	ICT services, consulting, system and network integration	Japan	100.0
	Mitsui Bussan Secure Directions	Cyber security business	Japan	100.0
	World Hi-Vision Channel	Operating a broadcasting satellite channel	Japan	100.0
	M&Y Asia Telecom Holdings	Investment in mobile network operator business in Cambodia	Singapore	75.0
	Mitsui & Co. Insurance Holdings	Development of insurance risk management businesses	Japan	100.0
	Mitsui & Co. Alternative Investments	Securities and investment management firm specializing in the alternative investments	Japan	100.0
	Mitsui & Co. Asset Management Holdings	Real estate asset management	Japan	100.0
	SABRE INVESTMENTS	Investment in a real asset owner and operator in the U.S.	U.S.A.	100.0
	MITSUI & CO. REAL ESTATE	Real estate sales, leasing and brokerage	Japan	100.0
	MBK Real Estate Asia	Real estate-related business	Singapore	100.0
	MBK Real Estate Holdings	Real estate-related business	U.S.A.	100.0
	Mitsui & Co., Principal Investments	Investment in private equity	Japan	100.0
	MITSUI & CO. Global Investment	Operation of venture capital funds	U.S.A.	100.0
	Mitsui Bussan Commodities	Trading of energy and metals derivatives	United Kingdom	100.0
	Mitsui & Co. Global Logistics	Domestic warehousing businesses and international integrated transportation services	Japan	100.0

Operating Segment	Registered Name	Principal Lines of Business	Jurisdiction of Incorporation	Ownership of Voting Shares (%)
All Other	MITSUI & CO. (U.S.A.)	Trading	U.S.A.	100.0
	MITSUI & CO. (CANADA)	Trading	Canada	100.0
	MITSUI & CO. (BRASIL)	Trading	Brazil	100.0
	MITSUI de MEXICO	Trading	Mexico	100.0
	MITSUI & CO. (ASIA PACIFIC)	Trading	Singapore	100.0
	MITSUI & CO. (THAILAND)	Trading	Thailand	100.0
	MITSUI & CO. (AUSTRALIA)	Trading	Australia	100.0
	MITSUI & CO. EUROPE	Trading	United Kingdom	100.0
	MITSUI & CO. DEUTSCHLAND	Trading	Germany	100.0
	MITSUI & CO. BENELUX	Trading	Belgium	100.0
	MITSUI & CO. ITALIA	Trading	Italy	100.0
	MITSUI & CO. (MIDDLE EAST)	Trading	U.A.E.	100.0
	MITSUI & CO. (HONG KONG)	Trading	China	100.0
	MITSUI & CO. (CHINA)	Trading	China	100.0
	MITSUI & CO. (SHANGHAI)	Trading	China	100.0
	MITSUI & CO. (TAIWAN)	Trading	Taiwan	100.0
	MITSUI & CO. KOREA	Trading	Korea	100.0
	MITSUI & CO. BUSINESS PARTNERS	Provision of HR & GA services to Mitsui and its subsidiaries	Japan	100.0
	Mitsui & Co. Trade Services	Provision of logistics-related services to Mitsui and its subsidiaries	Japan	100.0
	Mitsui & Co. Financial Management	Provision of accounting and treasury-related services to Mitsui	Japan	100.0
	Moon Creative Lab	Provision of business incubation related services	U.S.A.	100.0

* Mitsui & Co. Mineral Resources Development (Latin America), MEP South Texas, Tokyo International Air Cargo Terminal and MIT Wind Power were in a financial condition with liabilities in excess of assets. The amount of negative net worth as of March 31, 2024 were 185,573 million yen, 14,981 million yen,11,003 million yen and 10,599 million yen respectively.
* Revenue of Mitsui & Co. Energy Trading Singapore (excluding intra-group revenue among consolidated companies) accounts for more than 10% of consolidated revenue.
  Key information on profit or loss:
  1) Revenue 1,919,811 million yen
  2) Profit before income taxes 5,891 million yen
  3) Profit for the year 5,380 million yen
  4) Total equity 45,903 million yen
  5) Total assets 224,251 million yen
* Mitsui & Co. Retail Holdings and its operating companies Retail System Service, Bussan Logistics Solutions, VENDOR SERVICE and MITSUI FOODS were merged to launch Mitsui & Co. Retail Group on April 1, 2024. The capital of the new company as of April 1, 2024 was 5,000 million yen.

(3) Major Equity Accounted Investees

Operating Segment	Registered Name	Principal Lines of Business	Jurisdiction of Incorporation	Ownership of Voting Shares (%)
Mineral & Metal Resources	*Inner Mongolia Erdos Electrical Power & Metallurgical	Manufacturing and sales of ferro-alloys, chemical products, coke raw materials, etc.	China	20.2
	NIPPON AMAZON ALUMINIUM	Investments in aluminum smelting business in Brazil	Japan	20.9
Energy	*ENEOS GLOBE	Importing and distributing LPG, selling new energy-related equipment	Japan	30.0
	*JAPAN ARCTIC LNG	Development and sales of oil and natural gas in Russia	The Netherlands	50.3
	*Japan Australia LNG (MIMI)	Development and sales of oil and natural gas	Australia	50.0
	*Mitsui E&P Mozambique Area 1	Development and production of oil and natural gas in Mozambique	United Kingdom	50.3
	Forsee Power	Battery pack manufacturer	France	24.0
Machinery & Infrastructure	PAITON ENERGY	Power generation in Indonesia	Indonesia	45.5
	*3B POWER	Power generation in Malaysia	Malaysia	50.0
	SEA TERMINAL MANAGEMENT & SERVICE	Equipment inspection and technical consultancy services	Singapore	40.0
	*SAFI ENERGY	Power generation in Morocco	Morocco	33.3
	*Caitan	Chile desalination and conveyance service business	Chile	50.0
	*IPM Eagle	Investments in power generation business	United Kingdom	30.0
	*Compania de Generacion Valladolid	Operation of a gas combined-cycle power plant in Mexico	Mexico	50.0
	India Yamaha Motor	Manufacture and sales of motorcycles	India	15.0
	*TOYOTA MANILA BAY	Retail sales of Toyota cars	The Philippines	40.0
	*HINO MOTORS SALES (THAILAND)	Wholesale of Hino vehicles and parts in Thailand	Thailand	43.0
	TAIYOKENKI RENTAL	Rental of construction machinery	Japan	25.9
	KOMATSU AUSTRALIA	Sales of construction and mining equipment	Australia	38.0
	VLI	Integrated freight transportation business in Brazil	Brazil	20.0
	Penske Automotive Group	Diversified international transportation services	U.S.A.	19.9
	Bussan Auto Finance	Motorcycle retail finance	Indonesia	45.0
	*WILLIS MITSUI & CO ENGINE SUPPORT	Aircraft engine leasing	Ireland	50.0

Operating Segment	Registered Name	Principal Lines of Business	Jurisdiction of Incorporation	Ownership of Voting Shares (%)
Chemicals	Kansai Helios Coatings	Manufacture and sales of coatings, plastic resins, adhesives and other chemicals products	Austria	20.0
	Honshu Chemical Industry	Manufacture and sale of materials for high-performance resins and various chemicals	Japan	49.0
	HEXAGON COMPOSITES	Manufacturer of fiber reinforced cylinders	Norway	22.8
	LABIX	Manufacture and sales of Linear Alkyl Benzene	Thailand	25.0
	*SMB KENZAI	Sales of building materials, contract of construction work and import of various building materials	Japan	36.3
	*OURO FINO QUIMICA	Manufacture and sales of crop protection in Brazil	Brazil	22.1
	MVM Resources International	Investment in a phosphate rock mining project in Peru	The Netherlands	25.0
	*Nutrinova Netherlands	Manufacturing and sales of functional food and pharmaceutical product materials	The Netherlands	70.0
	Ourofino Saude Animal Participacoes	Development, manufacturing, and sales of veterinary pharmaceuticals for animals	Brazil	29.5
	*ITC RUBIS TERMINAL ANTWERP	Chemical tank leasing	Belgium	50.0
	*Kingsford Holdings	Investment in PT Champion Pacific Indonesia	Indonesia	40.0
Iron & Steel Products	*GRI Renewable Industries	Manufacture of wind turbine towers and flanges	Spain	25.0
	NIPPON STEEL TRADING	Sales, export and import of steel products	Japan	20.0
	*MM&KENZAI	Steel products for construction/Steel raw materials	Japan	50.0
	*Shanghai Bao-Mit Steel Distribution	Processing and sales of steel products	China	35.0
	*Gestamp Brasil Industria De Autopecas	Manufacture of automotive components	Brazil	17.9
	GESTAMP 2020	Investment in manufacture of automotive components	Spain	25.0
	*NuMit	Investment in steel processing company	U.S.A.	50.0
	GEG (Holdings)	Port operation, fabrication & assembly of steel components	United Kingdom	25.5
	SIAM YAMATO STEEL	Manufacture and sales of steel products	Thailand	20.0

Operating Segment	Registered Name	Principal Lines of Business	Jurisdiction of Incorporation	Ownership of Voting Shares (%)
Lifestyle	FEED ONE	Production, marketing and sales of compound feed	Japan	25.9
	IPSP Oriental Holding Company	Investment in shrimp farming business	Singapore	20.0
	Starzen	Processing and sale of meat manufacturing	Japan	16.1
	Mitsui DM Sugar Holdings	Manufacturing and sales of refined sugar, sugar products and food ingredients	Japan	26.7
	Euricom	Production and sale of rice, processed rice products, pulses, etc.	Italy	33.9
	BIGI HOLDINGS	Planning, manufacture, and sale of clothing and accessories	Japan	33.4
	*MN Inter-Fashion	Planning and management for production and procurement of apparel and textile	Japan	50.0
	IHH Healthcare	Provider of healthcare services	Malaysia	32.8
Innovation & Corporate Development	QVC JAPAN	Direct marketing business which is mainly composed of TV shopping	Japan	40.0
	Altius Link	Contact center operations, BPO operations	Japan	49.0
	JA Mitsui Leasing	Leasing and financing business	Japan	31.7

* The companies with an asterisk, accounted for using the equity method, are joint ventures in accordance with IFRS 11 "Joint Arrangements." For more information, see Note 2, "BASIS OF CONSOLIDATED FINANCIAL STATEMENTS AND SUMMARY OF MATERIAL ACCOUNTING POLICIES, V. SUMMARY OF MATERIAL ACCOUNTING POLICIES."
* JAPAN ARCTIC LNG was in a financial condition with liabilities in excess of assets. The amount of negative net worth as of March 31, 2024 was 71,245 million yen.
* We sold all of our shares in PAITON ENEGY in April 2024
* We sold a portion of our shares in VLI in April 2024, and as a result, VLI is no longer accounted for using the equity method.
* Altius Link was established as a result of the integration of Relia and KDDI Evolva as of September 1, 2023.

(4) Other Affiliated Companies

Not applicable.

5. Employees

(1) Mitsui & Co., Ltd. and Subsidiaries

As of March 31, 2024

Operating Segment	Number of Employees	
Mineral & Metal Resources	631	(65)
Energy	1,212	(164)
Machinery & Infrastructure	13,363	(1,384)
Chemicals	7,346	(728)
Iron & Steel Products	1,667	(177)
Lifestyle	18,159	(23,715)
Innovation & Corporate Development	7,974	(1,022)
All Other	3,250	(404)
Total	53,602	(27,659)

(Note) 1. The figures in parentheses in the number of employees column indicate the annual average number of contract employees.

2. In the Lifestyle segment, mainly due to Aim Services becoming a wholly owned subsidiary, there was an increase of 9,387 employees and 18,121 contract workers.

(2) Mitsui & Co., Ltd.

As of March 31, 2024

Number of Employees	Average Age	Average Years of Service	Average Yearly Salary (Thousands of Yen)
5,419	42.3	17.9	18,999

Operating Segment	Number of Employees
Mineral & Metal Resources	292
Energy	465
Machinery & Infrastructure	779
Chemicals	758
Iron & Steel Products	244
Lifestyle	811
Innovation & Corporate Development	493
All Other	1,577
Total	5,419

(Notes) 1. The average yearly salary includes bonuses and overtime pay.

2. The number of employees includes 1,172 seconded employees. However, 470 contract workers (including 138 workers seconded to Mitsui from outside Mitsui) and 148 employees hired in overseas offices are not included.

3. “All Other” includes the number of employees as follows.

- 674 employees engaged in back-office business in Japan
- 338 employees engaged in middle-office business such as Financial Management & Advisory Division I, II, III and IV, Integrated Digital Strategy Division and Logistics Strategy Division, etc. in Japan
- 245 seconded employees to overseas affiliates and overseas offices and 320 employees including workers at Japan Bloc, overseas trainees for developing experts in each region and employees on leave of absence who are not allocated to the specific Operating Segment

(3) Diversity Indicators

The status of indicators concerning diversity in Mitsui and its major domestic consolidated subsidiaries is as follows. For information on the Mitsui & Co. Group's initiatives related to diversity, see "2. Operating and Financial Review and Prospects 2. Disclosure of Sustainability-related Financial Information (7) Human Resources Strategy."

Diversity Indicators	Description
Percentage of managerial positions held by women (percentage of female managers)	The percentage of managerial positions held by women in accordance with the provisions of the "Act on the Promotion of Women's Active Engagement in Professional Life (Act No.64 of 2015)."
Percentage of men taking childcare leave etc.	The percentage of those that took childcare leave, etc. in accordance with the provisions of the "Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Act No.76 of 1991)," or childcare leave, etc. pursuant to "Article 71-4, Item 2 the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Labor No. 25 of 1991)"
Difference between wages of men and women (gender pay gap)	The gender pay gap, calculated in accordance with the provisions of the "Act on the Promotion of Women's Active Engagement in Professional Life (Act No.64 of 2015), "indicates the percentage of the average annual wage of women if that of men is 100%.

1) Diversity indicators of Mitsui & Co., Ltd. (non-consolidated)

The percentage of female managers, the percentage of men taking childcare leave etc., and the gender pay gap at the Company are as follows.

(i) Percentage of female managers

Indicator	As of March 31, 2024	Description
Percentage of female managers	9.2%	- We had set a target for the percentage of female managers to be 10% by FY March 2025, but because we expect to reach 10.6% and achieve the target by July 2024, we have set a new target of 20% by FY March 2031, and are forging ahead with further initiatives. - For details, see "2. Operating and Financial Review and Prospects 2. Disclosure of Sustainability-related Financial Information (7) Human Resources Strategy 2) Strategy (b) Inclusion (i) Promoting active roles for women."

(ii) Percentage of men taking childcare leave

Indicator	FY March 2024	Description
Percentage of men that took childcare leave	70%	- We have set an ongoing target of 100% for the percentage of men taking childcare leave. - 70% includes regular employees of the Company who are on duty or on secondment overseas. For only those working in Japan, the percentage of men that took childcare leave was 93%. - For details, see "2. Operating and Financial Review and Prospects 2. Disclosure of Sustainability-related Financial Information (7) Human Resources Strategy 2) Strategy (b) Inclusion (iii) Work-life management."
Of which working in Japan	93%	
Average number of the days that men took childcare leave	45.0	

(iii) Gender pay gap

<table>
<tr><th>Indicator</th><th>FY March 2024</th><th>Description</th></tr>
<tr><td>All workers</td><td>57.3%</td><td rowspan="3">- Since personnel evaluations are appropriately conducted based on each employee’s ability and contribution to the organization, there is no gender pay gap in wages for the same work in the Company.
- The main reason for the gender pay gap is that the gender ratio in relatively higher paid senior positions is different, as indicated by the 9.2% of managerial positions held by women. For regular full-time employees, there are job types that do not have limitations on the work location, which include working overseas (Business Staff), and other job types with a fixed work location within the same region in Japan (Administrative Staff), and administrative staff are included in the non-managerial category.
- The forthcoming revision of the personnel system on July 1, 2024, will consolidate job types (Business Staff and Administrative Staff), and by actively moving forward with these measures for promoting active role for women, we will promote the advancement of women to managerial positions and work to narrow the gender pay gap.</td></tr>
<tr><td>Regular employees</td><td>57.6%</td></tr>
<tr><td>Fixed-term employees</td><td>51.6%</td></tr>
</table>

The gender pay gap for regular full-time employees was as follows. There is no gender pay gap in wages for the same work in the Company. The main reason for the gender pay gap is the difference in the gender ratio between the managerial and non-managerial positions.

	Gender pay gap	Ratio of female employees (as of end of March 2024)
Managerial positions	89.1%	9.2%
Non-managerial positions	83.5%	63.2%
Regular employees	57.6%	29.9%

2) Diversity indicators of domestic consolidated subsidiaries

The status of indicators concerning diversity in Mitsui's major domestic consolidated subsidiaries was as follows.

Indicators on diversity for consolidated subsidiaries in Japan with 301 or more full-time employees[*1]

As of March 31, 2024

Company name	Operating segment	Percentage of female managers	Percentage of men taking childcare leave, etc.	Gender pay gap[*3]		
				All workers	Regular employees	Fixed-term employees
MITSUI & CO. PLASTICS	Chemicals	4.1%	12%[*4]	69.2%	68.9%	83.0%
PRIFOODS	Lifestyle	4.5%	90%	59.5%	62.8%	84.1%
Mitsui Norin		14.4%	100%	75.7%	75.9%	65.5%
MITSUI FOODS		5.7%	85%	65.9%	72.4%	59.8%
Bussan Logistics Solutions		3.7%	30%	56.2%	76.1%	57.5%
VENDOR SERVICE		11.1%	54%	62.6%	62.5%	59.9%
Fuzitoku Bussan		10.5%	50%	70.3%	78.2%	82.2%
MAX MARA JAPAN		48.0%	0%	62.2%	63.4%	42.8%
AIM SERVICES		10.0%	40%	64.5%	67.3%	83.3%
ARAMARK Uniform Services Japan		5.0%	65%	43.6%	59.4%	78.3%
Mitsui & Co. Foresight		1.3%	28%[*4]	61.2%	75.6%	65.5%
Mefos		33.7%	80%	68.9%	76.3%	79.4%
Mefos North Japan		N/A[*5]	0%	83.3%	86.2%	83.6%
Mefos East Japan		N/A[*5]	50%	82.6%	87.1%	80.2%
Mefos West Japan		N/A[*5]	N/A[*2]	87.1%	98.6%	77.8%
Mitsui & Co. Global Logistics	Innovation & Corporate Development	3.6%	0%[*4]	56.7%	79.3%	77.1%
MITSUI KNOWLEDGE INDUSTRY		9.5%	100%	77.9%	77.7%	65.9%
MKI Technologies		2.0%	100%	78.7%	79.4%	83.7%

Indicators on diversity for consolidated subsidiaries in Japan with 101 to 300 full-time employees*1

As of March 31, 2024

Company name	Operating segment	Percentage of female managers	Percentage of men taking childcare leave, etc.	Gender pay gap*3		
				All workers	Regular employees	Fixed-term employees
MITSUI BUSSAN METALS	Mineral & Metal Resources	14.8%	50%	-	-	-
MITSUI OIL EXPLORATION	Energy	29.0%	-	-	-	-
Mitsui & Co. Plant Systems	Machinery & Infrastructure	3.0%	100%*4	-	-	-
Tokyo International Air Cargo Terminal		10.5%	100%*4	73.1%	75.2%	65.7%
MITSUI & CO. MACHINE TECH		3.2%	-	-	-	-
ORIENT MARINE		19.2%	57%	-	-	-
Mitsui Bussan Aerospace		19.4%	100%	-	-	-
Mitsui Bussan Chemicals	Chemicals	0.0%	-	-	-	-
Mitsui Bussan Packaging		9.1%	100%	-	-	-
B Food Science		8.3%	-	-	-	-
BUSSAN ANIMAL HEALTH		0.0%	-	-	-	-
MITSUI & CO. STEEL	Iron & Steel Products	4.2%	-	-	-	-
KP DINING	Lifestyle	40.0%	-	105.2%	90.0%	113.3%
Fuziya		0.0%	-	-	-	-
Retail System Service		20.8%	-	-	-	-
HOKENDOHJIN-FRONTIER		45.5%	-	-	-	-
MITSUIBUSSAN SECURE DIRECTIONS	Innovation & Corporate Development	2.2%	50%	-	-	-
MEBIUS		10.3%	66%	-	-	-
ITTO SOFTWARE		9.5%	0%	79.7%	82.2%	42.9%
MITSUI & CO. BUSINESS PARTNERS	Others	25.0%	-	-	-	-
Mitsui & Co. Trade Services		43.8%	-	-	-	-
Mitsui & Co. Financial Management		58.3%	100%	74.3%	77.6%	44.8%

*1 Regardless of the type of contract employees' employment, full-time employees are defined as (1) those employed without a specified fixed term, or (2) those employed with a specified fixed term but have been continuously employed for one year or more or who are expected to be continuously employed for one year or more from the time of hiring.

*2 Cases in which there were no childbirths subject to childcare leave are indicated by "N/A" (not applicable).

*3 Part-time workers included in the fixed-term employees for the gender pay gap have been converted into the equivalent number of full-time workers based on the number of working hours.

*4 The percentage is only for childcare leave taken, not including other days off taken for the purpose of childcare.

*5 "N/A" (not applicable) since all managers in Mefos North Japan, Mefos East Japan and Mefos West Japan were secondees from their parent company Mefos.

The above are figures for those consolidated subsidiaries of Mitsui (including indirect holdings) that are domestic consolidated subsidiaries that separately publish the prescribed figures pursuant to the Act on the Promotion of Women's Active Engagement in Professional Life. The obligation to publish each indicator varies depending on the number of employees, but the Mitsui & Co. Group publishes all indicators for consolidated subsidiaries in Japan that have 301 or more full-time employees. Also, for the companies with 101 to 300 employees the percentage of female managers was disclosed for all the companies, and the indicators not published for those are shown as "-".
For the Mitsui & Co. Group including overseas consolidated subsidiaries, see "2. Operating and Financial Review and Prospects 2. Disclosure of Sustainability-related Financial Information (7) Human Resources Strategy." The percentage of female managers are on a consolidated basis, defined as managers in accordance with the labor laws of each country.

(4) Trade Union

No material items to report.

2. Operating and Financial Review and Prospects

1. Management Policies, Operating Environment, and Management Issues

This section contains forward-looking statements about Mitsui and its consolidated subsidiaries. These forward-looking statements involve assumptions, risks, uncertainties and other factors, including, but not limited to, those described in “3. Risk Factors.” Such risks, uncertainties and other factors may cause our actual results to be materially different from any future results expressed or implied by these forward-looking statements.

(1) Progress of Medium-term Management Plan

In the fiscal year ended March 31, 2024, the first year of Medium-term Management Plan 2026 “Creating Sustainable Futures” announced in May 2023, we thoroughly managed risks even in a continuously uncertain business environment, and steadily promoted global and cross-industry initiatives, deepened portfolio management, made efforts to enhance base profit, further deepened sustainability management, and strengthened group management capabilities as stated in the plan. The principal areas of progress were as follows.

1) Global and Cross-Industry Initiatives

We steadily implemented carefully selected growth investments in line with the three Key Strategic Initiatives set forth in the Medium-term Management Plan.

(a) Industrial Business Solutions

In addition to the steady startup and operation of FPSOs (floating production, storage and offloading system for offshore oil and gas), progress was made in the area of digital infrastructure. We launched Altius Link through a tender offer for Relia and integration with KDDI Evolva. Altius Link has become one of the largest contact center operators in Japan, and aims to become a leading digital BPO (business process outsourcing) company by advancing the services through digitalization, including the utilization of generative AI. Furthermore, we also pushed ahead with the formation and strengthening of business clusters in areas where we have expertise and in adjacent areas of business. In the area of mobility, we invested in a mining machinery sales and services company in Peru, forming the construction and mining solutions business cluster. In North America, we are working to strengthen the North American mobility value chain and form business clusters through an investment in a US truck auction business that is expected to generate synergies with the automotive business we are developing.

(b) Global Energy Transition

We made efforts to expand our stable earnings base for the future, including the steady start-up of gas-fired power generation in Thailand, final investment decisions in an offshore wind power generation project in Taiwan and the Block B natural gas field development in Vietnam. The Company also executed investments in the production and sale of e-methanol that utilizes renewable power generation, in Denmark, renewable diesel and sustainable aviation fuel (SAF) production in Portugal, and renewable natural gas production in the US. We will continue to work with our partners in various fields to realize a decarbonized society, and proceed to build a balanced business portfolio that features a combination of assets in both developed and emerging countries.

(c) Wellness Ecosystem Creation

We executed active growth investments in the protein, nutrition, and wellness areas. In the protein area, we will advance the formation of business clusters with a focus on chicken and shrimp, as demand is expected to increase continuously against the backdrop of market growth. Chicken and shrimp can be provided at relatively low prices, they have high feed efficiency, and are resilient to market conditions due to their short production cycle. In the fiscal year ended March 31, 2024, we invested in Industrial Pesquera Santa Priscila in Ecuador, the world’s largest shrimp farmer, and in Wadi Poultry in Egypt, which is engaged in the entire process from procurement of feed materials to production, processing, and sales of broilers. We also invested in Nutrinova, which manufactures and sells functional food ingredients, based on our long-standing partnership with Celanese in the US. Furthermore, in the wellness area, we strengthened our food service business by making Aim Services, a major food service provider in Japan, a wholly owned subsidiary.

2) Deepening Portfolio Management

We executed asset sales such as Mitsui Rail Capital Europe, a European locomotive leasing company, International Power (Australia) Holdings, an Australian power utility, and the Kaikias oil field in the US. Meanwhile, we carefully selected investment projects from the perspective of company-wide portfolio management and executed growth investments in line with three Key Strategic Initiatives.

3) Initiatives to Enhance Base Profit

By strengthening profitability of existing businesses, improving efficiency, promoting turnarounds, and earnings contribution from new businesses, we aim to enhance base profit by 170 billion yen in the Medium-term Management Plan. As of the fiscal year ended March 31, 2024, we have made progress in enhancing base profit by a total of 55 billion yen, including 20 billion yen by strengthening existing businesses, 25 billion yen in turnarounds and exiting loss-making businesses, and 10 billion yen through contributions to earnings from new businesses.

4) Deeper Sustainability Management

As we proceed to transform our business portfolio to one that contributes to the realization of a decarbonized society, in our power generation business portfolio during the fiscal year ended March 31, 2024, we have made progress by increasing the ratio of renewable power generation and reducing the ratio of coal-fired power generation through final investment decisions in renewable energy projects and through the sale of a coal-fired power generation business. In the area of natural capital, amidst heightened social interest, we have been working to understand and analyze our dependence and impact on nature, and have identified ten businesses as key areas, leading to the strengthening of our risk screening function and the advancement of projects that use natural capital as an opportunity, in order to improve the quality of our portfolio. At the same time, in order to strengthen our efforts to respect human rights in our business activities, we are promoting initiatives to improve effectiveness and reduce future risks such as transferring some of the responsibility for conducting detailed human rights-related investigations from corporate units to the business frontline when starting new businesses.

5) Strengthening of Group Management Capability

We are facilitating the use of Mitsui & Co. Group assets, such as digital and intellectual capital, to accelerate the improvement of productivity per person. In order to accelerate proactive advancement of digital transformation (DX) on the business frontline, we improved the digital skills of all executives and employees, and developed DX personnel to take responsibility for business model transformation. To further improve productivity throughout the entire company, we are accelerating the streamlining of routine tasks by conducting a thorough review of all existing tasks. In addition, we have positioned the business knowledge and know-how we have accumulated through our business in various countries and industries as intellectual capital and are promoting its utilization.

6) Development of Globally Diverse Individuals

We will introduce a new personnel system on July 1, 2024 with the aim of creating a system that allows each employee to autonomously pursue their own career paths in a wide range of fields so that they can be increasingly active in their own unique way. Under the new personnel system, the conventional “Business Staff” and “Administrative Staff” positions will be abolished and integrated as “full-time employee” positions, and employees will be able to periodically choose whether or not to limit their work location to fit their own career and life plans. In addition, we have introduced “Bloom”, a talent management system that supports the global assignment of personnel, to our overseas offices in preparation for its worldwide deployment. People are Mitsui’s greatest asset. Diverse individuals with various backgrounds and strengths work together to *create*, *grow*, and *extend* businesses, and to create new value around the world while fully utilizing our management resources.

7) Continuously Evolving Governance Structure

During the fiscal year ended March 31, 2024, discussions were held on the Company’s executive structure and institutional design in the Governance Committee, the Executive Committee, and the Board of Directors meeting, and a decision was made to change the governance structure by increasing the ratio of External Directors and have the same number of Internal and External Directors, while maintaining the institutional design of a company with an Audit & Supervisory Board.

To evaluate the progress of actions taken in response to management issues, proposals and reports are carried out at the Board of Directors meetings regarding company-wide issues, not limited to individual proposals. In addition, there were discussions and reports on company-wide issues such as compliance systems, sustainability management, the occupational health and safety management system and well-being management, the asset portfolio, risk exposure and control, and cyber security measures, in the fiscal year ended March 31, 2024. Furthermore, in relation to individual proposals and reports, more decisive explanations were given, and progress was made in further enhancing the deliberations and efficiency of the Board of Directors.

(2) Operating Environment

1) General

Note: The following describes the recognition of the economic environments as of May 2024.
Descriptions included herein may differ from our current recognition.

In the fiscal year ended March 31, 2024, the US economy was solid while growth in Europe continued to stall and China's recovery was weak. As a result, the overall global economy continued to slow.

In the US, the economy showed continued strength, supported by solid consumer spending against a backdrop of stable employment. Looking ahead, as inflation further settles down, the Federal Reserve is expected to lower interest rates that should lead to continued economic expansion. In Europe, the economy continued to stall due to the impact of monetary tightening, a slump in exports, and other factors. Looking ahead, there are hopes of a recovery in consumer spending as inflation settles down, and expectations that the European Central Bank will lower interest rates, leading to a moderate recovery. In Japan, in addition to good performance in corporate earnings, inbound demand also recovered. However, the impact of higher prices, among other factors, led to weak consumer spending, and some automotive manufactures suspended shipments in the beginning of the year, leading to weakened momentum in the economic recovery. Looking ahead, there are expectations that the economic recovery will resume due to wage increases exceeding those made in the previous year, and a reduction in income taxes. In China, while there are signs that exports are recovering after the slump last year, economic growth slowed as the decline in the real estate market was prolonged and consumption did not grow. Looking ahead, there are expectations that measures taken by the government will lead to a recovery. In Brazil, while there was growth in exports of agricultural products and consumption was solid last year, there are expectations that the lowering of interest rates that began last summer will support the economy going forward. In Russia, downward pressure on economic activity remained due to economic sanctions imposed by the international community, but the production of military munitions has been growing which is expected to maintain economic growth.
The global economy is expected to breakout from a period of deceleration in the second half of 2024 onwards, as inflation in the US, Europe, and other developed countries is expected to settle down, and as the US and Europe are expected to shift away from their tight monetary policy through lower interest rates and other means. However, geopolitical risks such as increased instability in the Middle East remain a concern.

2) Operating Segments

Understanding of the environment, risks and opportunities in each operating segment based on the above operating environment are as follows.

(a) Mineral & Metal Resources

<table>
<tr><td>Environmental understanding</td><td>- Continuous demand increase for materials and resources due to population growth and global economic growth
- Energy transition towards a decarbonized society, including EVs and electrification, and the need for critical minerals found only in certain locations across the world
- Increasing response to climate change, natural capital and human rights-related matters in mining operations and supply chains</td></tr>
<tr><td>Risks</td><td>Opportunities</td></tr>
<tr><td>- Impact to demand for resources following Chinese economic slowdown
- Impact of higher operating costs due to inflation and high interest rates
- Impact of technological innovation on the supply, demand and commodity prices</td><td>- Demand increase for green materials (including ferrous materials), including recycling
- Continuous growth of India and Southeast Asia as metal resources demand areas and the future potential of Africa as a resources supply area</td></tr>
</table>

(b) Energy

Environmental understanding	- Energy demand is expected to increase in line with population growth and global economic growth - Growing social needs for both stable energy supply and decarbonization

Risks	Opportunities
- Significant fluctuations in energy prices due to heightened global geopolitical risks, policy changes in response to election results in major countries, etc. - Undefined energy transition progress timeline	- Solid demand for fossil fuels in line with the need for energy security and stable supply, and increasing demand for natural gas and LNG as *real solutions* - Increased demand for clean energy and next-generation energy due to the progress of decarbonization and the resulting expansion of energy solutions business opportunities

(c) Machinery & Infrastructure

Environmental understanding	- Increasing demand for Energy Transition toward a decarbonized society, rising demand for electricity due to digitalization, diversification of power sources by country and region - Curtailed automobile supply due to semiconductors shortage is expected to normalize in the near future. - Shift to transportation with lower environmental impact - Demand in the bulk carrier market has progressed stably, while increases in demand in the tanker market are expected to continue

Risks	Opportunities
- Global inflationary trends and financial market changes - Changes in industrial structure, including a decrease in new resources development in response to changing social needs	- DX progress, increased demand for digital infrastructure - Expansion and diversification of service demand for transportation infrastructure that contributes to climate change responses (renewable energy, next-generation fuels and electrification, etc.)

(d) Chemicals

Environmental understanding	- Increasing social demand for environmentally conscious business in response to climate change - Increasing demand for food and energy related chemicals due to population growth and economic growth - Increasing demand for high value-added food due to growing health consciousness

Risks	Opportunities
- Acceleration of structural change in the petrochemical industry in response to climate change - Supply chain restructuring and local production for local consumption due to heightened geopolitical risks - Weak product demand amid increasing costs due to rising energy costs, high interest rates, and labor shortages	- Increasing need for stable supply due to changes in the supply chain - Increase in demand for environmentally friendly materials, products, and businesses such as next-generation fuels and recycled materials - Increasing interest in health, wellness, and quality of life improvement

(e) Iron & Steel Products

Environmental understanding	- Step-by-step greenification through technological innovation toward a decarbonized society - Heightened importance of local production for local consumption amid the continuing surfacing of geopolitical risks - Medium-term global steel demand is expected to increase, driven by India and Southeast Asia

Risks	Opportunities
- Changes in distribution structure against a backdrop of declining domestic crude steel production - The impact of heightened geopolitical risk on trade flows - Higher labor costs and labor shortages	- Increasing demand for new supply chain creation due to decarbonization and the need for local production for local consumption - Increased demand for infrastructure longevity and maintenance due to the acceleration of the circular economy

(f) Lifestyle

<table>
<tr><td>Environmental understanding</td><td colspan="2">- Diversified lifestyles and growing health consciousness and social values such as sustainability in developed countries
- Increasing healthcare needs in emerging countries due to population growth, economic growth, rising incomes, and aging populations
- Rise in raw material costs, labor costs, etc. is expected to continue</td></tr>
<tr><td colspan="2">Risks</td><td>Opportunities</td></tr>
<tr><td colspan="2">- Migration of traditional production areas due to climate change
- Changes in trade structure due to geopolitical risks
- The paradigm shift in the healthcare industry due to healthcare regulatory trends, labor shortages, and the entry of players from other industries like GAFA and other companies</td><td>- Diversification and segmentation of values and diversification of consumer behaviors
- Changes in behaviors and values toward preventive care and health
- Expansion of the gap between healthcare supply and demand in emerging countries such as Asia, and market expansion for preventive care in developed countries</td></tr>
</table>

(g) Innovation & Corporate Development

<table>
<tr><td>Environmental understanding</td><td colspan="2">- Rise in the need for generative AI-related services and cybersecurity measures
- Increased importance of investment decisions based on changes in the market environment and needs, such as heightened environmental awareness</td></tr>
<tr><td colspan="2">Risks</td><td>Opportunities</td></tr>
<tr><td colspan="2">- Market risks such as stock price fluctuations
- Deterioration in business sentiment and corporate performance due to rising interest rates and inflation</td><td>- Increased ICT solution needs in the face of technological evolution
- Spread of digital services in line with diversified lifestyles
- Opportunities to create climate change-related financial products, increased hedging needs due to higher volatility</td></tr>
</table>

(3) FY March 2025 Business Plan

The fiscal year ending March 31, 2025 is the second year of the "Creating Sustainable Futures" themed Medium-term Management Plan. We plan to achieve Core Operating Cash Flow (Cash flows from operating activities without net cash outflow from an increase in working capital and payment of lease obligations deducted) of 1 trillion yen and profit of 900 billion yen by leveraging our strengths and developing global and cross-industry businesses across the Mitsui & Co. Group to provide value, in the spirit of "Challenge and Innovation". In addition, we will execute priority measures of strengthening our core businesses, reducing loss-making businesses, executing selected growth investments, and accelerating strategic recycling in an effort to further enhance corporate value.

1) Five Corporate Strategies

We will steadily implement the Corporate Strategies for the realization of the Medium-term Management Plan 2026.

1 Enhancement of ability to make global, cross-industry proposals 2 Promotion of "Create, Grow, Extend" (business model)	• Improved base profit by strengthening profitability, increasing efficiency, and implementing turnarounds in existing businesses • Made steady business launches and progress in business cluster formation through carefully selected growth investments • Made progress in improving business portfolio quality through asset sales, etc.
3 Deeper sustainability management	• Expanded disclosure such as all categories of Scope 3 GHG emissions, and strengthened initiatives in natural capital, business and human rights • Made steady progress in climate change-related activities to achieve the MTMP targets
4 Strengthening of Group management capability	• Built a platform that enables the sharing and utilization of company-wide intellectual capital • Improved digital skills of employees and advanced the efficiency of routine operations through digital transformation
5 Development of globally diverse individuals	• Shift to operations with more added value through revision of personnel system • Accelerated optimal allocation of human resources globally by implementing a talent management system *(Bloom)*

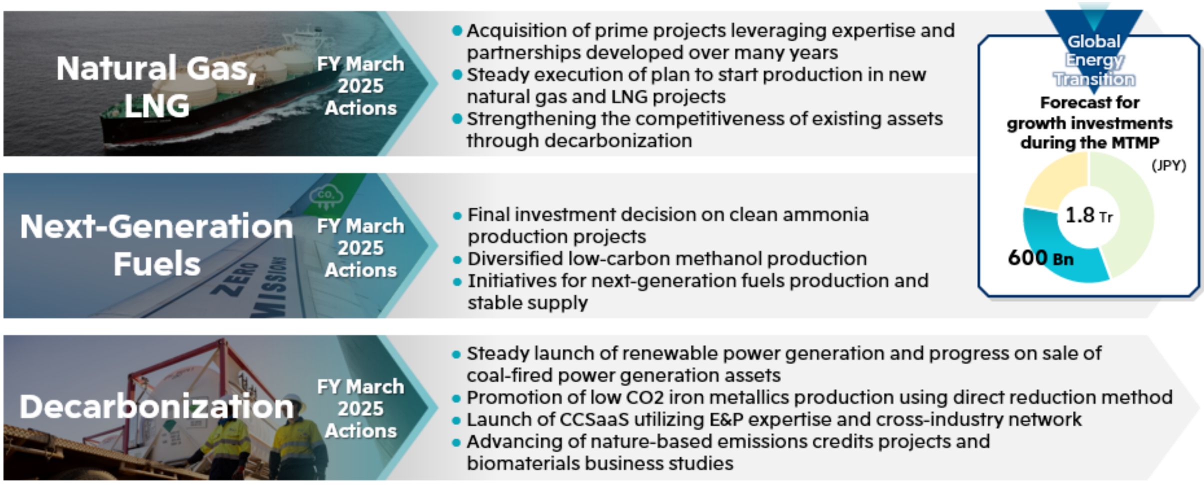
2) Deepening Portfolio Management

We will continually review and reconfigure our global business portfolio that is balanced with assets in both developed and emerging countries, a trait that is one of our strengths. We will strengthen our earnings base by executing carefully selected growth investments and bolt-on investments based on our business cluster strategy to both contribute to earnings in the near-term and build a long-term earnings base. At the same time, we will deepen relationships with industry leading partners worldwide to execute projects that combine the respective functions. Furthermore, we will accelerate the reconfiguration of assets being mindful of capital efficiency and advance strategic asset recycling and growth investments in line with the following three Key Strategic Initiatives (we expect totaling 1.8 trillion yen during the current Medium-term Management Plan).

(a) Industrial Business Solutions (Growth investments of 800 billion yen planned during current Medium-term Management Plan)
Through our global and cross-industry presence and business portfolio, we will strengthen our efforts to solve issues in various industries in our core areas such as resource development, machinery and mobility, and infrastructure and digital infrastructure. In the resource development business, we will build a solid foundation for our long-term earnings base by accumulating high-quality resources. In the machinery and mobility area, we will strengthen the value chain of the ship business and form and strengthen the mobility business clusters. In digital infrastructure, we will contribute to the realization of a sustainable society by providing digital business outsourcing services.

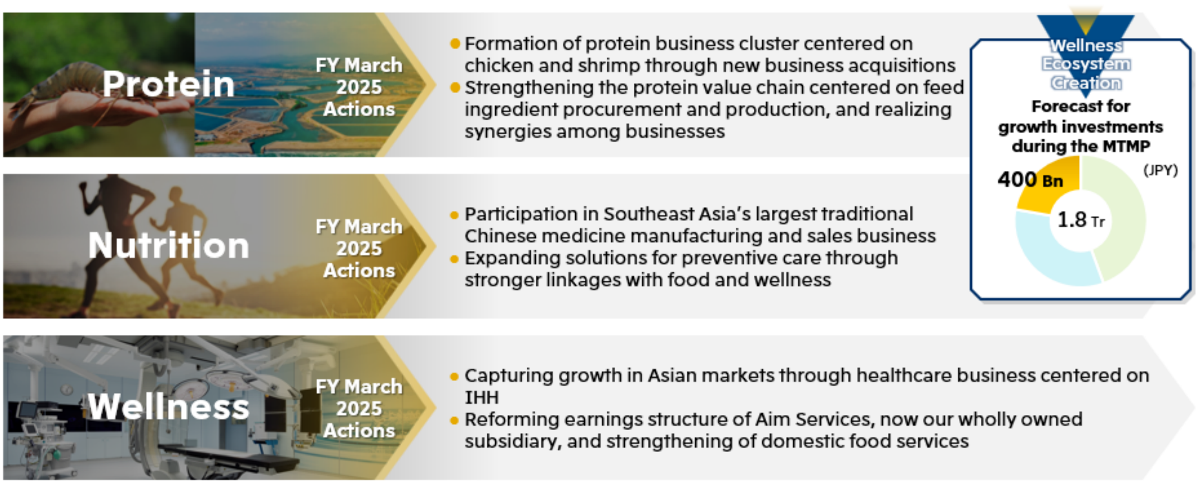
(b) Global Energy Transition (Growth investments of 600 billion yen planned during current Medium-term Management Plan)

While expanding our stable earnings base with natural gas and LNG as our core businesses, we will contribute to the realization of the energy transition, a social issue, through our business from the perspective of both stable energy supply and responding to climate change. We will also acquire carefully selected, prime projects through the expertise and partnerships we have developed over many years, and promote initiatives to realize a decarbonized society, including the production and sale of diverse low-carbon methanol, efforts to ensure a stable supply of clean ammonia and other next-generation fuels, steady launch of renewable energy projects, and promotion of low CO2 iron metallics business.



(c) Wellness Ecosystem Creation (Growth investments of 400 billion yen planned during current Medium-term Management Plan)

We will strengthen the competitiveness of our core businesses and promote business cluster strategy that captures market growth and needs. In the food and nutrition area, we will form a protein business cluster centered on chicken and shrimp by acquiring new businesses, enhancing the value chain, and realizing synergies among businesses. In the wellness area, in addition to strengthening preventive care solutions, we aim to capture growth in the Asian market through the healthcare business centered on IHH Healthcare, and to strengthen the profitability of Aim Services, which has become our wholly owned subsidiary.



3) **Update on Cash Flow Allocation (Cumulative Three Years of Medium-term Management Plan)**

Based on the results for the fiscal year ended March 31, 2024 and the future outlook, we have updated the three-year cash flow allocation of the Medium-term Management Plan announced in May 2023. Cash inflows are expected to increase, reflecting increases in Core Operating Cash Flow and asset recycling. In line with this, the Management Allocation is expected to increase from 1.13 trillion yen to 1.75 trillion yen over the three years of Medium-term Management Plan 2026, and is planned to be allocated in a balanced manner to both carefully selected growth investments and shareholder returns. We will continue to allocate funds flexibly and strategically for growth investments and shareholder returns in comprehensive consideration of investment opportunities and the business environment.

(Bn JPY)			MTMP2026 3 Year Cumulative (Announced May 2023)	MTMP2026 3 Year Cumulative Forecast (Announced May 2024)
IN Cash Inflows	Core Operating Cash Flow		2,750	3,000
	Asset Recycling		870	1,240
	Cash-In total		3,620	4,240
OUT Cash Outflows	Sustaining CAPEX		570	710
	Growth Investments	Investment decision made・Policy confirmed	1,170	1,800
		New investments	Management Allocation 1,130	▶ Expand 1,750 ▶ After Allocation 560
	Shareholder Returns	Additional Shareholder Returns		
		Share Repurchase	70	320
		Dividend	680	850

Allocation	
Investments	770
Shareholder Returns	420
Total	1,190

(4) Profit Distribution Policy

For further information regarding the shareholder returns policy, see “4. Corporate Information, 3. Shareholder Return Policy”.

(5) Forecast for the Fiscal Year Ending March 31, 2025

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

<Assumption>	March 2025 Forecast	March 2024 Result
Exchange rate (USD/JPY)	145.00	145.31
Crude oil (JCC)	$81/bbl	$86/bbl
Consolidated oil price	$86/bbl	$91/bbl

(Billions of Yen)	March 31, 2025 forecast	March 31, 2024 result	Change	Description
Gross Profit	1,320.0	1,319.7	+0.3	
Selling, General and Administrative Expenses	(830.0)	(794.3)	(35.7)	Amendment to the retirement benefit system
Gain (Loss) on Investments, Fixed Assets and Other	150.0	178.5	(28.5)	Asset recycling
Interest Expenses	(110.0)	(103.8)	(6.2)	
Dividend Income	150.0	210.7	(60.7)	Energy, Mineral & Metal Resources
Profit (Loss) of Equity Method Investments	470.0	491.6	(21.6)	Lower commodity prices
Profit before Income Taxes	1,150.0	1,302.4	(152.4)	
Income Taxes	(220.0)	(221.9)	+1.9	
Non-Controlling Interests	(30.0)	(16.8)	(13.2)	
Profit for the Year Attributable to Owners of the Parent	900.0	1,063.7	(163.7)	
Depreciation and Amortization	290.0	293.6	(3.6)	
Core Operating Cash Flow	1,000.0	995.8	+4.2	

・We assume foreign exchange rates for the fiscal year ending March 31, 2025 will be ¥145.00/US$ and ¥95.00/AU$, while average foreign exchange rates for the fiscal year ended March 31, 2024 were ¥145.31/US$ and ¥95.32/AU$. Also, we assume the annual average consolidated oil price applicable to our financial results for the fiscal year ending March 31, 2025 will be US$86/barrel, down US$5/barrel from the previous year, based on the assumption that the crude oil price (JCC) will average US$81/barrel throughout the fiscal year ending March 31, 2025.

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

(Billions of Yen)	March 31, 2025 forecast	March 31, 2024 result	Change	Description
Mineral & Metal Resources	290.0	335.1	(45.1)	Iron ore prices
Energy	140.0	281.7	(141.7)	Absence of one-time profit recorded in the previous year, LNG trading
Machinery & Infrastructure	230.0	248.7	(18.7)	Automotives, ships
Chemicals	70.0	39.2	+30.8	Improvement in performance of affiliated companies, trading
Iron & Steel Products	25.0	11.2	+13.8	Improvement in performance of affiliated companies
Lifestyle	75.0	94.1	(19.1)	Absence of one-time profit recorded in the previous year
Innovation & Corporate Development	65.0	53.8	+11.2	FVTPL profit and growth in core affiliated companies in Japan
All Other and Adjustments and Eliminations	5.0	(0.1)	+5.1	
Consolidated total	900.0	1,063.7	(163.7)	

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

(Billions of Yen)	March 31, 2025 forecast	March 31, 2024 result	Change	Description
Mineral & Metal Resources	360.0	409.1	(49.1)	Iron ore prices, dividends from associated companies
Energy	290.0	247.8	+42.2	LNG dividends cash in (Slipped from FY March 2024)
Machinery & Infrastructure	150.0	176.9	(26.9)	A subsidiary becoming an associated company, dividends from associated companies
Chemicals	80.0	63.4	+16.6	Improvement in performance of affiliated companies, trading
Iron & Steel Products	15.0	8.5	+6.5	Dividends from associated companies, improvement in performance of affiliated companies
Lifestyle	50.0	40.2	+9.8	Trading, improvement in performance of affiliated companies
Innovation & Corporate Development	50.0	45.4	+4.6	
All Other and Adjustments and Eliminations	5.0	4.5	+0.5	
Consolidated total	1,000.0	995.8	+4.2	

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

The table below shows assumptions for key commodity prices and foreign exchange rates for the forecast for the fiscal year ending March 31, 2025. The effects of movements on each commodity price and foreign exchange rates on profit for the year attributable to owners of the parent are included in the table.

Impact on profit for the year attributable to owners of the parent for FY March 2025			FY March 2025 assumption	FY March 2024 result
Commodities	Crude oil/JCC	-	81	86
	Consolidated oil price*1	2.4bn JPY (1USD/bbl)	86	91
	US gas*2	1.3bn JPY (0.1USD/mmBtu)	2.46	2.66*3
	Iron ore*4	2.7bn JPY (1USD/ton)	*5	119*6
	Metallurgical coal	0.3bn JPY (1USD/ton)	*5	294*7
	Copper*8	0.7bn JPY (100USD/ton)	8,700	8,483*9
Forex*10	USD	3.4bn JPY (per 1 yen change)	145.00	145.31
	AUD	2.5bn JPY (per 1 yen change)	95.00	95.32

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

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

*3 US gas figures for the fiscal year ended March 2024 are the Henry Hub Natural Gas Futures average daily prompt-month closing prices traded on NYMEX during January to December 2023.

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

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

*6 Iron ore figures for the fiscal year ended March 2024 are the daily average (reference price) spot indicated price (Fe 62% CFR North China) recorded in several industry trade magazines from April 2023 to March 2024.

*7 Metallurgical coal figures for the fiscal year ended March 2024 are the quarterly average prices of representative coal brands in Japan (USD/MT).

*8 The above sensitivity shows the annual impact of USD100/ton change in averages of the LME monthly average cash settlement prices for the period from January to December 2024.

*9 Copper results figures for the fiscal year ended March 2024 are the averages of the LME monthly average cash settlement prices for the period January to December 2023.

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

Note: Impact of Foreign Currency Exchange Fluctuation on Operating Results

The total sums for profit attributable to owners of the parent for the years ended March 31, 2024 and 2023 reported by overseas subsidiaries and equity accounted investees were ¥742.9 billion and ¥894.6 billion, respectively. These companies principally use the US dollar and the Australian dollar as functional currencies in their reporting. We conducted a simplified estimation for the effect of foreign currency exchange fluctuations on profit for the year attributable to owners of the parent for the fiscal year ending March 31, 2025.

(a) More specifically, in the forecasting process we aggregated the total projected profit for the year attributable to owners of the parent in the business plans of these overseas affiliated companies for the fiscal year ending March 31, 2025, based on each of their functional currencies. Firstly, we aggregated US dollar- and Australian dollar-denominated projected profit attributable to owners of the parent. The impact of exchange rate fluctuations was assessed based on the sum of the forecasted profit attributable to owners of the parent for overseas affiliated companies and the dividends in each currency from certain foreign investees, and was presented in each of these two currencies.
Based on the analysis, a yen change in the USD/JPY exchange rate would have a net impact of ¥3.4 billion on profit attributable to owners of the parent. Likewise, a 1 yen change in the AUD/JPY exchange rate would have a net impact of ¥2.5 billion on profit attributable to owners of the parent.

(b) Profit attributable to owners of the parent from those mineral resources and energy production companies is affected by the currency fluctuation between the US dollar as the contractual currency in sales contracts and the Australian dollar as the functional currency. This impact should be considered separately from the sensitivity of the total profit for the year attributable to owners of the parent in each of the three currencies described in (a) to the yen equivalence valuation.

(c) Furthermore, some subsidiaries and equity accounted investees, including the mineral resources and energy production companies, carry out hedging on the exchange rates between their functional currencies and the US dollar, which is the contractual currency for sales contracts. There are also cases that they carry out exchange rate hedging for yen equivalence valuation of profit for the year attributable to owners of the parent that is denominated in foreign currencies. It is necessary to take the impact of these factors into consideration separately from the sensitivity resulting from the yen equivalence valuation of profit for the year attributable to owners of the parent in each of the two currencies mentioned in (a) above.

2. Disclosure of Sustainability-related Financial Information

(1) Sustainability Policy

Mitsui & Co.'s corporate mission as defined in its Mission, Vision, Values (MVV) is to realize a better tomorrow for earth and for people around the world and to "Build brighter futures, everywhere." Based on the MVV, we regard sustainability initiatives as important management issues, and, in accordance with the Mitsui & Co. Group Conduct Guidelines -With Integrity, this policy and sustainability-related policies, place a strong emphasis on sustainability in our corporate management. The Group will take on the challenge of addressing global issues and contributing to the realization of a sustainable society and economic growth through our business activities.

- Identification of Materiality and Promotion of Initiatives

For the sustainable growth of both society and the Company, we identify important business issues that impact the Company and its stakeholders as material issues ("Materiality".) We put this policy into practice by formulating our business policies and strategies, including medium-term management plans and business plans, based on our Materiality, given that each material issue may become a significant source of both risks and opportunities in the medium to long term.

- Role of the Board of Directors

The Board of Directors appropriately supervises the Company's sustainability initiatives, striving to enhance the Company's corporate value in the medium to long term. Decisions on important issues related to sustainability are subject to final approval by or are reported to the Board of Directors, following a review by the Sustainability Committee and Executive Committee.

- Stakeholder Engagement and Information Disclosure

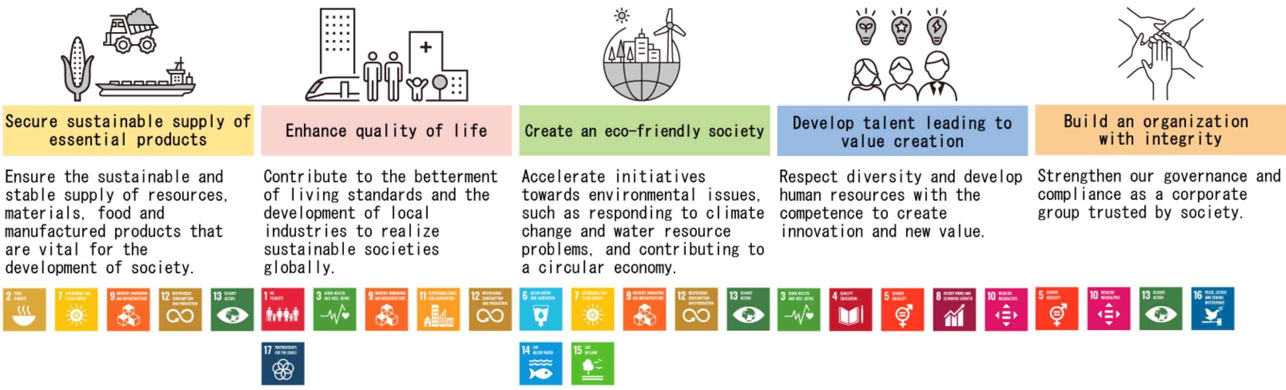
We regard dialogue with stakeholders as highly important. We strive to implement appropriate disclosure of information and respond sincerely and faithfully to the trust and expectations of our stakeholders.

(2) Mitsui & Co.'s Materiality

Mitsui & Co. prioritizes and focuses on sustainability in its corporate management. We have identified Mitsui's five material issues ("Materiality") as mentioned below for the sustainable growth of both society and the Company, with the aim of meeting the expectations and trust of a variety of stakeholders and pursuing our corporate mission, "Build brighter futures, everywhere." We have established Materiality Action Plans which set out the specific policies, targets, initiatives and progress of each Materiality for each organization, and we manage and disclose progress based on these plans. For details of the Materiality Action Plans, please refer to our website.

Sustainability Report 2023:
https://www.mitsui.com/jp/en/sustainability/sustainabilityreport/2023/pdf/en_sustainability_2023.pdf

In addition, we have linked our Materiality to the United Nations' 17 Sustainable Development Goals (SDGs) with the aim of contributing toward them through our activities and initiatives.



(3) Sustainability Information

As described above, we face a wide range of sustainability issues. Among them, we have identified climate change response, human rights, information security, and human resources strategy as major risks, considering the frequency of occurrence, expected damage scale, and company-wide risk tolerance, as of the end of the current fiscal year under “3. Risk Factors.” Please refer to “(4) Climate Change Response,” “(5) Supply Chain and Human Rights,” “(6) Information Security,” and “(7) Human Resources Strategy” for the status of our response to these risks. Please refer to our Sustainability Report 2023 for information on biodiversity and local communities.

Sustainability Report 2023:
https://www.mitsui.com/jp/en/sustainability/sustainabilityreport/2023/pdf/en_sustainability_2023.pdf

In the Medium-term Management Plan 2026 announced in May 2023, we have set five Corporate Strategies. The Corporate Strategies include “deeper sustainability management” and “promotion of globally diverse individuals,” which are identified as priority action items for the three years period. In regard to “deeper sustainability management,” we drive responses to social issues such as climate change, natural capital and business and human rights throughout the entire supply chain. Also, we will further accelerate investing in our people, in order to promote autonomous career development as “promotion of globally diverse individuals.” For details of the Medium-term Management Plan, please refer to our website.

Medium-term Management Plan 2026:
https://www.mitsui.com/jp/en/ir/library/meeting/pdf/en_233_4q_chukei.pdf

(4) Climate Change Response

The Materiality “secure sustainable supply of essential products”, “enhance quality of life”, and “create an eco-friendly society”, and our Environmental Policy stipulates that we will pursue the kinds of business that will help society act to reduce greenhouse gas (GHG) emissions, as well as to mitigate and adapt to climate change. We have positioned climate change as one of the key themes of our sustainability management in our Medium-term Management Plan 2026. Through our wide-ranging business activities, we will contribute to the development of economies and societies in many countries across the world and to solutions to the global challenges we face, such as mitigating and adapting to climate change, thereby contributing to the goals of the Paris Agreement and Japan’s own long-term GHG emission reduction targets.
Specifically, 1) Governance, 2) Strategy, 3) Risk Management, and 4) Metrics and Targets related to our response to climate change are as follows.

1) Governance

- Basic policy, business activities and corporate policies, and strategies concerning climate change are planned, formulated and proposed by the Sustainability Committee, an organization under the control of the Executive Committee. In the fiscal year ended March 31, 2024, the committee (which met a total of 7 times) deliberated on important matters including climate change targets, disclosure of emissions in all Scope 3 categories, policy regarding disclosure of non-financial information, and scenario analysis.
- Basic policy and important matters concerning climate change, which is a key management issue, are deliberated upon by the Sustainability Committee, and then regularly discussed by and reported to the Executive Committee and Board of Directors. In the fiscal year ended March 31, 2024, in addition to conducting regular biannual reports on activities to promote sustainability at Board of Directors meetings, the Directors and the Audit & Supervisory Board Members, including External Members, also held free discussions on the theme of “Climate Change Responses.” Moreover, at the External Members Meetings, lively discussions were held regarding the presentation of all categories of Scope 3 emissions.
- We have established a Sustainability Advisory Board, a group comprising external experts, and utilize information and advice provided by its members in deliberations by the Sustainability Committee. During the fiscal year ended March 31, 2024, 9 meetings were held to discuss and exchange opinions on important sustainability management matters such as strengthening the sustainability management system and platform, and business and human rights.
- To promote sustainability in our corporate management, we believe it is crucial to conduct dialogue with various stakeholders and respect their opinions regarding our business activities. For details on the dialogue with stakeholders held in the fiscal year ended March 31, 2024, please refer to (5) Supply Chain and Human Rights.

2) Strategy

- We are conducting scenario analysis in short-, medium-, and long-term timeframes up to the year 2050. We conduct scenario analysis of transition risks and opportunities with reference to the scenarios set out in the World Energy Outlook (WEO) published by the International Energy Agency (IEA).

- Transition risk analysis is regularly conducted in the business planning process, including the formulation of consolidated financial forecasts, and the results of the analysis are reflected in our business portfolio strategy. In consideration of scale of business operations and climate change impact (GHG emission amount or reduction contribution amount), we have selected the following 10 areas as high priority areas of business for scenario analysis: oil & gas and LNG, metallurgical coal, thermal power generation, iron ore, offshore oil & gas production facilities, gas distribution, LNG shipping, renewable energy, next-generation energy, and forest resources.
- For the upstream oil & gas and LNG, metallurgical coal, and thermal power generation, which we have judged to be particularly important in terms of scale of business operations and climate change impact, we have analyzed the impact on profit for the fiscal years ending March 31, 2030, 2040, and 2050 and presented them in three levels based on our assumed base case, taking into account our understanding of the business environment and various scenarios.
- On the other hand, with regard to physical risk, in order to verify the adequacy of the current risk response, we mapped the locations of the main assets of 65 investees with high physical risk impact and analyzed the impact of the physical risk of flooding (flooding from inland waters, flooding from rivers, storm surge flooding), severe cold, extreme heat, tropical cyclones, landslides, wildfires, and water stress (water shortage) and drought under 2°C and 4°C scenarios in 2030 and 2050.
- As a general investment and trading company, together with our partners and customers, we are advancing initiatives in every industry in our broad range of businesses, from upstream to downstream in the value chain, to cut emissions throughout society. For the purpose of understanding the GHG emissions of the entire value chain, we have calculated Scope 3 emissions for the fiscal year ended March 31, 2023.
- Please refer to “Disclosure Based on TCFD Recommendations - Transition Risk Assessments” on our Sustainability web site below for the results of our transition risk analysis and physical risk analysis, as well as GHG reduction efforts along the value chain.

https://www.mitsui.com/jp/en/sustainability/environment/climate_change/pdf/en_202312tcfd.pdf

(Reference) Fiscal year ended March 31, 2023 GHG emissions (Scope 3) results

Category	Unit: Million t-CO2 e
1. Purchased goods and services	35.3
2. Capital goods	0.8
3. Fuel-and-energy-related activities not included in Scope 1 or 2	1.5
4. Upstream transportation and distribution	3.2
5. Waste generated in operations	0.0
6. Business travel	0.1
7. Employee commuting	0.0
8. Upstream leased assets	Not applicable
9. Downstream transportation and distribution	Included in Category 4
10. Processing of sold products	32.2
11. Use of sold products	83.5
12. End-of-life treatment of sold products	0.2
13. Downstream leased assets	1.2
14. Franchises	Not applicable
15. Investments	33.6
Total	191.5

3) Risk Management

- Among material risks, we position risks from climate change (transition and physical) to be fourth in importance following the risks related to business investments, geopolitical risks and country risks and are taking measures to address them. For more information, please see “3. Risk Factors.”

4) Metrics and Targets

- We have established and continue to monitor various climate change-related metrics and targets, the most important of which are listed below:
  (a) Scope 1 and 2, and Scope 3 Category 15 (Investments) for the Company and its consolidated subsidiaries (including Un-inco JV*):
  Formulating Mitsui’s goal of achieving net-zero emissions (Figure 1) as our vision for 2050 and aiming to reduce GHG Impact by 2030 to half of what it was in the fiscal year ended March 31, 2020 (target: 17 million tons or less), as the path to achieve the above goal. (Figure 2)

(b) Scope 1 and 2 GHG emissions of the Company and its consolidated subsidiaries (except for Un-inco JV*): Halving GHG emissions by 2030 compared to the fiscal year ended March 31, 2020.

(c) Ratio of renewable energy in power generation business: Increasing it to over 30% by 2030.

*Un-inco JV: Un-incorporated Joint Venture

- In the Medium-term Management Plan 2026, we have set the following milestones for achieving the above goals: Reduce GHG Impact to 27 million tons as of the fiscal year ending March 31, 2026, and increase the ratio of renewable energy in our power generation portfolio to 27% by the fiscal year ending March 31, 2026. The ratio of renewable energy in our power generation portfolio for the fiscal year ended March 31, 2024 was 29% (a 6% increase compared to March 31, 2023).
- In April 2020, we introduced an internal carbon pricing system to improve the medium- to long-term resilience of businesses that emit large amounts of GHGs and to promote businesses that contribute to GHG emission reductions at the Company and in society.
- The trends in our GHG emissions and the main reasons for fluctuation are given below.

(Kt-CO2e)

	FY March 2022	FY March 2023	FY March 2024
Scope 1 + 2	4,183	3,406	3,049
Scope 3 Category 15 (Investments)	36,000	33,576	*1

- For the fiscal year ended March 2024, GHG Scope 1 and 2 emissions decreased by 357 thousand ton from the fiscal year ended March 2023, mainly from the change of mining areas in Australian metallurgical coal mining projects and a decrease in production volume in oil & gas projects.
- Scope 1 and 2 GHG emissions, and a part of Scope 3 GHG emissions (domestic transportation[*2] in Category 4 (transportation)) for the fiscal years ended March 31, 2022 and 2023 were assured by an independent practitioner in the Sustainability Report 2022 and 2023. Please refer to the Sustainability Report 2023 for details of the scope of assurance for the fiscal year ended March 31, 2023.

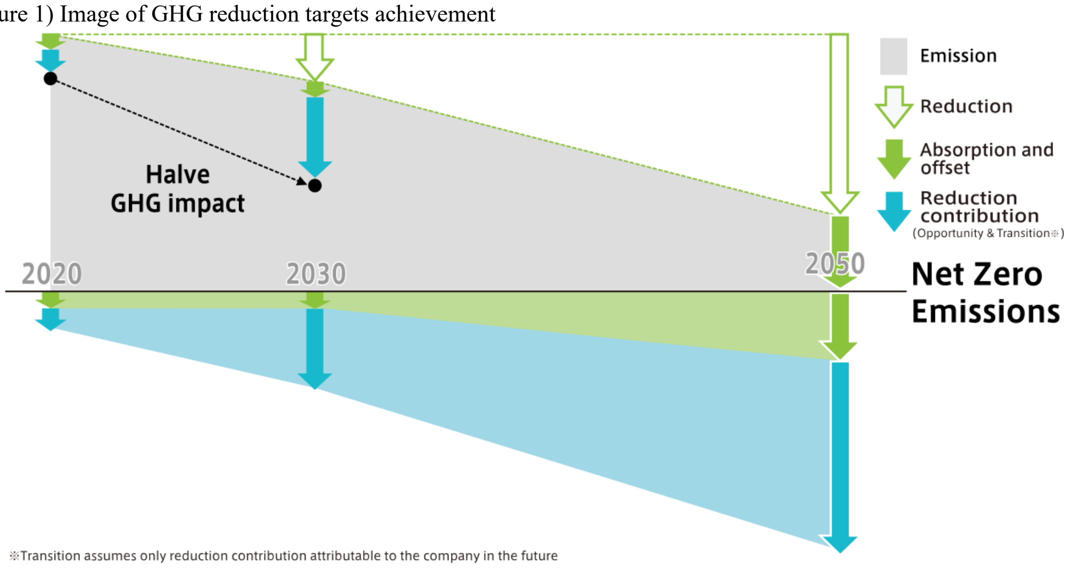
https://www.mitsui.com/jp/en/sustainability/sustainabilityreport/2023/pdf/en_sustainability_2023.pdf

*1 GHG emissions data for the fiscal year ended March 31, 2024, including Scope 3 Category 15 (Investments), will be disclosed on our Sustainability website in August 2024.

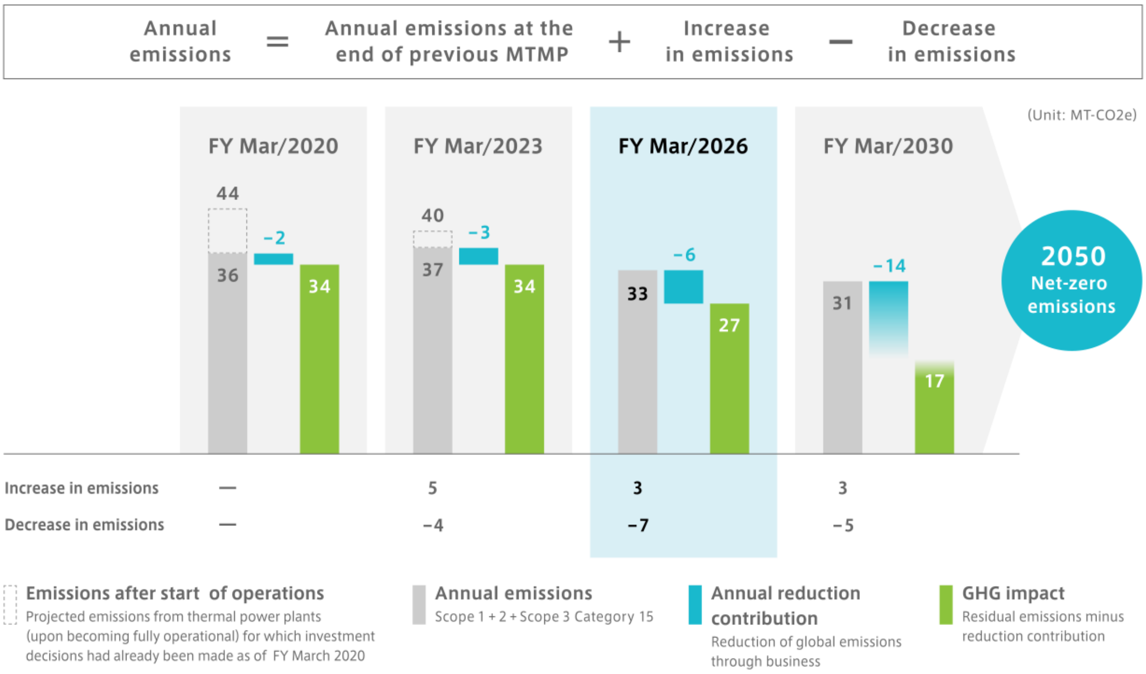
*2 Mitsui & Co. (as a non-consolidated entity) is subject to independent practitioner's assurance

Sustainability website: https://www.mitsui.com/jp/en/sustainability/index.html

(Figure 1) Image of GHG reduction targets achievement



(Figure 2) Path to Halving GHG Impact



* These figures are based on assumptions as of the end of November 2023 and are subject to change.
* The amount of reduction contribution in this graph includes the figures corresponding to the amount of absorption and offset volume.
* Reduction contribution is not included in “Net-zero emissions”.
* MTMP: Medium-term Management Plan.

(5) Supply Chain and Human Rights

As Mitsui & Co. Group conducts business globally in many countries and regions around the world, we recognize that we must make efforts to respect human rights not only within our own company but also across our supply chain. Therefore, we regard respect for human rights that follows international standards as the foundation of our sustainability management. To date, we have continued to emphasize respect for human rights in both the Mitsui & Co. Group Conduct Guidelines and our Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd., and we have implemented various initiatives.
Human rights initiatives in the corporate sector are becoming increasingly important as every year passes, and in August 2020, we formulated the Human Rights Policy (revised in February 2022) to clarify our approach to human rights and promote our initiatives. The policy was approved by the Executive Committee, and was reported to the Board of Directors meeting.

Specifically, 1) Governance, 2) Strategy, 3) Risk Management, and 4) Metrics and Targets related to our response to supply chain and human rights are as follows.

1) Governance

- The Sustainability Committee works under the Executive Committee to plan, formulate and provide proposals on basic management policies, business activities, and corporate policies and strategies related to human rights. In the fiscal year ended March 31, 2024 the committee met seven times, and deliberated on ways to improve the effectiveness of human rights risk management by expanding the scope of human rights due diligence and enhancing internal processes.
- Compliance with the Human Rights Policy, one of our priority management issues, and other important matters are supervised by the Board of Directors. After deliberation by the Sustainability Committee, these matters are discussed and reported to the Executive Committee and the Board of Directors as necessary and appropriate.
- We have established a Sustainability Advisory Board, a group comprising external experts, and utilize information and advice provided by its members in deliberations by the Sustainability Committee. During the fiscal year ended March 31, 2024, we facilitated a stakeholder dialogue event on the theme of business and human rights, where members of our Sustainability Committee were joined by Akiko Sato, Liaison Officer – Business and Human Rights at the United Nations Development Programme, and Daisuke Takahashi, Attorney at Law at Shinwa Sohgoh Law Offices and member of our Sustainability Advisory Board.

2) Strategy

- We will strive to respect human rights through Mitsui & Co. Group’s business activities in countries and regions around the world, in accordance with our Sustainability Policy and Human Rights Policy. In addition, we expect various stakeholders including our business partners, to understand and respect human rights in line with these Policies, and aim to collaboratively promote respect for human rights.
- We strive not to infringe on human rights in our business activities, nor to contribute to human rights infringements by others through our business relationships, including supply chains. We are committed to respecting human rights as set out in the International Bill of Human Rights, including the Universal Declaration of Human Rights, and the International Labour

Organization (ILO) Declaration on Fundamental Principles and Rights at Work. We also support the United Nations Guiding Principles on Business and Human Rights and the Ten Principles of the United Nations Global Compact. Based on these international standards, we have formulated a Human Rights Policy, an Environmental Policy, and a Sustainable Supply Chain Policy.

- In our Medium-term Management Plan 2026, which aims to integrate business and sustainability, we have positioned the issue of human rights in our business activities as one of the important themes for deeper sustainability management by improving the effectiveness of our human rights due diligence, collaborating with suppliers, and expanding internal processes, and we will promote business and human rights initiatives that will lead to reduction of our business risks and enhancement of our corporate value.

3) Risk Management

- Based on various international standards as described above, in the fiscal year ended March 31, 2020, we employed external experts to conduct assessments of human rights risks related to products handled by Mitsui and overseas trading affiliates, as well as the main business operations of consolidated subsidiaries. As a result, in assessments of our supply chains mainly related to food, textiles, building materials, and mining, we identified certain production areas, concentrated in the emerging countries of regions such as Southeast Asia, Africa, and South America, as areas in which there is generally a high risk of human rights issues such as forced labor and child labor ("High Risk Areas") and we initiated human rights due diligence.
- Specifically, by implementing the following Awareness, Identification, Surveys. Disclosure and Improvements cycle, we aim to prevent problems from arising and, furthermore, identify and resolve issues in the supply chain.

Implementation of Supply Chain Due Diligence

- By the fiscal year ended March 31, 2023, we carried out supplier surveys covering all major suppliers identified in the fiscal year ended March 31, 2020 as High Risk Areas. Of the surveys and on-site visits carried out, no serious human rights issues were confirmed, however the results showed that we need to reiterate explanations of our initiatives to suppliers who have yet to formulate human rights policies or who have insufficient understanding of the relevant laws and regulations. We will continue to work with our suppliers to encourage an understanding of human rights and to ensure these rights are respected throughout supply chains in order to reduce the risk of human rights violations.

・In the fiscal year ended March 31, 2024, we continued to send our Sustainable Supply Chain Policy to new suppliers to ensure their understanding of its contents, and conducted training for suppliers with an attorney well versed in human rights issues as lecturer. Surveys were sent to suppliers of the Company and its subsidiaries to obtain responses. In addition, Mitsui Norin Co., Ltd., our subsidiary, accompanied a food manufacturing company to Sri Lanka for a follow-up audit of a tea plantation and held discussions. During the preliminary site visit by external experts appointed by the food manufacturing company, it was confirmed that good practices were being implemented in management, HSE, first aid, etc. On the other hand, items requiring improvement were found in some areas, such as work rules, labor contracts, and wages. Together with the food manufacturing company, we held a series of dialogues with the farm management to address these issues. As a result, we confirmed that improvements had been made on site.

・We have also established a grievance mechanism on the Company website. No human rights complaints were received during the fiscal year ended March 31, 2024. In addition, we have improved the content of the description, including the projected response time following receipt of a complaint.

- In the fiscal year ended March 31, 2024, we reviewed the High Risk Areas subject to human rights due diligence with advice from external advisors in order to improve the effectiveness of the due diligence, and from the fiscal year ending March 31, 2025, in addition to the current scope of food materials, food, construction materials, etc., we will also cover mining, metals, oil, gas, chemicals, and other industries. We have also determined that transactions subject to products originating from emerging countries in Southeast Asia, Africa, South America, etc. fall under the High Risk Area, and have decided to make these transactions subject to human rights due diligence.
- We are also working to enhance the effectiveness and efficiency of surveys by improving survey items, introducing an online survey system aimed at improving the efficiency of supplier responses, and creating a process for the evaluation of survey results.
- In the fiscal year ended March 31, 2024, we also introduced a system of voluntary audits of affiliates via our business units, and audits of human rights elements in internal audits. Specifically, we worked to reduce human rights risks, including those in the supply chain, by adding human rights clauses to product purchase agreements. In addition, business and human rights content was added to training programs (for new recruits and line managers) according to career stage, as a measure to spread awareness.

4) Metrics and Targets

- In our Medium-term Management Plan 2026, we have committed to further strengthening our initiatives to respect human rights in our business activities by improving the effectiveness of our human rights due diligence, collaborating with suppliers, and enhancing internal processes.
- For the following four types of raw materials and commodities in fields that pose a high risk of deforestation, environmental impact, or human rights violations, in particular, we strive to realize sustainable procurement by working with NGOs and other stakeholders to formulate a procurement policy for each specific commodity as an addition to our other policies. We also disclose our targets and results for traceability and certified product procurement rates, as well as notifying our suppliers of the polices and sending the policies to them. These policies are regularly reviewed and revised as necessary.
- In the fiscal year ended March 31, 2024, the Marine Products Procurement Policy was formulated by our consolidated subsidiary Mitsui & Co. Seafoods Ltd., which handles marine products. As the scope of environmental impact covers a wide range of issues such as climate change, water resources, and biodiversity, we will continue to expand the range of commodities subject to specific procurement policies and work with suppliers to assess environmental and human rights risks in the supply chain.

Commodity	Progress	FY March 2021	FY March 2022	FY March 2023	FY March 2024	FY March 2030 Targets
Natural rubber	Traceability to origin	100%	100%	100%	100%	100%
Palm oil	Traceability to the mill level	99.1%	100%	100%	100%	100%
	Ratio of RSPO and other sustainable certified products handled	6.9%	11.2%	12.2%	18.6%	100%
Timber	Ratio of internationally certified or equivalent timber handled (lumber)	100%	100%	77%	0%*	100%
	Ratio of internationally certified or equivalent timber handled (woodchips for paper products)	100%	100%	100%	100%	100%
Paper products	Traceability confirming the product is made from legal raw materials	91%	93%	100%	100%	100%

* This is due to the fact that FSC, the certifying authority, has withdrawn certification for lumber from specific countries of origin. As of April 2024, new orders for such lumber for which certification was withdrawn have been closed, and delivery is expected to be completed in June 2024.

(6) Information Security

The Mitsui & Co. Group has established the following Information Security Policy, and performs risk management related to information security.

- Information Security Policy
  (a) Approach toward Information Security
  Mitsui recognizes the importance of information security, and shall implement appropriate management of information assets, including information and ICT assets, for the purpose of timely and effective use of information in compliance with "Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles", while striving to continuously improve such management on a global and group-wide basis.
  (b) Compliance with Regulations (Establishing Compliance)
  Mitsui shall comply with regulations, established standards, and other codes related to information security, and shall work

towards the establishment and maintenance of compliant and suitable information security.

(c) Protection of Information Assets

Mitsui shall implement appropriate management for ensuring the confidentiality, integrity and availability of information assets, and work to protect its information assets from all possible threats.

(d) Response to Accidents

While working to prevent the occurrence of any accidents related to information security, in the unlikely event of an accident, Mitsui shall promptly take appropriate response measures including preventative steps against the reoccurrence of such an accident.

The specific 1) governance, 2) strategy, 3) risk management and 4) metrics and targets related to information security are as follows.

1) Governance

The important principles for our global group information strategy are formulated in line with the corporate management policy through the discussions at the Information Strategy Committee, as an advisory body under the control of the Executive Committee, which was established pursuant to the "Rules on the Information Strategy Committee," and is chaired by the Chief Digital Information Officer (CDIO).

The Information Strategy Committee met eight times in total in the fiscal year ended March 2024. The Committee monitored the progress of the "DX Comprehensive Strategy" formulated in the year ended March 31, 2021, which consists of DX Business Strategy, Data Driven (DD) Management Strategy, and DX HR Strategy, and discussed various initiatives such as the 'Ground Design' which materialize the ideal state of our systems for global group, the policy of structure expansion /inspection /training to respond to cyber-attack, updating our global network, policies on next-generation human resources systems, agile software development, utilization of generative AIs, IT/DX R&D and the Strategic DX Support Program.

Under the system centered around the Information Strategy Committee, we are enhancing the system of internal control including management of various possible risks such as information leakage and cyber-attacks through maintenance of the following rules, necessary in light of development and operation of information systems and information security.

"Rules on Information System Management": Rules on the process of procurement, introduction and operation of information assets.

"Rules on IT Security": Code of conduct for the system supervisory divisions regarding IT security.

"Rules on Information Management": Basic policies in terms of information risk management system and information management.

"Rules on Personal Information Protection": Rules for the handling of personal information required for business execution (applied only in Japan).

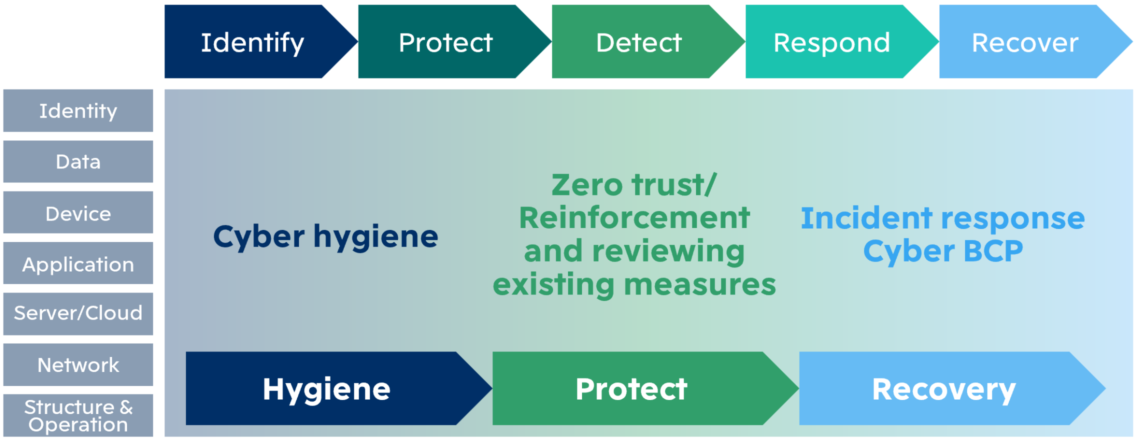
"Rules on Cybersecurity Countermeasures": Rules for preventive measures against cyber-attacks and emergency countermeasures in the event of incident.

"Mitsui & Co. Group Cybersecurity Standards": Basic cybersecurity measures aimed at being implemented in common across Mitsui & Co. Group companies.

Furthermore, the importance of cybersecurity measures in the Group is increasing as cyber attacks occurring day to day become more sophisticated, advanced and severe, such as targeted attacks targeting specific companies and organizations, ransomware (encrypting files and demanding ransom in exchange for their decryption), BEC (Business Email Compromise), and indiscriminate email attacks that aimed at unspecified targets, and once a year, a report is made to the Board of Directors after deliberation in the Information Strategy Committee and the Executive Committee.

2) Strategy

Mitsui drafts and executes measures in accordance with the cyber security framework of the National Institute of Standards and Technology of U.S., and takes measures separated into the three steps of "Hygiene", "Protect", and "Recovery" while utilizing the knowledge of Mitsui Bussan Secure Directions, which is a dedicated cyber security subsidiary.



(a) Hygiene

Mitsui believes in the importance of cyber hygiene, and aims to maintain a healthy ICT environment, and also aims to raise the security awareness of officers and employees. From a system perspective, we engage in appropriate management of inventory for ascertaining the status of IT assets, and vulnerability management to determine and fix the cause of attacks. Furthermore, in educational activities with focus on people, we have launched a "Cybersecurity Portal" for officers and employees including those of affiliates for the purpose of raising cyber security awareness and preventing the spread of damage from cyberattacks, and provide them with a variety of information such as the latest trends, case studies and appropriate actions and measures against cyberattacks to be taken by officers and employees. In addition, we prepare and utilize "Cybersecurity e-Learning" for end-users and security personnel respectively.

(b) Protect

Mitsui is shifting from "perimeter security" (security measures centered on the perimeter between the internal network and the external network based on the idea that "within the company is secure, but outside is dangerous") to "zero trust" (security measures that perform verification without trusting any access to information and systems to be protected regardless of whether inside or outside the network), and is strengthening security measures in various IT areas such as devices, data, network and the cloud etc. Furthermore, we are building, maintaining and expanding a system for around-the-clock global security monitoring and responding in the event of an incident.

(c) Recovery

Mitsui has established the MBK-CSIRT (Computer Security Incident Response Team) as the center of security measures, working with cyber-security leaders in each division to establish reporting and supporting systems, perform organized and continuous incident responses, and prevent recurrences. Furthermore, we have formulated response policies in the event of a security incident occurring according to the scale and severity of damage, and periodically conduct training to confirm effectiveness as needed.

3) Risk Management

Risk related to information systems and information security is positioned as an important risk on "3. Risk Factors," and the following steps are taken.

We establish relevant rules for safety of information systems and strengthening information security, appropriately ensure the confidentiality, integrity and availability of information and information systems owned by Mitsui and its subsidiaries, and manage risks such as information leaks by continuously indicating guidelines for improving the level of risk management.

We have established the "Mitsui & Co. Group Cybersecurity Standards" to be followed by group companies to strengthen cyber security measures in the Mitsui & Co. Group. Furthermore, a "Cybersecurity Baseline Survey" is conducted once per year in each affiliate to self-assess the state of compliance with the standards and third-party evaluation is also performed through a "Cybersecurity Assessment".

Mitsui has formulated response policies to security incidents in advance according to the scale and severity of damage as a cyber BCP (business continuity plan).

4) Metrics and Targets

We established the "Mitsui & Co. Group Cybersecurity Standards" in the fiscal year ended March 31, 2023 as basic cyber security measures aimed at being implemented in common across Mitsui & Co. Group Mitsui designates significant affiliates for cyber security every year and monitors the state of compliance with the standards.

(7) Human Resources Strategy

The specific 1) Governance, 2) Strategy, 3) Risk Management and 4) Metrics and Targets related to human recourses strategy are as follows. In this section, “regionally hired staff” refers to staff hired at overseas trading affiliates and overseas offices, and does not include staff hired at overseas consolidated subsidiaries.

1) Governance

For a summary of the Basic Policy on Corporate Governance and the Company-wide corporate governance framework, see “4. Corporate Information 4. Corporate Governance.”

(a) Governance Framework for the Human Capital Management

The Chief Human Resources Officer (CHRO) is appointed as the individual responsible for executing and realizing the human capital management of the Company. While overseeing areas, such as promoting diversity management, well-being and productivity management, securing talent, training them, evaluating them, and managing their compensation, the CHRO also comprehends risks related to human capital such as employee turnover and retention rate and carries out appropriate risk management.

The basic policies, plans, and systems for business activities related to human capital, and strategic business operations, are deliberated and reported in the Executive Committee, including the CEO and the CHRO, after being discussed in an organization under the Executive Committee or an advisory body to the Executive Committee according to their importance. Critical issues are also individually reported and deliberated at the Board of Directors, and overall activities are properly overseen through regular reports to the Board of Directors.

