Newsletter to Shareholders

2015 Summer

MITSUI & CO.

CONTENTS

Securities Identification Code: 8031

Corporate Profile (As of March 31, 2015) *As of May 1, 2015

Name:	MITSUI & CO., LTD.
Establishment:	July 25, 1947
Common stock:	¥341,481,648,946
Number of employee:	Consolidated 47,118
	Mitsui 6,006
Number of offices:	Domestic 12
	Overseas 128
Number of affiliates for consolidation:	Subsidiaries 279
	Equity Accounted Investees 166
Website:	Website : http://www.mitsui.com/jp/en/

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A Cautionary Note on Forward-Looking Statements:

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

Message to our shareholders,

Tatsuo Yasunaga
President and Chief Executive Officer

As CEO since April 1, 2015, it gives me great pleasure to present this newsletter to shareholders.

At Mitsui & Co., we have developed our business over the years by constantly and proactively creating new value in a diverse range of business endeavors, adapting flexibly to the needs of each generation so we can meet the demands and exacting standards of customers and society.

Amid this unrelenting process of change, the global economy is currently showing steady mild overall growth, driven by the US. At the same time, other influences are bringing new opportunities and reshaping the competitive environment. These influences include the rapid evolution of information and communications technologies (ICT), domestic and international regulatory reform, and the development of various regional trade agreements.

We have to rapidly identify the best of the opportunities arising from these changes, develop robust new business, and focus intently on getting results. By drawing on the full range of capabilities that make Mitsui unique, I am determined to guide Mitsui to an even higher level of energy and impact.

Mitsui's New Medium-Term Management Plan was announced last year. In working toward our goals for 2020, we have established seven strategic domains that leverage our strengths as a company. During the first year of the plan's execution we achieved excellent results in the Hydrocarbon Chain and Minerals Resources domains by strengthening reserves, production capacity and cost competitiveness in our core industries such as crude oil, gas and iron ore. We have also reached important milestones in some ongoing projects, including consensus to drive the chemical manufacturing business forward and finalization of the investment decision regarding our U.S. LNG export project. In the Infrastructure and Mobility domains, we made concrete progress with new investments in power generation and seaport projects, as well as truck leasing and passenger railway businesses.

As the New Medium-Term Management Plan moves into its second year, the Food and Agriculture, Medical / Healthcare and Lifestyle Products & Value Added Services domains will be focal points. As CEO I will be working hard to build high-level relationships with the heads of customers and partners, and I believe we can achieve tangible results by strengthening our ability to get projects moving with rapid decision-making.

Last autumn, we announced Mitsui's new corporate slogan, "360° business innovation." This slogan expresses our dedication to creating value in a way that reflects the true and unique capabilities of Mitsui. By making connections between people, information and ideas anywhere in the world, we are writing new and innovative business narratives with which to meet the expectations of society and our stakeholders. I very much appreciate your continuing guidance and support.

Basic Policy ① of the New Medium-term Management Plan

Establishing Key Strategic Domains in line with our core strengths

In the fiscal year ended March 2015, which was the first year of our New Medium-term Management Plan, we achieved particular success in four of the seven Key Strategic Domains, namely "Hydrocarbon Chain", "Mineral Resources (Underground & Urban) and Materials", "Infrastructure", and "Mobility." With these achievements we are steadily building a cycle in which we utilize our strengths to create new stronger businesses.

For the years ending March 2016 and beyond, we will continue to fortify each of the Key Strategic Domains as shown in the diagram below. In addition to further enhancing the four domains mentioned above, greater focus will be applied to the "Food and Agriculture", "Medical / Healthcare", and "Lifestyle Products and Value-added Services" domains.