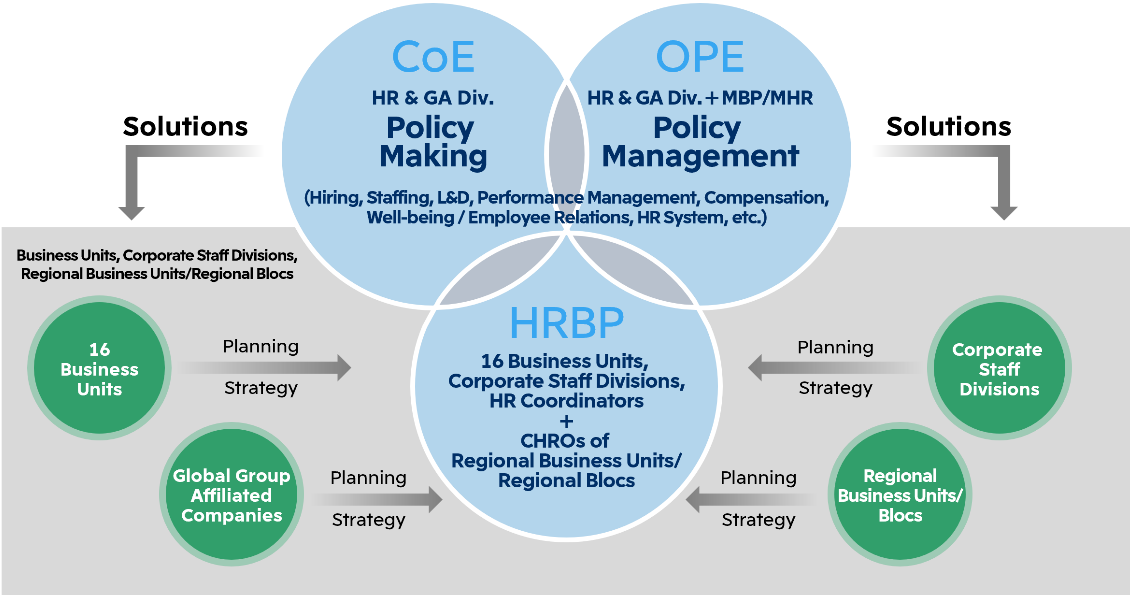
Diversity Committee

As an advisory committee to the Executive Committee, the company has established the Diversity Committee, chaired by the CHRO, and made up of members including the General Manager of Human Resources & General Affairs Div., the General Manager of Corporate Planning & Strategy Div. and members separately designated by the chair. In the fiscal year ended March 31, 2024, five people (including three women and one foreign national) including a director of an overseas trading affiliate and Chief Operating Officers of business units were designated as “members separately designated by the chair,” and a total of eight members with diverse backgrounds discussed the themes listed below. The minutes are published for employees on the intranet.

	Dates	Main Topics
1st meeting	May 31, 2023	Annual activity plan, diversity indicators progress
2nd meeting	December 1, 2023	Discussion on promotion of inclusion
3rd meeting	February 27, 2024	Discussion on targets and action plans for the promotion of active role for woman

(b) Framework for Execution of Business Activities

As a basis for promoting our initiatives related to human capital, a global group human resources structure has been built with the CHRO being at the center, and human resources coordinators from the 16 Business units and Corporate Staff Divisions, CHROs of regional business units, and human resources and general affairs managers of each group company playing a coordinating role. The global group human resources structure is formed from the CoE (Center of Excellence), HRBP (HR Business Partners), and OPE (Operational Excellence), and these organizations work together harmoniously to create strategies, measures, and environments that promote the development and the utilization of the diverse employees around the world who are responsible for creating value. The business units based in Japan, corporate divisions, and overseas regional business units coordinate with the CoE, HRBP, and the OPE, and are responsible for developing human resources into professionals who will actively participate in the relevant areas of specialization (HR code). Initiatives for human resources management under the global matrix structure are reported to management via the CHRO at regular intervals, leading to improvements in and decisions on human resources strategy and the human resources structure. Based on this global group human resources structure, we implement initiatives throughout the global group, such as formulating human resources strategy and promoting diversity and inclusion.



2) Strategy

The Mitsui & Co. Group has inherited DNA of "Challenge and Innovation," and created new businesses in a variety of areas and countries by constantly anticipating trends. Human resources are the greatest asset of the Group, and it is "people" that are the source of our sustainable value creation. In order for us to continue to create new value through the resolution of social issues, we must demand employees who can respond quickly to change and create strategies for the future. Such ideal human resources are defined as follows.

Autonomous growth:

Human resources who clarify what they wish to achieve, draw up on their own accord a roadmap for realizing these goals, and autonomously accumulate the experience and skills required to achieve it

Capable individuals:

Human resources who have a global and wide-ranging familiarity with the areas for which they are responsible, cooperate with others to reach even greater heights, create, grow and extend business on their own initiative, and create new value throughout the world

Inclusive:

Human resources who come up with new concepts freely, accept different ideas, work with those around them utilizing diversity, and generate new innovation in environments that are accepting of differences and enable co-creation

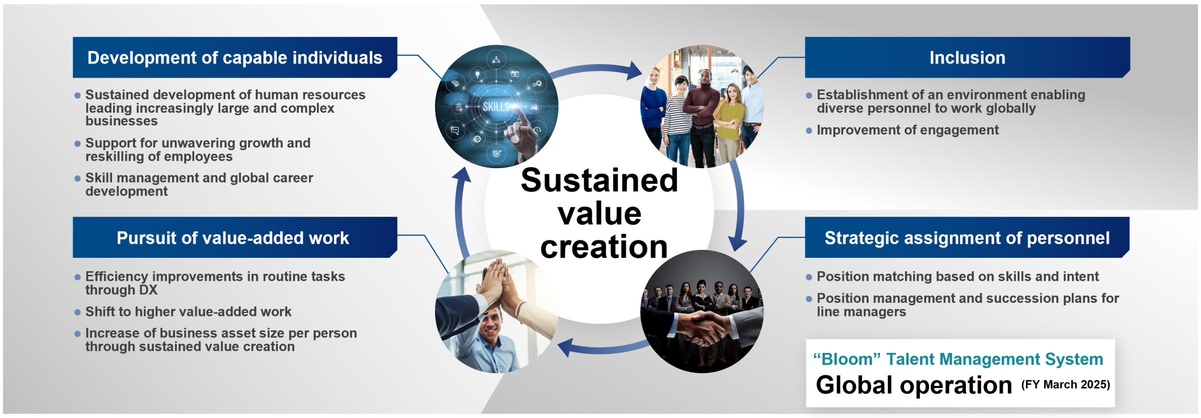
Providing encouragement to human resources from such diverse backgrounds as they actively participate in a variety of workplaces at a global level is the foundation of the Group's human resources strategy, and is one of the priority policies in the Medium-term Management Plan 2026*. We will support autonomous career development (challenges, experiences, and learning) and promote further investment for establishing measures and an environment for supporting the activities of each employee. Through these initiatives, we believe that a shift in focus to employee development and higher value-added work will support the growth of our business portfolio.

*For details of the Medium-term Management Plan, please refer to the briefing materials made available on the corporate website.

https://www.mitsui.com/jp/en/ir/library/meeting/pdf/en_233_4q_chukei.pdf

Promotion of Globally Diverse Individuals

Accelerate investments to support autonomous career formation (challenge, experience, learning)



Shifting focus to employee development and higher value-added work support the growth of business portfolio

When working to steadily implement management strategy and human resources strategy, we believe it is important to establish a cycle in which each and every employee understands the individual operations on which they work, and related objectives, and links this to sustainable enhancements in corporate value. In order to execute this cycle appropriately, we regard employee engagement as an important management indicator for measuring the outcomes of the human resources strategy, and every year we conduct the Mitsui Engagement Survey (MES), which covers the whole of the Mitsui & Co. Group, as a tool to take regular fixed-point observations and address the issues faced by the organization (affiliated companies conduct the survey on a voluntary basis).

To ensure the objectivity and transparency of this annual survey, it is outsourced to an external organization to which employees provide their responses directly and anonymously. By analyzing the results of the MES on a regional and organizational basis and creating action plans, employees become parties to the organizational development of their own workplace. At the same time, because the management team also plays an important role by formulating human resources strategy and revising initiatives based on analysis and discussion of the results on the Executive Committee, year-on-year change in the positive response rate for "Employee engagement" and "Employees enablement" is one of the elements used in the remuneration plan for Directors (excluding External Directors).

See "4. Corporate Information 4. Corporate Governance (4) Remuneration of Directors and Audit & Supervisory Board Members" for details on the Directors' remuneration.

The results for the Company (non-consolidated) and overseas trading affiliates are shown below. For details including the number of survey participants, please refer to 4) Metrics and Targets.

	FY March 2022	FY March 2023	FY March 2024
Employee engagement*1	71%	72%	73%
Employee enablement*2	69%	69%	69%
Understanding/sharing of strategy and direction*3	78%	80%	81%
Opportunities to demonstrate skills and abilities*3	74%	76%	76%
Leadership trust*3	70%	71%	73%

*1 Positive response rate on multiple questions related to "Having motivation to contribute or loyalty to the company, and the desire to make voluntary efforts"

*2 Positive response rate on multiple questions related to "Whether there are opportunities to utilize one's own skills and capabilities, and whether there is a friendly working environment"

*3 Positive response rate on questions related to these items

(a) Development of capable individuals

To achieve the Mitsui & Co. Group's Mission to "build brighter futures, everywhere," it is vital for each employee to lead innovation and utilize their own strengths to produce results at a global standard. We develop capable individuals by focusing on OJT (on the job training) in each workplace while providing systematic human resources development programs to supplement these, and various systems and infrastructure for global career development starting with the intentions of employees.

(i) Human resources development of the global group

The Mitsui & Co. Group implements extensive human resources development programs such as job position-oriented training, optional programs and training for selected employees from new employees to management-level employees.
At Mitsui, we offer junior employees an overseas training program for developing experts in each region and a training program to enhance expertise, and to mid-level employees that have been worked at Mitsui for several years a business school dispatch program, in addition to supporting human resources development and the creation of networking through the implementation of milestone training and optional training such as the Bussan Academy for group employees based in Japan.
Furthermore, in addition to implementing leadership programs and skills-based training for the employees of overseas trading affiliates that are provided in accordance with local circumstances, we have established the short-term Japan Trainee Program, and longer Japanese Language & Business Program and Japan Business Integration Program that span one to two years, all of which are dispatch programs to Mitsui in Japan.
In addition, we have expanded access to include key partner companies and have established our own Global Management Academy Program developed with the cooperation of Harvard Business School for the purpose of developing global leaders who exhibit leadership for overcoming difficult situations in business by creating businesses that resolve social issues. In 2023, 43 people participated from 16 countries including Japan, and a total of 398 people have participated over the past eleven programs.

(ii) Autonomous career development

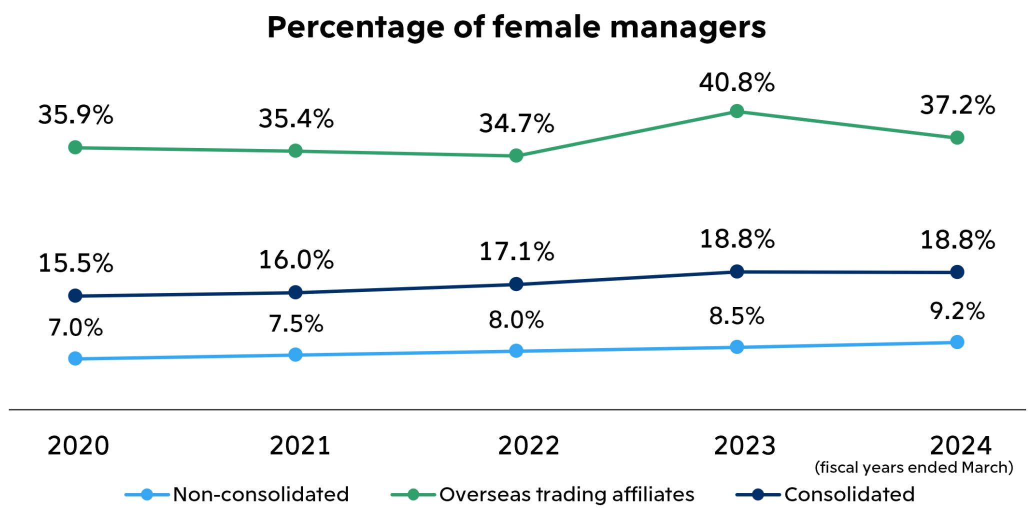
The Company has adopted a Career Challenge Program that is the foundation for realizing career plans that begin with the motivation and intentions of the employee, under which suitable employees can take on challenges in expanded roles and jobs in higher positions, regardless of age and the requirements for appointment or promotion to such posts. The Program aims to promote the ability of enthusiastic employees to gain experience in a growth environment as soon as possible, and to develop next-generation leaders including business managers.
The Group conducts the Mitsui Management Review (MMR) annually to give managers a multi-faceted, 360° perspective on their work. In addition to giving managers an opportunity to reflect on their own management abilities and strengthen their leadership based on feedback from subordinates and co-workers, the MMR is used to create an organization that leverages the skills of the diverse individuals of which it is composed, leading to the development of leaders who are attuned to the times. The results of the MMR are also provided to supervisors, and used by management as a reference for human resources development and for the appointment of line managers. MMR results are also linked to results for the MES for the organization to which the individual belongs. Furthermore, we implemented initiatives to reinforce the execution cycle for addressing issues related to organizational development.
The Group has opened the Mitsui DX Academy to prepare for the development of DX capabilities. We have established a training system tailored to different objectives and levels, such as DX skills training for all positions that includes everything from the basics to the development of high-end DX Talent, a boot camp for nurturing DX Business Professionals through on-the-job training delivered over the course of the implementation of a DX project, and Executive Education that involves the sending of the individual to courses at overseas universities, with the objectives of acquiring cutting edge DX skills and knowledge, and networking with specialist DX human resources. We have also built a system to certify DX Talent for those individuals who meet a certain level of requirements, such as having an advanced understanding of DX technology. After certification, such individuals take an active role as DX specialists in fields both inside and outside the Company.

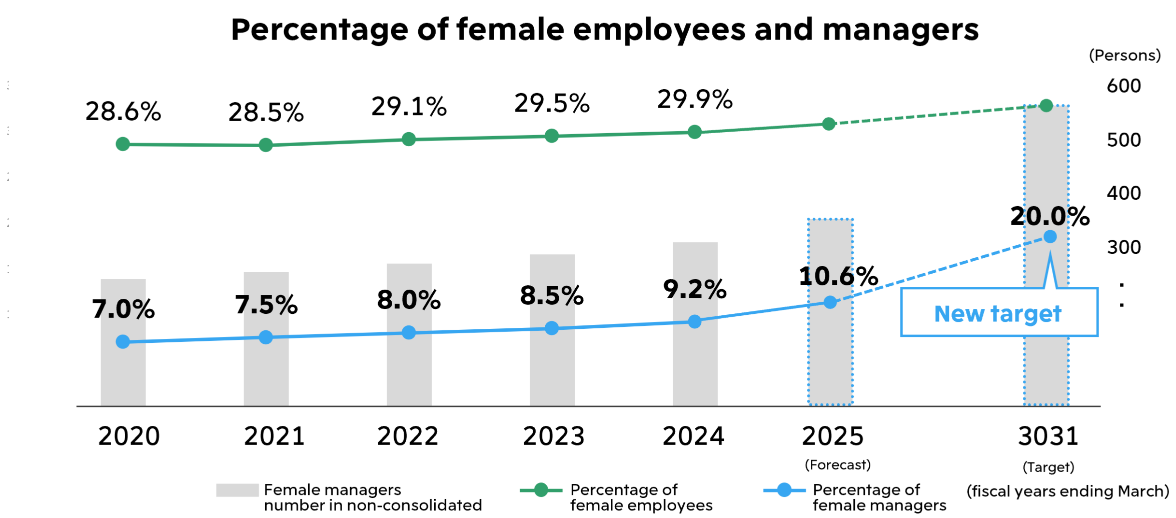
(b) Inclusion

The Mitsui & Co. Group aims to be a company in which employees with diverse individuality can be themselves in society and the organization, and fully exhibit their capabilities. We will establish an environment for accelerating the promotion of inclusion, and also support the fostering of awareness of inclusion of each employee to ensure there is no unconscious tacit exclusion or differentiation, to realize inclusion throughout the global group. Each employee acknowledges each other regardless of where they were hired or gender, constantly brings in different ideas and new ways of thinking to fully exhibit capabilities, while inspiring each other, and producing innovation that creates new value in business, leading to the enhancement of corporate value of the Mitsui & Co. Group.

(i) Promoting active roles for women

Women play an active role in various areas of the Mitsui & Co. Group. The percentage of managerial positions held by women is 18.8% on a consolidated basis, while for regionally hired employees at overseas affiliates and overseas offices, it is approximately 40%, in line with the global standard. On the other hand, because the percentage of managerial positions held by women at the Company is still only 9.2%, we are strengthening initiatives aimed at improving this figure. We had set a target for the percentage of female managers to be 10% by FY March 2025, but as we expect to achieve 10.6% by July 2024, thus we have set a new target of 20% by FY March 2031, and are forging ahead with further initiatives. In the fiscal year ended March 31, 2020, the Company established the Women Leadership Initiative for female managerial personnel to strengthen the development of line manager candidates. Since the fiscal year ended March 31, 2022, we have implemented the Sponsorship Program leading to stretch assignments (provision of work opportunities with a higher level of challenges) in which members of the Executive Committee serve as sponsors to provide advice and guidance on careers to female senior leader candidates. Through this initiative, we will steadily promote female managerial staff to line managers and senior managers.





(ii) Promotion of regionally hired employees to managerial positions

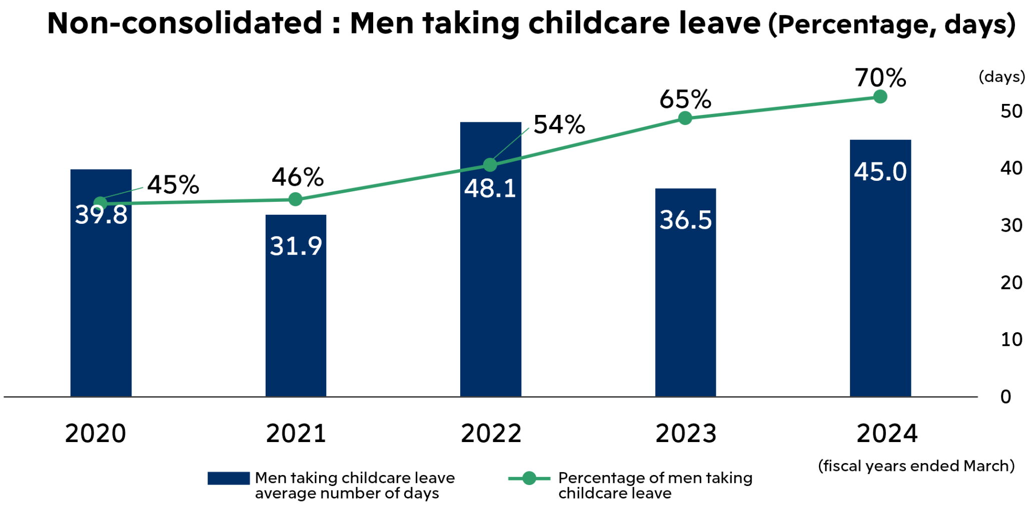
In order to conduct business deeply rooted in each country and region, the Mitsui & Co. Group is focusing on promoting active roles for human resources in its overseas sites (overseas trading affiliates and consolidated subsidiaries). Since the fiscal year ended March 31, 2019, we have held our Change Leader Program to develop employees selected worldwide into leaders who can actively promote transformation. In FY March 2024, we held face-to-face sessions in Japan, which included members of the Executive Committee, to provide an opportunity to check on the circumstances and progress of participants in the first four rounds of this program. The initiative has encouraged further success among program participants, with some going on to become officers of overseas trading affiliates or being promoted to general manager-level positions. Furthermore, Mitsui & Co. HRD Institute provides planning and operations for education and training, not only for the overseas sites, but also employees worldwide working in group companies.

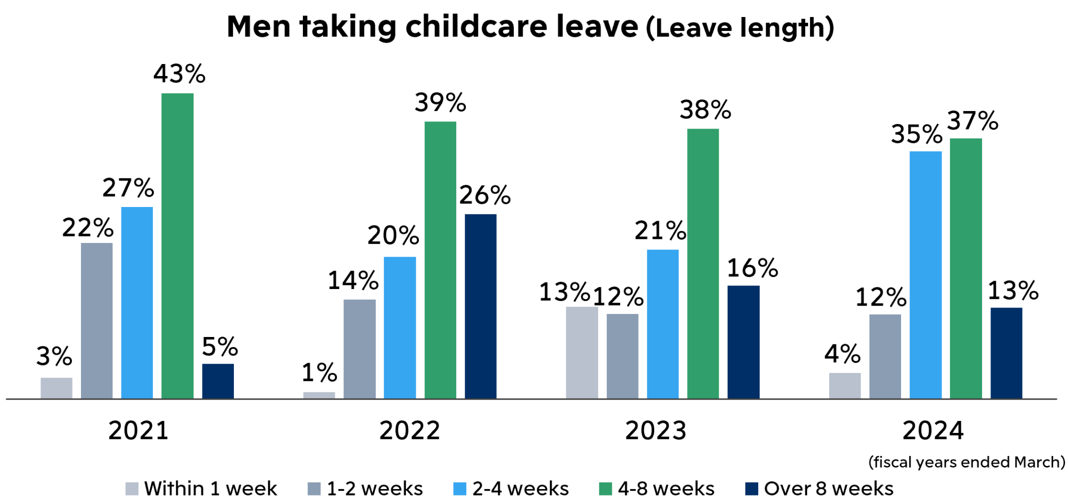
(iii) Work-life management

Employees of the Mitsui & Co. Group have diverse values and backgrounds, and they each have varying attitudes and responsibilities regarding their private lives. Everybody's circumstances are different, but we implement initiatives designed to enable a balance between life and work, during which individuals are expected to engage their abilities to the fullest possible extent as autonomous and responsible professionals.

Based on the work-life management whereby individuals become the managers of the balance between professional and private life, the Company has introduced various systems and support measures for the particularly important life events of childcare and family care that exceed the levels required by statute. In terms of working styles to support this, we have installed various measures such as remote working and flextime working to enable all employees - not just those with specific circumstances like child-rearing and nursing care - to autonomously combine work and private life in their own optimal way.

As for paternity leave, based on the promotion of working styles rooted in the autonomous choices of individuals, we have put in place an environment in which the attitudes of individuals and individual households to childcare are respected and that allows for leave to be taken for the proper length of time that is required, such as enabling the majority of male employees taking at least four weeks of leave.





(iv) Recruitment

In order to realize its mission of "Build brighter futures, everywhere" the Mitsui & Co. Group values the diversity of personnel who engage in the business with high aspirations and fairness, which underpins a culture of inclusivity. For this reason, our basic policy is one of impartial recruitment initiatives in which our approach to selection emphasizes diverse values, knowledge, abilities, and personal qualities, irrespective of such aspects as nationality, gender, age, alma mater, religion, or race. As part of this approach, Mitsui was quick to adopt mid-career hiring in Japan. Of the 209 career-track employees (total of new graduate and mid-career hires) who joined Mitsui & Co. (non-consolidated) in the fiscal year ended March 31, 2024, 85 (41.0%) were mid-career hires.

(Unit: Persons)	FY March 2022	FY March 2023	FY March 2024
New graduates (of which women)	128 (57)	111 (44)	124 (54)
Mid-career (of which women)	63 (20)	92 (31)	85 (36) *
Total of new graduates and mid-career (of which women)	191 (77)	203 (75)	209 (90)
Percentage of mid-career hires	33%	45%	41%

*Includes 8 reemployed following resignation due to spouse's job relocation

(c) Strategic assignment of appropriate personnel

The Mitsui & Co. Group conducts global operations centered on 16 business units, and employs a global matrix structure along the two axes of business and region to exhibit its strengths in each country and region. We provide places for participation linked to business strategy, and employees gain skills and expertise through the challenges in new work, growing together with the company. We will promote the global implementation of such strategic assignment of appropriate personnel and autonomous career development.

(i) Global successor development plans

The annual Human Resources Strategy Meeting is attended by the President, CHRO, General Manager of Human Resources & General Affairs Division, Chief Operating Officers (COO) of headquarter business units, and General Managers of corporate staff divisions. This meeting holds discussions on succession plan for key positions in the Group, and checks on the status of activities and policies for the development of women and employees, etc., hired in overseas offices. The goal is to continuously grasp the situation of the succession talent pool formed from diverse internal personnel and maximize organizational performance through strategic assignment of people. In addition, we ensure the continuity of organizational management through Business Continuity Planning in preparation for unexpected situations.

(ii) Deepening global talent management

Bloom was introduced in the Asia Pacific Business Unit, the East Asia Bloc and South Korea in October 2022 as a global data platform for developing a field where the appropriate personnel work in the appropriate position, and supporting the autonomous career building by employees by utilizing human resources data such as the experience, skills, knowledge and career aspirations of each employee, regardless of their place of hiring. It was also introduced in the Americas Business Unit, the Europe Block, the Middle East and the Africa Block and the CIS Block in April 2024. There are plans for a global roll-out in the fiscal year ending March 31, 2025.

(iii) Standardizing the process for global transfers

We established the Global Mobility Program in October 2022 to standardize the transfer process for regionally hired employees in order to strategically assign personnel who drive business, and implemented it worldwide for transferees from April 2023. Prior to its implementation, the conditions for transfers were individually determined for each transferee, and processes were complex and required time for coordination. However, the introduction of unified rules reduces the difficulty of transferring regionally hired employees across borders, and strategic assignment will be implemented on a global basis.

(iv) Appropriate allocation of human resources that utilizes their skills and expertise

In order to reconcile an agile high-efficiency process of matching of the right people to the right positions that is optimized for the Company as a whole with the autonomous career formation choices of the individual, in addition to jobs that

assume conventional line manager experience, the Company has implemented a multi-track career path Expert Band for personnel with advanced expertise that takes their career aspirations and suitability into account.
The Company has introduced the Human Resources Bulletin Board System, which is a system that allows motivated employees to apply on their own initiative for new positions that can maximize their abilities, skills, and expertise, without going through their superior. As a platform for matching the "company's needs" and "employee's intentions" across organizational boundaries, it supports a more agile and high-efficiency company-wide assignment of people, and autonomous career selection and challenges for employees.

(d) Well-being, Health and Safety

(i) From health management to well-being

Since formulating the Mitsui Health Declaration in 2017, we have been working on health management, a key management issue, to maintain and promote the health of our employees. In recent years, societal values have evolved to value "well-being", a state of being satisfied not only physically but also mentally and socially. Based on these changes, we have defined "well-being" as "a state where each individual can embody our company's long- standing ethos of "Challenge and Innovation" and renewed the above-mentioned Mitsui Health Declaration to "Mitsui's Commitment to Employee Well-being" in July 2023. Based on this declaration, led by the CHRO, we will further enhance specific measures such as support for the balance of treatment and work, preventive measures for mental health, establishment of gynecology clinic in the Head Office building based on a questionnaire for female employees, and other measures to create a working environment where employees can work vibrantly and with a sense of fulfillment while respecting each other's individuality and values.

(ii) Well-being Promotion Committee

To promote well-being and productivity management the Company plans, decides, and implements measures to prevent lifestyle diseases, address cancer, and other matters aimed at maintaining and promoting the health of employees, under the guidance of a deliberative body in the form of the Well-being Promotion Committee, which is led by the CHRO, and whose members consist of the General Manager of Human Resources & General Affairs Division, occupational physicians, health nurses, and the Mitsui Bussan Health Insurance Society. The minutes are published for employees on the intranet.

(iii) Creating safe and secure workplaces with no labor accidents

Our company always gives top priority to the health and safety of Mitsui & Co. Group employees and colleagues involved in our business activities. In order to create value at a higher level with all stakeholders, we will continue to take initiatives aimed at maintaining and improving health, based on various laws and regulations, and more. In the countries and communities where we conduct business, we work to create workplaces and working environments where all employees and various colleagues can work safely, with no labor accidents. These efforts include not only compliance with local laws and regulations, but also ongoing improvements incorporating the unique best practices of each industry, and providing the resources and training needed.
In all our businesses, we aim to improve occupational health and safety and prevent labor accidents among Mitsui & Co. Group and contractor employees before they occur, Under the occupational health and safety promotion system led by CHRO, we will promote measures tailored to the business characteristics of each unit of the company. In November 2023, we formulated the Mitsui & Co. Global Group Contractor Selection Policy as a set of guidelines for the selection of contractors.
In the fiscal year ended March 31, 2024, in two Board of Directors meetings, reports were made on well-being and productivity management and discussion was conducted on improving occupational health & safety.

3) Risk Management

Mitsui recognizes the risks related to constraints on human resources, and is taking steps accordingly. Please see “3. Risk Factors” for details. Steps are also taken for the following points.

Risk type	Risk management (countermeasures)
General risks	- Compliance & Integrity Department of Strategic & Administrative Legal Division leads compliance-related initiatives on a global group basis under the direction and supervision of Chief Compliance Officer (CCO) and in collaboration with the Human Resources & General Affairs Division and Compliance Supervising Officers (chief operating officers, branch office managers) in each of Mitsui's units and offices in Japan and overseas, and seeks to promote Mitsui & Co. Group Conduct Guidelines-With Integrity on a global basis, ensure compliance, establish and strengthen compliance programs, and deal with compliance-related cases. - We have established eight channels for reporting or consulting about compliance-related matters within or outside an employees' direct reporting line, including external attorneys and independent organizations (contact can be made anonymously). These channels are available for all officers and employees of Mitsui, as well as temporary staff, and officers and employees at companies to which we entrust work who have engaged in or are engaging in such work. Contact can be made via telephone, email, web form, letter, or other means (channels are open 24 hours a day, except for telephone channel).
Employment process related risks	- The Company is committed to fair and impartial recruitment initiatives, selecting individuals based on their abilities and personal qualities. We provide global employment opportunities and disregard all aspects irrelevant to an applicant's abilities or suitability for a role; for example, an individual's race, nationality, gender, age, alma mater, or religion. - In order to hire suitable individuals, we recruit from a wide range of candidates. Furthermore, staff who conduct interviews receive training to ensure fair employment screening processes for applicants.
Business continuity related risks	- The Company reviews headcount plans required for business continuity on an annual basis, and maintains recruitment at an appropriate number of individuals. - The Human Resources Strategy Meeting confirms the talent pool from which candidates for successors to important positions are drawn, and checks successor development plans for important positions once a year. - In order to secure the diverse human resources required to support the business model of the Group, we actively work to attract mid-career hires.
Risks related to the fairness and impartiality of remuneration	- We have adopted appropriate systems for the evaluation and remuneration of employee performance. - Evaluations relative to targets are carried out in the form of a performance review three times every fiscal year, with an evaluation interview conducted with the employee’s supervisor at the end of each fiscal year. Surveys are used to confirm that the evaluation interview and evaluation feedback have been conducted appropriately. - Remuneration is set at a competitive level and awarded in accordance with the contribution of each employee and in conformance with the law in each country in which we do business, and the Group has adopted a pay for performance approach that recognizes abilities demonstrated, results achieved, and contributions made.
Labor law related risk	- The Company avoids excessively long working hours through appropriate working hours management in compliance with the Labor Standards Act and the Industrial Safety and Health Act. - The Safety and Health Committee conducts discussions on the establishment of a workplace environment, in which employees can continue to work with peace of mind while properly maintaining safety and health.

Risk type	Risk management (countermeasures)
Risks related to discrimination or harassment	- Based on our "Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd." our rules stipulate that in our promotion of business activities, we must respect human rights and not engage in any forms of discrimination and harassment. - Our policies are designed to support the success of our diverse human resources, regardless of gender, nationality, age, and disability. - We are fostering a culture of diversity and inclusion that accepts and respects diversity, through internal announcements and various events.
Health and safety related risks	- In conducting the business activities of the Mitsui & Co. Group in countries and regions around the world, we are developing workplace environments in which employees can work to their full potential, and where each individual can work energetically, in good health and safely. At the same time, we will foster a culture in which employees can fulfil their responsibility to the safety and health of themselves and those around them by showing initiative in the efforts required to advance health and safety in our business activities. - In all our businesses, we aim to improve occupational health and safety and prevent labor accidents among Mitsui & Co. Group and contractor employees before they occur, Under the occupational health and safety promotion system led by CHRO, we are promoting measures tailored to the business characteristics of each unit of the company. The Board of Directors receives reports on health and on occupational health and safety. - In addition to understanding and complying with laws and regulations in each of the countries and local communities in which the Mitsui & Co. Group does business, we make ongoing improvements that incorporate the unique best practices of each industry. We strive to create workplaces and working environments where all employees and various colleagues can work safely, with no labor accidents, and provide the resources and training considered necessary to promote a good working environment. - In November 2023, we formulated the Mitsui & Co. Global Group Selection Policy as a set of guidelines for the selection of contractors

4) Metrics and Targets

We have set the following environmental indicators and targets, and continuously monitor them. In addition, we have included indicators related to diversity for domestic consolidated subsidiaries in "1. Overview of Mitsui and Its Subsidiaries 5. Employees".

<u>(a) Improvement of employee engagement</u>

(i) Mitsui Engagement Survey (MES) implementation status

Survey participants	FY March 2022	FY March 2023	FY March 2024	Target
Total number of participants	11,693	12,218	15,247	Improve engagement ・Implement annual survey ・Achieve response rate of at least 90% ・Analysis and steady organizational development ・Expand scope to the Group
Non-consolidated employees*1	100%	100%	100%	
Regionally hired employees*2	100%	100%	100%	
Number of affiliated companies participating*3	22 Companies	20 Companies	29 Companies	
Survey results*4	FY March 2022	FY March 2023	FY March 2024	
Response rate	89%	92%	91%	
Employee engagement*5	71%	72%	73%	
Employee enablement*6	69%	69%	69%	
Understanding/sharing of strategy and direction*7	78%	80%	81%	
Opportunities to demonstrate skills and abilities*7	74%	76%	76%	
Leadership trust*7	70%	71%	73%	

*1 Excludes employees on leave of absence and on overseas training or foreign language and business culture training programs

*2 Employees hired at overseas affiliates and overseas offices

*3 Number of domestic affiliated companies where the survey was conducted

*4 The results for the Company (non-consolidated), overseas trading affiliates and overseas offices

*5 Positive response rate on multiple questions related to “Having motivation to contribute or loyalty to the company, and the desire to make voluntary efforts”

*6 Positive response rate on multiple questions related to “Whether there are opportunities to utilize one’s own skills and capabilities, and whether there is a friendly working environment”

*7 Positive response rate on questions related to these items

(ii) Voluntary turnover rate

	FY March 2022	FY March 2023	FY March 2024	Target
Voluntary turnover rate (non-consolidated)	1.69%	1.41%	1.08%	-

(b) Human Resources Strategy

(i) Development of capable individuals

	FY March 2022	FY March 2023	FY March 2024	Target
Total development and training expenses	-	2.75 billion yen	3.05 billion yen	-
Number of trainees dispatched overseas (Non-consolidated employees)	105	159	209	-
Number of trainees dispatched overseas (Regionally hired employees)	3	15	17	-
Number of DX Business Professionals[*1]	-	82	231	FY March 2026: 1,000

*1 Non-consolidated employees and employees hired at overseas affiliates and overseas offices

(ii) Inclusion

	FY March 2022	FY March 2023	FY March 2024	Target
Percentage of mid-career hires[*1]	33%	45%	41%	Percentage of Female Managers FY March 2025: 10% FY March 2031: 20%
Female recruitment rate[*1] (New graduate / mid-career recruitment)	40%	37%	43%	
Percentage of female employees[*1]	29%	30%	30%	
Percentage of female managers[*1]	8.0%	8.5%	9.2%	
Regionally hired employees Percentage of line managers	17%	17%	18%	-
Percentage of men taking childcare leave[*1*2]	54%	65%	70%	Percentage of men taking childcare leave 100%
Days of childcare leave taken by men[*1]	48.1	36.5	45.0	

*1 Figures for Mitsui & Co., Ltd. (non-consolidated)

*2 Includes those working or seconded overseas. If restricted to workers in Japan, the actual figure for FY March 2024 was 93%

(iii) Strategic assignment of appropriate personnel

	FY March 2022	FY March 2023	FY March 2024	Target
Track record of Global People Data Platform (Bloom) introductions	-	20%	20%	Bloom introduced worldwide FY March 2025: 100% (Non-consolidated + all regionally hired employees)
Number of regionally hired employees transferred overseas	41	75	81	

(c) Well-being

(i) Health

	FY March 2022	FY March 2023	FY March 2024	Target
Percentage of employees undergoing health checks*1	100%	100%	100%	Percentage of employees undergoing health checks 100%
Presenteeism*1*2	12.5%	12.6%	12.3%	

*1 Figures for Mitsui & Co., Ltd. (non-consolidated)

*2 Decreased productivity during attendance due to health problems

(ii) Occupational health and safety

		FY March 2022	FY March 2023	FY March 2024	Target
Mitsui & Co., Ltd. (non-consolidated)	Number of lost time injuries*1	0	0	0*2	Number of lost time injuries: 0 Number of fatalities: 0
	Number of fatalities*1	0	0	0	
Consolidated*3	Number of fatalities*4	-	In-house employee: 1 Contractor employees: 5	In-house employee: 1 Contractor employees: 1	Number of fatalities: 0 Number of serious accidents: year-on-year decrease
	Number of serious accidents*5	-	In-house employees: 5 Contractor employees: 3	In-house employees: 4 Contractor employees: 0	

*1 Figures are based on Japanese Ministry of Health, Labour and Welfare standards

*2 As of issuance date of this report

*3 Figures for the Group (Mitsui & Co., Ltd. (non-consolidated), overseas trading affiliates, and subsidiaries employing workers with more than 50% voting rights).

*4 The two fatalities in the fiscal year ended March 2024 were traffic accidents.

*5 Non-fatal accidents involving serious injuries not recoverable within 6 months

(iii) Working style

	FY March 2022	FY March 2023	FY March 2024	Target
Average annual paid leave taken	12.5	13.8	13.6	Average annual paid leave usage ratio 70%
Average annual paid leave usage ratio	64.9%	71.4%	70.3%	

3. Risk Factors

For a wide variety of quantitative and qualitative risks which we face, each of the Corporate Staff Divisions cooperate by establishing various internal rules for risk management within their respective risk management areas, as well as conducting prior investigations and after-the-fact monitoring. We establish an integrated risk management system that has centralized control over the company-wide risks, which is centered around the Executive Committee and the Portfolio Management Committee as an organization under the Executive Committee. We identify important risks in light of the frequency of occurrence, expected damage scale, and company-wide risk tolerance and take corresponding measures.
With the increasing interest in sustainability initiatives, the importance of the Company and its consolidated subsidiaries fulfilling their responsibilities from the perspective of long-term value enhancement and sustainable growth, is growing. In order to respond properly to these changes in the business environment, it is important to address the risks that may hinder business continuity and have wide-ranging impacts on future operations. Therefore, new items "(13) Risks Regarding Limitation of Human Capital" and " (14) Risks Regarding Human Rights" have been added from the current fiscal year.
The major risks as of March 31, 2024 are as follows;

(1) Business Investment Risks

We are engaged in investment activities in various businesses by acquiring equity and shares. However, we are exposed to various risks related to business investments, such as possible inability to recover our investments, exit losses, or being unable to earn the planned profits. Furthermore, we participate in various businesses directly or indirectly through joint ventures or by making strategic investments in other companies and business enterprises. The outcome of these joint ventures and strategic investments is unpredictable because:
- operational success is critically dependent on factors that are beyond our control such as financial condition and performance of the partner companies or the strategic investees; or
- with respect to certain equity accounted investees, we may be unable to exercise adequate control over the management, operations and assets of the companies in which we invested or may be unable to make major decisions without the consent of other shareholders or participants due to lack of common business goals and strategic objectives with our alliance partners.

Any occurrence of these events could have a significant impact on our operating results and financial condition.

We participate as a non-operator in certain parts of exploration, development and production activities of mineral resources and oil and gas projects, which are becoming more significant to our operating results and financial condition. Under these circumstances, we carefully consider the business potential and profitability of projects based on the information and data provided by operators, however, the business operations including decision-making for development and production may be affected by operators' policy. An operator's failure in managing those projects may affect our operating results and financial condition significantly.

For these risks, new investment decisions are made based on analysis of qualitative factors as well as the required profitability ratio and other quantitative standards, and we perform efficient asset replacement through our periodic monitoring of each purpose of all investments and our determining turnaround plans or exit policies for unprofitable businesses and businesses conflicting with exit alert criteria. In addition to the risk amount carried by assets on our consolidated statements of financial position, we assess and periodically monitor the amount of off-balance-sheet risk, such as market risk and guarantees, using a set standard and periodically stress test on our risk adjusted assets (*) for various scenarios, verifying the impact on the risk assets to shareholders' equity ratio.
(*) Risk adjusted assets refer to the maximum loss exposure and is calculated by multiplying assets including trade and other receivables, other investments, fixed assets and off-balance-sheet items such as guarantees by risk weights, which we have determined individually based on the potential risk of loss.

(2) Geopolitical Risks

Increased political and social tensions between countries and regions, such as the situation in Russia and Ukraine and relations between the United States and China, pose the risk that may deteriorate the business performance of the Company and its consolidated subsidiaries which operate in such regions and countries, that may consequently make it difficult to continue operations.
Due to geopolitical uncertainties, the environment surrounding the businesses of the Company and its consolidated subsidiaries has significantly changed, there is an increasing need for more challenging organizational management and responsible and proactive action, and close communication with the stakeholders involved in each business is also essential. In order to respond flexibly in this uncertain climate caused by these heightened geopolitical risks, the Company has adopted the following risk hedging measures, but it is difficult to avoid all geopolitical risks, which may have a significant impact on the Company’s business

performance.

- We regularly monitor the political and economic conditions and other trends in the countries and regions in which we operate, and carefully assess the risks and changes in the business environment.
- When expanding business to regions where geopolitical risks are considered high, we reduce risks through financial means such as insurance and financing from Export Credit Agencies (ECA) in each country.
- The Company has accumulated know-how in responding to emergencies, and has established a system in which multiple local subsidiaries across countries and regions collaborate to ensure the safety of employees and continue business in Japan or overseas.

Concerning the Ukraine situation, we are complying with related international sanctions imposed on Russia and we are closely following the developments. The balance of investments, loans and guarantees to Russia as of March 31, 2024 is ¥ 303.0 billion, which is approximately 4% of our global position of investments, loans and guarantees. It may be affected by uncertain future development in Russia and Ukraine. Investments, loans and guarantees to Ukraine are immaterial. For further information about the impact for the current fiscal year, please see Note 31, "IMPACT OF THE RUSSIA-UKRAINE SITUATION ON THE RUSSIAN LNG BUSINESS".

(3) Country Risks

Various types of businesses worldwide sometimes expose us to risks that could cause our receivables from our business partners located in such countries, investments, loans and other claimable assets related to investees or on-going project to become uncollectable and/or the value of our inventories, fixed assets and other assets in the country to deteriorate due to government actions or changes in the political, economic or social conditions in the respective foreign country.
Furthermore, some of our business activities are exposed to concentration risk in particular industries located in specific regions or countries. For example:

- In Brazil, Chile and Russia, we have investments and loans in the exploration, development, production and liquefaction of mineral resources and energy.
- In Malaysia, we have investments and loans in the healthcare business covering a large part of Asia.
- In Mozambique, we have investments and loans in the development, production, and liquefaction of energy.
- In Indonesia, we have investments and loans in a consumer-related services business etc.

Therefore, for country risks, we implement appropriate risk hedging measures according to the content of the project, such as insurance and usage of financing from Export Credit Agencies (ECA).

Additionally, we periodically grasp risk exposures such as receivables, investments, loans, and guarantees by every country that we hold positions as well as conduct qualitative and quantitative monitoring for the country risk situation for each country except, in principle, for developed countries, and formulate a country risk control policy at least once a year or whenever deemed necessary. Furthermore, regular monitoring on our overall portfolio confirms the appropriateness of asset size in accordance with each country as well as each business area.

(4) Risks Regarding Climate Changes

To establish a more robust business portfolio by identifying the future impact of climate change and incorporating associated growth opportunities, we have set a vision of achieving net-zero emissions by 2050, with a 2030 target of reducing GHG Impact by 50% compared to 2020.
In order to enhance the resilience of our strategy by responding flexibly to changes in the global business environment, we have implemented a medium- and long-term scenario analysis. We conduct scenario analysis of transition risks with reference to the scenarios set out by the International Energy Agency (IEA), and of physical risks with reference to the RCP (Representative Concentration Pathway) used by the IPCC (Intergovernmental Panel on Climate Change).

Transition risks that are likely to occur in the medium- to long-term include the below. Over the long-term, maintaining the existing portfolio could have a significant adverse effect on our operating results and financial condition due to the deterioration in value of our interests and assets.
- Policy and Legal Risks: Changes in the energy and power source mix due to government policies in each country, and the introduction of government-imposed greenhouse gas emission restrictions including carbon taxes, could have a significant impact on our operating results and the financial condition of our businesses that use fossil fuels and emit large amounts of greenhouse

gases.
- Technology Risks: The introduction of new technologies that respond to climate change may cause changes in the supply and demand of existing products and services or render existing production equipment and facilities obsolete.
- Fund Procurement Risks: Low-carbon/de-carbonization policies of financial institutions and insurance companies may cause risks that affect the procurement of funds.

We regard the following four physical risk hazards as having a particularly significant impact on the Company from the present day until 2050 under the 4°C scenario: extreme heat, wildfires, water stress & drought, and tropical cyclones. The number of companies at high risk of extreme heat in 2050 will be approximately 80% of the 65 companies analyzed, with nearly half at risk of wildfires, water stress & drought, and tropical cyclones. Among these, the number of companies at high risk of wildfires will be approximately double what it is today. Many companies are currently at high risk of tropical cyclones, and although there will only be a small increase in the number of companies at high risk, there is concern that the frequency and magnitude of their occurrence will make damage more severe. For these risks, we implement measures such as insurance coverage, the use of multiple suppliers, the establishment of crisis management policies, and the strengthening of equipment. However, physical risks cannot be completely avoided and may have a significant impact on our future operating results and financial condition.

Moreover, we have introduced an internal carbon pricing system to increase resilience and accelerate the development of projects that contribute to reducing GHG emissions and have integrated it into our project screening process.

For further information about our initiatives related to climate change, please see “2. Disclosure of Sustainability-related Financial Information, (4) Climate Change Response”.

(5) Commodity Market Risks

We are engaged in trades in and, as the case may be, production of a variety of commodities in the global commodities market including mineral resources and energy products. These commodity markets can be volatile in a short period or seasonally fluctuate by various factors such as imbalance of supply and demand, economic fluctuation, inventory adjustment, and exchange rate fluctuations. These factors are beyond our control.

Commodity price fluctuations directly affect revenues from the equity share of production at our subsidiaries and equity accounted investees. For the year ending March 31, 2025, we estimate that the impact of a change of USD/barrel in the crude oil prices and USD/ton in the iron ore prices on profit for the year attributable to owners of the parent would approximately be 2.4 billion yen and 2.7 billion yen respectively. For further information about the impact of commodity price fluctuations on our operating results, please see “1. Management Policies, Operating Environment, and Management Issues, (5) Forecast for the Fiscal Year Ending March 31, 2025” and “4. Management's Discussion and Analysis of Financial Position, Operating Results and Cash Flows, (4) Discussion and Analysis of Operating Results for the Years Ended March 31, 2024 and 2023”

We have formulated market risk management policies including commodity market risk and have established management systems at several levels. In particular, regarding commodity market risk, Chief Operating Officers have the primary responsibility of establishing risk management policies that prescribe the setting of limits on positions and losses, as well as prescribing management systems at each business unit. They also have the responsibility of obtaining the approval of our Executive Officers in charge of risk management, and carrying out management and reporting in accordance with such approval. In addition, risk management sections, which are independent from trading sections, monitor, analyze and evaluate market risks and periodically report to the executive officers in charge.

Furthermore, we use derivative instruments, such as swap contracts, as hedging instruments partially for hedge accounting to fix the expected future cash flows from forecasted transactions in marketable commodities.

For further information about risk management, please see Note 9, “DISCLOSURES ABOUT FINANCIAL INSTRUMENTS AND RELATED MATTERS (6) Risk-related matters” and “(7) Derivative instruments and hedging accounting.”
The unexpected market fluctuations may affect our business, operating results and financial condition significantly, as follows:
- At businesses such as mineral resources and/or energy development projects, in which large amounts of investment has been made, it may happen that the invested amount is not recoverable through sales of the products due to a fall in price or we may have difficulty in divesting our proprietary equity at a reasonable price.
- A decline in the value of our investments in LNG projects and other investments which are recognized to designate as at fair

value through other comprehensive income ("FVTOCI"), could affect our comprehensive income.

(6) Foreign Currency Risks

We are exposed to the exchange risk of assets and liabilities represented in foreign currencies. Exchange rate fluctuations may reduce the value of investments in overseas subsidiaries and associated companies as well as that of FVTOCI, and affect our accumulated other comprehensive income and financial condition significantly.

For the year ending March 31, 2025, we estimate that the impact on profit for the year attributable to owners of the parent to be 3.4 billion yen per 1 yen change in the USD/JPY exchange rate, and 2.5 billion yen per 1 yen change in the AUD/JPY exchange rate. For further information about the impact of foreign exchange rate price fluctuations on our operating results, please see "1. Management Policies, Operating Environment, and Management Issues, (5) Forecast for the Fiscal Year Ending March 31, 2025" and "4. Management's Discussion and Analysis of Financial Position, Operating Results and Cash Flows, (4) Discussion and Analysis of Operating Results for the Years Ended March 31, 2024 and 2023."

We have formulated market risk management policies including foreign currency exchanging risk and have established management systems at several levels. In particular, regarding foreign currency exchange risks, Chief Operating Officers have the primary responsibility of establishing risk management policies that prescribe the setting of limits on positions and losses, as well as prescribing management systems at each business unit. They also have the responsibility of obtaining the approval of our Executive Officers in charge of risk management, and carrying out management and reporting in accordance with such approval. In addition, risk management sections, which are independent from trading sections, monitor, analyze and evaluate foreign currency risk and periodically report to the Executive Officers in charge.

Furthermore, we use derivative instruments, such as foreign exchange forward contracts and currency swap agreements, as hedging instruments partially for hedge accounting to fix the expected future cash flows from foreign-currency-denominated receivables and payables resulting from selling and purchasing activities in currencies other than the local currency. We also use foreign-currency-denominated debt in order to mainly hedge the foreign currency exposure in the net investment in foreign operations.

For further information about risk management, please see Note 9, "DISCLOSURES ABOUT FINANCIAL INSTRUMENTS AND RELATED MATTERS (6) Risk-related matters" and "(7) Derivative instruments and hedging accounting."

(7) Stock Price Risks of Listed Stock We Hold

We also invest in marketable equity financial assets, which are exposed to risk of stock price fluctuations, for the purpose of creating business opportunities, or building, maintaining, or strengthening business and collaborative relationship. As of March 31, 2024, our marketable equity financial assets recognized to designate as FVTOCI were carried at a fair value of 1,158.2 billion yen, representing 6.9% of our total assets. While we periodically review our investment portfolio, considering all listed stocks, a decline in the equity securities market could affect the value of our investment portfolio and financial condition significantly due to the decline of other comprehensive income.

We have formulated market risk management policies including stock price risk and have established management systems at several levels. In particular, we manage the stock price risk by analyzing factors of market capitalization fluctuations.
For further information about risk management, please see Note 9, "DISCLOSURES ABOUT FINANCIAL INSTRUMENTS AND RELATED MATTERS (6) Risk-related matters."

(8) Credit Risks

We are exposed to large-scale counterparty credit risks, including the following:

- While many of our customers purchase products and services from us on credit, we may also provide financing programs or debt guarantees for customers associated with sales contracts. As of March 31, 2024, the balance of current trade and other receivables (less loss allowance − current) was 2,216.7 billion yen, representing 13.1% of our total assets. The balance of loss allowance − current was 17.3 billion yen.
- We engage in significant project financing activities as a lender or guarantor whereby we assume repayment risk.

We manage credit risks through the management of commitment lines of credit approved by an appropriate person with authority and through monitoring past-due status of credit. In addition, we require collateral and/or other forms of security from

counterparties as necessary. For further information about risk management, please see Note 9, "DISCLOSURES ABOUT FINANCIAL INSTRUMENTS AND RELATED MATTERS (6) Risk-related matters."
Even if the measures for credit risk are implemented, it is not possible for our credit risk management policy to completely eliminate risks relating to the deterioration of the financial positions of our counterparties. Furthermore, factors such as insolvencies among our customers caused by liquidity crises, sudden falls in real estate market or stock market prices, or increases in company bankruptcies may make it difficult for us to collect receivables and affect our future operating results and financial condition significantly.

(9) Risks Regarding Fund Procurement

Turmoil in financial markets, a downgrade in our credit ratings or significant changes in the lending or investment policies of our lenders or institutional investors could result in constraints on our fund procurement and an increase in funding costs, and could have an impact on our financial position and liquidity.

We obtain long-term funds (those with maturities of around 10 years), and at the same time, we minimize our refinance risk by deconcentrating the amount of long-term debt to be repaid each fiscal year. We also hold sufficient cash and cash equivalents in order to maintain liquidity to flexibly meet capital requirements and to minimize the harmful effect of a deteriorated financial market on future debt-service requirements.

For information on our funding sources and credit ratings, please see “4. Management's Discussion and Analysis of Financial Position, Operating Results and Cash Flows, (5) Liquidity and Capital Resources.”

(10) Operational Risks

In each business areas, namely, Mineral & Metal Resources, Energy, Machinery & Infrastructure, Chemicals, Iron & Steel Products, Lifestyle and Innovation & Corporate Development, the Company and its consolidated subsidiaries engage in a diversified range of services, including trading, manufacturing, transport, and financial services involving various commodities. Making full use of the global hub network which is centering on the Company, and its ability to gather information, the Company and its consolidated subsidiaries engage in a wide range of initiatives that include development of natural resources and infrastructure projects, business investment in relation to the environment, new technologies, next-generation fuels and wellness, and value creation that leverages digital tools. These businesses are exposed to various operational risks such as fires, explosions, accidents, export and import restrictions, and natural disasters. The event of these accidents and disasters could significantly affect our operating results and financial condition.

Once an environmental accident occurs, as the owner of mineral resource and energy interests, regardless of the degree of our contribution to such accidents or acts of negligence, we may be imposed to bear fines or payments for compensation from environmental authorities or other concerned parties, which may affect our operating results and financial condition significantly, even in situations where we are not involved in any actual operations as a non-operator. These fines and/or compensation payments may include clean-up costs, compensation for environmental damages, compensation for health hazard and/or property damage to those affected by the accident, compensation for absence from work and/or for loss of earnings.

We consider risk measures for risk mitigation and damage prevention and have insurance for accidents, disasters, etc. to the extent possible and appropriate, however they may not be able to cover all the damage.

(11) Risks Regarding Employee's Compliance with Laws, Regulations, and Internal Policies

Due to our size, as well as the operational and geographic breadth of our activities, our day-to-day operations are naturally de-centralized. As a result, we cannot fully ensure that our employees comply with all applicable laws and regulations as well as our internal policies. For example, our employees may engage in unauthorized activities and exceed the allotted risk exposure for various investments and loans or extend an unauthorized amount of credit to a client and position limits, which, in either case, may result in unknown losses or unmanageable risks. Moreover, our employees could engage in various unauthorized activities prohibited under the laws of Japan or other jurisdictions to which we are subject, including export regulations, anticorruption laws, antitrust laws and tax regulations.

We undertake various efforts such as strengthening the compliance framework on a global group basis, sending out the messages from management to employees continuously and repeatedly, establishing channels for reporting compliance-related matters within or outside of the administrative chain of command, fostering a "speak up" culture, handling any cases of compliance violations strictly. For further information, please see “4. Corporate Information 4. Corporate Governance (1) Overview of Corporate Governance 3) Status of Internal Control System iv) Compliance structure.”

However, such efforts are not possible to prevent misconduct by our employees completely. Depending on its nature, employees' misconduct could have a significant impact on our business activities, reputation, operating results and financial condition.

(12) Risks Regarding Information Systems and Information Securities

As the operation of our global communication network progresses and with the recent worldwide cyber-attacks on the increase, it is important to properly operate the IT system, grasp the information value and handle it properly. We enhance the safety and security of information systems by internal control through development of related regulations to secure properly confidentiality, integrity, and availability on information and information systems for us and our consolidated subsidiaries. We reduce risks on data breaches by improved guidelines for better risk management, conduct internal training regularly, and tackle external threats with various measures, including the security monitoring of our IT networks.

However, we cannot eliminate all possibilities of distraction or leakages of confidential business information triggered by unexpected serious IT system troubles, and unforeseeable threats against our IT system infrastructure or communications networks. Such situations could seriously reduce our operational efficiency or jeopardize our ability to maintain or expand our business activities, which may have a significant impact on our business, operating results and financial condition. In addition, we have insurance against damages caused by external cyber-attacks to the extent possible and appropriate; however, they may not be able to cover all the damages.
For further information about our initiatives related to information systems and information security, please refer to “2. Disclosure of Sustainability-related Financial Information (6) Information Security.”

(13) Risks Regarding Limitation of Human Capital

The company and its subsidiaries have consistently believed that “people” are the source of our sustainable value creation and have dedicated ourselves to acquiring and developing talent, continuous talent management, and organizational development. In our businesses, we are investing into human capital that are capable of planning and evaluating business, executing projects and managing and supervising workforce. However, we may have a shortage of required human capital, which could cause a loss of opportunities or stable operations in certain business areas, which in turn may affect our future business, operating results and financial condition. For further information about our initiatives related to human resources strategy, please see “2 Disclosure of Sustainability-related Financial Information, (7) Human Resources Strategy”.

(14) Risks Regarding Human Rights

We conduct business across the world providing every kind of function and service from upstream to downstream areas. The diverse types of business we conduct around the world affect a wide variety of stakeholders. Where we identify that the business activities of the Company and its consolidated subsidiaries have caused adverse human rights impact or contributed to such an impact through our business transactions including in our supply chains, the elimination or mitigation of such impacts could result in reputation risks and additional costs, which, in turn, could have a significant impact on our business performance and financial position, or result in damage to reputation.
We recognize that we must make efforts to respect human rights not only within our own company but also across our supply chain, and clarify this in the “Mitsui & Co. Group Conduct Guidelines - With Integrity” and promote its reflection to the management philosophy and code of conduct of each group company. We implement human rights due diligence to identify, assess, prevent and mitigate adverse human rights impacts associated with our business activities. At the same time, we work to remediate such impacts through appropriate processes. We are also further strengthening initiatives to promote respect for human rights in our business activities through collaboration on human rights efforts with suppliers and other business partners and the integration of human rights risk management into internal processes. For further information about our initiatives related to human rights related strategy, please see “2 Disclosure of Sustainability-related Financial Information, (5) Supply Chain and Human Rights”.

(15) Risks Relating to Natural Disasters, Terrorism, Violent Groups, and Infectious Disease

Earthquake, heavy rain or flood, terrorism, infectious disease, power shortage, etc. in the countries or regions where we develop business activities could affect our businesses.
We have implemented measures such as creating a Business Continuity Plan (BCP), developing a disaster contingency manual, introducing a safety confirmation system for employees, reinforcing earthquake resistance and conducting emergency drills.

However, despite these measures, there is no assurance that all damage and impact can be completely avoided, and they may affect our operating results and financial condition significantly.

In addition to the major risks as of March 31, 2024, we recognize the following risk factors which may have an impact on our operating results, financial condition, and cash-flow. However, these do not cover all risk factors.

・**General Risks Not Unique to Mitsui & Co. Group**

- Risks of Changes in Global Macroeconomic Factors

Our global business activities are affected by economic conditions both globally and regionally. An economic downturn may cause a reduction in the flow of goods and materials, a decline in consumer spending and capital investment, and subsequently a decline in demand from our customers for our products and services, which may have an adverse impact on our business, operating results and financial condition.

- Risks Associated with Laws and Regulations

Our business operations are subject to extensive laws and regulations in Japan and other countries throughout the world. Our operations are subject to laws and regulations governing, among other things, commodities, consumer protection, business and investment approvals, environmental protection, currency exchange control, import and export (including restrictions from the viewpoint of national and international security), investments, sanctions, taxation, and antitrust. For instance, many of our infrastructure projects in developing countries are subject to less developed legal systems. As a result, our costs may increase due to factors such as the lack of a comprehensive set of laws and regulations, an unpredictable judicial system based on inconsistent application and interpretation of laws and regulations, and changing practices of regulatory and administrative bodies. For example, we are subject to sudden and unpredictable changes to: tariffs for products and services that we provide; technical specifications with respect to environmental regulations; income tax and duty rates; and foreign currency exchange controls with respect to repatriation of investments and dividends.

We are subject to complex sets of environmental regulations in Australia, Brazil, Chile, Russia, and the Middle East. These laws and regulations may require us to perform site clean-ups; require us to curtail or cease certain operations; impose fines and payments for significant environmental damage; require us to install costly pollution control equipment; and require us to modify our operations.

Further, while we are involved in the exploration, development and production activities through various contractual arrangements for concessions, the contracts may not be honored or extended when they expire. Moreover, the regulatory bodies of these areas may unilaterally intervene or even alter the contractual terms of our oil and gas as well as mineral resource producing operations involving production rates, pricing formulas, royalties, environmental protection cost, land tenure or otherwise. If these regulatory bodies unilaterally alter such contractual terms, or if the cost of complying with revised or newly established laws and regulations increases, our business, operating results and financial condition could be affected. Development of projects may face schedule delays than originally planned due to difficulties in technical conditions, procurement of materials, financial conditions and government regulations including environmental aspect.

- Risks Due to Competition

The products and services we provide are generally under competition. Other Japanese general trading companies as well as other competitors, which engage in similar business activities in various fields, may have stronger business associations and relationships with our customers, suppliers and business partners in both domestic and global markets; or stronger global network and regional expertise, diversified global customer bases, greater financial engineering skills and market insights.

Unless we can successfully continue to meet the changing needs of our customers by providing them with innovative and integrated services in a cost effective manner, we may lose our market share or relationships with our existing customers, and we may have an impact on our operating results and financial condition.

- **Interest Rate Risks**

The Company and its consolidated subsidiaries are exposed to risks associated with interest rate fluctuations, which may affect our overall operational costs and the value of our financial assets and liabilities, particularly our debt obligations from the capital markets and borrowings from financial institutions. An increase in interest rates, especially in Japan and the United States, may affect our operating results.
For information on the status of our funding, please see “4. Management's Discussion and Analysis of Financial Position, Operating Results and Cash Flows, (5) Liquidity and Capital Resources" and Note 9, "DISCLOSURES ABOUT FINANCIAL INSTRUMENTS AND RELATED MATTERS.”

- **Risks Regarding Pension Cost and Defined Benefit Obligations**

Declines in the market value of domestic and foreign government bonds, other debt securities and marketable equity securities would reduce the value of our pension plan assets. A decline in the value of our pension plan assets or an increase in our unfunded defined benefit obligation could affect our operating results and financial condition due to the decline of other comprehensive income and retained earnings.

For information on our defined benefit cost, please see “4. Management's Discussion and Analysis of Financial Position, Operating Results and Cash Flows, (6) Critical Accounting Policies and Estimates” and Note 19, “EMPLOYEE BENEFITS.”

- **Risks Associated with Litigation and Other Disputes**

Our business operations are conducted in numerous countries and regions around the world, which subjects the Company and its consolidated subsidiaries to risk of disputes and litigation as part of its operations. In the normal course of our business, lawsuits and other disputes may arise incidentally or claims that do not develop into lawsuits may be brought against the Company and its consolidated subsidiaries.
Due to the inherent uncertainty of lawsuits and other disputes, it is not possible to predict the ultimate outcome of the lawsuits or other disputes in which we are involved. There is no assurance that we will prevail in any lawsuit or other dispute or that it will not be materially adversely affected by such action in the future. For information on the status of significant litigation, please see “ll. LITIGATION AND OTHER DISPUTES on Note 27, CONTINGENT LIABILITIES.”

・**The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the carrying value of assets and liabilities and the disclosure of contingent liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. For further information, please see “4. Management's Discussion and Analysis of Financial Position, Operating Results and Cash Flows, (6) Critical Accounting Policies and Estimates.”**

4. Management’s Discussion and Analysis of Financial Position, Operating Results and Cash Flows

Please take note that our management’s discussion and analysis of financial position, operating results and cash flow contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results may differ significantly from those anticipated in these forward-looking statements as a result of the items mentioned in “3. Risk Factors” or other factors.

For further information regarding the progress of our plan, see “2. Operating and Financial Review and Prospects, 1. Management Policies, Operating Environment, and Management Issues, (1) Progress of Medium-term Management Plan.”

(1) Overview of Business Results

1) Operating Results

See “(4) Discussion and Analysis of Operating Results for the Years Ended March 31, 2024 and 2023, 2) Operating Results by Operating Segment.”

2) Cash Flows

See "(5) Liquidity and Capital Resources, 6) Cash Flows."

(2) Purchases, Sales Contracts and Trading Transactions

1) Purchases

In all operating segments, as the difference between the amount of purchases and the amount of total trading transactions is minimal compared to the amount of total trading transactions, this item is omitted.

2) Sales Contracts

In all operating segments, as the difference between the amount of contracts and the amount of total trading transactions is minimal, this item is omitted.

3) Trading Transactions

See "(4) Discussion and Analysis of Operating Results for the Years Ended March 31, 2024 and 2023," and Consolidated financial statements Note 7, "SEGMENT INFORMATION."

(3) Key Performance Measures under Management's Discussion

Although our operating results and financial position are affected by various factors including the items stated in "3. Risk Factors," management believes that as of the end of the fiscal year under review, the following indicators can be usefully employed to discuss trends in our performance and financial condition.

1) Gross Profit, Share of Profit (Loss) of Investments Accounted for Using the Equity Method and Profit for the Year Attributable to Owners of the Parent

We undertake world-wide business activities, involving diversified risk-return profiles, ranging from intermediary services as agent to development and production activities of mineral resources and energy. In this context, changes in the amounts of gross profit, share of profit (loss) of investments accounted for using the equity method and profit for the year attributable to owners of the parent by operating segment reflect the overall progress of our operating results and our businesses.

2) Trends in the Price of and Supply-Demand for Mineral Resources and Energy

Due to the significance to our operating results of the portion that comes from our mineral resources and energy-related businesses, the condition of the market and the production volume for mineral resources and energy has become a significant variable in operating results.

For further information regarding trends and prospects in this field in relation to mineral & metal resources and energy, please see the following.

(a) Mineral & metal resources

Steel and non-ferrous metals are core industrial materials and demand for these materials is likely to be steady as the global economy grows. In the medium- to long-term, global steel production is expected to remain at a high level, with a flat to declining trend in China, but an increase in India and other Asian countries. In addition, demand for nonferrous metals is expected to grow steadily following the spread of electrification, EVs and renewable energy towards decarbonized industry and society. Stable supply of raw materials will continue to be required, as demand and supply balance is expected to tighten over the long term due to supply shortages resulting from rising development and production costs, depletion of quality minerals from existing mines, and limited availability of high-quality undeveloped projects.

Additionally, in the pursuit of sustainability in society, changing values for raw materials, such as the growing need for high-grade resources, recycled raw materials, low-carbon/green materials, and raw materials that can reduce GHG emissions throughout the value chain, based on perspectives such as climate change response, human rights, biodiversity, circular economy, water resources and coexistence with local communities, are expected to affect the supply & demand and commodity prices of mineral & metal resources.

(b) Energy

Energy demand is expected to remain firm in the medium- to long-term, in line with global population and economic growth. Conventional energy is seen as indispensable for the foreseeable future, particularly in Asia, and with geopolitical risks reaffirmed in the wake of the Russia-Ukraine situation, social needs for both a stable energy supply and decarbonization are growing stronger.

Under these circumstances, natural gas and LNG are expected to play an increasingly important role in the future as a realistic solution that contributes to the stable supply of economically rational clean energy. While firm demand for crude oil is also expected in emerging countries, a scenario of declining demand due to the spread of EVs and stricter environmental regulations is also possible, and future changes in the market need to be closely monitored. In addition to rising development and production costs, including equipment and labour costs, and the prospect of continued production declines due to the Russia-Ukraine situation on the supply side, rising geopolitical risks globally, policy changes following the results of elections in major countries, weather and other factors may affect both supply and demand. Therefore, attention is still required in energy price volatility.

The direction of the energy transition towards decarbonization is irreversible, but the timescale is still seen as fluid, with varying progress in institutional design and market formation in different countries and regions. The need for integrated energy services, next-generation fuels and other energy solutions is expected to increase in line with the further spread of renewable energy, the switch to cleaner fuels, the electrification of mobility and the spread of hydrogen fuel cell vehicles, and the progress of these initiatives is expected to have an impact on the future energy mix. It is necessary to assess the impact of the progress of these initiatives on the future energy mix.

3) Cash Flows, Capital Efficiency, and Financial Leverage

In the Medium-term Management Plan 2026 (announced in May 2023), we have been utilizing Core Operating Cash Flow as a key performance indicator to measure cash flow generation capabilities and show source of cash reallocation.

Mitsui decides the policies on levels of shareholders' equity*, return on equity (ROE), and also debt and equity balances, and examines the status of execution in terms of stability for capital efficiency as well as financing. Mitsui also examines the scale of shareholders' equity in terms of risk buffer to maximum exposure to potential losses due to a deterioration of the respective business and is monitoring and managing group-wide financial leverage seeking to secure an efficient return on equity as well as maintaining and improving credit ratings and financial stability in order to refinance our interest-bearing debt. For further information regarding our capital management, see Note 9, "DISCLOSURES ABOUT FINANCIAL INSTRUMENTS AND RELATED MATTERS, (6) Risk-related matters." For further information regarding our financial policy, see "(5) Liquidity and Capital Resources."

* Shareholders' equity is total equity attributable to owners of the parent in the Consolidated Statements of Financial Position.

(4) Discussion and Analysis of Operating Results for the Years Ended March 31, 2024 and 2023

1) Analysis of Consolidated Income Statements

(Billions of yen)		Current year	Previous year	Change
Revenue		13,324.9	14,306.4	(981.5)
Gross profit		1,319.7	1,396.2	(76.5)
Selling, general and administrative expenses		(794.3)	(702.8)	(91.5)
Other income (expenses)	Gain (loss) on securities and other investments—net	198.1	59.5	+138.6
	Impairment reversal (loss) of fixed assets—net	(67.0)	(30.0)	(37.0)
	Gain (loss) on disposal or sales of fixed assets—net	16.2	19.4	(3.2)
	Other income (expense)—net	31.3	9.2	+22.1
Finance Income (Costs)	Interest income	64.3	47.8	+16.5
	Dividend income	210.7	154.9	+55.8
	Interest expense	(168.1)	(114.6)	(53.5)
Share of profit (loss) of investments accounted for using the equity method		491.6	555.5	(63.9)
Income taxes		(221.9)	(240.7)	+18.8
Profit for the year		1,080.5	1,154.6	(74.1)
Profit for the year attributable to owners of the parent		1,063.7	1,130.6	(66.9)

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

Revenue

・Revenue for the year ended March 31, 2024 (“current year”) was ¥13,324.9 billion, a decrease of ¥981.5 billion from ¥14,306.4 billion for the year ended March 31, 2023 (“previous year”).

Gross Profit

・Mainly the Energy segment recorded a decrease, while the Lifestyle segment recorded an increase.

Selling, General and Administrative Expenses

・Mainly the Lifestyle and Machinery & Infrastructure segments recorded an increase in expenses.

The table below provides a breakdown of selling, general and administrative expenses used for our internal review.

	Billions of yen		
	Current year	**Previous year**	**Change***
Personnel expenses	¥ (437.1)	¥ (384.0)	¥ (53.1)
Welfare	(15.9)	(13.4)	(2.5)
Travel expenses	(32.0)	(25.2)	(6.8)
Entertainment	(7.5)	(6.4)	(1.1)
Communication expenses	(62.0)	(55.3)	(6.7)
Rent	(13.9)	(11.7)	(2.2)
Depreciation	(50.5)	(41.2)	(9.3)
Fees and taxes	(15.9)	(17.3)	+1.4
Loss allowance	(9.0)	(18.9)	+9.9
Others	(150.5)	(129.4)	(21.1)
Total	¥ (794.3)	¥ (702.8)	¥ (91.5)

The table below provides selling, general and administrative expenses a broken down by operating segment.

	Billions of yen		
	Current year	**Previous year**	**Change**
Mineral & Metal resources	¥ (35.9)	¥ (33.4)	¥ (2.5)
Energy	(58.6)	(57.9)	(0.7)
Machinery & Infrastructure	(181.8)	(163.6)	(18.2)
Chemicals	(154.7)	(137.4)	(17.3)
Iron & Steel products	(32.1)	(27.6)	(4.5)
Lifestyle	(173.1)	(142.0)	(31.1)
Innovation & Corporate development	(89.0)	(82.7)	(6.3)
All other and adjustments and eliminations	(69.1)	(58.2)	(10.9)
Consolidated total	¥ (794.3)	¥ (702.8)	¥ (91.5)

Other Income (Expenses)

Gain (Loss) on Securities and Other Investments—Net

・For the current year, mainly the Machinery & Infrastructure, Lifestyle, Energy, and Innovation & Corporate Development segments recorded profit and loss related to securities.

・For the previous year, mainly the Mineral & Metal Resources and Innovation & Corporate Development segments recorded a gain on sale of securities, while the Machinery & Infrastructure segment recorded impairment losses.

Impairment Reversal (Loss) of Fixed Assets—Net

・For the current and previous years, mainly the Energy and Machinery & Infrastructure segments recorded impairment losses of fixed assets.

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

・For the current and previous years, mainly the Innovation & Corporate Development segment recorded a gain on sales of fixed assets.

Other Income (Expense)—Net

- For the current year, mainly the Energy segment recorded profit from the reversal of a provision and a gain on sales of businesses, and the Lifestyle segment recorded valuation losses on options.
- For the previous year, mainly the Energy segment recorded losses due to recording provisions.

Finance Income (Costs)

Dividend Income

- Mainly the Energy and Mineral & Metal Resources segments recorded an increase.

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

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

Income Taxes

- Income taxes were ¥221.9 billion, a decrease of ¥18.8 billion from ¥240.7 billion for the previous year.
- The effective tax rate for the current year was 17.0%, a decrease of 0.2 percentage points from 17.2% for the previous year.

Profit for the Year Attributable to Owners of the Parent

- As a result, profit for the year attributable to owners of the parent was ¥1,063.7 billion, a decrease of ¥66.9 billion from the previous year.

2) Operating Results by Operating Segment

The fluctuation analysis for the results by operating segment is as follows.
Note, others includes income taxes, but generally, the impact of income taxes are not included in the explanations in the description column relating to each account title.

Mineral & Metal Resources Segment

(Billions of yen)	Current year	Previous year	Change	Description
Profit for the year attributable to owners of the parent	335.1	438.8	(103.7)	
Gross profit	342.1	355.8	(13.7)	●Mitsui Resources -43.7 (lower metallurgical coal prices) ● Iron ore mining operations in Australia +33.3(higher iron ore prices)
Profit (loss) of equity method investments	75.0	127.6	(52.6)	● Lower profit due to sale of Stanmore SMC ● Oriente Copper Netherlands*1 -24.1 (impairment loss*2 -12.2, new mining royalty in Chile -6.3, other factors) ● INNER MONGOLIA ERDOS ELECTRIC POWER AND METALLURGY GROUP -9.5 (lower ferroalloy and chemical prices) ● Iron ore mining operations in Australia +7.0
Dividend income	91.2	74.3	+16.9	● Higher dividends from Vale +17.4 (current year 59.6, previous year 42.2)
Selling, general and administrative expenses	(35.9)	(33.4)	(2.5)	
Others	(137.3)	(85.5)	(51.8)	● Absence of gain on sale of Stanmore SMC recorded in the previous year -36.7 ● Increase in interest expense at Oriente Copper Netherlands*1 -5.8 ● Higher profit from net interest income at iron ore mining operations in Australia +8.6

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

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

Sensitivity for Fluctuations in Iron Ore Prices and Our Equity Share of Production

For the year ending March 31, 2025, a change of US$1 per ton in the iron ore price is estimated to have an effect of ¥2.7 billion on profit for the year attributable to owners of the parent as a result of changes in revenues of our iron ore mining operations. For the year ended March 31, 2024, the equity share of production amounted to 61.1 million tons of iron ore (including 21.2 million tons of Vale S.A. which is non-consolidated related company). The above-mentioned effect of a change of US$1 per ton is calculated based on the assumptions of an estimated increase or decrease in shipments in the year ending March 31, 2025, in line with our holdings through our iron ore mining operations after the year ended March 31, 2024, and a specific range of foreign exchange rates for the U.S. dollar and other related currencies. As the value of natural resource producing countries' currencies, such as the Australian dollar, generally trends to be highly correlated to the market prices of those countries' products, the change in the currencies may impact the local currency denominated revenues of our overseas subsidiaries and equity accounted investees.

Energy Segment

(Billions of yen)	Current year	Previous year	Change	Description
Profit for the year attributable to owners of the parent	281.7	309.4	(27.7)	
Gross profit	195.8	316.4	(120.6)	● Mitsui E&P USA -47.7 (lower gas prices) ● Mitsui E&P Australia -40.5 (increase in costs, volume decrease) ● Lower profit in LNG trading ● MEP Texas Holdings -7.8 (lower crude oil and gas prices) ● MOEX North America -7.6 (lower profit due to sale of interest recorded in the current year, lower crude oil prices) ● Mitsui E&P Italia B*1 -6.1 (increase in costs, lower crude oil prices) ● Mitsui E&P Middle East -3.4 (lower crude oil prices) ● Fuel supply trading +7.6 (absence of loss recorded in the previous year)
Profit (loss) of equity method investments	68.1	108.5	(40.4)	● Lower profit in Japan Australia LNG (MIMI) (lower crude oil and gas prices, volume decrease) ● Mitsui Oil Exploration -3.4 (absence of profit due to changes to lease accounting in the previous year, other factors) ● Absence of provision recorded in the previous year for Mitsui E&P Mozambique Area 1 +3.5
Dividend income	92.7	58.7	+34.0	● 4 LNG projects*2 +35.3 (current year 92.0, previous year 56.7)
Selling, general and administrative expenses	(58.6)	(57.9)	(0.7)	
Others	(16.3)	(116.3)	+100.0	● Reversal of asset retirement obligations in several consolidated subsidiaries +45.6 ● Mitsui LNG Nederland*3 +37.3 (realization of foreign exchange translation adjustments) ● Gain on sale of Kaikias field +11.8 ● Arctic LNG 2 project related ● MOEX North America +4.3 (derivative related profit and loss) ● Absence of impairment loss in biomass power generation recorded in the previous year +3.3 ● Impairment loss in Mitsui E&P Italia B*4 -23.6 ● Increase in interest expenses at several business divisions within Mitsui & Co. HQ -21.0 ● Impairment loss in Mitsui E&P South Texas*5 -12.3 ● Foreign exchange hedging loss related to fuel supply trading and other factors -3.2

*1 This total includes financial results for Mitsui E&P Italia A which was merged into Mitsui E&P Italia B in the third quarter of the previous year.

*2 Sakhalin II, Abu Dhabi, Oman, and Qatar.

*3 Special purpose company for the investment in the Qatargas 1 LNG project that ended in the year ended March 31, 2022.

*4 A fixed asset valuation loss of 23.6 billion yen was recorded due to a decrease in the recoverable reserves of the Tempa Rossa oil field project owned by Mitsui E&P Italia B.

*5 A fixed asset valuation loss of 12.3 billion yen was recorded in the South Texas Vaquero shale gas project owned by Mitsui E&P South Texas due to a fall in gas prices.

Sensitivity for Fluctuations in Oil and Gas Prices and Our Equity Share of Production

For the year ending March 31, 2025, a change of US$1 per barrel in crude oil prices is estimated to have an effect of ¥2.4 billion on profit for the year attributable to owners of the parent as a result of changes in revenues of our upstream oil and gas businesses.

Similar to the discussion regarding mineral and metal resources, actual results of operations are also influenced by production, costs, trends in foreign exchange rates and other factors surrounding above mentioned upstream oil and gas businesses.

Our equity share of production volume of oil and gas for the year ended March 31, 2024 was 213 thousand barrels per day (gas is converted to barrels of oil at the ratio of 5,800 cubic feet of natural gas to 1 barrel of crude oil, includes equity share of interests of consolidated subsidiaries, equity accounted investees and non-consolidated interests).

Machinery & Infrastructure Segment

(Billions of yen)	Current year	Previous year	Change	Description
Profit for the year attributable to owners of the parent	248.7	171.9	+76.8	
Gross profit	221.1	199.9	+21.2	● An industrial and construction machinery company in Latin America +11.8 (change of earnings contribution period[*1], good sales performance) ● Increase in number of ships delivered ● Hino Mexico +3.3 (good sales performance) ● Aptella[*2] consolidation +3.1 ● BAF[*3] becoming an equity accounted investee -6.2 ● Lower profit after sale of Mitsui Rail Capital Europe -4.5 ● Absence of profit from Brazilian passenger railway recorded in the previous year
Profit (loss) of equity method investments	230.4	197.3	+33.1	● International Power (Australia) Holdings +11.0 (valuation gains relating to power derivative contracts and other factors, swing back from losses in the previous year) ● One-time valuation gain due to acquisition of shares in MPIC[*4] and other factors +10.0 ● VLI +10.0 (increase due to swing back from weak performance in the previous year owing to bad weather and other factors, reduction in fixed assets impairment loss[*5] +4.0) ● North America automotive company (increase in unit sales, decrease in sales promotion expenses) ● FPSO +8.1 (increase due to MV34 and other FPSOs starting operations) ● Absence of impairment loss in Hezhou project in China in the previous year +6.5[*6] ● Power generation in Thailand +6.0 (becoming partially operational, other factors) ● Swing back from losses in gas-fired power generation in Ontario, Canada in the previous year +3.3 ● East Anglia[*7] +3.3 (resumption of earnings contribution following book value recovery) ● Automotive related company in Asia (good sales performance) ● MBK USA Commercial Vehicles -19.2 (increase in interest expense, lower profit from sale of used cars) ● Mainstream -16.9 (fixed assets impairment loss[*8] -15.1, finance restructuring related) ● Lower profit in Paiton
Dividend income	7.1	4.2	+2.9	
Selling, general and administrative expenses	(181.8)	(163.6)	(18.2)	● An industrial and construction machinery company in Latin America -3.3 (change of earnings contribution period[*1])

Others	(28.1)	(65.9)	+37.8	● Gain on sale of Mitsui Rail Capital Europe +64.4 ● Absence of fixed assets impairment loss in Brazilian passenger railway recorded in the previous year[*9] +15.1 ● Gain on sale of International Power (Australia) Holdings +8.7 ● Dividends from Paiton +8.4 ● Gain on sale of gas-fired power generation in Ontario, Canada +4.6 ● Aircraft leasing company +4.2 (gain on sale of aircraft, absence of valuation loss in the previous year) ● Profit related to gain on sale of BAF[*3] +4.1 ● Foreign exchange translation adjustments due to deconsolidation of IPM UK +3.4 ● Absence of MT Falcon impairment loss recorded in the previous year[*10] +3.1 ● Brazilian passenger railway[*11] -30.5 (fixed assets impairment loss -19.5, reversal of deferred tax assets -12.6, other factors) ● Impairment loss of goodwill at Mainstream[*12] -12.9 ● Absence of decrease in corporate income tax burden resulting from the sale of Lucid Group shares recorded in the previous year[*13] -7.2 ● Provision for Hazelwood power generation in Australia[*14] -5.7

*1 A temporary change to the earnings contribution period in order to eliminate the financial reporting time-lag (the previous period represents twelve months of earnings contribution, the current period represents fifteen months of earnings contribution)

*2 Name changed from Position Partners in January 2024.

*3 Bussan Auto Finance.

*4 Metro Pacific Investments Corporation, an integrated infrastructure company in the Philippines.

*5 VLI recorded a fixed assets impairment loss of ¥6.7 billion and reversals of deferred tax assets of ¥1.9 billion in the previous year, and a fixed asset impairment loss of ¥4.6 billion in the current year, due to the reassessment of a recoverable amount of some assets related to a Brazilian freight railway concession.

*6 An equity method loss of ¥6.5 billion was recorded in the previous year due to the reassessment of a recoverable amount of assets of the Hezhou Power Plant Project in China.

*7 A passenger rail franchise business in the UK.

*8 Recorded an equity method loss of ¥15.1 billion due to a fixed asset impairment loss related to Mainstream's projects mainly in Chile.

*9 In the previous year, a fixed assets impairment loss was recorded based on the latest estimation regarding the decrease in revenue and the increased discount rate for the passenger railway business in Brazil.

*10 In the previous year, an impairment loss of ¥3.1 billion was recorded, based on the revision of a sale and purchase agreement for the shares of MT Falcon Holdings.

*11 In the passenger railway business in Brazil, a fixed asset impairment loss of ¥19.5 billion and a reversal of ¥12.6 billion in deferred tax assets were recorded based on latest estimates.

*12 A valuation loss on securities of ¥12.9 billion was recorded due to an impairment of goodwill related to Mainstream's projects.

*13 In the previous year, corporate income taxes was lower due to tax expenses being recognized as other comprehensive income resulting from the sale of financial assets in Lucid Group shares measured at FVTOCI.

*14 An additional provision was recorded due to a revision in expenses related to the closure of the mine.

Chemicals Segment

(Billions of yen)	Current year	Previous year	Change	Description
Profit for the year attributable to owners of the parent	39.2	70.9	(31.7)	
Gross profit	208.3	209.3	(1.0)	● Lower profit in Mitsui Agro Business (lower prices) ● Lower profit in fertilizer related trading (lower prices, volume decrease) ● Intercontinental Terminals Company +4.3 (good performance) ● Fair value gain in Ceva and other securities +3.2
Profit (loss) of equity method investments	21.2	27.4	(6.2)	● Japan-Arabia Methanol -3.0 (plant maintenance, lower prices) ● Hexagon Composites +4.2 (mainly a valuation gain due to one of its subsidiaries becoming an equity accounted investee)
Dividend income	4.6	3.8	+0.8	
Selling, general and administrative expenses	(154.7)	(137.4)	(17.3)	● Provision recorded in the chemicals business outside Japan -3.7
Others	(40.2)	(32.2)	(8.0)	● Gain on sale of Thorne HealthTech +11.5

Iron & Steel Products Segment

(Billions of yen)	Current year	Previous year	Change	Description
Profit for the year attributable to owners of the parent	11.2	22.5	(11.3)	
Gross profit	43.5	40.7	+2.8	● STATS consolidation +3.2
Profit (loss) of equity method investments	17.2	24.7	(7.5)	● Impairment loss recorded in Gestamp -4.1
Dividend income	3.6	3.0	+0.6	
Selling, general and administrative expenses	(32.1)	(27.6)	(4.5)	
Others	(21.0)	(18.3)	(2.7)	

Lifestyle Segment

(Billions of yen)		Current year	Previous year	Change	Description
Profit for the year attributable to owners of the parent		94.1	54.8	+39.3	
	Gross profit	185.3	153.7	+31.6	● Aim Services becoming a subsidiary +20.6 ● AUSJ*1 becoming a subsidiary +8.3 ● Absence of fair value loss of drug discovery support fund recorded in the previous year +3.8 ● Domestic food and retail management +3.4 (improved profitability) ● Food import and export foreign exchange impact -6.9 ● MBK HUMAN CAPITAL -3.7 (decrease in demand and unit price) ● United Grain Corporation -3.1 (swing back from good performance in the previous year)
	Profit (loss) of equity method investments	59.5	50.7	+8.8	● WILSEY FOODS +12.0 (partial sale of business and good performance at Ventura Foods, a manufacturer of processed oil food)
	Dividend income	7.2	6.2	+1.0	
	Selling, general and administrative expenses	(173.1)	(142.0)	(31.1)	● Aim Services becoming a subsidiary -16.4 ● AUSJ*1 becoming a subsidiary -7.2
	Others	15.2	(13.8)	+29.0	● Aim Services fair value gain*2 +43.4 ● Gain on sale of RGF Staffing Delaware +11.3 ● Foreign exchange hedging profit in coffee trading +7.6 ● Foreign exchange profit in food import and export +6.5 ● Put option related to R-Pharm*3 -19.4 (current year -12.9, previous year 6.5) ● Absence of decrease in corporate income tax burden resulting from the sale of financial assets measured at FVTOCI recorded in the previous year*4 -12.2 ●Absence of Multigrain related tax refund recorded in the previous year -5.0

*1 Aramark Uniform Services Japan.

*2 Revaluation gain on previously held equity interest due to Aim Services being reclassified from an equity accounted investee to a consolidated subsidiary.

*3 A fair value revaluation profit/loss for a put option in relation to R-Pharm.

*4 Corporate income taxes were lower due to tax expenses being recognized as other comprehensive income resulting from the sale of financial assets measured at FVTOCI in the previous year.

Innovation & Corporate Development Segment

(Billions of yen)	Current year	Previous year	Change	Description
Profit for the year attributable to owners of the parent	53.8	66.7	(12.9)	
Gross profit	118.4	112.6	+5.8	● Mitsui & Co. Real Estate +3.4 (gain on sale of logistics facilities) ● Lower profit in trading at a business division within Mitsui & Co. HQ (commodity price factors) ● Mitsui Bussan Commodities -4.1 (lower volatility)
Profit (loss) of equity method investments	19.7	18.9	+0.8	● JA Mitsui Leasing +3.2 (increase of owned assets)
Dividend income	3.2	3.8	(0.6)	
Selling, general and administrative expenses	(89.0)	(82.7)	(6.3)	
Others	1.5	14.1	(12.6)	● Absence of gain on sale of real estate in Singapore recorded in the previous year*1 ● Gain on sale of real estate in the US -5.3 (current year 6.3, previous year 11.6) ● Absence of gain on sale of investment securities recorded in the previous year -4.0 ● Gain on partial sale of Hibiya Fort Tower -0.2 (current year 5.7, previous year 5.9) ● Fair value gain related to Altius Link in the current year*2 +8.9 ● Higher profit from trading at a business division within Mitsui & Co. HQ (foreign exchange factors)

*1 A gain on sale of Southernwood Property, an investment vehicle that owns an office building in Singapore.

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

(5) Liquidity and Capital Resources

Use of Non-GAAP Financial Measures

Net Debt-to-Equity Ratio

We refer to "Net Debt-to-Equity Ratio" ("Net DER") in this "Liquidity and Capital Resources" and elsewhere in this report. Net DER is comprised of "net interest-bearing debt" divided by total equity attributable to owners of the parent.

We define "net interest-bearing debt" as follows:
- calculate interest-bearing debt by subtracting lease debt from short-term debt and long-term debt
- calculate net interest-bearing debt by subtracting cash and cash equivalents and time deposits with maturities within one year after three months from interest-bearing debt

Our management considers that Net DER is a useful measure for investors to review the balance between interest-bearing debt and total equity attributable to owners of the parent for the purpose of improving our capacity to meet debt repayment and leverage to improve return on equity in our capital structure.

"Net interest-bearing debt" and "Net DER" are presented in the table below.

	As of March 31, 2024	As of March 31, 2023
	(Bn JPY)	(Bn JPY)
Short-term debt	244.0	432.2
Long-term debt	4,532.1	4,608.3
Total debt	4,776.1	5,040.5
Less lease debt	(475.3)	(431.0)
Interest-bearing debt	4,300.8	4,609.5
Less cash and cash equivalents and time deposits	(902.7)	(1,396.8)
Net interest-bearing debt	3,398.1	3,212.7
Total equity attributable to owners of the parent	7,541.8	6,367.8
Net DER (times)	0.45	0.50

Cash Flow after Shareholder Returns

Our Management believes "cash flow after shareholder return" is useful measure to maintain and improve our financial base. See 4) "Investments and Loans, Financial Policies."

1) Funding and Treasury Policies

Our basic funding policy as set forth by our management is to secure liquidity required for our smooth operations and to maintain the strength and soundness of our balance sheet. Thus, our principal strategy is to obtain long-term funds (those with maturities of around 10 years) from financial institutions, including domestic life-insurance companies and banks, and through the issuance of corporate bonds. At the same time, we minimize our refinance risk by deconcentrating the amount of long-term debt to be repaid each fiscal year. In cases of projects where large amounts of financing are required, we utilize financing programs provided by government financing agencies and/or project financing.

In principle, wholly owned subsidiaries procure funds not from financial institutions, but by utilizing the internal Cash Management Service, in which they can procure financing from financing subsidiaries and overseas offices of the Company. Through this service, centralization of fund raising, the efficient use of fund and securement of liquidity are promoted. As a result, approximately four fifths of total interest-bearing debt on a consolidated basis as of March 31, 2024 was raised by Mitsui and the above-mentioned financing subsidiaries.

We also hold sufficient cash and cash equivalents in order to maintain liquidity to flexibly meet capital requirements and to minimize the harmful effects of a deteriorated financial market on future debt-service requirements. While there is no particular target amount of cash and cash equivalents to be held, considering the current financial market conditions, cash and cash equivalents are invested mainly in highly liquid and highly rated short-term financial instruments, or deposited.

2) Funding Sources

In accordance with our basic funding policy above, we choose the most favorable funding sources from various forms of direct and indirect financing by suitable means considering the financial condition at that point of time.

We procure necessary funds, mainly long-term, based on our longstanding and wide-ranging relations with financial institutions in Japan and overseas. In addition, we borrow from government financing agencies such as Japan Bank for International Cooperation, and also utilize project financing.

In addition to these funding sources, Mitsui maintains various means of procuring direct financing, such as a ¥200 billion debt shelf-registration, a commercial paper program in Japan, and Euro medium-term note ("MTN") program, and utilizes the method among these that is favorable depending on the financial situation. Outstanding Japanese yen bonds under shelf-registration as of March 31, 2024 were ¥230 billion and outstanding notes under the MTN program and USD bonds as of March 31, 2024 were ¥184.0 billion. For raising short-term funds overseas, Mitsui & Co. (U.S.A.), Inc. has a U.S. domestic commercial paper program and Mitsui & Co. Financial Services (Europe) Ltd. also has a Euro commercial paper program, and these programs are utilized where appropriate. However, we maintain the principal strategy of carrying out long-term and stable fund procurement, and we do not rely on fund procurement means such as commercial paper or short-term loans. As a result, the proportion of current maturities of interest-bearing debt to total interest-bearing debt on a consolidated basis was 20.6% as of March 31, 2024.

In order to secure and maintain liquidity, Mitsui and certain subsidiaries set lines of credit (“Commitment Lines”) by paying commitment fees to financial institutions. Mitsui has signed Commitment Lines equivalent to USD 5.9 billion with major banks in Japan and overseas.

A vast majority of interest-bearing debt is denominated in Japanese yen and U.S. dollars. Considering the type of interest and currency of the asset-side, we employ certain derivative financial instruments, which include interest rate swaps, currency swaps and foreign currency exchange forward contracts to convert the interest or currency of our liabilities. We believe that the proportion of interest-bearing debt with fixed interest rate after taking into account interest rate swaps is appropriate considering the condition of our current financial position.
See Note 9, "DISCLOSURES ABOUT FINANCIAL INSTRUMENTS AND RELATED MATTERS" for further description of our derivative financial instruments. Additionally, regarding liquidity analysis related to derivative instruments, see Note 16, "DISCLOSURES ABOUT FINANCIAL AND OTHER TRADE LIABILITIES."

Credit Ratings

To facilitate smooth fund raising from capital markets, Mitsui has obtained ratings from Rating and Investment Information, Inc. ("R&I"), Moody's Japan K.K. ("Moody's") and S&P Global Ratings Japan Inc. ("S&P"). The ratings as of May 31, 2024 were as follows:

	R&I	Moody's	S&P
Long-term Debt	AA (Stable)	A3 (Stable)	A (Stable)
Short-term Debt	a-1+	P-2	A-1

Mitsui intends to maintain sound financial foundations and will strive to maintain and improve its credit rating.

Credit ratings are assessments by the rating agencies of the credit risks associated with us and are based on information provided by us and other sources that the rating agencies consider reliable. Credit ratings do not constitute a recommendation to buy, sell or hold securities and are subject to change or withdrawal by each of the rating agencies at any time. Each rating agency has different criteria in evaluating the risk associated with a company.

3) Liquidity Management

Cash and cash equivalents were ¥898.2 billion as of March 31, 2024. Approximately half of cash and cash equivalents are denominated in Japanese yen and our management recognizes that cash and cash equivalents as of March 31, 2024 are sufficient level to repay current maturities of Interest-bearing debt (¥887.6 billion). In addition, Mitsui has secured Commitment Lines which allow for flexible withdrawal of funds.

In the year ended March 31, 2024, the US economy was solid while growth in Europe continued to stall and China's recovery was weak. As a result, the overall global economy continued to slow. Under such circumstances, we steadily procured necessary funds in accordance with our basic funding policy by utilizing our good long-term relationship with financial institutions, various measures implemented by public financing agencies, and debt shelf-registration.

As a result, our interest-bearing debt outstanding as of March 31, 2024, totaled ¥4,300.8 billion, a decrease of ¥308.8 billion from the previous fiscal year-end. Subordinated syndicated loans accounted for ¥420.0 billion of the interest-bearing debt. Rating agencies treat 50% of this balance, or ¥210.0 billion, as equity. The maturity profile of our outstanding Short-term and Long-term Interest-bearing debt as of March 31, 2024 was as follows. For the details of the short-term and long-term debt and interest rate structure of our outstanding debt as of March 31, 2024, see Note 16, "DISCLOSURES ABOUT FINANCIAL AND OTHER TRADE LIABILITIES."

Year ending March 31:	2025	2026	2027	2028	2029	Thereafter	Total
Billions of Yen	887.6	542.2	260.5	388.0	447.9	1,774.6	4,300.8

Total equity attributable to owners of the parent as of March 31, 2024 was ¥7,541.8 billion, an increase of ¥1,174.0 billion from March 31, 2023. Also, net interest-bearing debt was ¥3,398.1 billion, an increase of ¥185.4 billion, and as a result, the Net DER decreased to 0.45 times as of March 31, 2024 from 0.50 times as of March 31, 2023.

The ratio of current assets to current liabilities, which was 150.7% as of March 31, 2023, was 148.2% as of March 31, 2024.

Judging by the numbers above and current market conditions, the financial strength of our balance sheet is maintained, and at this stage we are not aware of any significant financial difficulties that would affect our operations including investments and loans in accordance with our Medium-term Management Plan.

Although we provide payment guarantees to third parties and related parties, these guarantees do not include those that have substantial impacts on our liquidity. For details on guarantees issued by us and future obligations, see Note 27, "CONTINGENT LIABILITIES."

With the exception of non-recourse financing for individual projects, it is our policy not to conclude agreements for important financial transactions with financial institutions that contain additional debt restriction clauses that may cause acceleration of our obligations, including debt incurrence restrictions, negative pledges, restrictions on dividend payments and various financial ratio limits, and there are no material financial covenants in the agreements undertaken.

Our management believes that our liquidity will not be affected by dividends from our foreign consolidated subsidiaries and equity accounted investees. Assuming that such companies have sufficient distributable net assets or retained earnings as provided under the local laws of the relevant jurisdictions, there are no material, contractual or legal restrictions on the ability of our consolidated subsidiaries and equity accounted investees to transfer funds to us in the form of dividends and other distributions. There are no material economic restrictions on payments of dividends and other distributions by them other than general withholding or other taxes calculated at the rates determined by the local tax laws of the relevant jurisdictions.

We plan to contribute ¥5.8 billion to our defined-benefit pension plans for the year ending March 31, 2025.

4) Investments and Loans, Financial Policies

Core Operating Cash Flow for the fiscal year ended March 31, 2024 was approximately ¥9,96.0 billion. Combined with approximately ¥537.0 billion obtained from progress in asset recycling, this produced cash-in of approximately ¥1,533.0 billion.

Investment and Loans* totaled approximately ¥968.0 billion, influenced by factors such as investment in Nutrinova, which manufactures and sells functional food ingredients, Altius Link in the Innovation & Corporate Development segment and IPSP, a shrimp farming business in Ecuador. With the addition of approximately ¥377.0 billion in shareholder returns, free cash flow** after shareholder returns was approximately positive ¥188.0 billion. We will continue to further enhance both growth investments and shareholder returns, also keeping in mind the ample reserve of the balance sheet that we bolstered during the previous Medium-term Management Plan. See "6) Cash Flows," for further description of cash flows for the year ended March 31, 2024.

* Investments and loans based on investing cash flows excluding an increase or decrease of time deposits and financing cash flows accompanied by the transactions with non-controlling interest shareholders

** Free cash flow excluding the effect of changes in working capital and time deposits

(Bn JPY)

		MTMP2026	FY March 2024 Results	Main Results	
IN Cash Inflows*1	Core Operating Cash Flow	2,750	996	–	
	Asset Recycling	870	537	MRCE*4 (Q2) Aviation (Q1-3) My Power (Q1-4)	IPAH*7 (Q3) Thorne HealthTech (Q3) RGF Staffing (Q4)
	Cash-In total	3,620	1,533		
OUT Cash Outflows*1	Sustaining CAPEX	-570	-255	Oil and gas (Q1-4)	Iron ore and metallurgical coal (Q1-4)
	Growth Investments	-1,170	-713	Nutrinova (Q2) Altius Link*5 (Q2 and Q3) Additional acquisition of Aim Services (Q1) IPSP*6 (Q4)	FPSO*8 (MV32, 33 and 34) (Q2-Q4) MPIC*9 (Q2 and Q3) Natural gas development*10 (Q1-4) RNG business*11 (Q2 and Q3)
	Management Allocation*2	-1,130			
	Share Repurchase	-70	-120*3		
	Dividend	-680	-257		
	Cash-Out total		-1,345		

Mineral & Metal Resources
Energy
Machinery & Infrastructure
Chemicals
Iron & Steel Products
Lifestyle
Innovation & Corporate Development

*1 Excludes changes in time deposits
*2 Pursue flexible and strategic capital allocation to growth investments and additional shareholder returns, taking a comprehensive view of investment opportunities and the business environment
*3 Does not include 19.2 Bn yen acquisition of shares for employee stock-based compensation
*4 Mitsui Rail Capital Europe
*5 After the additional acquisition of shares in Relia, there was a business integration with KDDI Evolva and launched as Altius Link on September 1, 2023.
*6 Industrial Pesquera Santa Priscila
*7 International Power (Australia) Holdings
*8 Floating Production, Storage, and Offloading
*9 Acquired Metro Pacific Investments Corporation via Mit-Pacific Infrastructure Holdings
*10 Waitsia
*11 Renewable natural gas

For the details of refinancing, see "1) Funding and Treasury Policies" and "2) Funding Sources."

5) Assets, Liabilities and Shareholders' Equity

(Bn JPY)	March 31, 2024	March 31, 2023	Change
Total assets	16,899.5	15,380.9	+1,518.6
Current assets	5,768.1	5,674.8	+93.3
Non-current assets	11,131.4	9,706.1	+1,425.3
Current liabilities	3,891.5	3,766.6	+124.9
Non-current liabilities	5,238.0	5,049.1	+188.9
Total equity attributable to owners of the parent	7,541.8	6,367.8	+1,174.0

Assets

Current Assets:

(Bn JPY)	March 31, 2024	March 31, 2023	Change	Description
Current assets	5,768.1	5,674.8	+93.3	
Cash and cash equivalents	898.2	1,390.1	(491.9)	
Trade and other receivables	2,216.7	2,191.2	+25.5	● Trade receivables +57.0 (EN, CH, LI)*1 Increase in trading volume ● Loan receivables -34.7, of which BAF*2 -70.0
Other financial assets	1,140.1	773.0	+367.1	● (EN, CH)*1 Increase in accounts receivable ● (MI, EN, IC)*1 Increase in derivative assets ● (Corporate, EN)*1 Increase in margin deposits
Inventories	965.7	940.5	+25.2	● (LI, MI, EN)*1 Increase in inventories ● Komatsu Mining Corp. Perú becoming a subsidiary +14.3
Advance payments to suppliers	368.1	226.7	+141.4	● (MI)*1 Increase in trading volume
Income tax receivables	49.4	38.4	11.0	
Other current assets	129.8	114.9	+14.9	

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

*2 Bussan Auto Finance becoming an associated company.

Non-current Assets:

(Bn JPY)	March 31, 2024	March 31, 2023	Change	Description
Non-current assets	11,131.4	9,706.1	+1,425.3	
Investments accounted for using the equity method	4,870.0	3,929.6	+940.4	● Changes from equity method investments profit +491.6 ● Foreign exchange fluctuations +453.5 ● Nutrinova +74.9 ● Offshore wind power project in Taiwan +70.1 (YECL[*1] becoming a subsidiary and other factors) ● Industrial Pesquera Santa Priscila +54.2 ● Altius Link[*2] +46.6 (investments +60.7, capital recovery -14.1) ● Mit-Pacific Infrastructure Holdings[*3] +32.4 ● Renewable natural gas +28.8 ● Overseas real estate +23.9 ● FPSO (MV32) +23.2 ● FPSO (MV33) +19.8 ● Mitsui E&P Mozambique +18.5 ● Euricom +17.1 ● BAF[*4] +14.3 ● Kasso MidCo+12.1 ● FPSO (MV34) +10.7 ● Dividends from equity accounted investees -393.9 ● Sale of International Power (Australia) Holdings -17.3
Other investments	2,319.9	2,134.1	+185.8	● Fair value of FVTOCI financial assets +87.2 ● Foreign exchange fluctuations +48.5 ● Acquisition of Alvotech convertible bonds +10.5
Trade and other receivables	286.6	320.0	(33.4)	● BAF[*4] -53.3
Other financial assets	210.8	208.0	+2.8	
Property, plant and equipment	2,401.5	2,300.6	+100.9	● Iron ore mining operations in Australia +46.1 (including foreign exchange fluctuations +41.2) ● South Texas Vaquero +39.3 (including foreign exchange fluctuations +3.3) ● Oil and gas projects +31.1 (including foreign exchange fluctuations +67.5) ● Intercontinental Terminals Company +20.2 ● Mitsui Resources +14.5 (including foreign exchange fluctuations +10.3) ● Mitta +10.4 ● Mitsui Rail Capital Europe -81.8 ● M&T Aviation sale of owned aircraft -26.9 ● Depreciation of LNG vessels -15.8
Investment property	282.3	282.5	(0.2)	

(Bn JPY)	March 31, 2024	March 31, 2023	Change	Description
Intangible assets	458.2	277.3	+180.9	● Aim Services becoming a subsidiary +123.9 ● Komatsu Mining Corp. Perú becoming a subsidiary +15.1
Deferred tax assets	108.1	105.2	+2.9	
Other non-current assets	194.0	148.8	+45.2	● Increase in pension assets

*1 Yushan Energy Co., Ltd.

*2 After acquiring additional shares in Relia, the business was integrated with KDDI Evolva and a new company known as Altius Link was formed.

*3 An investment in Metro Pacific Investments Corporation through Mit-Pacific Infrastructure Holdings.

*4 Bussan Auto Finance becoming an associated company.

The following table shows the details of Investments accounted for using the equity method as of March 31, 2024 and 2023 by operating segment.

(Bn JPY)	As of March 31,		Change
	2024	2023	
Mineral & Metal resources	513.8	467.4	+46.4
Energy	650.7	521.4	+129.3
Machinery & Infrastructure	1,777.1	1,405.9	+371.2
Chemicals	329.5	246.7	+82.8
Iron & Steel products	356.4	312.6	+43.8
Lifestyle	888.3	721.5	+166.8
Innovation & Corporate development	355.0	255.9	+99.1
All other and adjustments and eliminations	(0.8)	(1.8)	+1.0
Consolidated total	4,870.0	3,929.6	+940.4

The following table shows the details of property, plant and equipment as of March 31, 2024 and 2023 by operating segment.

(Bn JPY)	As of March 31,		Change
	2024	2023	
Mineral & Metal resources	574.5	513.9	+60.6
Energy	778.7	717.5	+61.2
Machinery & Infrastructure	180.7	273.2	(92.5)
Chemicals	295.6	255.8	+39.8
Iron & Steel products	20.0	9.9	+10.1
Lifestyle	229.0	212.6	+16.4
Innovation & Corporate development	135.0	133.2	+1.8
All other and adjustments and eliminations	188.0	184.5	+3.5
Consolidated Total	2,401.5	2,300.6	+100.9

For the details for the categories of property, plant and equipment leased to others as of March 31, 2024 and 2023, see Note 10, "LEASES."

Liabilities

(Bn JPY)	March 31, 2024	March 31, 2023	Change	Description
Current liabilities	3,891.5	3,766.6	+124.9	
Short-term debt	244.0	432.2	(188.2)	● Borrowing and repayments, as well as BAF[*1] -21.6
Current portion of long-term debt	723.1	811.0	(87.9)	● Reclassification from non-current debt and repayments, as well as BAF[*1] -28.4
Trade and other payables	1,647.0	1,510.4	+136.6	● Increase in trade payables (Mainly corresponding to an increase in trade receivables)
Other financial liabilities	737.5	622.0	+115.5	● Increase in derivative liabilities and accounts payable-other
Income tax payables	42.2	49.3	(7.1)	
Advances from customers	318.8	234.9	+83.9	● Corresponding to increase in advance payments
Provisions	123.8	59.0	+64.8	● Oil and gas projects +27.9
Other current liabilities	55.2	47.8	+7.4	
Non-current Liabilities	5,238.0	5,049.1	+188.9	
Long-term debt, less the current portion	3,809.0	3,797.3	+11.7	● Reclassification to current portion and borrowings, as well as BAF[*1] -43.8
Other financial liabilities	341.9	223.4	+118.5	● Increase in derivative liabilities
Retirement benefit liabilities	43.9	37.0	+6.9	
Provisions	261.6	310.5	(48.9)	● Oil and gas projects -84.0
Deferred tax liabilities	745.8	648.3	+97.5	
Other non-current liabilities	35.7	32.6	+3.1	

*1 Bussan Auto Finance becoming an associated company.

Equity

(Bn JPY)	March 31, 2024	March 31, 2023	Change	Description
Common stock	343.1	342.6	+0.5	
Capital surplus	391.9	381.9	+10.0	
Retained earnings	5,551.7	4,840.5	+711.2	
Other components of equity	1,323.8	869.0	+454.8	
<breakdown>				
Financial assets measured at FVTOCI	265.6	215.6	+50.0	
Foreign currency translation adjustments	1,090.4	638.5	+451.9	● USD +219.0 (Mar-24 USD/JPY151.41, up from Mar-23 USD/JPY133.53) ● AUD +109.6 (Mar-24 AUD/JPY98.61, up from Mar-23 AUD/JPY89.69)
Cash flow hedges	(32.1)	14.9	(47.0)	
Treasury stock	(68.6)	(66.2)	(2.4)	● Share repurchase -139.3 ● Cancellation of treasury stock +135.9
Total Equity attributable to owners of the Parent	7,541.8	6,367.8	+1,174.0	
Non-controlling interests	228.1	197.4	+30.7	

6) Cash Flows

(Bn JPY)	Current year	Previous year	Change
Cash flows from operating activities	864.4	1,047.5	(183.1)
Cash flows from investing activities	(427.5)	(178.3)	(249.2)
Free cash flow	436.9	869.2	(432.3)
Cash flows from financing activities	(1,013.1)	(634.7)	(378.4)
Effect of exchange rate changes on cash and cash equivalents	84.3	27.8	+56.5
Change in cash and cash equivalents	(491.9)	262.3	(754.2)

Cash Flows from Operating Activities

(Bn JPY)		Current year	Previous year	Change
Cash flows from operating activities	a	864.4	1,047.5	(183.1)
Cash flows from change in working capital	b	(205.4)	(223.5)	+18.1
Repayments of lease liabilities	c	(74.0)	(65.5)	(8.5)
Core Operating Cash Flow	a-b+c	995.8	1,205.5	(209.7)

・Cash flows from change in working capital (changes in operating assets and liabilities) was ¥205.4 billion of net cash outflow. Repayments of lease liabilities was ¥74.0 billion of net cash outflow. Core Operating Cash Flow, which equals cash flows from operating activities excluding changes in working capital and repayments of lease liabilities, amounted to ¥995.8 billion.

- Net cash inflow from dividend income, including dividends received from equity accounted investees, for the current year totaled ¥550.8 billion, a decrease of ¥23.4 billion from ¥574.2 billion for the previous year.
- Depreciation and amortization for the current year was ¥293.6 billion, an increase of ¥20.9 billion from ¥272.7 billion for the previous year.

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

(Bn JPY)	Current year	Previous year	Change
Mineral & Metal resources	409.1	436.7	(27.6)
Energy	247.8	419.6	(171.8)
Machinery & Infrastructure	176.9	182.9	(6.0)
Chemicals	63.4	89.5	(26.1)
Iron & Steel products	8.5	18.0	(9.5)
Lifestyle	40.2	31.1	+9.1
Innovation & Corporate development	45.4	46.6	(1.2)
All other and adjustments and eliminations	4.5	(18.9)	+23.4
Consolidated total	995.8	1,205.5	(209.7)

The following table shows Depreciation and amortization by operating segment.

(Bn JPY)	Current year	Previous year	Change
Mineral & Metal resources	66.1	58.7	+7.4
Energy	92.6	88.2	+4.4
Machinery & Infrastructure	34.0	34.8	(0.8)
Chemicals	32.9	31.6	+1.3
Iron & Steel products	2.6	1.5	+1.1
Lifestyle	30.1	23.2	+6.9
Innovation & Corporate development	17.5	18.8	(1.3)
All other and adjustments and eliminations	17.8	15.9	+1.9
Consolidated total	293.6	272.7	+20.9

Cash Flows from Investing Activities

(Bn JPY)	Current year	Previous year	Description
Cash flows from investing activities	(427.5)	(178.3)	
Net change in investments to equity accounted investees	(306.1)	(103.4)	
Increase	(449.8)	(238.6)	● Nutrinova -74.9 ● Altius Link*1 -60.4 ● Industrial Pesquera Santa Priscila -54.2 ● Mit-Pacific Infrastructure Holdings*2 -32.4 ● Renewable natural gas -28.9 ● Overseas real estate -23.9 ● FPSO (MV32) -23.2 ● FPSO (MV33) -19.8 ● Power generation -19.2 ● Mitsui E&P Mozambique -18.5 ● Euricom -17.1 ● Kasso MidCo -12.1 ● FPSO (MV34) -10.7
Decrease	143.7	135.2	● International Power (Australia) Holdings +25.9 ● Thorne HealthTech +24.0 ● RGF Staffing Delaware +19.0 ● Partial recovery of investment in Altius Link +14.1
Net change in other investments	20.2	33.9	
Increase	(92.4)	(100.4)	● Komatsu Mining Corp. Perú ● Acquisition of Alvotech convertible bonds -10.5
Decrease	112.6	134.3	● Mitsui Rail Capital Europe ● MyPower +24.9 ● Sale of Kaikias field +17.4 ● Overseas real estate +11.4
Net change in property, plant, and equipment	(244.3)	(190.0)	
Increase	(294.8)	(228.0)	● Oil and gas projects -75.1 ● Iron ore mining operations in Australia -43.8 ● Mitsui Resources -25.2 ● MyPower -21.3
Decrease	50.5	38.0	● M&T Aviation sale of owned aircraft +30.8
Net change in investment property	29.1	48.4	
Increase	(8.5)	(12.3)	
Decrease	37.6	60.7	● Sale of US real estate +16.6 ● Sale of Xingu Agri farm land +10.9 ● Partial sale of Hibiya Fort Tower
Net change in loan receivables	24.0	(4.2)	● Repayment of loan from Gestamp North America +16.6
Net change in time deposits	3.0	37.0	
Acquisition of subsidiaries or other businesses	(106.3)	–	● Aim Services becoming a subsidiary -58.8 (net amount of: acquisition cost -68.8, cash and deposits +10.0) ● South Texas Vaquero -36.8 ● Bussan Animal Health*3 -10.7
Proceeds from sales of subsidiaries or other businesses	152.9	–	

*1 After acquiring additional shares in Relia, the business was integrated with KDDI Evolva and a new company known as Altius Link was formed.

*2 An investment in Metro Pacific Investments Corporation through Mit-Pacific Infrastructure Holdings.

*3 After acquiring all shares in Sumitomo Pharma Animal Health, the company name changed to Bussan Animal Health in June 2023.

The following table shows net cash provided by (used in) investing activities by operating segment.

(Bn JPY)	Current year	Previous year
Mineral & Metal resources	(73.1)	(17.6)
Energy	(167.4)	(110.4)
Machinery & Infrastructure	106.8	(89.9)
Chemicals	(93.3)	(70.3)
Iron & Steel products	(2.0)	(1.2)
Lifestyle	(139.6)	37.9
Innovation & Corporate development	(52.3)	40.0
All other and adjustments and eliminations	(6.6)	33.2
Consolidated total	(427.5)	(178.3)

Cash Flows from Financing Activities

(Bn JPY)	Current year	Previous year	Description of current year
Cash flows from financing activities	(1,013.1)	(634.7)	
Net change in short-term debt	(203.2)	168.7	
Net change in long-term debt	(343.8)	(217.6)	
(Proceeds from long-term debt)	860.8	1,041.2	
(Repayments of long-term debt)	(1,204.6)	(1,258.8)	
Repayments of lease liabilities	(74.0)	(65.5)	
Purchase and sales of treasury stock-net	(139.3)	(270.2)	● Including stock-based remuneration for employees -19.2
Dividends paid	(242.4)	(198.1)	
Transactions with non-controlling interest shareholders	(10.5)	(52.0)	

See “2) Funding Sources” for funding during the year ended March 31, 2024.

(6) Critical Accounting Policies and Estimates

Accounting policies and estimates are considered to be critical if they are important to our financial condition and results of operations and involve estimates that require management's subjective or significant judgment about the effect of matters that are inherently uncertain. Critical accounting policies are referred to V. SUMMARY OF MATERIAL ACCOUNTING POLICIES in Note 2 "BASIS OF CONSOLIDATED FINANCIAL STATEMENTS AND SUMMARY OF MATERIAL ACCOUNTING POLICIES"

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the carrying values of assets and liabilities and the disclosure of contingent liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period.
The Russia-Ukraine situation and the resulting sanctions against Russia have a global impact and may affect various business fields in which we operate. However, the extent of the impact varies among products, businesses, and locations. Therefore, the estimates are determined based on each situation.

The following items require significant management judgments and estimates.

Impairment losses and reversal of impairment losses of Non-financial Assets and Investments in Equity Accounted Investee

Impairment losses of tangible fixed assets and intangible assets other than goodwill and intangible assets with infinite estimated useful lives, for the years ended March 31, 2024 and 2023, were 66.5 billion yen and 27.1 billion yen, respectively. Reversal of impairment losses of the assets for the years ended March 31, 2024 and 2023 were immaterial. The carrying amounts of these assets, net of accumulated depreciation and impairment losses, as of March 31, 2024 and 2023, were 2,931.9 billion yen and 2,757.1 billion yen, respectively.

The amount of impairment losses of investments in equity accounted investees for the years ended March 31, 2024 and 2023, were 13.9 billion yen and 4.3 billion yen, respectively. There was no reversal of impairment losses of the assets for the years ended March 31, 2024 and 2023. The carrying amounts of investments in equity accounted investees as of March 31, 2024 and 2023, were 4,870.0 billion yen and 3,929.6 billion yen, respectively.

Impairment losses and reversal of impairment losses of non-financial assets and investments in equity accounted investees may have a material impact on our profit for the year.

Impairment losses were mainly due to the declining profitability resulting from deterioration of business environment and the reorganization of business structure of our consolidated subsidiaries and the fall in the market value of investments in equity accounted investees.

Non-financial assets and investments in equity accounted investees are assessed to determine whether there is any indication of impairment. If any such indication exists, the recoverable amounts of the non-financial assets or asset groups and the investment are estimated. Where the carrying amount exceeds its recoverable amount, the difference is recognized as impairment loss.

The recoverable amount is the higher of fair value less costs of disposal and value in use.

Fair value is assessed as the price in an orderly transaction between market participants, such as the market price of marketable investments in equity accounted investees and the price on the appraisal report by the independent third party.

Cash flow projections used in calculations of value in use are based on the business plan authorized by our management or, if this is not available, on the operating plan reflecting the most recent condition of the non-financial asset. In these plans, for example, we assume:

- that the level of most recent selling prices and rents of real estate in the surrounding areas will remain unchanged for a reasonable period in the future;

- that the estimate of the sales prices of the products from facilities and equipment for the certain future period is based on the average price of the equivalent length of period in the past or on the analysts' reports;

- that for the development equipment and mining rights involved in resource businesses such as coal and oil, the most updated reserve will be produced in accordance with a production plan by using the non-financial assets, and that such materials to be produced will be sold on the assumption of prices based on futures prices as of the time of the review for impairment, prices estimated by third parties, or sales prices under long-term sales contracts.

- that the estimate of the revenues from an operation derived from customer relationship for the certain future period is based on the degree of contribution to revenues in the past, on the past ratio of cancellation of contracts, and on analysts' market forecasts.

A profit margin which is deemed to be the market average and the risks inherent in the cash-generating unit is used as discount rate to calculate value in use.

Factors to be considered when estimating future cash flows and determining discount rates vary for each non-financial asset because of the difference in nature of the assets and in operating circumstances, such as location, owner, operator, profitability and other factors.

An assessment is made at each reporting date as to whether there is any indication of impairment that previously recognized impairment losses may no longer exist or may have decreased. A previously recognized impairment loss is reversed as income in consolidated statements of income only if there has been a change in the assumptions used to determine the recoverable amount of the asset since the last impairment loss was recognized.

Impairment of Goodwill

Impairment losses on goodwill for the years ended March 31, 2024 and 2023 were 1.0 billion yen and 0.4 billion yen, respectively. The carrying amounts as of March 31, 2024 and 2023 were 188.7 billion yen and 87.5 billion yen, respectively.

Goodwill is allocated to each of the cash-generating units or groups of cash-generating units that are expected to benefit from the synergies arising from the combination, and it is tested for impairment annually regardless of any indication of impairment, and when there is an indication that the cash-generating unit may be impaired.

Impairment testing is performed by comparing the carrying amount of the cash-generating unit or groups of cash-generating units, including the goodwill, with the recoverable amount. If the carrying amount exceeds the recoverable amount, the excess amount is recognized as the impairment loss. The recoverable amount is estimated by the same method as impairment testing of non-financial assets.

Non-marketable equity financial assets measured at fair value

Non-marketable equity securities measured at fair value are generally elected to be designated as FVTOCI. The carrying amounts of non-marketable securities which are the fair value as of the year ended March 31, 2024 and 2023 were 711.1 billion yen and 634.3 billion yen, respectively.
The Company performs internal valuation analyses using the discounted cash flow method, the market comparison approach and other appropriate valuation techniques, or utilizes external valuation performed by independent external experts when management believes the amounts are material.
See (3) Assets and liabilities measured at fair value on a recurring basis in Note 26 "FAIR VALUE MEASUREMENT" for the estimate of crude oil price which is one of the significant unobservable inputs used in measuring the fair value of non-marketable equity securities.
Similar to impairment of non-financial assets and investments in equity accounted investee, cash flow projections used in the fair value calculations are based on business plans authorized by investee's management. Estimates and assumptions for fair value calculations could significantly impact other comprehensive income.

Tax Asset Valuation

Decrease in deferred tax assets due to the changes in assessment for their recoverability has had a material impact on our profit and other comprehensive income for the year.

Our management determines the recoverability of deferred tax assets based on all available evidence including tax deductibility on future years and forecast of future taxable incomes of Mitsui and its subsidiaries. Deferred tax assets are recognized to the extent that they are recoverable, and the amount of recoverable deferred tax assets may fluctuate due to the change in estimates of future taxable incomes or statutory tax rates.

Reserve estimates for oil and gas producing and mining activities

Reserves are estimates of the amount of product that can be economically and legally extracted from interests in our properties. In order to calculate reserves, estimates and assumptions are required about a range of geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand, commodity prices and exchange rates. As the economic assumptions used to estimate reserves change from period to period and additional geological data is generated during the course of operations, estimates of reserves may change from period to period. Changes in reported reserves may affect our financial results and financial position in a number of ways, including the following:

- Asset carrying values may be impaired due to changes in estimated future cash flows.

- Depreciation and amortization charged in the income statement may change where such charges are determined by the units of production basis, or where the useful economic lives of assets change.

- Decommissioning, site restoration and environmental provisions may change where changes in estimated reserves affect expectations about the timing or cost of these activities.

Defined benefit costs and obligations

Employee defined benefit costs and obligations are dependent on various assumptions such as discount rate, which are based on current statistical data, and other factors. In accordance with IFRS, the difference between actual results and the assumptions is recognized immediately in other components of equity and are transferred to retained earnings on recognition, and therefore, generally affects comprehensive income and retained earnings. Management believes that the assumptions used are appropriate; however, differences in actual experience or changes in assumptions may affect our future defined benefit costs and obligations.

We determine the discount rates each year as of the measurement date, based on a review of interest rates associated with high-quality fixed-income corporate bonds. The discount rates determined on each measurement date are used to calculate the defined benefit obligations as of that date, and are also used to calculate the net periodic pension costs for the upcoming plan year.

See Note 19, "EMPLOYEE BENEFITS," for further discussion about the estimates and assumptions on the defined benefit costs and obligations.

Impact of climate change

The business of the Company and its consolidated subsidiaries that is affected by climate change and of which related assets and liabilities are material is the business in the Energy segment. The assets and liabilities may be affected by future situations.
The material accounting estimates and judgments at the end of the current fiscal year are as follows.
The Energy segment consists mainly of upstream oil and gas development businesses and LNG businesses. If the demand for oil and gas and LNG were to decline due to further restrictions and tighter regulations as the global trend toward low-carbon and decarbonization intensifies, it may lead to impairment of property, plant, and equipment, a decrease in the investment of the equity accounted investee, and a decrease in the fair value of other investments in existing projects. These valuations are primarily affected by the price of crude oil, and the assumptions are estimated by considering the recent market price and the medium- to long-term outlook published by several third-party organizations. Of the third-party organizations, the Company focuses on STEPS (Stated Policies Scenario) among scenarios published by the IEA, but we also refer to other scenarios.

The main assets and liabilities in the Energy segment recorded in the consolidated statements of financial position as of the end of the current fiscal year are as follows.

Property, plant and equipment	778,685 million yen
Investments accounted for using the equity method	650,685 million yen
Other investments	272,963 million yen
Provisions (Non-current)	142,032 million yen

The accounting estimates in the consolidated financial statements are made by taking into consideration the specific circumstances of each business in a comprehensive manner and are not determined solely based on scenario analysis related to climate change for measurement of assets and liabilities.

5. Material Contracts

The Company does not have any contracts that is significantly dependent on; significantly restricted in its operation; containing any material financial covenants attached to loans and bonds or any material management covenants, such as agreements for the management or disposal of material assets; or including agreements regarding the governance of the Company or the disposal or purchase of additional shares of the Company's stock. For details of the financial covenants, please refer to “4. Management’s Discussion and Analysis of Financial Position, Operating Results and Cash Flows (5) Liquidity and Capital Resources 3) Liquidity Management”.

6. Research & Development

There are no R&D activities for which disclosure is required.

3. Equipment and Facilities

1. Overview of Capital Expenditures

For a breakdown of the amounts of capital expenditures for property and equipment in the year ended March 31, 2024, see "4. Management's Discussion and Analysis of Financial Position, Operating Results and Cash Flows, (5) Liquidity and Capital Resources, 5) Assets, Liabilities and Shareholders' Equity and 6) Cash Flows." Also see Note 7, "SEGMENT INFORMATION."

Expenditures for property, plant and equipment for the year ended March 31, 2024 mainly included expenditure for the oil and gas projects of ¥75.1 billion and for the shale gas projects of ¥50.1 billion in the Energy Segment, expenditures for the iron ore operations in Australia of ¥43.8 billion and for the metallurgical coal operations in Australia of ¥25.2 billion in the Mineral & Metal Resources Segment and total expenditures for the power generating businesses of ¥22.1 billion in the Energy Segment and Machinery & Infrastructure Segment.

2. Major Equipment and Facilities

(1) Mitsui & Co., Ltd.

Operating Segment	Office Name	Type of Equipment and Facilities	Location	Number of Employees (Persons)	Land, Land Improvements and Timberlands		Buildings	Equipment and Fixtures	Other (Mn JPY)	Use of Property
					Acreage (㎡)	Carrying Amount (Mn JPY)	Carrying Amount (Mn JPY)	Carrying Amount (Mn JPY)		
Energy		Long-term charter (lease)	Chiyoda-ku, Tokyo	-	-	-	-	1	135,728	
Innovation & Corporate Development		Multi-purpose office complex	Chiyoda-ku, Tokyo	-	-	-	-	-	100,486	
Other	Head Office	Office building	Chiyoda-ku, Tokyo	3,179	6,500	31,327	60,604	203	5,214	
	Kansai Office	Office building	Kita-ku, Osaka-shi, Osaka	68	3,038	2,161	5,662	-	22	Partially leased
		Human Resource Development Center	Atami-shi, Shizuoka	-	15,656	2,045	716	-	16	
		Global Human Resource Development Center	Tsuzuki-ku, Yokohama-shi, Kanagawa	-	15,000	2,417	661	-	1	

(Notes) 1. For those companies who own more than one type of equipment or facility, only the information of the most notable one is presented.
2. For the number of employees, the total number in each company or office is presented.
3. For the carrying amount of Mitsui & Co., Ltd., the amount of the equipment and facilities is presented. For the carrying amount of domestic and overseas subsidiaries, the total amount in each company is presented.
4. For movables such as ships and aircraft, the location of each company's head office is presented.
5. The amounts of rights-of-use assets under IFRS 16 "Leases" are included in the amounts above.

(2) Domestic Subsidiaries

Operating Segment	Company Name	Office Name and Type of Equipment and Facilities	Location	Number of Employees (Persons)	Land, Land Improvements and Timberlands		Buildings	Equipment and Fixtures	Other (Mn JPY)	Use of Property
					Acreage (m²)	Carrying Amount (Mn JPY)	Carrying Amount (Mn JPY)	Carrying Amount (Mn JPY)		
Energy	Mitsui Oil Exploration	Crude oil / gas production facility and others	Thailand, Gulf of Thailand and others	108	108,753	7	674	10,332	14,105	Including mineral rights
Lifestyle	MITSUI FOODS	East Metropolitan Center	Nagareyama-shi, Chiba	1,021	113,511	8,279	54,983	15,390	7,578	Including investment property
	PRIFOODS	Hosoya Factory and others	Misawa-shi, Aomori and others	1,704	3,827,594	3,766	9,792	9,044	811	
Innovation & Corporate Development	MITSUI & CO. REAL ESTATE	Hibiya Fort Tower	Minato-ku, Tokyo	54	-	-	344	146	53,131	Including investment property
	Mitsui & Co. Global Logistics	Higashihama Logistic Center and others	Ichikawa-shi, Chiba	776	60,364	14,968	7,081	1,559	12,318	Including investment property

(Note) Notes are the same as Notes 1. to 5. in (1) Mitsui & Co., Ltd.

(3) Overseas Subsidiaries

Operating Segment	Company Name	Office Name and Type of Equipment and Facilities	Location	Number of Employees (Persons)	Land, Land Improvements and Timberlands		Buildings	Equipment and Fixtures	Other (Mn JPY)	Use of Property
					Acreage (m²)	Carrying Amount (Mn JPY)	Carrying Amount (Mn JPY)	Carrying Amount (Mn JPY)		
Mineral & Metal Resources	Mitsui Iron Ore Development	Mining equipment for iron ore	Pilbara, Western Australia, Australia	9	-	524	115,709	101,406	7,968	※
	Mitsui Iron Ore Corporation	Mining equipment for iron ore	Pilbara, Western Australia, Australia	7	-	-	13,682	51,920	12,545	Including mineral rights
	Mitsui-Itochu Iron	Mining equipment for iron ore	Pilbara, Western Australia, Australia	-	-	-	21,499	96,719	35,150	※
	Mitsui Resources	Mining equipment for coal	Emerald, Queensland, Australia and others	17	-	-	6,913	97,830	12,525	Including mineral rights

Operating Segment	Company Name	Office Name and Type of Equipment and Facilities	Location	Number of Employees (Persons)	Land, Land Improvements and Timberlands		Buildings	Equipment and Fixtures	Other (Mn JPY)	Use of Property
					Acreage (㎡)	Carrying Amount (Mn JPY)	Carrying Amount (Mn JPY)	Carrying Amount (Mn JPY)		
Energy	Mitsui E&P Australia Holdings	Crude oil / gas production facility and others	Western Australia, Australia and others	116	59,730,500	2,880	-	53,194	128,516	Including mineral rights
	Mitsui E&P Italia B	Crude oil / gas production facility and others	Basilicata, Italy	5	67,500	892	-	93,262	50,696	Including mineral rights
	Mitsui E&P USA	Gas production facility and others	Pennsylvania and Texas, U.S.A.	57	-	-	32	100,200	13,279	Including mineral rights
	Mitsui E&P Middle East	Crude oil / gas production facility and others	Oman and others	22	-	-	1	42,036	1,360	Including mineral rights
	MEP South Texas	Gas production facility and others	Texas, U.S.A.	-	-	-	-	3,640	35,644	Including mineral rights
	MEP Texas Holdings	Crude oil / gas production facility and others	Texas, U.S.A.	-	-	-	-	32,285	1,152	Including mineral rights
	MyPower	Solar power plant and others	California, U.S.A.	174	-	-	-	7,754	32,351	
Machinery & Infrastructure	Inversiones Mitta	Automotive	Chile	1,147	423	46	5,213	45,235	20	Including property leased to others
	Komatsu-Mitsui Maquinarias Peru	Rental equipment and repair workshop	Peru	2,313	102,137	4,082	4,653	13,361	836	Including property leased to others

Operating Segment	Company Name	Office Name and Type of Equipment and Facilities	Location	Number of Employees (Persons)	Land, Land Improvements and Timberlands		Buildings	Equipment and Fixtures	Other (Mn JPY)	Use of Property
					Acreage (㎡)	Carrying Amount (Mn JPY)	Carrying Amount (Mn JPY)	Carrying Amount (Mn JPY)		
Chemicals	Inter-continental Terminals Company	Chemical tank terminal	Deer Park, Texas, U.S.A.	453	1,800,851	4,915	141,709	687	6,574	Including property leased to others
	MMTX	Methanol production facility	Houston, Texas, U.S.A.	7	-	-	1,397	43,740	1,090	
	Shark Bay Salt	Salt production facility	Shark Bay, Western Australia, Australia and others	153	-	674	16,816	5,644	3,271	
Lifestyle	KASET PHOL SUGAR	Sugar production equipment	Udon Thani Province, Thailand	466	-	666	12,301	28,829	104	Including investment property
	XINGU AGRI	Tabuleiro farm	Bahia, Brazil	25	-	-	-	6	32,992	Including investment property
	UNITED GRAIN CORPORATION	Grain Export Terminal	Vancouver, Washington, U.S.A.	131	-	725	14,595	5,177	122	
Innovation & Corporate Development	MBK Real Estate Holdings	Senior living, multi-family properties, and industrial properties	Bellevue, Washington, U.S.A. and others	3,089	-	15,186	62,926	698	31,256	Including property leased to others and investment property

(Notes) 1. Notes are the same as Notes 1. to 5. in (1) Mitsui & Co., Ltd.
2. ※Book value of mineral rights is zero.

3. Plans for New Additions or Disposals

As indicated in "1. Overview of Capital Expenditures," major capital expenditures include expenditure for the Mineral & Metal Resources Segment and the Energy Segment, and we will continue to focus on areas under these segments into the future.

4. Corporate Information

1. Status on the Mitsui's Shares

(1) Total Number of Shares and Other Related Information

1) Total Number of Shares

Class	Total number of shares authorized to be issued
Common stock	2,500,000,000
Total	2,500,000,000

2) Number of Shares Issued

Class	Number of shares outstanding (as of March 31, 2024)	Number of shares outstanding as of issuance date of this report (June 19, 2024)	Names of stock exchanges on which Mitsui is listed or names of authorized financial instruments firms association	Description
Common stock	1,513,589,168	1,513,693,486*	Tokyo Stock Exchange (Prime Market), Nagoya Stock Exchange (Premier Market), Sapporo, Fukuoka	The number of shares constituting a unit is 100.
Total	1,513,589,168	1,513,693,486*	-	-

* The number of shares issued was increased by 104,318 dated April 30, 2024 due to the issuance of new shares as post-delivery restricted-stock-based remuneration under the remuneration system of tenure-linked restricted stock unit for Directors and Managing Officers based on the resolution of the meeting of the Board of Directors held on April 9, 2024.

(2) Status of the Share Subscription Rights

1) Stock Option Plans

Share Subscription Rights issued based on the Companies Act of Japan are as follows:

i) Stock Option based on the resolution of the Board of Directors on July 4, 2014
(Stock option scheme as stock-based compensation with stock price conditions)

	As of March 31, 2024	As of May 31, 2024
Date of resolution	July 4, 2014	
Class and number of person for subscription rights to shares	9 Directors (excluding External Directors) 24 Executive Officers who are not serving concurrently as Mitsui's Directors (excluding Executive Officers residing outside Japan)	
Number of subscription rights to shares	78	78
Class of shares to be issued upon exercise of subscription rights to shares	Common stock The number of shares constituting a unit is 100.	Same as on the left
Number of shares to be issued upon exercise of subscription rights to shares	7,800*1	7,800*1
Amount to be paid in upon exercise of subscription rights to shares (Exercise price)	1 yen	Same as on the left
Exercise period of subscription rights to shares	From July 28, 2017 to July 27, 2044	Same as on the left
Price of issuing shares and amount of capitalization upon exercise of subscription rights to shares	Price of issuing shares: 1 yen The amount to be capitalized shall be half of the upper limit of an increase in capital stock, etc., as calculated in accordance with the Corporate Accounting Regulations of Japan, and any fraction less than 1 yen arising as a result of the calculation shall be rounded up to the nearest 1 yen.	Same as on the left
Conditions for exercise of subscription rights to shares	*2, *3	Same as on the left
Matters regarding acquisition of subscription rights to shares through transfer	Acquisition of subscription rights to shares through transfer shall be subject to approval by resolution of the Board of Directors	Same as on the left
Matters regarding the grant of subscription rights to shares upon organizational restructuring	*4	Same as on the left

*1 The class of shares to be issued upon exercise of subscription rights to shares shall be the Mitsui's common stock, and the number of shares to be issued upon exercise of one subscription right to shares (hereinafter referred to as the "number of shares granted") will be 100 shares.

After the day of allotment, however, if Mitsui undertakes a share split (including gratis allotment of the Mitsui's common stock. The same shall apply to the description of the share split hereinafter), or a share consolidation with respect to Mitsui's common stock, an adjustment to the number of shares granted will be made according to the following formula, and any fractional portion of less than one share resulting from the foregoing adjustment shall be disregarded:

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of share split or share consolidation

*2 Exercise of right by an heir

In the case that inheritance from a holder of subscription rights to shares commenced for reasons such as the death of the holder, only one of the heirs-at-law of the holder of subscription rights to shares (hereinafter referred to as the "heir-at-law") may exercise the offered subscription rights to shares. It is not permitted to inherit subscription rights to shares again in the case that the heir-at-law is deceased.

*3 Conditions for exercise of subscription rights to shares

(1) A holder of subscription rights to shares may no longer exercise the subscription rights to shares after a period of 10 years has elapsed from the day following the day on which the holder of subscription rights to shares loses his/her position as Director, and/or Executive Officer, and/or Audit & Supervisory Board Member of Mitsui.

(2) A holder of subscription rights to shares may exercise all of the subscription rights to shares only when, as the share price conditions, Mitsui's share price growth rate for the period of three years from the allotment date is equal to or exceeds the TOPIX (Tokyo Stock Price Index) growth rate. When Mitsui's share price growth rate does not exceed the TOPIX growth rate, reflecting that degree, the holder of subscription rights to shares may exercise only part of such subscription rights to shares allotted (please refer to the below for details).

(3) Notwithstanding the exercise period of subscription rights to shares prescribed above, if a proposal for approval of a merger agreement under which Mitsui is to be dissolved, or a proposal for approval of a share exchange agreement or a share transfer plan, under which Mitsui will become a wholly-owned subsidiary is approved at an ordinary general meeting of shareholders of Mitsui, holders of subscription rights to shares may exercise offered subscription rights to shares within 15 days from the following day of the day on which such proposal for approval is approved, except where subscription rights to shares of a restructured company are to be issued to the holders of subscription rights to shares in accordance with *4 below.

(4) In the event that Mitsui recognizes any violation of laws and regulations, misconduct of the duties, act conflicting with the duty of due care or duty of loyalty, or any other act equivalent thereto of a holder of subscription rights to shares during the period in which he/she serves as Mitsui's Director, and/or Executive Officer, and/or Audit & Supervisory Board Member, Mitsui may limit, subject to a resolution by the Board of Directors of Mitsui, the number of subscription rights to shares that may be exercised by such holder of subscription rights to shares. In this event, such holder of subscription rights to shares may not exercise the subscription rights to shares more than the said limit.

*4 If Mitsui is to engage in a merger (limited to cases where Mitsui is to be dissolved as a result of the merger), an absorption-type company split or an incorporation-type company split (both limited to cases where Mitsui is to be a split company), or a share exchange or a share transfer (both limited to cases where Mitsui is to be a wholly-owned subsidiary) (all of which are collectively referred to as a "restructuring transaction"), subscription rights to shares in the entity specified under Article 236, Paragraph 1, Item 8 (a) through (e) of the Companies Act of Japan (such entity hereinafter referred to as the "restructured company") shall be issued, in accordance with the following conditions, to holders of subscription rights to shares who hold subscription rights to shares remaining in effect immediately prior to the effective date of the restructuring transaction (hereinafter respectively referring to the effective date of an absorption-type merger in case of an absorption-type merger, the date of formation of a new company incorporated by the merger in case of a consolidation-type merger, the effective date of an absorption-type company split in case of an absorption-type company split, the date of formation of a new company in case of an incorporation-type company split, the effective date of a share exchange in the case of a share exchange, and the date of formation of a wholly-owning parent company in case of a share transfer) (such rights hereinafter referred to as "remaining subscription rights to shares"). In this event, the remaining subscription rights to shares shall become extinct, and the restructured company shall newly issue subscription rights to shares. However, such rights may be granted only if provisions for issuing the subscription rights to shares of the restructured company in accordance with the following conditions are included in an absorption-merger agreement, a consolidation-type merger agreement, an absorption-type company split agreement, an incorporation-type company split plan, a share exchange agreement, or a share transfer plan.

(1) The number of subscription rights to shares of the restructured company to be issued
The same number of subscription rights to shares as the number of remaining subscription rights to shares owned by respective holders of subscription rights to shares shall be issued.

(2) The class of shares of the restructured company to be issued upon exercise of the subscription rights to shares
The class of shares of the restructured company to be issued upon exercise of the subscription rights to shares shall be common shares of the restructured company.

(3) The number of shares of the restructured company to be issued upon exercise of subscription rights to shares
The number of shares of the restructured company to be issued upon exercise of subscription rights to shares shall be determined in accordance with the provisions in *1 above, taking into consideration the conditions and other factors concerning the restructuring transactions.

(4) The amount of assets to be contributed upon exercise of subscription rights to shares
The amount of assets to be contributed upon exercise of each subscription right to shares to be issued shall be the amount obtained by multiplying the amount to be paid in after restructuring as prescribed below by the number of shares of the restructured company to be issued upon exercise of each subscription right to shares that will be determined in accordance

with (3) above. The amount to be paid in after restructuring shall be 1 yen per share of the restructured company to be issued upon exercise of each subscription right to shares to be issued.

(5) Exercise period of subscription rights to shares
The exercise period of subscription rights to shares shall begin on the date of commencement of the exercise period or the effective date of the restructuring transaction, whichever is later, and end on the closing date of the exercise of such subscription rights to shares.

(6) Matters concerning capital stock and capital reserve to be increased in the event of issuance of shares upon exercise of subscription rights to shares
It shall be determined in accordance with the memorandum for offering.

(7) Restriction on acquisition of subscription rights to shares through transfer
Acquisition of subscription rights to shares through transfer requires the approval of the restructured company.

(8) Terms and conditions of acquisition of subscription rights to shares
It shall be determined in accordance with the memorandum for offering.

(9) Other conditions for exercise of subscription rights to shares
It shall be determined in accordance with the memorandum for offering.

Details of Stock Price Conditions

1. When Mitsui's share price growth rate[*1] is equal to or exceeds the TOPIX (Tokyo Stock Price Index) growth rate[*2]:
   All of the subscription rights to shares granted may be exercised.
2. When Mitsui's share price growth rate does not exceed the TOPIX growth rate:
   Only part of the subscription rights to shares granted[*3] may be exercised.

*1 Mitsui's share price growth rate shall be calculated by the formula below based on Mitsui's share price growth rate for the period of three years from the allotment date to the first date of the exercise period.

A: The average closing price for Mitsui's common stock on the Tokyo Stock Exchange on each day for the three months immediately before the month in which the first date of the exercise period of the subscription rights to shares falls

B: The total amount of dividends per Mitsui's common stock for the period from the allotment date to the first date of the exercise period of the subscription rights to shares

C: The average closing price for Mitsui's common stock on the Tokyo Stock Exchange on each day for the three months immediately before the month in which the allotment date falls

Mitsui's share price growth rate = (A + B) / C

*2 The TOPIX growth rate shall be calculated by the formula below based on the TOPIX growth rate for the period of three years from the allotment date to the first date of the exercise period.

D: The average closing share price for TOPIX on the Tokyo Stock Exchange on each day for the three months immediately before the month in which the first date of the exercise period of the subscription rights to shares falls

E: The average closing share price for TOPIX on the Tokyo Stock Exchange on each day for the three months immediately before the month in which the allotment date falls

TOPIX growth rate = D / E

*3 **Number of exercisable subscription rights to shares = Number of subscription rights to shares granted × (Mitsui's share price growth rate / TOPIX growth rate)**

ii) Stock Option based on the resolution of the Board of Directors on July 8, 2015
(Stock option scheme as stock-based compensation with stock price conditions)

	As of March 31, 2024	As of May 31, 2024
Date of resolution	July 8, 2015	
Class and number of person for subscription rights to shares	9 Directors (excluding External Directors) 24 Executive Officers who are not serving concurrently as Mitsui's Directors (excluding Executive Officers residing outside Japan)	
Number of subscription rights to shares	82	82
Class of shares to be issued upon exercise of subscription rights to shares	Common stock The number of shares constituting a unit is 100.	Same as on the left
Number of shares to be issued upon exercise of subscription rights to shares	8,200*1	8,200*1
Amount to be paid in upon exercise of subscription rights to shares (Exercise price)	1 yen	Same as on the left
Exercise period of subscription rights to shares	From July 28, 2018 to July 27, 2045	Same as on the left
Price of issuing shares and amount of capitalization upon exercise of subscription rights to shares	Price of issuing shares: 1 yen The amount to be capitalized shall be half of the upper limit of an increase in capital stock, etc., as calculated in accordance with the Corporate Accounting Regulations of Japan, and any fraction less than 1 yen arising as a result of the calculation shall be rounded up to the nearest 1 yen.	Same as on the left
Conditions for the exercise of subscription rights to shares	*2, *3	Same as on the left
Matters regarding acquisition of subscription rights to shares through transfer	Acquisition of subscription rights to shares through transfer shall be subject to approval by resolution of the Board of Directors	Same as on the left
Matters regarding the grant of subscription rights to shares upon organizational restructuring	*4	Same as on the left

*1, *2, *3 and *4 are the same as *1, *2, *3 and *4 in i) Stock Option based on the resolution of the Board of Directors on July 4, 2014 (stock option scheme as stock-based compensation with share price conditions).

iii) Stock Option based on the resolution of the Board of Directors on July 13, 2016
(Stock option scheme as stock-based compensation with stock price conditions)

	As of March 31, 2024	As of May 31, 2024
Date of resolution	July 13, 2016	
Class and number of person for subscription rights to shares	9 Directors (excluding External Directors) 28 Executive Officers who are not serving concurrently as Mitsui's Directors (excluding Executive Officers residing outside Japan, including retired Executive Officers to whom granting Stock options were withheld during their assignment outside Japan)	
Number of subscription rights to shares	438	438
Class of shares to be issued upon exercise of subscription rights to shares	Common stock The number of shares constituting a unit is 100.	Same as on the left
Number of shares to be issued upon exercise of subscription rights to shares	43,800*1	43,800*1
Amount to be paid in upon exercise of subscription rights to shares (Exercise price)	1 yen	Same as on the left
Exercise period of subscription rights to shares	From July 29, 2019 to July 28, 2046	Same as on the left
Price of issuing shares and amount of capitalization upon exercise of subscription rights to shares	Price of issuing shares: 1 yen The amount to be capitalized shall be half of the upper limit of an increase in capital stock, etc., as calculated in accordance with the Corporate Accounting Regulations of Japan, and any fraction less than 1 yen arising as a result of the calculation shall be rounded up to the nearest 1 yen.	Same as on the left
Conditions for the exercise of subscription rights to shares	*2, *3	Same as on the left
Matters regarding acquisition of subscription rights to shares through transfer	Acquisition of subscription rights to shares through transfer shall be subject to approval by resolution of the Board of Directors	Same as on the left
Matters regarding the grant of subscription rights to shares upon organizational restructuring	*4	Same as on the left

*1, *2, *3 and *4 are the same as *1, *2, *3 and *4 in i) Stock Option based on the resolution of the Board of Directors on July 4, 2014 (stock option scheme as stock-based compensation with share price conditions).

iv) Stock Option based on the resolution of the Board of Directors on July 5, 2017
(Stock option scheme as stock-based compensation with stock price conditions)

	As of March 31, 2024	As of May 31, 2024
Date of resolution	July 5, 2017	
Class and number of person for subscription rights to shares	9 Directors (excluding External Directors) 29 Executive Officers who are not serving concurrently as Mitsui's Directors (excluding Executive Officers residing outside Japan, including retired Executive Officers to whom granting Stock options were withheld during their assignment outside Japan)	
Number of subscription rights to shares	1,519	1,519
Class of shares to be issued upon exercise of subscription rights to shares	Common stock The number of shares constituting a unit is 100.	Same as on the left
Number of shares to be issued upon exercise of subscription rights to shares	151,900 *1	151,900*1
Amount to be paid in upon exercise of subscription rights to shares (Exercise price)	1 yen	Same as on the left
Exercise period of subscription rights to shares	From July 20, 2020 to July 19, 2047	Same as on the left
Price of issuing shares and amount of capitalization upon exercise of subscription rights to shares	Price of issuing shares: 1 yen The amount to be capitalized shall be half of the upper limit of an increase in capital stock, etc., as calculated in accordance with the Corporate Accounting Regulations of Japan, and any fraction less than 1 yen arising as a result of the calculation shall be rounded up to the nearest 1 yen.	Same as on the left
Conditions for the exercise of subscription rights to shares	*2, *3	Same as on the left
Matters regarding acquisition of subscription rights to shares through transfer	Acquisition of subscription rights to shares through transfer shall be subject to approval by resolution of the Board of Directors	Same as on the left
Matters regarding the grant of subscription rights to shares upon organizational restructuring	*4	Same as on the left

*1, *2, *3 and *4 are the same as *1, *2, *3 and *4 in i) Stock Option based on the resolution of the Board of Directors on July 4, 2014 (stock option scheme as stock-based compensation with share price conditions).

v) Stock Option based on the resolution of the Board of Directors on July 4, 2018
(Stock option scheme as stock-based compensation with stock price conditions)

	As of March 31, 2024	As of May 31, 2024
Date of resolution	July 4, 2018	
Class and number of person for subscription rights to shares	9 Directors (excluding External Directors) 29 Executive Officers who are not serving concurrently as Mitsui's Directors (excluding Executive Officers residing outside Japan, including retired Executive Officers to whom granting Stock options were withheld during their assignment outside Japan)	
Number of subscription rights to shares	1,467	1,431
Class of shares to be issued upon exercise of subscription rights to shares	Common stock The number of shares constituting a unit is 100.	Same as on the left
Number of shares to be issued upon exercise of subscription rights to shares	146,700*1	143,100*1
Amount to be paid in upon exercise of subscription rights to shares (Exercise price)	1 yen	Same as on the left
Exercise period of subscription rights to shares	From July 25, 2021 to July 24, 2048	Same as on the left
Price of issuing shares and amount of capitalization upon exercise of subscription rights to shares	Price of issuing shares: 1 yen The amount to be capitalized shall be half of the upper limit of an increase in capital stock, etc., as calculated in accordance with the Corporate Accounting Regulations of Japan, and any fraction less than 1 yen arising as a result of the calculation shall be rounded up to the nearest 1 yen.	Same as on the left
Conditions for the exercise of subscription rights to shares	*2, *3	Same as on the left
Matters regarding acquisition of subscription rights to shares through transfer	Acquisition of subscription rights to shares through transfer shall be subject to approval by resolution of the Board of Directors	Same as on the left
Matters regarding the grant of subscription rights to shares upon organizational restructuring	*4	Same as on the left

*1, *2, *3 and *4 are the same as *1, *2, *3 and *4 in i) Stock Option based on the resolution of the Board of Directors on July 4, 2014 (stock option scheme as stock-based compensation with share price conditions).

vi) Stock Option based on the resolution of the Board of Directors on May 13, 2021
(Stock option scheme as stock-based compensation with stock price conditions)

	As of March 31, 2024	As of May 31, 2024
Date of resolution	May 13, 2021	
Class and number of person for subscription rights to shares	2 Executive Officers who are not serving concurrently as Mitsui's Directors (to whom granting Stock options were withheld during their assignment outside Japan, including a retired Executive Officer)	
Number of subscription rights to shares	134	134
Class of shares to be issued upon exercise of subscription rights to shares	Common stock The number of shares constituting a unit is 100.	Same as on the left
Number of shares to be issued upon exercise of subscription rights to shares	13,400*1	13,400*1
Amount to be paid in upon exercise of subscription rights to shares (Exercise price)	1 yen	Same as on the left
Exercise period of subscription rights to shares	From May 31, 2024 to May 30, 2051	Same as on the left
Price of issuing shares and amount of capitalization upon exercise of subscription rights to shares	Price of issuing shares: 1 yen The amount to be capitalized shall be half of the upper limit of an increase in capital stock, etc., as calculated in accordance with the Corporate Accounting Regulations of Japan, and any fraction less than 1 yen arising as a result of the calculation shall be rounded up to the nearest 1 yen.	Same as on the left
Conditions for the exercise of subscription rights to shares	*2, *3	Same as on the left
Matters regarding acquisition of subscription rights to shares through transfer	Acquisition of subscription rights to shares through transfer shall be subject to approval by resolution of the Board of Directors	Same as on the left
Matters regarding the grant of subscription rights to shares upon organizational restructuring	*4	Same as on the left

*1, *2, *3 and *4 are the same as *1, *2, *3 and *4 in i) Stock Option based on the resolution of the Board of Directors on July 4, 2014 (stock option scheme as stock-based compensation with share price conditions).

2) Rights Plan

Not applicable.

3) Other Information about Share Subscription Rights

Not applicable.

(3) Exercise Status of Bonds with Share Subscription Rights Containing a Clause for Exercise Price Adjustment

Not applicable.

(4) Trends in the Number of Shares Issued, Amount of Common Stock, and Others

Period	Changes in the number of shares issued (Thousands)	Balance of the number of shares issued (Thousands)	Changes in common stock (Millions of Yen)	Balance of common stock (Millions of Yen)	Changes in additional paid-in capital (Millions of Yen)	Balance of additional paid-in capital (Millions of Yen)
From April 1, 2019 to March 31, 2020*1	339	1,742,684	293	341,775	293	368,052
From April 1, 2020 to March 31, 2021*2, *3	(25,580)	1,717,104	304	342,080	304	368,356
From April 1, 2021 to March 31, 2022*4, *5, *6	(74,749)	1,642,355	303	342,383	303	368,660
From April 1, 2022 to March 31, 2023*7, *8, *9	(97,695)	1,544,660	176	342,560	176	368,837
From April 1, 2023 to March 31, 2024*10, *11, *12, *13	(31,071)	1,513,589	502	343,062	502	369,339

*1 The number of shares issued was increased by 339,279 and the balance of common stock and balance of additional paid-in capital were increased by 293 million yen each dated August 2, 2019 due to issuance of new shares under the remuneration system of share performance-linked restricted stock for Directors and Managing Officers based on the resolution of the meeting of the Board of Directors held on July 3, 2019.
Issue price: 1,731 yen
Amount incorporated into common stock: 865.5 yen

*2 The number of shares issued was decreased by 25,964,700 dated April 20, 2020 due to the cancellation of such number of treasury stock based on the resolution of the meeting of the Board of Directors held on October 30, 2019.

*3 The number of shares issued was increased by 384,602 and the balance of common stock and balance of additional paid-in capital were increased by 304 million yen each dated August 7, 2020 due to issuance of new shares under the remuneration system of share performance-linked restricted stock for Directors and Managing Officers based on the resolution of the meeting of the Board of Directors held on July 10, 2020.
Issue price: 1,585 yen
Amount incorporated into common stock: 792.5 yen

*4 The number of shares issued was decreased by 30,000,000 dated April 1, 2021 due to the cancellation of such number of treasury stock based on the resolution of the meeting of the Board of Directors held on February 24, 2021.

*5 The number of shares issued was increased by 250,836 and the balance of common stock and balance of additional paid-in capital were increased by 303 million yen each dated July 30, 2021 due to issuance of new shares under the remuneration system of share performance-linked restricted stock for Directors and Managing Officers based on the resolution of the meeting of the Board of Directors held on July 9, 2021.
Issue price: 2,421 yen
Amount incorporated into common stock: 1,210.5 yen

*6 The number of shares issued was decreased by 45,000,000 dated August 16, 2021 due to the cancellation of such number of treasury stock based on the resolution of the meeting of the Board of Directors held on August 3, 2021.

*7 The number of shares issued was increased by 111,000 and the balance of common stock and balance of additional paid-in capital were increased by 176 million yen each dated July 29, 2022 due to issuance of new shares under the remuneration system of tenure-linked restricted stock for Directors and Managing Officers based on the resolution of the meeting of the Board of Directors held on July 7, 2022.
Issue price: 3,181 yen
Amount incorporated into common stock: 1,590.5 yen

*8 The number of shares issued was decreased by 50,000,000 dated August 31, 2022 due to the cancellation of such number of treasury stock based on the resolution of the meeting of the Board of Directors held on August 2, 2022.

*9 The number of shares issued was decreased by 47,806,100 dated March 13, 2023 due to the cancellation of such number of treasury stock based on the resolution of the meeting of the Board of Directors held on November 1, 2022 and February 3, 2023.

*10 The number of shares issued was increased by 129,424 and the balance of common stock and balance of additional paid-in capital were increased by 252 million yen each dated April 28, 2023 due to issuance of new shares under the remuneration system of tenure-linked restricted stock for Directors and Managing Officers based on the resolution of the meeting of the Board of Directors held on April 6, 2023.

Issue price: 3,906 yen

Amount incorporated into common stock: 1,953 yen

*11 The number of shares issued was increased by 96,700 and the balance of common stock and balance of additional paid-in capital were increased by 249 million yen each dated July 26, 2023 due to issuance of new shares under the remuneration system of tenure-linked restricted stock for Directors and Managing Officers based on the resolution of the meeting of the Board of Directors held on July 11, 2023.

Issue price: 5,157 yen

Amount incorporated into common stock: 2,578.5 yen

*12 The number of shares issued was decreased by 22,198,700 dated August 31, 2023 due to the cancellation of such number of treasury stock based on the resolution of the meeting of the Board of Directors held on November 1, 2022 and February 3, 2023.

*13 The number of shares issued was decreased by 9,098,800 dated February 15, 2024 due to the cancellation of such number of treasury stock based on the resolution of the meeting of the Board of Directors held on October 31, 2023.

(5) Status of Shareholders

As of March 31, 2024

Classification	Status of Units (1 unit = 100 shares)								Shares under one unit (Number of shares)
	National and local governments	Financial institutions	Securities companies	Other corporations	Foreign shareholders		Individuals and other	Total	
					Foreign shareholders other than individuals	Individuals			
Number of shareholders (persons)	2	211	61	2,343	966	793	259,503	263,879	-
Number of shares held (units)	110	5,381,779	700,738	657,012*2	5,343,389	6,802	3,031,754*1	15,121,584	1,430,768*2
Ratio (%)	0.00	35.59	4.63	4.34	35.33	0.04	20.04	100.00	-

*1 Regarding treasury stock of 8,957,500 shares, 89,575 units (8,957,500 shares) are included in "Individuals and other."

*2 Regarding 1,715 shares registered in the name of Japan Securities Depositary Center, Inc., 17 units (1,700 shares) are included in "Other corporations," and 15 shares are included in "Shares under one unit."

(6) Status of Major Shareholders

As of March 31, 2024

Name of shareholders	Location	Number of shares held (Thousands)*1	Percentage of common stock issued (excluding treasury stock*2) (%)*3
The Master Trust Bank of Japan, Ltd. (trust account)	8-1, Akasaka 1-chome, Minato-ku, Tokyo	243,426	16.17
BNYM AS AGT/CLTS 10 PERCENT. (Standing agent: MUFG Bank, Ltd.)	240 GREENWICH STREET, NEW YORK, NEW YORK 10286 U.S.A. (7-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo)	137,862	9.16
Custody Bank of Japan, Ltd. (trust account)	8-12, Harumi 1-chome, Chuo-ku, Tokyo	86,223	5.73
JP MORGAN CHASE BANK 385632 (Standing agent: Mizuho Bank, Ltd.)	25 BANK STREET CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM (15-1, Konan 2-chome, Minato-ku, Tokyo)	35,475	2.35
Nippon Life Insurance Company (Standing agent: The Master Trust Bank of Japan, Ltd.)	6-6, Marunouchi 1-chome, Chiyoda-ku, Tokyo (8-1, Akasaka 1-chome, Minato-ku, Tokyo)	35,070	2.33

Name of shareholders	Location	Number of shares held (Thousands)*1	Percentage of common stock issued (excluding treasury stock*2) (%)*3
STATE STREET BANK WEST CLIENT －TREATY 505234 (Standing agent: Mizuho Bank, Ltd.)	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A. (15-1, Konan 2-chome, Minato-ku, Tokyo)	24,704	1.64
Barclays Securities Japan Limited.	10-1, Roppongi 6-chome, Minato-Ku, Tokyo	20,000	1.32
JP MORGAN CHASE BANK 385781 (Standing agent: Mizuho Bank, Ltd.)	25 BANK STREET CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM (15-1, Konan 2-chome, Minato-ku, Tokyo)	19,983	1.32
NATSCUMCO (Standing agent: Sumitomo Mitsui Banking Corporation.)	111 Wall Street New York, New York 10015 U.S.A. (1-2, Marunouchi 1-chome, Chiyoda-ku, Tokyo)	16,476	1.09
SSBTC CLIENT OMNIBUS ACCOUNT (Standing agent: The Hong Kong & Shanghai Banking Corporation Limited, Tokyo Branch)	ONE CONGRESS STREET, SUITE 1, BOSTON, MA 02114, U.S.A. (11-1, Nihonbashi 3-chome, Chuo-ku, Tokyo)	16,196	1.07
Total	-	635,420	42.23

*1 The number of shares is rounded down to the nearest thousand.
*2 In addition to the shares listed above, the Company holds treasury stock of 8,957 thousand shares.
*3 Percentage of common stock issued excluding treasury stock is rounded down to two decimal places.
*4 Reports on possession of large volume and change reports pertaining to reports on possession of large volume that were filed with the Director-General of the Kanto Local Finance Bureau in the past three fiscal years and from April 1, 2024 through the date of submission of this annual securities report are as follows. The status of major shareholders shown above does not include the following, as it is not possible for us to confirm the actual status of the share holding ratio as of March 31, 2024. Reports by large volume shareholders include portions held by joint holders.

Name of shareholders	Ownership as of	Number of shares owned	Holding ratio (%)
BlackRock Japan Co., Ltd.	August 31, 2022	103,757,434	6.52
National Indemnity Company	November 14, 2022	105,380,200	6.62
Mitsubishi UFJ Financial Group, Inc.	November 14, 2022	70,696,520	4.44
National Indemnity Company	June 12, 2023	125,022,300	8.09

(7) Status of Voting Rights

1) Shares Issued

As of March 31, 2024

Classification	Number of shares (Shares)	Number of voting rights (Units)	Description
Shares without voting rights	-	-	-
Shares with restricted voting rights (Treasury stock, etc.)	-	-	-
Shares with restricted voting rights (Others)	-	-	-
Shares with full voting rights (Treasury stock, etc.)	(Treasury stock) Common stock 8,957,500	-	-
	(Cross-holding stock) Common stock 120,700	-	-
Shares with full voting rights (Others)	Common stock 1,503,080,200[*1,*2]	15,030,802[*2]	-
Shares under one unit	Common stock 1,430,768[*3]	-	Shares under one unit (100 shares)
Total shares issued	1,513,589,168	-	-
Total voting rights held by all shareholders	-	15,030,802	-

*1 Other than the numbers provided in the column "Shares with full voting rights (Treasury stock, etc.)," there are 7,250,650 shares held by Mitsui's Employee Stock Ownership Plan trust that are considered as treasury stock in Mitsui's consolidated financial statement, and such shares are included in the column "Shares with full voting rights (Others)". In the column "Number of voting rights (Units)," 72,506 units of voting rights related to the shares with full voting rights held by Mitsui's Employee Stock Ownership Plan trust are included.

*2 In the column "Shares with full voting rights (Others)," "1,503,080,200 shares in common stock" and "15,030,802 units of voting rights" include 17 units (1,700 shares) and 17 units of voting rights within those shares, all of which are registered in the name of Japan Securities Depositary Center, Inc.

*3 In the column "Shares under one unit," "1,430,768 shares in common stock" include 50 shares of cross-holding stock (under one unit) held by Feed one Co., Ltd. and 15 shares (under one unit) that are registered in the name of Japan Securities Depositary Center, Inc.

2) Treasury Stock, etc.

As of March 31, 2024

Name of shareholders	Addresses of shareholders	Number of shares held under own name	Number of shares held under the name of others	Total	Percentage of interest (%)
Mitsui & Co., Ltd. (Treasury stock)	2-1, Otemachi, 1-chome, Chiyoda-ku, Tokyo	8,957,500	-	8,957,500	0.59
Feed one Co., Ltd. (Cross-holding stock)	23-2, Tsuruyacho, 2-chome, Kanagawa-ku, Yokohama-shi, Kanagawa	120,700	-	120,700	0.00
Total	-	9,078,200	-	9,078,200	0.59

* In addition to the abovementioned, there are 50 shares of cross-holding stock (under one unit) and 7,250,650 shares held by Mitsui's Employee Stock Ownership Plan trust that are considered as treasury stock in Mitsui's consolidated financial statement.

(8) Share Ownership Plan for Directors (and Other Officers) and Employees

1) Overview of the Share-Based Compensation Plan for Employees

According to the resolution of the Board of Directors on July 31, 2020, Mitsui has introduced a share-based compensation plan for its employees based on an Employee Stock Ownership Plan trust (the "ESOP Trust") (the "Plan") so that its diverse employees continue to work together with its management for "Transform and Grow", the theme of the Medium-term Management Plan 2023 announced in May 2020, and further strengthen its commitment to enhancing its corporate value over the medium-to-long term.

The ESOP Trust will be formed by the cash contributed by Mitsui. The shares of Mitsui acquired by the ESOP Trust will be granted to Mitsui's employees, including non-managerial staff, who meet requirements as beneficiaries, based on the number of the points earned by each employee. The number of the points granted to the employees every fiscal year is linked to the qualifications/grade and personnel evaluations of each employee, reinforcing Mitsui's performance-and-achievement based policy.

The Plan will allow the employees to directly benefit from the stock price increase, and thus it is expected to lead to the transformation of each employee's mindset and behavior toward enhancing its corporate value over the medium-to-long term and to the improvement of its engagement.

2) Total Amount of Shares Expected to be Acquired by the Employees

25.7 billion yen

3) Scope of the Beneficiaries of the Plan

Employees who meet requirements as beneficiaries

2. Acquisition of Treasury Stock and Other Related Status

[Class of shares] Acquisition of shares of common stock falling under Article 155, Items 3 and 7 of the Companies Act of Japan

(1) Acquisition of Treasury Stock Based on a Resolution Approved at the Ordinary General Meeting of Shareholders

Not applicable.

(2) Acquisition of Treasury Stock Based on a Resolution Approved by the Board of Directors

Acquisition falling under Article 155, Item 3 of the Companies Act of Japan

Classification	Number of shares (Shares)	Total amount (Yen)
Details of resolution at meeting of the Board of Directors (November 1, 2022 and February 3, 2023)*1 (Acquisition period: November 2, 2022 to July 31, 2023)	80,000,000	240,000,000,000
Treasury stock acquired before the current fiscal year	45,337,900	170,000,038,241
Treasury stock acquired during the current fiscal year	14,666,900	69,999,906,144
Number of shares and total amount of outstanding shares of resolution	19,995,200	55,615
Ratio of non-exercised portion at the end of the current fiscal year (%)	24.99	0.00
Treasury stock acquired during the current period for acquisition	-	-
Ratio of non-exercised portion as of issuance date of this report (%)	24.99	0.00

*1 Details of the resolution of the meeting of the Board of Directors held on November 1, 2022 were revised based on the resolution of the meeting of the Board of Directors held on February 3, 2023.

Classification	Number of shares (Shares)	Total amount (Yen)
Details of resolution at meeting of the Board of Directors (October 31, 2023) (Acquisition period: January 1, 2024 to January 31, 2024)	12,500,000	50,000,000,000
Treasury stock acquired before the current fiscal year	-	-
Treasury stock acquired during the current fiscal year	9,098,800	49,999,966,818
Number of shares and total amount of outstanding shares of resolution	3,401,200	33,182
Ratio of non-exercised portion at the end of the current fiscal year (%)	27.20	0.00
Treasury stock acquired during the current period for acquisition	-	-
Ratio of non-exercised portion as of issuance date of this report (%)	27.20	0.00

Classification	Number of shares (Shares)	Total amount (Yen)
Details of resolution at meeting of the Board of Directors (May 1, 2024) (Acquisition period: May 2, 2024 to September 20, 2024)	40,000,000	200,000,000,000
Treasury stock acquired before the current fiscal year	-	-
Treasury stock acquired during the current fiscal year	-	-
Number of shares and total amount of outstanding shares of resolution	-	-
Ratio of non-exercised portion at the end of the current fiscal year (%)	100	100
Treasury stock acquired during the current period for acquisition	5,364,000	42,697,027,628
Ratio of non-exercised portion as of issuance date of this report (%)*2	86.59	78.65

*2 “Treasury stock acquired during the current period for acquisition” does not include shares acquired during the period from June 1, 2024, to the issuance date of this report.

(3) Acquisition of Treasury Stock Not Based on a Resolution Approved at the Ordinary General Meeting of Shareholders or a Resolution Approved by the Board of Directors

Acquisition falling under Article 155, Item 7 of the Companies Act of Japan

Classification	Number of shares (Shares)	Total amount (Yen)
Treasury stock acquired during the current fiscal year	9,530	52,031,714
Treasury stock acquired during the current period for acquisition[*1]	1,505	11,246,996

*1 "Treasury stock acquired during the current period for acquisition" does not include shares constituting less than one full unit purchased during the period from June 1, 2024, to the issuance date of this report.

(4) Current Status of the Disposition and Holding of Acquired Treasury Stock

Classification	Current fiscal year		Current period for acquisition	
	Number of shares (Shares)	Total disposition amount (Yen)	Number of shares (Shares)	Total disposition amount (Yen)
Acquired treasury stock for which subscribers were solicited	-	-	-	-
Acquired treasury stock that was disposed of	31,297,500	135,921,589,950	-	-
Acquired treasury stock for which transfer of shares was conducted in association with merger/stock exchange/share delivery/corporate separation	-	-	-	-
Others (Sold due to demand for sale of shares constituting less than one full unit etc.)[*1]	81,793	54,269,054	3,740	4,404,160
Number of shares of treasury stock held[*2]	8,957,500	-	14,319,265	-

*1 The items listed in the "Others" row for the Current fiscal year column are classified into (i) Exercise of the stock options (Number of shares: 81,600 / Total disposition amount: 53,373,200yen) and (ii) Sold due to demand for sale of shares constituting less than one full unit (Number of shares: 193 / Total disposition amount: 895,854yen), and the items listed in the "Others" row for the Current period for acquisition column are classified into (i) Exercise of the stock options (Number of shares:3,600/ Total disposition amount: ¥3,344,400) and (ii) Sold due to demand for sale of shares constituting less than one full unit (Number of shares:140/ Total disposition amount: ¥1,059,760). Treasury stock disposed of during the current period for acquisition does not include shares constituting less than one full unit sold during the period from June 1, 2024, to the issuance date of this report.

*2 Number of shares of treasury stock held during the current period for acquisition does not include shares constituting less than one full unit purchased or sold during the period from June 1, 2024, to the issuance date of this report.

3. Shareholder Return Policy

Our profit distribution policy is as follows:

・In order to increase corporate value and maximize shareholder value, we seek to maintain an optimal balance between meeting demand for capital in our core and growth areas through reinvestment of our retained earnings, and – based on the level of stable cash generation – directly provide returns to shareholders by paying out cash dividends.

・In addition to the above, regarding share repurchases which are done to improve capital efficiency amongst other things, the amount and timing will be decided upon in a prompt and flexible manner taking into consideration the business environment. Such considerations include balance between share repurchases and growth investments, cash flow level after accounting for shareholder returns, interest-bearing debt levels, and return on equity.

Our basic policy is to pay dividends from retained earnings twice a year as interim dividend and year-end dividend. The Articles of Incorporation stipulate that Mitsui may pay interim dividends, by a resolution of Board of Directors, where September 30th of each year is set as the record date. Meanwhile, our year-end dividend shall be resolved by General Meeting of Shareholders.
It was resolved that the year-end dividend for the year ended March 31, 2024 was ¥85 per share. The full-year dividend for the year ended March 31, 2024 was ¥170, including the interim dividend of ¥85 per share.

To enable greater liquidity in our stock and further expansion of our investor base, on July 1, 2024, we plan for each share of common stock to be split into two shares as we carry out a share split. Taking into consideration our forecast of Core Operating Cash Flow and Profit for the Year Attributable to Owners of the Parent for the fiscal year ending March 31, 2025, as well as the stability and continuity of full-year dividend payments per share, the post-share split full-year dividend for the fiscal year ending March 31, 2025 is planned to be 100 yen per share (including the interim dividend of 50 yen), which is a pre-share split increase of 30 yen from the previous year. We have set this as a minimum dividend from the fiscal year ending March 31, 2025 to the fiscal year ending March 31, 2026 and we will maintain or increase the dividend level.

Dividends for the year ended March 31, 2024 were as follows:
(a) The interim dividend which the Board of Directors resolved on October 31, 2023
Total dividend amount of ¥128,665 million; ¥85 per share
(b) The year-end dividend which Ordinary General Meeting of Shareholders resolved on June 19, 2024
Total dividend amount of ¥127,894 million; ¥85 per share

4. Corporate Governance

(1) Overview of Corporate Governance

1) Basic Corporate Governance Policy

In structuring the corporate governance framework, Mitsui places emphasis on “improved transparency and accountability” and “the clarification of the division of roles between the oversight activities and executive activities of the management.”
For the “improved transparency and accountability,” Mitsui ensures sound supervision and monitoring of management with the viewpoint of External Directors and External Audit & Supervisory Board Members (hereinafter referred to as the “External Members”). Mitsui has also established an internal control system for disclosure so that all executives and employees fulfill their accountability to stakeholders under the principle of fair disclosure. For “the clarification of the division of roles between the oversight activities and executive activities of the management,” Mitsui delegates execution of business to Managing Officers substantially while the Board of Directors retains a supervisory role over Managing Officers’ business activities. Chief Operating Officers of 16 business units within headquarters and 2 regional business units serve concurrently as Managing Officers and engage in business operation for the consolidated group in a responsive and flexible manner.
While increasing the effectiveness of supervisory functions by having Audit & Supervisory Board Members, Mitsui implements corporate governance by maintaining an Audit & Supervisory Board system because it believes that having Internal Directors who are familiar with our business practices and operations is essential to the business of a global investment and trading company. By adopting a Committee System in which External Members participate, Mitsui achieves highly effective corporate governance to secure “improved transparency and accountability” and “the clarification of the division of roles between the oversight activities and executive activities of the management.” In order to realize effective corporate governance for shareholders and other stakeholders, Mitsui has established, and maintains, the following structures:

i) The Board of Directors is the highest authority for execution of business and supervision, and in order to ensure this function, Mitsui has set at an appropriate number of Directors that enables effective discussion. As advisory committees to the Board of Directors, Mitsui also has in place the Governance Committee, the Nomination Committee and the Remuneration Committee, in which External Directors and/or External Audit & Supervisory Board Members also participate as members.

ii) The Audit & Supervisory Board Members supervise the Directors’ execution of duties as an independent institution with the mandate of the shareholders. For this purpose, Audit & Supervisory Board Members carry out multi-faceted, effective audit activities such as attending important internal meetings, verifying reports and investigating our business, and take necessary measures in a timely manner.

Regarding Mitsui’s basic views and policies on Corporate Governance, we published “Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles” on Mitsui’s website as follows:
(https://www.mitsui.com/jp/en/company/outline/governance/system/pdf/corp_gov.pdf)
This page will be updated periodically, and the details of the updated content and date will also be noted.

Mitsui complies with all principles of the revised Corporate Governance Code published in June 2021. Please see the “Corporate Governance Report” which we submitted to the Tokyo Stock Exchange and other stock exchanges.
(https://www.mitsui.com/jp/en/company/outline/governance/status/index.html)
The page will be updated periodically, and the details of the updated content and date will also be noted.

2) Corporate Governance Structure of Mitsui

i) Status of the Board of Directors

- Upon the introduction of the Managing Officer System in April 2002, the number of Directors was reduced from 38 to 11 in June 2002. In June 2003, the first External Director was appointed. As of the Ordinary General Meeting of Shareholders held in June 2015, five External Directors had been appointed, and at the Ordinary General Meeting of Shareholders held in June 2023, six External Directors were appointed. In order to further reinforce supervision of management of the Board of Directors and to ensure a personnel composition that allows higher-level and more highly effective discussions in the Board of Directors meeting, at the Ordinary General Meeting of Shareholders held in June 2024, the Company reduced the number of Internal Directors from nine to six and changed the structure to have twelve members in total with an equal number of Internal and External Directors. As of the date of the issuance of this report, twelve Directors (of which four female External

Directors, and the percentage of Directors that are female is 33.3%, and the percentage of non-Japanese Directors is 25.0%) have been appointed, five of whom also serve as Managing Officers.

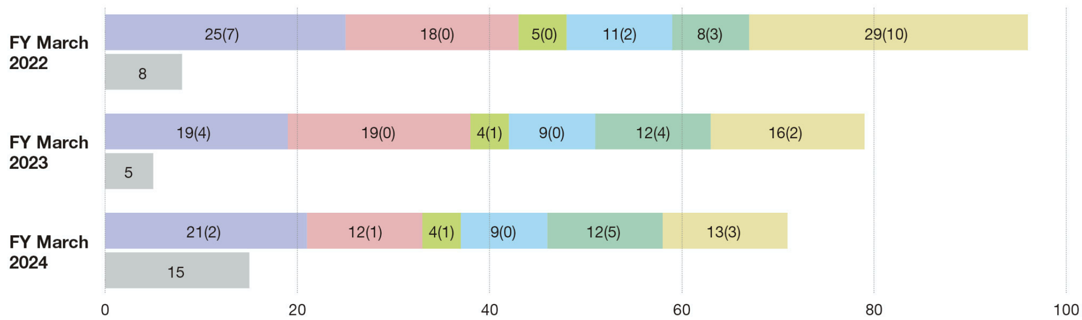
- The number of Directors shall be set at an appropriate number that enables effective discussion. The tenure of Directors is one year, and Directors can be reappointed.

- The Chair is authorized to call for a meeting of the Board of Directors and to serve as the Chair of the meeting. The role as the Chair chiefly involves carrying out supervision of management. The Chair does not concurrently serve as a Managing Officer and is not involved in the execution of day-to-day business operations.

- In accordance with the Rules of the Board of Directors Regarding Resolutions and Matters to be Reported, the Board of Directors passes resolutions of fundamental policies on management of Mitsui, matters of important business operation, matters mandated by a resolution of the General Meeting of Shareholders and issues prescribed in laws and regulations and in the Articles of Incorporation. The Board of Directors also receives reports on issues prescribed in laws and regulations and the status of important business operations.

- A regular meeting of the Board of Directors is held once every month, and extraordinary meetings are held from time to time, whenever necessary. During the fiscal year ended March 31, 2024, 13 meetings were held. The number of resolutions and reports to the Board of Directors for the past three fiscal years are as follows. We also promote the sharing of important matters with External Members that are not subject to resolutions or reports to the Board of Directors but are discussed by or reported to the Executive Committee, thereby providing them with many opportunities to deepen their understanding of the Company’s business and management.

<Major matters discussed and number of resolutions and reports to the Board of Directors, number of matters shared with External Members>



Bar graph (upper row): Number of resolutions/reports to the Board of Directors
Figures in parentheses are the number of written resolutions/reports
Corporate strategy/sustainability/governance-related
Financial closing and finance-related
Audit & Supervisory Board Members/Independent Auditor-related
Risk management/internal controls/compliance-related
Executive personnel and remuneration-related
Individual matters

Bar graph (bottom row):
Number of individual matters not resolved or reported to the Board of Directors that were shared with External Members in the form of a meeting

<Major matters of resolutions and reports to the Board of Directors (FY March 2024)>

<table>
<tr><th></th><th>Resolutions and reports</th><th></th><th>Resolutions and reports</th></tr>
<tr><td rowspan="2">A</td><td rowspan="2">・Medium-term Management Plan/Business Plan
・Changes to governance and executive structures
・Evaluation of the effectiveness of the Board of Directors
・Annual activity and action plan of the Advisory Committees
・Sustainability management promotion activities
・Diversity management progress
・Recruiting policy
・Revision to personnel system
・Asset portfolio review
・Investment for FY March 2023
・Verification of rationale for holding listed shares
・Operational status of the revised internal regulations and guidelines on matters to be resolved or reported at the Board of Directors meeting
・Policy on preparation of external disclosure materials</td><td>D</td><td>・Management assessments of internal controls over financial reporting
・Activity of the Internal Auditing Division
・Status of group compliance system
・Occupational health and safety and on-going initiatives on health management
・Risk exposure and risk controls
・Cybersecurity update</td></tr>
<tr><td>E</td><td>・Executive personnel
・Executive remuneration</td></tr>
<tr><td>B</td><td>・Financial results/Business Plan
・Shareholder returns
・Annual plan of fund operation/Borrowings</td><td rowspan="2">F</td><td rowspan="2">・Policy for new projects
・Progress of existing projects
・Report on impairment matters</td></tr>
<tr><td>C</td><td>・Audit & Supervisory Board audit implementation report for FY March 2023 and audit policy for FY March 2024
・Key Audit Matters
・Management letter from Independent Auditor</td></tr>
</table>

A: Corporate strategy/sustainability/governance-related　B: Financial closing and finance-related　C: Audit & Supervisory Board Members/Independent Auditor-related　D: Risk management/internal controls/compliance-related
E: Executive personnel and remuneration-related　F: Individual matters

- Further, the meeting composed of all External Directors and External Audit & Supervisory Board Members (hereinafter referred to as the “External Members Meeting”) is held for the purpose of exchanging information and opinions regarding important matters in management among External Members, or among External Members, Internal Directors, Full-time Audit & Supervisory Board Members, Independent Auditors and/or Managing Officers. The External Members Meeting was held 10 times in the fiscal year ended March 31, 2024, where information and opinions were exchanged regarding matters such as feedback on dialogue with capital market (expectations and requests), initiatives on climate change (Scope 3 emissions results and update on the business activities reducing GHG emissions in the value chain), Wellness Ecosystem Creation (one of the three Key Strategic Initiatives of the Medium-term Management Plan 2026), etc.

- Mitsui has established the three committees shown below as advisory bodies to the Board of Directors. Mitsui has reviewed the composition of members in June 2015 in order to strengthen its corporate governance structure. As a result, External Members compose a majority of the Governance Committee. Further, from June 2018, External Members have composed a majority of the Nomination Committee, and as of the date of the issuance of this report, an External Director serves as the committee chair. From June 2019, External Members have composed a majority of the Remuneration Committee and as of the date of the issuance of this report, an External Director serves as the committee chair.

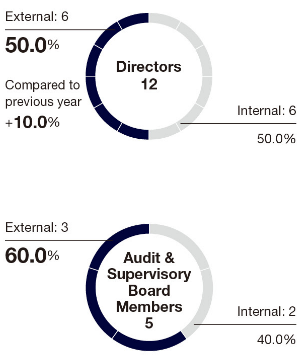
- The Board of Directors is composed of the following 12 members as of the date of issuance of this report:

Name*2	Full-time/ External	Attendance at Board of Directors meetings in FY March 2024 (total of 13 meetings)	Membership of Advisory Committees to Board of Directors
Tatsuo Yasunaga	Full-time	13 times	Governance Committee
Kenichi Hori	Full-time	13 times	Governance Committee, Nomination Committee
Yoshiaki Takemasu	Full-time	13 times	
Tetsuya Shigeta	Full-time	13 times	Remuneration Committee
Makoto Sato	Full-time	13 times	Governance Committee
Toru Matsui	Full-time	13 times	
Samuel Walsh	External	13 times	Governance Committee
Takeshi Uchiyamada	External	13 times	Nomination Committee
Masako Egawa	External	13 times	Governance Committee, Remuneration Committee
Fujiyo Ishiguro	External	9 times*1	Nomination Committee
Sarah L. Casanova	External	9 times*1	Governance Committee
Jessica Tan Soon Neo	External	9 times*1	Remuneration Committee

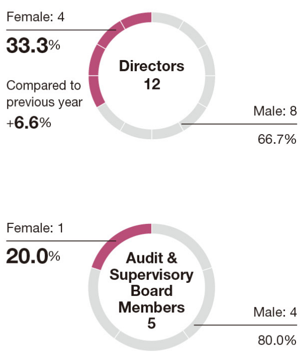
*1 Ms. Fujiyo Ishiguro, Ms. Sarah L. Casanova and Ms. Jessica Tan Soon Neo participated in all nine Board of Directors meetings held during the fiscal year ended March 31, 2024, after they were appointed as Director in June 2023.

*2 Mr. Motoaki Uno and Mr. Kazumasa Nakai who retired at the close of the Ordinary General Meeting of Shareholders held on June 19, 2024 participated in all 13 Board of Directors meetings held during the fiscal year ended March 31, 2024. Moreover, Mr. Tetsuya Daikoku, who was appointed as a Director in June 2023, and retired at the close of the Ordinary General Meeting of Shareholders held on June 19, 2024 participated in all nine Board of Directors meetings held during the fiscal year ended March 31, 2024. In addition, Mr. Kazumasa Nakai and Mr. Tetsuya Daikoku will continue to serve as Executive Committee Members.

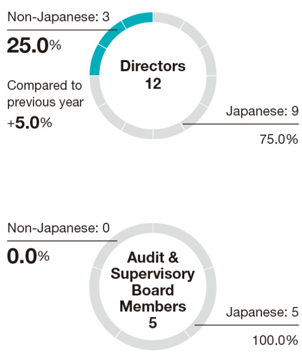
Ratio of External Directors/ External Audit & Supervisory Board Members



Ratio of female Directors/ female Audit & Supervisory Board Members



Ratio of non-Japanese Directors/ non-Japanese Audit & Supervisory Board Members



- Mitsui has established the three committees below as advisory bodies to the Board of Directors. The composition of members as of the date of issuance of this report are as follows:

・Governance Committee

<table>
<tr><th>Expected role</th><th>Function</th><th colspan="2">Committee Chair and Members</th></tr>
<tr><td rowspan="7">The committee will work to enhance management transparency and fairness and achieve sustained improvement in the Company’s corporate governance by continually monitoring corporate governance and considering governance enhancement measures.</td><td rowspan="7">To consider basic policies and measures concerning the governance of the Company, to consider the composition, size, and agenda of the Board of Directors, with the aim of achieving further improvement in corporate governance, and to consider the role of the Board of Directors’ advisory committees, including recommendations based on deliberations and discussions in meetings of the Nomination and Remuneration Committees.</td><td>Chair of the Board of Directors, Committee Chair</td><td>Tatsuo Yasunaga</td></tr>
<tr><td>President</td><td>Kenichi Hori</td></tr>
<tr><td>Chief Strategy Officer</td><td>Makoto Sato</td></tr>
<tr><td>External Director</td><td>Samuel Walsh</td></tr>
<tr><td>External Director</td><td>Masako Egawa</td></tr>
<tr><td>External Director</td><td>Sarah L. Casanova</td></tr>
<tr><td>External Audit & Supervisory Board Member</td><td>Yuko Tamai</td></tr>
</table>

・Nomination Committee

<table>
<tr><th>Expected role</th><th>Function</th><th colspan="2">Committee Chair and Members</th></tr>
<tr><td rowspan="4">The committee will work to enhance the transparency and objectivity of processes relating to the nomination of Directors and Managing Officers (referred to collectively as “Officers”, including the CEO; the same shall apply hereinafter) through the involvement of External Members, and to ensure the fairness of Officer nominations.</td><td rowspan="4">To study the selection and dismissal standards and processes for nominating Officers, to establish succession planning for President and Chief Executive Officer and other top executives, to evaluate Director nomination proposals, and to deliberate on the dismissal of Officers.</td><td>External Director, Committee Chair</td><td>Takeshi Uchiyamada</td></tr>
<tr><td>President</td><td>Kenichi Hori</td></tr>
<tr><td>External Director</td><td>Fujiyo Ishiguro</td></tr>
<tr><td>External Audit & Supervisory Board Member</td><td>Makoto Hayashi</td></tr>
</table>

・Remuneration Committee

<table>
<tr><th>Expected role</th><th>Function</th><th colspan="2">Committee Chair and Members</th></tr>
<tr><td rowspan="4">The committee will work to enhance the transparency and objectivity of decision-making processes relating to remuneration for Officers through the involvement of External Members, and to ensure the fairness of remuneration for Officers through ongoing monitoring.</td><td rowspan="4">To study the system and decision-making process relating to remuneration and bonuses for Officers, to evaluate proposals of remuneration and bonuses for Directors, and to evaluate proposals for evaluation and bonuses for Managing Officers.</td><td>External Director, Committee Chair</td><td>Masako Egawa</td></tr>
<tr><td>Chief Financial Officer</td><td>Tetsuya Shigeta</td></tr>
<tr><td>External Director</td><td>Jessica Tan Soon Neo</td></tr>
<tr><td>External Audit & Supervisory Board Member</td><td>Kimitaka Mori</td></tr>
</table>

- Each year the Board of Directors analyzes and evaluates its effectiveness as a whole, taking into consideration the relevant matters, including the self-evaluations of each Director, and discloses a summary of the results. A summary of this evaluation for the fiscal year ended March 31, 2024 is as described in 4) Enhancements of Corporate Governance in the fiscal year ended March 31, 2024 i) Implementation for strengthening corporate governance (a) Evaluation of effectiveness of the Board of Directors.

ii) Status of the Audit & Supervisory Board

Regarding the status of the Audit & Supervisory Board, please refer to (3) Status of Audits 1) Status of Audit & Supervisory Board.

iii) Overview of the agreement to limit the liabilities of the Directors and Audit & Supervisory Board Members and D&O insurance

- Mitsui has entered into agreements with each of the External Directors and External Audit & Supervisory Board members pursuant to Article 427, Paragraph 1 of the Companies Act of Japan, to limit their liability under Article 423, Paragraph 1 of the Companies Act of Japan, to the minimum amount of liability as stipulated in Article 425, Paragraph 1 of the Companies Act of Japan.
- Mitsui has executed a directors and officers liability insurance (D&O insurance) policy under Article 430-3, Paragraph 1 of the Companies Act of Japan, covering all of the Directors and Audit & Supervisory Board members as the insureds, with insurance companies. This insurance policy covers compensation for damages and litigation expenses, etc. borne by the insured due to claims for damage compensation arising from actions (including inaction) carried out by the insured in relation to the execution of their duties, and the full insurance premium amount for the insured is borne by Mitsui.

iv) Framework for internal control and execution of business activities

- Ultimate responsibility for execution of business operations lies with the President and Chief Executive Officer. The President and Chief Executive Officer delegates authority to the Chief Operating Officers of the business units and business units, who, in turn, report to the President and Chief Executive Officer. The Executive Committee is organized for deliberating the basic policies and important matters relating to the overall management. The Committee consists of the Chair of the Board of Directors, President and Chief Executive Officer (the committee chair), the Directors in charge of Corporate Staff Divisions, and Representative Directors or Managing Officers nominated by the President and Chief Executive Officer. The Executive Committee is held weekly in principle. Matters referred to the Executive Committee meeting are determined by the President and Chief Executive Officer, taking into consideration discussions among the Committee members.

- In addition, the Company has reviewed its executive structure at the same time with the purpose of allowing a more agile response to an increasingly complex business environment and surrounding risks, and to ensure the steady realization of its management strategies. By reaffirming the role of the Executive Committee as the Company's management leadership team, the Company aims to achieve further increase in corporate value and growth of the Group. In addition, as of April 1, 2024, the Company newly established the position of General Counsel, who serves as a member of the Executive Committee.

- The Internal Auditing Division, which is positioned directly under the President and Chief Executive Officer, examines the status of development and implementation of the internal control of Mitsui. With the delisting from NASDAQ in April 2011 and the termination of SEC registration in July 2011, Mitsui implemented the internal control framework based on Japanese regulation from the fiscal year ended March 31, 2012. Even after the transition, Mitsui maintains its internal control system by positioning the internal control as the structure by which the management controls the executive body, aiming for: (1) "Improvement of effectiveness and efficiency of operations," (2) "Compliance with accounting standards and securing reliability of financial reporting," (3) "Compliance with laws, rules that are equivalent to the laws, and observance of management philosophy and company rules including all codes of conduct which reflect this philosophy," and (4) "The safeguarding of company assets;" and consists of: "control environment," "risk assessment," "control activities," "information and communication," "monitoring," and "response to IT." These objectives and components are as stated in the basic framework designated in "Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting," issued by the advisory board to the Commissioner of the Financial Services Agency.

- Mitsui has established major committees pertaining to the execution of business and implementation of internal control as follows, and is taking measures to respond to a wide range of risks and forms of businesses, which continue to increase and diversify.

・Compliance Committee
As an organization under the Executive Committee, this committee, with an attorney at law from outside Mitsui participating as an observer, develops, maintains, and improves the effectiveness of the compliance structure.

・Disclosure Committee
As an organization under the Executive Committee, this committee develops principles and basic policy for statutory disclosure, timely disclosure and other important disclosure materials and disclosing acts as well as the internal structure, and discusses and determines the materiality and appropriateness of information to be disclosed.

・J-SOX Committee
As an organization under the Executive Committee, this committee develops, maintains, and improves the effectiveness of the system for ensuring the reliability of our consolidated financial reporting.

・Portfolio Management Committee
As an advisory body to the Executive Committee, this committee establishes the corporate portfolio strategy as well as investment and finance policies, monitors our corporate portfolios, and examines important individual proposals.

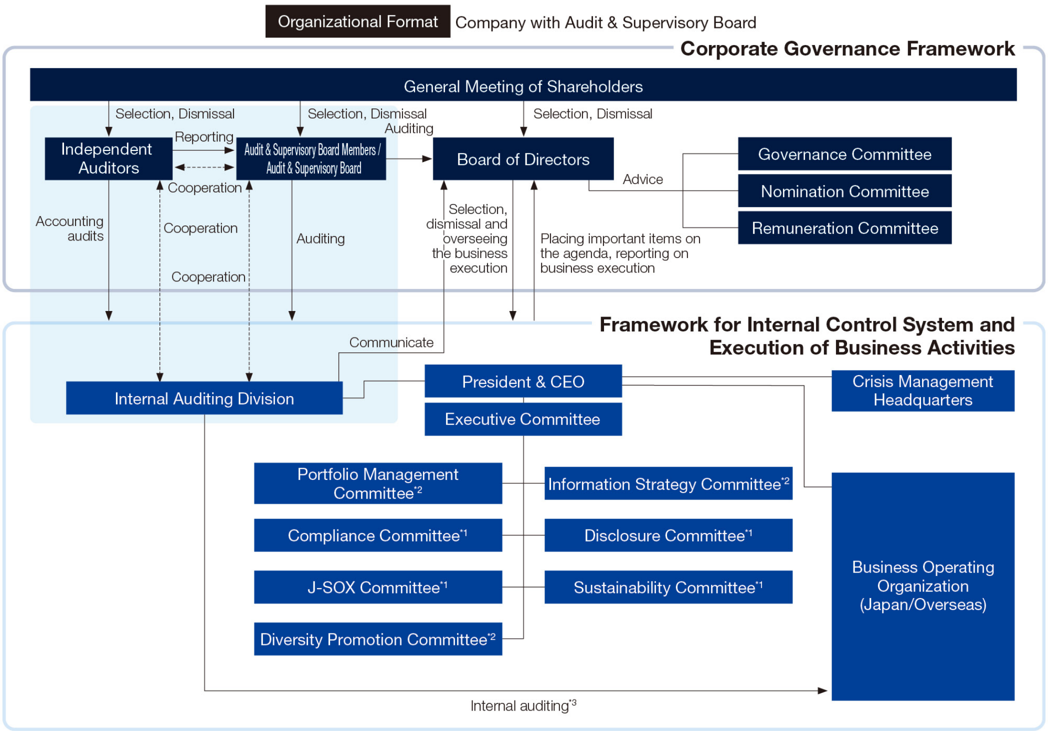
・Information Strategy Committee
As an advisory body to the Executive Committee, this committee plans company-wide information and DX strategy and determines and monitors essential policies concerning establishment of a management platform and promotion of the structure of the information strategy.

・Sustainability Committee
As an organization under the Executive Committee, this committee aims to promote sustainability management at Mitsui related to Mitsui's sustainability and environmental, social, and governance (ESG) issues.

・Diversity Committee
As an advisory body to the Executive Committee, this committee makes proposals regarding basic policy and the plan for diversity promotion, and formulates and implements targets set along with the plan.

・Crisis Management Headquarters
As an extraordinary and non-permanent organization under the direct rule of the President and Chief Executive Officer, the Crisis Management Headquarters exercises necessary decision making in place of normal in-house decision mechanisms relating to all conceivable matters requiring an extraordinary response. The President and Chief Executive Officer serves as head of this Headquarters.

<Overview of the Corporate Governance Framework>



*1 Sub-committees to the Executive Committee *2 Advisory committees to the Executive Committee

*3 During regular audits, items to be audited are identified based on risk factors, and an independent and objective evaluation is carried out in accordance with international internal audit standards. Continuous efforts are made to maintain and improve the qualities of these internal auditing activities through measures such as quality evaluations by external specialists.

<History of the Corporate Governance System>

	Major Events	Number of Directors*	Number of Audit & Supervisory Board Members*
2002	Introduced the Managing Officer System to separate management and execution, and reduced Directors to a number that facilitates discussion	11 (0)	4 (2)
2003	Appointed the Company's first External Director	11 (1)	5 (3)
2004	Established the Governance Committee, Nomination Committee and Remuneration Committee as advisory committees to the Board of Directors	11 (2)	5 (3)
2006	• Established Corporate Governance and Internal Control Principles • Appointed the Company's first female External Director	11 (3)	6 (4)
2014	Appointed the Company's first female Audit & Supervisory Board Member	13 (4)	5 (3)
2015	• Started External Members Meetings • Started evaluation of the effectiveness of the Board of Directors • Ratio of External Directors exceeded 1/3 • Appointed the Company's first non- Japanese External Director	14 (5)	5 (3)
2018	Started free discussion by all Directors and Audit & Supervisory Board Members		
2019	Started evaluation of the effectiveness of the Audit & Supervisory Board		
2024	Ratio of External Directors 50%	12 (6)	5 (3)

* The number of External Members is shown in parentheses.

<Skill Matrix for Directors and Audit & Supervisory Board Members>

Main areas of expertise and knowledge the Company especially expects of Directors and Audit & Supervisory Board Members are presented.

Name	Position, etc.	Committee Member	Corporate Management	Global Insight	Risk Management	Finance and Accounting	Innovation/ DX	Human Resources Strategy	Environment/ Society
Tatsuo Yasunaga	Representative Director, Chair of the Board of Directors	Governance	●	●	●			●	●
Kenichi Hori	Representative Director, President	Governance Nomination	●	●	●		●	●	●
Yoshiaki Takemasu	Representative Director, Executive Vice President, CHRO and CCO		●	●	●			●	
Tetsuya Shigeta	Representative Director, Senior Executive Managing Officer, CFO	Remuneration	●	●	●	●			
Makoto Sato	Representative Director, Senior Executive Managing Officer, CSO	Governance	●	●			●		●
Toru Matsui	Representative Director, Senior Executive Managing Officer, CDIO		●	●			●		
Samuel Walsh	Director Independent External	Governance	●	●			●		●
Takeshi Uchiyamada	Director Independent External	Nomination	●	●			●	●	●
Masako Egawa	Director Independent External	Governance Remuneration	●	●				●	●
Fujiyo Ishiguro	Director Independent External	Nomination	●	●			●	●	
Sarah L. Casanova	Director Independent External	Governance	●	●	●			●	●
Jessica Tan Soon Neo	Director Independent External	Remuneration	●	●			●		●
Kimiro Shiotani	Full-time Audit & Supervisory Board Member		●	●	●	●			
Hirotatsu Fujiwara	Full-time Audit & Supervisory Board Member		●	●				●	●
Kimitaka Mori	Audit & Supervisory Board Member Independent External	Remuneration			●	● (CPA)			
Yuko Tamai	Audit & Supervisory Board Member Independent External	Governance			● (Attorney at Law)				●
Makoto Hayashi	Audit & Supervisory Board Member Independent External	Nomination		●	● (Attorney at Law/ former public prosecutor)			●	

In selecting the Director and Audit & Supervisory Board Members, the Company considers overall character based on the expertise and background of each member from the standpoint of the balance of the Board of Directors.

The above chart does not present all of the expertise and knowledge possessed by the members of the Board of Directors. “Global experience” shall be expertise and knowledge expected of all the members, and “Governance” shall be the foundation of all the skills and be included in “Corporate management,” “Risk management,” and other areas. Therefore, these matters are not set as items of the matrix.

When white text is used for the committee name in the Committee Member column, it indicates that the relevant individual serves as the chair of that committee.

The reasons for selecting the main areas of expertise and knowledge expected are as follows.

Corporate management	We form a cross-industry business cluster that provides *real solutions* to complex social issues. Knowledge, experience, and track record in corporate management, including development and promotion of company-wide management strategies, are required.
Global insight	In promoting business development globally, expertise and knowledge in economic/regional situations and trends in politics/policy, in addition to global experience, are required.
Risk management	Solid knowledge and experience are required in order to identify important risks by overlooking the various risks in the Company’s businesses, to manage such risks, and the safeguarding of company assets.
Finance and accounting	Solid knowledge and experience in finance, accounting and tax matters are required for promoting growth investment for sustainable increase in corporate value, building a strong financial base, formulating a policy for shareholder returns, and ensuring stable corporate operations.
Innovation/DX	Knowledge and experience in solving issues and creating new businesses in an increasingly complex world, advanced technology, and innovation are important. Expertise and knowledge in leveraging DX-related knowledge of the entire Company are required to achieve efficiency from both offensive and defensive perspectives.
Human resources strategy	Under our founding philosophy that “people” are source of our sustainable value creation, we have consistently worked on the acquisition and cultivation of human resources, and continuous human resources development and organizational development as the top priorities in management since our establishment, and related knowledge and experience are required.
Environment/society	For deeper sustainability management, experience and knowledge related to responses to climate change, preservation of natural capital, etc. to realize a decarbonized society as well as human rights, supply chains and other matters are necessary.

Special note on experience and track records, etc. of Directors and Audit & Supervisory Board Members are as follows.

Name	Special note on experience and track records [Overseas posting and other experience]	Industrial field/expertise
Tatsuo Yasunaga	Mr. Yasunaga spent nine years first as President and subsequently as Chair of the Board of Directors of the Company. During this time, he showed his managerial skills and made a contribution to the Company's growth. In addition to his track record and expertise in overseas plant and infrastructure businesses, he has experience in roles including secondment to the World Bank and in developing company-wide policies as General Manager of Corporate Planning & Strategy Division. [United States and Taiwan]	Machinery & Infrastructure
Kenichi Hori	Mr. Hori has exercised his managerial skills and demonstrated solid leadership since he was appointed President in 2021. In addition to his track record and expertise in the Chemicals area and Corporate Development Business Unit (Corporate Development Division, General Manager of Commodity Trading & Risk Management Division, etc.), he has extensive experience in roles including General Manager of Corporate Planning & Strategy Division, and General Manager of Investor Relations Division. [United States]	Chemicals Innovation & Corporate Development
Yoshiaki Takemasu	Mr. Takemasu has a track record and expertise in the Chemicals area. In addition, he spent ten years in Europe to fulfill roles including secondment to an operating company. He possesses experience in developing and implementing global human resources management, diversity promotion and other company-wide policies as General Manager of the Human Resources & General Affairs Division. [Singapore, Germany, Belgium and France]	Chemicals
Tetsuya Shigeta	Mr. Shigeta has expertise across the areas of finance, accounting and internal control accumulated through his many years of experience in the Global Controller Division. In addition, he possesses extensive business experience in Brazil and the United States. He exercised his managerial skills as General Manager of Global Controller Division and CFO of an operating company in Brazil. [Brazil and United States]	Finance and accounting
Makoto Sato	Mr. Sato has a track record and superior expertise in the Mineral & Metal Resources area. He has exercised his skills in promoting company-wide business portfolio management as General Manager of Planning & Administrative Division (Metals) and General Manager of Investment Administrative Division. [Singapore, United States, Malaysia and Australia]	Mineral & Metal Resources
Toru Matsui	Mr. Matsui has extensive experience and a track record in the LNG and E&P businesses, with twelve years of experience in managing operating companies in the Energy area. He has led a company-wide energy transition strategy as COO of Energy Solutions Business Unit. Furthermore, he possesses experience in developing and executing strategies, including company-wide management strategy, innovation strategy, DX strategy as General Manager of Corporate Planning & Strategy Division. [United States and Australia]	Energy
Samuel Walsh	Mr. Walsh has extensive management experience and superior insight as former CEO of Rio Tinto (United Kingdom), an international natural resources company. He also has experience as a director of one of Australia's leading integrated media companies. [United Kingdom and Australia]	Natural resources Automobile Media

Name	Special note on experience and track records [Overseas posting and other experience]	Industrial field/expertise
Takeshi Uchiyamada	Mr. Uchiyamada has an outstanding track record and expertise especially in research and development on environmental and safety technologies at Toyota Motor Corporation. He possesses a wealth of management experience and knowledge cultivated through serving as Chairman of the Board of Directors of Toyota Motor Corporation, a company pursuing global business development.	Automobile
Masako Egawa	Ms. Egawa has in-depth expertise gained through her research on management of Japanese companies and corporate governance. Moreover, she possesses extensive knowledge based on her many years of experience working at global financial institutions, and her experience of management as a director of the University of Tokyo, and the chancellor of School Juridical Person Seikei Gakuen. [United States]	Academia (Governance, etc.)
Fujiyo Ishiguro	Ms. Ishiguro has an outstanding track record and expertise in the IT/DX area, as well as deep insights about business management, gained through her many years of experience as an IT entrepreneur and as a top executive of her company. [United States]	Innovation/DX Startups
Sarah L. Casanova	Ms. Casanova demonstrated outstanding management skills as CEO of McDonald's Company (Japan) and possesses global consumer business acumen gained through diverse experience in North America, the CIS, and Southeast Asia. [Canada, CIS, Malaysia and Singapore]	Consumer business Innovation/DX
Jessica Tan Soon Neo	Ms. Tan has many years of business experience in Asia at IBM and Microsoft, with outstanding management skills and extensive knowledge in the IT/DX field. She serves as a Member of Parliament of Singapore as well as a director of companies and has a profound knowledge about Asian region. [Singapore]	Innovation/DX
Kimiro Shiotani	Mr. Shiotani has expertise in the Finance, Accounting & Internal Control area accumulated through his many years of experience in the accounting and tax fields. In addition, he possesses a track record of participating in the deliberations of the Company's important matters as a member of the Portfolio Management Committee and Council on Investment Proposals. [United States and United Kingdom]	Finance and accounting
Hirotatsu Fujiwara	Mr. Fujiwara has many years of experience and a track record in the Energy area. Moreover, he possesses profound knowledge and a track record of advancing the effective instillation of integrity and compliance awareness and implementing diversity driven measures, including work style innovation, gained through his roles as CHRO and CCO. [Qatar, Singapore, United Kingdom and United Arab Emirates]	Energy
Kimitaka Mori	Mr. Mori has advanced expertise and profound insights into corporate accounting and accounting audit activities through his many years of experience as Chairman and President of The Japanese Institute of Certified Public Accountants, and also as a certified public accountant.	Finance and accounting
Yuko Tamai	Ms. Tamai has advanced expertise and profound insights into corporate transactions and corporate governance cultivated through her many years of experience in legal affairs as a lawyer. [United States and Germany]	Legal
Makoto Hayashi	Mr. Hayashi has advanced expertise and profound insights into legal affairs and governance cultivated through his many years of experience as a public prosecutor and Attorney General, as well as through his experience in legal administration at the Ministry of Justice. [France]	Legal

3) Status of Internal Control System

In the construction of internal control processes, aiming to achieve the above mentioned objectives of the internal control process: “Improvement of effectiveness and efficiency of operations,” “Compliance with accounting standards and securing reliability of financial reporting,” “Compliance with laws, rules that are equivalent to the laws, and observance of management philosophy and company rules including all codes of conduct which reflect this philosophy,” and “The safeguarding of company assets,” the following systems are implemented.

i) Risk management system

Risks arising from business activities are monitored and managed by Chief Operating Officers of business units and regional business units within their authorization delegated from management. Risks associated with our business include quantitative risks such as credit risk, market risk, business risk arising from affiliated companies’ businesses, and country risk, as well as qualitative risks such as compliance risk and operational risk. Measures taken by each business unit to manage quantitative risks include setting of position limits and loss-cut limits as well as monitoring of positions by divisions with relevant expertise. For the management of qualitative risks, the business units are obligated to observe related internal regulations. When a business unit or a regional business unit takes risks greater than the scope of authority granted to the Chief Operating Officers, it is necessary to obtain approval of the Executive Committee or a Representative Director in charge, or a Senior Managing Officer in charge, depending on the importance of the case, in accordance with the standards of the internal approval system.

Furthermore, as stated in “2) Corporate Governance Structure of Mitsui,” as committees responsible for business execution and the internal control system, organizations such as the Portfolio Management Committee, Compliance Committee, Disclosure Committee, J-SOX Committee, the Sustainability Committee, and the Crisis Management Headquarters establish and develop the risk management structures and handle significant risks. These committees consist of Managing Officers and the General Managers of Corporate Staff Units. With respect to the risks in the fields they are in charge of, each division of the Corporate Staff Divisions is responsible for surveillance of the whole Company’s positions, control within the prescribed range of their authority, and supporting the relevant Directors and Managing Officers.

ii) Internal control over financial reporting

As a result of the termination of the SEC registration, Mitsui has implemented the internal control framework as stipulated in the Financial Instruments and Exchange Act of Japan from the fiscal year ended March 31, 2012. In addition to the Company-wide 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. After comprehensively assessing the above, Mitsui management confirmed that internal control over financial reporting is effective for the fiscal year ended March 31, 2024.

iii) Internal controls regarding construction and management of information systems and information security

“Information Technology (IT) policy” is declared as a basic policy for IT utilization to promote further awareness of employees and enhancement of IT governance.
The important principles for our global group information strategy are formulated in line with the corporate management policy through the discussions at the Information Strategy Committee established pursuant to the “Rules of Information Strategy Committee.”
Under the system centered around the Information Strategy Committee, we are enhancing the system of internal control including management of various possible risks such as information leakage and cyber-attacks through maintenance of the rules, necessary in light of development and operation of information systems and information security. For details on internal controls regarding construction and management of information systems and information security, please refer to 2. Operating and Financial Review and Prospects 2. Disclosure of Sustainability-related Financial Information (6) Information Security.

iv) Compliance structure

In addition to the Compliance Committee (see “2) Corporate Governance Structure of Mitsui”), chaired by the Chief Compliance Officer, Mitsui implements a compliance management system supervised by line managers at business division and department level. Further, Compliance Supervising Officers are designated at domestic and overseas units, branch offices and others. Compliance Administrator is also designated in each business unit, who assists Compliance Supervising Officers, namely COO of each business unit, in the execution of his/her duties, and accelerates efforts to ensure compliance and promote integrity in a more practical manner.

Mitsui has set forth the “Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd.” (“Guidelines”) and equivalent business conduct guidelines are in place at its subsidiaries as well. Mitsui is striving to improve observance of the Guidelines through continuous monitoring and reviewing. Additionally, to further clarify our basic approach toward integrity and compliance on a global group basis, we have put together the “Mitsui & Co. Group Conduct Guidelines” to be shared by Mitsui & Co. Group companies. Please refer to the “Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd.” or “Mitsui & Co. Group Conduct Guidelines” released on Mitsui’s website.

Mitsui has a total of eight whistle-blowing routes in place, including those involving an external attorney at law and a third-party providing hotline services. Mitsui makes sure that its domestic affiliated companies are also able to use the whistle-blowing routes (external attorneys at law and a third-party providing hotline services) designated by Mitsui in order to (i) maintain a high standard of confidentiality and (ii) enable their employees to use these routes without uneasiness. In the fiscal year ended March 31, 2024, Mitsui implemented e-learning based on the actual incidents for all employees to promote awareness on whistle-blowing. Mitsui's overseas offices and overseas affiliated companies also have whistle-blowing systems that have been put in place after considering applicable local laws and regional characteristics. Furthermore, Mitsui prohibits treating a whistleblower disadvantageously for using the whistleblowing system and any retaliation under internal rules and regulations. Any instances of a compliance violation are handled strictly, including disciplinary actions in accordance with the Employment Regulations of Mitsui & Co., Ltd.

v) Systems to secure appropriateness of operations within the corporate group

In March 2006, Mitsui established the “Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles” (“Principles”). In light of other laws and regulations and to the extent reasonable, Mitsui requires its subsidiaries to develop and operate internal controls based on these Principles, and for its equity accounted investees, Mitsui coordinates with other equity participants and encourages the equity accounted investees to develop and operate similar internal controls. For internal controls to secure reliability in financial reporting, see “internal control over financial reporting” above. In addition, to its officers and employees, Mitsui appoints supervising officers for its affiliated companies and has them engage in their duties based on the “Rules on Delegation of Authority for Supervising Officers for Affiliated Companies.” Also, when Mitsui deploys full-time audit & supervisory board members in major affiliated companies, Mitsui selects personnel from the Internal Auditing Division rather than from related business units to enhance the independence of auditing.

4) Enhancements of Corporate Governance in the fiscal year ended March 31, 2024

i) Implementation for strengthening corporate governance

Implementation for strengthening corporate governance during the fiscal year ended March 31, 2024 is as follows:

(a) Evaluation of effectiveness of the Board of Directors

The method used to evaluate the effectiveness of the Board of Directors in the fiscal year ended March 31, 2024, and the method and results of that evaluation are summarized below.

＜Evaluation method＞

(1) From December 2023 to January 2024, a survey (“the FY March 2024 Survey”) of all 15 members of the Board of Directors and 5 members of the Audit & Supervisory Board was carried out. Topics covered included the composition and operations of the Board of Directors as well as the content of deliberations.

(2) On February 2, 2024 all External Directors and External Audit & Supervisory Board Members attended the External Members Meeting and shared their views on the effectiveness of the Board of Directors based on the reported results of the FY March 2024 Survey.

(3) The results of the FY March 2024 Survey and the External Members Meeting were discussed at a Governance Committee meeting held on March 21, 2024.

(4) Based on the discussions at the Governance Committee meeting, the Executive Committee discussed the draft evaluation of

the effectiveness of the Board of Directors and the draft disclosure of the evaluation at a meeting held on April 1, 2024.
(5) Based on all the discussions listed above, at a meeting held on April 9, 2024, the Board of Directors confirmed the evaluation of the effectiveness of the Board of Directors in the fiscal year ended March 31, 2024.

＜Questionnaire items＞
Questions in the FY March 2024 Survey were divided into the following major categories. For each question, participants were asked to provide a score using a five-point scale. Space was also provided for free comments on each item. In addition, to allow progress toward the improvement of the effectiveness of the Board of Directors to be monitored, participants were asked to indicate the level of improvement compared with the previous fiscal year on a three-point scale.
I. Composition of the Board of Directors
II. Operations of the Board of Directors
III. Deliberations by the Board of Directors
IV. Roles and responsibilities of the Board of Directors
V. Advisory Committees
VI. Performance of duties by individual Board of Directors and Audit & Supervisory Board members
VII. Support for the Board of Directors and Audit & Supervisory Board members
VIII. General

＜Effectiveness improvement initiatives in the fiscal year ended March 31, 2024＞
Based on the results of the evaluation of the effectiveness of the Board of Directors in the fiscal year ended March 31, 2023, the Board of Directors and Board of Directors Secretariat worked to address the following issues in the fiscal year ended March 31, 2024.

(1) Continuing examination of the number and diversity of directors, the ratio of internal and external directors, and institutional design
Comments put forward during the evaluation of the effectiveness of the Board of Directors in the fiscal year ended March 31, 2023 referred to the need for a continuing examination of the number and diversity of directors, the ratio of internal and external directors, and the institutional design, with the aim of further enhancing the quality of deliberations in the Board of Directors meetings. Accordingly, Mitsui's executive structure and institutional design were discussed in Governance Committee, Executive Committee meetings and Directors' free discussion sessions in July, August, and October of 2023. The conclusion that emerged from these discussions was that Mitsui should maintain its current structure as a company with an Audit & Supervisory Board, but that the Board of Directors should be structured to allow an emphasis on management oversight, and to achieve greater depth and effectiveness in its deliberations. To that end, we have decided to transition to a 12-member Board of Directors after the Ordinary General Meeting of Shareholders in 2024. This will be achieved by reducing the number of internal directors from nine to six, resulting in a structure consisting of equal numbers of internal and external directors.

In the FY March 2024 Survey results and discussions by the Governance Committee, support for the transition to the new governance structure was shown, and the following views were also expressed:
・The ratio of internal and external directors are also under review. The changes are in line with society's demand for the improvement of corporate governance.
・Instead of simply following the formal standards, it is also important to ensure transparent and highly effective governance and provide clear and detailed explanations in order to gain the understanding of stakeholders.
・As for the institutional design and the size of the Board, the new structure should not be viewed as the ultimate one. Instead, we should verify the effectiveness of the structure and continue to assess it, while engaging in discussions with stakeholders.

(2) Consideration of initiatives to enhance the quality and efficiency of Board deliberations
One of the views put forward during the evaluation of the effectiveness of the Board of Directors in the fiscal year ended March 31, 2023 was that the time spent on deliberations was becoming unnecessarily long as the depth of the deliberations increases. It was also suggested that the Board of Directors operations should be managed more flexibly. In the fiscal year ended March 31, 2024, these comments resulted in recommendations that 1) the number of Board of Directors meetings should be reduced and the meeting time increased, 2) that members should be able to choose their method of attendance, and 3) that steps should be taken to improve engagement among Directors, Audit & Supervisory Board members, and Executive Committee members. We are progressively implementing a number of measures, including the cancellation of the December and February Board of

Directors meetings, the promotion of online attendance at Board of Directors meetings and pre-meeting briefings, and the hosting of events to foster engagement among Directors and Audit & Supervisory Board members.

Responses to the FY March 2024 Survey included the following opinions, etc.:

・There has been major progress toward improvement in the efficiency and quality of meeting management, including the enhancement of pre-meeting briefings, and reviews of the number and format of meetings.
・It is good that the criteria for matters to be resolved at the Board of Directors have been revised to achieve greater focus and balance in the agenda, and that the provision of detailed pre-meeting briefings (especially support for newly appointed officers, and explanations about the positioning of individual matters to be resolved and reported in relation to overall strategies) has been maintained.
・It is important to provide as many opportunities as possible for External Directors to gain a deeper understanding about Mitsui's business and management. Appropriate actions are being taken on this point.

＜Outline of evaluation results＞

The evaluation of the effectiveness of the Board of Directors in the fiscal year ended March 31, 2024 was confirmed on the basis of the FY March 2024 Survey, discussions at the External Members Meeting, and deliberations by the Governance Committee, Executive Committee and Board of Directors.

・The Board of Directors is functioning very effectively, and its effectiveness is improving further thanks to various measures. There is a need for continuous action and fine-tuning in relation to aspects that require further improvement.
・The management team is making diligent efforts to improve the Board of Directors and governance and regards this as a priority.
・As in the fiscal year ended March 31, 2023, the effectiveness of the Board of Directors was ensured through ample support from the Board of Directors Secretariat and related Corporate Staff Divisions.
・Efforts are being made to ensure and strengthen monitoring functions as part of the Board of Directors management, and the effectiveness of the Board of Directors is improving year by year. Enhanced pre-meeting briefings are contributing to the efficient management of the Board of Directors meetings, allowing more time to be spent on substantive deliberations.
・Various creative steps have been taken to ensure effective oversight by the Board of Directors, especially External Directors, including the selection and clear explanation of group-wide themes, and thorough explanations of the positioning of individual projects in company-wide strategies and project details.
・Mitsui has created one of the best governance structures among Japanese companies.
・The changes to the governance structure were the results of thorough discussions. We are determined to make the new structure function effectively.

Based on the preceding summary, the Board of Directors determined that an appropriate level of effectiveness was achieved in the fiscal year ended March 31, 2024. However, we will take further actions on the following issue in order to achieve further improvements in effectiveness.

＜Initiatives toward further improvements of effectiveness＞

<u>Initiative for the fiscal year ending March 31, 2025</u>

Further enhancement of the quality of deliberations and the efficiency of meeting management under the new structure

The following comments about further improvements to effectiveness were put forward in the FY March 2024 Survey, during discussions in External Members Meetings, and at Governance Committee meetings.

・Now that the change to the number of directors has been made, we shall cultivate an environment in which all members can participate and engage in effective debate.
・The pre-meeting briefings for External Directors are very useful. However, to avoid duplication, explanations at the Board of Directors meetings should be limited to the key points and carried out efficiently in order to provide more time for discussion.
・The content of deliberations by the Executive Committee is already shared with External Directors. With the reduction in the number of Internal Directors, more focus should be given to providing clear explanations about the results and key points of deliberations by the committee to facilitate the discussions in the Board of Directors meetings.
・I believe that Mitsui's governance structure is among the best of any Japanese company. Perhaps it would be possible to achieve greater sharing of views and knowledge if we had open dialogue sessions just among External Members.

Based on these views, we will consider the following initiatives under the new governance structure to be adopted after the

General Meeting of Shareholders in June 2024:
・Initiatives that contribute both to the enhancement of the quality of deliberations at the Board of Directors meetings, and the improvement of meeting management efficiency
・Further enhancement and efficient management of various forums designed to deepen deliberations at the Board of Directors meetings, including pre-meeting briefings and free discussion sessions, as well as the creation of more opportunities for exchanges of views among Directors and Audit & Supervisory Board Members

Medium- to long-term initiative
Continuing consideration of the governance structure, including the institutional design, based on annual evaluations of the effectiveness of the Board of Directors and the results of dialogue with stakeholders

We will not assume that the new governance structure to be introduced after the General Meeting of Shareholders in June 2024 is the ultimate one for us. Instead, we will continue to discuss Mitsui's governance structure based on annual evaluations of the effectiveness of the Board of Directors, and social expectations, including stakeholders' opinions.

The Board of Directors will continue its efforts to achieve sustainable improvement in Mitsui's corporate value by taking measures to further enhance its effectiveness, including taking into consideration the aspects outlined above, and by providing effective supervision of management.

(b) Other initiatives

- The status of meetings held in the fiscal year ended March 31, 2024 by the three committees that are advisory bodies to the Board of Directors is as follows:
  ・The Governance Committee was held five times, and carried out discussion in relation to (i) corporate governance including ratio of External Directors, size of the Board of Directors, institutional design etc. and (ii) evaluation of effectiveness of the Board of Directors, etc.
  ・The Nomination Committee was held four times, and worked to provide more opportunities for External Members to learn about candidates for Directors and Managing Officers and enhance the information and materials provided. The Committee discussed the selection of Director/Managing Officer candidates and appointment plan of Directors/Managing Officers.
  ・The Remuneration Committee was held seven times, and carried out discussion in relation to re-evaluation of the remuneration system and level towards the contribution of medium-to long-term corporate value under global competitive environment, etc.

Governance Committee

Position at the Company	Name	Attendance in FY March 2024
Chair of the Board of Directors, Committee Chair	Tatsuo Yasunaga	5/5
President and Chief Executive Officer	Kenichi Hori	5/5
Chief Strategy Officer	Makoto Sato	5/5
External Director	Samuel Walsh	5/5
External Director	Masako Egawa	5/5
External Director	Sarah L. Casanova	4/4*
External Audit & Supervisory Board Member	Yuko Tamai	5/5

* Ms. Sarah L. Casanova participated in all four Governance Committee held during the fiscal year ended March 31, 2024, after she was appointed as Director in June 2023.

Nomination Committee

Position at the Company	Name*	Attendance in FY March 2024
External Director, Committee Chair	Takeshi Uchiyamada	4/4
President and Chief Executive Officer	Kenichi Hori	4/4
External Director	Fujiyo Ishiguro	4/4
External Audit & Supervisory Board Member	Makoto Hayashi	3/4

* As the personnel structure of the Nomination Committee changed due to the resolution of the Board of Directors meeting held on January 12, 2024, Mr. Tatsuo Yasunaga resigned the committee member on June 19, 2024 after the Ordinary General Meeting of Shareholders. He participated in all four Nomination Committee held during the fiscal year ended March 31, 2024.

Remuneration Committee

Position at the Company	Name*2	Attendance in FY March 2024
External Director, Committee Chair	Masako Egawa	7/7
Chief Financial Officer	Tetsuya Shigeta	7/7
External Director	Jessica Tan Soon Neo	4/4*1
External Audit & Supervisory Board Member	Kimitaka Mori	7/7

*1 Ms. Jessica Tan Soon Neo participated in all four Remuneration Committee held during the fiscal year ended March 31, 2024, after she was appointed as Director in June 2023.

*2 As the personnel structure of the Remuneration Committee changed due to the resolution of the Board of Directors meeting held on January 12, 2024, Mr. Yoshiaki Takemasu resigned the committee member. He participated in all six Remuneration Committee held before January 12, 2024.

- The External Members Meeting:

The External Members Meeting was held ten times in the fiscal year ended March 31, 2024, where information and opinions were exchanged regarding matters such as feedback on dialogue with capital market (expectations and requests), initiatives on climate change (Scope 3 emissions results and update on the business activities reducing GHG emissions in the value chain), Wellness Ecosystem Creation (one of the three Key Strategic Initiatives of the Medium-term Management Plan 2026), etc.

ii) Measures for strengthening internal controls

The efforts made by the committees regarding execution of business activities and internal controls in the fiscal year ended March 31, 2024 are as follows:

- At the meeting of the Compliance Committee three times per year, the Executive Committee and the Board of Directors twice each year, compliance-related matters are reported, and active discussion are held to review Mitsui's responses to compliance issues and the compliance policies, for the purpose of maintaining and improving the effectiveness of the compliance structure. In order to improve the awareness and knowledge of compliance issues among its officers and employees and instill integrity, Mitsui shared a handbook to all the employees, and conducted various compliance training sessions. Further, in November 2023, Mitsui established the With Integrity Month with the theme of "Think about Integrity in the coming years," carried out company-wide initiatives such as (1) teams live event between CEO and Mitsui employees of Asia Pacific business unit, (2) article distribution of integrity discussion between CCO, business unit COOs and business unit employees, (3) video streaming to review corporate scandals and think about integrity in English, and so on. Taking these activities into account and as five years have passed since the Mitsui & Co. Group Conduct Guidelines - With Integrity were formulated, Mitsui disclosed a revised version in June 2024 following discussions by the Executive Committee and the Board of Directors on With Integrity reflecting the changing trends in the world. The compliance awareness survey was also conducted at Mitsui and its major affiliated companies located in Japan, in order to assess the awareness level of the Group and to find out an indication of potential compliance issues at an early stage and solve such issues promptly and to strengthen our compliance structure. In addition to familiarizing Mitsui & Co. Group Conduct Guidelines-With Integrity, Mitsui has also collaborated with these affiliated companies by holding seminars for their CCOs and employees, sharing the "Compliance Handbook for Mitsui & Co. Group companies" and also offering "Guidelines on the Establishment of Compliance Systems at Affiliated Companies" to continuously contribute to the development and operation of an effective compliance system. Furthermore, in order to further strengthen the detective control, Mitsui encourages the use of the whistle-blowing system through continuous messages and implementing e-learning based on the actual incidents for all employees. In addition, Mitsui has a special whistleblowing hotline for reporting and seeking advice for incidents that breach the laws of Japan or other countries regarding anti-trust (monopoly) laws or anti-corruption laws, or cases that give rise to the suspicion of such breaches. Whistleblowing reports from officers and employees of overseas offices and other subsidiaries in Japan and overseas received via this hotline are handled in an integrated manner by Compliance & Integrity Department, Strategic Administrative Legal Division of Mitsui's head office.

- The Disclosure Committee was held four times. The committee established a disclosure principles and basic policy for various disclosure materials and determined the adequacy of the contents of such materials.

- The J-SOX Committee was held two times. The committee understood the company-wide status of internal control over financial reporting for the fiscal year ended March 31, 2024 and studied company-wide measures to keep and improve the effectiveness of internal control.

- The Portfolio Management Committee was held eleven times. The committee continued to provide appropriate risk management at the company-wide level by monitoring portfolios across the entire company, discussing portfolio strategies from the perspectives of asset efficiency and sustainability, verifying progress on company-wide cash flow allocations and reviewing action policies and strategies in the Strategic Initiatives areas identified in the Medium-term Management Plan 2026.

- The Information Strategy Committee was held eight times. For details on the Information Strategy Committee's activities, please refer to "2. Operating and Financial Review and Prospects 2. Disclosure of Sustainability-related Financial Information (6) Information Security."

- The Sustainability Committee was held seven times. The committee reviewed and discussed important matters including climate change targets, disclosure of emissions in all Scope 3 categories, policy regarding disclosure of non-financial information, and scenario analysis.

- The Diversity Committee consisted of a total of eight members, the Chair of the Committee, the General Manager of Human Resources & General Affairs Division, the General Manager of Corporate Planning & Strategy Division and the committee also included five members, including a director of an overseas trading affiliate and Chief Operating Officers of business units (including three females and one non-Japanese) in the fiscal year ended March 31, 2024. The committee was held three times in this fiscal year to monitor KPIs and actions related to the development of female talent in Japan and talent hired outside the head office. Gender related data analysis was made as well, and the committee discussed D&I initiatives to make the company to "Thrive on diversity."

5) Other regulations in Mitsui's Articles of Incorporation

i) Resolution requirements for appointment of Directors

Regarding resolutions for the appointment of Directors, our Articles of Incorporation set forth that attendance of shareholders who hold one-third or more of the voting rights of the shareholders who can exercise voting rights is necessary. The Articles of Incorporation also set forth that resolutions for the appointment of Directors may not be made with cumulative voting.

ii) Decision-making body for share repurchases of Company's own shares

In order to enable the execution of a flexible and swift capital policy, the Articles of Incorporation set forth that Mitsui may acquire its own shares by means of a market transactions and other methods upon a resolution of the Board of Directors.

iii) Requirements for special resolutions of the General Meeting of Shareholders

For smooth management of the General Meeting of the Shareholders, the Articles of Incorporation set forth that a resolution of the General Meeting of Shareholders as specified by Article 309, Paragraph 2 of the Companies Act of Japan is valid if the shareholders who have at least one-third of the total voting rights attend the meeting and of which two-thirds of the votes support such resolution.

iv) Interim dividend

In order to enable profits to be returned to shareholders in a flexible and swift manner, the Articles of Incorporation set forth that Mitsui may pay interim dividends, upon a resolution by the Board of Directors, with September 30 set as the record date each year.

v) Limitation of liability of Directors and Audit & Supervisory Board Members

In order to enable Directors and Audit & Supervisory Board Members to fully carry out the role that is expected of them in the execution of their duties, the Articles of Incorporation set forth that, upon a resolution of the Board of Directors, the liability of Directors and Audit & Supervisory Board Members may be limited to the extent determined by the applicable laws and regulations.

(2) Information about Directors and Audit & Supervisory Board Members (and other officers)

1) List of Directors and Audit & Supervisory Board Members

12 male Directors and Audit & Supervisory Board Members and 5 female Directors and an Audit & Supervisory Board Member (percentage of female: 29%)

Directors

Name ***Tatsuo Yasunaga**** [*1]
Date of Birth December 13, 1960
Shareholdings as of March 31, 2024 336,882

Prior Positions		
	・1983/4	Joined Mitsui & Co., Ltd.
	・2013/4	Managing Officer, Chief Operating Officer of Integrated Transportation Systems Business Unit
	・2015/4	President and Chief Executive Officer
	・2015/6	Representative Director, President and Chief Executive Officer
	・2021/4	Representative Director, Chair of the Board of Directors (current position)

Name ***Kenichi Hori*** [*1]
Date of Birth January 2, 1962
Shareholdings as of March 31, 2024 137,104

Prior Positions		
	・1984/4	Joined Mitsui & Co., Ltd.
	・2014/4	Managing Officer, General Manager of Corporate Planning & Strategy Division and Director of Mitsui & Co. Korea Ltd.
	・2016/4	Managing Officer, Chief Operating Officer of Nutrition & Agriculture Business Unit
	・2017/4	Executive Managing Officer, Chief Operating Officer of Nutrition & Agriculture Business Unit
	・2018/4	Executive Managing Officer
	・2018/6	Representative Director, Executive Managing Officer
	・2019/4	Representative Director, Senior Executive Managing Officer
	・2021/4	Representative Director, President and Chief Executive Officer (current position)

Name ***Yoshiaki Takemasu*** [*1]
Date of Birth August 30, 1962
Shareholdings as of March 31, 2024 52,241

Prior Positions		
	・1985/4	Joined Mitsui & Co., Ltd.
	・2018/4	Managing Officer, General Manager of Human Resources & General Affairs Division
	・2021/4	Executive Managing Officer, Chief Human Resources Officer, Chief Compliance Officer
	・2021/6	Representative Director, Executive Managing Officer, Chief Human Resources Officer, Chief Compliance Officer
	・2022/4	Representative Director, Senior Executive Managing Officer, Chief Human Resources Officer, Chief Compliance Officer
	・2023/4	Representative Director, Executive Vice President, Chief Human Resources Officer, Chief Compliance Officer (current position)

Name ***Tetsuya Shigeta****[*1]

Date of Birth October 31, 1963

Shareholdings as of March 31, 2024 54,430

Prior Positions	・1987/4	Joined Mitsui & Co., Ltd.
	・2019/4	Managing Officer, General Manager of Global Controller Division
	・2022/4	Executive Managing Officer, Chief Financial Officer
	・2022/6	Representative Director, Executive Managing Officer, Chief Financial Officer
	・2023/4	Representative Director, Senior Executive Managing Officer, Chief Financial Officer (current position)

Name ***Makoto Sato****[*1]

Date of Birth May 19, 1966

Shareholdings as of March 31, 2024 44,428

Prior Positions	・1990/4	Joined Mitsui & Co., Ltd.
	・2020/4	Managing Officer, General Manager of Investment Administrative Division
	・2022/4	Executive Managing Officer, Chief Strategy Officer
	・2022/6	Representative Director, Executive Managing Officer, Chief Strategy Officer
	・2023/4	Representative Director, Senior Executive Managing Officer, Chief Strategy Officer (current position)

Name ***Toru Matsui****[*1]

Date of Birth February 24, 1967

Shareholdings as of March 31, 2024 43,982

Prior Positions	・1990/4	Joined Mitsui & Co., Ltd.
	・2020/4	Managing Officer, Chief Operating Officer of Energy Solutions Business Unit
	・2021/4	Managing Officer, Chief Operating Officer of Energy Business Unit I and Chief Operating Officer of Energy Solutions Business Unit
	・2022/4	Executive Managing Officer
	・2022/6	Representative Director, Executive Managing Officer
	・2023/4	Representative Director, Senior Executive Managing Officer, Chief Digital Information Officer (current position)

Name ***Samuel Walsh****[*1,5]

Date of Birth December 27, 1949

Shareholdings as of March 31, 2024 13,450

Prior Positions	・1972/2	Joined General Motors-Holden's Limited
	・1987/6	Joined Nissan Motor Australia
	・1991/9	Joined Rio Tinto Limited
	・2008/12	Non-Executive Director, Seven West Media Limited
	・2013/1	Chief Executive Officer, Rio Tinto Limited
	・2016/7	Retired from Chief Executive Officer, Rio Tinto Limited
	・2017/6	External Director, Mitsui & Co., Ltd. (current position)

Name	***Takeshi Uchiyamada*** *[*1,5]*	
Date of Birth	August 17, 1946	
Shareholdings as of March 31, 2024		17,447

Prior Positions	・1969/4	Joined Toyota Motor Co., Ltd. (currently Toyota Motor Corporation)
	・1998/6	Member of the Board of Directors, Toyota Motor Corporation
	・2001/6	Managing Director, Toyota Motor Corporation
	・2003/6	Senior Managing Director, Toyota Motor Corporation
	・2005/6	Executive Vice President, Toyota Motor Corporation
	・2012/6	Vice Chairman of the Board of Directors, Toyota Motor Corporation
	・2013/6	Chairman of the Board of Directors, Toyota Motor Corporation
	・2019/6	External Director, Mitsui & Co., Ltd. (current position)
	・2023/4	Member of the Board of Directors, Executive Fellow, Toyota Motor Corporation
	・2023/6	Retired from Member of the Board of Directors, Toyota Motor Corporation
	・2023/6	Executive Fellow, Toyota Motor Corporation (current position)

Name	***Masako Egawa*** *[*1,5]*	
Date of Birth	September 7, 1956	
Shareholdings as of March 31, 2024		7,060

Prior Positions	・1980/4	Joined Tokyo Branch, Citibank, N.A.
	・1986/9	Joined New York Headquarters, Salomon Brothers Inc.
	・1988/6	Joined Tokyo Branch, Salomon Brothers Asia Securities (currently Citigroup Global Markets Japan Inc.)
	・1993/12	Joined Tokyo Branch, S.G. Warburg (currently UBS Securities Japan Co. Ltd.)
	・2001/11	Executive Director, Japan Research Center, Harvard Business School
	・2009/4	Executive Vice President, The University of Tokyo
	・2014/3	External Director, Asahi Glass Co., Ltd. (currently AGC Inc.)
	・2015/6	External Director, Tokio Marine Holdings, Inc.
	・2015/6	External Director, Mitsui Fudosan Co., Ltd.
	・2015/9	Professor, Graduate School of Commerce (currently Graduate School of Business Administration), Hitotsubashi University
	・2019/7	Vice-Chairman, Chair of Self-regulation Board, The Japan Securities Dealers Association (current position)
	・2020/4	Specially Appointed Professor, Graduate School of Business Administration, Hitotsubashi University
	・2020/6	External Director, Mitsui & Co., Ltd. (current position)
	・2022/4	Chancellor, School Juridical Person Seikei Gakuen (current position)
	・2023/6	Outside Director, Mitsubishi Electric Corporation (current position)

Name ***Fujiyo Ishiguro**** [*1,5]

Date of Birth February 1, 1958

Shareholdings as of March 31, 2024 468

Prior Positions	・1981/1	Joined BROTHER INDUSTRIES, LTD.
	・1988/1	Joined Swarovski Japan Ltd.
	・1994/9	President, Alphametrics, Inc.
	・1999/1	Director, Netyear Group, Inc.
	・1999/7	Director, Netyear Group Corporation
	・2000/5	President & Chief Executive Officer, Netyear Group Corporation
	・2013/6	External Audit & Supervisory Board Member, Sompo Japan Insurance Inc. (currently Sompo Japan Insurance Inc.)
	・2014/3	External Director, Hotto Link, Inc.
	・2014/6	External Director, Monex Group, Inc. (current position) (scheduled to retire in June 2024)
	・2015/6	External Director, Sompo Japan Nipponkoa Insurance Inc. (currently Sompo Japan Insurance Inc.)
	・2021/5	External Director, WingArc1st Inc.
	・2021/6	Director, Chief Evangelist, Netyear Group Corporation (current position) (scheduled to retire in June 2024)
	・2021/6	Director of the Board (External), SEGA SAMMY HOLDINGS INC. (current position)
	・2023/6	External Director, Mitsui & Co., Ltd. (current position)

Name ***Sarah L. Casanova*** [*1,5]

Date of Birth April 6, 1965

Shareholdings as of March 31, 2024 250

Prior Positions	・1991/1	Joined McDonald’s Canada
	・1997/1	Senior Director, Marketing, McDonald’s Russia/Ukraine
	・2001/7	Senior Director, Marketing, McDonald’s Canada
	・2004/10	Vice President, Marketing, McDonald’s Company (Japan), Ltd.
	・2007/4	Senior Vice President, Business Development, McDonald’s Company (Japan), Ltd.
	・2009/7	Managing Director, McDonald’s Malaysia
	・2012/5	Managing Director, McDonald’s Malaysia Regional Manager, McDonald’s Singapore and Malaysia
	・2013/8	Representative Director, President and Chief Executive Officer, McDonald’s Company (Japan), Ltd.
	・2014/3	Representative Director, President and Chief Executive Officer, McDonald’s Holdings Company (Japan), Ltd.
	・2019/3	Representative Director, Chairperson, McDonald’s Company (Japan), Ltd.
	・2021/3	Representative Director, Chairperson, McDonald’s Holdings Company (Japan), Ltd.
	・2023/6	External Director, Mitsui & Co., Ltd. (current position)
	・2024/3	Retired from Representative Director, Chairperson, McDonald’s Company (Japan), Ltd.
	・2024/3	Retired from Representative Director, Chairperson, McDonald’s Holdings Company (Japan), Ltd.

Name ***Jessica Tan Soon Neo*** *[*1,5]

Date of Birth May 28, 1966

Shareholdings as of March 31, 2024 0

Prior Positions	・1989/6	Joined IBM Singapore
	・2002/10	Director, Networking Services Asia Pacific, IBM Global Services
	・2003/10	General Manager, Enterprise and Partner Group, Microsoft Operations Asia Pacific and Greater China Regions
	・2006/5	Member of Parliament in Singapore for the East Coast Group Representation Constituency (current position)
	・2008/7	Managing Director, Microsoft Singapore
	・2011/7	General Manager, Enterprise & Partner Group, Microsoft Asia Pacific
	・2013/7	Managing Director, Microsoft Singapore
	・2017/4	Non-Executive Independent Board Director, SATS Ltd. (current position)
	・2017/5	Non-Executive Independent Board Director, Capital and Commercial Trust Management Limited
	・2017/6	Director, Group Commercial, Raffles Medical Group Ltd.
	・2020/8	Deputy Speaker of the Parliament of Singapore (current position)
	・2020/11	Non-Executive Independent Board Director, CapitaLand India Trust Management Pte. Ltd. (current position)
	・2023/6	External Director, Mitsui & Co., Ltd. (current position)

Audit & Supervisory Board Members

Name ***Kimiro Shiotani**** [*2]
Date of Birth October 14, 1960
Shareholdings as of March 31, 2024 32,335

Prior Positions		
	・1984/4	Joined Mitsui & Co., Ltd.
	・2015/4	Managing Officer, General Manager, Global Controller Division
	・2019/4	Managing Officer, Audit & Supervisory Board Member Division
	・2019/6	Full-time Audit & Supervisory Board Member (current position)

Name ***Hirotatsu Fujiwara**** [*2]
Date of Birth January 10, 1961
Shareholdings as of March 31, 2024 78,043

Prior Positions		
	・1984/4	Joined Mitsui & Co., Ltd.
	・2014/4	Managing Officer, General Manager of Energy Planning & Administrative Division
	・2015/4	Managing Officer, Chief Operating Officer of Energy Business Unit II
	・2017/4	Executive Managing Officer, Chief Operating Officer of Energy Business Unit II
	・2019/4	Senior Executive Managing Officer, Chief Compliance Officer
	・2019/6	Representative Director, Senior Executive Managing Officer, Chief Compliance Officer
	・2020/4	Representative Director, Senior Executive Managing Officer, Chief Human Resources Officer, Chief Compliance Officer
	・2021/4	Representative Director, Executive Vice President
	・2022/4	Director
	・2022/6	Counselor
	・2023/6	Full-time Audit & Supervisory Board Member (current position)

Name ***Kimitaka Mori**** [*3,5]
Date of Birth June 30, 1957
Shareholdings as of March 31, 2024 7,934

Prior Positions		
	・1980/4	Joined Shinwa Accountants (currently KPMG AZSA LLC)
	・2000/6	Representative Partner
	・2004/6	Director of financial services
	・2006/6	Board Member
	・2011/7	Chairman, KPMG FS Japan
	・2013/7	Established Mori Certified Public Accountant Office
	・2013/7	Chairman and President, The Japanese Institute of Certified Public Accountants
	・2016/7	Senior Advisor, The Japanese Institute of Certified Public Accountants (current position)
	・2017/6	External Audit & Supervisory Board Member, Mitsui & Co., Ltd. (current position)

Name ***Yuko Tamai**** *4,5

Date of Birth November 28, 1965

Shareholdings as of March 31, 2024 0

Prior Positions	・1994/4	Joined Nagashima & Ohno (currently Nagashima Ohno & Tsunematsu)
	・2000/9	Worked at Covington & Burling LLP, Washington, D.C.
	・2001/5	Returned to Nagashima Ohno & Tsunematsu
	・2003/1	Partner, Nagashima Ohno & Tsunematsu (current position)
	・2015/6	External Audit & Supervisory Board Member, Japan Bank for International Cooperation
	・2017/6	External Director, Mitsui Sugar Co., Ltd.
	・2017/8	Member of the Study Group for Japanese Companies' Cross-border M&A at the Ministry of Economy, Trade and Industry (METI)
	・2018/11	Member of the Fair M&A Study Group at METI
	・2019/4	Commissioner (part-time) of Certified Public Accountants and Auditing Oversight Board (current position)
	・2022/6	External Audit & Supervisory Board Member, Mitsui & Co., Ltd. (current position)

Name ***Makoto Hayashi**** *2,5

Date of Birth July 30, 1957

Shareholdings as of March 31, 2024 156

Prior Positions	・1983/4	Appointed to Public Prosecutor
	・1991/4	First Secretary to Japanese Embassy in France
	・2012/4	Director of General Affairs Division, Supreme Public Prosecutors Office
	・2013/7	Chief Prosecutor, Sendai District Public Prosecutors Office
	・2014/1	Director-General of Criminal Affairs Bureau, Ministry of Justice
	・2018/1	Prosecutor-General, the Nagoya High Public Prosecutors Office
	・2020/5	Prosecutor-General, the Tokyo High Public Prosecutors Office
	・2020/7	Attorney General
	・2022/6	Resigned from Attorney General
	・2022/8	Registered as Attorney at Law. Joined Mori Hamada & Matsumoto (current position)
	・2023/6	External Audit & Supervisory Board Member, Mitsui & Co., Ltd. (current position)

*1 Current term of office will expire at the close of the Ordinary General Meeting of Shareholders with respect to the last business year ending within one year from the appointment as Director in June 19, 2024.

*2 Current term of office will expire at the close of the Ordinary General Meeting of Shareholders with respect to the last business year ending within four years from the appointment as Audit & Supervisory Board Member in June 21, 2023.

*3 Current term of office will expire at the close of the Ordinary General Meeting of Shareholders with respect to the last business year ending within four years from the appointment as Audit & Supervisory Board Member in June 18, 2021.

*4 Current term of office will expire at the close of the Ordinary General Meeting of Shareholders with respect to the last business year ending within four years from the appointment as Audit & Supervisory Board Member in June 22, 2022.

*5 Mr. Samuel Walsh, Mr. Takeshi Uchiyamada, Ms. Masako Egawa, Ms. Fujiyo Ishiguro, Ms. Sarah L. Casanova and Ms. Jessica Tan Soon Neo are External Directors.

Mr. Kimitaka Mori, Ms. Yuko Tamai and Mr. Makoto Hayashi are External Audit & Supervisory Board Members.

Mitsui introduced the Managing Officer System in April 2002. Managing Officers as of June 19, 2024 are as follows: (* Serves concurrently as Director)

Managing Officers

Name	Title and Principal Positions / Areas Overseen
Kenichi Hori *	President and Chief Executive Officer; Head of Crisis Management Headquarters
Yoshiaki Takemasu*	Executive Vice President; Chief Human Resources Officer; Chief Compliance Officer; Corporate Staff Units (Secretariat, Human Resources & General Affairs Division, Logistics Strategy Division); Business Continuity Plan Management; Japan Bloc; Europe Bloc, Middle East and Africa Bloc, CIS Bloc; Chair of Compliance Committee; Chair of Diversity Committee; Head of Emergency Management Headquarters
Sayu Ueno	Executive Vice President; Chief Operating Officer of Americas Business Unit; President and CEO of Mitsui & Co. (U.S.A.), Inc.
Kazumasa Nakai	Senior Executive Managing Officer; Nutrition & Agriculture Business Unit; Food Business Unit; Retail Business Unit; Wellness Business Unit; Americas Business Unit
Tetsuya Shigeta*	Senior Executive Managing Officer; Chief Financial Officer; Corporate Staff Units (CFO Planning & Administrative Division, Global Controller Division, Finance Division, Risk Management Division, Investor Relations Division, Financial Management & Advisory Division I, II, III and IV); Chair of Disclosure Committee; Chair of J-SOX Committee
Makoto Sato*	Senior Executive Managing Officer; Chief Strategy Officer; Corporate Staff Units (Corporate Planning & Strategy Division, Investment Administrative Division, Corporate Communications Division, Corporate Sustainability Division); Chair of Portfolio Management Committee; Chair of Sustainability Committee
Toru Matsui*	Senior Executive Managing Officer; Chief Digital Information Officer; Integrated Digital Strategy Division; Energy Business Unit I; Energy Business Unit II; Basic Materials Business Unit; Performance Materials Business Unit; IT & Communication Business Unit; Chair of Information Strategy Committee
Tetsuya Daikoku	Senior Executive Managing Officer; Energy Solutions Business Unit; Infrastructure Projects Business Unit; Mobility Business Unit I; Mobility Business Unit II; Asia Pacific Business Unit
Yoshiki Hirabayashi	Senior Executive Managing Officer; General Manager of Human Resources & General Affairs Division
Yuki Kodera	Senior Executive Managing Officer; President of Mitsui & Co. (Brasil) S.A.
Takashi Furutani	Senior Executive Managing Officer; Chief Operating Officer of Asia Pacific Business Unit; CEO of Mitsui & Co. (Asia Pacific) Pte. Ltd.
Yuichi Takano	Executive Managing Officer; General Counsel; Corporate Staff Units (Audit & Supervisory Board Member Division, Strategic & Administrative Legal Division, Business Legal Division)
Tetsuya Fukuda	Executive Managing Officer; Iron & Steel Products Business Unit; Mineral & Metal Resources Business Unit; Corporate Development Business Unit; East Asia Bloc; Mitsui & Co. Korea Ltd.
Shinichi Kikuchihara	Executive Managing Officer; President & Chief Executive Officer of P.T. Mitsui Indonesia
Yuji Mano	Executive Managing Officer; General Manager of Integrated Digital Strategy Division
Yoichiro Endo	Executive Managing Officer; Chief Operating Officer of Wellness Business Unit
Hiroshi Kakiuchi	Executive Managing Officer; President of Mitsui & Co. (Thailand) Ltd.; President of Mitsiam International, Limited
Kiyoshi Mori	Executive Managing Officer; Deputy Chief Strategy Officer; Executive advisor of Energy Business Unit I; Executive advisor of Energy Business Unit II
Atsushi Kawase	Executive Managing Officer; General Manager of Internal Auditing Division
Takeshi Akutsu	Executive Managing Officer; Chief Representative of Japan Bloc (General Manager of Osaka Office)
Kenichiro Yamaguchi	Executive Managing Officer; Chief Operating Officer of Energy Business Unit II
Masato Sugahara	Managing Officer; Chair & Chief Executive Officer of Mitsui & Co. (Australia) Ltd.; Chair of Mitsui & Co. (N.Z.) Ltd.
Yoshiyuki Enomoto	Managing Officer; Country Chairperson in India; Chairperson & Director of Mitsui & Co. India Pvt. Ltd.

Name	Title and Principal Positions / Areas Overseen
Makoto Takasugi	Managing Officer; Chief Operating Officer of Iron & Steel Products Business Unit
Isao Kohiyama	Managing Officer; Chief Operating Officer of IT & Communication Business Unit
Tetsu Watanabe	Managing Officer; Chief Operating Officer of Nutrition & Agriculture Business Unit
Toru Iijima	Managing Officer; Chief Operating Officer of Energy Business Unit I
Koichi Wakana	Managing Officer; Chief Operating Officer of Infrastructure Projects Business Unit
Makoto Tanaka	Managing Officer; General Manager of Finance Division
Masaya Inamuro	Managing Officer; Chief Operating Officer of Mineral & Metal Resources Business Unit
Daisuke Ishida	Managing Officer; Chief Operating Officer of Corporate Development Business Unit
Hidemi Takani	Managing Officer; President & Chief Executive Officer of Mitsui & Co.Global Strategic Studies Institute
Masao Kurihara	Managing Officer; General Manager of Global Controller Division
Junji Fukuoka	Managing Officer; Chief Operating Officer of Basic Materials Business Unit
Masaya Tokutani	Managing Officer; Chief Representative of East Asia Bloc; Chair of Mitsui & Co. (China) Ltd.
Yukinobu Nakano	Managing Officer; Chief Representative of Europe Bloc; Managing Director of Mitsui & Co. Europe PLC
Maroshi Tokoyoda	Managing Officer; Chief Operating Officer of Mobility Business Unit I
Takuya Shirai	Managing Officer; Chief Operating Officer of Mobility Business Unit II
Chisato Onda (Eiki)	Managing Officer; General Manager of Corporate Sustainability Division
Taichi Nagino	Managing Officer; General Manager of Financial Management & Advisory Division III
Kazuki Shimizu	Managing Officer; General Manager of Investment Administrative Division
Tetsuya Koide	Managing Officer; Deputy Chief Operating Officer & Chief Strategy Officer of Americas Business Unit; Senior Vice President & Chief Strategy Officer of Mitsui & Co. (U.S.A.), Inc.
Masahiko Kurahashi	Managing Officer; Director of PT CT Corpora
Yutaka Sano	Managing Officer; Chief Operating Officer of Food Business Unit
Teruya Mogi	Managing Officer; Chief Operating Officer of Performance Materials Business Unit
Naoharu Asaumi	Managing Officer; Chief Operating Officer of Retail Business Unit
Yasuhiro Uchida	Managing Officer; Chief Operating Officer of Energy Solutions Business Unit

2) Status of External Members

i) Relationship with External Directors and reasons for their appointments; policy regarding their independence

- The prospective person's extensive business experience and knowledge are required to deliberate on such Board of Directors meeting proposals as investments and loans, and knowledge of his or her particular area of business is used.

- External Directors are expected to enhance the effectiveness of the Board of Directors and further promote sustainable growth and thereby increase corporate value over the medium to long term, through general advice on our management policy and important company-wide issues based on their diverse and abundant experience and deep insight. In addition, it is expected that the perspectives of our diverse stakeholders will be appropriately reflected in the decisions made by the Board of Directors from an objective standpoint independent from the execution of business, and that they will provide added value to important decisions made by the Board of Directors from a diverse perspective, and supervise the execution of operation.

- Mitsui puts great value on ensuring independence of the External Directors from Mitsui in the pursuit of their management oversight functions. Also, with a view to overseeing business operations in a way that reflects the standpoint of our diverse stakeholders, in selecting External Directors, Mitsui takes into consideration the fields from which candidates originate, along with their gender.

- Given that Mitsui is a global investment and trading company with extensive business dealings, it has been decided to make appropriate efforts by the Board of Directors to handle likely conflicts of interest involving the prospective External Directors in individual transactions with external parties.

The six External Directors that were appointed at the Ordinary General Meeting of Shareholders held on June 19, 2024, their relationships with Mitsui, and the reasons for their appointment are as follows. Regarding shareholdings of External Directors, see “(2) Information about Directors and Audit & Supervisory Board Members (and other officers) 1) List of Directors and Audit & Supervisory Board Members.”

Name (Date of assumption of office)	Relationship with Mitsui	Reasons for appointment as External Director at Mitsui
Samuel Walsh (Since June 2017)	There is no special interest between Mr. Walsh and Mitsui. Therefore, Mr. Walsh is deemed to appropriately carry out his duties as the independent and neutral External Director.	Mr. Walsh has global expertise and excellent management skills cultivated through his long years working in upper management within the automobile industry and as chief executive officer of an international natural resources company. At the Board of Directors meetings, he makes many proposals and suggestions from a broad-minded standpoint based on his abundant business management experience, and makes significant contributions to active discussions at the Board of Directors meetings, and to improving the effectiveness of said meetings. In the fiscal year ended March 31, 2024, he served as a member of the Governance Committee, actively provided his opinions with the aim of creating a more highly effective governance system. He has diverse perspectives based on global corporate management experience and expertise and knowledge related to capital policy and business investment. We have selected Mr. Walsh as External Director so that he may continue to advise and supervise the Company’s management.
Takeshi Uchiyamada (Since June 2019)	Mitsui and its consolidated subsidiaries sell mainly raw materials necessary for automobile production to Toyota Motor Corporation, where Mr. Uchiyamada serves as Executive Fellow; however, the yearly amount of sales in each of the last three fiscal years is less than 1% of the annual consolidated transaction volume of Toyota Motor Corporation and Mitsui. In addition, Mitsui and its consolidated subsidiaries purchase automobiles and automobile components from Toyota Motor Corporation, but the yearly amount paid in each of the last three fiscal years is less than 1% of the annual consolidated transaction volume of Toyota Motor Corporation and Mitsui. From the above, Mitsui has determined that there is nothing that would affect the independence of Mr. Uchiyamada as External Director. Other than the above, there is no special interest between Mr. Uchiyamada and Mitsui. Therefore, Mr. Uchiyamada is deemed to appropriately carry out his duties as the independent and neutral External Director.	Mr. Uchiyamada has long been involved in research and development on environmental and safety technologies at Toyota Motor Corporation that could realize a mobility society responding to the needs of the times, as well as in the development of products demanded by consumers, and exercised his excellent managerial skills as an executive officer of Toyota Motor Corporation. At the Board of Directors meetings, he makes many proposals and suggestions from a broad-minded standpoint based on his management experience at a global company and his in-depth knowledge of society in general and makes significant contributions to active discussions at the Board of Directors meetings, and to improving the effectiveness of said meetings. In the fiscal year ended March 31, 2024, as the chair of the Nomination Committee, he exercised his strong leadership in enhancing the transparency and effectiveness of the procedures for the appointment of executives. In view of these points, we have selected Mr. Uchiyamada as External Director so that he may continue to advise and supervise the Company’s management.

Name (Date of assumption of office)	Relationship with Mitsui	Reasons for appointment as External Director at Mitsui
Masako Egawa (Since June 2020)	There is no special interest between Ms. Egawa and Mitsui. Therefore, Ms. Egawa is deemed to appropriately carry out her duties as the independent and neutral External Director.	Ms. Egawa has deep insight in finance and corporate management gained through her experience of management as a director of The University of Tokyo and the chancellor of School Juridical Person Seikei Gakuen, her many years of experience working at global financial institutions, and her research on management of Japanese companies and corporate governance. Her broad range of public contributions includes the activities at the Japan-United States Educational Commission and councils of the Ministry of Finance. In the fiscal year ended March 31, 2024, she served as a member of the Governance Committee, actively provided her opinions with the aim of creating a more highly effective governance system. In addition, as a member of the Remuneration Committee, she contributed to the discussions related to executive remuneration. In view of these points, we have selected Ms. Egawa as External Director so that she may continue to advise and supervise the Company's management.
Fujiyo Ishiguro (Since June 2023)	There is no special interest between Ms. Ishiguro and Mitsui. Therefore, Ms. Ishiguro is deemed to appropriately carry out her duties as the independent and neutral External Director.	In addition to advanced knowledge of business management and the IT/DX sector gained through her many years of experience as an IT entrepreneur, Ms. Ishiguro has also developed profound insights about business management through her experience as an external director of listed companies. She has also made extensive contributions to the public interest, including serving as a committee member of Industrial Structure Council of Ministry of Economy, Trade and Industry. As Director of the Company since the fiscal year ended March 31, 2024, she has served as a member of the Nomination Committee, and by applying her extensive knowledge of business management, she contributed to the discussions from diverse perspectives with the aim of enhancing the transparency and effectiveness of the procedures for the appointment of executives. In view of these points, we have selected Ms. Ishiguro as External Director so that she may continue to advise and supervise the Company's management.

Name (Date of assumption of office)	Relationship with Mitsui	Reasons for appointment as External Director at Mitsui
Sarah L. Casanova (Since June 2023)	Mitsui and its consolidated subsidiaries have been commissioned to conduct research services, etc. by McDonald's Company (Japan), Ltd., where Ms. Casanova served as a Director until March 2024, but the yearly amount of sales in each of the last three (3) fiscal years is less than 1% of the annual consolidated transaction volume of McDonald's Company (Japan), Ltd. and the Mitsui. From the above, Mitsui has determined that there is nothing that would affect the independence of Ms. Casanova as External Director. Other than the above, there is no special interest between Ms. Casanova and Mitsui. Therefore, Ms. Casanova is deemed to appropriately carry out her duties as the independent and neutral External Director.	Ms. Casanova amassed extensive knowledge of the international consumer business through her experience working for McDonald's in North America, the CIS, and Southeast Asia. She served as Chief Executive Officer of McDonald's Company (Japan) from 2013 to 2019 and demonstrated her management acumen by pursuing growth strategies that have yielded a dramatic improvement in the company's performance. As Director of the Company since the fiscal year ended March 31, 2024, she has served as a member of the Governance Committee, actively provided her opinions with the aim of creating a more highly effective governance system. We have selected Ms. Casanova as External Director in the expectation that she will continue to advise and supervise the Company's management from diverse perspectives, based on her profound knowledge of the international consumer business and her management experience in a global business corporation.
Jessica Tan Soon Neo (Since June 2023)	There is no special interest between Ms. Tan and Mitsui. Therefore, Ms. Tan is deemed to appropriately carry out her duties as the independent and neutral External Director.	In addition to knowledge of the IT/DX sector gained through her experience working for IBM and Microsoft, Ms. Tan has also developed profound knowledge of business management through her role as an external director of listed companies in Singapore. In parallel with her business career, she was elected as a Member of Parliament of Singapore in 2006 and is currently serving as the Deputy Speaker of the Parliament of Singapore, making a wide range of contributions to the public interest. As Director of the Company since the fiscal year ended March 31, 2024, she has served as a member of the Remuneration Committee, and contributed to the discussions related to executive remuneration. In view of these points, we have selected Ms. Tan as External Director so that she may continue to advise and supervise the Company's management.

As of the time of issuance of this report, concurrent positions in other organizations held by External Directors are mainly as follows:

Name	Concurrent positions in other organizations
Samuel Walsh	Chairman of the Board, Gold Corporation (Australia) the Perth Mint
Takeshi Uchiyamada	Executive Fellow, Toyota Motor Corporation Representative Director, TOYOTA KONPON RESEARCH INSTITUTE, INC.
Masako Egawa	Chancellor, School Juridical Person Seikei Gakuen Outside Director, Mitsubishi Electric Corporation
Fujiyo Ishiguro	External Director, Monex Group, Inc. (scheduled to retire in June 2024) Director, Chief Evangelist, Netyear Group Corporation (scheduled to retire in June 2024) Director of the Board (External), SEGA SAMMY HOLDINGS INC.
Sarah L. Casanova	

Name	Concurrent positions in other organizations
Jessica Tan Soon Neo	Non-Executive Independent Board Director, SATS Ltd. Non-Executive Independent Board Director, CapitaLand India Trust Management Pte. Ltd. Member and Deputy Speaker of the Parliament of Singapore

ii) Activities of External Directors in the fiscal year ended March 31, 2024

The activities of External Directors in the fiscal year ended March 31, 2024 were as follows:

Name	Major activities
Samuel Walsh	Mr. Walsh participated in all thirteen Board of Directors meetings held during the fiscal year ended March 31, 2024. He makes proposals and suggestions from a broad-minded standpoint based on his global expertise, excellent management skills, and abundant business management experience cultivated through his long years working in upper management within the automobile industry and as chief executive officer of an international natural resources company, making significant contributions to active discussions at the Board of Directors meetings, and to improving the effectiveness of said meetings. In the fiscal year ended March 31, 2024, he served as a member of the Governance Committee (attending all five such meetings), and actively provided his opinions with the aim of creating a more effective governance system.
Takeshi Uchiyamada	Mr. Uchiyamada participated in all thirteen Board of Directors meetings held during the fiscal year ended March 31, 2024. He has long been involved in research and development on environmental and safety technologies at Toyota Motor Corporation that could realize a mobility society responding to the needs of the times, as well as in the development of products demanded by consumers, and has exercised his excellent managerial skills as an executive officer of Toyota Motor Corporation. At the Board of Directors meetings, he makes many proposals and suggestions from a broad-minded standpoint based on his management experience at a global company and his in-depth knowledge of society in general, and makes significant contributions to active discussions at the Board of Directors meetings, and to improving the effectiveness of said meetings. In the fiscal year ended March 31, 2024, he served as the chair of the Nomination Committee (attending all four such meetings) and exercised strong leadership in enhancing the transparency and effectiveness of the procedures for the appointment of executives.
Masako Egawa	Ms. Egawa participated in all thirteen Board of Directors meetings held during the fiscal year ended March 31, 2024. She has made significant contributions to active discussions at the Board of Directors meetings, and to improving effectiveness of such meetings, based on her deep insight in finance and corporate management gained through her experience of management as a director of the University of Tokyo and the chancellor of Seikei Gakuen, her many years of experience working at global financial institutions, and her research on management of Japanese companies and corporate governance. In the fiscal year ended March 31, 2024, she served as a member of the Governance Committee (attending all five such meetings) and actively provided her opinions with the aim of creating a more effective governance system. In addition, as a member of the Remuneration Committee (attending all seven such meetings), she contributed to the discussions related to the executive remuneration system.
Fujiyo Ishiguro	Ms. Ishiguro participated in all nine Board of Directors meetings held since she took her position during the fiscal year ended March 31, 2024. She has made significant contributions to active discussions at the Board of Directors meetings, and to improving effectiveness of such meetings, based on her profound insights about business management through her experience as an external director of listed companies, in addition to her advanced knowledge of business management and the IT/DX sector gained through her many years of experience as an IT entrepreneur. In the fiscal year ended March 31, 2024, she served as a member of the Nomination Committee (attending all four such meetings) and contributed to the discussions with the aim of enhancing the transparency and effectiveness of the procedures for the appointment of executives.

Name	Major activities
Sarah L. Casanova	Ms. Casanova participated in all nine Board of Directors meetings held since she took her position during the fiscal year ended March 31, 2024. She amassed extensive knowledge of the international consumer business through her experience working for McDonald’s in North America, the CIS, and Southeast Asia. She served as Chief Executive Officer of McDonald’s Company (Japan) from 2013 to 2019 and demonstrated her excellent management acumen by realizing a dramatic improvement in the company’s performance as well as growth strategies. At the Board of Directors meetings, she makes many proposals and suggestions from a broad-minded standpoint based on her deep knowledge in the consumer business and business management experience at the global company, and makes significant contributions to active discussions at the Board of Directors meetings, and to improving the effectiveness of said meetings. In the fiscal year ended March 31, 2024, she served as a member of the Governance Committee (attending all four such meetings held since she assumed the position of Director in June 2023) and actively provided her opinions with the aim of creating a more effective governance system.
Jessica Tan Soon Neo	Ms. Tan participated in all nine Board of Directors meetings held since she took her position during the fiscal year ended March 31, 2024. She has made significant contributions to active discussions at the Board of Directors meetings, and to improving effectiveness of such meetings, based on her profound knowledge of business management through her role as an external director of listed companies in Singapore, in addition to her knowledge of the IT/DX sector gained through her experience working for IBM and Microsoft. In parallel with her business career, she was elected as a Member of Parliament of Singapore in 2006 and is currently serving as the Deputy Speaker of the Parliament of Singapore, making a wide range of contributions to the public interest. In the fiscal year ended March 31, 2024, as a member of the Remuneration Committee (attending all four such meetings held since she assumed the position of Director in June 2023), she contributed to the discussions related to the executive remuneration system.

iii) Relationship with External Audit & Supervisory Board Members and reasons for their appointments; policy regarding their independence

External Audit & Supervisory Board Members are appointed with the objective of further heightening the independence and neutrality of the auditing system, and it is particularly expected that External Audit & Supervisory Board Members objectively express their auditing opinions from the standpoint of neutrality, building on such factors as that independence. When selecting candidates for positions of External Audit & Supervisory Board Member, the Audit & Supervisory Board confirms that no issues with independence arise by taking into consideration such factors as relations with the Company, the management and important staff.
As to the three External Audit & Supervisory Board Members as of the issuance of this report, the reasons for their appointment are as follows. Regarding shareholdings of External Audit & Supervisory Board Members, please see “(2) Information about Directors and Audit & Supervisory Board Members (and other officers) 1) List of Directors and Audit & Supervisory Board Members.”

Name (Date of assumption of office)	Relationship with Mitsui	Reasons for appointment as External Audit & Supervisory Board Member at Mitsui
Kimitaka Mori (Since June 2017)	There is no personal, capital, business or other relationship between Mr. Mori and Mitsui. Therefore, Mr. Mori is deemed to appropriately carry out his duties as the independent and neutral External Audit & Supervisory Board Member.	Mr. Mori has deep insight in corporate accounting, accounting audit activities and risk management gained through his many years of experience as a certified public accountant. Since he took his office as an External Audit & Supervisory Board Member in June 2017, at the Board of Directors meetings and Audit & Supervisory Board Members meetings, he has made his valuable remarks based on his expertise and from his objective and neutral standpoint and made significant contributions to improvement of the supervising functions of the Board of Directors meetings and Audit & Supervisory Board meetings. Since he took his office as an External Audit & Supervisory Board Member, he has served as a member of the Remuneration Committee. Moreover, from June 2020 to June 2024, he has served as a chair of that Committee. He exercised his strong leadership in improving transparency in executive remuneration and in deepening effective operation of evaluation system. Although Mr. Mori has no direct experience in corporate management, considering the above, we appoint Mr. Mori as an External Audit & Supervisory Board Member.
Yuko Tamai (Since June 2022)	The amount of transactions in the past three fiscal years between Nagashima Ohno & Tsunematsu, Ms. Tamai’s law office, and Mitsui does not exceed the amount established by the Mitsui’s Criteria of Independence for External Members, which meets the Company's standards and the independence requirements for external directors and external audit & supervisory members as stipulated by the Tokyo Stock Exchange, Inc. In addition, the yearly transaction amount paid by Mitsui to Nagashima Ohno & Tsunematsu in each of the last three fiscal years is less than 1% of the yearly amount of sales and the yearly amount of the consolidated sales of the law office and Mitsui. From the above, Mitsui has determined that there is nothing that would affect the independence of Ms. Tamai as External Audit & Supervisory Board Member. Other than the above, there is no personal, capital, business or other relationship between Ms. Tamai and Mitsui. Therefore, Ms. Tamai is deemed to appropriately carry out her duties as the independent and neutral External Audit & Supervisory Board Member.	Ms. Tamai is appointed as an External Audit & Supervisory Board Member in expectations of the expression of her objective audit opinions from an independent and neutral standpoint, with advanced insight into various types of corporate transactions, corporate governance and risk management cultivated through her many years of experience in legal affairs as a lawyer as well as extensive experiences as an external board member of other companies and a Commissioner (part-time) of Certified Public Accountants and Auditing Oversight Board. We deem her capable of performing her duties as an External Audit & Supervisory Board Member appropriately by giving valuable opinions, advice, and so forth regarding the Company’s management utilizing her experience and knowledge.

Name (Date of assumption of office)	Relationship with Mitsui	Reasons for appointment as External Audit & Supervisory Board Member at Mitsui
Makoto Hayashi (Since June 2023)	The amount of transactions in the past three fiscal years between Mori Hamada & Matsumoto, Mr. Hayashi’s law office, and Mitsui does not exceed the amount established by the Mitsui’s Criteria of Independence for External Members, which meets the Company's standards and the independence requirements for external directors and external audit & supervisory members as stipulated by the Tokyo Stock Exchange, Inc. In addition, the yearly transaction amount paid by Mitsui to Mori Hamada & Matsumoto in each of the last three fiscal years is less than 1% of the yearly amount of sales and the yearly amount of the consolidated sales of the law office and Mitsui. From the above, Mitsui has determined that there is nothing that would affect the independence of Mr. Hayashi as External Audit & Supervisory Board Member. Other than the above, there is no personal, capital, business or other relationship between Mr. Hayashi and Mitsui. Therefore, Mr. Hayashi is deemed to appropriately carry out his duties as the independent and neutral External Audit & Supervisory Board Member.	Mr. Hayashi is appointed as an External Audit & Supervisory Board Member in expectations of the possession of his advanced insight into governance and risk management cultivated through his many years of experience as a public prosecutor. We deem him capable of performing his duties as an External Audit & Supervisory Board Member appropriately by giving valuable opinions, advice, and so forth regarding the Company’s management utilizing his experience and knowledge.

As of the time of issuance of this report, concurrent positions in other organizations held by Audit & Supervisory Board Members are mainly as follows:

Name	Concurrent positions held in other organizations
Kimitaka Mori	Certified Public Accountant External Director, Japan Exchange Group, Inc. Outside Director, Member of the Audit & Supervisory Board Member, East Japan Railway Company External Director, Sumitomo Life Insurance Company
Yuko Tamai	Attorney at Law Partner, Nagashima Ohno & Tsunematsu
Makoto Hayashi	Attorney of Law Special Counsel, Mori Hamada & Matsumoto Outside Director, AEON CO., LTD. Outside Audit and Supervisory Board Member, Central Japan Railway Company

iv) Activities of External Audit & Supervisory Board Members in the fiscal year ended March 31, 2024

The activities of External Audit & Supervisory Board Members in the fiscal year ended March 31, 2024 were as follows:

Name	Major activities
Kimitaka Mori	Mr. Mori participated in all thirteen Board of Directors meetings, and eighteen of nineteen Audit & Supervisory Board meetings held during the fiscal year ended March 31, 2024. He offered advice and expressed opinions based on his knowledge and experience gained as a certified public accountant. In the fiscal year ended March 31, 2024, as the chair of the Remuneration Committee (attending all seven such meetings), he exercised strong leadership in discussions related to executive remuneration system.

Name	Major activities
Yuko Tamai	Ms. Tamai participated in all thirteen Board of Directors meetings, and all nineteen Audit & Supervisory Board meetings during the fiscal year ended March 31, 2024. She offered advice and expressed opinions based on her knowledge and experience gained as an attorney at law. In the fiscal year ended March 31, 2024, as a member of the Governance Committee (attending all five such meetings), she has actively provided opinions that contribute to developing more effective and objective governance.
Makoto Hayashi	Mr. Hayashi participated in eight of nine Board of Directors meetings, and twelve of thirteen Audit & Supervisory Board meetings, held since he became an Audit & Supervisory Board Member in June 2023. He offered advice and expressed opinions based on his advanced insight into governance and risk management cultivated through his many years of experience as a public prosecutor. In the fiscal year ended March 31, 2024, as a member of the Nomination Committee (attending three of four such meetings), he contributed to the discussions with the aim of enhancing the transparency and effectiveness of the procedures for the appointment of executives.

v) Criteria of independence for External Members

External Directors or External Audit & Supervisory Board Members of Mitsui who do not fall under any of the following items are to be judged to have independence.

1) Person who is currently or was in the past ten years an Executive Director, Executive Officer, Managing Officer, manager, employee, administrative officer, etc. (hereinafter referred to as "Executing Person") of Mitsui or Mitsui's consolidated subsidiaries.

2) Person or the Executing Person of a corporation holding either directly or indirectly 10% or more of total number of the voting rights of Mitsui

3) Person whose major business partner is Mitsui or Mitsui's consolidated subsidiaries (*1) or the Executing Person of the same

*1 If the relevant business partner received from Mitsui or Mitsui's consolidated subsidiary the payment equivalent to 2% or more of its annual consolidated transaction volume in the most recent business year or the relevant business partner obtained from Mitsui or Mitsui's consolidated subsidiary the money loans equivalent to 2% or more of its consolidated total assets in the most recent business year, the relevant business partner is deemed to be the person whose major business partner is Mitsui or Mitsui's consolidated subsidiary.

4) Major business partner of Mitsui or Mitsui's consolidated subsidiary (*2) or the Executing Person of the same

*2 If Mitsui or Mitsui's consolidated subsidiary received from the relevant business partner the payment equivalent to 2% or more of Mitsui's annual consolidated transaction volume in the most recent business year or the relevant business partner provided Mitsui or Mitsui's consolidated subsidiary with the money loans equivalent to 2% or more of Mitsui's consolidated total assets, the relevant business partner is deemed to be the major business partner of Mitsui or Mitsui's consolidated subsidiary.

5) Person who is in charge of auditing operation of Mitsui or Mitsui's consolidated subsidiary, as partners etc. of the auditing firm of the Independent Auditor of Mitsui or Mitsui's consolidated subsidiary

6) Person providing professional services such as consultant, lawyer and certified public accountant who received from Mitsui monetary payment or other property benefits 10 million yen or more in total other than officer remuneration in the most recent business year (if the one who received the relevant property is an organization such as corporation and association, it shall be referred to the person who belongs to an organization which received from Mitsui property benefits more than higher of either 10 million yen or 2% of the consolidated gross sales of such organization)

7) Person or the Executing Person of a corporation who received the annual total of 10 million yen or more of donations or aid funds from Mitsui or Mitsui's consolidated subsidiary in the most recent business year

8) Person who has fallen under any of 2) to 7) above in the past three years

9) Spouse or relative within the second degree of kinship (hereinafter referred to as "Close Relatives") of the person who is currently or has been recently the important Executing Person of Mitsui or Mitsui's consolidated subsidiary (including Director who is not the Executing Person in the case of External Audit & Supervisory Board Member)

10) Close Relatives of the person who currently falls or has fallen recently under any of 2) to 7) above (excluding the one who is not important)

vi) Support for External Members

For External Directors, before regular and extraordinary meetings of the Board of Directors, materials on the proposals are provided and advance explanations are given.
For External Audit & Supervisory Board Members, company information which contributes their auditing, including summaries of Executive Committee, are timely provided by the Full-time Audit & Supervisory Board Members and the staff. Advance distribution of materials and advance explanations are conducted regarding regular and extraordinary meetings of the Audit & Supervisory Board and of the Board of Directors.
For External Members, Mitsui provides personal computers and tablets (hereinafter referred to as the "Officer PCs") and distributes materials for the meetings of the Board of Directors in a timely manner, thereby ensuring the time to review agendas.
In the fiscal year ended March 31, 2024, when necessary, Mitsui holds the meetings of the Board of Directors and the meetings of Audit & Supervisory Board Members as partially remote meetings using web conference system. Mitsui has set up the usage environment of such web conference system on the Officer PCs and provides supports to use them in order to ensure the environment that allows the External Directors and External Audit & Supervisory Board Members to discuss effectively in remote meetings.
Mitsui has set up a Board of Directors' database for use in storing information such as minutes and other materials from the past meetings of the Board of Directors, and maintains a platform that enables access to such database from the Officer PCs.

vii) Policy on training for Directors and Audit & Supervisory Board Members

Upon assumption, opportunities are given to Directors and Audit & Supervisory Board Members for gaining full understanding of the business, financial affairs, organization, etc. of Mitsui, the Companies Act of Japan and related laws and regulations, corporate governance and internal control to ensure that they may fulfill their duties including the respective roles expected of Directors or Audit & Supervisory Board Members which are mandated by the shareholders (fiduciary responsibility) and legal responsibility. Furthermore, these training opportunities for Directors and Audit & Supervisory Board Members are given for keeping them up to date as necessary.

3) Coordination between supervision by the External Directors or auditing by External Audit & Supervisory Board Members, the auditing by the Internal Auditing Division, Audit & Supervisory Board Members and the Independent Auditors, and relationship with divisions involved in internal control

- The External Members, through the Board of Directors, the Audit & Supervisory Board and the External Members Meetings respectively, mutually coordinate with internal audits, auditing by Audit & Supervisory Board Members and accounting audits as well as supervise and audit the internal control system. Specifically, they periodically receive reports on the following at the meeting of the Board of Directors and the Audit & Supervisory Board, respectively: results of the internal audits and internal audit plans, results of auditing by the Audit & Supervisory Board and audit implementation plans, summary of management letters by Independent Auditors, assessment results with regards to the internal control system in accordance with the Financial Instruments and Exchange Act of Japan, the operational status of compliance programs, and other matters regarding the structure and management of internal controls. At the External Members Meetings, External Directors, Audit & Supervisory Board Members and Independent Auditors mutually exchange information and opinions.

- Sufficient information on certain important matters is provided with External Members before such matters are discussed at meetings of the Board of Directors.

(3) Status of Audits

1) Status of Audit & Supervisory Board

Organization and personnel:

・As of the issuance of this report, the Audit & Supervisory Board consists of the following five members, including two Full-time Audit & Supervisory Board members and three External Audit & Supervisory Board members. Attendance at Board of Directors meeting and Audit & Supervisory Board meetings are as follows.

Name	Full-time/ external	Substantial knowledge of finance/accounting	Attendance at Board of Directors meetings in FY March 2024	Attendance at Audit & Supervisory Board meetings in FY March 2024	Membership of Advisory Committees to Board of Directors
Kimiro Shiotani	Full-time	Yes *2	13/13 times	19/19 times	
Hirotatsu Fujiwara *1	Full-time		9/9 times	13/13 times	
Kimitaka Mori	External	Yes *2	13/13 times	18/19 times	Remuneration Committee
Yuko Tamai	External		13/13 times	19/19 times	Governance Committee
Makoto Hayashi *1	External		8/9 times	12/13 times	Nomination Committee

*1 Mr. Hirotatsu Fujiwara and Mr. Makoto Hayashi were appointed, during the fiscal year ended March 31, 2024, at the General Meeting of Shareholders held on June 21, 2023.

*2 Mr. Kimiro Shiotani joined Mitsui in 1984. Before being appointed as Audit & Supervisory Board Member in 2019, he had worked in the field of accounting and was appointed as General Manager of Segment Controller Division, in 2012, and as Managing Officer, General Manager of Accounting Division in 2015. Mr. Kimitaka Mori had been working in the field of corporate accounting over the years as a certified public accountant, and holding important positions in that field such as the former Chairman and President of The Japanese Institute of Certified Public Accountants.

・We set up the Audit & Supervisory Board Member Division to assist in the performance of the duties of the Audit & Supervisory Board Members, and assign to the Division five full-time employees, including employees with the knowledge and abilities on finance, accounting, law and corporate governance. Such Division provides the Audit & Supervisory Board Members with support including, preparing an audit policy and plan, checking their progress, making necessary arrangements with our divisions and subsidiaries under audits, gathering information from our Independent Auditors or our divisions like Internal Auditing Division, providing training opportunities for newly-appointed Audit & Supervisory Board Members, offering internally information on activities by Audit & Supervisory Board Members, and offering information for full-time Audit & Supervisory Board Members of affiliate companies.

Priority Audit Items:

・Priority Audit Items, which the Audit & Supervisory Board set for the fiscal year ended March 31, 2024, and what were confirmed by the Audit & Supervisory Board through its audit for Priority Audit Items, are as follows. Audit & Supervisory Board is of the opinion that the Audit & Supervisory Board found remarkable progress for each Priority Audit Item.

Priority Audit Items	Main confirmations
(1) Steady progress of Medium-term Management Plan 2026	
Portfolio management	・Highly effective portfolio management and operations, including Portfolio Management Committee meetings, attended by directors in charge of specific business units, with discussions made further from the viewpoint of Mitsui as a whole ・Progress in various asset recycling
Addressing risks associated with business operations	・There have been ongoing geopolitical risks such as the prolonged conflict between Russia and Ukraine and the outbreak of fighting in Gaza, and it is also necessary to continuously carry out close monitoring of macroeconomic uncertainties such as monetary tightening by central banks in various countries ・Information shared by Mitsui & Co. Global Strategic Studies Institute, regional business units and regional blocs. Persistent efforts made in regions and for projects that are strongly affected by geopolitical risks, etc.
Sustainability management	・Steady implementation of portfolio replacement with a focus on sustainability ・Steady progress in external disclosures, including new Scope 3 disclosures
(2) Global consolidated management	
With Integrity	・During the audit visits by the Audit & Supervisory Board Members, hearing on “With Integrity” activities and challenges of the organizations and affiliated companies under such audit visits ・Implementation of events overseas during the “With Integrity” month ・Establishment of Mitsui’s Commitment to Employee Well-being
Management of affiliated companies	・Full-fledged execution of CSA (Control Self-Assessment) activities. Thorough engagement in CSA activities by the Investment Administrative Division, each Financial Management Division, and staff members at the frontlines ・A grand design on IT/DX development for affiliated companies was presented to the management
Human capital	・Visits by the Audit & Supervisory Board Members to affiliated companies revealed a shortage of human resources and difficulties in hiring. ・Issuance of Human Capital Report 2023 ・Bloom: Preparations moving forward for expansion outside the geographic area where Bloom has already been in operation ・A new personnel system, under which the conventional “Business Staff” and “Administrative Staff” categories that consist of full-time employees will be abolished and integrated under the full-time employee framework

Activities of the Audit & Supervisory Board:

・In principle, the meeting of the Audit & Supervisory Board is regularly held prior to each meeting of the Board of Directors, and whenever required.

・Pursuant to laws and regulations, the Articles of Incorporation and the provision of the Rules of the Audit & Supervisory Board, the Audit & Supervisory Board receives relevant reports, deliberates and/or makes resolutions as to important matters in auditing.

・The resolution passed and main items discussed by the Audit & Supervisory Board in the fiscal year ended March 31, 2024 were as follows.

Resolutions	Details
Audit policies (including priority audit items) and plans, division of duties	Regarding the formulation of audit policies (including priority audit items), priority is given to confirmation that the Mitsui & Co. Group Conduct Guidelines are being assimilated as the foundation for the development and administration of internal control systems, and that business activities are being pursued on the basis of the Guidelines. In addition, while changes in the external environment for business activities are taken into account, audit policies are formulated from multiple perspectives, including sustainability and new workstyles. Issues identified by the Audit & Supervisory Board on the basis of audit results for the year are reported to the Board of Directors in interim and year-end audit reports. There is also an exchange of views on recommendations submitted to the Board of Directors. The content of these reports and discussions are disseminated within the company. To assist in managing activities by Audit & Supervisory Board members based on priorities, important affiliated companies are selected as "Affiliated Companies to be Monitored Designated by the Audit & Supervisory Board" (69 companies in the fiscal year ended March 31, 2024).
Assessment and reappointment of Independent Auditors Agreement on remuneration of Independent Auditors	For the assessment of the Independent Auditors, in addition to self-assessment by the Independent Auditors and inputs from the Global Controller Division and Internal Auditing Division, the suitability and independence of the accounting audit firm are also checked when the Audit & Supervisory Board resolves on the reappointment of the Independent Auditors. The Audit & Supervisory Board raises specific issues during the reappointment process for the Independent Auditors and receives progress reports through monthly meetings with the Independent Auditors and through other means. When agreeing to remuneration of the Independent Auditors, the Audit & Supervisory Board receives the explanation by the Independent Auditors on what they plan and achieve in their audit of financial statement and internal control.
Audit report	Based on progress on the audit plan established in the relevant year and audit result on priority audit items, the Audit & Supervisory Board and the Audit & Supervisory Board Members prepare their respective audit reports.
Limit on remunerations of the Audit & Supervisory Board Members	After a discussion was held in the Audit & Supervisory Board meeting on the appropriateness of the current limit on the remunerations of the Audit & Supervisory Board Members previously approved at the shareholders meeting, the Audit & Supervisory Board furnished its opinion letter to executive officers that they submit a proposal to the shareholders meeting to be held on June 2024 to increase the above limit.

Matters discussed	Details
Audit activities conducted by Full-time Audit & Supervisory Board Members	Information about the principal activities of the Full-time Audit & Supervisory Board members (reports on attendance at meetings of the Executive Committee, Portfolio Management Committee, etc., matters of note from discussions with business unit COOs and corporate GMs, reports on the domestic and overseas visits, etc.) is shared with the External Audit & Supervisory Board Members.
Major issues and due process relating to matters to be discussed at the Board of Directors meetings	Views on important agenda items are exchanged mainly at Audit & Supervisory Board meetings, which are held ahead of Board of Directors meetings.
Decisions relating to the internal control system on global group basis	Decisions relating to the development of Mitsui's consolidated internal control systems are checked through attendance at Board of Directors meetings and other forums. Actions in response to recommendations from the Audit & Supervisory Board to the Board of Directors concerning the development and administration of internal control systems are checked through exchanges of views with directors and through other means. The Audit & Supervisory Board has meetings for exchange of opinions with corporate divisions which compose of cores of our internal control.
Communication with the Independent Auditors concerning Key Audit Matters	In the fiscal year ended March 31, 2024, the Audit & Supervisory Board had discussions on, in particular, accounting estimates, based on volatility in commodity prices due to geopolitical risks. There were frequent discussions with the Independent Auditors concerning such matters as business risks to Sakhalin II project and Arctic LNG 2 project due to the Russia-Ukraine conflict, climate change risks, and the basis for forecasting future oil price trends in relation to climate change risks.
Sharing of information about audit activities and discussion of audit-related matters at meetings of the Audit & Supervisory Board, the Independent Auditors, and the Internal Auditing Division	In the fiscal year ended March 31, 2024, the Audit & Supervisory Board held this meeting twice. In the first meeting, the agenda were respective audit plan and priority audit items, and in the second meeting the agenda were respective progress. Additionally, there were open discussions in both meetings. In the first meeting, (a) governance and internal control on non-financial and sustainability information and (b) utilizing Large Language Models like Chat GPT in the audit process were discussed, and in the second meeting, fraud risks in Mitsui & Co. affiliated companies were discussed.
Evaluation of the effectiveness of the Audit & Supervisory Board	An effectiveness evaluation of the Audit & Supervisory Board was conducted in the form of self-evaluation, through individual interviews with all of its members, an exchange of views on organization and personnel of Audit & Supervisory Board, status of the operation and discussion at Audit & Supervisory Board and its auditing activities, including domestic and overseas visits, as well as supports for the Audit & Supervisory Board. The results indicate that an appropriate level of effectiveness is generally being achieved.
Prior approval by the Audit & Supervisory Board on non-assurance services to be provided by the Independent Auditors	In the fiscal year ended March 31, 2023, under the International Code of Ethics for Professional Accountants issued by IESBA, the Audit & Supervisory Board agreed with the Independent Auditors to framework of prior approval by the Audit & Supervisory Board on non-assurance services to be provided by the Independent Auditors. Audit & Supervisory Board, after the consideration in the Audit & Supervisory Board, agreed with the Independent Auditors certain amendments to the above framework.

Main Activities of Audit & Supervisory Board Members:

・The main activities of Audit & Supervisory Board Members were as follows.

・In the fiscal year ended March 31, 2024, the Audit & Supervisory Board Members made a number of actual visits, including, interviews with managements, verifications of status of offices, factories and facilities, and interviews with employees . For the purpose of such visits, the Audit & Supervisory Board Members prepared the Board's standard interview form.

Activity	Full-time	External
Attendance at meetings of the Board of Directors	Yes	Yes
Attendance at meetings of Board of Directors advisory committees (Governance Committee, Nomination Committee, Remuneration Committee)		Yes
Attendance at External Members Meetings	*1	Yes
Attendance at important meetings (e.g., meetings of the Executive Committee, Portfolio Management Committee, Sustainability Committee, Disclosure Committee, Compliance Committee, Information Strategy Committee, Business Unit COO meetings)	Yes	
Individual meetings with Internal Directors	Yes	Yes
Exchanges of views with External Directors	Yes	Yes
Individual dialogue with managing officers, information-gathering with business unit COOs, GMs of business divisions and GMs of corporate divisions	Yes	*2
Obtaining reports and information from full-time members of affiliate companies' Audit & Supervisory Boards (reports on the audit activities of affiliate companies' Audit & Supervisory Boards, meetings with affiliate companies' Audit & Supervisory Boards or individual members thereof, individual meetings with full-time members of audit & supervisory board in our Japanese affiliate companies in actual visits thereto, seminars for affiliate companies' Audit & Supervisory Board members on "counteractions by Audit & Supervisory Board members to corporate scandals")	Yes	Yes
Surveys of the development and administration of internal control systems (e.g., through attendance at the internal audit review meetings and J-SOX Committee meetings, and perusal of documents related to important resolutions)	Yes	
Visits to domestic and overseas offices, branches, overseas trading affiliates, Affiliated Companies to be Monitored Designated by the Audit & Supervisory Board, etc. (overseas countries visited were Chile, the United States of America, Peru, Germany, The Netherlands, Belgium, the United Kingdom, Taiwan, Thailand, South Africa, Mozambique, United Arab Emirates)	Yes	Yes
Communication with Independent Auditors on their audit and review activities (monthly meetings with the Independent Auditors)	Yes	Yes

*1 Full-time Audit & Supervisory Board Members attended External Members Meetings at which External Audit & Supervisory Board Members and External Directors exchanged views and information with the Independent Auditors about independent auditing policies.

*2 External Audit & Supervisory Board Members participated to part of information-sharing meetings with corporate divisions.

2) Status of the Internal Auditing

・The "Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles," which set forth the company's basic philosophy and policy on corporate governance, clearly stipulate the roles and responsibilities of the Internal Auditing Division as follows: "Based on the annual report and other reports endorsed by the management, the Internal Auditing Division assumes the role and responsibilities for independently verifying the effectiveness of design and operation of internal control, reflecting management and business targets along with risk, of organizations provided for in the Rules on Internal Audits." Based on these principles, as the third line in the three-line model, the Internal Auditing Division independently and objectively evaluates the appropriateness and effectiveness of governance, risk management, and internal controls in consolidated business management, and provides value-added recommendations, findings, and insights for improvements. By doing this, the Internal Auditing Division aims to make Mitsui & Co. Group better and stronger and to contribute to Mitsui & Co. Group's sustainable growth.

・In addition, pursuant to the Financial Instruments and Exchange Act of Japan, the Internal Auditing Division also compiles and verifies, as an independent organization, the results of assessments of the Company-wide internal controls in relation to financial reporting, and submits proposals based on the said results to the J-SOX Committee.

・In order to ensure the independence and objectivity of internal audits, the Internal Auditing Division is under the direct supervision of the President of Mitsui. At Mitsui, a chief internal auditor is referred to as an executive internal auditor. For the position of executive internal auditor, a person who has extensive business experience both in Japan and overseas, as well as considerable experience in executing a top management position at a business division or an affiliated company (such as the General Manager of a Head Office division or the president of an affiliated company), and who possesses sufficient knowledge and an excellent track record of discovering issues that the organization faces and proposing specific improvement measures from a management perspective, is selected. For the position of senior auditing manager, who works together with the said executive internal auditor in a team, a person who has experience in executing a management position at a medium-sized organization in a business unit or a corporate division (such as a departmental General Manager at the Head Office), and who is able to perform internal auditing practices from a business frontline perspective together with the executive internal auditor, is selected. As of the end of March 2024, 77 staff members belong to the Internal Auditing Division, which number comprises the General Manager (Managing Officer), 32 executive internal auditors, 34 senior auditing managers, and 10 staff members, and they are assigned to the Internal Auditing Division of the Head Office (69 people) and overseas offices (8 people).

・In order to ensure the effectiveness of internal audits, and as part of efforts to further acquire and improve their expertise as auditors, we actively encourage auditors to obtain qualifications that will contribute to internal audit operations. Currently the total number of Certified Internal Auditors (CIA), Certified Fraud Examiners (CFE), Certified Information Systems Auditors (CISA), and US Certified Public Accountants (USCPA) at the Internal Auditing Division is 50 people.

・Internal auditing methods can be broadly classified into two categories. The first is regular internal audits, in which not only are audits conducted from a compliance point of view but recommendations are also made from a management perspective. As audit target units, based on a risk approach, approximately 500 organizations are identified from among divisions/departments in Japan, overseas trading affiliates, affiliated companies in Japan and overseas, etc., and the audits for such units are completed in a period of approximately three to six years, with intervals applied in accordance with the level of the risks concerned. Moreover, for those matters that have been identified as requiring improvement in the regular internal audits, the audited units concerned are required to report on the progress of remediation measures, and the follow-up process is generally completed within a period of six months to a year.

・The second internal auditing method is management thematic audits, which focus on providing advisory functions of surveying and confirming, in a cross-sectional manner, those matters that could directly lead to company-wide risks, and making recommendations regarding such risks to management. The purposes of these thematic audits are to raise awareness and provide insight for resolving management issues with the aim of increasing corporate value, and to provide opportunities for management to make decisions towards attaining that goal.

・In the fiscal year ended March 31, 2024, we conducted thematic audits on "Recruitment and Compensation at Domestic Affiliates" and "Group Management System for Occupational Safety."

・The results of the regular internal audits and management thematic audits are reported in writing each time they are carried out, and the General Manager of the Internal Auditing Division also reports directly to the President and Full-time Audit & Supervisory Board Members at least on a monthly basis. In addition, as part of dual reporting initiatives, the results of the regular internal audits and the management thematic audits are also reported directly to the Board of Directors and the Audit & Supervisory Board Members on a regular basis.

These internal audit activities are not limited to annual internal assessment, but are also subject to quality evaluations by external experts once every five years based on international internal audit standards, in order to maintain and improve the quality of audits on an ongoing basis.

3) Auditing of Financial Statements

- Name of auditing firm
  - ・Deloitte Touche Tohmatsu LLC
  - ・In order 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. Mitsui's Independent Auditors implement

auditing under the Companies Act of Japan and the Financial Instruments and Exchange Act of Japan as well as auditing of the consolidated financial statements in English.

- The period successively involved in the audit
  - 51 years
  - Rotations of the partners were conducted properly. A partner does not serve our company for more than seven consecutive fiscal years.
  - In addition, a lead audit engagement partner does not serve our company for more than five consecutive fiscal years.

- The certified public accountants executing audits
  - Shuichi Morishige
  - Yoichi Matsushita
  - Taro Ogi

- The members of assistants involved in auditing work
  - The number of assistants involved in auditing work is 138 people, and this number is comprised of 30 certified public accountants, 22 members who passed the certified public accountants examination, and 86 others.

- Policy and reason of the Independent Auditor appointment

The Company has the following policy on reappointment, dismissal of, decisions not to reappoint, and appointment of the Independent Auditor:

(a) The tenure of the Independent Auditor is one year, and they may be reappointed.

(b) As for dismissal, non-reappointment, and appointment of the Independent Auditor, the Audit & Supervisory Board resolves whether to refer the dismissal, non-reappointment, or appointment for discussion and resolution at the General Meeting of Shareholders. In relation to the reappointment and appointment of the Independent Auditor, the Audit & Supervisory Board assesses and confirms whether the Independent Auditor has maintained an independent stance and has established a structure for continuously implementing proper audit, and makes a resolution on such appointment or reappointment.

(c) Other than for the Company's convenience, where the Independent Auditor has breached or contravened any laws or regulations, such as the Companies Act of Japan or the Certified Public Accountants Act, or has conducted itself in breach of public policy or breached its contract of engagement, the Audit & Supervisory Board shall deliberate whether or not it is appropriate to refer the dismissal or non-reappointment of the Independent Auditor to the General Meeting of Shareholders for discussion and resolution.

(d) The Audit & Supervisory Board may dismiss the Independent Auditor with the approval of each Audit & Supervisory Board Member if the circumstances stipulated in each of the provisions of Article 340, Paragraph 1 of the Companies Act of Japan apply.

The Audit & Supervisory Board conducted the assessment of the accounting audit for the fiscal year ended March 31, 2024, in accordance with the items and process below, confirmed the appropriateness of the accounting audit, and made a resolution on the reappointment of the Independent Auditor for the fiscal year ending March 31, 2025.

- Assessment of Independent Auditor by the Audit & Supervisory Board

The Audit & Supervisory Board conducts assessment of the Independent Auditor with a focus on the following items:
  - Appropriateness as an independent auditor;
  - Audit activities of the audit team at the start of, during, and at the end of the period; and
  - Audit fee setting process

Furthermore, the Audit & Supervisory Board conducts the assessment of the above three items through the following process:
  - Confirmation of the self-assessment of the Independent Auditor, and interviews with managements, audit partners, chief manager, managers, and other related persons of the Independent Auditor; and
  - Confirmation of the assessment of the Independent Auditor by the Global Controller Division and Internal Auditing Division, and interviews with managers, persons in charge, and other related persons of such Divisions

For making the resolution on the reappointment, the Audit & Supervisory Board had discussions on timely basis with the

Independent Auditor with regard to a succession plan for a longer period of time, in relation to the positions at partner and manager levels, in order to meet the needs of readiness for advanced issues on accounting audit brought by our diversified and increasingly complex businesses. In addition, to achieve further in audit quality, the Audit & Supervisory Board has identified issues for the Independent Auditor and asked them to implement a PDCA cycle for accounting audits in the next fiscal year. Also, the assessment of the Independent Auditor is made based on the discussion and mutual understanding among the Global Controller Division, Internal Auditing Division and the Independent Auditor about their respective issues found in the course of accounting audit process in order to facilitate constructive dialogue between the executing bodies and the Independent Auditor and ensure the effectiveness of high quality auditing work.

4) Information about Audits

i) Details of fees paid to the certified public accountant auditor

The table below shows the amount of fees paid to Deloitte Touche Tohmatsu LLC by Mitsui and its consolidated subsidiaries, for the fiscal years ended March 31, 2024 and 2023.

Classification	FY March 2024		FY March 2023	
	Audit Fees (Mn JPY)	Non Audit Fees (Mn JPY)	Audit Fees (Mn JPY)	Non Audit Fees (Mn JPY)
Mitsui	835	23	805	14
Consolidated subsidiaries	849	13	750	7
Total	1,684	36	1,555	21

(Note) Audit fees are fees for auditing pursuant to the Companies Act of Japan, the Financial Instruments and Exchange Act of Japan, and auditing the consolidated financial statements prepared in English. The audit fees include services performed as part of the audit, directly relating to the audit, and which are required by laws to be performed by the auditor, and can only be reasonably performed by the auditor.

The non-auditing work for which Mitsui and its consolidated subsidiaries pay a fee to Deloitte Touche Tohmatsu LLC includes tax-related services and so on.

ii) Details of fees paid to the member firms of Deloitte Touche Tohmatsu Limited, which belong to the same network to which Deloitte Touche Tohmatsu LLC belongs

The table below shows the amount of fees paid to member firms of Deloitte Touche Tohmatsu Limited (excluding Deloitte Touche Tohmatsu LLC) by Mitsui and its consolidated subsidiaries, for the fiscal years ended March 31, 2024 and 2023.

Classification	FY March 2024		FY March 2023	
	Audit Fees (Mn JPY)	Non Audit Fees (Mn JPY)	Audit Fees (Mn JPY)	Non Audit Fees (Mn JPY)
Mitsui	15	36	9	156
Consolidated subsidiaries	2,986	590	2,698	431
Total	3,001	626	2,707	587

The non-auditing work for which Mitsui and its consolidated subsidiaries pay a fee to member firms of Deloitte Touche Tohmatsu Limited (excluding Deloitte Touche Tohmatsu LLC) includes tax-related services and so on.

iii) Policy for determining audit fees

In determining audit fees, factors such as the auditing plan and the status of execution of duties by the Independent Auditor in the previous fiscal year are taken into account. In order to maintain and improve audit quality and efficient execution of audit, we check the audit process and divide roles between the auditor and the executive department as well as organizing the issues of the individual projects, which promotes transparency of the auditing hours and optimizes the amount of audit fees.

In addition, comparison of budget and actual results, analysis of fluctuation factors, studying further efficiency of audit and confirmation of its progress are carried out quarterly, all of which are discussed with the Independent Auditor in a timely manner.
The adequacy of audit fees is confirmed in accordance with the above policy, and the final approval is made with the consent of the Audit & Supervisory Board.

iv) Reason for the Audit & Supervisory Board's consent to audit fees

The Audit & Supervisory Board also confirmed the audit fee setting process in the assessment of the Independent Auditor. And based on such confirmation, having obtained necessary materials and received reports from Directors, related departments, and Independent Auditor, and having reviewed the auditing plans, the status of execution of duties by the Independent Auditor, the grounds for calculation of remuneration estimates and other matters in the previous fiscal year, the Audit & Supervisory Board gives consent to remunerations for the Independent Auditor in accordance with Article 399, Paragraph 1 of the Companies Act of Japan.

5) Coordination among Audit & Supervisory Board Members, the Internal Auditing Division and the Independent Auditors, and relationship with divisions involved in internal control

- The Audit & Supervisory Board holds regular meetings with the Internal Auditing Division and the Independent Auditors. At the beginning of the fiscal year, the participants exchange information and opinions about their auditing policies and plans, the priority audit items, the status of audits and other matters, and have discussions on the execution of effective and efficient accounting audits and internal control audits.
- When the Internal Auditing Division prepares its draft internal audit report, the Internal Auditing Division submits the draft report to Full-time Audit & Supervisory Board Members and, when necessary, Full-time Audit & Supervisory Board Members hold the session for exchanging opinions with the Internal Auditing Division based on the draft report. In addition, Full-time Audit & Supervisory Board Members hold monthly meetings and on an ad-hoc basis with the Internal Auditing Division for implementing efficient audits. Furthermore, Full-time Audit & Supervisory Board Members in principle attend all of the feedback sessions on regular internal audits by the Internal Auditing Divisions. The General Manager of the Internal Auditing Division periodically reports on the plans and results of internal audits to the Audit & Supervisory Board. The Audit & Supervisory Board Members, as necessary, request reports on the internal control system, risk evaluation and other matters from the Internal Auditing Division and other divisions responsible for internal controls, and also ask for their cooperation on a wide range of matters in audits. When necessary, the Audit & Supervisory Board and the Internal Auditing Division jointly conduct site visits.
- At the end of the fiscal year, the Audit & Supervisory Board receives reports on the audit procedures and results of audits on accounting and internal controls respectively from the Independent Auditors, and exchanges opinions on these. During the fiscal year, the Audit & Supervisory Board Members hold monthly meetings with the Independent Auditors and receive reports from the Independent Auditors about their auditing plans, priority audit items, the status of audits, the status of discussion of the “Key Audit Matters” and other matters. At the meetings, the participants exchange information and have discussions on the execution of effective and efficient accounting audits and internal control audits.

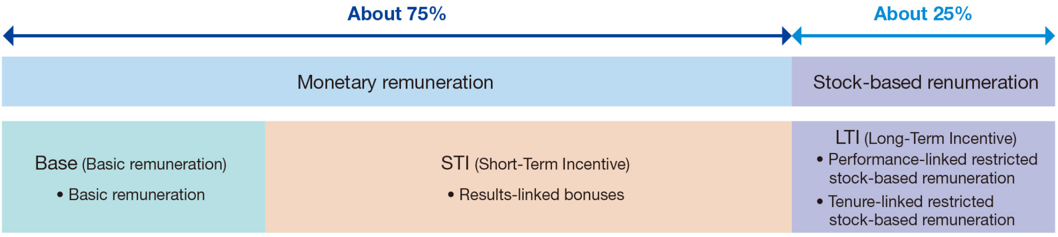
(4) Remuneration of Directors and Audit & Supervisory Board Members

1) The Company has established the policy for determining the remuneration of individual Directors by resolution of the Board of Directors, following deliberation by and report of the Remuneration Committee chaired by an External (Independent) Member. The Committee discusses the remuneration system for Directors and Audit & Supervisory Board Members, and examines the appropriateness of the level, proportions, etc. of fixed remuneration, results-linked bonuses, and medium- to long-term incentive remuneration based on trends at other companies and then reports this as well as the appropriateness of clawback provisions to the Board of Directors, among other measures, in order to emphasize transparency in the determination of Directors' and Audit & Supervisory Board Members' remuneration. Regarding the remuneration of individual Directors for the fiscal year ended March 31, 2024, after receiving the report of the Remuneration Committee, the Board of Directors has confirmed that the contents of the determined remuneration are consistent with the applicable policy and has judged that they are in line with such policy.
The remuneration for Directors of the Company is comprised of basic fixed remuneration, results-linked bonuses based on important management indicators for the Company, and performance-linked restricted stock-based remuneration and tenure-linked and restricted-stock-based remuneration as medium- to long-term incentive remuneration. From the perspective of respecting the independence of External Directors and Audit & Supervisory Board Members who are independent from business execution, the External Directors and Audit & Supervisory Board Members are not eligible for the results-linked bonuses or stock-based remuneration. The summary of our executive remuneration for the fiscal year ended March 31, 2024 is as follows. (The sections in red are the maximum amounts changed based on resolution at the Ordinary General Meeting of Shareholders held on June 19, 2024)

Eligible Persons	Type of remuneration	Consideration	Maximum amount (per year)	Overview
Directors (excluding External Directors)	Long-term Incentive Stock-based remuneration (variable) Performance-linked restricted stock-based remuneration	Stock	300 million yen →Change to 600 million yen 300,000 shares (No change)	• Performance-linked remuneration conditions: The initial evaluation period consists of the three fiscal years from the fiscal year ended March 31, 2023, which is the initial applicable fiscal year, to the fiscal year ending March 31, 2025. After fiscal year ended March 31, 2024, the evaluation period is the three fiscal years immediately preceding the granting year (Three-Year Rolling Period). During the evaluation period, the amount of the remuneration varies within a range from 80% to 120% according to the level of achievement of the targets for ROE and each ESG element, including the response to climate change. • Clawback provisions: Included
	Long-term Incentive Stock-based remuneration (fixed) Tenure-linked and restricted-stock-based remuneration	Stock	500 million yen →Change to 1.0 billion yen 500,000 shares (No change)	• The number of shares of the Company's common stock determined according to rank is provided. • Clawback provisions: Included
	Short-term Incentive Variable monetary remuneration Results-linked bonuses	Monetary	1.5 billion yen	• The amount calculated based on a formula linked to consolidated profit for the year (attributable to owners of the parent) and Core Operating Cash Flow is paid.
Directors	Fixed monetary remuneration Basic remuneration	Monetary	1.0 billion yen	• The amount determined according to rank is paid. • The Company's shares are purchased from the basic remuneration through the Mitsui Executives' Shareholding Association.
Audit & Supervisory Board Members	Basic remuneration	Monetary	240 million yen →Change to 300 million yen	• The amount determined by discussion among the Audit & Supervisory Board Members is paid.

Note: Neither Directors nor Audit & Supervisory Board Members receive payment of special retirement compensation.

The portion of remuneration for Directors (excluding External Directors) for the fiscal year ended March 31, 2024 is approximately 3:1 for monetary remuneration: stock-based remuneration, and approximately 1:2:1 for basic remuneration: short-term incentive: long-term incentive.



The following is a summary of the determination policy regarding the contents of Directors' individual remuneration. (The word "Directors" in ii) iii) and iv) below refers to Directors excluding External Directors.)

i) Basic remuneration

1.0 billion yen per year as the maximum amount to be paid, and the amount determined according to rank is paid in cash each month.

ii) Results-linked bonuses

a) Operating diverse businesses, the Company emphasizes consolidated profit for the year (attributable to owners of the parent) and Core Operating Cash Flow as common performance indicators, and also references these when determining the dividend policy. Directors' bonuses are calculated using the following formula, which is linked to these indicators, and are paid once a year in cash.

b) Total payment amount = (Consolidated profit for the year (attributable to owners of the parent) × 50% × 0.12%) + (Core Operating Cash Flow × 50% × 0.12%)

* 1.5 billion yen per year as the maximum amount to be paid. If the consolidated profit for the year (attributable to owners of the parent) is negative, i.e., a loss, or if the Core Operating Cash Flow is negative, i.e., a net cash outflow, this negative item will be calculated as 0.

Amount individually paid = Total payment amount × (Position points / Sum of position points)

Position	Chair	President	Executive Vice President	Senior Executive Managing Officer	Executive Managing Officer
Points	10	20	7	6	5

The number of eligible Directors for performance-linked bonuses in the fiscal year ending March 31, 2025 will be reduced from nine in the current fiscal year to six, and the amount of individual bonus payments will increase if the above formula is applied as is. Therefore, in order to make the amount of individual bonuses paid to the said Directors nearly equal to the amount calculated by the current formula, the Company revised the formula, which was determined by the Board of Directors based on a report from the Remuneration Committee concluding that it is appropriate, effective from the fiscal year ending March 31, 2025, to the following formula.

Amount individually paid = {(Consolidated profit for the year (attributable to owners of the parent) × 50% × 0.12%) + (Core Operating Cash Flow × 50% × 0.12%)} × Coefficient corresponding to the position of the relevant Director (%)

Position	Chair	President	Executive Vice President	Senior Executive Managing Officer	Executive Managing Officer
Coefficient	13.6	27.1	9.5	8.2	6.8

Note: The coefficient corresponding to each position is set by dividing the current position points by the average of the sum of the position points for the recent ten fiscal years.

Note: The maximum limit for the total payment amount is continuously set at 1.5 billion yen and if the consolidated profit for the year (attributable to owners of the parent) is negative, i.e., a loss, or if the Core Operating Cash Flow is negative, i.e., a net cash outflow, this negative item will be calculated as 0.

Based on the composition of the Directors as of the date of the issuance of this report and the Business Plan for the fiscal year ending March 31, 2025 (consolidated profit for the year (attributable to owners of the parent) of 900 billion yen and Core Operating Cash Flow of 1,000 billion yen), the amount that would be paid for each position are as follows:

Amount individually paid	=	{(Consolidated profit for the year (attributable to owners of the parent) 900.0 billion yen × 50% × 0.12%) + (Core Operating Cash Flow 1,000.0 billion yen × 50% × 0.12%)} × Coefficient corresponding to the position of the relevant Director (%)		
Chair	=	1,140.0 million yen ×13.6%	=	155.04 million yen
President	=	1,140.0 million yen ×27.1%	=	308.94 million yen
Executive Vice President	=	1,140.0 million yen ×9.5%	=	108.30 million yen
Senior Executive Managing Officer	=	1,140.0 million yen ×8.2%	=	93.48 million yen
Executive Managing Officer	=	1,140.0 million yen ×6.8%	=	77.52 million yen

iii) Performance-linked restricted stock-based remuneration (restricted stock)

a) As an incentive to continuously improve our medium- to long-term performance and corporate value while fulfilling our social responsibilities, the shares of the Company's common stock, with an established transfer restriction period, are delivered ex post according to the level of achievement of the Company's key management indicators as of the end of the evaluation period. The evaluation period is three fiscal years, and the initial evaluation period consists of the three fiscal years from the fiscal year ended March 31, 2023, which is the initial applicable fiscal year, to the fiscal year ending March 31, 2025. After the initial evaluation period, the evaluation period is the three fiscal years immediately preceding the granting year, and the shares of the common stock granted every fiscal year.

b) Number of shares granted: The Board of Directors shall determine the number of shares after evaluation based on the report of the Remuneration Committee and taking into consideration the clawback clause and other relevant factors according to the level of achievement of each indicator.

c) Details are as follows:

(a) Payment method

Under the system, Directors would be granted an entitlement to receive monetary remuneration and will be issued shares, whether newly issued as common stock or disposed of, in exchange for the in-kind investment of their full entitlement. The amount of entitlement to be paid to each Director under the system is determined by the Board of Directors based on deliberations by the Remuneration Committee, within the maximum limit of 600 million yen per year (changed from 300 million yen to 600 million yen by the resolution at the Ordinary General Meeting of Shareholders held on June 19, 2024) approved at the General Meeting of Shareholders.

(b) Total number of shares to be issued or disposed of and paid-in amount per share

The total number of shares of common stock that would be newly issued or disposed of by Mitsui under this system would be no more than 300,000 per year (however, this number may be changed within reasonable limits if Mitsui's common stock are affected by a stock split (including a free allotment of new common stock in Mitsui) or a reverse stock split, or if other circumstances arise that require adjustments to the total number of Mitsui's common stock that are issued or disposed of as shares). The paid-in amount per share will be decided by the Board of Directors based on the average daily closing price for Mitsui's common stock on the Tokyo Stock Exchange (excluding days on which there is no closing price, the price will be rounded up to the nearest whole yen) in the three months immediately prior to the month containing the date on which the Board of Directors makes a resolution concerning issuance or disposal of the shares, within a range that is not especially advantageous to the Directors.

(c) Details of performance linkage conditions

For the performance indicators during the initial evaluation period, as the management indicators that the Company focuses on, the Company selects ROE and ESG elements, including the response to climate change as explained below, and the amount of remuneration varies within a range from 80% to 120% according to the level of achievement of each indicator for the targets established by the Company. Since this system was introduced in the fiscal year ended March 31, 2023, and the initial evaluation period ends in the fiscal year ending March 31, 2025, there are currently no available performance indicators for this evaluation period. After the fiscal year ended March 31, 2024, the evaluation period is the three fiscal years immediately preceding the granting year, and the common stock are granted every fiscal year (Three-Year Rolling Period). Considering the accelerating pace of change in the surrounding global business environment, the Company needs to constantly review the management indicators, etc. that the Company must focus on. Accordingly, the appropriateness of the management indicators, targets, etc., the progress in achieving them and other related matters are regularly reviewed by the Remuneration Committee and the Board of Directors and are revised as necessary. In addition, during the evaluation period, the Company will not provide this stock-based remuneration if the Board of Directors determines that the provision of the stock-based remuneration would be inappropriate, particularly in the event of an incident or scandal deemed significant from the perspective of the Company's key management indicators (clawback provisions).

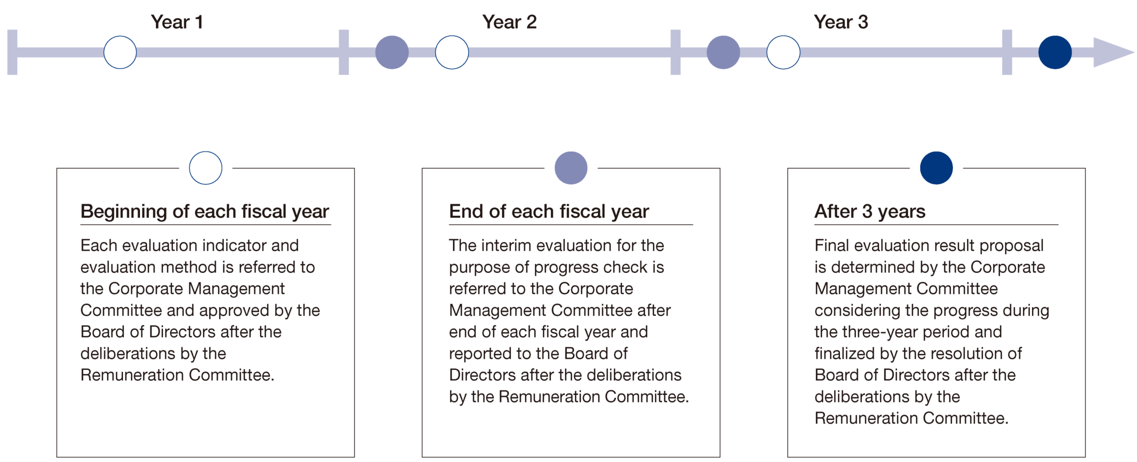
Performance-linked remuneration conditions for the fiscal year ended March 31, 2024

ROE (70%)	• Evaluation in the range of 80-120 points according to the level of achievement, referring to the ROE target set as a KPI in the Medium-term Management Plan.

	Elements	Indicators for Evaluation (FY March 2024)
ESG (30%)	E element (10%)	• Progress made in major business initiatives for halving the GHG impact by 2030 and achieving net-zero emissions by 2050 (qualitative evaluation). • Degree of achievement toward halving the GHG impact by 2030 and halving GHG emissions (Scope 1 and 2) by 2030 (quantitative evaluation). • Evaluation in the range of 80-120 points according to the level of achievement of each indicators. • Consideration of improvement in evaluation by third-party organizations, contribution to external initiatives, and improvement in disclosure when conducting comprehensive evaluation.
	S element (10%)	• Change in the positive response rate regarding "employee engagement" and "environment utilizing employees" in the Mitsui Engagement Survey compared with the previous fiscal year. • Evaluation in the range of 80-120 points according to the change in the positive response. • Consideration of progress on Diversity & Inclusion when conducting comprehensive evaluation.
	G element (10%)	• Average score of the responses (five-point scale) by all External Members regarding important questions in the evaluation of effectiveness of the Board of Directors. • In principle, evaluation in the range of 80-120 points according to the average score. However, the score will be determined by comprehensive consideration after factor analysis if the average score is less than two points out of five. • Consideration of improving in evaluation by third-party organizations and improvement in disclosure when conducting comprehensive evaluation.

Final Evaluation	• Final score = ROE×ROE evaluation ratio+ (E+S+G) ÷3×ESG evaluation ratio (For the fiscal year ended March 31, 2024, evaluation ratio is 70% for ROE and 30% for ESG) • The final score will be determined by the Board of Directors based on deliberations by the Remuneration Committee, considering the progress during the three-year period.

Decision-making process of performance-linked conditions and evaluation



(d) Restriction on transfer

Directors would be unable to transfer, pawn, or otherwise dispose of the shares (hereinafter referred to as the “Restriction on Disposal”) for a period of 30 years from the pay-in date (hereinafter referred to as the “Restriction on Transfer Period”). During the Restriction on Transfer Period, the shares would be managed in dedicated accounts established with a securities company nominated by Mitsui.

(e) Lifting of the Restriction on Disposal

Irrespective of the provisions of (d) above, the Restriction on Disposal will be lifted if a Director retires as a director and managing officer of Mitsui before the end of the Restriction on Transfer Period.

(f) Grounds for acquisition without compensation and extinction of rights (clawback provisions)

In addition to the condition that there will be an extinction of rights under the conditions for linkage to the performance in (c) above, Mitsui will not pay all or part of performance-linked restricted stock-based remuneration if the Board of Directors decides that the payment is not suitable, or on other grounds. Mitsui will acquire without compensation all or part of the shares during the Restriction on Transfer Period if a Director engages in actions that contravene laws and regulations, or on other grounds as stipulated in the agreement concluded between Mitsui and the Director.

(g) Procedures in the event of organizational restructuring, etc.

Mitsui would make reasonable adjustments to the number of shares to be acquired without compensation or the time when the Restriction on Disposal will be lifted, by resolution of the Board of Directors, if Mitsui enters into a merger agreement resulting in the absorption of Mitsui, or a stock swap agreement or stock transfer plan under which Mitsui becomes a wholly owned subsidiary, or otherwise undertakes organizational restructuring, etc., during the Restriction on Transfer Period, pursuant to a resolution of a General Meeting of Shareholders (or a resolution of the Board of Directors in the case of a matter for which a resolution of a General Meeting of Shareholders is not required).

iv) Tenure-linked restricted stock-based remuneration (restricted stock):

a) As a medium- to long-term incentive to maximize the value of our shares, a tenure-linked restricted stock-based remuneration will be issued. The purpose is to call medium- to long-term attention of Directors to improve our corporate value.

b) Number of shares granted:

The number of shares of common stock determined according to rank.

c) Details are as follows:

(a) Payment method

Under the system, Directors would be granted an entitlement to receive monetary remuneration and will be issued shares, whether newly issued as common stock or disposed of, in exchange for the in-kind investment of their full entitlement. The amount of entitlements to be paid to each Director under the system will be determined by the Board of Directors based on deliberations by the Remuneration Committee, within the maximum limit of 1,000 million yen per year (changed from 500 million yen to 1,000 million yen by the resolution at the Ordinary General Meeting of Shareholders held on June 19, 2024) approved at the General Meeting of Shareholders.

(b) Total number of shares to be issued or disposed of and paid-in amount per share

The total number of common stock that would be newly issued or disposed of by Mitsui under the system would be no more than 500,000 per year (however, this number may be changed within reasonable limits if Mitsui's common stock are affected by a stock split (including a free allotment of new common stock in Mitsui) or a reverse stock split, or if other circumstances arise that require adjustments to the total number of Mitsui's common stock that are issued or disposed of as the shares). The paid-in amount per share will be decided by the Board of Directors based on the average daily closing price for Mitsui's common stock on the Tokyo Stock Exchange (excluding days on which there is no closing price, the price will be rounded up to the nearest whole yen) in the three months immediately prior to the month containing the date on which the Board of Directors made a resolution concerning issuance or disposal of the shares, within a range that is not especially advantageous to the Directors.

(c) Restriction on transfer

Directors would be unable to transfer, pawn, or otherwise dispose of the shares (hereinafter referred to as the "Restriction on Disposal") for a period of 30 years from the pay-in date (hereinafter referred to as the "Restriction on Transfer Period"). During the Restriction on Transfer Period, the shares would be managed in dedicated accounts established with a securities company nominated by Mitsui.

(d) Lifting of the Restriction on Disposal

Irrespective of the provisions of (c) above, the Restriction on Disposal will be lifted if a Director retires as a director and managing officer of Mitsui before the end of the Restriction on Transfer Period.

(e) Grounds for acquisition without compensation (clawback provisions)

Mitsui will acquire without compensation all or part of the shares during the Restriction on Transfer Period if a Director engages in actions that contravene laws and regulations, or on other grounds as stipulated in the agreement concluded between Mitsui and the Director.

(f) Procedures in the event of organizational restructuring, etc.

Mitsui would make reasonable adjustments to the number of shares to be acquired without compensation or the time when the Restriction on Disposal will be lifted, by resolution of the Board of Directors, if Mitsui enters into a merger agreement resulting in the absorption of Mitsui, or a stock swap agreement or stock transfer plan under which Mitsui becomes a wholly owned subsidiary, or otherwise undertakes organizational restructuring, etc., during the Restriction on Transfer Period, pursuant to a resolution of a General Meeting of Shareholders (or a resolution of the Board of Directors in the case of a matter for which a resolution of a General Meeting of Shareholders is not required).

Share Ownership Guidelines

Eligible persons		Target for the ownership of the Company's shares
Directors (excluding External Directors)	President and Chief Executive Officer	Ownership of the Company's shares equivalent to three times the basic remuneration (annual amount)
	Other Directors	Ownership of the Company's shares equivalent to the basic remuneration (annual amount)

The maximum amounts of Directors and Audit & Supervisory Board Members' remuneration

As stated below, approval has been given through a resolution at a General Meeting of Shareholders that decisions about the maximum amount of Directors' and Audit & Supervisory Board Members' remuneration and the maximum amounts for individual payments are taken within that limit by the Board of Directors.

Until the fiscal year ended March 31, 2024

	Basic remuneration		Bonus	Performance-linked and restricted-stock-based remuneration	Tenure-linked and restricted-stock-based remuneration
Resolution of General Meeting of Shareholders	Ordinary General Meeting of Shareholders on June 21, 2017		Ordinary General Meeting of Shareholders on June 22, 2022		
Maximum (per year)	1,000 million yen	240 million yen	1,500 million yen	300 million yen	500 million yen
Eligibility for payment	Directors	Audit & Supervisory Board Members	Directors (excluding External Directors)		
Number of the recipients at the time of the resolution	14	5	9		

Maximum amount for the remuneration to be paid after next fiscal year (the fiscal year ending March 31, 2025)

	Basic remuneration		Bonus	Performance-linked and restricted-stock-based remuneration	Tenure-linked and restricted-stock-based remuneration
Resolution of General Meeting of Shareholders	Ordinary General Meeting of Shareholders on June 21, 2017	Ordinary General Meeting of Shareholders on June 19, 2024	Ordinary General Meeting of Shareholders on June 22, 2022	Ordinary General Meeting of Shareholders on June 19, 2024	
Maximum (per year)	1,000 million yen	300 million yen	1,500 million yen	600 million yen	1,000 million yen
Eligibility for payment	Directors	Audit & Supervisory Board Members	Directors (excluding External Directors)		
Number of the recipients at the time of the resolution	14	5	9	6	

2) The remuneration of Directors and Audit & Supervisory Board Members for the fiscal year ended March 31, 2024 was as follows:

(Mn JPY)

Category of position	Number of recipients	Basic remuneration	Bonus	Stock compensation (Performance-linked)	Stock compensation (Tenure-linked)	Total remuneration
Directors (excluding External Directors)	10 persons	713	1,236	298	499	2,745
Audit & Supervisory Board Members (excluding External Audit & Supervisory Board Members)	3 persons	156	-	-	-	156
External Directors	8 persons	125	-	-	-	125
External Audit & Supervisory Board Members	4 persons	63	-	-	-	63
Total	25 persons	1,056	1,236	298	499	3,089

(Notes) 1. Bonuses shown above are not paid yet on the date of the issuance of this report.

2. The Stock Compensation (Performance-linked) above shows the amount recognized as expenses during the fiscal year ended March 31, 2024 because the evaluation period for the performance-linked restricted stock-based remuneration is the three fiscal years from the fiscal year ended March 31, 2024 to the fiscal year ending March 31, 2026 and the amount has not been determined at this time.

3. In addition to the amounts shown above, Mitsui paid pensions (resolution for payments made prior to the abolition of such program) of 369 million yen to 82 retired Directors (excluding External Directors), and a total of 35 million yen to 11 retired Audit & Supervisory Board Members (excluding External Audit & Supervisory Board Members) in the fiscal year ended March 31, 2024.

4. The amounts have been rounded to the nearest million yen.

3) The following table contains information about remuneration earned by the named Directors for the fiscal year ended March 31, 2024.

The individual amount of remuneration earned by all 9 of the Internal Directors. (Mn JPY)

Name	Category of position	Payer	Basic remuneration	Bonus	Stock compensation (Performance-linked)	Stock compensation (Tenure-linked)	Total remuneration
Tatsuo Yasunaga	Director	Mitsui	114	167	43	73	397
Kenichi Hori	Director	Mitsui	131	334	54	91	610
Motoaki Uno	Director	Mitsui	76	117	33	54	279
Yoshiaki Takemasu	Director	Mitsui	76	117	33	54	280
Kazumasa Nakai	Director	Mitsui	62	100	27	45	235
Tetsuya Shigeta	Director	Mitsui	63	100	27	45	235
Makoto Sato	Director	Mitsui	63	100	27	45	235

Name	Category of position	Payer	Basic remuneration	Bonus	Stock compensation (Performance-linked)	Stock compensation (Tenure-linked)	Total remuneration
Toru Matsui	Director	Mitsui	63	100	27	45	235
Tetsuya Daikoku (Note 1)	Director	Mitsui	47	100	27	45	219

(Notes) 1. The remuneration amounts for Mr. Tetsuya Daikoku, who was newly appointed at the Ordinary General Meeting of Shareholders held on June 21, 2023, were limited to the Director's remuneration paid during 9 months after his appointment.

2. The Stock Compensation (Performance-linked) above shows the amount recognized as expenses during the fiscal year ended March 31, 2024 because the evaluation period for the performance-linked restricted stock-based remuneration is the three fiscal years from the fiscal year ended March 31, 2024 to the fiscal year ending March 31, 2026 and the amount has not been determined at this time.

3. The remuneration paid for each of the External Directors, Audit & Supervisory Board Members and directors who retired at the Ordinary General Meeting of Shareholders held on June 21, 2023 is not included in the above table.

4) The targets and results for indicators relating to results-linked remuneration in the fiscal year ended March 31, 2024 are as follows.

i) Results-linked bonuses

Results-linked bonuses are calculated according to the formula in 1) ii) above. The indicators used are consolidated profit for the year (attributable to owners of the parent) and Core Operating Cash Flow. The initial targets and results for the indicators in the year ended March 31, 2024 were as follows.

Initial plan: 880.0 billion yen for consolidated profit for the year (attributable to owners of the parent), 870.0 billion yen for Core Operating Cash Flow

Results: 1,063.7 billion yen for consolidated profit for the year (attributable to owners of the parent), 995.8 billion yen for Core Operating Cash Flow.

ii) Stock options (stock-based compensation stock options with stock price conditions)

As is described in the section 4.1. (2) 1) Stock Option Plans, holders of stock-based compensation stock options with stock price conditions provided by Mitsui can exercise all of their options if the growth rate of Mitsui's share price is equal to or greater than the TOPIX growth rate during a three-year valuation period from the date on which the options were allocated. If the growth rate of Mitsui's share price is below that level, the percentage of offered options that can be exercised will be adjusted proportionately. The stock price conditions of the stock options for which the number that can be exercised in the fiscal year ended March 31, 2024 and during the period after the end of the fiscal year ended March 31, 2024 until the time of issuance of this report has been finalized are achieved as stated below.

Stock options (stock-based compensation stock options with stock price conditions) for which the valuation period was completed in the fiscal year ended March 31, 2024

Eligible stock options	Stock options based on a resolution of the Board of Directors on July 10, 2020
Stock price conditions achieved	Growth rate of Mitsui's share price (including dividends): 312.01% TOPIX growth: 142.71% Exercisable stock options: 100% of the options granted

Stock options (stock-based compensation stock options with stock price conditions) for which the valuation period was completed after the end of the fiscal year ended March 31, 2024 until the time of issuance of this report

Eligible stock options	Stock options based on a resolution of the Board of Directors on May 13, 2021
Stock price conditions achieved	Growth rate of Mitsui's share price (including dividends): 317.72% TOPIX growth: 138.63% Exercisable stock options: 100% of the options granted

5) Mitsui's policy on the method used to calculate remuneration for Directors is decided by the Board of Directors within limits approved by resolutions at General Meetings of Shareholders. Before taking decisions, the Board of Directors receives a report

from the Remuneration Committee, which is chaired by an External Member, to the effect that the amounts are appropriate, based on prior deliberations by the Committee. The amounts for the fiscal year ended March 31, 2024 were determined through the following processes.

i) The basic remuneration for Directors excluding External Directors has been decided according to a specific formula, which was approved as appropriate by the Remuneration Committee and the meeting of the Board of Directors held on December 19, 2018. The individual amounts of basic remuneration paid to the External Directors were decided at the meeting of the Board of Directors held on April 12, 2017, based on the report of the Remuneration Committee stating that these amounts were appropriate.

ii) The amounts of results-linked bonuses were decided according to a formula adopted at the meeting of the Board of Directors held on February 3, 2023 (see 1), ii) above). After deliberating on this formula, the Remuneration Committee reported to the meeting of the Board of Directors held on February 3, 2023 that the formula was appropriate.

6) Audit & Supervisory Board Members receive only basic fixed remuneration which does not include a results-linked portion. The total amount of basic remuneration shall not exceed 300 million yen per year (changed from 240 million yen to 300 million yen by the resolution at the Ordinary General Meeting of Shareholders held on June 19, 2024. The number of the recipients at the time is 5). The basic remuneration for each Audit & Supervisory Board Member is determined within that limit by discussions among the Audit & Supervisory Board Members. Retirement compensation is not paid to the Audit & Supervisory Board Members.

(5) Equity Securities Held

1) Criteria and concept of the classification of shares for investment

i) Criteria of the classification of shares for investment

The criteria of classification of shares for investment held for pure investment purposes and shares for investment held for purposes other than pure investment purposes are as follows.

(Shares for investment held for pure investment purposes)
Investment held for the purposes of realizing gains solely arising from changes in the value of shares or dividends thereon
(Shares for investment held for purposes other than pure investment purposes)
Shares for investment held for purposes other than for pure investment purposes

ii) Concept of the classification of shares for investment

We may hold investment shares for the purpose of creating new businesses and strong business clusters through both trading and business investment. In addition to profit from such trading, changes in the value of shares and dividends thereon, we strive to increase medium- to long-term economic profit by creating new business opportunities and raising corporate value by providing our functions. Based on such business model, our criterion for the classification of shares for investment held for pure investment purposes is “Investment held for the purposes of realizing gains solely arising from changes in the value of shares or dividends thereon,” and one in which we can consider mainly about economic gain from the share in question at the time of its acquisition or disposal, without much consideration required on collaboration and business relationships with investees. Other investments are defined as shares for investment held for purposes other than pure investment purposes. Regardless of the classification of shares for investment held for pure investment purposes and shares for investment held for purposes other than pure investment purposes, all shares will continue to be similarly verified in respect of the rationale for holding and the voting rights will be exercised appropriately.

iii) Policy on the exercise of voting rights of shares for investment

With respect to the exercise of voting rights of shares for investment, the content of each proposal shall be considered based on the management policies and business plans etc., of the investee, and deliberation shall be conducted on a case-by-case basis while comprehensively considering the perspectives of (1) whether or not the proposal contributes to enhancing corporate value of the investee or mutual benefit of the shareholders, and (2) the impact that the proposal may have on corporate value of the Company in terms of creation of business opportunities, and building, maintaining and strengthening of business and collaborative relationship with the investee.

iv) Method to verify the policy and rational of holdings of shares for investment

At the Company, the Portfolio Management Committee, which is an advisory body to the Executive Committee, establishes company-wide portfolio strategy as well as investment and loan policies, periodically monitors the company-wide portfolio, and verifies the rationale for holding of all assets including shares for investment through asset portfolio review that is conducted every year. When acquiring shares for investment, the Company shall conduct a prior stringent assessment of profitability and capital efficiency, as well as the likelihood of creating business opportunities, or building, maintaining, and strengthening the business and collaborative relationships. At the same time, for listed shares, the Company shall verify the economic rationale based on the status of dividends, business-related profits, and other related profits, in comparison to total cost such as acquisition cost, fair value and its cost of capital, and conduct verification of qualitative aspects based on the status of and outlook for the creation of business opportunities, as well as business and collaborative relationship with each investee. If, as a result of these verifications, the rational of holding these assets has significantly declined, our policy is to sell and reduce such assets. Further, the Board of Directors confirms that the qualitative rationale is verified for holding all individual shares, and identifies shares that will be considered for sale in the future due to dilution of the rationale, considering both qualitative and quantitative aspects.

2) Shares for investment held for purposes other than pure investment purposes

i) Method to verify the policy and rational of holdings of shares and details of reviews by the Board of Directors

Please refer to 1)-iv) “Method to verify the policy and rational of holdings of shares for investment” above.

Of the 50 shares listed as Specified Investment Shares (Amount on balance sheet for the current fiscal year: 476,596 million yen), the purpose for holding the major investees and the amount on balance sheet are as follows, the total amount of which is 189,718 million yen.

1. Seven & i Holdings Co., Ltd. (Amount on balance sheet: 107,360 million yen)
   A major retail holding company centered on Seven-Eleven Japan and Ito-Yokado, and our important business partner in the distribution business. Through provision of centralized management functions for food materials/ingredients and packaging (including supply and demand management), as well as logistics functions (such as operations of cooperative distribution centers), we aim to mutually maximize both companies’ corporate value.
2. GOLDWIN INC. (Amount on balance sheet: 43,081 million yen)
   A major manufacturer of sportswear and sports goods, and our important business partner in the sports and outdoor apparel and equipment field, which is one of the focus areas of our brand & retail business area. By engaging in transactions in the development, manufacturing and supply of sports apparel-related materials and products, and in co-exploration to seek opportunities for new business creation in Japan and overseas, we aim to contribute to the mutual enhancement of both companies’ corporate value.
3. Yamato Kogyo Co., Ltd. (Amount on balance sheet: 39,277 million yen)
   An electric furnace steel manufacturer and the most important business partner in our global electric furnace strategy, which actively expands business overseas, mainly manufacturing and sales of steel for construction purposes in the US and Thailand. We have been engaging in transactions of raw materials and products with them and their group companies. We also hold a 20% stake in Siam Yamato Steel Co., Ltd., which is Yamato Kogyo’s Thai business.

ii) Number of companies and amount on balance sheet

Classification	Number of companies (Company)	Total amount on balance sheet (Mn JPY)
Unlisted shares	242	49,885
Shares excluding unlisted shares	92	498,419

(Companies in which the number of shares increased in the fiscal year ended March 31, 2024)

Classification	Number of companies (Company)	Acquisition costs associated to the increase in shares (Mn JPY)	Reason for increase in number of shares
Unlisted shares	12	5,836	Acquired based on prior stringent assessments of the probability of the investment creating business opportunities, or building, maintaining, or strengthening business and collaborative relationships
Shares excluding unlisted shares	3	2,895	Same as above

(Companies in which the number of shares decreased in the fiscal year ended March 31, 2024)

Classification	Number of companies (Company)	Sales proceed associated to the decrease in shares (Mn JPY)
Unlisted shares	13	2,546
Shares excluding unlisted shares	21	25,023

(Note) Companies whose number of shares increased or decreased do not include changes due to stock mergers, stock splits, stock transfers, stock swaps, mergers, etc.

iii) Number of shares and amount on balance sheet of each Specified Investment Shares and Deemed Shareholdings

Specified Investment Shares

Company	FY March 2024 Number of shares (Shares) Amount on balance sheet (Mn JPY)	FY March 2023 Number of shares (Shares) Amount on balance sheet (Mn JPY)	Purpose of holding, outline of business alliance, etc., quantitative effect of holding, and reason for increase in number of shares	Holding of Mitsui's share
Seven & i Holdings	48,667,440	16,222,480	Refer to the 2)-i) above for the purpose of holding. The number of shares increased due to a share split.	no
	107,360	96,929		
GOLDWIN	4,367,504	4,367,504	Refer to the 2)-i) above for the purpose of holding.	yes
	43,081	55,030		
Yamato Kogyo	4,573,000	4,573,000	Refer to the 2)-i) above for the purpose of holding.	yes
	39,277	24,419		
MODEC	10,162,300	8,387,300	Mainly in the Machinery & Infrastructure Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to long-term charter business for floating production, storage and offloading systems, etc., and has entered into a business alliance agreement to jointly promote such business by mutually utilizing management resources, know-how, brands, customer bases, etc. as a strategic partner. The number of shares increased due to subscription for shares through third-party allotment.	no
	31,147	11,725		
TOYOTA MOTOR	7,500,000	7,500,000	Mainly in the Machinery & Infrastructure Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to automobile business area.	yes
	28,440	14,100		
Yamaha Motor	12,879,000	4,293,000	Mainly in the Machinery & Infrastructure Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to motorcycle business area, etc. The number of shares increased due to a share split.	yes
	18,333	14,853		

Company	FY March 2024	FY March 2023	Purpose of holding, outline of business alliance, etc., quantitative effect of holding, and reason for increase in number of shares	Holding of Mitsui's share
	Number of shares (Shares)	Number of shares (Shares)		
	Amount on balance sheet (Mn JPY)	Amount on balance sheet (Mn JPY)		
Mitsui Chemicals	3,474,078	3,474,078	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to basic & green materials, mobility, health care, food packaging business, etc.	yes
	15,046	11,846		
Mitsui Fudosan	3,000,000	3,000,000	The Company holds shares mainly for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to real estate business.	yes
	14,829	7,452		
BIPROGY	2,448,509	2,448,509	Mainly in the Innovation & Corporate Development Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to IT related services.	no
	11,094	7,957		
Toray Industries	13,776,000	13,776,000	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to chemicals including raw materials for resin and high performance films, etc.	yes
	10,195	10,420		
TBS HOLDINGS	2,144,000	4,288,000	Mainly in the Innovation & Corporate Development Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to media related business.	no
	9,345	8,168		
NIPPON STEEL	2,459,954	2,459,954	Mainly in the Iron & Steel Products Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to steel products-related business.	yes
	9,023	7,675		

Company	FY March 2024 Number of shares (Shares) Amount on balance sheet (Mn JPY)	FY March 2023 Number of shares (Shares) Amount on balance sheet (Mn JPY)	Purpose of holding, outline of business alliance, etc., quantitative effect of holding, and reason for increase in number of shares	Holding of Mitsui's share
TOYO ENGINEERING	8,754,000	8,754,000	Mainly in the Machinery & Infrastructure Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to engineering business for renewable power plants, carbon neutral related plants, ammonia / urea fertilizer chemical plants, petrochemical plants, etc.	yes
	8,517	4,946		
J-OIL MILLS	4,175,422	4,175,422	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to vegetable oils.	yes
	8,100	6,350		
NIPPN	3,349,110	3,349,110	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to wheat, wheat flour and processed food businesses.	yes
	7,944	5,559		
KATO SANGYO	1,576,500	3,153,000	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to processed food wholesale.	yes
	7,228	11,067		
Sumitomo Metal Mining	1,454,000	1,454,000	Mainly in the Mineral & Metal Resources Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to non-ferrous metal business, etc.	no
	6,669	7,341		
Nippon Soda	1,015,000	1,015,000	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to agrochemicals business and methionine business.	yes
	6,150	4,684		

Company	FY March 2024	FY March 2023	Purpose of holding, outline of business alliance, etc., quantitative effect of holding, and reason for increase in number of shares	Holding of Mitsui's share
	Number of shares (Shares)	Number of shares (Shares)		
	Amount on balance sheet (Mn JPY)	Amount on balance sheet (Mn JPY)		
AIR WATER	2,385,590	2,385,590	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in the overseas industrial gas market, and entered into a strategic alliance agreement aimed at global collaboration centered on the industrial gas business.	no
	5,713	3,960		
MS & AD Insurance Group Holdings	684,900	684,900	The Company holds shares mainly for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to insurance-related business.	yes
	5,570	2,812		
Showa Sangyo	1,540,000	1,540,000	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to feed, flour and oils businesses.	no
	5,390	3,906		
MITSUI E&S	2,550,000	2,550,000	Mainly in the Machinery & Infrastructure Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to shipping business.	no
	4,883	1,063		
TOSOH	2,246,500	2,246,500	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to chlor-alkali business.	yes
	4,632	4,036		
Shin Nippon Air Technologies	1,266,252	1,266,252	Mainly in the Machinery & Infrastructure Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to business relating to supply and maintenance of air conditioning systems.	no
	4,387	2,361		

Company	FY March 2024 Number of shares (Shares) Amount on balance sheet (Mn JPY)	FY March 2023 Number of shares (Shares) Amount on balance sheet (Mn JPY)	Purpose of holding, outline of business alliance, etc., quantitative effect of holding, and reason for increase in number of shares	Holding of Mitsui's share
Kaneka	1,108,691 4,228	1,108,691 3,824	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to chemicals like olefin and vinyl chloride resin.	yes
GODO STEEL	730,882 4,180	730,882 2,481	Mainly in the Iron & Steel Products Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to steel products-related business.	yes
IHI	939,500 3,851	939,500 3,119	The Company holds shares mainly for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to industrial equipment business, etc.	yes
Mitsubishi UFJ Financial Group	2,326,000 3,621	2,326,000 1,972	The Company holds shares mainly for the purpose of building, maintaining or strengthening financial business relationships.	yes
Morinaga	1,372,400 3,603	686,200 2,576	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to dairy products and confectionary ingredients businesses. The number of shares increased due to a share split.	no
ISHIHARA SANGYO KAISHA	2,019,200 3,571	2,019,200 2,251	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to titanium dioxide-related products and titanium ore.	no

Company	FY March 2024	FY March 2023	Purpose of holding, outline of business alliance, etc., quantitative effect of holding, and reason for increase in number of shares	Holding of Mitsui's share
	Number of shares (Shares)	Number of shares (Shares)		
	Amount on balance sheet (Mn JPY)	Amount on balance sheet (Mn JPY)		
KYOEI STEEL	1,470,000	1,470,000	Mainly in the Mineral & Metal Resources Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to resource recycling business, etc.	no
	3,545	2,363		
ZEON	2,352,000	2,352,000	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to aliphatic (C5) monomer, specialty chemicals.	yes
	3,106	3,290		
TV TOKYO Holdings	1,002,050	1,002,050	Mainly in the Innovation & Corporate Development Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to media-related business.	no
	2,994	2,479		
Tayca	1,784,094	1,784,094	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to surfactants, titanium dioxide, etc.	no
	2,713	2,094		
Sumitomo Mitsui Financial Group	296,550	296,550	The Company holds shares mainly for the purpose of building, maintaining or strengthening financial business relationships.	yes
	2,641	1,571		
Denka	1,087,400	1,087,400	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to chemical materials.	yes
	2,551	2,974		
DaikyoNishikawa	3,222,720	3,222,720	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to automobile components, etc.	no
	2,484	2,078		

Company	FY March 2024	FY March 2023	Purpose of holding, outline of business alliance, etc., quantitative effect of holding, and reason for increase in number of shares	Holding of Mitsui's share
	Number of shares (Shares)	Number of shares (Shares)		
	Amount on balance sheet (Mn JPY)	Amount on balance sheet (Mn JPY)		
ADEKA	737,600	737,600	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to processed oils.	no
	2,378	1,665		
S Foods	705,500	705,500	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to Australian beef related business, etc.	yes
	2,363	2,009		
Yantai north Andre juice	15,340,000	17,570,000	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to fruit juice business, etc.	no
	2,228	1,948		
IINO KAIUN KAISHA	1,500,000	1,500,000	Mainly in the Machinery & Infrastructure Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to shipping business.	no
	1,839	1,506		
JK Holdings	1,679,454	1,679,454	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to housing materials.	yes
	1,800	1,731		
RIKEN TECHNOS	1,680,800	2,101,000	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to PVC resin, PVC compound, etc.	yes
	1,687	1,237		
Khonburi Sugar	66,666,666	66,666,666	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to sugar.	no
	1,594	1,459		

Company	FY March 2024	FY March 2023	Purpose of holding, outline of business alliance, etc., quantitative effect of holding, and reason for increase in number of shares	Holding of Mitsui's share
	Number of shares (Shares)	Number of shares (Shares)		
	Amount on balance sheet (Mn JPY)	Amount on balance sheet (Mn JPY)		
TAKARA HOLDINGS	1,333,300	2,000,000	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to ethanol-related business.	yes
	1,427	2,044		
Pelat Timah Nusantara Tbk	252,335,000	252,335,000	Mainly in the Iron & Steel Products Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to packaging steel business, etc.	no
	1,235	1,313		
Tohoku Electric Power	1,000,000	1,000,000	The Company holds shares mainly for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to energy industry.	no
	1,196	659		
CENTRAL SECURITY PATROLS	445,335	445,335	Mainly in the Innovation & Corporate Development Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to outsourcing services business.	yes
	1,189	1,207		
YAMAE GROUP HOLDINGS	423,300	423,300	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to logistics and distribution in Japan.	no
	1,182	766		
MUNSIN GARMENT	3,398,714	3,398,714	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to brand and retail business in Taiwan.	no
	1,018	487		

Company	FY March 2024	FY March 2023	Purpose of holding, outline of business alliance, etc., quantitative effect of holding, and reason for increase in number of shares	Holding of Mitsui's share
	Number of shares (Shares)	Number of shares (Shares)		
	Amount on balance sheet (Mn JPY)	Amount on balance sheet (Mn JPY)		
Mitsuboshi Belting	–	750,000	Mainly in the Chemicals Segment, the Company held shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to automobile components, etc. All of the shares were sold during FY March 2024.	no
	–	2,951		
Hankuk Carbon	–	1,318,822	Mainly in the Chemicals Segment, the Company held shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to carbon fiber reinforced-matrix-composites, etc. All of the shares were sold during FY March 2024.	no
	–	1,669		
Lhyfe	*	1,269,842	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to hydrogen production and related areas.	no
	*	1,363		
Perusahaan Sadur Timah Malaysia	*	9,362,500	Mainly in the Iron & Steel Products Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to packaging steel business, etc.	no
	*	1,294		

(Notes) 1. We verify the rationale of holding shares through verification of the status of dividends, business-related profits, and other related profits in comparison to total cost such as acquisition cost, fair value and our cost of capital, as well as verification and review of the qualitative significance of holding shares. However, the quantitative effects of holding shares are not disclosed in consideration of our relationships with business partners and others.

2. "–" represents not possessed as Specified Investment Shares. "*" means omission due to 1% or less than Mitsui's capital and out of top 60 ranking.

3. Holding of Mitsui's share is described based solely on the register of shareholders as of March 31, 2024. The shares not held as of March 31, 2024 are based on the register of shareholders as of March 31, 2023. In addition, when the share is of a holding company, the portion held by major subsidiaries of the holding company is taken into account and described to the extent that it can be confirmed.

Deemed Shareholdings

Company	FY March 2024 Number of shares (Shares) Amount on balance sheet (Mn JPY)	FY March 2023 Number of shares (Shares) Amount on balance sheet (Mn JPY)	Purpose of holding, outline of business alliance, etc., quantitative effect of holding and reason for increase in number of shares	Holding of Mitsui's share
TOYOTA MOTOR	11,231,000	11,231,000	To supplement the pension financial situation, the Company contributes this share to the Company's employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	yes
	42,587	21,114		
MS & AD Insurance Group Holdings	2,030,100	2,030,100	To supplement the pension financial situation, the Company contributes this share to the Company's employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	yes
	16,510	8,335		
Mitsui Chemicals	3,474,000	3,474,000	To supplement the pension financial situation, the Company contributes this share to the Company's employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	yes
	15,045	11,846		
Mitsui Fudosan	2,801,000	2,801,000	To supplement the pension financial situation, the Company contributes this share to the Company's employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	yes
	13,845	6,957		
Toyo Suisan Kaisha	994,000	994,000	To supplement the pension financial situation, the Company contributes this share to the Company's employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	no
	9,418	5,516		
Mitsui O.S.K. Lines	1,999,500	1,999,500	To supplement the pension financial situation, the Company contributes this share to the Company's employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	yes
	9,217	6,618		

Company	FY March 2024 Number of shares (Shares) Amount on balance sheet (Mn JPY)	FY March 2023 Number of shares (Shares) Amount on balance sheet (Mn JPY)	Purpose of holding, outline of business alliance, etc., quantitative effect of holding and reason for increase in number of shares	Holding of Mitsui's share
Katakura Industries	2,200,000	2,200,000	To supplement the pension financial situation, the Company contributes this share to the Company's employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	no
	4,268	4,083		
NIPPON STEEL	910,000	910,000	To supplement the pension financial situation, the Company contributes this share to the Company's employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	yes
	3,337	2,839		
SANYO SHOKAI	757,800	757,800	To supplement the pension financial situation, the Company contributes this share to the Company's employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	yes
	2,205	1,179		
TAKARA HOLDINGS	1,446,700	2,170,000	To supplement the pension financial situation, the Company contributes this share to the Company's employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	yes
	1,548	2,217		

(Note) In selection of top ranking companies in terms of the amount recorded on the balance sheet, Specified Investment Shares and Deemed Shareholdings are not combined.
In addition, as for notes 1 through 3 for Specified Investment Shares, Deemed Shareholdings are treated in the same manner.

3) Shares for investment held for pure investment purposes

Classification	Unlisted shares		Shares excluding unlisted shares	
	Number of companies (Company)	Total amount on balance sheet (Mn JPY)	Number of companies (Company)	Total amount on balance sheet (Mn JPY)
FY March 2023	9	91,279	9	697,181
Acquisition	3	17,868	-	-
Changed from purposes other than pure investment purposes	-	-	1	1,863
Disposal	-	-	(1)	(164)
Others	-	3,964	-	(79,036)
FY March 2024	12	113,111	9	619,844

(Note) "Others" includes the effect of changes in fair value and foreign exchange rate.

4) Dividend income, gain or loss on sales, and valuation gain or loss of shares for investment whose holding purpose is pure investment in the current fiscal year

Classification	FY March 2024		
	Total amount of dividend income (Mn JPY)	Total amount of gain or loss on sales (Mn JPY)	Total amount of valuation gain or loss (Mn JPY)
Unlisted shares	24,248	-	(Note 1)
shares excluding unlisted shares	61,925	(150)	228,416 [(4,201)](Note 2)

(Notes) 1. For unlisted shares, "Total amount of valuation gain or loss" has not been provided because they have no market price, and thus their fair value is extremely difficult to determine.

2. The figure shown in square brackets in "Total amount of valuation gain or loss" represents the amount of impairment recognized in the current fiscal year that is included in the total.

5) Names, number of shares and amount on balance sheet of shares for investment whose holding purpose was changed from purposes other than pure investment purposes to pure investment purposes

Names of listed shares	Number of shares (Shares)	Total amount on balance sheet (Mn JPY)
GRID	552,000	1,863

(Note) Amount of each shares in this "Equity securities held" section may not match the total of items due to rounded down to the nearest million yen.

5. Financial Information

1. Consolidated Financial Statements

Consolidated Statements of Financial Position
Mitsui & Co., Ltd. and Subsidiaries
March 31, 2024 and 2023

	Mn JPY		Mn USD (note 2)
	2024	2023	2024
ASSETS			
Current assets:			
Cash and cash equivalents (notes 2 and 17)	898,204	1,390,130	5,948
Trade and other receivables (notes 2, 8, 9, 10, 17, 22 and 31)	2,216,735	2,191,181	14,680
Other financial assets (notes 2, 9, 26 and 31)	1,140,122	772,984	7,550
Inventories (notes 2, 9, 11 and 26)	965,721	940,543	6,396
Advance payments to suppliers	368,137	226,692	2,438
Income tax receivables (notes 2 and 25)	49,414	38,391	327
Other current assets	129,815	114,912	861
Total current assets	5,768,148	5,674,833	38,200
Non-current assets:			
Investments accounted for using the equity method (notes 2, 4, 6, 7, 17 and 31)	4,869,969	3,929,636	32,251
Other investments (notes 2, 9, 17, 26 and 31)	2,319,900	2,134,103	15,364
Trade and other receivables (notes 2, 8, 9, 10, 17, 22 and 26)	286,565	320,040	1,898
Other financial assets (notes 2, 9 and 26)	210,794	208,021	1,396
Property, plant and equipment (notes 2, 10, 12, 15 and 17)	2,401,492	2,300,607	15,904
Investment property (notes 2, 10 and 13)	282,253	282,497	1,869
Intangible assets (notes 2 and 14)	458,246	277,316	3,035
Deferred tax assets (notes 2 and 25)	108,095	105,197	716
Other non-current assets	194,040	148,666	1,284
Total non-current assets	11,131,354	9,706,083	73,717
Total assets	16,899,502	15,380,916	111,917

Consolidated Statements of Financial Position—(Continued)
Mitsui & Co., Ltd. and Subsidiaries
March 31, 2024 and 2023

	Mn JPY		Mn USD (note 2)
	2024	2023	2024
LIABILITIES AND EQUITY			
Current liabilities:			
Short-term debt (notes 16, 17 and 28)	243,959	432,233	1,617
Current portion of long-term debt (notes 9, 10, 16, 17 and 28)	723,084	810,999	4,789
Trade and other payables (notes 2 and 16)	1,647,029	1,510,391	10,907
Other financial liabilities (notes 2, 9, 16, 26 and 27)	737,492	621,979	4,884
Income tax payables (notes 2 and 25)	42,177	49,335	279
Advances from customers (note 22)	318,809	234,946	2,111
Provisions (notes 2 and 18)	123,830	58,952	820
Other current liabilities	55,158	47,802	365
Total current liabilities	3,891,538	3,766,637	25,772
Non-current liabilities:			
Long-term debt, less current portion (notes 9, 10, 16, 17 and 28)	3,809,013	3,797,328	25,225
Other financial liabilities (notes 2, 9, 16, 26, 27 and 31)	341,913	223,381	2,264
Retirement benefit liabilities (notes 2 and 19)	43,936	36,998	291
Provisions (notes 2 and 18)	261,593	310,513	1,732
Deferred tax liabilities (notes 2 and 25)	745,845	648,263	4,939
Other non-current liabilities	35,721	32,648	237
Total non-current liabilities	5,238,021	5,049,131	34,688
Total liabilities	9,129,559	8,815,768	60,460
Equity: (note 20)			
Common stock	343,062	342,560	2,272
Capital surplus	391,856	381,869	2,595
Retained earnings	5,551,736	4,840,510	36,766
Other components of equity (notes 2 and 9)	1,323,821	868,963	8,767
Treasury stock	(68,627)	(66,152)	(454)
Total equity attributable to owners of the parent	7,541,848	6,367,750	49,946
Non-controlling interests (note 2)	228,095	197,398	1,511
Total equity	7,769,943	6,565,148	51,457
Total liabilities and equity	16,899,502	15,380,916	111,917

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

Mitsui & Co., Ltd. and Subsidiaries

Years Ended March 31, 2024 and 2023

	Mn JPY		Mn USD (note 2)
	2024	2023	2024
Revenue (notes 2, 6, 7, 9, 22 and 26)	13,324,942	14,306,402	88,245
Cost (notes 2, 6, 9, 10 and 26)	(12,005,227)	(12,910,174)	(79,505)
Gross profit (note 7)	1,319,715	1,396,228	8,740
Other income (expenses):			
Selling, general and administrative expenses (notes 2, 8, 10, 14, 19, 23 and 31)	(794,291)	(702,809)	(5,260)
Gain (loss) on securities and other investments-net (notes 2, 5, 6, 9 and 26)	198,063	59,524	1,312
Impairment reversal (loss) of fixed assets-net (notes 2, 12, 14 and 15)	(67,035)	(29,975)	(444)
Gain (loss) on disposal or sales of fixed assets-net (notes 12 and 14)	16,166	19,436	107
Other income (expense)-net (notes 2, 15, 18, 24, 26 and 31)	31,302	9,248	207
Total other income (expenses)	(615,795)	(644,576)	(4,078)
Finance income (costs) (notes 2 and 9)**:**			
Interest income	64,302	47,757	426
Dividend income	210,671	154,942	1,395
Interest expense (note 18)	(168,064)	(114,582)	(1,113)
Total finance income (costs)	106,909	88,117	708
Share of profit (loss) of investments accounted for using the equity method (notes 2, 6, 7 and 31)	491,564	555,526	3,255
Profit before income taxes	1,302,393	1,395,295	8,625
Income taxes (notes 2 and 25)	(221,914)	(240,668)	(1,470)
Profit for the year	1,080,479	1,154,627	7,155
Profit for the year attributable to:			
Owners of the parent (note 7)	1,063,684	1,130,630	7,044
Non-controlling interests	16,795	23,997	111

	Yen		U.S. dollars (note 2)
Earnings per share attributable to owners of the parent (notes 2 and 21)**:**			
Basic	705.60	721.82	4.67
Diluted	705.14	721.41	4.67

Consolidated Statements of Income and Comprehensive Income—(Continued)
Consolidated Statements of Comprehensive Income
Mitsui & Co., Ltd. and subsidiaries
Years Ended March 31, 2024 and 2023

	Mn JPY		Mn USD (note 2)
	2024	2023	2024
Comprehensive income:			
Profit for the year	1,080,479	1,154,627	7,155
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Financial assets measured at FVTOCI (notes 2 and 9)	66,472	(238,455)	440
Remeasurements of defined benefit pension plans (notes 2 and 19)	39,778	9,343	264
Share of other comprehensive income of investments accounted for using the equity method (notes 6 and 31)	(1,025)	(12,811)	(7)
Income tax relating to items not reclassified (note 20)	(29,092)	45,527	(193)
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation adjustments (notes 2 and 9)	75,110	(24,268)	498
Cash flow hedges (notes 2 and 9)	(20,180)	30,209	(134)
Share of other comprehensive income of investments accounted for using the equity method (note 6)	458,572	297,685	3,037
Reclassification adjustments	(83,836)	6,477	(555)
Income tax relating to items that may be reclassified (note 20)	(6,883)	(17,444)	(45)
Total other comprehensive income	498,916	96,263	3,305
Comprehensive income for the year	1,579,395	1,250,890	10,460
Comprehensive income for the year attributable to:			
Owners of the parent	1,544,461	1,224,588	10,228
Non-controlling interests (note 20)	34,934	26,302	232

Consolidated Statements of Changes in Equity
Mitsui & Co., Ltd. and subsidiaries
Years Ended March 31, 2024 and 2023

Mn JPY	Attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total		
Balance as at April 1, 2022	342,384	376,516	4,165,962	827,441	(107,098)	5,605,205	190,211	5,795,416
Profit for the year			1,130,630			1,130,630	23,997	1,154,627
Other comprehensive income for the year (notes 2, 9 and 20)				93,958		93,958	2,305	96,263
Comprehensive income for the year			1,130,630	93,958		1,224,588	26,302	1,250,890
Transaction with owners:								
Dividends paid to the owners of the parent (per share 125 yen)			(198,082)			(198,082)		(198,082)
Dividends paid to non-controlling interest shareholders							(22,380)	(22,380)
Acquisition of treasury stock					(270,257)	(270,257)		(270,257)
Sales of treasury stock		(252)	(284)		537	1		1
Cancellation of treasury stock			(310,666)		310,666	-		-
Compensation costs related to share-based payment	176	3,906				4,082		4,082
Equity transactions with non-controlling interest shareholders (notes 2 and 20)		1,699		514		2,213	3,265	5,478
Transfer to retained earnings (notes 2 and 20)			52,950	(52,950)		-		-
Balance as at March 31, 2023	342,560	381,869	4,840,510	868,963	(66,152)	6,367,750	197,398	6,565,148
Profit for the year			1,063,684			1,063,684	16,795	1,080,479
Other comprehensive income for the year (notes 2, 9 and 20)				480,777		480,777	18,139	498,916
Comprehensive income for the year			1,063,684	480,777		1,544,461	34,934	1,579,395
Transaction with owners:								
Dividends paid to the owners of the parent (per share 160 yen)			(242,368)			(242,368)		(242,368)
Dividends paid to non-controlling interest shareholders							(20,457)	(20,457)
Acquisition of treasury stock					(139,283)	(139,283)		(139,283)
Sales of treasury stock		(569)	(293)		862	0		0
Cancellation of treasury stock			(135,946)		135,946	-		-
Compensation costs related to share-based payment	502	7,093				7,595		7,595
Equity transactions with non-controlling interest shareholders (notes 2 and 20)		3,463		230		3,693	16,220	19,913
Transfer to retained earnings (notes 2 and 20)			26,149	(26,149)		-		-
Balance as at March 31, 2024	343,062	391,856	5,551,736	1,323,821	(68,627)	7,541,848	228,095	7,769,943

Mn USD (note 2)	Attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total		
Balance as at March 31, 2023	2,269	2,529	32,056	5,755	(438)	42,171	1,308	43,479
Profit for the year			7,044			7,044	111	7,155
Other comprehensive income for the year (notes 2, 9 and 20)				3,184		3,184	121	3,305
Comprehensive income for the year			7,044	3,184		10,228	232	10,460
Transaction with owners:								
Dividends paid to the owners of the parent (per share 1.06 USD)			(1,605)			(1,605)		(1,605)
Dividends paid to non-controlling interest shareholders							(135)	(135)
Acquisition of treasury stock					(922)	(922)		(922)
Sales of treasury stock		(4)	(2)		6	0		0
Cancellation of treasury stock			(900)		900	-		-
Compensation costs related to share-based payment	3	47				50		50
Equity transactions with non-controlling interest shareholders (notes 2 and 20)		23		1		24	106	130
Transfer to retained earnings (notes 2 and 20)			173	(173)		-		-
Balance as at March 31, 2024	2,272	2,595	36,766	8,767	(454)	49,946	1,511	51,457

Consolidated Statements of Cash Flows
Mitsui & Co., Ltd. and Subsidiaries
Years Ended March 31, 2024 and 2023

	Mn JPY		Mn USD (note 2)
	2024	2023	2024
Operating activities:			
Profit for the year	1,080,479	1,154,627	7,155
Adjustments to reconcile profit for the year to cash flows from operating activities:			
Depreciation and amortization	293,573	272,689	1,944
Change in retirement benefit liabilities	4,750	(11,708)	31
Loss allowance	8,967	18,857	59
(Gain) loss on securities and other investments-net	(198,063)	(59,524)	(1,312)
Impairment (reversal) loss of fixed assets-net	67,035	29,975	444
(Gain) loss on disposal or sales of fixed assets-net	(16,166)	(19,436)	(107)
Interest income, dividend income and interest expense	(142,922)	(123,867)	(947)
Income taxes	221,914	240,668	1,470
Share of (profit) loss of investments accounted for using the equity method	(491,564)	(555,526)	(3,255)
Valuation (gain) loss related to contingent considerations and others	10,173	(2,137)	67
(Gain) loss on changes in estimates of asset retirement obligations of oil and gas projects (note 18)	(45,636)	-	(302)
Changes in operating assets and liabilities:			
Change in trade and other receivables	(37,128)	216,139	(246)
Change in inventories	53,915	53,699	357
Change in trade and other payables	30,955	(295,922)	205
Change in accounts receivable-other	(150,716)	(57,816)	(998)
Change in derivative assets and liabilities	(72,903)	(40,011)	(483)
Other-net	(29,528)	(99,509)	(194)
Interest received	91,893	84,250	609
Interest paid	(157,442)	(96,668)	(1,043)
Dividends received	550,836	574,208	3,648
Income taxes paid	(253,440)	(264,980)	(1,678)
Income taxes refunded	45,437	29,529	301
Cash flows from operating activities	864,419	1,047,537	5,725
Investing activities (note 28):			
Change in time deposits	2,955	37,048	20
Investments in equity accounted investees	(449,802)	(238,613)	(2,979)
Proceeds from sales of investments in equity accounted investees	143,716	135,185	952
Purchases of other investments	(92,432)	(100,431)	(612)
Proceeds from sales and maturities of other investments	112,556	134,297	745
Increases in loan receivables	(15,768)	(27,875)	(104)
Collections of loan receivables	39,783	23,689	263
Purchases of property, plant and equipment	(294,771)	(228,065)	(1,952)
Proceeds from sales of property, plant and equipment	50,507	38,022	334
Purchases of investment property	(8,481)	(12,303)	(56)
Proceeds from sales of investment property	37,573	60,705	249
Acquisition of subsidiaries or other businesses (note 3)	(106,302)	-	(704)
Proceeds from sales of subsidiaries or other businesses	152,919	-	1,013
Cash flows from investing activities	(427,547)	(178,341)	(2,831)
Financing activities (note 28):			
Change in short-term debt	(203,168)	168,678	(1,345)
Proceeds from long-term debt	860,848	1,041,157	5,701
Repayments of long-term debt	(1,204,625)	(1,258,804)	(7,978)
Repayments of lease liabilities (note 7)	(73,984)	(65,454)	(490)
Purchases and sales of treasury stock	(139,259)	(270,246)	(922)
Dividends paid	(242,368)	(198,082)	(1,605)
Transactions with non-controlling interests shareholders	(10,522)	(51,934)	(70)
Cash flows from financing activities	(1,013,078)	(634,685)	(6,709)
Effect of exchange rate changes on cash and cash equivalents	84,280	27,751	557
Change in cash and cash equivalents	(491,926)	262,262	(3,258)
Cash and cash equivalents at beginning of year	1,390,130	1,127,868	9,206
Cash and cash equivalents at end of year	898,204	1,390,130	5,948

Interest income, dividend income and interest expense, interest received, interest paid and dividends received in the consolidated statements of cash flows include not only interest income, dividend income and interest expense that are included in finance income (costs) in the consolidated statements of income, but also interest income, dividend income, interest expense that are included in revenue and cost together with their related cash flows.

1. REPORTING ENTITY

Mitsui & Co., Ltd. (the "Company") is a company incorporated in Japan. The consolidated financial statements of the Company have an annual closing date as of March 31. The consolidated financial statements are comprised of the financial statements of the Company, its subsidiaries, and its interests in associated companies and joint ventures (collectively, the "equity accounted investees").

In each business area including Mineral & Metal Resources, Energy, Machinery & Infrastructure, Chemicals, Iron & Steel Products, Lifestyle and Innovation & Corporate Development, the Company and its consolidated subsidiaries engage in a diversified range of services, including trading, manufacturing, transport, and financial services involving various commodities, making full use of the global office network, which is centering on the Company, a general trading company, with its ability to gather information. The Company and its consolidated subsidiaries furthermore engage in a wide range of initiatives that include development of natural resources and infrastructure projects, business investments in relation to the environment, new technologies, next-generation fuel and wellness, and value creation that leverages digital tools.

2. BASIS OF CONSOLIDATED FINANCIAL STATEMENTS AND SUMMARY OF MATERIAL ACCOUNTING POLICIES

I. STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

II. FUNCTIONAL CURRENCY AND PRESENTATION CURRENCY

The consolidated financial statements are presented in Japanese yen. It is the functional currency of the Company, and all financial information presented in Japanese yen has been rounded to the nearest million.

The translation of Japanese yen amounts into U.S. dollar amounts for the year ended March 31, 2024 is included solely for the convenience of readers outside Japan. The translation has been made at the rate of ¥151=U.S. $1, the approximate rate of exchange at March 31, 2024. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

III. BASIS OF MEASUREMENT

The consolidated financial statements have been prepared under the historical cost basis, except for items such as financial instruments, assets and liabilities related to defined benefit pension plans, and a part of inventories as explained in V. SUMMARY OF MATERIAL ACCOUNTING POLICIES.

IV. USE OF ESTIMATES AND JUDGMENTS

The preparation of the consolidated financial statements requires management to make judgments based on assumptions and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from these judgments based on assumptions and estimates. The judgments based on assumptions and estimates are reviewed on an ongoing basis. The Russia-Ukraine situation and the resulting sanctions against Russia have a global impact and may affect various business fields in which we operate. However, the extent of the impact varies among products, businesses, and locations. Therefore, the estimates are determined based on each situation.
Main assumptions and estimates that may have a significant risk of resulting in a material adjustment in the consolidated financial statements within the next financial year are as follows:

- Impairment and its reversal of non-financial assets and investments accounted for using the equity method (See V. SUMMARY OF MATERIAL ACCOUNTING POLICIES "Impairment and its reversal of non-financial assets and investments accounted for using the equity method", "Oil and gas producing activities", Note 6 "INVESTMENTS ACCOUNTED FOR USING THE

EQUITY METHOD", Note 12 "PROPERTY, PLANT AND EQUIPMENT", Note 14 "INTANGIBLE ASSETS" and Note 15 "EXPLORATION AND EVALUATION FOR MINERAL RESOURCES AND OIL & GAS")

The Company and its subsidiaries perform impairment tests for non-financial assets (property, plant and equipment, investment property and intangible assets) and investments accounted for using the equity method. In addition, the Company and its consolidated subsidiaries perform an impairment's reversal test, except for goodwill.

Of the recoverable amount, the fair value is assessed as the price in an orderly transaction between market participants, such as the market price of marketable investments in equity accounted investees and the price on the appraisal report by the independent third party. The value in use is estimated using cash flow projections and discount rates based on the business plan authorized by management the operating plan reflecting the most recent condition of the non-financial asset, if the business plan is not available. A profit margin which is deemed to be the market average and the risks inherent in the non-financial assets or cash-generation units is used as discount rate to calculate value in use.

The factors to be considered when estimating future cash flow and determining discount rates vary because of the difference in nature of the assets and in operating circumstances, such as location, owner, operator, profitability and other factors.

For example, with respect to non-financial assets or cash-generating units related to resource businesses such as crude oil, future cash flows are estimated using the oil price and the Company forecasts that Brent Crude price will decrease from the recent US $85/bbl to US$80/bbl in the short term and remain at US$80/bbl after then, considering the recent market price and several third parties' forecasts.

These estimates may be affected by uncertain future operating circumstances and changes in the external environment, and if actual cash flows differ from the estimates or the discount rate is revised, it may have a material impact on the amount of recoverable amount in the consolidated financial statements for the next fiscal year.

- Revaluation of financial instruments (See V. SUMMARY OF MATERIAL ACCOUNTING POLICIES "Financial instruments", Note 8 "RECEIVABLES AND RELATED ALLOWANCES", Note 9 "DISCLOSURES ABOUT FINANCIAL INSTRUMENTS AND RELATED MATTERS" and Note 26 "FAIR VALUE MEASUREMENT")

Trade and other receivables

The Company and its subsidiaries measure the loss allowance for trade and other receivables.

The estimates in measuring the loss allowance may be affected by future changes in credit risk and other factors. If the expected credit losses are revised due to existence of significant increase in credit risk and credit impairment, the amount of the loss allowance may be materially affected in the consolidated financial statements for the next fiscal year.

Other investments

The Company and its subsidiaries measure other investments at fair value other than financial assets measured at amortized cost. Other investments include non-marketable other investments measured at fair value principally using the discounted cash flow method, the market comparison approach and other appropriate valuation techniques considering various assumptions, including expected future cash flows and discount rates reflecting the related risk of the investee. They are classified as level 3 considering the degree to which these inputs are observable in the relevant markets. Cash flow projections used in the discounted cash flow method are based on the business plan authorized by investee's management, and discount rate is calculated considering a profit margin, which is deemed to be the market average reflecting the risks inherent in the investment. See Note 26 "FAIR VALUE MEASUREMENT" for quantitative information about Level 3 fair value measurements.

These estimates may be affected by uncertain future operating circumstances and changes in the external environment, and if actual cash flows differ from the estimates or the discount rate is revised, it may have a material impact on the amount of fair value in the consolidated financial statements for the next fiscal year.

- Provisions (See V. SUMMARY OF MATERIAL ACCOUNTING POLICIES "Provisions" and Note 18 "PROVISIONS")

The Company and its subsidiaries record an asset retirement obligation for costs of dismantling and removing assets mainly related to mining and oil and gas production facilities as provisions.

The estimates of an asset retirement obligation may be affected by uncertain future operating circumstances and changes in the external environment, and if costs of dismantling and removing assets is revised, it may have a material impact on the amount of an asset retirement obligation in the consolidated financial statements for the next fiscal year.

- Measurement of defined benefit obligations (See V. SUMMARY OF MATERIAL ACCOUNTING POLICIES "Employee benefits" and Note 19 "EMPLOYEE BENEFITS")

The Company and certain subsidiaries record the difference between the defined benefit obligation related to defined benefit pension plans and severance indemnity plans and the fair value of plan assets as retirement benefit liabilities.

The estimates of defined benefit obligation are based on various actuarial assumptions such as discount rate. The discount rate used by the companies is determined based on the yield on highly rated fixed-rate corporate bonds at the measurement date of each period. Differences in actual results or revisions to these actuarial assumptions may have a material impact on the amount of defined benefit obligation in the consolidated financial statements for the next fiscal year.

- Recoverability of deferred tax assets (See V. SUMMARY OF MATERIAL ACCOUNTING POLICIES "Income taxes" and Note 25 "INCOME TAXES")

The Company and its subsidiaries determine the recoverability of deferred tax assets.

The amount of recoverable deferred tax assets is estimated based on all available evidence including the timing when the temporary differences, tax loss carryforwards or tax credit carryforwards are expected to reverse and the forecast of future taxable incomes of the Company and its subsidiaries. The future taxable income is estimated mainly based on expected resource prices, reserve estimation by external institutions and long-term sales agreements.

The estimates of recoverability of deferred tax assets may be affected by uncertain future economic conditions and other factors, and if the forecast of future taxable incomes is revised or statutory tax rates are changed, it may have a material impact on the amount of deferred tax assets in the consolidated financial statements for the next fiscal year.

- Impact of climate change

The business of the Company and its consolidated subsidiaries that is affected by climate change and of which related assets and liabilities are material is the business in the Energy segment. The assets and liabilities may be affected by future situations.

The material accounting estimates and judgments at the end of the current fiscal year are as follows.

The Energy segment consists mainly of upstream oil and gas development businesses and LNG businesses. If the demand for oil and gas and LNG declines due to further restrictions and tighter regulations as the global trend toward low-carbon and decarbonization intensifies, it may lead to impairment of property, plant, and equipment, a decrease in the investment of the equity accounted investee, and a decrease in the fair value of other investments in existing projects. These valuations are primarily affected by the price of crude oil, and the assumptions are estimated by considering the recent market price and the medium- to long-term outlook published by several third-party organizations. Of the third-party organizations, the Company focuses on STEPS (Stated Policies Scenario) among scenarios published by the IEA, but we also refer to other scenarios.

The main assets and liabilities in the Energy segment recorded in the consolidated statements of financial position as of the end of the current fiscal year are as follows.

Property, plant and equipment	778,685 million yen
Investments accounted for using the equity method	650,685 million yen
Other investments	272,963 million yen
Provisions (Non-current)	142,032 million yen

The accounting estimates in the consolidated financial statements are made by taking into consideration the specific circumstances of each business in a comprehensive manner and are not determined solely based on scenario analysis related to climate change for measurement of assets and liabilities.

Changes in judgments based on assumptions and estimates which could affect the accompanying consolidated financial statements are mainly as follows.

- Impairment losses for non-financial assets (See Note 12 "PROPERTY, PLANT AND EQUIPMENT" and Note 14 "INTANGIBLE ASSETS")
- Provisions (See Note 18 "PROVISIONS")
- Revaluation of financial instruments (See Note 26 "FAIR VALUE MEASUREMENT")
- Contingent liabilities (See Note 27 "CONTINGENT LIABILITIES" and Note 31 "IMPACT OF THE RUSSIA-UKRAINE SITUATION ON THE RUSSIAN LNG BUSINESS")

Information about material judgments made in the application of the accounting policies which have an impact on the consolidated financial statements are as follows:

- Scope of consolidated subsidiaries, associated companies, and joint ventures (See V. SUMMARY OF MATERIAL ACCOUNTING POLICIES "Consolidation", "Investments in associated companies and joint arrangements", Note 5 "CONSOLIDATED SUBSIDIARIES" and Note 6 "INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD")
- Financial instruments (See V. SUMMARY OF MATERIAL ACCOUNTING POLICIES "Financial instruments", Note 9

"DISCLOSURES ABOUT FINANCIAL INSTRUMENTS AND RELATED MATTERS" and Note 26 "FAIR VALUE MEASUREMENT")

- Accounting for leases (See V. SUMMARY OF MATERIAL ACCOUNTING POLICIES "Leasing" and Note 10 "LEASES")

V. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Consolidation

The consolidated financial statements include the accounts of the Company, its subsidiaries (which are controlled either directly or indirectly through voting or similar rights), and structured entities ("SEs"). They are collectively called the "companies," where the Company or one of its subsidiaries have control. SEs are entities controlled through means other than voting or similar rights. The word "control" is used based on its definition in IFRS 10 "Consolidated Financial Statements," so that the companies consider all facts and circumstances, including existing rights and substantive rights included within agreements with investees.

The consolidated financial statements include financial statements of certain subsidiaries with different fiscal year-ends from that of the Company, as the Company considers it impracticable to unify the fiscal year-ends of such subsidiaries with that of the Company.

Major consolidated subsidiaries with different fiscal year-ends include subsidiaries that operate exploration, development and production of oil and gas. As the Company is a non-operator in such operations and the financial information is prepared by the operators, the Company is unable to obtain necessary information from the operators in time for the preparation of the Company's year-end consolidated financial statements. For the same reason, it is also impracticable to prepare additional financial statements for these subsidiaries as of the same date as the Company's year-end date. Therefore, financial information for such subsidiaries with fiscal year-ends of December 31 is included in the Company's consolidated results.

There are other consolidated subsidiaries for which it is also considered impracticable to unify on fiscal year-ends with on the Company's due to requirements of local laws and regulations, and it is also impracticable to prepare additional financial statements for these subsidiaries as of the same date as the Company's year-end date due to certain facts and circumstances such as local business practices and the environment surrounding their respective accounting systems. The fiscal year-ends of such consolidated subsidiaries are mainly December 31.

Adjustments are made for the effects of significant transactions or events that occur between the ends of the fiscal years of such consolidated subsidiaries and that of the Company.

Changes in the companies' ownership interests that are made while retaining their controlling financial interests in their subsidiaries are accounted for as equity transactions. When the companies cease to have their controlling financial interests, any retained investments are measured at their fair value at that date. The difference between the fair value and the carrying amount of the retained non-controlling investments is recognized as gain (loss) on securities and other investments－net.

Investments in associated companies and joint arrangements

Associated companies are entities over which the Company and its subsidiaries own 20% or more of the voting rights. The exceptions to this rule include the entities in which it can be clearly demonstrated that the Company and its subsidiaries are unable to exercise significant influence over the financial and operating policy decisions of the investees, or those whereby the companies have the ability to exercise significant influence despite holding less than 20% ownership. Investments in associated companies are accounted for using the equity method.

Joint arrangements are arrangements in which decisions about relevant activities require the unanimous consent of the parties sharing control. When the parties that have joint control of the arrangement have substantial rights to the assets and obligations for the liabilities, relating to the arrangement, the arrangement is a joint operation. When an arrangement is structured through a separate vehicle and the parties that have joint control of the arrangement have rights to the net assets of the arrangement, the arrangement is classified as a joint venture. A joint operation is accounted for by recognizing the assets, liabilities, revenues and expenses relating to its interest in the joint operation. A joint venture is accounted for using the equity method.

Robe River Iron Associates (the Company's percentage of ownership: 33%), which conducts iron ore mining activities in Australia, is a major joint operation.

Losses recognized under the equity method are recorded in Share of profit (loss) of investments accounted for using the equity method in the Consolidated Statements of Income or in Other comprehensive income in the Consolidated Statements of Comprehensive Income, considering the priority of recoverability of assets related to the losses among other things.

The consolidated financial statements include some associated companies, joint ventures and joint operations with different fiscal year-ends from that of the Company. It is impracticable to unify the fiscal year-ends due to the requirement of local laws and regulations and relationships with other shareholders. It is also impracticable to prepare additional financial statements as of the same date as the financial statements of the companies due to certain factors such as local business practices and the environment surrounding their respective accounting systems. The fiscal year-ends of associated companies, joint ventures and joint operations are generally December 31.
Adjustments are made for the effects of significant transactions or events that occur between the ends of the fiscal years of such associated companies, joint ventures and joint operations and that of the Company.
The Companies discontinues the use of the equity method from the date when an investment ceases to be an associated company or a joint venture. Any retained investments are measured at their fair value at that date, and the difference between the fair value and the carrying amount of the retained investments is recognized as gain (loss) on securities and other investments－net. Regarding impairment of investments accounted for using the equity method, please refer to "*Impairment and its reversal of non-financial assets and investments accounted for using the equity method.*"

Business combinations

In accordance with IFRS 3 "Business Combinations," all business combinations are accounted for using the acquisition method. This is a method where all assets and liabilities of an acquired company, including non-controlling interests, are measured at fair value. The differences between consideration transferred and the net fair value of identifiable assets and liabilities are recognized as goodwill when the consideration transferred is in excess of the net fair value of identifiable assets and liabilities. If the net fair value of identifiable assets and liabilities exceed the consideration transferred, the excess is recognized immediately as a gain in the Consolidated Statements of Income for the year.

Foreign currency translation

The assets and liabilities of foreign subsidiaries and equity accounted investees are translated into Japanese yen using the spot exchange rate at the respective reporting date. All income and expense accounts are translated into Japanese yen using average rates of exchange for the respective reporting period. The resulting translation adjustments are recognized in other components of equity.

Foreign currency transactions are translated into functional currencies of individual companies using the spot exchange rate at the date of transactions. At the end of each reporting period, monetary assets and liabilities, and non-monetary assets and liabilities measured at fair value denominated in foreign currencies are translated into functional currencies using the spot exchange rate at the reporting date. The exchange differences arising from translation are recognized in profit for the year.

Non-monetary items measured at historical cost denominated in foreign currencies are translated using the spot exchange rate at the date of transaction.

Cash equivalents

Cash equivalents are defined as short-term (original maturities of three months or less), highly liquid investments which are readily convertible into cash and have no significant risk of change in value. These include certificates of deposit, time deposits, financing bills and commercial paper with original maturities of three months or less.

Inventories

Inventories, consisting mainly of commodities and materials for sale, are measured at the lower of cost and net realizable value. The cost of inventory items that is not ordinarily interchangeable is assigned by using specific identification of their individual costs. For those items that are interchangeable, the costs are mainly assigned by using the weighted-average cost formula. Inventories acquired for the purpose of being sold in the near term to profit from fluctuations in price are measured at fair value less costs to sell, and changes in the fair value less costs to sell are recognized in profit for the year.

Financial instruments

Non-derivative financial assets

Trade and other receivables are recognized at fair value on initial recognition. Regular purchases of other financial assets are recognized at fair value on the trade date. These financial assets are derecognized if they satisfy any of the following conditions:

- the contractual rights to the cash flows from the financial asset have expired; or
- the contractual rights to receive the cash flows of the financial asset have been transferred, and substantially all risks and rewards of the ownership of financial asset have been transferred.

Non-derivative financial assets are classified and measured as follows:

Non-derivative financial assets that are debt instruments are measured at amortized cost if they meet the following two criteria: held for the purpose of collecting contractual cash flows, and have contractual terms which give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortized cost is calculated by using the effective interest rate method. For financial assets measured at amortized cost, the companies consider if an impairment has occurred. Please see *Impairment of financial assets* regarding impairment.

Equity financial instruments and non-derivative financial assets that do not satisfy the requirements to be measured at amortized cost are measured at fair value through profit or loss ("FVTPL"). However, for certain equity financial instruments held primarily for the purpose of enhancing the revenue base by maintaining or strengthening the trade relationship with the investees, the companies elect at initial recognition to designate these instruments as at fair value through other comprehensive income ("FVTOCI").

When financial assets measured at FVTOCI are derecognized, the accumulated other components of equity are directly reclassified to retained earnings without being recognized in profit for the year. Dividend income received on financial assets measured at FVTOCI is recognized in profit for the year in principle.

Non-derivative financial liabilities

The companies have non-derivative financial liabilities including corporate bonds and loans payable, trade and other payables, and other financial liabilities. Corporate bonds issued by the companies are recognized on the issue date and all other non-derivative financial liabilities are recognized on the trade date at fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial liabilities. Subsequent to initial recognition, non-derivative financial liabilities are measured at amortized cost using the effective interest method.
The companies derecognize a non-derivative financial liability only when it is extinguished (that is, the underlying obligation specified in the contract is discharged, cancelled or expires).

・ Non-derivative financial assets and non-derivative financial liabilities measured at amortized cost affected by interest rate benchmark reform
Interest rate benchmark reform – Phase 2
The companies had applied "Interest rate benchmark reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)" issued in August 2020. For non-derivative financial assets and non-derivative financial liabilities measured at amortized cost, a change in the basis for determining the contractual cash flows of a financial asset or financial liability that had been required by interest rate benchmark reform had been accounted for by updating the effective interest rate of the financial asset or financial liability.
The above measures had been implemented until the suspension of publication of interest rate benchmarks reform; however, the application of the exception had been terminated because there was no longer any uncertainty with the suspension of publication of interest rate benchmarks reform during the current fiscal year.

Impairment of financial assets

For financial assets that are measured at amortized costs, the companies measure the loss allowance at an amount equal to 12-month expected credit losses if the credit risk on a financial asset has not increased significantly since initial recognition, and measure the loss allowance at an amount equal to lifetime expected credit losses if the credit risk on a financial asset has increased significantly since initial recognition. However, for trade receivables recognized based on the IFRS 15 "*Revenue from Contracts with Customers*" and contract assets, the loss allowance is measured at an amount equal to the lifetime expected credit loss without assessing whether the credit risk on a financial asset has increased significantly since initial recognition.

When determining significant increases in the credit risk and measuring expected credit losses, both quantitative and qualitative information is considered to provide reason and support. The information includes reasonable and available forward-looking information, as well as internal information such as historical credit loss experience, past due information and internal credit ratings. The loss allowance is measured by a function using probability of default, loss given default, discount factor and exposures based on this information. In addition, the companies determine that the credit risk on a financial asset has increased significantly since initial recognition in principal when contractual payments are more than 30 days past due.

Information such as significant financial difficulty of the issuer or the debtor or a breach of contract such as payments past due are used for determining if any of the counterparties is in the default. If the debtor is under legal reorganization and in financial failure or has issues repaying debts due to financial difficulty, although it may not yet be in financial failure, or the principal and interest payments are 90 days past due as of the reporting date, the companies determine that the default has occurred and an objective evidence of credit impairment exists. The loss allowance for the credit-impaired financial asset is also measured in the same way as financial assets that are not credit-impaired. In addition, loss allowance for certain credit-impaired financial asset is individually measured by the estimation of expected credit losses by using the present value of expected future cash flows discounted at the effective interest rate based on the original terms of the contract, or at fair value of the collateral and other credit enhancement if their value depends on the collateral and other credit enhancement based on the latest information and events.

The financial assets are directly written off when certain conditions are met. The following are examples of when it is reasonably determined that all or part of a financial asset is not collectable: write-off of financial assets by legal liquidation, obtaining of evident facts that suggest that it is impossible for the debtors to repay their debts from their perceived solvency and/or asset situation, and arrearage of payment after a certain period of time after a suspension of business operations.

The provision or the reversal of loss allowance is recognized in profit for the year.

Finance income and costs

Finance income and costs consist of items such as interest income, interest expense, dividend income and gain or loss on hedging instruments recognized in profit for the year. Interest income and interest expense are recognized using the effective interest method. Dividend income is recognized on the date when the rights of the companies to received dividends vest. See *Derivative instruments and hedging activities* for accounting for gains or losses arising from hedging instruments.

Derivative instruments and hedging activities

The companies are exposed to market risks related to foreign currency exchange rates, interest rates and commodity prices in the ordinary course of business. In order to mitigate or reduce these risks, the companies use mainly derivative instruments, such as foreign exchange forward contracts, currency swap agreements, interest rate swap agreements, commodity futures, forwards, options and swap contracts. These derivative instruments hedge the exposure to changes in the fair value or expected future cash flows of recognized assets and liabilities, unrecognized firm commitments or forecasted transactions. The companies also use derivative instruments and non-derivative financial instruments, such as foreign currency-denominated debt, to hedge foreign currency exposure to net investments in foreign operations.

The companies recognize all derivative instruments as an asset or a liability at fair value as at the date on which they become party to the relevant agreement. Subsequent to initial recognition, derivative instruments are measured at fair value with any changes in fair value accounted for as follows:

・ Hedging relationships affected by interest rate benchmark reform

The companies had applied the “Interest Rate Benchmark Reform (Revisions to IFRS 9, IAS 39 and IFRS 7)” announced in September 2019, and had directly affected the impact of the Interest Rate Benchmark Reform. Exceptions to hedge accounting had been applied to the hedging relationships received.

Until the suspension of publication of interest rate benchmarks during the current fiscal year, the following measures had been taken as in all consolidated fiscal years; however, the application of the exception had been terminated because there was no longer any uncertainty.

Interest rate benchmark reform – Phase 1

The companies had applied “Interest rate benchmark (Amendments to IFRS 9, IAS 39 and IFRS 7)” issued in September 2019 on April 1, 2020 and had applied the following exceptions to certain hedge accounting requirements for hedging relationships affected by interest rate benchmark reform.

- For the purpose of evaluating whether there had been an economic relationship between the hedged item and the hedging instrument, the companies assume that the benchmark interest rate had been not altered as a result of interest rate benchmark reform.

- For a cash flow hedge of a forecast transaction designated as a hedged item, the companies had assumed that the benchmark interest rate would not be altered as a result of interest rate benchmark reform for the purpose of assessing whether the occurrence of the forecast transaction is highly probable.
- When determining whether a previously designated forecast transaction in a discontinued cash flow hedge had been still expected to occur, the companies had assumed that the interest rate benchmark cash flows designated as a hedge will not be altered as a result of interest rate benchmark reform.

The companies would have ceased to apply the exceptions above for assessing the economic relationship between the hedged item and the hedging instrument when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows of the hedged item or hedging instrument, or when the hedging relationship is discontinued. For highly probable assessment of forecast transaction designated as a hedged item, the companies will cease to apply the exceptions above when the uncertainty arising from interest rate benchmark reform about the timing and the amount of the interest rate benchmark-based future cash flows of the hedged item is no longer present, or when the hedging relationship is discontinued.

Interest rate benchmark reform – Phase 2

The companies had applied “Interest rate benchmark reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)” issued in August 2020 on April 1, 2020 and had applied the following exceptions to certain hedge accounting requirements for hedging relationships affected by interest rate benchmark reform.

- When the exceptions provided in “Interest rate benchmark reform – Phase 1” cease to apply, the companies had amended a hedge designation to reflect the changes required by interest rate benchmark reform and had continued the hedge accounting.
- When amending a hedged item designated in cash flow hedge, the companies had deemed that the amount accumulated in the balance in the cash flow hedges were based on the alternative benchmark rate on which the hedged future cash flows were determined

・ Fair value hedges

Derivative instruments held for the purpose of eliminating the risk of changes in the fair value of hedged items are designated as fair value hedges and subject to the assessment of hedge effectiveness. To the extent that they satisfy the requirements for hedge accounting, the companies include the gain or loss on the hedged items in the same line item as the offsetting loss or gain on the derivative instruments designated as hedging instruments mainly as interest expense.

・ Cash flow hedges

Derivative instruments held for the purpose of offsetting the variability in cash flows of the hedged items are designated as cash flow hedges. To the extent that they are effective, any changes in fair value are recognized in other comprehensive income until cash flows of the hedged item affect gain or loss. The amounts previously recognized in other comprehensive income are reclassified into profit for the year mainly as cost, interest expense and other income (expense)-net when earnings are affected by the hedged items.

・ Hedges of net investments in foreign operations

Foreign currency transaction gain or loss on derivative instruments and non-derivative financial instruments that are designated as hedging instruments and deemed effective to reduce the foreign currency exposure of a net investment in a foreign operation are recorded as foreign currency translation adjustments within other comprehensive income to the extent they are effective as a hedge. The amounts in other components of equity are reclassified into profit for the year mainly as gain (loss) on securities and other investments-net when the related investment is sold completely or partially, or the liquidation of the investment is completed. The ineffective portion of the hedging instruments' gain or loss and the component of the derivative instruments' gain or loss excluded from the assessment of hedge effectiveness are recorded immediately in profit for the year mainly as other income (expense)-net.

・ Derivative instruments for trading purposes

The Company and certain subsidiaries use derivative instruments for trading purposes within certain position and loss limits. Derivative instruments for trading purposes are measured at fair value and changes in fair value are recorded in profit for the year as other revenue.

Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the consolidated statements of financial position when, and only when, the companies currently have a legally enforceable right to set off the recognized amounts and intend either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Leasing

The companies are engaged in finance and operating lease businesses. Leases are classified as finance leases whenever they transfer substantially all the risks and rewards of ownership to the lessee. Leases other than finance leases are classified as operating leases. For finance leases, unearned income is amortized to income over the lease term at a constant periodic rate of return on the net investment. Operating lease income is recognized as revenue over the term of underlying leases using the straight-line method.

The companies are also lessees of various assets. If a contract is, or contains, a lease, leases are recognized as a lease liability and a corresponding right-of-use asset at the date at which the asset is available for use by the companies. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to interest expense over the lease term at a constant rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Lease term includes periods of an option to extend the lease if the lessee is reasonably certain to exercise that option and an option to terminate the lease if the lessee is reasonably certain not to exercise that option. Note that short-term leases and leases for which the underlying asset is of low value apply exemption rules of the standards, and recognize the lease payments associated with those leases as an expense mainly on straight-line basis over the lease term.

Property, plant and equipment

Property, plant and equipment are measured based on the cost model and are stated at cost less accumulated depreciation and impairment losses.

Depreciation of property, plant and equipment, except for land and projects in progress, is computed principally under the straight-line method, using rates based on the estimated useful lives of the related assets. The estimated useful lives for buildings and vessels and aircrafts are primarily 2 to 50 years and 3 to 20 years, respectively. Equipment and fixtures are primarily depreciated using the straight-line method (the estimated useful lives are primarily 3 to 30 years) or the unit-of-production method. Mineral rights are primarily amortized using the unit-of-production method.

Investment property

Investment property is measured by using the cost model and is stated at cost less accumulated depreciation and impairment losses. Depreciation of investment property is computed principally under the straight-line method, using rates based upon the estimated useful lives of the related investment property. The estimated useful lives for investment properties are primarily 2 to 50 years.

Intangible assets

Intangible assets include goodwill arising from the acquisition of subsidiaries.
Intangible assets are measured based on the cost model and intangible assets with finite estimated useful lives are stated at cost less accumulated amortization and impairment losses. Goodwill and intangible assets with indefinite estimated useful lives are not amortized and are presented at cost less accumulated impairment losses.
Software is primarily amortized over 5 years using the straight-line method.

Impairment and its reversal of non-financial assets and investments accounted for using the equity method

Non-financial assets and investments accounted for using the equity method are quarterly assessed to determine whether there is any indication of impairment. If any such indication exists, the recoverable amounts of the non-financial asset and investment are estimated. Goodwill and intangible assets with indefinite useful lives are tested for impairment annually. For investments accounted for using the equity method, the entire carrying amount of the investment is tested for impairment as a single asset.

The recoverable amount of an asset or a cash-generating unit ("CGU") is the higher of its fair value less costs of disposal and its value in use and is determined as an individual asset, when the asset generates cash inflows that are largely independent of those from other assets or groups of assets.
If the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and the carrying amount is written down to its recoverable amount. The impairment loss is then recognized in loss for the year. For assets other than goodwill, an assessment is made quarterly as to whether there is any indication of impairment that previously recognized impairment losses may no longer exist or may have decreased. A previously recognized impairment loss is reversed as income in profit for the year. The amount is reversed to the extent that the increased carrying amount of an asset does not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior years only if there has been a change in the assumptions used to determine the recoverable amount of the asset since the last impairment loss was recognized. An impairment loss recognized for goodwill is not reversed.

Oil and gas producing activities

Oil and gas exploration and development costs are accounted for using the successful efforts method of accounting. The costs of acquiring properties, costs of drilling and equipping exploratory wells, and costs of development wells and related plant and equipment are capitalized, and amortized using the unit-of-production method. Exploratory well costs are expensed if economically recoverable reserves are not found. Other exploration costs, such as geological and geophysical costs, are expensed as incurred.

Proved properties are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. If the proved properties are determined to be impaired, an impairment loss is recognized based on the recoverable amount. Unproved properties are assessed whenever there is an indication of impairment, and if the unproved properties are determined to be impaired, impairment losses are charged to expense. The companies make a comprehensive evaluation and record impairment of unproved property based on various factors, such as remaining mining rights periods, examples of sales and purchases in neighboring areas, drilling results and seismic interpretations.

Mining operations

Mining exploration costs are expensed as incurred until the mining project has been established as commercially viable by a final feasibility study. Once established as commercially viable, costs are capitalized as development costs and are amortized using either the unit-of-production method or straight-line method based on the proven and probable reserves.
In surface mining operations, it is necessary to remove overburden and other waste materials to access mineral deposits. The costs of removing waste materials are referred to as "stripping costs." During the development of a mine, before production commences, such costs are generally capitalized as part of development costs. Removal of waste materials continues during the production stage of the mine. Such post-production stripping costs in relation to minerals produced during the fiscal year are variable production costs to be considered as a component of mineral inventory costs. These are recognized as a component of costs in the same period as the related revenues from sales of the minerals. In contrast, post-production stripping costs incurred that relate to minerals to be produced in the subsequent fiscal year are capitalized, and are amortized using either the unit-of-production method or straight-line method based on the proved and probable reserves.

Provisions

Provisions are recognized when the companies have a present obligation (legal or constructive) as a result of a past event, it is probable that outflows of resources embodying economic benefits will be required to settle the obligation, and reliable estimates of the amount of the obligations can be made. Provisions are measured as the best estimate of the amount of expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted to their present value using a pretax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance costs.

Asset retirement obligations

The companies recognize costs of dismantling and removing assets mainly related to mining and oil and gas production facilities, and the companies record the provision for an asset retirement obligation in the period in which it is incurred. When the liability is initially recorded, the companies capitalize the related cost by increasing the carrying amount of the asset. Over time, the liability is increased to its present value to reflect the passage of time, and the capitalized cost is depreciated over the useful life of the related asset.

Employee benefits

The Company and certain subsidiaries have defined benefit pension plans and severance indemnity plans. The costs of defined benefit pension plans and severance indemnity plans are accrued based on amounts determined using actuarial procedures based on the projected unit credit method. The Company and certain subsidiaries recognize the overfunded or underfunded status of a defined benefit plan as an asset or a liability in the consolidated statements of financial position. The remeasurements of defined benefit pension plans are recognized immediately in other components of equity in equity and are transferred to retained earnings on recognition.

The Company and certain subsidiaries also have defined contribution pension plans. Payments to defined contribution pension plans are recognized as an expense when employees have rendered service.

Revenue recognition

Revenue is recognized as follows:

Revenue from contracts with customers

Revenue from contracts with customers is recognized at the time when the performance obligations are satisfied, based on the 5 step approach (1. Identifying the contract with a customer, 2. Identifying the performance obligations of the contract, 3. Determining the transaction price, 4. Allocating the transaction price to performance obligations in the contract and 5. Recognizing the revenue when the entity satisfies a performance obligation). Upon identifying the performance obligations of the contract, a consideration of whether an entity is a principal or an agent is made. If the nature of the entity's promise is a performance obligation to provide the specified goods or services as a principal, revenue is recognized at the gross amount. If the nature of the entity's promise is a performance obligation to arrange for the provision of goods or services by another party, revenues received as an agent is recognized at the amount of any fee or commission to which it expects to be entitled or as a net amount. Revenue is recognized when (or as) the companies satisfy a performance obligation by transferring a promised good or service (i.e. an asset) to a customer when (or as) the customer obtains control of that asset. The time when the customer obtains control of that asset is determined based on the ability to direct the use of and obtain substantially all of the remaining benefits from the asset.

The companies' main performance obligation is the sale of various products; the sale of a wide variety of manufactured products such as metals, chemicals, foods, and general consumer merchandise; the sales of metallurgical coal, iron ore, oil, and gas; and the development and sale of real estate. The companies recognize revenue based on the transfer, acceptance by the customer, or the dispatch of goods for domestic transactions, and recognize revenue based on the transfer of the risks and costs, which is determined by the incoterms, for international transactions. In case that the performance obligation is rendering of services such as logistic and warehouse, information and communication, technical support, and arrangements related to the order, financing or delivery for commissions, revenue is recognized at the time when the completion of services or the elapse of period for rendering services. In regard to determining the time when the customer obtains control of that asset, the verified right to receive the consideration, the legal title, the physical possession, the significant risk and rewards, and the acceptance are assessed.

The consideration is normally received within a year from satisfying the performance obligation and it does not contain a significant financing component. For transactions where the performance obligation is satisfied over time, and only if its progress towards complete satisfaction of the performance obligation can be reasonably measured, revenue is recognized by measuring the progress towards the completion of the satisfaction of the performance obligation. Even if the progress towards complete satisfaction of a performance obligation may not be reasonably measurable, if the costs incurred in satisfying the performance obligation are expected to be recovered, revenue is recognized only to the extent of the costs incurred until the progress can be reasonably measured.

Other revenue

Other revenue principally includes revenues from leasing activities in real estate, rolling stock, ocean transport vessels, aircraft, equipment and others; revenues from derivative commodity instruments and derivative financial instruments held for trading purposes; revenues from FVTPL investments; and revenues from financing. See accounting policies for *Leasing* and *Derivative instruments and hedging activities* for revenue recognition policies regarding leasing and derivative transactions, respectively.

Income taxes

Income taxes comprise current taxes and deferred taxes. Deferred income taxes reflect the impact of temporary differences between assets and liabilities recognized for financial reporting purposes and their tax bases, tax loss carryforwards and tax credit carryforwards. These deferred income taxes are measured using the currently enacted or substantively enacted tax rates in effect for the year in which the temporary differences, tax loss carryforwards or tax credit carryforwards are expected to reverse. Deferred tax assets are recognized except for cases where such deferred tax assets are not deemed to be recoverable.

Deferred tax liabilities are recognized for taxable temporary differences arising from investments in subsidiaries and equity accounted investees unless the companies are able to control the timing of the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets and liabilities are measured at the tax rates that are applicable to the expected manner of recovery or settlement by management.

Upon the introduction of the Expansion of the Petroleum Resource Rent Tax Act in Australia, companies are allowed to elect to use market value as a starting base for transitional projects existing at May 1, 2010. A company electing to use the market value approach can obtain a deduction for the amortization of the market value of the project. The Company's Australian subsidiaries and equity accounted investees apply the market value approach. The Petroleum Resource Rent Tax is regarded as an income tax subject to tax effect accounting in accordance with IAS 12 "Income Taxes" and deferred tax assets have been recognized for the operating assets based on the differences in book values for financial reporting purposes and their tax bases except for the portion that is deemed not to be recoverable. In determining recoverability, several tax deductible items such as royalties and the impact of future augmentation, which will be incurred on tax losses carried forward in the Petroleum Resource Rent Tax, have been considered.

The companies recognize uncertain tax positions in income taxes in the consolidated financial statements if it is not probable that the taxation authority will accept an uncertain tax treatment.

The companies have applied the temporary exception prescribed in IAS 12 "Income Taxes". Accordingly, the companies neither recognize nor disclose information about deferred tax assets and liabilities related to income taxes arising from tax law related to the Pillar Two model rules published by the OECD.

Earnings per share

Basic earnings per share attributable to owners of the parent are computed by dividing profit for the year attributable to owners of the parent by the weighted-average number of common stock outstanding during the reporting period, adjusted for the number of treasury stock acquired. Diluted earnings per share attributable to owners of the parent reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock.

VI. STANDARDS AND INTERPRETATIONS NEWLY APPLIED

The companies applied the following new standards for the consolidated financial statements from April 1, 2023. Impacts from the application of these standards on the consolidated financial statements are immaterial.

IFRS	Title	Summaries
IFRS 17	Insurance Contracts	Fundamental amendment of accounting for insurance contracts
IAS 12	Income Taxes (amended in May 2021)	Clarification of accounting treatment for deferred tax related to assets and liabilities arising from a single transaction
IAS 12	Income Taxes (amended in May 2023)	Accounting treatment and disclosures about income taxes arising from tax law enacted to implement the Pillar Two model rules published by the OECD.

VII. NEW STANDARDS AND INTERPRETATIONS NOT YET APPLIED

The new standards, interpretations, and amendments that have been issued as of the date of the approval of the consolidated financial statements which the companies have not yet applied as of March 31, 2024 are as follows.

IFRS	Title	Reporting periods beginning on or after which the applications are required	Reporting periods of the application by the companies (Reporting period ended)	Summaries of new IFRS and amendments
IAS 1	Presentation of Financial Statements (amended in October 2022)	January 1, 2024	March 31, 2025	Disclosures about liabilities with covenants
IAS 7 IFRS 7	Statement of Cash Flows (amended in May 2023) Financial Instruments: Disclosures (amended in May 2023)	January 1, 2024	March 31, 2025	Disclosures about supplier finance arrangements
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027	March 31, 2028	Presentation and disclosure in financial statements that will provide more transparent and comparable information about financial performance
IFRS 7 IFRS 9	Financial Instruments: Disclosures (amended in May 2024) Financial Instruments (amended in May 2024)	January 1, 2026	March 31, 2027	Clarification of classification and measurement for financial instruments and disclosure of investments in equity

The potential impacts of the application of the new standards and interpretations cannot be reasonably estimated at this time since it will fluctuate according to the demand for funds as of the reporting date for IAS 1 “Presentation of Financial Statements” amended in October 2022, IAS 7 “Statement of Cash Flows” amended in May 2023 and IFRS 7 “Financial Instruments: Disclosures” amended in May 2023, and it is currently under consideration for IFRS 18 “Presentation and Disclosure in Financial Statements”, IFRS 7 “Financial Instruments: Disclosures” amended in May 2024 and IFRS 9 “Financial Instruments” amended in May 2024.

VIII. CHANGES IN PRESENTATION

(Consolidated Statements of Financial Position)
“Income tax receivables”, which was included in “Other current assets” within “Current assets” for the year ended March 31, 2023 is separately presented from the year ended March 31, 2024, from the perspective of materiality.
As a result, the amount of 38,391 million which was presented in “Other current assets” within “Current assets” in the consolidated statements of financial position for the year ended March 31, 2023 has been reclassified and presented for “Income tax receivables”.

(Consolidated Statements of Cash Flows)
Certain reclassifications and format changes have been made to amounts of the Consolidated Statements of Cash Flows for the year ended March 31, 2023 to confirm to the current period presentation.

3. BUSINESS COMBINATIONS

For the year ended March 31, 2023
No material business combinations were completed during the year ended March 31, 2023.

For the year ended March 31, 2024

Acquisition of Additional Shares in AIM SERVICES

On April 6, 2023, the Company acquired 50% equity share (equivalent to 277 stocks) of AIM SERVICES (“Aim”) from Aramark, a U.S. based company. The acquisition price was 68,790 million yen (USD535 million), which was paid in cash and cash equivalents on

hand.
Aim was established in 1976 as a joint venture between Mitsui Group companies and Aramark. Since opening its first location as an employee cafeteria in the Company's former head office building, Aim has expanded its client base in many sectors such as offices, factories, hospitals, welfare facilities, schools, stadiums, and training facilities. Today, Aim supplies a total of around 1.3 million meals daily to approximately 3,900 facilities nationwide. The Company will continue to accelerate Aim's further growth by leveraging its comprehensive strengths and will establish "Integrated Hospitality Service" business centered on Aim, which solves clients' issues by providing diverse services, such as enhancement of health & productivity management and improvement in employee engagement.

The company was in the process of determining its purchase price allocation and presented provisional amounts for assets acquired and liabilities assumed in the Consolidated Financial Statements. The process of determining its purchase price allocation was completed during the year ended March 31, 2024 and following table summarized the consideration paid, the fair values of the previously held equity interest, and the fair values of the assets acquired and liabilities assumed at the acquisition date. The main changes as compared to provisional amounts are Intangible assets decreased by 11,801 million yen, Non-current liabilities decreased by 2,005 million yen and Goodwill increased by 9,581 million yen.

	Mn JPY
Consideration paid	68,790
Fair value of the previously held equity interest	53,656
Total	122,446
Fair values of the assets acquired and liabilities assumed:	
Current assets	32,880
Intangible assets	49,035
Other non-current assets	13,547
Total assets acquired	95,462
Current liabilities	(29,536)
Non-current liabilities	(20,334)
Total liabilities assumed	(49,870)
Net assets acquired	45,592
Goodwill	76,854
Total	122,446

The Company should also recognize the revaluation gain on the previously held equity interest of 50% shares in Aim under the IFRS. Pursuant to the acquisition, the fair values of the previously held equity interest is estimated to be 53,656 million yen, and the Company has recognized 43,449 million yen as the revaluation gain in the Lifestyle Segment in “Gain (loss) on securities and other investments-net” in the Consolidated Statements of Income for the year ended March 31, 2024.
Goodwill primarily consists of excess earning power and synergies with existing operations, and is non-deductible for tax purposes.
In respect of above business combination, the Revenue and Profit for the year since the acquisition date are 190,831million yen and 2,607 million yen, respectively.
A net cash outflow in cash flows from investing activities of 58,846 million yen arising from the above business combination is included in “Acquisition of subsidiaries or other businesses” in the Consolidated Statements of Cash Flows for the year ended March 31, 2024

Acquisition of unconventional gas asset in Texas, U.S.A.

The Company, through its U.S. based subsidiary MEP South Texas, has completed the acquisition of approx. 92% working interest in an unconventional gas asset in Texas, U.S. on April 19, 2023 from the operator, Silver Hill Eagle Ford E&P, a subsidiary of Silver Hill Energy Partners. The total consideration paid in cash was 35,345 million yen (USD263 million), which consists of the bid price and adjustments of CAPEX, costs and revenue incurred between the effective date and the closing date.
This asset (a part of the Hawkville field, approx. gross 8,500 acre) is in South Texas with access to the Gulf Coast industrial area, which includes LNG export terminals and ammonia plants. Additional gas production is expected from this asset with further development and Mitsui E&P USA, a wholly owned subsidiary of the Company, will develop and operate the asset on behalf of MEP South Texas, aiming for stable gas production of over 200 million cubic feet per day from the field, while maintaining a focus on the

safety of employees, the community, and the environment.
The company was in the process of determining its purchase price allocation and presented provisional amounts for assets acquired and liabilities assumed in the Consolidated Financial Statements. The process of determining its purchase price allocation was completed during the year ended March 31, 2024, and following table summarized the consideration paid and the fair values of the assets acquired and liabilities assumed at the acquisition date. The change as compared to provisional amounts is immaterial.

	Mn JPY
Consideration paid	35,345
Total	35,345
Fair values of the assets acquired:	
Property, plant and equipment	35,345
Total assets acquired	35,345
Net assets acquired	35,345

Results of operations since the acquisition date for the above business combination have not been presented because the effects were not material to the consolidated financial statements.
A net cash outflow in cash flows from investing activities arising from the above business combination is included in “Acquisition of subsidiaries or other businesses” in the Consolidated Statements of Cash Flows for the year ended March 31, 2024

Acquisition of Additional Shares in Bussan Animal Health

On May 31, 2023, the Company acquired 100% equity share (equivalent to 2,000 stocks) of Sumitomo Pharma Animal Health (“Sumitomo Pharma AH”) from Sumitomo Pharma. The acquisition price was 12,470 million yen, which was paid in cash and cash equivalents on hand. Sumitomo Pharma AH has changed its corporate name to Bussan Animal Health since June 1, 2023.
Bussan Animal Health leverages its advanced product development capabilities accumulated as a subsidiary of a pharmaceutical manufacturer to develop, manufacture, and sell veterinary medicines for companion animals and livestock, especially in Japan. Using Bussan Animal Health as a business base in Japan, Mitsui will accelerate the introduction of foreign products and exporting domestic products and license. In addition to these activities, Mitsui will also contribute to the growth of the global animal health industry by creating synergies with its wide-ranging business assets, including its animal nutrition business, and with its global networks.

The following table summarized the consideration paid and the fair values of the assets acquired and liabilities at the acquisition date.

	Mn JPY
Consideration paid	12,470
Total	12,470
Fair values of the assets acquired and liabilities:	
Current assets	7,176
Non-current assets	5,049
Total assets acquired	12,225
Current liabilities	(1,466)
Non-current liabilities	(1,824)
Total liabilities	(3,290)
Net assets acquired	8,935
Goodwill	3,535
Total	12,470

Goodwill primarily consists of excess earning power and synergies with existing operations, and is non-deductible for tax purposes.
Results of operations since the acquisition date for the above business combination have not been presented because the effects were not material to the consolidated financial statements.
A net cash outflow in cash flows from investing activities of 10,697 million yen arising from the above business combination is included in “Acquisition of subsidiaries or other businesses” in the Consolidated Statements of Cash Flows for the year ended March

31, 2024.

After the reporting period but before the financial statements are issued, the following business combinations occurred.

Acquisition of Additional Shares in Taylor & Martin Enterprises

On April 19, 2024, the Company, through its subsidiary, acquired all of the shares (equivalent to 127,557 stocks) of Taylor & Martin Enterprises (“Taylor & Martin”). The acquisition price was paid in cash on hand of 37,314 million yen (USD 241 million) and accounts payable-other of 2,012 million yen (USD 13 million).
Taylor & Martin is engaging in a truck auction business in the United States. The Company will combine its multisector networks and solutions with Taylor & Martin's truck auctioning expertise. By geographically expanding the business through the creation of more auction sites in the North American market, and by increasing services, the Company will enhance the customer experience and contribute to Taylor & Martin's further business expansion.
The following table summarizes the consideration paid and the fair value of the assets acquired and liabilities assumed as of the acquisition date. The purchase price allocation has not been completed and the fair values of the assets acquired and liabilities assumed are preliminary.

	Mn JPY
Consideration paid	39,326
Total	39,326
Fair values of the assets acquired and liabilities assumed:	
Current assets	2,947
Non-current assets	10,176
Total assets acquired	13,123
Current liabilities	(2,208)
Total liabilities assumed	(2,208)
Net assets acquired	10,915
Goodwill	28,411
Total	39,326

Goodwill primarily consists of excess earning power and synergies with existing operations and is deductible for tax purposes.

4. ASSETS HELD FOR SALE

Mitsui has agreed to transfer 20% of the shares of Bussan Auto Finance to JA Mitsui Leasing, which is well-versed in finance and leasing, and the share transfer agreement was signed on June 29, 2023. Consequently, the assets and liabilities of Bussan Auto Finance were presented as single line items under "Assets held for sale" and "Liabilities directly associated with assets held for sale" as of June 30, 2023. These accounts primarily included “Trade and other receivables,” “Short-term debt,” “Current portion of long-term debt,” and “Long-term debt, less current portion.” The transfer was closed on September 26, 2023, and the investment to Bussan Auto Finance was reclassified to the investment accounted for using the equity method as of March 31, 2024. The capital gain and loss recognized on the loss of control for the fiscal year ended March 31, 2024, including the gain on the fair value measurement of residual shares, is immaterial. This transaction is included in the Machinery & Infrastructure segment.

5. CONSOLIDATED SUBSIDIARIES

Consolidated subsidiaries

Major consolidated subsidiaries as of March 31, 2024 were as follows:

Registered Name	Principal Lines of Business	Jurisdiction of Incorporation	Ownership of voting shares (%)
Mitsui-Itochu Iron	Mining and sales of Australian iron ore	Australia Perth	70.0
Mitsui Iron Ore Development	Mining and sales of Australian iron ore	Australia Perth	100.0
Mitsui Iron Ore Corporation	Mining and sales of Australian iron ore	Australia Perth	100.0
Mitsui & Co. Iron Ore Exploration & Mining	Mining and sales of Australian iron ore	Australia Perth	100.0
Mitsui Resources	Investments in Australian metallurgical coal business	Australia Brisbane	100.0
Mitsui Oil Exploration	Exploration, development and production of oil, natural gas and geothermal energy resources	Japan Tokyo	100.0
Mitsui E&P USA	Exploration, development and production of oil and natural gas	U.S.A. Houston	100.0
MIT SEL Investment	Investment in Sakhalin Energy	U.A.E Dubai	100.0
MBK USA Commercial Vehicles	Investment in Penske Truck Leasing	U.S.A. Wilmington	100.0
Mitsui Bussan Commodities	Trading of energy and metals derivatives	United Kingdom London	100.0

Changes in owners of parent's ownership interests due to the deconsolidation of subsidiaries

For the year ended March 31, 2024, the companies recognized gain arising from changes in owners of parent's ownership interests due to the deconsolidation of subsidiaries of 94,038 million yen. The gain is recorded in “Gain (loss) on securities and other investments-net” in the Consolidated Statement of Income.
For the year ended March 31, 2023,there is no material gain or loss arising from changes in owners of parent's ownership interests due to the deconsolidation of subsidiaries.

Unconsolidated Structured Entities (Unconsolidated SEs)

The companies are involved with SEs, established mainly for the purpose of real estate investment and financing projects such as, those related to oil and gas, through investments or loans to the SEs.
The activities of these SEs are mainly real estate fund business and providing financing to customers in the form of leases and loans. The entities are financed mainly by bank borrowings and issuance of stock.

The total assets of SEs that the companies are involved with, the carrying amounts of assets and liabilities in the Consolidated Statements of Financial Position that relate to the companies' interests in the SEs, and the companies' maximum exposure to loss as a result of the companies' involvement with the SEs as of March 31, 2024 and 2023 were as follows:

March 31, 2024:

Mn JPY

	Assets and liabilities that relate to interests in SEs		
Total assets of SEs	**Carrying amounts of assets**	**Carrying amounts of liabilities**	**Maximum exposure to loss**
2,453,641	121,050	-	121,050

March 31, 2023:

Mn JPY

	Assets and liabilities that relate to interests in SEs		
Total assets of SEs	**Carrying amounts of assets**	**Carrying amounts of liabilities**	**Maximum exposure to loss**
2,130,151	103,724	-	103,724

Note: The assets that relate to the companies' interests in the SEs are mainly "Other investments" and "Trade and other receivables."

The amount of maximum exposure to loss represents a loss that the companies could incur from financial difficulties of the customers. The amount bears no relation to the loss anticipated to be incurred from the companies' involvement with the SEs and is considered to greatly exceed the anticipated loss.

The maximum exposure to loss that relates to the companies' interests in the SEs represents the amounts of investments and loans provided by the companies to the SEs as of March 31, 2024 and 2023, respectively.

The companies did not provide any financial support to the SEs for the years ended March 31, 2024 and 2023.

Consolidated Structured Entities (Consolidated SEs)

There is no consolidated SE as of March 31, 2024 and 2023.

6. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Primary investees over which the companies have the ability to exercise significant influence despite ownership percentage of less than 20% are as follows:

The companies are the second largest shareholder group, owning 19.87% of Penske Automotive Group, Inc. ("PAG"). The companies entered into a shareholder's agreement with the largest shareholder group owning 51.39% of PAG's voting shares. Based on a reciprocal voting provision set forth in the agreement for any shareholder election of the directors of PAG, the companies and the largest shareholder group constitute a "group" within the meaning of Section 13(d) of the Securities Exchange Act of 1934 and jointly participate in the management of PAG. The investment in PAG is accounted for under the equity method because of the companies' ability to exercise significant influence over operating and financial policies primarily through board representation by a director dispatched from the companies. PAG is utilizing the companies' global network to develop its business activities outside the United States and, as part of the process, the companies substantively participate in PAG's decision-making processes.

One of the consolidated subsidiaries is one of the second largest shareholders, owning 16.60% of Cameron LNG Holdings, LLC ("Cameron"). The investment in Cameron is accounted for under the equity method in consideration of following factors.
The Company entered into a shareholder's agreement with the largest shareholder owning 50.20% of Cameron's voting shares and other shareholders. Based on the agreement, the Company has the ability to exercise significant influence over operating and financial policies through representation on board. In addition to this, other consolidated subsidiary entered into a significant agreement with Cameron's subsidiary.

Primary investee over which the Company does not have control despite ownership percentage of more than 50% is as follows:

The Company is the largest shareholder, owning 70% of Nutrinova Netherlands B.V. (“Nutrinova”). The Company entered into a shareholder’s agreement with the second largest shareholder owning 30% of Nutrinova’s voting shares. Based on the agreement, significant decisions regarding Nutrinova's operations require unanimous consent by the Company and the second largest shareholder. The rights given to the second largest shareholder in the agreement are considered as substantive participating rights, and the Company does not individually control Nutrinova. Accordingly, the Company accounts for its investment in Nutrinova under the equity method.

The carrying amount of the investments accounted for using the equity method for the years ended March 31, 2024 and 2023, consisted of the following:

	Mn JPY	
	2024	**2023**
Associated companies	2,874,280	2,351,889
Joint ventures	1,995,689	1,577,747
Total	4,869,969	3,929,636

Share of profit and other comprehensive income of the equity accounted investees for the years ended March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	**2023**
Profit (loss) for the year		
Associated companies	315,715	357,563
Joint ventures	175,849	197,963
Total	491,564	555,526
Other comprehensive income (loss)		
Associated companies	248,234	116,353
Joint ventures	182,310	146,883
Total	430,544	263,236
Total comprehensive income (loss)	922,108	818,762

Dividends received from the equity accounted investees for the years ended March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	2023
Associated companies	238,169	243,622
Joint ventures	165,022	177,262
Total	403,191	420,884

The carrying value of the investments accounted for using the equity method exceeded the companies' equity in the underlying net assets of those companies. The amounts of such excess value for the years ended March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	2023
Associated companies	596,487	487,256
Joint ventures	137,029	149,984
Total	733,516	637,240

The amount of excess value is attributed first to certain fair value adjustments on a net-of-tax basis at the time of the initial and subsequent investments in those companies with the remaining portion considered as equity method goodwill. The excess value increases or decreases due to foreign currency translation. The fair value adjustments mainly relate to property, plant and equipment, intangible assets which consist primarily of equipment and fixtures, customer relationship and trademark rights, and depreciable assets are amortized over their respective estimated useful lives using either the straight-line or the unit-of-production method.

Investments in common stock of publicly-traded associated companies include marketable equity securities carried at 771,453 million yen and 774,710 million yen at March 31, 2024 and 2023, respectively. Corresponding aggregate quoted market values were 1,010,481 million yen and 969,263 million yen, respectively.

The amounts of impairment losses on investments in equity accounted investees for the years ended March 31, 2024 and 2023 were 13,933 million yen and 4,348 million yen, respectively, and included in "Gain (loss) on securities and other investments-net" in the Consolidated Statements of Income.
For the year ended March 31, 2024, Shamrock Investment International, a subsidiary in the Machinery & Infrastructure Segment which invests in Mainstream Renewable Energy business, recognized an impairment loss of 27,941 million yen as the difference between the carrying amount accounted for using the equity method and the recoverable amount. In the Consolidated Statements of Income, an impairment loss for fixed assets included in share of profit (loss) of investments accounted for using the equity method is recorded by 15,054 million yen in “Share of profit (loss) of investments accounted for using the equity method”. The impairment loss was mainly related to the difference in spot prices between power plants and the demand area, and the Chilean electricity system. Additionally, an impairment loss for investments accounted for using the equity method is recorded by 12,887 million yen in “Gain (loss) on securities and other investments-net”. The impairment loss was mainly due to delays in new project development and portfolio reorganization resulting from rising interest rates and development costs.

The amounts of outstanding balances of assets and liabilities in the equity accounted investees for the years ended March 31, 2024 and 2023 were as follows:
The assets mainly consisted of trade receivables, loans, accounts receivable-other and other investments and the liabilities mainly consisted of trade payables, loan payables and other financial liabilities.

	Mn JPY			
	2024		2023	
	Assets	Liabilities	Assets	Liabilities
Associated companies	176,840	87,307	149,592	78,695
Joint ventures	185,142	90,698	211,212	75,573
Total	361,982	178,005	360,804	154,268

In relation to the Company's liquefaction business in the United States, a wholly-owned subsidiary of the Company has secured four million tons per annum of LNG tolling capacity for 20 years following the inception of production of LNG in 2019, for which it will pay a tolling service fee under a natural gas tolling liquefaction agreement with Cameron LNG LLC, a subsidiary of Cameron LNG Holdings LLC, an associate of the Company.
The Company has completed the procurement of eight LNG ships intended to be used for the delivery of LNG mainly to its customers in Japan. As of March 31, 2024, all eight ships (six of which have been chartered with ship-owning companies in which the Company has investments accounted for as joint ventures) have already been delivered to the Company and its time charter has commenced simultaneously.
The total residual hire amount for the eight ships is approximately 660 billion yen at maximum. Of the total residual hire amount, approximately 340 billion yen is related to the extension option period, and the execution of those options in the future will be judged based on market environment and other conditions. The total residual hire amount consists of ship's lease payments and expense payments.
Only the portion of ship's lease payments for the firm period of charter without taking into account the extension option period is reflected in the measurement of lease liability.
Corresponding to most of the costs from the above tolling and transportation contracts, the Company also entered into long term LNG sales contracts with customers mainly in Japan.

The companies' revenues and purchases in cost of revenues from the equity accounted investees for the years ended March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	2023
Revenues		
Associated companies	105,559	141,002
Joint ventures	85,756	54,388
Total	191,315	195,390
Purchases		
Associated companies	311,687	335,255
Joint ventures	129,722	166,343
Total	441,409	501,598

7. SEGMENT INFORMATION

IFRS 8 "Operating Segments" requires disclosure of financial and descriptive information regarding operating segments, which are components of an entity whose operating results are regularly reviewed by the entity's chief operating decision-maker in deciding resources to be allocated to the segments and assessing their performance.

The Company assigns headquarters business units by business in the head office. Each headquarters business unit drafts overall strategies that unify the regional business units and blocs internally and externally for each business area for which they are in charge and develops business activities for the entire world with affiliated companies. As a driver of the regional strategy, the regional business units and blocs are responsible for the regions that they are in charge of, and cooperate with the headquarters business units while carrying out broad and diversified business with affiliated companies under each umbrella. The Company's decision-making regarding business resource allocation and its performance assessment are based on the business results obtained by the components where the regional business units and blocs were consolidated by the business domains. Therefore, the companies' operating segments are business segments comprised of the business units of the head office where the regional business units and blocs were consolidated by the business domains.

The companies' operating segments have been aggregated into reportable segments based on the similarities in the nature of the products and services, the production processes, the type of customer, the methods used for distribution, and the regulatory environments surrounding their businesses, along with the similarities in the economic characteristics based on the profitability indicators using Gross profit, Profit for the year attributable to owners of the parent, etc.

The reportable segments (including the regional business units consolidated by the business domains) of the Company are as follows:

"Mineral & Metal resources" consists of the mineral & metal resources business unit. This segment is engaged in overseas development of iron and non-ferrous metal resources, and produces, sells and trades raw materials and metal products in Japan and abroad.

"Energy" consists of the energy business units I, II, and energy solutions business unit. This segment is engaged in overseas development of oil and gas resources, and manufactures, sells and trades oil, gas, coal and related products, as well as next-generation electric power businesses in Japan and abroad.

"Machinery & Infrastructure" consists of the infrastructure projects business unit, the mobility business unit I and the mobility business unit II. This segment is engaged in manufacturing, sales and trading, leasing and financing of plant and machinery, as well as infrastructure businesses such as power generation in Japan and abroad.

"Chemicals" consists of the basic materials business unit, the performance materials business unit, and the nutrition & agriculture business unit. This segment manufactures, sells and trades chemical products and living & environmental materials in Japan and abroad.

"Iron & Steel products" consists of the iron & steel products business unit. This segment manufactures, sells and trades iron & steel products in Japan and abroad.

"Lifestyle" consists of the food business unit, the retail business unit and the wellness business unit. This segment manufactures, sells, and trades foods and consumer products, and engages in wellness in Japan and abroad.

"Innovation & Corporate development" consists of the IT & communication business unit and the corporate development business unit. This segment engages in information and communication, logistics, insurance, finance, real estate and media businesses in Japan and abroad.

The companies' operating segment information and geographic area information for the years ended March 31, 2024 and 2023 were as follows:

Segment information

Year ended March 31, 2024:	Mn JPY Mineral & Metal resources	Energy	Machinery & Infrastructure	Chemicals	Iron & Steel products	Lifestyle	Innovation & Corporate development	Total
Revenue..................................	2,037,717	2,949,497	1,378,459	2,784,551	678,680	3,213,013	281,077	13,322,994
Gross profit.............................	342,118	195,846	221,097	208,339	43,518	185,277	118,394	1,314,589
Share of profit (loss) of investments accounted for using the equity method....	75,029	68,135	230,446	21,204	17,213	59,484	19,684	491,195
Profit for the year attributable to owners of the parent............................	335,116	281,660	248,726	39,247	11,190	94,123	53,847	1,063,909
Total assets at March 31, 2024..................	3,084,437	3,408,781	3,769,779	2,049,368	809,542	2,901,696	1,790,857	17,814,460
Investments accounted for using the equity method at March 31, 2024..................	513,779	650,685	1,777,080	329,493	356,436	888,274	355,046	4,870,793
Core Operating Cash Flow.......	409,069	247,822	176,860	63,397	8,459	40,153	45,445	991,205
Capital additions to non-current assets...............	70,862	112,993	27,111	27,110	4,701	24,688	21,325	288,790
Depreciation and amortization	66,065	92,554	33,968	32,884	2,604	30,112	17,463	275,650

Year ended March 31, 2024:	Mn JPY All other	Adjustments and eliminations	Consolidated total
Revenue..................................	1,948	-	13,324,942
Gross profit.............................	4,787	339	1,319,715
Share of profit (loss) of investments accounted for using the equity method....	-	369	491,564
Profit for the year attributable to owners of the parent............................	5,640	(5,865)	1,063,684
Total assets at March 31, 2024..................	8,879,374	(9,794,332)	16,899,502
Investments accounted for using the equity method at March 31, 2024..................	190	(1,014)	4,869,969
Core Operating Cash Flow.......	9,268	(4,633)	995,840
Capital additions to non-current assets...............	14,462	-	303,252
Depreciation and amortization	17,923	-	293,573

Year ended March 31, 2023:	Mn JPY Mineral & Metal resources	Energy	Machinery & Infrastructure	Chemicals	Iron & Steel products	Lifestyle	Innovation & Corporate development	Total
Revenue..................................	2,220,316	3,517,077	1,115,192	3,160,663	726,180	3,306,954	259,489	14,305,871
Gross profit.............................	355,820	316,446	199,900	209,298	40,699	153,736	112,591	1,388,490
Share of profit (loss) of investments accounted for using the equity method....	127,550	108,476	197,313	27,368	24,735	50,712	18,931	555,085
Profit (loss) for the year attributable to owners of the parent............................	438,785	309,382	171,908	70,945	22,484	54,849	66,677	1,135,030
Total assets at March 31, 2023..................	3,062,836	3,009,472	3,216,794	1,773,664	776,531	2,504,078	1,642,459	15,985,834
Investments accounted for using the equity method at March 31, 2023..................	467,389	521,420	1,405,868	246,702	312,637	721,499	255,854	3,931,369
Core Operating Cash Flow.......	436,661	419,583	182,901	89,531	17,995	31,099	46,588	1,224,358
Capital additions to non-current assets...............	68,469	71,017	24,577	27,717	1,291	19,759	18,548	231,378
Depreciation and amortization	58,692	88,174	34,834	31,550	1,535	23,215	18,773	256,773

Year ended March 31, 2023:	Mn JPY All other	Adjustments and eliminations	Consolidated total
Revenue..................................	531	-	14,306,402
Gross profit.............................	2,009	5,729	1,396,228
Share of profit (loss) of investments accounted for using the equity method....	(48)	489	555,526
Profit (loss) for the year attributable to owners of the parent............................	(8,291)	3,891	1,130,630
Total assets at March 31, 2023..................	8,215,000	(8,819,918)	15,380,916
Investments accounted for using the equity method at March 31, 2023..................	203	(1,936)	3,929,636
Core Operating Cash Flow.......	(567)	(18,288)	1,205,503
Capital additions to non-current assets...............	8,989	1	240,368
Depreciation and amortization	15,915	1	272,689

(Notes) 1. "All other" includes the corporate staff unit which provides financing services and operations services to the companies and affiliated companies. Total assets of "All other" at March 31, 2024 and March 31, 2023 includes cash, cash equivalents and time deposits related to financing activities, and assets of the corporate staff unit and certain subsidiaries related to the above services.

2. Transfers between reportable segments are made at cost plus a markup.
3. Profit for the year attributable to owners of the parent of "Adjustments and eliminations" includes income and expense items that are not allocated to specific reportable segments, and eliminations of intersegment transactions.
4. Core Operating Cash Flow is calculated by deducting the total of the "Changes in operating assets and liabilities" from the "Cash flows from operating activities", and further deducting the "Repayments of lease liabilities" in the "Cash flows from financing activities" from it, in the consolidated statements of cash flows.

Geographic area information

	Mn JPY					
	Japan	Singapore	United States	Australia	All other	Consolidated total
Year ended March 31, 2024:						
Revenue …………………………	6,722,314	2,359,698	1,080,489	910,634	2,251,807	13,324,942
Year ended March 31, 2023:						
Revenue …………………………	7,580,269	2,275,884	1,310,682	884,741	2,254,826	14,306,402

(Note) Revenues are attributed to countries based on the location of sellers.

	Mn JPY					
	Japan	Australia	United States	Italy	All other	Consolidated total
At March 31, 2024:						
Non-current assets ………	969,803	827,567	713,319	172,770	532,741	3,216,200
At March 31, 2023:						
Non-current assets ………	828,254	741,011	591,136	184,431	584,289	2,929,121

There were no individual material customers with respect to revenues for the years ended March 31, 2024 and 2023.

8. RECEIVABLES AND RELATED ALLOWANCES

Credit risk

In recognizing and measuring the loss allowance, the companies categorize financial assets into three stages on the basis of existence of material increase in the credit risk and credit impairment. However, for trade receivables recognized based on IFRS15 "Revenue from Contracts with Customers" and contract assets, the loss allowance is measured at an amount equal to the lifetime expected credit loss without assessing whether the credit risk on a financial asset has increased significantly since initial recognition.

Stage1: Financial instruments for which the credit risk has not increased significantly since initial recognition.

Stage2: Financial instruments for which the credit risk has increased significantly since initial recognition, but no credit impairment is indicated.

Stage3: Credit-impaired financial assets

As for credit risk management, please refer to Note 9 "DISCLOSURES ABOUT FINANCIAL INSTRUMENTS AND RELATED MATTERS".

Changes in loss allowance

The analysis of the changes in loss allowance is as follows.

Mn JPY

Year ended March 31, 2024:	Trade and other receivables				Other financial assets			Total
	Stage1 Financial assets for which the related loss allowance is measured at an amount equal to 12-month expected credit losses	Financial assets for which the related loss allowances is always measured at an amount equal to lifetime expected credit losses	Stage2 Financial assets for which the related credit risk has increased significantly since initial recognition	Stage3 Credit-impaired financial assets	Stage1 Financial assets for which the related loss allowance is measured at an amount equal to 12-month expected credit losses	Stage2 Financial assets for which the related credit risk has increased significantly since initial recognition	Stage3 Credit-impaired financial assets	
Balance as at April 1, 2023	4,884	8,525	3,149	36,115	1,087	4,554	24,168	82,482
Change during the year (Recognition and derecognition)	6,258	(340)	3,084	6,229	149	359	(8,483)	7,256
Decrease during the year (charge-offs)	(10,188)	(548)	(5,420)	(10,104)	-	-	(4,740)	(31,000)
Others	526	478	(255)	2,582	(404)	(3,900)	7,578	6,605
Balance as at March 31, 2024	1,480	8,115	558	34,822	832	1,013	18,523	65,343

* In addition to those shown in the table above, recognition and balance of provision for financial assets that are purchased or originated credit-impaired for the year ended March 31, 2024, were immaterial.

Mn JPY

Year ended March 31, 2023:	Trade and other receivables				Other financial assets			Total
	Stage1 Financial assets for which the related loss allowance is measured at an amount equal to 12-month expected credit losses	Financial assets for which the related loss allowances is always measured at an amount equal to lifetime expected credit losses	Stage2 Financial assets for which the related credit risk has increased significantly since initial recognition	Stage3 Credit-impaired financial assets	Stage1 Financial assets for which the related loss allowance is measured at an amount equal to 12-month expected credit losses	Stage2 Financial assets for which the related credit risk has increased significantly since initial recognition	Stage3 Credit-impaired financial assets	
Balance as at April 1, 2022	10,373	8,414	1,229	28,212	546	4,972	25,116	78,862
Change during the year (Recognition and derecognition)	(564)	754	295	15,132	257	(93)	927	16,708
Decrease during the year (charge-offs)	-	(1,193)	(51)	(13,904)	-	-	(2,552)	(17,700)
Others	(4,925)	550	1,676	6,675	284	(325)	677	4,612
Balance as at March 31, 2023	4,884	8,525	3,149	36,115	1,087	4,554	24,168	82,482

* In addition to those shown in the table above, recognition and balance of provision for financial assets that are purchased or originated credit-impaired for the year ended March 31, 2023, were immaterial.

Financial assets for which loss allowance is recognized

The carrying amount (before deducting loss allowance for expected credit losses) of the financial assets for which loss allowance is recognized is as follows.

Mn JPY

Year ended March 31, 2024:	Financial assets for which the related loss allowance is measured at an amount equal to 12-month expected credit losses	Financial assets for which the related loss allowances is always measured at an amount equal to lifetime expected credit losses	Financial assets for which the related credit risk has increased significantly since initial recognition	Credit-impaired financial assets	Total
Trade and other receivables	645,654	1,777,284	4,397	46,798	2,474,133
Other financial assets	663,962	-	12,791	117,438	794,191
Total	1,309,616	1,777,284	17,188	164,236	3,268,324

Mn JPY

Year ended March 31, 2023:	Financial assets for which the related loss allowance is measured at an amount equal to 12-month expected credit losses	Financial assets for which the related loss allowances is always measured at an amount equal to lifetime expected credit losses	Financial assets for which the related credit risk has increased significantly since initial recognition	Credit-impaired financial assets	Total
Trade and other receivables	628,434	1,822,662	22,337	50,591	2,524,024
Other financial assets	496,072	-	41,277	65,998	603,347
Total	1,124,506	1,822,662	63,614	116,589	3,127,371

Financial assets that are purchased or originated credit-impaired as of March 31, 2023 and March 31, 2024 were immaterial.
The financial assets' carrying amount stated on the consolidated financial statements represent the maximum exposure.
There is no financial asset that was written off during the reporting period that is still subject to enforcement activity.

Credit enhancement

In estimating the loss allowance, the amount of obtained collateral such as properties, mortgages, securities, insurance contracts, commercial goods, etc., is deducted as credit enhancement from the amount of the financial assets for which the loss allowance is recognized.
The following table shows the status of credit enhancement on credit-impaired financial assets.

	Credit enhancements related to the credit-impaired financial assets	
	Mn JPY	
	Year ended March 31	
	2024	2023
Trade and other receivables	4,141	2,238
Other financial assets*	21,783	1,093
Total	25,924	3,331

* Credit enhancements for the year ended March 31, 2024, includes the financial guarantees related to the Impact of the Russia-Ukraine Situation on the Russian LNG Business (Note 31).

9. DISCLOSURES ABOUT FINANCIAL INSTRUMENTS AND RELATED MATTERS

(1) Trade and other receivables, and other financial assets

Trade and other receivables, and other financial assets as of March 31, 2024 and 2023 were measured at amortized cost and FVTPL, except for derivative assets, and consisted of the following:

	Mn JPY	
	2024	**2023**
Current		
Trade and other receivables		
Accounts and notes	2,053,973	2,000,334
Lease receivables	10,899	9,610
Loans	169,189	203,859
Other financial assets		
Time deposits	4,519	6,692
Accounts receivable-other	323,414	162,142
Derivative assets	422,613	344,037
Other	389,576	260,113
Loss allowances	(17,326)	(22,622)
Total	3,356,857	2,964,165
Non-current		
Trade and other receivables		
Accounts and notes	34,989	30,929
Lease receivables	51,781	44,955
Loans	247,812	304,032
Other financial assets		
Time deposits	1,830	2,398
Accounts receivable-other	33,750	64,461
Derivative assets	133,874	103,316
Other	41,340	37,846
Loss allowances	(48,017)	(59,876)
Total	497,359	528,061

Note: Receivable from accounted equity investees included in trade and other receivables carried at 224,406 million yen and 238,206 million yen at March 31, 2024 and 2023, respectively.

(2) Other investments

The carrying amounts of other investments as of March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	**2023**
Other investments		
Financial assets measured at FVTPL	440,127	347,545
Financial assets measured at FVTOCI	1,869,335	1,775,005
Amortized cost	10,438	11,553
Total	2,319,900	2,134,103

Note: Preferred stock issued by equity method investees, which was included in financial assets measured at FVTOCI as of March 31, 2024 and 2023, were 56,759 million yen and 43,574 million yen, respectively.

Financial assets measured at FVTOCI which were included in other investments

The fair value of financial assets measured at FVTOCI as of March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	2023
Marketable	1,158,206	1,140,663
Non-marketable	711,129	634,342
Total	1,869,335	1,775,005

The fair value of major items of these marketable financial assets measured at FVTOCI as of March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	2023
VALE	525,942	602,627
Seven & i Holdings	108,009	97,556
GOLDWIN	43,081	55,031
Sims	41,957	46,532
Yamato Kogyo	39,277	24,420
MODEC	31,147	11,725
TOYOTA MOTOR	28,440	14,100
PHC Holdings	27,031	31,318
Yamaha Motor	18,333	14,854
Recruit Holdings	16,829	9,159
Mitsui Chemicals	15,049	11,850
Mitsui Fudosan	14,829	7,452
BIPROGY	11,094	7,958
Toray Industries	10,196	10,411
TBS HOLDINGS	9,346	8,169
NIPPON STEEL	9,023	7,675
INPEX	8,592	8,901
TOYO ENGINEERING	8,518	4,946
J-OIL MILLS	8,100	6,390
NIPPN	7,944	5,560

Non-marketable financial assets measured at FVTOCI were mainly composed of investments in LNG projects (Sakhalin II, Abu Dhabi, Oman and Qatargas 3) and mineral & metal resources projects, including the Jimblebar iron ore project.

The fair value of investments in the LNG projects as of March 31, 2024 and 2023 were 224,930 million yen and 211,221 million yen, respectively.

The fair value of the main investments in the mineral & metal resources projects, including the Jimblebar iron ore project, as of March 31, 2024 and 2023 were 186,127 million yen and 153,157 million yen, respectively.

Derecognized financial assets measured at FVTOCI

The fair value, gains and losses, and dividends income related to financial assets measured at FVTOCI which were derecognized because of review of business strategy as of March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	**2023**
Fair value of the financial assets at the date of derecognition	48,034	117,617
Cumulative gains and losses on disposition	12,650	73,488
Dividends received from derecognized financial assets	1,903	2,003

With respect to financial assets measured at FVTOCI, gains and losses on disposition recorded as other components of equity and its related non-controlling interests (after income tax effect) at the date of derecognition and others were transferred to retained earnings. The amounts transferred were (1,212) million yen and 50,341 million yen for the years ended March 31, 2024 and 2023, respectively.

(3) Gain (loss) on securities and other investments-net

Gain (loss) on securities and other investments-net for the years ended March 31, 2024 and 2023 resulted from disposal and impairment or its reversal of investment in subsidiaries and associated companies and others. For the year ended March 31, 2024, sales of the entire shareholding of Qatargas 1 LNG project in which Mitsui LNG Nederland B.V., a subsidiary in the Energy Segment has invested in was completed, which resulted in the recognition of gain on securities and other investments-net of 37,320 million yen mainly from realization of foreign exchange translation adjustments from the disposal of foreign operations.

Gains related to financial assets measured at FVTPL (except for debt instruments) for the years ended March 31, 2024 and 2023 were 12,339 million yen and 1,668 million yen, respectively, and included in "Revenue" in the Consolidated Statements of Income.

(4) Finance income and costs

The finance income and finance costs for the years ended March 31, 2024 and 2023 that the companies recognized were as follows:

	Mn JPY	
	2024	**2023**
Interest income		
Amortized cost	76,269	49,463
Financial assets measured at FVTPL	10,011	4,951
Derivatives	(21,978)	(6,657)
Total	64,302	47,757
Dividend income		
Financial assets measured at FVTOCI	210,671	154,942
Interest expense		
Amortized cost	(173,842)	(118,763)
Derivatives	5,778	4,181
Total	(168,064)	(114,582)

In addition to those shown in the table above, interest income of 50,467 million yen and 52,662 million yen on financial assets measured at amortized cost were included in "Revenue" and interest expenses of 12,196 million yen and 10,596 million yen on financial liabilities measured at amortized cost were included in "Cost" for the years ended March 31, 2024 and 2023, respectively, mainly related to the retail finance business.

Fee income and expenses arising from financial assets measured at amortized cost are immaterial.

(5) Fair value of non-current financial assets and liabilities

The fair values of non-current financial instruments as of March 31, 2024 and 2023 were as follows. The fair values of current financial assets and current financial liabilities are not disclosed because the carrying amounts reasonably approximate their fair values.

	Mn JPY			
	2024		2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Other investments measured at amortized cost	10,438	10,365	11,553	11,550
Non-current receivables				
Trade and other receivables (Note 1) and other financial assets (excluding derivative assets) (Note 2)	363,485	363,456	424,745	424,734
Non-current liabilities				
Long-term debt, less current portion (Note 1) and other financial liabilities (excluding derivative liabilities) (Note 2)	3,962,267	4,023,950	3,916,737	3,962,729

(Note 1) Trade and other receivables include loan receivable. Long-term debt includes borrowings and bonds payable. The fair values of non-current receivables with floating rates, including long-term loans receivable, and long-term debt with floating rates approximately equal their respective carrying amounts. The fair values of non-current receivables with fixed rates and long-term debt with fixed rates are estimated by discounted cash flow analysis, using interest rates currently available for similar types of loans, accounts receivable and borrowings with similar terms and remaining maturities.

(Note 2) The fair values of other financial assets and other financial liabilities (excluding derivative assets and liabilities) approximate their respective carrying amounts.

Non-current financial assets and liabilities (excluding derivative assets and liabilities) are classified as Level 2 other than below as their fair values are measured using the discounted cash flow method based on observable inputs including market interest rates.

Trade and other receivables and other financial assets classified as Level 3.

Fair value	111,993 Millions of Yen as of March 31, 2024 146,100 Millions of Yen as of March 31, 2023
Valuation techniques and inputs	Their valuation is based on significant unobservable inputs such as credit spreads, default probabilities, and estimated loss rates on individual receivables using the discounted cash flow method.

The Company has presented the other financial assets and the other financial liabilities by excluding the derivative assets and the derivative liabilities measured at fair value.
Other investments excluding those measured at amortized cost and derivative assets and liabilities which are included in Other financial assets and liabilities are presented at fair value in the Consolidated Statements of Financial Position. For further information, see Note 26, "FAIR VALUE MEASUREMENT".

(6) Risk-related matters

Capital management
The Company decides the policies to maintain appropriate levels of shareholders' equity, debt and equity balances. It examines the status of execution in terms of stability for capital efficiency as well as financing when the Company acquires high-quality assets to improve enterprise value and utilize existing assets. Shareholders' equity is the total equity attributable to owners of the parent in the Consolidated Statements of Financial Position. The Company also examines the appropriateness of scale of shareholders' equity in terms of it being a risk buffer to maximum exposure to potential losses that could result from a deterioration in the companies' respective businesses.
The key metrics used for capital management are as follows:
・Return on equity (ROE) (*)
・Net Debt-to-Equity Ratio (Net DER) (**)
・Ratio of risk adjusted assets to shareholder's equity (***)

(*) ROE refers to the ratio of profit for the year attributable to the owners of the parent to shareholders' equity. ROEs as of March 31, 2024 and 2023 were 15.3% and 18.9%, respectively.

(**) Net DER refers to the ratio of net interest bearing debt to shareholders' equity. Net interest bearing debt is calculated by subtracting cash and cash equivalents and time deposits from interest bearing debt. Interest bearing debt comprises long-term and short-term debt and excludes lease liabilities. Net DERs by this method as of March 31, 2024 and 2023 were 0.45 times and 0.50 times, respectively.

(***) Risk-adjusted assets refers to the maximum loss exposure and is calculated by multiplying assets including trade and other receivables, other investments and fixed assets by risk weights, which the companies have determined individually based on the potential risk of loss.

The Company considers these indicators periodically, and they are used for developing business policy and business judgment.
The Company maintains a robust financial foundation and credit rating, which is sufficient for business projects. The Company strives to maintain and upgrade its credit rating through the above capital management.
The Company is not subject to any externally imposed capital requirements (except for general requirements, such as those in the Companies Act of Japan).

Risk management

・Credit risk

With regard to the contingent characteristics of credit risks included in derivative instruments, some of the derivative instruments used by the Company and certain subsidiaries such as commodity futures, commodity forwards, commodity swaps, and commodity options may include clauses that prescribe changes in the minimum required collateral (margins) or early termination in accordance with the credit ratings of the Company. If the credit ratings of the Company are downgraded, the counterparty will require additional collateral from the Company and certain subsidiaries to cover the whole or part of the amount of the relevant derivative obligations in accordance with such clauses.
The companies minimize credit risks of derivative instruments associated with, for example, counterparty defaults by entering into these transactions mainly with reputable international financial institutions with high credit rations. Therefore, the companies believe that a significant loss arising from these transactions is extremely unlikely.
As for credit risks of financial instruments other than derivative instruments, the companies manage credit risks through the management of commitment lines of credit approved by an appropriate person with authority and through monitoring past-due status of credit. This management is basically consistent with the stage classification in Note 8 "RECEIVABLES AND RELATED ALLOWANCES" and especially financial instruments classified to Stage3 are focused on monitoring. In addition, the companies require collateral and/or other forms of security from counterparties as necessary.
Concentration of credit risk is minimized as the companies carry out a wide variety of transactions with various customers all over the world and monitor regularly whether the exposure for specific regions or customers is kept in a certain range.

・Liquidity risk

Turmoil in financial markets, a downgrade in our credit ratings or significant changes in the lender or investment policies of the lenders or institutional investors could result in constraints on the fund procurement and an increase in funding costs, and could have an adverse effect on the financial position and liquidity.
The companies secure the liquidity required for our smooth operations and maintain the strength and soundness of the balance sheet by holding sufficient cash and cash equivalents, procuring mainly long-term funds, maintaining lines of credit with banks and commercial paper programs, obtaining commitment lines, utilizing financing programs provided by government financing agencies and/or project financing, utilizing the internal Cash Management Service in which the companies can procure financing from financing subsidiaries and overseas offices of the Company, and such so that the companies decrease liquidity risk.
The amount of cash and cash equivalents to be hold is closely monitored for securing the liquidity. The companies' liquidity management policy is to satisfy liquidity requirements for the repayment of the debts, comparing the amount of cash and cash equivalents with the maturity profile and the amount of outstanding short-term and long-term debts.
The amounts of outstanding balances as of March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	2023
Cash and cash equivalents………………………………………………	898,204	1,390,130
Short-term debt...………………………………………………………	243,959	432,233
Current portion of long-term debt...……………………………………	723,084	810,999
Long-term debt, less current portion...…………………………………	3,809,013	3,797,328

・Market risks

The companies are subject to market risks associated with fluctuations in interest rates, foreign currency exchange rates, commodity prices, and stock prices that arise in the course of the Company's operating and other activities.

The companies have formulated market risk management policies and have established management systems at several levels. In particular, regarding foreign currency exchange risks and commodity price risks, Chief Operating Officers have the primary responsibility of establishing risk management policies that prescribe the setting of limits on positions and losses, as well as prescribing management systems at each business unit. They also have the responsibility of obtaining the approval of our executive officers in charge of risk management and carrying out management and reporting in accordance with such approval. In addition, risk management sections, which are independent from trading sections, monitor, analyze and evaluate market risks and periodically report to the executive officers in charge. Regarding interest rate risks, the environment surrounding financial markets, the Company's ratio of assets and liabilities, and the risks of interest rate fluctuations are regularly reported to the executive officers, by whom the risk management policies for interest rate were approved. Stock price risk is managed by analyzing factors of stock price fluctuations.

1) Interest rate risk

The companies are exposed to interest rate risk arising from floating-rate assets and liabilities. An increase in interest rates may adversely affect the operating results. The companies have entered into interest rate derivative transactions, which consist mainly of interest rate swap agreements, and interest rate and currency swap agreements, to hedge exposures of certain assets and liabilities.

The impacts on profit before income taxes for the years ended March 31, 2024 and 2023, assuming a 100 basis point rise in interest rates as of March 31, 2024 and 2023, were (28,767) million yen and (29,428) million yen, respectively. These are calculated by multiplying the balance of floating-rate financial instruments held by the companies as of March 31, 2024 and 2023, by 100 basis points without considering future changes in the balance, the effect of exchange rate fluctuations, the diversification effect of the timing of refinancing/interest rate revisions of floating-rate debts, etc., and assuming that all other variables are constant.

The items that are considered to be instruments affected by interest rate fluctuations for the purpose of calculating the sensitivity include floating-rate interest-bearing debts/loans, fixed-rate interest-bearing debts/loans that are effectively converted to floating-rate instruments under interest rate swap agreements, deposits and other instruments.

2) Foreign currency exchange rate risk

The companies are exposed to foreign currency exchange rate risk on receivables and payables denominated in foreign currencies arising from transactions such as purchases and sales of commodities and financial transactions. The companies hedge these risks with forward exchange contracts and currency swaps.

For significant long and short net positions denominated in foreign currencies as of March 31, 2024 and 2023, assuming a 1% appreciation of the Yen, the impacts on profit before income taxes would have been (1,539) million yen from USD and (69) million yen from AUD as of March 31, 2024 and (1,394) million yen from USD, (15) million yen from BRL and (54) million yen from AUD as of March 31, 2023. Based on the same assumption, the impacts on other comprehensive income would be (725) million yen from USD, (5,274) million yen from BRL and (54) million yen from AUD as of March 31, 2024 and (628) million yen from USD, (6,039) million yen from BRL and (134) million yen from AUD as of March 31, 2023. The long and short positions denominated in foreign currencies indicate that they are in currencies other than that of the functional currency of each company. In this context, the long positions represent the condition in which certain losses occur due to a decline in the value of the currency, and the short positions represent the condition in which certain gains occur due to an increase in the value of the currency. Foreign currency translation adjustments are not included in the scope of this analysis. In addition, this analysis assumes that all other variables are constant.

3) Commodity price risk

As the companies carry out business activities pertaining to commodities such as non-ferrous metals, crude oil and gas, and foods, they are exposed to risks associated with commodity prices.

The companies measure the risk of market commodities for which historical price fluctuations have been relatively significant along with actively traded derivatives by using Value at Risk (VaR), which is a statistical measure of the potential maximum loss in the fair value of a given portfolio over a certain holding period and within a certain confidential level. VaR is calculated by mainly using a 10-day holding period and a confidence level of 99 percentile. In addition, the figures do not necessarily take into account correlations between all commodities. VaRs as of March 31, 2024 and 2023 were 34,409 million yen and 62,087 million yen, respectively. The actual results may differ significantly from VaR above as VaR is calculated by using historical fluctuations of each risk component.

4) Stock price risk
The companies invest in listed companies to strengthen ties with customers, suppliers and others, as well as to make various types of propositions to the companies in which the companies invest, to pursue operating revenue. These investments are exposed to stock price risks.
For investments held as of March 31, 2024 and 2023, the impacts on other comprehensive income arising from changes in the fair values assuming a 10% change in the stock index representative of the markets on which the individual stocks are traded were 105,215 million yen and 103,716 million yen, respectively. The impact on profit before taxes is immaterial.

(7) Derivative instruments and hedging accounting

The risk management policies for each risk category of risk exposure for which hedge accounting is applied are provided in Note 9 "DISCLOSURES ABOUT FINANCIAL INSTRUMENTS AND RELATED MATTERS (6) Risk-related matters". Regarding foreign currency exchange rate risks and commodity price risks, the companies manage the risk exposure based on limits to positions and losses set by each business unit. Regarding interest rate risks, the companies manage the risk exposure based on approved policies considering factors such as financial market, asset and debt balances and the risk of interest rate fluctuations.

Foreign currency exchange rate risk
The companies use derivative instruments, such as foreign exchange forward contracts and currency swap agreements, as hedging instruments for hedge accounting to fix the expected future cash flows from foreign-currency-denominated receivables and payables resulting from selling and purchasing activities in currencies other than the local currency, and long-term financing transactions as part of the companies' global operations in many countries. The companies also use foreign-currency-denominated debt in order to mainly hedge the foreign currency exposure in the net investment in foreign operations.

Interest rate risk
The companies use derivatives, such as interest rate swap agreements, as hedging instruments for hedge accounting to fix the expected future cash flows from long-term financial assets and liabilities with floating interest rates and offset the exposure to changes in the fair value of long-term financial assets and liabilities with fixed interest rates.

Interest rate benchmark reform
・Overview
A fundamental reform of major interest rate benchmarks had been undertaken globally, including the replacement of some interbank offered rates (IBORs) including London Interbank Offered Rate (referred to as 'LIBOR') with alternative nearly risk-free rates (referred to as 'IBOR reform').
On March 5, 2021, ICE Benchmark Administration, which is LIBOR's administrator, announced that it intended to cease the publication of LIBOR based on the current methodology referencing rates provided by panel banks immediately after the end of December 2021 except for certain US dollar LIBOR settings, and the publication of remaining US dollar LIBOR settings was ceased after the end of June 2023.
As for the financial assets that the companies had owned and applied LIBOR to in the previous fiscal year, due to cessation of publication of LIBOR during the current fiscal year, the companies have completed replacing the reference interest rate benchmark with an alternative benchmark interest rate and uncertainty arising from IBOR reform is no longer present.

・Hedge accounting
The companies had evaluated the extent to which its hedging relationships were subject to uncertainty driven by IBOR reform as at March 31, 2024 and 2023.
Due to cessation of publication of LIBOR during the current fiscal year, which was referenced at the end of the previous fiscal year, the companies have completed replacing the reference interest rate benchmark with an alternative benchmark interest rate.
Uncertainty about the timing and the amount of cash flows with respect to the relevant hedged items and hedging instruments resulting from the interest rate benchmark reform is no longer present.

The financial instruments as of March 31, 2023 were as follows. Non-derivative financial assets include loans (deducting loss allowance for expected credit losses), non-derivative financial liabilities include borrowings and bonds, and derivatives include interest rate swaps and cross-currency swaps. As of the end of the current fiscal year, there are no financial instruments that reference LIBOR.

Non-derivative financial assets and non-derivative financial liabilities

	March 31, 2023		
	Carrying amount (Bn JPY)		
	Uncertainty arising from IBOR reform remain (*1)	Uncertainty arising from IBOR reform eliminated	Total
Non-derivative financial assets	19	34	53
Non-derivative financial liabilities	1,233	237	1,470

Derivatives

Hedge accounting	March 31, 2023		
	Nominal amount (Bn JPY)		
	Uncertainty arising from IBOR reform remain (*1)	Uncertainty arising from IBOR reform eliminated (*2)	Total
Not applicable	672	-	672
Designated in fair value hedge which hedged item was long-term financial liabilities with fixed interest rate	-	-	-
Designated in cash flow hedge which hedged item was long-term financial liabilities with floating interest rate	73	27	100
Total	745	27	772

(*1) Plan to take necessary measures following the timeline had set by the transition committees including Cross-Industry Committee on US dollar Interest Rate Benchmarks, and the relevant organizations by each currency
(*2) Main transition by ISDA IBOR Fallbacks Supplement

The companies also have financial instruments referencing interest rate benchmarks other than LIBOR. As of this moment, the companies expect that they will continue to exist as a benchmark rate for the foreseeable future and judge that they are not affected by the uncertainty arising from IBOR reform.

Commodity price risk
The companies use derivative instruments, such as swap contracts, as hedging instruments for hedge accounting to fix the expected future cash flows from forecasted transactions in marketable commodities.

When applying hedge accounting to address the above risk, the companies confirm that there are economic relationships between the hedged items and the hedging instruments through qualitative and quantitative assessments. Qualitative assessments show whether the critical terms of hedging instruments and hedged items match exactly or are closely aligned. Quantitative assessments show fluctuations of value of hedged item and hedging instrument with the same risk offset each other.
Each hedge ratio is determined properly based on an economic relationship between the hedged item and the hedging instrument and the risk management strategy. Expected hedge ineffectiveness including the cases caused by credit risk is immaterial. The decrease in a net investment could cause hedge ineffectiveness in the risk from the foreign currency exchange rate of a net investment in a foreign operation, but the companies manage the risk from the foreign currency exchange rate in order to minimize such hedge ineffectiveness.

In the case the companies designate a specific risk component, which is decided based on the risk management strategies for each risk category as a hedged item, the risk component is separately identifiable from the hedged item in its entirety for all risks, and changes in the cash flows or the fair value attributable to the change in the risk component is measured with reliability.

The nominal amounts of the hedging instruments as of March 31, 2024 and 2023 were as follows:

	Bn JPY					
	March 31, 2024			March 31, 2023		
Risk category	Fair value hedges	Cash flow hedges	Hedges of the net investment in a foreign operation	Fair value hedges	Cash flow hedges	Hedges of the net investment in a foreign operation
Foreign currency exchange rate	89	462	2,862	37	396	2,661
Interest rate	1,115	205	-	982	227	-
Commodity price	-	166	-	-	333	-
Total nominal amounts	1,204	833	2,862	1,019	956	2,661

The effects of hedge accounting on Consolidated Statements of Financial Position

The following tables present the carrying amount of hedging instruments.
Position as of March 31, 2024 and 2023:

		Mn JPY					
		March 31, 2024			March 31, 2023		
Risk category	Line item in the Consolidated Statements of Financial Position	Fair value hedges	Cash flow hedges	Hedges of the net investment in a foreign operation	Fair value hedges	Cash flow hedges	Hedges of the net investment in a foreign operation
Foreign currency exchange rate	Other financial assets - Current	222	2,960	957	28	4,768	435
	Other financial assets - Non-current	-	2,172	28	16	1,694	1,475
Interest rate	Other financial assets - Current	108	2,684	-	92	674	-
	Other financial assets - Non-current	18,405	3,318	-	26,479	7,033	-
Commodity price	Other financial assets - Current	-	9,002	-	-	54,946	-
	Other financial assets - Non-current	-	84	-	-	896	-
Total		18,735	20,220	985	26,615	70,011	1,910

		Mn JPY					
		March 31, 2024			March 31, 2023		
Risk category	Line item in the Consolidated Statements of Financial Position	Fair value hedges	Cash flow hedges	Hedges of the net investment in a foreign operation	Fair value hedges	Cash flow hedges	Hedges of the net investment in a foreign operation
Foreign currency exchange rate	Current portion of long-term debt	7,075	19,947	336,158	3,602	17,380	145,306
	Other financial liabilities - Current	1,321	4,973	68,190	65	1,339	29,068
	Long-term debt, less current portion	24,671	175,812	1,110,273	20,009	172,642	1,106,220
	Other financial liabilities - Non-current	1,161	699	56,309	962	323	37,918
Interest rate	Other financial liabilities - Current	-	-	-	-	-	-
	Other financial liabilities - Non-current	33,492	5	-	25,334	284	-
Commodity price	Other financial liabilities - Current	-	17,323	-	-	46,980	-
	Other financial liabilities - Non-current	-	1,477	-	-	1,087	-
Total		67,720	220,236	1,570,930	49,972	240,035	1,318,512

Fair value hedge

The following table presents the carrying amount of the hedged items recognized in the Consolidated Statements of Financial Position as of March 31, 2024 and 2023, and the accumulated amount of fair value hedge adjustments on the hedged items included in the carrying amount of the hedged items recognized in the Consolidated Statements of Financial Position:

		Mn JPY			
		March 31, 2024		**March 31, 2023**	
Risk category	Line item in the Consolidated Statements of Financial Position	Carrying amount of the hedged items	Accumulated amount of fair value hedge adjustments on the hedged items included in the carrying amount of the hedged items	Carrying amount of the hedged items	Accumulated amount of fair value hedge adjustments on the hedged items included in the carrying amount of the hedged items
Foreign currency exchange rate	Other investments	150,287	14,307	128,113	6,996
Interest rate	Current portion of long-term debt	23,108	108	10,092	92
	Long-term debt, less current portion	1,098,115	(15,087)	994,364	1,145

The accumulated amounts of fair value hedge adjustments remaining in the Consolidated Statements of Financial Position as of March 31, 2024 and 2023 for any hedged items that have ceased to be adjusted for hedging gains and losses were immaterial.

Cash flow hedge

The following table presents the balance in the cash flow hedges which were recognized by applying the hedge accounting to reduce the risk of volatility of cash flow as of March 31, 2024 and 2023.

		Mn JPY	
		Balance in the cash flow hedges which were recognized by applying the hedge accounting	
Risk category	The situation of hedge accounting	**March 31, 2024**	**March 31, 2023**
Foreign currency exchange rate …	Continuing hedges	(50,874)	(28,508)
	Hedging relationships for which hedge accounting is no longer applied	-	1,827
Interest rate………………………	Continuing hedges	4,306	5,098
	Hedging relationships for which hedge accounting is no longer applied	(119)	590
Commodity price…………………	Continuing hedges	(20,161)	79,706
	Hedging relationships for which hedge accounting is no longer applied	3,449	(85,519)

The Company has applied "portfolio hedge" to commodity risk for some transactions that had applied cash flow hedge from previous fiscal year. As a result, the amount of discontinuation of hedge accounting has been occurred by change of risk management objective.

Hedges of net investments in foreign operations

The following table presents the balance in the foreign currency translation adjustments which were recognized by applying the hedge accounting to reduce the foreign currency exposure in the net investment in foreign operations as of March 31, 2024 and 2023.

		Mn JPY	
		Balance in the foreign currency translation adjustments which were recognized by applying the hedge accounting	
Risk category	The situation of hedge accounting	**March 31, 2024**	**March 31, 2023**
Foreign currency exchange rate …	Continuing hedges	(399,218)	(240,016)
	Hedging relationships for which hedge accounting is no longer applied	(93,591)	(77,143)
Total ……		(492,809)	(317,159)

The effects of hedge accounting on the Consolidated Statements of Income and Comprehensive Income

Fair value hedge

The following table presents the change in value of the hedged items and fair value of hedging instruments used as the basis for recognizing hedge ineffectiveness for the years ended March 31, 2024 and 2023.

	Mn JPY			
	2024		**2023**	
Risk category	Change in value of hedged items	Change in fair value of hedging instruments	Change in value of hedged items	Change in fair value of hedging instruments
Foreign currency exchange rate	8,108	(7,499)	2,213	(1,866)
Interest rate	16,216	(16,216)	29,161	(29,161)

The following amounts included in the Consolidated Statements of Income and Comprehensive Income for the years ended March 31, 2024 and 2023 were immaterial:

- Hedge ineffectiveness recognized in profit for the year.

Cash flow hedge

The following table presents the change in the fair value of hedging instruments used as the basis for recognizing hedge ineffectiveness and the amount which was recognized as the cash flow hedges by applying the hedge accounting for the years ended March 31, 2024 and 2023. The change in value of hedged items used as the basis for recognizing hedge ineffectiveness approximated the change in fair value of hedging instruments used as the basis for recognizing hedge ineffectiveness.

	Mn JPY			
	2024			
Risk category	Change in fair value of hedging instruments	Amount which was recognized as the cash flow hedges by applying the hedge accounting	Account which was mainly reclassified from the cash flow hedges	Amount which was reclassified from the cash flow hedges
Foreign currency exchange rate..................	(26,710)	(27,115)	Other income (expense)-net	(2,970)
Interest rate..	4,550	4,550	Interest expense	6,830
Commodity price.......................................	1,320	1,293	Revenue (Cost)	12,265

	Mn JPY			
	2023			
Risk category	Change in fair value of hedging instruments	Amount which was recognized as the cash flow hedges by applying the hedge accounting	Account which was mainly reclassified from the cash flow hedges	Amount which was reclassified from the cash flow hedges
Foreign currency exchange rate..................	(10,910)	(11,421)	Other income (expense)-net	6,122
Interest rate..	7,112	7,112	Interest expense	3,850
Commodity price.......................................	37,479	36,263	Revenue (Cost)	(36,688)

The amounts of hedge ineffectiveness which were recognized in profit for the years ended March 31, 2024 and 2023 were immaterial.

Hedges of net investments in foreign operations

The following table presents the change in the fair value of hedging instruments used as the basis for recognizing hedge ineffectiveness and the amount which was recognized as the foreign currency translation adjustments by applying the hedge accounting for the years ended March 31, 2024 and 2023. The changes in values of hedged items used as the basis for recognizing hedge ineffectiveness approximated the change in fair value of hedging instruments used as the basis for recognizing hedge ineffectiveness.

	Mn JPY			
	2024			
Risk category	Change in fair value of hedging instruments	Amount which was recognized as the foreign currency translation adjustments by applying the hedge accounting	Account which was mainly reclassified from the foreign currency translation adjustments	Amount which was reclassified from the foreign currency translation adjustments
Foreign currency exchange rate	(275,417)	(254,918)	Gain (loss) on securities and other investments-net	16,367

	Mn JPY			
	2023			
Risk category	Change in fair value of hedging instruments	Amount which was recognized as the foreign currency translation adjustments by applying the hedge accounting	Account which was mainly reclassified from the foreign currency translation adjustments	Amount which was reclassified from the foreign currency translation adjustments
Foreign currency exchange rate	(153,163)	(143,639)	Gain (loss) on securities and other investments-net	9,965

The amounts of hedge ineffectiveness which were recognized in profit for the years ended March 31, 2024 and 2023 were immaterial.

(8) Offset of financial assets and liabilities

A financial asset and a financial liability including collateral are offset and the net amount is presented in the Consolidated Statements of Financial Position of the Company when, and only when, the companies currently have a legally enforceable right to set off the recognized amounts as well as intend either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The following table presents the gross amounts of recognized financial assets and liabilities, amounts of offset, net amounts, amounts not offset despite the existence of a master netting agreement, and exposure on a net basis of derivative assets, derivative liabilities and collateral as of March 31, 2024 and 2023. These amounts of financial assets and liabilities except derivative assets, derivative liabilities and collateral as of March 31, 2024 and 2023 were immaterial.

March 31, 2024:	Mn JPY	
	Financial assets	Financial liabilities
Gross amounts of recognized financial assets and liabilities	2,003,218	1,781,491
Gross amounts of financial assets and liabilities set off in the Consolidated Statements of Financial Position	(1,104,066)	(1,104,066)
Net amounts of financial assets and liabilities presented in the Consolidated Statements of Financial Position	899,152	677,425
Related amounts not set off in the Consolidated Statements of Financial Position (including collateral)	(189,464)	(189,464)
Exposure on a net basis	709,688	487,961

March 31, 2023:	Mn JPY	
	Financial assets	Financial liabilities
Gross amounts of recognized financial assets and liabilities	1,780,934	1,620,097
Gross amounts of financial assets and liabilities set off in the Consolidated Statements of Financial Position	(1,106,871)	(1,106,871)
Net amounts of financial assets and liabilities presented in the Consolidated Statements of Financial Position	674,063	513,226
Related amounts not set off in the Consolidated Statements of Financial Position (including collateral)	(124,834)	(124,834)
Exposure on a net basis	549,229	388,392

Financial assets are included in Other financial assets of Current and Non-current assets, and financial liabilities are included in Other financial liabilities of Current and Non-current liabilities in the Consolidated Statements of Financial Position.

The companies normally have the rights to set off which are enforceable only in the event of default, insolvency or bankruptcy of its customers in relation to its recognized financial assets and liabilities where the requirements to set off are not met.

10. LEASES

Lessor

The companies lease real estate, aircraft, ocean transport vessels, rolling stock, equipment and others.
Certain leases of ocean transport vessels, rolling stock, equipment and others are classified as finance leases, and the net investments are included as part of trade and other receivables in the Consolidated Statements of Financial Position.
Other leases are classified as operating leases and the related assets are presented as "Property, plant and equipment" or "Investment property" in the Consolidated Statements of Financial Position.

The following is "Property, plant and equipment" provided for operating leases as of March 31, 2024 and 2023.

(Mn JPY)

	Year ended March 31, 2024	**Year ended March 31, 2023**
Land and buildings	180,925	173,997
Equipment and fixtures	50,633	116,087
Vessels and aircrafts	30,191	53,271
Total	261,749	343,355

Consolidated statements of income include lease revenues from operating lease of 104,397 million yen for the year ended March 31, 2024, and 94,564 million yen for the year ended March 31, 2023.

The following is a schedule of future minimum lease payments to be received from finance leases as of March 31, 2024 and 2023.

(Mn JPY)

	Gross investment in the lease	
Year ended March 31:	**2024**	**2023**
Not later than 1 year	14,183	11,428
Later than 1 year and not later than 2 years	12,768	10,399
Later than 2 years and not later than 3 years	11,185	8,819
Later than 3 years and not later than 4 years	9,756	7,412
Later than 4 years and not later than 5 years	7,334	6,654
Later than 5 years	27,999	29,287
Total	83,225	73,999
Unearned income	(20,545)	(19,434)
The present value of future minimum lease payments to be received........	62,680	54,565

The following is a schedule of future minimum lease payments to be received from operating leases as of March 31, 2024 and 2023.

(Mn JPY)

Year ended March 31:	**2024**	**2023**
Not later than 1 year	75,005	83,919
Later than 1 year and not later than 2 years	42,961	49,067
Later than 2 years and not later than 3 years	29,167	32,698
Later than 3 years and not later than 4 years	21,613	22,568
Later than 4 years and not later than 5 years	15,754	16,908
Later than 5 years	31,528	43,019
Total	216,028	248,179

Lessee

The companies lease real estate, equipment, ocean transport vessels and others.
The consolidated statement of financial position includes the following amounts in relation to leases. Right-of -use assets are included in the item "Property, plant and equipment" in the consolidated statement of financial position.

The amounts of right-of use assets in the consolidated statements of financial position

Year ended March 31:	**Mn JPY** **2024**	**Mn JPY** **2023**
Land and buildings	136,056	123,151
Equipment and fixtures	78,293	46,678
Vessels and aircrafts	145,487	166,199
Others	-	710
Total	359,836	336,738

Additions to right-of-use assets for the year ended March 31, 2024 was 88,273 million yen and for the year ended March 31, 2023 was 63,019 million yen.

Maturity analysis of lease liability

	Mn JPY	
	Future minimum lease payments	
Year ended March 31:	**2024**	**2023**
Not later than 1 year ……………………………………	89,974	75,768
Later than 1 year and not later than 5 years …………	233,262	203,657
Later than 5 years ……………………………………	215,393	211,969
Total ……………………………………………	538,629	491,394
Future financial cost ……………………………………	(63,343)	(60,357)
The present value of future minimum lease payments ……………………………………………	475,286	431,037

The component of lease liability

Year ended March 31:	**Mn JPY** **2024**	**Mn JPY** **2023**
Lease liabilities current	79,477	67,019
Lease liabilities non-current	395,809	364,018
Total	475,286	431,037

The consolidated statements of income include the following amounts related to leases.
Depreciation of right-of-use asset

Year ended March 31:	**Mn JPY** **2024**	**Mn JPY** **2023**
Land and buildings	24,729	20,188
Equipment and fixtures	16,967	13,779
Vessels and aircrafts	18,053	18,543
Others	-	537
Total	59,749	53,047

Total cash outflow from leases for the year ended March 31, 2024 was 84,807million yen and for the year ended March 31, 2023 was 76,117 million yen.

11. INVENTORIES

Inventories as of March 31, 2024 and 2023 were comprised of the following:

	Mn JPY	
	2024	2023
Commodities and finished goods ………………………………………	869,862	846,915
Property for sale ……………………………………………………	5,994	8,207
Raw materials, work in progress and others ……………………………	89,865	85,421
Total ………………………………………………………………	965,721	940,543

See Note 26, "FAIR VALUE MEASUREMENT" for the carrying amount of inventories measured at fair value less costs to sell.

12. PROPERTY, PLANT AND EQUIPMENT

The changes in acquisition cost, accumulated depreciation and impairment losses and carrying amount of property, plant and equipment for the years ended March 31, 2024 and 2023 were as follows:

[Acquisition cost]

	Mn JPY					
	Land and buildings	Equipment and fixtures	Vessels and aircrafts	Mineral rights	Projects in progress	Total
Balance at April 1, 2022	1,235,181	2,993,344	344,592	369,195	181,934	5,124,246
Additions ……………………	55,567	77,188	14,523	165	145,432	292,875
Disposals ……………………	(32,833)	(554,045)	(36,189)	(14,525)	(16,722)	(654,314)
Foreign currency translation …	32,027	98,641	11,591	19,377	2,893	164,529
Others ………………………	783	153,328	404	5,214	(136,580)	23,149
Balance at March 31, 2023	1,290,725	2,768,456	334,921	379,426	176,957	4,950,485
Additions ……………………	39,449	104,430	14,205	5,655	197,692	361,431
Acquisitions through business combinations…………………	1,266	5,160	-	29,005	3,869	39,300
Disposals ……………………	(42,498)	(252,734)	(64,572)	(41,347)	(32,113)	(433,264)
Foreign currency translation …	95,712	277,611	9,734	46,784	26,635	456,476
Others ………………………	14,759	115,241	491	2,585	(124,105)	8,971
Balance at March 31, 2024	1,399,413	3,018,164	294,779	422,108	248,935	5,383,399

"Others" includes the effects of transfers from projects in progress to other property, plant and equipment.

[Accumulated depreciation and impairment losses]

	Mn JPY					
	Land and buildings	**Equipment and fixtures**	**Vessels and aircrafts**	**Mineral rights**	**Projects in progress**	**Total**
Balance at April 1, 2022	452,334	2,157,987	91,166	203,749	28,108	2,933,344
Depreciation expenses ………	53,116	145,383	24,199	16,182	-	238,880
Disposals ……………………	(20,872)	(544,611)	(10,636)	(14,525)	(6,178)	(596,822)
Impairment losses ……………	3,834	4,840	1,648	-	851	11,173
Foreign currency translation …	9,177	63,652	2,298	9,878	89	85,094
Others ………………………	(19,318)	2,696	737	(1,207)	(4,699)	(21,791)
Balance at March 31, 2023	478,271	1,829,947	109,412	214,077	18,171	2,649,878
Depreciation expenses ………	61,034	158,201	21,600	16,529	-	257,364
Disposals ……………………	(28,461)	(141,021)	(15,296)	(32,337)	(2,345)	(219,460)
Impairment losses ……………	2,498	15,366	-	22,557	5,823	46,244
Foreign currency translation …	36,707	187,102	3,178	26,725	2,696	256,408
Others ………………………	(5,039)	(5,579)	(58)	3,173	(1,024)	(8,527)
Balance at March 31, 2024	545,010	2,044,016	118,836	250,724	23,321	2,981,907

[Carrying amount]

	Mn JPY					
	Land and buildings	**Equipment and fixtures**	**Vessels and aircrafts**	**Mineral rights**	**Projects in progress**	**Total**
Balance at March 31, 2023	812,454	938,509	225,509	165,349	158,786	2,300,607
Balance at March 31, 2024	854,403	974,148	175,943	171,384	225,614	2,401,492

Carrying amounts above include property, plant and equipment subject to operating leases, which primarily consist of land and buildings, vessels and aircrafts, and equipment and fixtures leased by consolidated subsidiaries. Amounts regarding property, plant and equipment subject to operating leases as lessor for the years ended March 31, 2024 and 2023 are provided in Note 10 "LEASES".

Impairment losses were recorded as "Impairment reversal (loss) of fixed assets - net" in the Consolidated Statements of Income. The breakdown of impairment losses of fixed assets for the years ended March 31, 2024 and 2023 by segment is as follows:

	Mn JPY	
	2024	**2023**
Mineral & Metal Resources ……………………………………………	(491)	(574)
Energy ………………………………………………………………	(42,680)	(5,137)
Machinery & Infrastructure ……………………………………………	(156)	(1,823)
Chemicals …………………………………………………………	(2,020)	-
Iron & Steel Products …………………………………………………	-	-
Lifestyle ……………………………………………………………	(187)	(2,898)
Innovation & Corporate Development …………………………………	(710)	(741)
All Other ……………………………………………………………	-	-
Consolidated Total ……………………………………………………	(46,244)	(11,173)

For the year ended March 31, 2024, Mitsui E&P Italia B, a subsidiary in the Energy segment engaged in the onshore oil development in the Basilicata region in Italy, recognized an impairment loss of 23,593 million yen in “Impairment reversal (loss) of fixed assets - net” in the consolidated statements of income by reducing the carrying amount of the production equipment and others to the recoverable amount of 170,391 million yen. The impairment loss was mainly due to a decrease in the recoverable reserves. The

recoverable amount above represented the value in use. The discount rate used to calculate the value in use is deemed to reflect the market average profit margin and the risks inherent to the cash-generating unit.
The impairment loss on property, plant and equipment for the year ended March 31, 2023 was immaterial.

13. INVESTMENT PROPERTY

The acquisition cost, accumulated depreciation and impairment losses, carrying amount and fair value of investment property for the years ended March 31, 2024 and 2023 were as follows.

[Acquisition cost and accumulated depreciation and impairment losses]

	Mn JPY	
	Acquisition cost	Accumulated depreciation and impairment losses
Balance at April 1, 2022..................	402,663	84,093
Balance at March 31, 2023..............	367,712	85,215
Balance at March 31, 2024..............	376,478	94,225

[Carrying amount and fair value]

	Mn JPY	
	Carrying amount	Fair value
Balance at March 31, 2023..............	282,497	657,480
Balance at March 31, 2024..............	282,253	676,182

The amounts of change in the carrying amount for the year ended March 31, 2024 were immaterial.
The amounts of disposal for the year ended March 31, 2023 were 58,734 million yen, mainly due to the decrease of 32,929 million yen for the sale of agricultural land owned by XINGU AGRI AG.

Rental income from investment property was 27,697 million yen and the amounts of direct operating expenses arising from investment property were immaterial for the year ended March 31, 2024. Rental income from investment property was 24,232 million yen and direct operating expenses arising from investment property was 15,070 million yen for the year ended March 31, 2023.

The fair value of primary investment property as of the end of each reporting period is based on a valuation conducted by independent valuation appraisers, who have recent experience in the locations and categories of the investment property being valued, and have the appropriate and recognized professional qualifications (such as registered appraiser), and is classified as Level 3. The valuation is based on significant unobservable inputs such as estimated rents and discount rates using primarily the income approach and conforms to the standards of the country where the investment property is located.

14. INTANGIBLE ASSETS

The changes in acquisition cost, accumulated amortization and impairment losses, and carrying amount of intangible assets for the years ended March 31, 2024 and 2023 were as follows:

[Acquisition cost]

	Mn JPY			
	Goodwill	Software	Others	Total
Balance at April 1, 2022	151,599	75,893	284,833	512,325
Additions	-	5,448	21,132	26,580
Disposals	(335)	(3,858)	(8,499)	(12,692)
Foreign currency translation	8,286	1,559	14,310	24,155
Others	12,891	6,699	8,445	28,035
Balance at March 31, 2023	172,441	85,741	320,221	578,403
Additions	-	6,689	27,401	34,090
Acquisitions through business combinations	80,389	487	52,918	133,794
Disposals	(9,225)	(10,358)	(7,425)	(27,008)
Foreign currency translation	16,210	3,309	34,075	53,594
Others	14,720	8,988	17,944	41,652
Balance at March 31, 2024	274,535	94,856	445,134	814,525

The balance of "Others" in acquisition cost at March 31, 2024 includes customer-related assets of AIM SERVICES (Aim) amounted to 45,261 million yen.
The balance of "Others" in acquisition cost at March 31, 2023 includes operating rights in connection with the urban passenger rail business in Brazil amounted to 69,106 million yen.

[Accumulated amortization and impairment losses]

	Mn JPY			
	Goodwill	Software	Others	Total
Balance at April 1, 2022	79,718	54,305	125,263	259,286
Amortization expense	-	9,611	14,684	24,295
Impairment losses	392	379	18,093	18,864
Disposals	-	(2,479)	(7,378)	(9,857)
Foreign currency translation	4,086	1,130	7,402	12,618
Others	752	1,472	(6,343)	(4,119)
Balance at March 31, 2023	84,948	64,418	151,721	301,087
Amortization expense	-	8,561	19,699	28,260
Impairment losses	1,036	576	19,709	21,321
Disposals	(8,841)	(8,819)	(6,919)	(24,579)
Foreign currency translation	7,768	2,682	17,073	27,523
Others	937	(173)	1,903	2,667
Balance at March 31, 2024	85,848	67,245	203,186	356,279

[Carrying amount]

	Mn JPY			
	Goodwill	Software	Others	Total
Balance at March 31, 2023	87,493	21,323	168,500	277,316
Balance at March 31, 2024	188,687	27,611	241,948	458,246

The balance of “Others” in the carrying amount at March 31, 2024 includes customer-related assets of Aim amounted to 43,364 million yen (the remaining amortization period at March 31, 2024 is 21 to 26 years).
The balance of “Others” in the carrying amount at March 31, 2023 includes operating rights in connection with the urban passenger rail business in Brazil amounted to 41,264 million yen (the remaining amortization period is 26 years at March 31, 2023).

Amortization expense on intangible assets with finite estimated useful lives is mainly recognized in "Selling, general and administrative expenses" in the consolidated statements of income.
Impairment losses and reversal of impairment losses on intangible assets are recognized in "Impairment reversal (loss) of fixed assets - net" in the consolidated statements of income.

For the year ended March 31, 2024, a subsidiary in the Machinery & Infrastructure segment engaged in the urban passenger rail business in Brazil recognized an impairment loss of 19,505 million yen in “Impairment reversal (loss) of fixed assets – net” in the consolidated statements of income by reducing the carrying amount of intangible assets to the recoverable amount of 27,423 million yen. The impairment loss was mainly due to a decrease in revenue and a valuation using the probability weighted average of future cash flows.
For the year ended March 31, 2023, a subsidiary in the Machinery & Infrastructure segment engaged in the urban passenger rail business in Brazil, recognized an impairment loss of 15,080 million yen in "Impairment reversal (loss) of fixed assets - net" in the consolidated statements of income by reducing the carrying amount of the operating rights to the recoverable amount of 41,264 million yen. The impairment loss was mainly related to a decrease in revenue and an increase in the discount rate. The recoverable amount above represented the value in use. The discount rate used to calculate the value in use is deemed to reflect the market average profit margin and the risks inherent to the cash-generating unit.

Goodwill is allocated to each cash-generating unit (or group of units) for impairment testing of goodwill for the year ended March 31, 2024. The goodwill allocated to Aim, of which carrying amount was 76,854 million yen as of March 31, 2024, accounts for main portion of the goodwill. The recoverable amount is calculated based on the value in use and is the sum of the net present value of the future cash flow estimated from five-years business plan approved by the Executive Committee of Aim.
The key assumption in the calculation of the value in use is the operating profit margin, which reflects such factors as historical performance and improvements in operating efficiency after the investment by the Company. The discount rate used to calculate the value in use is deemed to reflect the market average profit margin and the risks inherent to the cash-generating unit. The Company has set the growth rate for future cash flows beyond the period at 1.0%, which is determined by considering the Japanese inflation rate, etc.
The carrying amount of goodwill, allocated to cash-generating unit (or group of units) for impairment testing is immaterial in comparison with the Companies' total carrying amount of goodwill for the year ended March 31, 2023.

The carrying amount of intangible assets with indefinite useful lives, allocated to cash-generating unit (or group of units) for impairment testing, is immaterial in comparison with the Companies' total carrying amount of intangible assets with indefinite useful lives for the years ended March 31, 2024 and 2023.

15. EXPLORATION AND EVALUATION FOR MINERAL RESOURCES AND OIL & GAS

Exploration and evaluation assets for mineral resources and oil & gas for the years ended March 31, 2024 and 2023 were as follows: Exploration and evaluation assets are mainly recognized in "Property, plant and equipment" in the Consolidated Statements of Financial Position.

	Mn Yen	
	2024	**2023**
Balance at beginning of year	9,157	10,221
Acquisitions / Additions	8,696	1,583
Impairment and write-down of capitalized exploration expenses	(5,271)	(384)
Reclassification	-	(2,550)
Foreign currency translation	389	406
Others	(300)	(119)
Balance at end of year	12,671	9,157

Expenses, cash flows from operating activities and cash flows from investing activities in relation to exploration and evaluation for mineral resources and oil & gas for the years ended March 31, 2024 and 2023 were as follows:
Regarding exploration and evaluation expenses, impairment and write-down of capitalized exploration expenses are included in "Impairment reversal (loss) of fixed assets-net", while other exploration and evaluation expenses are included in "Other income (expense)-net".

	Mn Yen	
	2024	**2023**
Exploration and evaluation expenses	(11,629)	(5,326)
Cash flows from operating activities	(6,865)	(5,052)
Cash flows from investing activities	(7,501)	(1,603)

16. DISCLOSURES ABOUT FINANCIAL AND OTHER TRADE LIABILITIES

(1) Short-term debt

Short-term debt as of March 31, 2024 and 2023 consisted of the following:

	Mn JPY			
	2024		**2023**	
		Interest rate		Interest rate
Short-term bank loans and others	243,959	5.7%	432,233	4.7%
Total	243,959		432,233	

The interest rates represent weighted-average rates in effect as of March 31, 2024 and 2023 regardless of borrowing currencies, though the range of interest rates varies by borrowing currency.

(2) Long-term debt

Long-term debt as of March 31, 2024 and 2023 consisted of the following:

	Mn JPY	
	2024	2023
Long-term debt with collateral (Note 17):		
Banks and insurance companies, maturing serially through 2043—principally 0.1% to 14.9%	29,084	49,016
Government-owned banks and government agencies, maturing serially through 2038—principally 0.1% to 11.2%	43,194	51,957
Bonds:		
Indonesian Rupiah bonds (fixed rate 3.8% to 8.3%, due 2023–2025)	-	25,383
Brazil Real non-convertible bonds (floating rate 8.2%, due 2028)	1,756	1,406
Total	74,034	127,762
Long-term debt without collateral:		
Banks and others (principally insurance companies):		
Principally 0.0% to 6.4%, maturing serially through 2083	1,652,770	1,807,692
Principally 0.0% to 15.0%, maturing serially through 2036 (payable in foreign currencies)	1,922,682	1,904,729
Bonds and notes:		
Japanese yen bonds (fixed rate 0.2% to 2.4%, due 2024–2043)	220,511	213,732
Japanese yen bonds (fixed and floating rate 2.2% to 2.3%, due 2024)	10,000	10,000
USD bonds (fixed rate 2.2% to 5.5%, due 2027-2028)	146,550	61,463
Notes under medium-term note programme (fixed and floating rate 1.1% to 6.2% due 2023–2030)	30,264	40,342
Indonesian Rupiah bonds (fixed rate 4.1% to 7.8%, due 2023–2025)	-	11,570
Lease liability (0.0% to 12.1%, maturing serially through 2073)	475,286	431,037
Subtotal	4,458,063	4,480,565
Total	4,532,097	4,608,327
Less current portion	723,084	810,999
Long-term debt, less current portion	3,809,013	3,797,328

Long-term debt includes subordinated syndicated loans of 205.0 billion yen and 215.0 billion yen. The maturity dates are August 15, 2076 and June 15, 2083, respectively. In addition, prepayment will be enabled from August 15, 2028 and September 25, 2030.

(3) Trade and other payables, and other financial liabilities

Trade and other payables, and other financial liabilities as of March 31, 2024 and 2023 consisted of the following:

	Mn JPY	
	2024	**2023**
Current:		
Trade and other payables		
Notes payable-trade	31,710	30,358
Accounts payable-trade	1,404,916	1,306,829
Accrued expenses	210,403	173,204
Other financial liabilities		
Accounts payable-other	215,616	170,051
Derivative liabilities	398,530	329,038
Other	123,346	122,890
Total	2,384,521	2,132,370
Non-current:		
Other financial liabilities		
Accounts payable-other	10,494	12,893
Derivative liabilities	188,659	103,972
Other	142,760	106,516
Total	341,913	223,381

Financial liabilities, except for derivative liabilities, presented above are mainly measured at amortized cost, and financial liabilities measured at FVTPL were not material.
Payable to accounted equity investees included in trade and other payables carried at March 31, 2024 and 2023 were 43,966 million yen and 45,367 million yen, respectively.

(4) Liquidity risk analysis

Non-derivative financial liabilities

Contractual balances of non-derivative financial liabilities by maturity as of March 31, 2024 and 2023 were as follows:

March 31, 2024	Mn JPY			
	Within 1 year	More than 1 year and not more than 5 years	More than 5 years	Total
Trade and other payables	1,644,799	1,638	592	1,647,029
Accounts payable-other	215,616	9,692	802	226,110
Long-term debt (including current portion)	723,084	1,844,385	1,964,628	4,532,097

March 31, 2023	Mn JPY			
	Within 1 year	More than 1 year and not more than 5 years	More than 5 years	Total
Trade and other payables	1,506,951	3,121	319	1,510,391
Accounts payable-other	170,051	11,780	1,113	182,944
Long-term debt (including current portion)	810,999	1,884,890	1,912,438	4,608,327

Derivative instruments

The following tables summarize the result of liquidity analysis of derivative instruments held by the companies. These tables are prepared based on future receipts and payments of derivative instruments. If amounts to be received or paid are not fixed, the disclosed amounts are calculated using interest rates and other factors estimated in reference to the yield curve as of March 31, 2024 and 2023.

March 31, 2024		**Mn JPY**			
		Within 1 year	More than 1 year and not more than 5 years	More than 5 years	Total
Foreign exchange	Receipts	124,476	102,723	1,596	228,795
contracts	Payments	(170,196)	(145,908)	(16,469)	(332,573)
Interest rate	Receipts	12,968	26,059	14,355	53,382
contracts	Payments	(8,391)	(19,804)	(27,350)	(55,545)
Commodity	Receipts	721,950	603,185	3,689	1,328,824
contracts	Payments	(730,159)	(569,134)	-	(1,299,293)

March 31, 2023		**Mn JPY**			
		Within 1 year	More than 1 year and not more than 5 years	More than 5 years	Total
Foreign exchange	Receipts	71,856	42,897	1,149	115,902
contracts	Payments	(76,571)	(71,874)	(10,352)	(158,797)
Interest rate	Receipts	12,538	21,566	4,289	38,393
contracts	Payments	(3,449)	(10,833)	(20,203)	(34,485)
Commodity	Receipts	308,377	1,041,254	4,472	1,354,103
contracts	Payments	(285,415)	(1,018,858)	-	(1,304,273)

The amounts of future payments of other derivative instruments not included in the table were immaterial as of March 31, 2024 and 2023.

17. PLEDGED ASSETS

The assets pledged as collateral for certain short-term debt, long-term debt, and guarantee of contracts, etc., as of March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	2023
Cash and deposits	358,662	276,203
Trade and other receivables (current and non-current)	12,723	24,409
Investments	491,400	378,883
Property, plant and equipment	60,659	67,501
Others	296	289
Total	923,740	747,285

Trust receipts issued under customary import financing arrangements (short-term bank loans and bank acceptances) give banks a security interest in the merchandise imported and/or the accounts receivable resulting from the sale of such merchandise. Because of the companies' large volume of import transactions, it is not practicable to determine the total amount of assets covered by outstanding trust receipts. For this reason, it is not included in the amounts shown in the table above.
In addition to the above, the Company has bank borrowings under certain provisions of loan agreements which require the Company, upon the request of the bank, to immediately provide collateral, which is not originally identified in the loan agreements. The Company also has certain bank loan agreements in which default provisions grant sale or possession rights of the pledged assets to lenders.

18. PROVISIONS

The changes in provisions for the year ended March 31, 2024, were as follows:

	Mn JPY		
	Asset retirement obligation	Other provisions	Total
Balance at April 1, 2023	335,182	34,283	369,465
Additional provisions recognized	26,130	55,075	81,205
Provisions used	(48,595)	(8,274)	(56,869)
Provisions reversed*	(58,935)	-	(58,935)
Unwinding of discount and effects of change in discount rate	10,000	-	10,000
Others**	37,457	3,100	40,557
Balance at March 31, 2024	301,239	84,184	385,423

* For the year ended March 31, 2024, several subsidiaries in the Energy segment, have respectively changed their estimates of the asset retirement obligations for the decommissioning costs associated with the oil and gas projects. The decrease of 45,636 million yen in asset retirement obligations due to these changes in estimate has been recorded in “Other income(expense) - net” in the consolidated statements of income because the depreciation of the relevant fixed assets has been completed.
** "Others" principally includes the increase due to changes in foreign currency exchange rates.

Asset retirement obligations are principally related to the costs below.
- The dismantling and removing oil and gas production facilities owned by subsidiaries in Australia which are engaged in oil and gas producing activities, and domestic subsidiary which has interests in oil and gas operations in Southeast Asia and other areas.
- The dismantling and removing costs of facilities and decommissioning costs of the mine owned by subsidiaries in Australia, which engaged in mining and sales of Australian iron ore.
- The mine rehabilitation costs of a subsidiary in Australia, which engaged in the investments in Australian coal business.

These expenses are expected to be paid until up to 2080.

"Other provisions" includes provision related to the fire incident of International Terminals Company LLC (Note 29), etc.

19. EMPLOYEE BENEFITS

The Company and certain subsidiaries have non-contributory and contributory defined benefit pension plans covering substantially all employees other than directors.

The primary pension plan is the Company's contributory Corporate Pension Fund ("CPF") under the Defined Benefit Corporate Pension Law. Benefits from CPF are based on length of service.

Effective April 1, 2006, the Company converted certain portions of CPF into a defined contribution plan and a cash balance plan. The cash balance plan calculates a participant's benefits using a percentage of the employee's annual salary and an interest crediting rate.

The Company and certain subsidiaries have unfunded severance indemnity plans. Benefits under the plans are based on the level of compensation at retirement, or earlier termination of employment, and the length of service.

Changes in the defined benefit obligation and plan assets

The following table sets forth the changes in the companies' defined benefit obligation and plan assets:
Net defined benefit liability at end of year is included in the retirement benefit liabilities and other non-current assets in the consolidated statements of financial position.

	Mn JPY	
	2024	**2023**
Changes in defined benefit obligation:		
Defined benefit obligation at beginning of year	326,414	349,887
Service cost	10,071	12,714
Interest cost	4,972	3,525
Actuarial gain (loss)	(10,839)	(27,144)
Benefits paid from plan assets	(15,140)	(14,872)
Others	23,918	2,304
Defined benefit obligation at end of year	339,396	326,414
Changes in plan assets:		
Fair value of plan assets at beginning of year	369,233	375,883
Interest income	6,413	4,081
Return (loss) on plan assets (excluding interest income)	63,015	(17,801)
Contributions by the employer	7,536	19,805
Benefits paid from plan assets	(15,140)	(14,872)
Others	14,770	2,137
Fair value of plan assets at end of year	445,827	369,233
Net amount	106,431	42,819
Changes in the effect of limiting a net defined benefit asset to the asset ceiling (*1):	(34,076)	-
Net defined benefit liability at end of year (*2)	72,355	42,819

(*1) The maximum economic benefit is determined by refunds from the plan and reductions in future contributions calculated by present value.
(*2) The positive figure represents the fair value of plan assets exceeds the obligation.

Components of net periodic pension costs

Net periodic pension costs of the companies' defined benefit pension plans for the years ended March 31, 2024 and 2023 included the following components:

	Mn JPY	
	2024	**2023**
Service cost – benefits earned during the period	10,071	12,714
Net interest expense (revenue)	(1,441)	(556)
Others	5,025	38
Net periodic pension costs	13,655	12,196

Assumptions

The weighted-average assumptions used to determine the companies' defined benefit obligations as of March 31, 2024 and 2023 are set forth as follows:

	2024	**2023**
Discount rate	1.9%	1.6%
Rate of increase in future compensation levels	1.0%	0.9%

The companies mainly determine the discount rates each year as of the measurement date based on a review of interest rates associated with high-quality fixed-income corporate bonds.

The rate of increase in future compensation levels was not applied in determining the defined benefit obligation of CPF other than the cash balance plan because the benefit formulas of these plans do not contain factors relating to compensation levels.

The following table illustrates the sensitivity to changes in assumptions for pension plans:

	Impact of change in assumption on defined benefit obligation as of March 31, 2024
50 basis point decrease in discount rate	19,664million yen increase
50 basis point increase in discount rate	17,755million yen decrease

Plan assets

The Company's investment objective is to build a high quality portfolio of plan assets. The investment policy is targeted to ensure adequate returns available to provide future payments of pension benefits and severance indemnities. The basic strategy is diversified investment in various asset classes which have different risk return characteristics. The Company sometimes uses derivative instruments to hedge the exposure to changes in fair value of debt and equity securities, but never uses them for speculation. The subsidiaries' investment strategies are mainly based on diversified investment and are targeted to ensure stable and adequate returns to provide future payments of pension benefits over the long term.

The fair value of the companies' pension plan assets as of March 31, 2024 and 2023 by asset class are set forth as follows:

	Mn JPY					
	2024			2023		
	Quoted market price in an active market			Quoted market price in an active market		
Asset Class	**Available**	**Not available**	**Total**	**Available**	**Not available**	**Total**
Equity financial instruments (Japan) ………………	122,093	22,311	144,404	72,854	17,381	90,235
Equity financial instruments (non-Japan) ………	4,131	131,284	135,415	1,753	111,840	113,593
Debt securities (Japan) …………………………	5,520	6,415	11,935	1,173	4,539	5,712
Debt securities (non-Japan) ……………………	9,014	97,593	106,607	7,149	99,696	106,845
Life insurance company general accounts …………………	-	30,147	30,147	-	29,317	29,317
Cash and deposits ………………	13,313	-	13,313	21,883	-	21,883
Other ……………………………	3,321	685	4,006	879	769	1,648
Total …………………………	157,392	288,435	445,827	105,691	263,542	369,233

The equity financial instruments above include securities held in the Company's employee retirement benefit trust. Publicly-traded, equity financial instruments and debt securities are valued using quoted market prices and classified as assets for which a quoted market price in an active market is available. Other equity financial instruments and debt securities are mostly pooled investments managed by trust banks which are valued using net asset values of the investments calculated by the trust banks based on the fair value of the underlying assets and classified as assets for which a quoted market price in an active market is not available. Life insurance company general accounts are pooled investment portfolios managed by insurance companies with a guaranteed minimum rate of return. Most of them are valued based on the value of the accounts calculated by the insurance companies and classified as assets for which a quoted market price in an active market is not available.

Cash flows

Contributions

The companies expect to contribute 5,762 million yen to their defined benefit pension plans for the year ending March 31, 2025. When a funded amount of CPF is less than the minimum funding amount at the end of each annual period, the companies will contribute the required amounts to CPF in accordance with the rules of CPF.

Information about the maturity profile

The weighted-average duration of the benefit payments for the defined benefit obligation as of March 31, 2024 is 15 years.

Multiemployer plan

Certain subsidiaries participate in a multiemployer defined benefit pension plan, Mitsui & Co. Group Pension Fund ("MGPF"). Employers other than the Company and its subsidiaries also participate in MGPF, which is different from single-employer plans in the following respects:

a. Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
b. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
c. If the multiemployer plan is wound up or a participating employer chooses to stop participating in the multiemployer plan, the participating employer may be required to pay the plan an amount based on the underfunded status of the plan at the time of a

wind-up or a withdrawal, referred to as a withdrawal liability.

By participating in MGPF, participating employees will receive the additional benefit stipulated by the plan.

In relation to this plan, the amount of contribution was recorded as a retirement benefit cost as though it was a defined contribution plan because sufficient information is not available to enable the entity to account for the plan as a defined benefit plan.

Based on the most recently available information, the funded status of MGPF as of March 31, 2023 and 2022 were as follows:

	Mn JPY	
	2023	**2022**
Plan assets, net of current payables ……………………………………	26,186	26,163
Actuarial reserve under pension actuarial valuation ……………………	22,050	21,406
Net amount ...…………………………………………………………	4,136	4,757

The amount contributed to MGPF by the Company's subsidiaries constituted a significant portion of the total contribution and included a surcharge. MGPF was converted into a defined benefit corporate pension fund with the approval from the Ministry of Health, Labour and Welfare of the Japanese Government in April 2015.

The Company also provides an "Early Retirement Support Plan" to eligible employees, which guarantees, prior to normal retirement age, certain supplemental payments based on preretirement compensation levels.

20. EQUITY

(1) Common stock

The number of shares authorized and issued for the years ended March 31, 2024 and 2023 were as follows:

	Number of shares	
	2024	**2023**
Authorized:		
Common stock – no par value ………………………………………...	2,500,000,000	2,500,000,000
Issued:		
Balance at beginning of year ……………………………………….....	1,544,660,544	1,642,355,644
Increase (decrease) during the year …………………………………...	(31,071,376)	(97,695,100)
Balance at end of year ………………………………………………...	1,513,589,168	1,544,660,544

The number of treasury stock held as of March 31, 2024 and 2023 included in the number of shares issued shown above was 16,239,125 and 20,361,049 shares, respectively. The number of treasury stock held as of March 31, 2024 and 2023 includes 7,250,650 and 3,768,576 shares in regard to a share-based compensation plan for employees.
For the year ended March 31, 2023, the Board of Directors resolved to issue new shares under the remuneration system of tenure-linked restricted stock at a meeting held on July 7, 2022 and the number of shares issued was increased by 111,000 shares dated on July 29, 2022. The number of shares issued was decreased by 50,000,000 and 47,806,100 shares dated on August 31, 2022 and March 13, 2023 due to cancellation of such number of treasury stock based on the resolution of the meeting of the Board of Directors held on August 2, 2022, November 1, 2022 and February 3, 2023.
For the year ended March 31, 2024, the Board of Directors resolved to issue new shares as post-delivery restricted-stock-based remuneration under the remuneration system of tenure-linked restricted stock at a meeting held on April 9, 2023 and new shares under the remuneration system of tenure-linked restricted stock at a meeting held on July 11, 2023 and the number of shares issued was increased by 129,424 and 96,700 shares dated on April 28, 2023 and July 26, 2023. The number of shares issued was decreased by 22,198,700 and 9,098,800 shares dated on August 31, 2023 and February 15, 2024 due to cancellation of such number of treasury stock based on the resolution of the meeting of the Board of Directors held on November 1, 2022, February 3, 2023 and October 31, 2023.
The number of common stocks mentioned above is calculated based on the number of shares before a share split. On May 1, 2024 the Board of Directors resolved to conduct a share split which is scheduled to take effect on July 1, 2024. Each share of common stock will be split into two shares.

(2) Capital surplus and retained earnings

Capital surplus mainly consist of additional paid-in capital. Changes in capital surplus for the years ended March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	**2023**
Balance at beginning of year…………………………………………	381,869	376,516
Equity transactions with non-controlling interest shareholders:		
Increase (decrease) due to transfers of owners of parent's ownership interests in its subsidiaries to non-controlling interests ………………	5,811	2,728
Increase (decrease) due to transfers of owners of parent's ownership interests in its subsidiaries from non-controlling interests ……………	(862)	(1,002)
Put options granted to non-controlling interests………………	(1,486)	(27)
Sales of treasury stock.…………………………………………………	(569)	(252)
Compensation costs related to share-based payment…………………	7,093	3,906
Balance at end of year…………………………………………………	391,856	381,869

Retained earnings consist of legal reserve and other unappropriated retained earnings.

The Companies Act of Japan stipulates that an amount equal to 10% of distribution from surplus must be appropriated as additional paid-in capital or a legal reserve in retained earnings depending on the equity account charged upon the payment of such distribution until the total aggregate amount of additional paid-in capital and legal reserve in retained earnings equals 25% of the common stock.

Under the Companies Act, the amount available for distribution is calculated based on the amount of capital surplus and retained earnings, exclusive of additional paid-in capital and legal reserve, recorded in the general books of account in accordance with generally accepted accounting principles in Japan. The amount available for distributions from the Company was 1,846,966 million yen at March 31, 2024.

The total amount of dividends based on the resolution of the ordinary general meeting of shareholders held on June 21, 2023 and the meeting of the Board of Directors held on October 31, 2023 are 114,607 million yen and 128,665 million yen respectively. In the total amount of dividends, 282 million yen and 622 million yen dividends on shares in regard to a share-based compensation plan for employees are included.

(3) Other components of equity

Changes in other components of equity for the years ended March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	2023
Financial assets measured at FVTOCI:		
Balance at beginning of year	215,612	465,091
Increase (decrease) during the year	48,746	(199,138)
Transfer to retained earnings	1,212	(50,341)
Balance at end of year	265,570	215,612
Remeasurements of defined benefit pension plans:		
Balance at beginning of year	-	-
Increase (decrease) during the year	27,361	2,609
Transfer to retained earnings	(27,361)	(2,609)
Balance at end of year	-	-
Foreign currency translation adjustments:		
Balance at beginning of year	638,502	478,584
Increase (decrease) during the year	451,876	159,918
Balance at end of year	1,090,378	638,502
Cash flow hedges:		
Balance at beginning of year	14,849	(116,234)
Increase (decrease) during the year	(46,976)	131,083
Balance at end of year	(32,127)	14,849
Total:		
Balance at beginning of year	868,963	827,441
Increase (decrease) during the year	481,007	94,472
Transfer to retained earnings	(26,149)	(52,950)
Balance at end of year	1,323,821	868,963

(4) Income tax relating to other comprehensive income

Income taxes included in each component of other comprehensive income for the years ended March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	2023
Items that will not be reclassified to profit or loss:		
Financial assets measured at FVTOCI	(8,779)	50,949
Remeasurements of defined benefit pension plans	(13,695)	(5,285)
Share of other comprehensive income of investments accounted for using the equity method	(6,618)	(137)
Total	(29,092)	45,527
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation adjustments	68,770	34,600
Cash flow hedges	(532)	2,475
Share of other comprehensive income of investments accounted for using the equity method	(75,121)	(54,519)
Total	(6,883)	(17,444)

(5) Other comprehensive income included in non-controlling interests

Each component of other comprehensive income included in non-controlling interests for the years ended March 31, 2024 and 2023 was as follows:

	Mn JPY	
	2024	2023
Financial assets measured at FVTOCI ………………………………	5	111
Remeasurements of defined benefit pension plans ……………………	20	22
Foreign currency translation adjustments ………………………………	16,639	3,635
Cash flow hedges ………………………………………………………	1,475	(1,463)
Total …………………………………………………………………	18,139	2,305

21. EARNINGS PER SHARE

The following is a reconciliation of basic earnings per share attributable to owners of the parent to diluted earnings per share attributable to owners of the parent for the years ended March 31, 2024 and 2023:

	2024			2023		
	Profit (numerator)	Shares (denominator)	Per share amount	Profit (numerator)	Shares (denominator)	Per share amount
	Mn JPY	In Thousands	Yen	Mn JPY	In Thousands	Yen
Basic earnings per share attributable to owners of the parent:	1,063,684	1,507,480	705.60	1,130,630	1,566,367	721.82
Effect of dilutive securities:						
Adjustment of effect of: Dilutive securities of associated companies…...	(1)	-		(10)	-	
Share-based remuneration………………..........	-	999		-	877	
Diluted earnings per share attributable to owners of the parent:	1,063,683	1,508,479	705.14	1,130,620	1,567,244	721.41

In a calculation of earnings per share the number of shares related to the share-based compensation plan for employees is included in the number of treasury stock. The number of treasury stock is deducted from the number of shares of common stock issued, in a calculation of the average number of shares of common stock outstanding. The average number of treasury stock for the year ended March 31, 2024 and 2023 were 22,305,920 shares and 41,619,314 shares, respectively. On May 1, 2024, the Board of Directors resolved to conduct a share split which is scheduled to take effect on July 1, 2024. Each share of common stock will be split into two shares. Earnings per share attributable to owners of the parent, basic and earnings per share attributable to owners of the parent, diluted are calculated based on the number of shares before the share split. For the details of the share split, please refer to "*32. SUBSEQUENT EVENTS*."

22. REVENUES

(1) Disaggregation of Revenue Recognized from Contracts with Customers

Among "Revenue", the disaggregation of revenue recognized from contracts with customers by business segment is as follows. The following business segment categories are same as in note 7 "SEGMENT INFORMATION". Revenue other than revenue recognized from contracts with customers includes revenue related to lease and financial instruments, etc.

	Mn JPY								
Year ended March 31, 2024:	**Mineral & Metal resources**	**Energy**	**Machinery & Infrastructure**	**Chemicals**	**Iron & Steel products**	**Lifestyle**	**Innovation & Corporate development**	**All other**	**Total**
Revenue recognized from contracts with customers	1,723,425	1,019,492	1,280,471	2,748,677	678,680	2,415,116	195,811	1,076	10,062,748

	Mn JPY								
Year ended March 31, 2023:	**Mineral & Metal resources**	**Energy**	**Machinery & Infrastructure**	**Chemicals**	**Iron & Steel products**	**Lifestyle**	**Innovation & Corporate development**	**All other**	**Total**
Revenue recognized from contracts with customers	1,917,475	1,685,819	1,000,262	3,130,560	722,820	2,143,801	181,162	683	10,782,582

(2) Contract Balances

The balances of receivables from contracts with customers and contract liabilities are as follows.

	Mn JPY		
	Balance at March 31, 2024	**Balance at March 31, 2023**	**Balance at April 1, 2022**
Receivables from contracts with customers.......	1,798,295	1,770,660	1,793,630
Contract liabilities..	322,667	223,753	177,484

In the Consolidated Statements of Financial Position, receivables from contracts with customers are included in "Trade and other receivables" and contract liabilities are included in "Advances from customer (including non-current)". Contract liabilities mainly consist of advances from customers prior to delivery in ships sales transactions. If the time between transfer of goods or services to the customer and payment is within 1 year, the impact of material financial factors is not adjusted. Of the revenue recognized in the year ended March 31, 2024 and 2023, the amount included in contract liabilities as of the beginning of the fiscal year is 117,248 million yen and 82,552 million yen before, respectively.

(3) Transaction Price Allocated to the Remaining Performance Obligations

The total transaction price allocated to the remaining performance obligations and the expected period of revenue recognition are as follows. The contracts that have an original expected duration of one year or less, and the contract that the companies recognize the revenue at the amount of consideration to which the companies have a right to invoice for the transactions which performance obligation satisfied over time, are not included. In addition, there is no significant consideration from contracts with customers not included in the transaction price. If the price at the time of revenue recognition is undecided at the fiscal year end, the future price is reasonably estimated based on the contract conditions and the prices published by third parties and allocated to the remaining performance obligations.

	Mn JPY	
	2024	**2023**
Within 1 year………………………………	1,641,403	1,358,506
More than 1 year and Within 2 years………	1,297,461	1,273,659
More than 2 years and Within 3 years………	1,150,631	791,375
More than 3 years……………………………	3,909,496	3,841,371
Total………………………………………	7,998,991	7,264,911

The balances more than 3 years are mainly composed of long-term contracts up to 2040.

(4) Assets Recognized from the Costs to Obtain or Fulfill a Contract with a Customer

For the year ended March 31, 2024, the amounts of assets recognized from the costs to obtain or fulfill contracts with customers are immaterial. Also, if the amortization period of the asset to be recognized is within a year, the incremental costs of obtaining a contract is recognized as a cost when incurred.

23. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses for the years ended March 31, 2024 and 2023 consisted of the following:

	Mn JPY	
	2024	**2023**
Personnel expenses……………………………………………………	437,073	384,032
Welfare…………………………………………………………………	15,865	13,377
Travel expenses………………………………………………………	32,045	25,156
Communication expenses……………………………………………	62,009	55,252
Service fee………………………………………………………………	18,096	16,148
Depreciation……………………………………………………………	50,541	41,160
Fees and taxes…………………………………………………………	15,869	17,317
Loss allowance…………………………………………………………	8,967	18,857
Other……………………………………………………………………	153,826	131,510
Total……………………………………………………………………	794,291	702,809

Remuneration of the company's directors and audit & supervisory board members for the years ended March 31, 2024 and 2023 were 3,089 million yen and 3,017 million yen, respectively.

24. FOREIGN EXCHANGE GAINS AND LOSSES – NET

Net foreign exchange gains and losses recognized in the consolidated statements of income for the year ended March 31, 2024 were 65,001 million yen (loss). The amounts of net foreign exchange gains and losses for the year ended March 31, 2023 were immaterial.

25. INCOME TAXES

Reconciliation between the applicable income tax rate in Japan and the effective income tax rate in the consolidated statements of income and comprehensive income for the years ended March 31, 2024 and 2023 was summarized as follows:

	%	
	2024	2023
Applicable income tax rate in Japan	31.0%	31.0%
Increases (decreases) in tax rate resulting from:		
Expenses not deductible for tax purposes and income not taxable-net	0.2	(0.8)
Differences of tax rates to certain taxable income	(1.6)	(1.5)
Tax effects on dividends	(4.8)	(2.5)
Effect of the recoverability of deferred tax assets	0.5	(4.2)
Higher tax rates for resource related taxes	0.7	1.5
Tax effects on investments accounted for using the equity method	(6.4)	(6.3)
Other	(2.6)	0.0
Effective income tax rate	17.0%	17.2%

The tax effects of material temporary differences and carryforwards which result in deferred tax assets and liabilities as of March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	2023
Deferred tax assets:		
Retirement benefit liabilities	5,656	4,868
Estimated losses	32,294	30,622
Fixed assets	117,243	91,320
Lease liabilities	87,394	85,779
Loss carryforwards	175,130	156,315
Foreign currency translation	184,065	94,656
Other	6,243	13,933
Total deferred tax assets	608,025	477,493
Deferred tax liabilities:		
Inventories	7,953	4,343
Fixed assets	212,191	165,343
Lease assets	89,896	87,842
Other investments	290,602	283,014
Undistributed earnings	383,586	320,604
Foreign currency translation	223,587	144,894
Other	37,960	14,519
Total deferred tax liabilities	1,245,775	1,020,559

(Note) In accordance with the application of IAS 12 "Income Taxes" amended in May 2021, the amounts of deferred tax assets and liabilities for the year ended March 31, 2023 have been adjusted, and “Lease liabilities” included in “Fixed assets” of deferred tax assets and “Lease assets” included in “Fixed assets” of deferred tax liabilities for the years ended March 31, 2024 and 2023 have been presented separately.

Deferred tax assets recognized by taxable entities that have suffered a loss in either the current or preceding period were 10,307 million yen and 10,400 million yen as of March 31, 2024 and 2023, respectively. The companies recognize deferred tax assets within a sufficient taxable income during the expiry period of net operating loss carried forward for each country.

The unused tax loss carryforwards and deductible temporary differences for which deferred tax assets were not recognized were 2,764,216 million yen and 2,540,915 million yen as of March 31, 2024 and 2023, respectively.

Taxable temporary differences associated with investments in subsidiaries for which deferred tax liabilities were not recognized were 2,898,199 million yen and 2,126,264 million yen as of March 31, 2024 and 2023, respectively.

The increase and decrease in deferred tax assets and deferred tax liabilities recognized as deferred tax expenses in the consolidated statements of income for the years ended March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	2023
Inventories	(3,610)	17,903
Fixed assets	10,162	(9,546)
Loss carryforwards	23,159	(18,373)
Other investments	(3,024)	2,452
Undistributed earnings	(59,322)	(40,343)
Estimated losses	1,344	11,927
Other	(3,218)	9,436
Total	(34,509)	(26,544)

Unused tax loss carryforwards for which no deferred tax assets have been recognized as of March 31, 2024 and 2023 were 554,565 million yen and 510,657 million yen, respectively. If not utilized, such tax loss carryforwards will expire as follows:

	Mn JPY	
	2024	2023
Within 5 years	140,017	123,978
After 5 to 10 years	164,403	206,608
After 10 to 15 years	32,732	25,711
After 15 years	217,413	154,361
Total	554,565	510,657

Income tax expenses in the consolidated statements of income for the years ended March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	2023
Current	(187,405)	(214,124)
Deferred	(34,509)	(26,544)
Total	(221,914)	(240,668)

Deferred tax expenses or income arising from the write-down and reversal of previously written-down deferred tax assets related to tax loss carryforwards and temporary differences of the companies for which it is probable that a tax benefit or expense will be realized in the future were immaterial for the year ended March 31, 2024 and 2023.

In Japan, where the Company is located, the Act for Partial Amendment of the Income Tax Act, etc. (Act No.3 of 2023), which introduces a global minimum tax system in accordance with the Pillar Two model rules, was enacted on March 28, 2023. This Act will be applicable to the Company from the fiscal year beginning on April 1, 2024.
The company has no material exposure on income taxes arising from this Act.

26. FAIR VALUE MEASUREMENT

IFRS 13 "Fair Value Measurement" defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. IFRS 13 establishes the fair value hierarchy that may be used to measure fair value, which is provided as follows. The companies recognize transfers of assets or liabilities between levels of the fair value hierarchy as of the end of each reporting period when the transfers occur.

Level 1:
Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2:
Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly. Level 2 inputs include the following:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in markets that are not active
- Inputs other than quoted prices that are observable for the assets or liabilities
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

Level 3:
Unobservable inputs for the assets or liabilities.

(1) Valuation techniques

Primary valuation techniques used for each financial instrument measured at fair value are as follows:

Other Financial Assets
- Other financial assets other than measured at amortized cost are measured at fair value.
- Other financial assets other than measured at amortized cost are measured at fair value principally using the discounted cash flow method and other appropriate valuation techniques considering various assumptions, including expected future cash flows and discount rates reflecting the related of the customer. The degree to which these inputs are observable in the relevant markets determines whether the investment is classified as level 3.

Other Investments
- Other investments other than measured at amortized cost are measured at fair value.
- Publicly-traded other investments are measured using the quoted market prices and classified as level 1.
- Non-marketable other investments are measured at fair value principally using the discounted cash flow method, the market comparison approach and other appropriate valuation techniques considering various assumptions, including expected future cash flows and discount rates reflecting the related risks of the investee. They are classified as level 3, considering the degree to which these inputs are observable in the relevant markets.

Derivative Instruments
- Derivative instruments mainly consist of derivative commodity instruments and derivative financial instruments.
- Exchange-traded derivative commodity instruments measured using quoted market prices in an active market are classified as level 1. Certain derivative commodity instruments measured using observable inputs of the quoted prices obtained from markets, financial information providers, and brokers, are classified as level 2. Also, the derivative commodity instruments measured using unobservable inputs are classified as level 3.
- Derivative financial instruments are mainly measured by discounted cash flow analysis using foreign exchange and interest rates or quoted prices currently available for similar types of agreements and are classified as level 2.

Inventories
- Inventories acquired with the purpose of being sold in the near future and a profit from fluctuations in price are measured at fair value based on quoted prices with certain adjustments and classified as level 2. The amounts of costs to sell as of March 31, 2024 and 2023 were immaterial.

(2) Valuation process

The valuation process involved in level 3 measurements for each applicable asset and liability is governed by the model validation policy and related procedures pre-approved by appropriate personnel. Based on the policy and procedures, the personnel determine the valuation model to be utilized to measure each asset and liability at fair value. The Company engages independent external experts of valuation to assist in the valuation process for certain assets over a specific amount, and their results of valuations are reviewed by the responsible personnel of the Company. All of the valuations, including those performed by the external experts, are reviewed and approved by the responsible personnel of the Company.

(3) Assets and liabilities measured at fair value on a recurring basis

Information by fair value hierarchy

Assets and liabilities measured at fair value on a recurring basis as of March 31, 2024 and 2023 were as follows. No assets or liabilities were transferred between level 1 and 2 for the years ended March 31, 2024 and 2023.

March 31, 2024	Mn JPY				
	Fair value measurements using			Netting adjustments (note1)	Total fair value
	Level 1	Level 2	Level 3		
Assets:					
Other financial assets (Current):					
Financial assets measured at FVTPL…………………………	-	-	92,404		
Total other financial assets………………………………	-	-	92,404	-	92,404
Other investments:					
Financial assets measured at FVTPL…………………………	7,132	-	432,995		
Financial assets measured at FVTOCI………………………	1,158,206	-	711,129		
Total other investments	1,165,338	-	1,144,124	-	2,309,462
Derivative assets:					
Foreign exchange contracts……………………………………	-	229,883	-		
Interest rate contracts…………………………………………	-	27,903	-		
Commodity contracts…………………………………………	58,300	1,267,632	5,324		
Others…………………………………………………………	-	-	17,393		
Total derivative assets	58,300	1,525,418	22,717	(1,049,948)	556,487
Inventories………………………………………………………	-	203,244	-	-	203,244
Total assets………………………………………………………	1,223,638	1,728,662	1,259,245	(1,049,948)	3,161,597
Liabilities (Note3):					
Derivative liabilities:					
Foreign exchange contracts……………………………………	-	333,022	-		
Interest rate contracts…………………………………………	-	34,573	-		
Commodity contracts…………………………………………	95,740	1,203,065	1,173		
Others…………………………………………………………	-	-	6,146		
Total derivative liabilities	95,740	1,570,660	7,319	(1,086,531)	587,188
Total liabilities…………………………………………………	95,740	1,570,660	7,319	(1,086,531)	587,188

March 31, 2023	Mn JPY				
	Fair value measurements using			Netting adjustments (note1)	Total fair value
	Level 1	Level 2	Level 3		
Assets (Note2):					
Other investments:					
Financial assets measured at FVTPL…………………………	6,920	-	340,625		
Financial assets measured at FVTOCI………………………	1,140,663	-	634,342		
Total other investments	1,147,583	-	974,967	-	2,122,550
Derivative assets:					
Foreign exchange contracts……………………………………	-	115,974	-		
Interest rate contracts…………………………………………	-	39,974	-		
Commodity contracts…………………………………………	77,123	1,271,248	9,711		
Others…………………………………………………………	-	-	28,393		
Total derivative assets	77,123	1,427,196	38,104	(1,095,070)	447,353
Inventories………………………………………………………	-	174,470	-	-	174,470
Total assets………………………………………………………	1,224,706	1,601,666	1,013,071	(1,095,070)	2,744,373
Liabilities (Note3):					
Derivative liabilities:					
Foreign exchange contracts……………………………………	-	158,823	-		
Interest rate contracts…………………………………………	-	28,818	-		
Commodity contracts…………………………………………	80,272	1,221,013	3,680		
Others…………………………………………………………	-	-	12,031		
Total derivative liabilities	80,272	1,408,654	15,711	(1,071,627)	433,010
Total liabilities…………………………………………………	80,272	1,408,654	15,711	(1,071,627)	433,010

Note1:Amounts of netting adjustments include the net amount when, and only when, the companies currently have a legally enforceable right to set off the recognized amounts, and intend either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Note2:The amounts of Trade and other receivables measured at FVTPL were immaterial.

Note3:The amounts of financial liabilities measured at FVTPL were immaterial.

Reconciliation of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3)

The reconciliation of financial assets measured at FVTPL for the years ended March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	2023
Balance at beginning of year	340,625	259,795
Gains (losses)	25,942	15,187
Purchases	60,211	77,904
Sales/Redemptions	(9,635)	(16,550)
Transfers into Level 3	-	-
Transfers out of Level 3 (Note 1)	(1,800)	-
Others (Note 2)	110,056	4,289
Balance at end of year	525,399	340,625
Net change in unrealized gains (losses) still held at end of year	26,275	13,931

Note 1: "Transfers out of Level 3" is due to the transfer into Level 1 as the initial public offering of the shares.
Note 2: "Others" includes the effect of changes in foreign exchange rates (including in the foreign currency translation adjustments), in scope of consolidation and others, besides the effect of recognition of financial assets related to LNG project.

Gains (losses) related to financial assets measured at FVTPL for the year ended March 31, 2024 and 2023 were mainly included in "Revenue" and "Gain (loss) on securities and other investments-net" in the Consolidated Statements of Income.

The reconciliation of financial assets measured at FVTOCI for the years ended March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	2023
Balance at beginning of year	634,342	732,436
Other comprehensive income (Note 1)	86,164	(104,714)
Purchases	27,098	26,382
Sales	(11,428)	(25,215)
Redemptions (Note 2)	(33,733)	(3,880)
Transfers into Level 3	-	-
Transfers out of Level 3 (Note 3)	(575)	-
Others (Note 4)	9,261	9,333
Balance at end of year	711,129	634,342

Note 1: "Other comprehensive income" for the year ended March 31, 2024 increased mainly due to increase of fair value in investment in LNG project reflecting the effect of change in foreign exchange rates, and the fair value in investment in the mineral & metal resources projects reflecting the rise in iron ore prices and the effect of change in foreign exchange rates. "Other comprehensive income" for the year ended March 31, 2023 decreased mainly due to the decrease of fair value in investment in LNG project by the uncertainty arising from the Russian LNG business, in spite of the positive effect of change in foreign exchange rates. For the details of the fair value in investment in LNG project by the uncertainty arising from the Russian LNG business, please refer to Note 31 "IMPACT OF THE RUSSIA-UKRAINE SITUATION ON THE RUSSIAN LNG BUSINESS".
Note 2: "Redemptions", which was included in "Sales" for the fiscal year ended March 31, 2023, is separately presented for the fiscal year ended March 31, 2024 from the perspective of materiality. As a result, the amount of (29,095) million yen, which was presented in "Sales" for the year ended March 31, 2023 has been reclassified and presented as (25,215) million yen for "Sales" and as (3,880) million yen for "Redemptions".
Note 3: "Transfers out of Level 3" is due to the transfer into Level 1 as the initial public offering of the shares.
Note 4: "Others" includes the effect of changes in scope of consolidation and others.

Other comprehensive income related to financial assets measured at FVTOCI was included in "Financial assets measured at FVTOCI" and "Foreign currency translation adjustment" in the Consolidated Statements of Comprehensive Income.

The reconciliation of derivative assets for the years ended March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	**2023**
Balance at beginning of year	38,104	35,013
Gains (losses)	(20,443)	3,079
Other comprehensive income	1,361	549
Purchases	3,695	169
Set off	-	(706)
Transfers out of Level 3	-	-
Balance at end of year	22,717	38,104
Net change in unrealized gains (losses) still held at end of year	(20,443)	3,079

The reconciliation of derivative liabilities for the years ended March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	**2023**
Balance at beginning of year	15,711	9,872
Gains (losses)	(4,223)	4,676
Other comprehensive income	1,702	569
Purchases	3,900	1,723
Set off	(9,771)	(1,129)
Transfers out of Level 3	-	-
Balance at end of year	7,319	15,711
Net change in unrealized gains (losses) still held at end of year	(4,223)	4,676

Gains (losses) of above table in relation to the derivative assets and liabilities for the years ended March 31, 2024 and 2023 have been recorded in "Revenue", "Cost" and "Other income (expense) - net" in the Consolidated Statements of Income. Other comprehensive income has been recorded in "Foreign currency translation adjustments" in the Consolidated Statements of Comprehensive Income.

Quantitative information about Level 3 fair value measurements

Information about valuation techniques and significant unobservable inputs used for level 3 assets measured at fair value on a recurring basis as of March 31, 2024 and 2023 were as follows:

March 31, 2024	Valuation Technique	Principal Unobservable Input	Range
Financial assets measured at FVTPL Financial assets measured at FVTOCI	Income approach	Discount rate	6.8% ~ 33.0%

March 31, 2023	Valuation Technique	Principal Unobservable Input	Range
Financial assets measured at FVTPL Financial assets measured at FVTOCI	Income approach	Discount rate	6.8% ~ 34.1%

In addition to the above, the price of crude oil is one of the significant unobservable inputs used in measuring the fair value of non-marketable equity securities related to LNG business. The Company forecasts that Brent Crude price will decrease from the recent US $85/bbl to US$80/bbl in the short term and remain at US$80/bbl after then, considering the recent market price and several third parties' forecasts. Regarding the Russian LNG business, please refer to Note 31 "IMPACT OF THE RUSSIA-UKRAINE SITUATION ON THE RUSSIAN LNG BUSINESS".

Information about sensitivity to changes in significant unobservable inputs

For recurring fair value measurements of financial assets measured at FVTOCI using the income approach, increases (decreases) in discount rates would result in a lower (higher) fair value. For securities related to LNG business, increase (decrease) in the price of crude oil would result in a higher (lower) fair value.

27. CONTINGENT LIABILITIES

I. GUARANTEES

The companies provide various types of guarantees for the benefit of third parties and related parties principally to enhance their credit standings, and would be required to execute payments if a guaranteed party failed to fulfill its obligation with respect to a borrowing or trade payable.

The table below summarizes the maximum potential amount of future payments, amount outstanding and recourse provisions/collateral of the companies' guarantees as of March 31, 2024 and 2023. The maximum potential amount of future payments represents the amount without consideration of possible recovery under recourse provisions or from collateral held or pledged that the companies could be obliged to pay if there were defaults by the guaranteed parties. Such amounts bear no relationship to the anticipated losses on these guarantees and indemnifications and, in the aggregate, they greatly exceed anticipated losses.
The companies evaluate risks involved for each guarantee through an internal screening procedure before issuing a guarantee and regularly monitor outstanding positions and record adequate allowance to cover losses expected from probable performance under these agreements. Reference for guarantee of the Russian LNG business is made to Note 31 Impact of the Russia-Ukraine situation on the Russian LNG business.

	Mn JPY			
	Maximum potential amount of future payments	**Amount outstanding (a)**	**Recourse provisions/ Collateral (b)**	**Net amount outstanding (a)-(b)**
March 31, 2024				
Type of guarantees:				
Financial guarantees				
Guarantees for third parties …………………	390,604	138,271	—	138,271
Guarantees for investments accounted for using the equity method ………………	735,621	380,601	27,575	353,026
Performance guarantees				
Guarantees for third parties …………………	29,365	26,139	23,275	2,864
Guarantees for investments accounted for using the equity method ………………	54,929	48,503	18	48,485
Total ………………	1,210,519	593,514	50,868	542,646

	Mn JPY			
	Maximum potential amount of future payments	**Amount outstanding (a)**	**Recourse provisions/ Collateral (b)**	**Net amount outstanding (a)-(b)**
March 31, 2023				
Type of guarantees:				
Financial guarantees				
Guarantees for third parties …………………	386,108	149,959	2,723	147,236
Guarantees for investments accounted for using the equity method ………………	825,769	570,010	201,926	368,084
Performance guarantees				
Guarantees for third parties …………………	38,676	35,220	28,882	6,338
Guarantees for investments accounted for using the equity method ………………	46,205	40,184	102	40,082
Total ………………	1,296,758	795,373	233,633	561,740

Guarantees for third parties

The companies guarantee, severally or jointly with others, indebtedness of certain customers and suppliers in the furtherance of their trading activities. Most of these guarantees outstanding as of March 31, 2024 and 2023 will expire through 2028.

Guarantees for the investments accounted for using the equity method

The companies, severally or jointly with others, issue guarantees for the investments accounted for using the equity method for the purpose of furtherance of their trading activities and enhancement of their credit for securing financing. Most of these guarantees outstanding as of March 31, 2024 and 2023 will expire through 2032 and 2031, respectively.

The table below summarizes the maximum potential amount of future payments for the companies' guarantees by the remaining contractual period as of March 31, 2024 and 2023.

	Mn JPY	
	2024	**2023**
Within 1 year …………………………………	355,809	348,755
After 1 to 5 years ……………………………	593,784	671,321
After 5 years …………………………………	260,926	276,682
Total ……………………………………	1,210,519	1,296,758

II. LITIGATION AND OTHER DISPUTES

Various claims and legal actions are pending against the companies in respect of contractual obligations and other matters arising out of the conduct of the companies' business. Appropriate provision has been recorded for the estimated loss on claims and legal actions. In the opinion of management, any additional liabilities will not materially affect the consolidated financial position, operating results, or cash flows of the companies.

28. SUPPLEMENTAL CASH FLOW INFORMATION

Supplemental information related to the Consolidated Statements of Cash Flows for the years ended March 31, 2024 and 2023 were as follows:

	Mn JPY	
	2024	**2023**
Non-cash investing and financing activities:		
Acquisition of assets related to leases	52,508	69,429
Other payables for acquisition of fixed assets and asset retirement obligations	34,629	48,062
Other receivables for sales of fixed assets	-	12,992
Other receivables for sales of securities and others	30,952	-
Acquisitions of subsidiaries or other businesses (note 3):		
The total consideration paid	118,019	-
The portion of the consideration consisting of cash and cash equivalents	118,019	-
Cash and cash equivalents acquired	11,717	-
Acquisitions of subsidiaries or other businesses	106,302	-
Proceeds from sales of subsidiaries or other businesses:		
The total consideration received	154,577	-
The portion of the consideration consisting of cash and cash equivalents	154,577	-
Cash and cash equivalents divested	1,658	
Proceeds from sales of subsidiaries or other businesses	152,919	-
Assets in the subsidiaries or other businesses sold (excluding cash and cash equivalents)		
Current assets	13,039	-
Non-current assets	88,852	-
Total assets in the subsidiaries or other businesses sold	101,891	-
Liabilities in the subsidiaries or other businesses sold		
Current liabilities	12,878	-
Non-current liabilities	446	-
Total liabilities in the subsidiaries or other businesses sold	13,324	-

For details of significant assets acquired and liabilities assumed in the acquisition of subsidiaries or other businesses, see Note 3, “BUSINESS COMBINATIONS”.

The changes in liabilities arising from financing activities for the years ended March 31, 2024 and 2023 were as follows:

	Mn JPY							
			Non-cash changes					
	Balance at April 1, 2023	**Cash flows**	**Foreign exchange movement**	**Obtaining or losing control of subsidiaries or other businesses**	**Change in fair value**	**New lease contracts**	**Others**	**Balance at March 31, 2024**
Short-term debt	432,233	(203,168)	35,854	(1,617)	-	-	(19,343)	243,959
Long-term debt (Note 1)	4,608,327	(417,761)	284,346	(18,247)	(16,216)	73,803	17,845	4,532,097
Total	5,040,560	(620,929)	320,200	(19,864)	(16,216)	73,803	(1,498)	4,776,056

Note 1: Long-term debt includes "Current portion of long-term debt" and "Long-term debt, less current portion" from the Consolidated Statements of Financial Position.

	Mn JPY						
			Non-cash changes				
	Balance at April 1, 2022	**Cash flows**	**Foreign exchange movement**	**Change in fair value**	**New lease contracts**	**Others**	**Balance at March 31, 2023**
Short-term debt	281,831	168,678	20,664	-	-	(38,940)	432,233
Long-term debt (Note 1)	4,595,632	(283,101)	196,909	(29,161)	69,808	58,240	4,608,327
Total	4,877,463	(114,423)	217,573	(29,161)	69,808	19,300	5,040,560

Note 1: Long-term debt includes "Current portion of long-term debt" and "Long-term debt, less current portion" from the Consolidated Statements of Financial Position.

29. THE FIRE INCIDENT OF INTERCONTINENTAL TERMINALS COMPANY LLC

On March 17, 2019 (US time) a fire began at the Deer Park tank terminal of Intercontinental Terminals Company ("ITC"), a wholly owned U.S. subsidiary of the Company. The Deer Park tank terminal is located in the outskirts of Houston, Texas. The fire partially damaged tanks owned by ITC. ITC has resumed its operation after discussions with related authorities. Harris County Fire Marshal's Office released its final report with respect to the fire incident on December 6, 2019 (US time) and the report classified the fire as accidental, while not specifying the cause of the fire. On July 6, 2023, U.S. Chemical Safety and Hazard Investigation Board released its final investigation report with respect to the fire incident, and determined that the fire was caused by the release of a flammable naphtha product from a failure of the Tank 80-8 circulation pump, which accumulated in the area and ignited.
The profit and loss related to this incident recognized in the years ended March 31, 2024 and 2023, and the outstanding balance of related provision and assets recognized as reimbursement as of March 31, 2024 are immaterial.
While there are multiple lawsuits that have been brought against ITC in relation to this incident, ITC has reached an agreement to resolve many of the lawsuits and claims to the extent the settlement amount is fully covered by insurance. Certain additional lawsuits are not covered by the proposed settlement and will remain pending against ITC. The ultimate outcome of these lawsuits is not expected to have significant impact on our consolidated financial position, operating results and cash flow.

30. IMPACT OF THE SECURITY SITUATION IN NORTHERN MOZAMBIQUE ON LNG PROJECT

The Company participates in the Mozambique LNG Project through Mitsui E&P Mozambique Area 1, an equity accounted investee in the Energy segment. In April 2021, all project personnel evacuated the project site due to the deteriorating security situation in northern Mozambique where the project site is located, and on April 26, 2021, the project operator, TotalEnergies of France, announced that it had declared force majeure under the joint operating agreement.
Progress has been seen in the restoration of order, stability and security in the region, and project partners are working with the government and relevant stakeholders for an early restart of the construction, while the exact restart date is still being reviewed.
The Company does not expect a significant impact on its consolidated financial position, operating results and cash flow at this stage.

31. IMPACT OF THE RUSSIA-UKRAINE SITUATION ON THE RUSSIAN LNG BUSINESS

The Russian LNG business in which the Company, its subsidiary, and the equity accounted investee in the Energy segment have invested, financed and guaranteed, is affected by the Russia-Ukraine situation that has been ongoing since February 2022 and the resulting sanctions against Russia, etc. Based on discussions with each partner etc, the Company has evaluated its relevant assets and liabilities.
In relation to the investment in Sakhalin II project held by MIT SEL Investment, a subsidiary of the Company that invests in Sakhalin Energy LLC ("SELLC"), while acknowledging the decision on the new LLC member of SELLC confirmed by Order of the Government of the Russian Federation dated March 23, 2024 (No. 701), the situation still remains uncertain as the relevant LLC members agreement is not signed, etc. Under this situation, the fair value of our investment in the Sakhalin II project is measured using the income approach by expected present value technique and the probability-weighted average considering a scenario where the continuous dividend income is expected from SELLC and other scenarios. As a result, fluctuation of fair value recognized in the current period is immaterial. The outstanding balances of "Other investments" in the consolidated statements of financial position related to this project as of March 31, 2024 and March 31, 2023 were 87,642 million yen and 98,505 million yen, respectively. The fair value may increase or decrease due to further changes in situation hereafter.
In addition, with regards to the carrying amounts of the investments and loans to Japan Arctic LNG, an equity accounted investee that invests in and finances the Arctic LNG 2 project, and financial guarantees related to the business, the Company continues to take appropriate measures in compliance with laws and regulations cooperating with stakeholders in response to the announcement from the Office of Foreign Assets Control of the US Department of the Treasury, that Arctic LNG 2 has been designated as SDN (Specially Designated Nationals) on November 2, 2023 (US time), and that specific entities related to the business have also been designated as SDN on February 23, 2024 (US time), etc. The Company reviewed the recoverability and the likelihood of performing guarantee considering the portion of liability based on the rights and obligations of Japan Arctic LNG and the Company under various agreements including the shareholders agreement, insurance such as overseas investment insurance, and third-party agreements.
In relation to the investment in Japan Arctic LNG, the Company reviewed the valuation of its assets and the fluctuation of book value in the investment are classified and included in "Share of profit (loss) of investments accounted for using the equity method" in the consolidated statements of income and "Share of other comprehensive income of investments accounted for using the equity method" in the consolidated statements of comprehensive income respectively. In addition, the expected recovery amount by the compensation of overseas investment insurance is recognized in "Other financial assets" in the consolidated statements of financial position and the

same recognized amount is booked in “Other income (expense)” in the consolidated statements of income.
In relation to the loans in Japan Arctic LNG, the Company measured the expected credit losses considering the expected recovery amount by the compensation of loan insurance and included in “Selling, general and administrative expenses” in the consolidated statements of income.
In relation to the financial guarantees related to the business, the Company measured the expected credit losses using weighted average considering a scenario with default of obligations by guarantees Japan Arctic LNG and Arctic LNG 2, and other scenarios, taking into account the SDN designation of the specific entities related to the business, progress of discussions with partners, etc., and the cash flows that the Company expects to receive based on third-party agreements. Additionally, for a part of the financial guarantees, the Company measured the expected credit losses using the credit rating of the Russian Federation and it is recorded in “Other income (expense)” in the consolidated statements of income.
As a result of these accounting treatments, the impact on “Profit for the year” recognized in the consolidated statements of income for the current period were immaterial. The outstanding balances of the investments and loans* as of March 31, 2024 and March 31, 2023 were 21,764 million yen and 15,759 million yen, respectively. The balance of financial guarantees as contingent liabilities were 193,548 million yen and 223,415 million yen, respectively, and the provision for loss on guarantees included in “Other financial liabilities” in the consolidated statements of financial position were 74,238 million yen and 18,213 million yen, respectively.
If changes in the international situation surrounding Russia including the Russia-Ukraine situation occurs hereafter, or if changes in the credit rating of the Russian Federation, changes in the business environment caused by sanctions etc., and changes of the Company's policies regarding Russian LNG business etc. occur, these estimates may have a significant impact on the amounts of related investments, loans, financial guarantees and its recoverable or liable amounts in the consolidated financial statements for the next fiscal year and thereafter. The Company ongoingly takes appropriate measures.
* Investments and loans are the sum of “Investments accounted for using the equity method”, and loans (net of loss allowance and after consideration of expected recovery amount of insurance) included in “Trade and other receivables” in the consolidated statements of financial position.

32. SUBSEQUENT EVENTS

Share Split
The Company, at a meeting of the Board of Directors on May 1, 2024, resolved to conduct a share split and make a partial amendment to the articles of incorporation in conjunction with this split.

1. Purpose of the Share Split
By lowering the stock price per investment unit of common stock, the Company will allow for investing to become more accessible for our shareholders, as well as enable greater liquidity in our stock and further expansion of our investor base.

2. Overview of the Share Split
(1) Method of the Share split
Each share of common stock owned by shareholders listed or recorded in the register of shareholders on the record date of June 30, 2024 will be split into two shares.
Since this date falls on a non-business day of the administrator of the register of shareholders, the actual record date will be June 28, 2024.

(2) Number of Shares to be Increased by the Share Split

Total number of issued shares prior to the share split	1,513,693,486
Number of shares to be increased by the share split	1,513,693,486
Total number of issued shares after the share split	3,027,386,972
Total number of issuable shares after the share split	5,000,000,000

(3) Schedule for the Share Split

Public notice of record date	June 10, 2024
Record date	June 30, 2024
Effective date	July 1, 2024

3. Partial Amendment to the Articles of Incorporation

(1) Purpose of the Amendment

In accordance with this share split, by resolution of the Board of Directors pursuant to Article 184 (2) of the Companies Act of Japan, the Company will make the following partial amendment to the articles of incorporation, effective from July 1, 2024.

(2) Details of the Amendment

(Changes have been underlined)

Before the amendment	After the amendment
(Total number of issuable shares) Article 6. The total number of shares that can be issued by the Company shall be 2,500,000,000.	(Total number of issuable shares) Article 6. The total number of shares that can be issued by the Company shall be 5,000,000,000.

(3) Schedule of the Amendment

Date of Board of Directors' resolution May 1, 2024

Effective date July 1, 2024

4. Impacts on the per share information.

Per share information assuming that the share split was conducted at the beginning of the fiscal year ended March 31, 2023 is as follows.

	2024	2023
Equity attributable to owners of the parent per share	2,518.40 yen	2,088.75 yen
Basic earnings per share attributable to owners of the parent	352.80 yen	360.91 yen
Diluted earnings per share attributable to owners of the parent	352.57 yen	360.71 yen
Annual Dividends per share	85 yen	70 yen

Issuance of New Shares as Post-Delivery Restricted-Stock-Based Remuneration

On April 9, 2024, the Board of Directors of the Company resolved to issue new shares as post-delivery restricted-stock-based remuneration under the remuneration system of tenure-linked restricted stock unit, and the payment of new shares was completed on April 30, 2024. The details are as follows.

(1) Class and number of shares issued : Common stock of the Company, 104,318 shares

(2) Issue price : 7,271 yen per share

(3) Total value of issue : 758,496,178 yen

(4) Pay-in date : April 30, 2024

(5) Categories and numbers of persons eligible for allocations, numbers of shares allocated :

Managing Officers (retirees) 6 persons, 104,318 shares

Stock Repurchase

At the meeting of the Board of Directors held on May 1, 2024, the Company resolved to repurchase its stock in accordance with Article 156 of the Companies Act of Japan, as applied pursuant to paragraph 3 of Article 165 of the Companies Act of Japan. Details of the repurchase are as follows.

1. Purpose of stock repurchase

To enhance shareholder return and to improve capital efficiency

2. Details of repurchase

(1) Class of share: Common stock of the Company

(2) Number of shares to be repurchased: Up to 40 million shares*

(3) Total amount: Up to 200 billion yen

(4) Repurchase period: From May 2, 2024 to September 20, 2024

(5) Repurchase method: Auction market on the Tokyo Stock Exchange

* After the effective date (July 1, 2024) of "Share Split" above, the number of shares to be repurchased will be up to 80 million shares.

Cancellation of Treasury Stock

At the meeting of the Board of Directors held on May 1, 2024, the Company resolved to cancel a part of its treasury stock in accordance with Article 178 of the Companies Act of Japan. Details of the cancellation are as follows.

1. Class of share: Common stock of the Company
2. Total number of treasury stock to be cancelled: All shares repurchased pursuant to “Stock Repurchase” above
 (In total, up to 2.64% of the total number of shares outstanding prior to the cancellation)
3. Scheduled date of cancellation: October 1, 2024

Dividend

On June 19, 2024, the shareholders approved the payment of cash dividend to shareholders as of March 31, 2024, of 85 yen per share or a total of 127,894 million yen at the Company’s Ordinary General Meeting of Shareholders.

The Sale of Shares in PT Paiton Energy

We held 45.5% share in PT Paiton Energy, which is a coal-fired power generation affiliate in Indonesia under the Machinery & Infrastructure Segment, as of March 31, 2024. On April 30, 2024 (European time), we sold all shares in PT Paiton Energy and 2 related companies to the subsidiary of Ratch Group Public Company Limited and the subsidiary of PT Medco Daya Abadi Lestari as part of an ongoing strategy to reorganize its business portfolio. The sales price was 109,894 million yen, and in the fiscal year ending March 31, 2025, we will record 54,733 million yen of gains on the sale in “Gain (loss) on securities and other investments-net” in the consolidated statements of income. We will also record consideration received as “Proceeds from sales of investments in equity accounted investees” in the consolidated statements of cash flows in the fiscal year ending March 31, 2025.

33. AUTHORIZATION OF THE ISSUE OF CONSOLIDATED FINANCIAL STATEMENTS

The issuance of the consolidated financial statements was authorized by Kenichi Hori, Representative Director, President and CEO, and Tetsuya Shigeta, Representative Director, Senior Executive Managing Officer and CFO, on June 19, 2024.

2. Others

Quarterly data for the year ended March 31, 2024

	Millions of Yen, Except Amounts per Share			
	Year ended March 31, 2024	**Nine-month period ended December 31, 2023**	**Six-month period ended September 30, 2023**	**Three-month period ended June 30, 2023**
Revenue	13,324,942	9,998,472	6,377,438	3,149,131
Profit before Income Taxes	1,302,393	933,537	593,876	311,814
Profit for the Period (Year) Attributable to Owners of the Parent	1,063,684	726,407	456,261	252,850
Basic Earnings per Share Attributable to Owners of the Parent (Yen)	705.60	480.90	301.42	166.43

	Three-month period ended March 31, 2024	**Three-month period ended December 31, 2023**	**Three-month period ended September 30, 2023**	**Three-month period ended June 30, 2023**
Basic Earnings per Share Attributable to Owners of the Parent (Yen)	225.15	179.63	134.93	166.43

Significant litigation

See Note 27, "CONTINGENT LIABILITIES."

6. Outline Regarding the Administration of Mitsui's Stock

Fiscal Year	From April 1 to March 31
Ordinary general meeting of shareholders	During June
Record date	March 31
Record dates for dividends of surplus	September 30 March 31
Number of shares in one trading unit	100 shares
Buyback and increase in holdings of shares less than one unit	
Place of handling	(Special account) Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Business Planning Dept. 4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo
Administrator of shareholder registry	(Special account) Sumitomo Mitsui Trust Bank, Limited 4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo
Forwarding office	------
Fees for buyback and increase in holdings	Amount equivalent to fees for entrusting sale or purchase of stock
Method of giving public notice	Mitsui carries out its public notifications by means of electronic public notice. https://www.mitsui.com/jp/ja/koukoku/ However, in the event of an accident which makes electronic notice not possible, or the occurrence of similar circumstances which cannot be controlled, public notification shall be posted in the Nihon Keizai Shimbun (the Nikkei Newspaper).
Shareholder privileges	Not applicable

(Note) Public notice of book closing is not included in the public notices shown in "Method of giving public notice."

7. Reference Information on Mitsui

1. Information on the Parent Company

Mitsui does not have a parent company.

2. Other Reference Information

Mitsui filed the following reports, originally written in Japanese, between the beginning of the fiscal year ended March 31, 2024 and the issuance date (June 19, 2024) of the original Japanese version of this Annual Securities Report.

(1) Related to Annual Securities Report

Annual Securities Report and Its Attached Documents and Confirmation Notes

Fiscal year (the 104th) From April 1, 2022 to March 31, 2023 Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on June 21, 2023

(2) Related to Quarterly Securities Reports

Quarterly Securities Reports and Its Confirmation Notes

(The 1st quarter of the 105th period) (From April 1, 2023 to June 30, 2023) Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on August 9, 2023

(The 2nd quarter of the 105th period) (From July 1, 2023 to September 30, 2023) Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on November 9, 2023

(The 3rd quarter of the 105th period) (From October 1, 2023 to December 31, 2023) Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on February 13, 2024

(3) Securities Registration Statement

Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on April 9, 2024

(4) Internal Control Report

Fiscal Year (the 104th) (From April 1, 2022 to March 31, 2023) Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on June 21, 2023

(5) Extraordinary Reports

1) Extraordinary Reports

Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on June 22, 2023
Under the provisions of Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 9-2 (resolutions of matters resolved at the General Meeting of Shareholders) of the Cabinet Office Order on Disclosure of Corporate Information, etc.

Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on July 3, 2023
Under the provisions of Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 12 (an event which may have serious effects on the financial position, operating results and cash flow status) of the Cabinet Office Order on Disclosure of Corporate Information, etc.
Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on July 11, 2023

Under the provisions of Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 2-2 (Issuance of share option certificates not subject to securities registration) of the Cabinet Office Order on Disclosure of Corporate Information, etc.

Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on December 14, 2023
Under the provisions of Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 3 (transfer of specified subsidiary) of the Cabinet Office Order on Disclosure of Corporate Information, etc.

Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on January 15, 2024
Under the provisions of Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 9 (change in Representative Directors) of the Cabinet Office Order on Disclosure of Corporate Information, etc.

2) Amendment Report for Extraordinary Report

Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on May 1, 2024
Amendment Report pertaining to the Extraordinary Report (an event which may have serious effects on the financial position, operating results and cash flow status) submitted on July 3, 2023

(6) Related to Shelf Registration Statement (corporate bonds)

1) Shelf Registration Supplements (share certificates, corporate bonds, etc.)

Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on July 6, 2023

2) Amended Shelf Registration Statements

Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on June 22, 2023
Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on July 3, 2023
Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on July 11, 2023
Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on December 14, 2023
Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on January 15, 2024
Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on May 1, 2024

(7) Related to Share Buyback Reports

1) Share Buyback Reports

(From June 1, 2023 to June 30, 2023) Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on July 5, 2023
(From July 1, 2023 to July 7, 2023) Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on July 13, 2023
(From November 1, 2023 to November 30, 2023) Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on December 7, 2023
(From December 1, 2023 to December 31, 2023) Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on January 11, 2024
(From January 1, 2024 to January 31, 2024) Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on February 8, 2024
(From May 1, 2024 to May 31, 2024) Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on June 6, 2024

2) Amended Share Buyback Reports
Submitted to the Director-General of the Kanto Local Finance Bureau, Japan, on July 13, 2023
Amendment Report pertaining to the hare Buyback Reports submitted on June 6, 2023
Amendment Report pertaining to the hare Buyback Reports submitted on July 5, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Mitsui & Co., Ltd. (Mitsui Bussan Kabushiki Kaisha):

<Audit of Consolidated Financial Statements>

Opinion

We have audited the consolidated financial statements of Mitsui & Co., Ltd. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as of March 31, 2024, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, all expressed in Japanese yen.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

Convenience Translation

Our audit also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in accordance with the basis stated in Note 2 to the consolidated financial statements. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Future oil price forecast
Key Audit Matter Description
The Group is engaged in businesses relating to exploration and production of oil, gas and Liquefied Natural Gas ("LNG") ("Energy businesses") across the world, mainly in the Middle East, Southeast Asia, Oceania, North America, Europe and Africa, and reports these businesses in the Energy segment. Energy businesses have a significant impact on the financial position and performance of the Group. The balances of the Energy segment's main assets on the consolidated financial statements as of March 31, 2024, are as follows: • Investments accounted for using the equity method: 650,685 million yen (see Note 7 "SEGMENT INFORMATION" to the consolidated financial statements) • Main components of investments measured at fair value through other comprehensive income ("FVTOCI Investments"): 224,930 million yen (see Note 9 "DISCLOSURES ABOUT FINANCIAL INSTRUMENTS AND RELATED MATTERS" to the consolidated financial statements) • Property, plant and equipment: 778,685 million yen (see Note 2 IV "USE OF ESTIMATES AND JUDGMENTS" to the consolidated financial statements) In addition, major impairment losses on property, plant and equipment recognized in the Energy segment for the year ended March 2024, are described in Note 12 "PROPERTY, PLANT AND EQUIPMENT." As disclosed in Note 2 IV "USE OF ESTIMATES AND JUDGMENTS" to the consolidated financial statements, the Group's accounting policies relating to the valuation of assets and impairment losses above are as follows: • <u>Impairment (or Reversal of Impairment) on Investments Accounted for Using the Equity Method and Property, Plant and Equipment</u> If there is any impairment (or reversal of impairment) indicator for an investment accounted for using the equity method or property or plant and equipment, the recoverable amount of the asset is estimated. When the carrying amount exceeds its recoverable amount, the carrying amount is written down to its recoverable amount. In addition, a previously recognized impairment loss is reversed and recorded as income to the extent that the increased carrying amount of an asset does not exceed the carrying amount that would have been determined (net of depreciation), had no impairment loss been recognized for the asset in prior years. • <u>Impairment of Goodwill</u> Impairment testing is performed by comparing the carrying amount of the cash-generating unit or groups of cash-generating units, including the goodwill, with the relevant recoverable amount annually and when there is an indication that the cash-generating unit may be impaired. If the carrying amount exceeds the recoverable amount, the excess amount is recognized as the impairment loss. • <u>Valuation of FVTOCI Investments</u> FVTOCI Investment is measured at fair value at the end of each reporting period. Gains and losses are recognized through other comprehensive income and loss. The value in use or fair value determined as a basis of the recoverable amount for the impairment test of the Energy segment assets above and the fair value of FVTOCI Investments are mainly calculated using the discounted cash flow method based on related business plans, where future oil price forecast is used as the selling price of the products and has a significant impact on the recoverable amount and the fair value of investments. As disclosed in Note 2 IV "USE OF ESTIMATES AND JUDGMENTS" and Note 26(3) "Assets and liabilities measured at fair value on a recurring basis" to the consolidated financial statements, future oil price forecast is determined by considering the recent market price and several third parties' mid-long term forecasts. The determination of future oil price forecast is affected by various uncertain factors such as forecasts made by third parties, scenario of mid-long term supply-demand analysis, climate change risks, and geopolitical risks associated with Russia-Ukraine situation. Price forecasts based on such market environment, etc., differ among several third parties, and the existence of a range indicates a high level of uncertainty. Therefore, we have identified future oil price forecast to be a key audit matter, given that the estimation process for the price forecast involves significant management judgment and estimation uncertainly, and future oil price forecast could affect multiple other significant balances.

How the Key Audit Matter Was Addressed in the Audit
In order to understand the impact of the external environment, including environmental regulations for a decarbonized society in response to climate change risks and heightened geopolitical risks associated with Russia-Ukraine situation, on future oil price forecast, we made inquiries of the management and the several relevant personnel. In order to understand the estimation process for future oil price forecast and relevant controls, we made inquiries of relevant departments regarding the price forecast and of the personnel who implemented those controls, inspected supporting documents and assessed the appropriateness of the estimation process for the price forecast and the relevant controls, including assessing changes from the prior year. Also, in order to understand relevant controls, including the review of the future oil price forecast, we evaluated the competence of personnel who perform these controls and inspected the third-party organizations' price forecast reports used in the controls as well as the relevant documents prepared by the Group. Further, in order to test the Group's future oil price forecast, we: • Made inquiries of the several relevant personnel of the Group, discussed with our valuation specialist to examine the appropriateness of the selection of multiple third-party organizations by management as an assumption that market participants would use when pricing an asset or a liability. • Assessed the relevance and reliability of the third-party organizations' oil price forecasts used to estimate the Group's future oil price forecast based on inquiries of the several relevant personnel of the Group and the information we independently obtained from external parties. • Performed retrospective review by comparing the previous oil price forecast with the actual oil prices and evaluated whether the Group's oil price forecast was appropriate. • Assessed the appropriateness of the price forecast method used by the Group based on inquiries of the several relevant personnel of the Group. Future oil price forecast is determined by considering the recent market price and several third parties' mid-long term forecasts. We evaluated whether the Group's methodology in the forecast, including the third parties' supply and demand scenarios selected by the Group, was appropriate. • With the assistance of our valuation specialists, independently developed an appropriate future oil price range, considering third-party organizations' reports obtained, quotation prices of the future market, the effects of climate changes and Russia-Ukraine situation, and evaluated whether the Group's future oil price forecast was within those ranges. • Evaluated whether an impairment (reversal of impairment) was required in case there was an impairment (reversal of impairment) indicator but impairment (reversal of impairment) was not recognized, by testing the recoverable amounts and conducting sensitivity analyses based on our independent future price forecast. • Assessed the consistency between the future oil price forecast we tested based on the above procedures and the future oil price forecast disclosed in Note 2 IV "USE OF ESTIMATES AND JUDGMENTS" and Note 26(3) "Assets and liabilities measured at fair value on a recurring basis" to the consolidated financial statements.

Impact of the Russia-Ukraine situation, decree of the President of Russia, and order of the government of the Russian Federation on fair value measurement of the investment in the Sakhalin II project
Key Audit Matter Description
The Russia-Ukraine situation that has been ongoing since February 2022 where various countries are continuously imposing sanctions on Russia has had widespread impacts on business activities in related countries, including disruptions in supply chains due to constraints on exports, imports, and energy resource procurement with Russia, constraints on investments in Russia, and difficulties in fund settlements due to the exclusion of some Russian banks from the Society for Worldwide Interbank Financial Telecommunication ("SWIFT"). Under such circumstances, Mitsui & Co., Ltd. (the "Company") participates in the Sakhalin II project, which produces and sells oil and natural gas, through MIT SEL Investment Ltd. ("MITSEL"), a subsidiary of the Company, and the Arctic LNG 2 project, which develops and sells oil and natural gas, through Japan Arctic LNG, an associated company accounted for using the equity method. Regarding the Sakhalin II project, MITSEL had undertaken the ownership interest in the operating company called Sakhalin Energy LLC ("SELLC") on September 2, 2022, according to decree of the President of Russia and order of the government of the Russian Federation (the "Presidential Decree and Government Resolution"). (Refer to a key audit matter of "Impact of the Russia-Ukraine situation, the Russian Presidential Decree, and the Resolution of the Government of the Russian Federation on the Sakhalin II project" on the annual securities report for the year ended March 31, 2023.) For the year ended March 31, 2024, while acknowledging the decision of the new LLC member of SELLC confirmed by the Order of the Government of the Russian Federation dated March 23, 2024 (No. 701), the situation still remains uncertain as the relevant LLC members agreement was not signed. In addition, the Arctic LNG 2 project is affected by the sanctions imposed by the U.S. Department of the Treasury, as described in the key audit matter "The impact of Specially Designated Nationals designation of investee in the Arctic LNG 2 project on the accounting treatment for investments, loans, guarantees, and insurance and related disclosures" on the INDEPENDENT AUDITOR'S REPORT. As disclosed in Note 31 "IMPACT OF THE RUSSIA-UKRAINE SITUATION ON THE RUSSIAN LNG BUSINESS" to the consolidated financial statements, the Company designates the investment in the Sakhalin II project, an equity instrument, as financial assets measured at FVTOCI. The fair value of the investment in the Sakhalin II project is measured using the income approach by expected present value technique and the probability-weighted average of a scenario where the continuous dividend income is expected from SELLC and other scenarios. As a result, the fair value of financial assets measured at FVTOCI decreased by 10,863 million yen from the balance as of March 31, 2023, which was recorded mainly in "Financial assets measured at FVTOCI" in the consolidated statement of comprehensive income. The outstanding balance related to the Sakhalin II project was 87,642 million yen, which was recorded in "Other investments" in the consolidated statement of financial position as of March 31, 2024. Determination of the following three factors is important for the valuation of the financial assets measured at FVTOCI related to the Sakhalin II project: • Probability of occurrence of multiple scenarios, including uncertainty on whether the investment could continue • Future cash flows under the scenario in which the continuous dividend income is expected from SELLC and other scenarios • Discount rate reflecting the credit rating and other factors in Russia Management's determination on these factors involves subjective judgment because these factors are affected by sanctions imposed by various countries on Russia, countermeasures against unfriendly countries by Russia, the withdrawal prices of the previous partners published by Russia, the remaining situation of the unsigned relevant LLC members agreement, the continued issuance of the Presidential Decree and Government Resolution related to the business, and the market conditions for oil and natural gas prices. Based on the materiality of the balance of the investment in the Sakhalin II project in the consolidated statement of financial position and the considerations described above, we identified the impact of the Russia-Ukraine situation and the Presidential Decree and Government Resolution on fair value measurement of the investment in the Sakhalin II project, including related subsequent events and disclosures, as a key audit matter.

How the Key Audit Matter Was Addressed in the Audit
We performed the following audit procedures to examine the appropriateness of the valuation of the financial assets measured at FVTOCI regarding the Sakhalin II project, among others: > Impact of the Russia-Ukraine situation and the Presidential Decree and Government Resolution on the Sakhalin II project • We made inquiries of management and the several relevant personnel of the Group and inspected relevant documents to understand the reason for the remaining situation of the unsigned relevant LLC members agreement, the expected timing of dividend distribution, and progress of the project under economic sanctions. > Valuation of the financial assets measured at FVTOCI regarding the Sakhalin II project We performed the following procedures to examine the appropriateness of valuation methodology and assumptions underlying the fair value measurement, such as the probability of occurrence of multiple scenarios, estimated future cash flows under the scenario in which the continuous dividend income was expected from SELLC, estimated future cash flows under other scenarios, and a discount rate. • Valuation methodology: We examined the appropriateness of using the income approach by expected present value technique and the probability-weighted average in determining the exit prices for the fair value measurement with the assistance of our valuation specialists. In addition, we tested whether the approach is appropriately incorporated into the valuation model and for mathematical accuracy. • Probability of occurrence of multiple scenarios: We made inquiries of the several relevant personnel of the Group and comprehensively considered the Presidential Decree and Government Resolution as well as the global energy situation and energy strategy in Japan to examine the appropriateness of the probability of occurrence for each scenario reflecting uncertainty in the continuance of investment in the Sakhalin II project, such as the status of discussions toward the conclusion of the relevant LLC members agreement. • Estimated future cash flows under the scenario where continuous dividend income is expected from SELLC: We made inquiries of the several relevant personnel of the Group and inspected relevant documents to examine the appropriateness of assumptions used in the estimation of future cash flows including the expected timing of the dividend distribution by performing the retrospective review of the actual performance. • Estimated future cash flows under other scenarios: We made inquiries of the several relevant personnel of the Group and inspected the Presidential Decree and Government Resolution to examine the appropriateness of assumptions used in the estimation of future cash flows under other scenarios. In addition, we assessed the impacts of the decision of the new LLC member that had been acknowledged by Order of the Government of the Russian Federation dated March 23, 2024 (No. 701), the process led to the decision, and the remaining situation of the unsigned relevant LLC members agreement on the Group's future cash flows under other scenarios. • Discount rate: We examined the appropriateness of assumptions by developing a range of independent estimates and comparing those to the Company's estimates with the assistance of our valuation specialists. In addition, we examined whether the discount rate appropriately reflected Russia's credit rating, which considered the impacts on business and development activities of the exclusion of certain Russian banks from SWIFT, the restrictions imposed by various countries on import of crude oil and natural gas produced in Russia, and the risk of foreign currency restrictions imposed by Russia on unfriendly countries, with the assistance of our valuation specialists and tested the accuracy of the calculation. Also, we examined its consistency with the discount rate disclosed in Note 26(3) "Assets and liabilities measured at fair value on a recurring basis" to the consolidated financial statements. > Other audit procedures • We made inquiries of management and inspected relevant documents to identify subsequent events that occurred after the year-end and should be adjusted to or disclosed in the consolidated financial statements. • We examined the reasonableness of the disclosures of the impact of the Russia-Ukraine situation and the Presidential Decree and Government Resolution on the fair value measurement of investments in the Sakhalin II project in the consolidated financial statements in accordance with the relevant accounting standards from the perspective of whether the disclosures were sufficient and appropriate for users of the consolidated financial statements to make their economic decisions.

The impact of Specially Designated Nationals designation of investee in the Arctic LNG 2 project on the accounting treatment for investments, loans, guarantees, and insurance and related disclosures
Key Audit Matter Description
As described in the key audit matter, "Impact of the Russia-Ukraine situation, decree of the President of Russia, and order of the government of the Russian Federation on fair value measurement of the investment in the Sakhalin II project" on the INDEPENDENT AUDITOR'S REPORT, the Company participates in the Arctic LNG 2 project through Japan Arctic LNG, an associated company accounted for using the equity method, in the circumstances where the Russia-Ukraine situation has resulted in widespread impacts on business activities. The Company is taking appropriate measures in compliance with laws and regulations cooperating with stakeholders in response to the announcement from the Office of Foreign Assets Control of the U.S. Department of the Treasury that Arctic LNG 2 LLC ("Arctic LNG 2"), an operating company of the Arctic LNG 2 project, was designated as Specially Designated Nationals ("SDN") on November 2, 2023 (US time), and that specific entities related to the business were also designated as SDN on February 23, 2024 (US time), etc. The Company owns the following investments, loans, and guarantees related to the Arctic LNG 2 project: • Investments in Japan Arctic LNG • Loans to Japan Arctic LNG • Financial guarantees for Japan Arctic LNG and Arctic LNG 2's obligations In addition, the Company owns insurance contracts for investments in and loans to Japan Arctic LNG, such as an overseas investment insurance. Furthermore, the Company enters into third-party agreements of burden-sharing ratios for certain financial guarantees. Under such circumstances, regarding investments in and loans to Japan Arctic LNG and financial guarantees for Japan Arctic LNG and Arctic LNG 2's obligations, the Company reviewed the recoverability and the likelihood of performing guarantees considering the shared portion of liability based on the rights and obligations of Japan Arctic LNG and the Company under various agreements including the shareholders agreement, the insurance contracts, such as the overseas investment insurance, and the third-party agreements. As a result, investments in and loans to Japan Arctic LNG increased by 6,005 million yen compared with the balance as of March 31, 2023, and the outstanding balances amounting to 21,764 million yen in the aggregate as of March 31, 2024, were recorded as "Investments accounted for using the equity method," and loans (net of loss allowance after consideration of expected recovery amount of insurance) included in "Trade and other receivables" in the consolidated statement of financial position. In addition, the expected recovery amount by the compensation of the overseas investment insurance was recorded as "Other financial assets" in the consolidated statement of financial position and the same amount was recognized as "Other income (expense)" in the consolidated statement of income. While the balance of financial guarantees as contingent liabilities was 193,548 million yen as of March 31, 2024, the provision for loss on guarantees included in "Other financial liabilities" increased by 56,025 million yen compared with the balance as of March 31, 2023, with the corresponding loss charged to "Other income (expense)" and amounted to 74,238 million yen in the consolidated statement of financial position as of March 31, 2024. (Refer to Note 31 "IMPACT OF THE RUSSIA-UKRAINE SITUATION ON THE RUSSIAN LNG BUSINESS" to the consolidated financial statements.) Based on the materiality of the maximum exposure considering the investments, loans, the recognized financial assets with regard to the overseas investment insurance, and the potential impact of the provision for loss on guarantees in the consolidated financial statements and the considerations described below, we have identified the impact of the SDN designation of investee in the Arctic LNG 2 project on the accounting treatment for the investments, loans, guarantees, insurance and related disclosures, including subsequent events, as a key audit matter. > Evaluation of investments in Japan Arctic LNG and accounting treatment for the investment insurance The Company owns investments in Japan Arctic LNG and the overseas investment insurance for the investment. Management's determination on the recognition of gain and the corresponding financial assets by the compensation of the overseas investment insurance covering losses on the investment requires estimates and involves subjective judgment.

> Evaluation of loans to Japan Arctic LNG and accounting treatment for loan insurance
The Company owns loans to Japan Arctic LNG and the insurance for the loans. Management's estimate for the expected recovery amount and the probability of the recovery by the compensation of the insurance covering losses on the loan is considered in the measurement of expected credit loss by a probability-weighted method and involves subjective judgment.

> Evaluation of financial guarantees for Japan Arctic LNG and Arctic LNG 2's obligations
The Company owns financial guarantees for Japan Arctic LNG and Arctic LNG 2's obligations related to the business. Multiple scenarios including partial or complete default of obligations by guarantees, Japan Arctic LNG and Arctic LNG 2, and the probability of such scenarios were considered in the measurement of expected credit loss. There are uncertainties in such estimates due to the SDN designation of Arctic LNG 2 and the specific entities related to the business, and progress of discussions with partners, etc. In addition, consistent estimates of scenarios in the evaluation of multiple guarantees have complexity corresponding to the nature of the contract and the conditions of performance of each guarantee. Therefore, management's estimate for the probability of the scenarios involves subjective judgment.

> Related disclosures
Subject to changes in external environment, etc., including the SDN designation of its investee within the Arctic LNG 2 project, the Company is taking appropriate measures in compliance with laws and regulations cooperating with stakeholders. The disclosures under such circumstances have qualitative significance as to whether it is sufficient and appropriate for users of the consolidated financial statements to make economic decisions, including disclosures of significant assumptions that involve management judgment related to accounting estimates.

How the Key Audit Matter Was Addressed in the Audit

We performed the following procedures, among others, in order to examine the appropriateness of the accounting treatment for investments, loans, guarantees, and insurance due to the SDN designation of investee in the Arctic LNG 2 project.

> Impact of the SDN designation of Arctic LNG 2 on the Arctic LNG 2 project
- We made inquiries of the management and the several relevant personnel of the Group, performed an analysis based on related external information, discussed with our legal specialist, and inspected the relevant documents to understand the impact on the development and operation of the Arctic LNG 2 project, the Company's policy regarding the continuity of the business, and possible scenarios arising in the rights and obligations of the Company and Japan Arctic LNG related to the evaluation of investments, loans, and guarantees.

> Evaluation of investments in Japan Arctic LNG and accounting for the investment insurance
We performed the following procedures in order to examine the appropriateness of assumptions used when determining the recoverable amount and the recognition of assets by the compensation of the overseas investment insurance.
- Recoverable amount of the assets possessed by Japan Arctic LNG: We made inquiries of the several relevant personnel of the Group and inspected the relevant documents to examine the appropriateness of assumptions used when determining the recoverability of funds from Arctic LNG 2 based on Japan Arctic LNG's rights and obligations in the circumstances where Arctic LNG 2 was designated as SDN.
- Recognition of gains and the corresponding financial assets by the compensation of the insurance: We made inquiries of the several relevant personnel of the Group, made inquiries of the external stakeholders, and inspected relevant documents regarding the coverage terms of the insurance contract and the progress of the compensation processes to examine the appropriateness of the assumptions used when determining the recognition of gains and the corresponding financial assets by the compensation of the insurance.

> Evaluation of loans to Japan Arctic LNG and accounting for the loan insurance

We performed the following procedures in order to examine the appropriateness of the estimation methodology and the assumptions such as the probability of each scenario considering the expected recovery amount by the compensation of the insurance, and the effective interest rate.

- Estimation methodology: In evaluation of loans, we made inquiries of the several relevant personnel of the Group about the appropriateness of measurement of expected credit loss by probability-weighting the present value of cash shortfalls for each scenario and considering the expected recovery amount from insurance claims and determined that it has been properly reflected in the valuation model.
- Scenario probability considering the expected recovery amount by the compensation of the insurance: We made inquiries of the several relevant personnel of the Group as well as inquiries of the external stakeholders, and inspected the relevant documents regarding the coverage terms of the insurance contract and the progress of the compensation processes to examine the appropriateness of assumptions used when determining the recoverability of funds from Arctic LNG 2 based on Japan Arctic LNG's rights and obligations in the circumstances where Arctic LNG 2 was designated as SDN and the expected recovery amount and the probability of the recovery by the compensation of the insurance covering losses on the loan.
- Effective interest rate: We inspected relevant documents to test mathematical accuracy of the effective interest rate used in the measurement of the expected credit loss.
- Provision for loss on loans: We inspected the relevant documents and performed the recalculation to test mathematical accuracy of the amount of the expected credit loss based on the assumptions above.

> Evaluation of financial guarantees for Japan Arctic LNG and Arctic LNG 2's obligations

We performed the following procedures in order to examine the appropriateness of the estimation methodology and the assumptions such as the scenario probability, the expected payments by the performance of guarantees for each scenario, and the third-party agreements of the burden-sharing ratios.

- Estimation methodology: In evaluation of guarantees, we made inquiries of the several relevant personnel of the Group to examine the appropriateness of the measurement of the expected credit loss by probability-weighting the present value of cash shortfalls for each scenario. In addition, we tested that the approach was appropriately incorporated into the evaluation model.
- Scenario probability: We inspected the relevant documents, meeting minutes, and information from external sources regarding the SDN designation of Arctic LNG 2 and specific entities related to the business as well as the progress of discussion with partners, which formed the basis of the evaluation. In addition, we made inquiries of the several relevant personnel of the Group as well as inquiries of the external stakeholders to examine the appropriateness of assumptions, such as the probability of multiple scenarios including partial or complete default of obligations by the guarantees, Japan Arctic LNG and Arctic LNG 2. Furthermore, we examined the appropriateness of consistency across scenarios in evaluating multiple guarantees.
- Expected payments by the performance of guarantees: We made inquiries of the several relevant personnel of the Group and inspected the relevant documents to examine the appropriateness of assumptions regarding the amount of the expected payments by the fulfillment of guarantees for each scenario.
- Third-party agreements of the burden-sharing ratios: We made inquiries of the several relevant personnel of the Group and inspected the relevant documents to examine the appropriateness of assumptions used as well as the relevance and reliability of the information, regarding cash flows expected to be received from third parties considered in measuring the expected credit loss for certain financial guarantees.
- Russia's rating considered in terms of ratios representing credit risks: We made inquiries of the several relevant personnel of the Group to examine the appropriateness of Russia's rating considered in terms of ratios representing credit risks used to measure the expected credit loss with the assistance of our valuation specialist.
- Provision for loss on guarantees: We inspected the relevant documents and performed the recalculation to test mathematical accuracy of the amount of provision for loss on guarantees based on the assumptions above.

> Other audit procedures
- We made inquiries of the management and inspected relevant documents to determine whether there were subsequent events that occurred after the year-end and should be adjusted to or disclosed in the consolidated financial statements.
- We examined the reasonableness of disclosures regarding the impact of the SDN designation of investee in the Arctic LNG 2 project on the accounting treatment for the investments, loans, guarantees, and insurance, including Note 31 "IMPACT OF THE RUSSIA-UKRAINE SITUATION ON THE RUSSIAN LNG BUSINESS" to the consolidated financial statements in accordance with relevant accounting standards from the perspective of whether the disclosures are sufficient and appropriate for users of the consolidated financial statements to make their economic decisions.

Other Information

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Annual Securities Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with IFRS Accounting Standards and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with IFRS Accounting Standards, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with Audit & Supervisory Board members and the Audit & Supervisory Board, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

<Fee-Related Information>

Fees for audit and other services for the year ended March 31, 2024, which were charged by us and our network firms to Mitsui & Co., Ltd. and its subsidiaries are disclosed in (3) Information about Audits of Corporate Governance in "Corporate Information" of the Annual Securities Report.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Report on Management's Report on Internal Control over Financial Reporting

Notwithstanding the second bullet point in the second paragraph of the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section, we have performed an audit of management's report on internal control over financial reporting ("ICFR") under the Financial Instruments and Exchange Act of Japan. A translated copy of management's report on ICFR along with a translated copy of our report is included within this Annual Securities Report as information for readers.

Deloitte Touche Tohmatsu LLC
June 19, 2024

Management's Annual Report on Internal Control over Financial Reporting (Translation)

NOTE TO READERS

Following is an English translation of management's report on internal control over financial reporting filed under the Financial Instruments and Exchange Act of Japan. This report is presented merely as supplemental information.

1. Matters Relating to the Basic Framework for Internal Control over Financial Reporting

Kenichi Hori, Representative Director, President and CEO, and Tetsuya Shigeta, Representative Director, Senior Executive Managing Officer and CFO, are responsible for designing and operating effective internal control over financial reporting of Mitsui & Co., Ltd. ("the Company"), and have designed and operated internal control over financial reporting in accordance with the basic framework for internal control set forth in "On the Revision of the Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting (Council Opinions)" published by the Business Accounting Council.

The internal control is designed to achieve its objectives to the extent reasonable through the effective function and combination of its basic elements. Therefore, there is a possibility that misstatements may not be completely prevented or detected by internal control over financial reporting.

2. Matters Relating to Scope of Assessment, the Assessment Date, and Assessment Procedures

The assessment of internal control over financial reporting was performed as of March 31, 2024. The assessment was performed in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

In conducting this assessment, we evaluated internal controls which may have a material effect on the entire financial reporting in a consolidation ("company-level controls") and based on the result of this assessment, we appropriately selected business processes to be evaluated, analyzed these selected business processes, identified key controls that may have a material impact on the reliability of our financial reporting, and assessed the design and operation of these key controls. These procedures have allowed us to evaluate the effectiveness of its internal controls.

We determined the required scope of assessment of internal control over financial reporting for the Company, as well as its consolidated subsidiaries and equity-method affiliated companies, from the perspective of the materiality that may affect the reliability of our financial reporting. The materiality that may affect the reliability of the financial reporting is determined taking into account the materiality of quantitative and qualitative impacts. We confirmed that we had reasonably determined the scope of assessment of internal controls over business processes in light of the results of assessment of company-level controls conducted for the Company, its consolidated subsidiaries and equity-method affiliated companies. We did not include those consolidated subsidiaries and equity-method affiliated companies which do not have any quantitatively or qualitatively material impact on the consolidated financial statements in the scope of assessment of company-level controls.

Regarding the scope of assessment of internal control over business processes, we accumulated business units in descending order of total asset (before elimination of intercompany accounts) and income before income taxes (before elimination of intercompany accounts) for the prior fiscal year, and those business units whose combined amount of total assets reaches approximately 70% of total assets on a consolidated basis and those business units whose combined amount of income before income taxes reaches approximately 70% of consolidated income before income taxes on a consolidated basis were selected as "significant business units."

At the selected significant business units, we included, in the scope of assessment, (1) those business processes leading to sales or revenue, accounts receivable and inventories, and those leading to investments and loans, as significant accounts that may have a material impact on the business objectives of us, and (2) those business processes leading to other quantitatively material accounts. Further, not only at selected significant business units, but also at other business units, we added to the scope of assessment, as business processes having greater materiality considering their impact on the financial reporting, (1) those business processes relating to greater likelihood of material misstatements and significant account involving estimates and the management's judgment, and (2) those business processes relating to businesses or operations dealing with high-risk transactions.

3. Matters Relating to the Results of the Assessment

As a result of the assessment above, we concluded that our internal control over financial reporting was effective as of March 31, 2024.

4. Supplementary Matters

Not applicable.

5. Special Information

Not applicable.

NOTE TO READERS:
Following is an English translation of the Independent Auditor's Report filed under the Financial Instruments and Exchange Act of Japan. This report is presented merely as supplemental information.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

June 19, 2024

To the Board of Directors of
Mitsui & Co., Ltd. (Mitsui Bussan Kabushiki Kaisha):

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant:

Shuichi Morishige

Designated Engagement Partner,
Certified Public Accountant:

Yoichi Matsushita

Designated Engagement Partner,
Certified Public Accountant:

Taro Ogi

<Audit of Consolidated Financial Statements>

Opinion

Pursuant to the first paragraph of Article 193-2 of the Financial Instruments and Exchange Act, we have audited the consolidated financial statements of Mitsui & Co., Ltd. and its consolidated subsidiaries (the "Group") included in the Financial Section, namely, the consolidated statement of financial position as of March 31, 2024, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the fiscal year from April 1, 2023 to March 31, 2024, including notes to consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards pursuant to the provisions of Article 93 of the Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Future oil price forecast

Key Audit Matter Description

The Group is engaged in businesses relating to exploration and production of oil, gas and Liquefied Natural Gas ("LNG") ("Energy businesses") across the world, mainly in the Middle East, Southeast Asia, Oceania, North America, Europe and Africa, and reports these businesses in the Energy segment. Energy businesses have a significant impact on the financial position and performance of the Group. The balances of the Energy segment's main assets on the consolidated financial statements as of March 31, 2024, are as follows:

- Investments accounted for using the equity method: 650,685 million yen (see Note 7 "SEGMENT INFORMATION" to the consolidated financial statements)
- Main components of investments measured at fair value through other comprehensive income ("FVTOCI Investments"): 224,930 million yen (see Note 9 "DISCLOSURES ABOUT FINANCIAL INSTRUMENTS AND RELATED MATTERS" to the consolidated financial statements)
- Property, plant and equipment: 778,685 million yen (see Note 2 IV "USE OF ESTIMATES AND JUDGMENTS" to the consolidated financial statements)
  In addition, major impairment losses on property, plant and equipment recognized in the Energy segment for the year ended March 2024, are described in Note 12 "PROPERTY, PLANT AND EQUIPMENT."

As disclosed in Note 2 IV "USE OF ESTIMATES AND JUDGMENTS" to the consolidated financial statements, the Group's accounting policies relating to the valuation of assets and impairment losses above are as follows:

- Impairment (or Reversal of Impairment) on Investments Accounted for Using the Equity Method and Property, Plant and Equipment
  If there is any impairment (or reversal of impairment) indicator for an investment accounted for using the equity method or property or plant and equipment, the recoverable amount of the asset is estimated. When the carrying amount exceeds its recoverable amount, the carrying amount is written down to its recoverable amount. In addition, a previously recognized impairment loss is reversed and recorded as income to the extent that the increased carrying amount of an asset does not exceed the carrying amount that would have been determined (net of depreciation), had no impairment loss been recognized for the asset in prior years.
- Impairment of Goodwill
  Impairment testing is performed by comparing the carrying amount of the cash-generating unit or groups of cash-generating units, including the goodwill, with the relevant recoverable amount annually and when there is an indication that the cash-generating unit may be impaired. If the carrying amount exceeds the recoverable amount, the excess amount is recognized as the impairment loss.
- Valuation of FVTOCI Investments
  FVTOCI Investment is measured at fair value at the end of each reporting period. Gains and losses are recognized through other comprehensive income and loss.

The value in use or fair value determined as a basis of the recoverable amount for the impairment test of the Energy segment assets above and the fair value of FVTOCI Investments are mainly calculated using the discounted cash flow method based on related business plans, where future oil price forecast is used as the selling price of the products and has a significant impact on the recoverable amount and the fair value of investments.

As disclosed in Note 2 IV "USE OF ESTIMATES AND JUDGMENTS" and Note 26(3) "Assets and liabilities measured at fair value on a recurring basis" to the consolidated financial statements, future oil price forecast is determined by considering the recent market price and several third parties' mid-long term forecasts.

The determination of future oil price forecast is affected by various uncertain factors such as forecasts made by third parties, scenario of mid-long term supply-demand analysis, climate change risks, and geopolitical risks associated with Russia-Ukraine situation. Price forecasts based on such market environment, etc., differ among several third parties, and the existence of a range indicates a high level of uncertainty. Therefore, we have identified future oil price forecast to be a key audit matter, given that the estimation process for the price forecast involves significant management judgment and estimation uncertainly, and future oil price forecast could affect multiple other significant balances.

How the Key Audit Matter Was Addressed in the Audit

In order to understand the impact of the external environment, including environmental regulations for a decarbonized society in response to climate change risks and heightened geopolitical risks associated with Russia-Ukraine situation, on future oil price forecast, we made inquiries of the management and the several relevant personnel.

In order to understand the estimation process for future oil price forecast and relevant controls, we made inquiries of relevant departments regarding the price forecast and of the personnel who implemented those controls, inspected supporting documents and assessed the appropriateness of the estimation process for the price forecast and the relevant controls, including assessing changes from the prior year.

Also, in order to understand relevant controls, including the review of the future oil price forecast, we evaluated the competence of personnel who perform these controls and inspected the third-party organizations' price forecast reports used in the controls as well as the relevant documents prepared by the Group.

Further, in order to test the Group's future oil price forecast, we:

- Made inquiries of the several relevant personnel of the Group, discussed with our valuation specialist to examine the appropriateness of the selection of multiple third-party organizations by management as an assumption that market participants would use when pricing an asset or a liability.

- Assessed the relevance and reliability of the third-party organizations' oil price forecasts used to estimate the Group's future oil price forecast based on inquiries of the several relevant personnel of the Group and the information we independently obtained from external parties.
- Performed retrospective review by comparing the previous oil price forecast with the actual oil prices and evaluated whether the Group's oil price forecast was appropriate.
- Assessed the appropriateness of the price forecast method used by the Group based on inquiries of the several relevant personnel of the Group. Future oil price forecast is determined by considering the recent market price and several third parties' mid-long term forecasts. We evaluated whether the Group's methodology in the forecast, including the third parties' supply and demand scenarios selected by the Group, was appropriate.
- With the assistance of our valuation specialists, independently developed an appropriate future oil price range, considering third-party organizations' reports obtained, quotation prices of the future market, the effects of climate changes and Russia-Ukraine situation, and evaluated whether the Group's future oil price forecast was within those ranges.
- Evaluated whether an impairment (reversal of impairment) was required in case there was an impairment (reversal of impairment) indicator but impairment (reversal of impairment) was not recognized, by testing the recoverable amounts and conducting sensitivity analyses based on our independent future price forecast.
- Assessed the consistency between the future oil price forecast we tested based on the above procedures and the future oil price forecast disclosed in Note 2 IV "USE OF ESTIMATES AND JUDGMENTS" and Note 26(3) "Assets and liabilities measured at fair value on a recurring basis" to the consolidated financial statements.

Impact of the Russia-Ukraine situation, decree of the President of Russia, and order of the government of the Russian Federation on fair value measurement of the investment in the Sakhalin II project
Key Audit Matter Description
The Russia-Ukraine situation that has been ongoing since February 2022 where various countries are continuously imposing sanctions on Russia has had widespread impacts on business activities in related countries, including disruptions in supply chains due to constraints on exports, imports, and energy resource procurement with Russia, constraints on investments in Russia, and difficulties in fund settlements due to the exclusion of some Russian banks from the Society for Worldwide Interbank Financial Telecommunication ("SWIFT"). Under such circumstances, Mitsui & Co., Ltd. (the "Company") participates in the Sakhalin II project, which produces and sells oil and natural gas, through MIT SEL Investment Ltd. ("MITSEL"), a subsidiary of the Company, and the Arctic LNG 2 project, which develops and sells oil and natural gas, through Japan Arctic LNG, an associated company accounted for using the equity method. Regarding the Sakhalin II project, MITSEL had undertaken the ownership interest in the operating company called Sakhalin Energy LLC ("SELLC") on September 2, 2022, according to decree of the President of Russia and order of the government of the Russian Federation (the "Presidential Decree and Government Resolution"). (Refer to a key audit matter of "Impact of the Russia-Ukraine situation, the Russian Presidential Decree, and the Resolution of the Government of the Russian Federation on the Sakhalin II project" on the annual securities report for the year ended March 31, 2023.) For the year ended March 31, 2024, while acknowledging the decision of the new LLC member of SELLC confirmed by the Order of the Government of the Russian Federation dated March 23, 2024 (No. 701), the situation still remains uncertain as the relevant LLC members agreement was not signed. In addition, the Arctic LNG 2 project is affected by the sanctions imposed by the U.S. Department of the Treasury, as described in the key audit matter "The impact of Specially Designated Nationals designation of investee in the Arctic LNG 2 project on the accounting treatment for investments, loans, guarantees, and insurance and related disclosures" on the INDEPENDENT AUDITOR'S REPORT. As disclosed in Note 31 "IMPACT OF THE RUSSIA-UKRAINE SITUATION ON THE RUSSIAN LNG BUSINESS" to the consolidated financial statements, the Company designates the investment in the Sakhalin II project, an equity instrument, as financial assets measured at FVTOCI. The fair value of the investment in the Sakhalin II project is measured using the income approach by expected present value technique and the probability-weighted average of a scenario where the continuous dividend income is expected from SELLC and other scenarios. As a result, the fair value of financial assets measured at FVTOCI decreased by 10,863 million yen from the balance as of March 31, 2023, which was recorded mainly in "Financial assets measured at FVTOCI" in the consolidated statement of comprehensive income. The outstanding balance related to the Sakhalin II project was 87,642 million yen, which was recorded in "Other investments" in the consolidated statement of financial position as of March 31, 2024. Determination of the following three factors is important for the valuation of the financial assets measured at FVTOCI related to the Sakhalin II project: • Probability of occurrence of multiple scenarios, including uncertainty on whether the investment could continue • Future cash flows under the scenario in which the continuous dividend income is expected from SELLC and other scenarios • Discount rate reflecting the credit rating and other factors in Russia Management's determination on these factors involves subjective judgment because these factors are affected by sanctions imposed by various countries on Russia, countermeasures against unfriendly countries by Russia, the withdrawal prices of the previous partners published by Russia, the remaining situation of the unsigned relevant LLC members agreement, the continued issuance of the Presidential Decree and Government Resolution related to the business, and the market conditions for oil and natural gas prices. Based on the materiality of the balance of the investment in the Sakhalin II project in the consolidated statement of financial position and the considerations described above, we identified the impact of the Russia-Ukraine situation and the Presidential Decree and Government Resolution on fair value measurement of the investment in the Sakhalin II project, including related subsequent events and disclosures, as a key audit matter.
How the Key Audit Matter Was Addressed in the Audit
We performed the following audit procedures to examine the appropriateness of the valuation of the financial assets measured at FVTOCI regarding the Sakhalin II project, among others: > Impact of the Russia-Ukraine situation and the Presidential Decree and Government Resolution on the Sakhalin II project • We made inquiries of management and the several relevant personnel of the Group and inspected relevant documents to understand the reason for the remaining situation of the unsigned relevant LLC members agreement, the expected timing of dividend distribution, and progress of the project under economic sanctions. > Valuation of the financial assets measured at FVTOCI regarding the Sakhalin II project We performed the following procedures to examine the appropriateness of valuation methodology and assumptions underlying the fair value measurement, such as the probability of occurrence of multiple scenarios, estimated future cash flows under the scenario in which the continuous dividend income was expected from SELLC, estimated future cash flows under other scenarios, and a discount rate. • Valuation methodology: We examined the appropriateness of using the income approach by expected present value technique and the probability-weighted average in determining the exit prices for the fair value measurement with the assistance of our valuation specialists. In addition, we tested whether the approach is appropriately incorporated into the valuation model and for mathematical accuracy. • Probability of occurrence of multiple scenarios: We made inquiries of the several relevant personnel of the

Group and comprehensively considered the Presidential Decree and Government Resolution as well as the global energy situation and energy strategy in Japan to examine the appropriateness of the probability of occurrence for each scenario reflecting uncertainty in the continuance of investment in the Sakhalin II project, such as the status of discussions toward the conclusion of the relevant LLC members agreement.

- Estimated future cash flows under the scenario where continuous dividend income is expected from SELLC: We made inquiries of the several relevant personnel of the Group and inspected relevant documents to examine the appropriateness of assumptions used in the estimation of future cash flows including the expected timing of the dividend distribution by performing the retrospective review of the actual performance.
- Estimated future cash flows under other scenarios: We made inquiries of the several relevant personnel of the Group and inspected the Presidential Decree and Government Resolution to examine the appropriateness of assumptions used in the estimation of future cash flows under other scenarios. In addition, we assessed the impacts of the decision of the new LLC member that had been acknowledged by Order of the Government of the Russian Federation dated March 23, 2024 (No. 701), the process led to the decision, and the remaining situation of the unsigned relevant LLC members agreement on the Group's future cash flows under other scenarios.
- Discount rate: We examined the appropriateness of assumptions by developing a range of independent estimates and comparing those to the Company's estimates with the assistance of our valuation specialists. In addition, we examined whether the discount rate appropriately reflected Russia's credit rating, which considered the impacts on business and development activities of the exclusion of certain Russian banks from SWIFT, the restrictions imposed by various countries on import of crude oil and natural gas produced in Russia, and the risk of foreign currency restrictions imposed by Russia on unfriendly countries, with the assistance of our valuation specialists and tested the accuracy of the calculation. Also, we examined its consistency with the discount rate disclosed in Note 26(3) "Assets and liabilities measured at fair value on a recurring basis" to the consolidated financial statements.

> Other audit procedures

- We made inquiries of management and inspected relevant documents to identify subsequent events that occurred after the year-end and should be adjusted to or disclosed in the consolidated financial statements.
- We examined the reasonableness of the disclosures of the impact of the Russia-Ukraine situation and the Presidential Decree and Government Resolution on the fair value measurement of investments in the Sakhalin II project in the consolidated financial statements in accordance with the relevant accounting standards from the perspective of whether the disclosures were sufficient and appropriate for users of the consolidated financial statements to make their economic decisions.

The impact of Specially Designated Nationals designation of investee in the Arctic LNG 2 project on the accounting treatment for investments, loans, guarantees, and insurance and related disclosures
Key Audit Matter Description
As described in the key audit matter, "Impact of the Russia-Ukraine situation, decree of the President of Russia, and order of the government of the Russian Federation on fair value measurement of the investment in the Sakhalin II project" on the INDEPENDENT AUDITOR'S REPORT, the Company participates in the Arctic LNG 2 project through Japan Arctic LNG, an associated company accounted for using the equity method, in the circumstances where the Russia-Ukraine situation has resulted in widespread impacts on business activities. The Company is taking appropriate measures in compliance with laws and regulations cooperating with stakeholders in response to the announcement from the Office of Foreign Assets Control of the U.S. Department of the Treasury that Arctic LNG 2 LLC ("Arctic LNG 2"), an operating company of the Arctic LNG 2 project, was designated as Specially Designated Nationals ("SDN") on November 2, 2023 (US time), and that specific entities related to the business were also designated as SDN on February 23, 2024 (US time), etc. The Company owns the following investments, loans, and guarantees related to the Arctic LNG 2 project: • Investments in Japan Arctic LNG • Loans to Japan Arctic LNG • Financial guarantees for Japan Arctic LNG and Arctic LNG 2's obligations In addition, the Company owns insurance contracts for investments in and loans to Japan Arctic LNG, such as an overseas investment insurance. Furthermore, the Company enters into third-party agreements of burden-sharing ratios for certain financial guarantees. Under such circumstances, regarding investments in and loans to Japan Arctic LNG and financial guarantees for Japan Arctic LNG and Arctic LNG 2's obligations, the Company reviewed the recoverability and the likelihood of performing guarantees considering the shared portion of liability based on the rights and obligations of Japan Arctic LNG and the Company under various agreements including the shareholders agreement, the insurance contracts, such as the overseas investment insurance, and the third-party agreements. As a result, investments in and loans to Japan Arctic LNG increased by 6,005 million yen compared with the balance as of March 31, 2023, and the outstanding balances amounting to 21,764 million yen in the aggregate as of March 31, 2024, were recorded as "Investments accounted for using the equity method," and loans (net of loss allowance after consideration of expected recovery amount of insurance) included in "Trade and other receivables" in the consolidated statement of financial position. In addition, the expected recovery amount by the compensation of the overseas investment insurance was recorded as "Other financial assets" in the consolidated statement of financial position and the same amount was recognized as "Other income (expense)" in the consolidated statement of income. While the balance of financial guarantees as contingent liabilities was 193,548 million yen as of March 31, 2024, the provision for loss on guarantees included in "Other financial liabilities" increased by 56,025 million yen compared with the balance as of March 31, 2023, with the corresponding loss charged to "Other income (expense)" and amounted to 74,238 million yen in the consolidated statement of financial position as of March 31, 2024. (Refer to Note 31 "IMPACT OF THE RUSSIA-UKRAINE SITUATION ON THE RUSSIAN LNG BUSINESS" to the consolidated financial statements.) Based on the materiality of the maximum exposure considering the investments, loans, the recognized financial assets with regard to the overseas investment insurance, and the potential impact of the provision for loss on guarantees in the consolidated financial statements and the considerations described below, we have identified the impact of the SDN designation of investee in the Arctic LNG 2 project on the accounting treatment for the investments, loans, guarantees, insurance and related disclosures, including subsequent events, as a key audit matter. > Evaluation of investments in Japan Arctic LNG and accounting treatment for the investment insurance The Company owns investments in Japan Arctic LNG and the overseas investment insurance for the investment. Management's determination on the recognition of gain and the corresponding financial assets by the compensation of the overseas investment insurance covering losses on the investment requires estimates and involves subjective judgment. > Evaluation of loans to Japan Arctic LNG and accounting treatment for loan insurance The Company owns loans to Japan Arctic LNG and the insurance for the loans. Management's estimate for the expected recovery amount and the probability of the recovery by the compensation of the insurance covering losses on the loan is considered in the measurement of expected credit loss by a probability-weighted method and involves subjective judgment. > Evaluation of financial guarantees for Japan Arctic LNG and Arctic LNG 2's obligations The Company owns financial guarantees for Japan Arctic LNG and Arctic LNG 2's obligations related to the business. Multiple scenarios including partial or complete default of obligations by guarantees, Japan Arctic LNG and Arctic LNG 2, and the probability of such scenarios were considered in the measurement of expected credit loss. There are uncertainties in such estimates due to the SDN designation of Arctic LNG 2 and the specific entities related to the business, and progress of discussions with partners, etc. In addition, consistent estimates of scenarios in the evaluation of multiple guarantees have complexity corresponding to the nature of the contract and the conditions of performance of each guarantee. Therefore, management's estimate for the probability of the scenarios involves subjective judgment. > Related disclosures Subject to changes in external environment, etc., including the SDN designation of its investee within the Arctic LNG 2 project, the Company is taking appropriate measures in compliance with laws and regulations cooperating

with stakeholders. The disclosures under such circumstances have qualitative significance as to whether it is sufficient and appropriate for users of the consolidated financial statements to make economic decisions, including disclosures of significant assumptions that involve management judgment related to accounting estimates.

How the Key Audit Matter Was Addressed in the Audit

We performed the following procedures, among others, in order to examine the appropriateness of the accounting treatment for investments, loans, guarantees, and insurance due to the SDN designation of investee in the Arctic LNG 2 project.

> Impact of the SDN designation of Arctic LNG 2 on the Arctic LNG 2 project

- We made inquiries of the management and the several relevant personnel of the Group, performed an analysis based on related external information, discussed with our legal specialist, and inspected the relevant documents to understand the impact on the development and operation of the Arctic LNG 2 project, the Company's policy regarding the continuity of the business, and possible scenarios arising in the rights and obligations of the Company and Japan Arctic LNG related to the evaluation of investments, loans, and guarantees.

> Evaluation of investments in Japan Arctic LNG and accounting for the investment insurance

We performed the following procedures in order to examine the appropriateness of assumptions used when determining the recoverable amount and the recognition of assets by the compensation of the overseas investment insurance.

- Recoverable amount of the assets possessed by Japan Arctic LNG: We made inquiries of the several relevant personnel of the Group and inspected the relevant documents to examine the appropriateness of assumptions used when determining the recoverability of funds from Arctic LNG 2 based on Japan Arctic LNG's rights and obligations in the circumstances where Arctic LNG 2 was designated as SDN.
- Recognition of gains and the corresponding financial assets by the compensation of the insurance: We made inquiries of the several relevant personnel of the Group, made inquiries of the external stakeholders, and inspected relevant documents regarding the coverage terms of the insurance contract and the progress of the compensation processes to examine the appropriateness of the assumptions used when determining the recognition of gains and the corresponding financial assets by the compensation of the insurance.

> Evaluation of loans to Japan Arctic LNG and accounting for the loan insurance

We performed the following procedures in order to examine the appropriateness of the estimation methodology and the assumptions such as the probability of each scenario considering the expected recovery amount by the compensation of the insurance, and the effective interest rate.

- Estimation methodology: In evaluation of loans, we made inquiries of the several relevant personnel of the Group about the appropriateness of measurement of expected credit loss by probability-weighting the present value of cash shortfalls for each scenario and considering the expected recovery amount from insurance claims and determined that it has been properly reflected in the valuation model.
- Scenario probability considering the expected recovery amount by the compensation of the insurance: We made inquiries of the several relevant personnel of the Group as well as inquiries of the external stakeholders, and inspected the relevant documents regarding the coverage terms of the insurance contract and the progress of the compensation processes to examine the appropriateness of assumptions used when determining the recoverability of funds from Arctic LNG 2 based on Japan Arctic LNG's rights and obligations in the circumstances where Arctic LNG 2 was designated as SDN and the expected recovery amount and the probability of the recovery by the compensation of the insurance covering losses on the loan.
- Effective interest rate: We inspected relevant documents to test mathematical accuracy of the effective interest rate used in the measurement of the expected credit loss.
- Provision for loss on loans: We inspected the relevant documents and performed the recalculation to test mathematical accuracy of the amount of the expected credit loss based on the assumptions above.

> Evaluation of financial guarantees for Japan Arctic LNG and Arctic LNG 2's obligations

We performed the following procedures in order to examine the appropriateness of the estimation methodology and the assumptions such as the scenario probability, the expected payments by the performance of guarantees for each scenario, and the third-party agreements of the burden-sharing ratios.

- Estimation methodology: In evaluation of guarantees, we made inquiries of the several relevant personnel of the Group to examine the appropriateness of the measurement of the expected credit loss by probability-weighting the present value of cash shortfalls for each scenario. In addition, we tested that the approach was appropriately incorporated into the evaluation model.
- Scenario probability: We inspected the relevant documents, meeting minutes, and information from external sources regarding the SDN designation of Arctic LNG 2 and specific entities related to the business as well as the progress of discussion with partners, which formed the basis of the evaluation. In addition, we made inquiries of the several relevant personnel of the Group as well as inquiries of the external stakeholders to examine the appropriateness of assumptions, such as the probability of multiple scenarios including partial or complete default of obligations by the guarantees, Japan Arctic LNG and Arctic LNG 2. Furthermore, we examined the appropriateness of consistency across scenarios in evaluating multiple guarantees.
- Expected payments by the performance of guarantees: We made inquiries of the several relevant personnel of the Group and inspected the relevant documents to examine the appropriateness of assumptions regarding the amount of the expected payments by the fulfillment of guarantees for each scenario.

- Third-party agreements of the burden-sharing ratios: We made inquiries of the several relevant personnel of the Group and inspected the relevant documents to examine the appropriateness of assumptions used as well as the relevance and reliability of the information, regarding cash flows expected to be received from third parties considered in measuring the expected credit loss for certain financial guarantees.
- Russia's rating considered in terms of ratios representing credit risks: We made inquiries of the several relevant personnel of the Group to examine the appropriateness of Russia's rating considered in terms of ratios representing credit risks used to measure the expected credit loss with the assistance of our valuation specialist.
- Provision for loss on guarantees: We inspected the relevant documents and performed the recalculation to test mathematical accuracy of the amount of provision for loss on guarantees based on the assumptions above.

> Other audit procedures
- We made inquiries of the management and inspected relevant documents to determine whether there were subsequent events that occurred after the year-end and should be adjusted to or disclosed in the consolidated financial statements.
- We examined the reasonableness of disclosures regarding the impact of the SDN designation of investee in the Arctic LNG 2 project on the accounting treatment for the investments, loans, guarantees, and insurance, including Note 31 "IMPACT OF THE RUSSIA-UKRAINE SITUATION ON THE RUSSIAN LNG BUSINESS" to the consolidated financial statements in accordance with relevant accounting standards from the perspective of whether the disclosures are sufficient and appropriate for users of the consolidated financial statements to make their economic decisions.

Other Information

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Annual Securities Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with IFRS Accounting Standards.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with IFRS Accounting Standards, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with Audit & Supervisory Board members and the Audit & Supervisory Board, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

<Audit of Internal Control>

Opinion

Pursuant to the second paragraph of Article 193-2 of the Financial Instruments and Exchange Act, we have audited management's report on internal control over financial reporting of Mitsui & Co., Ltd. as of March 31, 2024.

In our opinion, management's report on internal control over financial reporting referred to above, which represents that the internal control over financial reporting of Mitsui & Co., Ltd. as of March 31, 2024, is effectively maintained, presents fairly, in all material respects, the results of the assessment of internal control over financial reporting in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

Basis for Opinion

We conducted our internal control audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Internal Control Audit section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for Report on Internal Control

Management is responsible for designing and operating effective internal control over financial reporting and for the preparation and fair presentation of its report on internal control in accordance with assessment standards for internal control over financial reporting generally accepted in Japan. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing and verifying the design and operating effectiveness of internal control over financial reporting. There is a possibility that misstatements may not be completely prevented or detected by internal control over financial reporting.

Auditor's Responsibilities for the Internal Control Audit

Our objectives are to obtain reasonable assurance about whether management's report on internal control over financial reporting is free from material misstatement and to issue an auditor's report that includes our opinion.

As part of an audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Perform audit procedures to obtain audit evidence regarding the results of the assessment of internal control over financial reporting in management's report on internal control. The procedures selected depend on the auditor's judgment, including the significance of effects on reliability of financial reporting.

- Examine representations on the scope, procedures and results of the assessment of internal control over financial reporting made by management, as well as evaluating the overall presentation of management's report on internal control.

- Obtain sufficient appropriate audit evidence regarding the results of the assessment of internal control over financial reporting. We are responsible for the direction, supervision and performance of the internal control audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the internal control audit, result of the internal control audit, including any identified material weakness which should be disclosed and the result of remediation.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

<Fee-Related Information>

Fees for audit and other services for the year ended March 31, 2024, which were charged by us and our network firms to Mitsui & Co., Ltd. and its subsidiaries are disclosed in (3) Information about Audits of Corporate Governance in "Corporate Information" of the Annual Securities Report.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Financial Instruments and Exchange Act of Japan for the conveniences of the reader.