Upper Column:Accomplishments in the First Year
Lower Column:Strategic direction and actions in progress

Hydrocarbon Chain	・Made progress in establishing "Key Strategic Domains" through Existing Business and Projects in the pipeline centering on US (steady output from shale business, FID on Cameron, etc.) ・US: MMA monomer production and sales (basic agreement)
Energy upstream to downstream and expansion of related businesses	・Increase production volume, expanding reserves, strengthening cost-competitiveness ・Create value by strengthening the trading and strengthening business in downstream areas
Mineral resources (urban & underground) and materials	・Mozambique: coal mine (agreed to participate) ・US: chloroprene rubber production and sales (agreed to acquisition) ・China: oleochemicals production and sales (agreed to participate)
Mineral mining to material processing, building a recycle-oriented society	・Increase production volume, expanding reserves, strengthening cost-competitiveness ・Develop businesses in new materials and the binding point os steel scrap
Food and agriculture	・US: Fungicide for agrochemicals business (acquired)
Provide solutions for increasing production and stabilizing food supply	・Contribute to increasing stable supply of food resources by collaboration between chemicals (fertilizers, agrochemicals, food & feed additives) and food (agriculture, livestock and marine products) business

Upper Column:Accomplishments in the First Year
Lower Column:Strategic direction and actions in progress

Infrastructure	・Mozambique: port infrastructure (agreed to participate) ・Thailand: cogeneration (agreed to participate) ・Indonesia: new container terminal (participated)
Contribute to new nation building and business expansion from infrastructure	・Diversity power sources and strengthening the foundations of existing assets ・Develop resource infrastructure and new businesses
Mobility	・US: truck leasing (participated) ・Brazil: passenger railway transportation (agreed to participate)
Services related to manufacturing, marketing & financing of transportation machineries	・Develop commercial vehicles, freight cars, and passengers vehicles business integrally
Medical / Healthcare	・Strengthen strategic initiatives with Fuji Pharma (additional acquisition of Fuji's share)
Business development in healthcare and pharmaceutical value chain	・Expand service businesses surrounding hospitals centering on collabo- ・ration with IHH healthcare ・Develop support service businesses for pharmaceutical companies
Lifestyle products and value-added services	・Hong Kong : food processing and distribution (participated) China : Food service business (agreed to participate) Established ICT Business Unit (from April, 1, 2015), Mitsui Knowledge Industry Co., became wholly owned subsidiary in Japan
Consumer linked business utilizing next generation functions (IT, Finance Logistics)	・Multilateral development corresponding to expansion of consumption by middle class in Asian countries ・Develop a platform of business service such as information & communication, marketing, distribution, and use this as a foundation to further create new businesses downstream

Corresponding business segments

1 Iron & Steel Products
2 Mineral & Metal Resources
3 Machinery & Infrastructure
4 Chemicals
5 Energy
6 Lifestyle
7 Innovation & Corporate Development

Basic Policy ② of the New Medium-term Management Plan

Enhance earnings base of "Existing Business" and fully execute "Projects in the pipeline"

In the fiscal year ended March 2015, we have enhanced the cost competitiveness of our resource related businesses and expanded our IPP and gas distribution businesses in our "Existing Businesses". Significant milestones were also achieved among our "Projects in the Pipeline" such as LNG and Iron Ore projects. Particularly in the Energy businesses, progress were made in enhancing our reserves, production and cost competitiveness.

or the years ending March 2016 and beyond, we will work to strengthen the competitiveness of our assets and earning capability through cost reductions, project expansions and intensifying our partnership strategy within our "Existing Businesses".

We will also firmly progress our efforts in enhancing the value of our projects currently in operation, and to achieve crucial milestones for our developing projects.

Accomplishments in the first year

◆Enhanced earnings base of "Existing Business"

- ② Strengthen cost-competitiveness (iron ore, coal)
- ③ Expanded and diversified IPP business
- ③ Expanded gas distribution business in Brazil
- ③ Capital raising with the aim of doubling the size of railcar leasing business in North America
- ④ Completed expansion of chemical tank terminal in US

◆Executed or achieved major milestones in "Projects in the pipeline"

- ② Reached Jimblebar iron ore mine capacity to 35M ton/year in Australia
- ④ Commenced full production of chlor-alkali in US throughout the year
- ⑤ Final investment decision on Cameron LNG project in US

Business assets expanded during the Year Ended Mar/15

Iron ore business
Equity production : 51M ton/year → 55M ton/year

Oil and gas upstream assets
Equity production : 243kboe/day → 254kboe/day

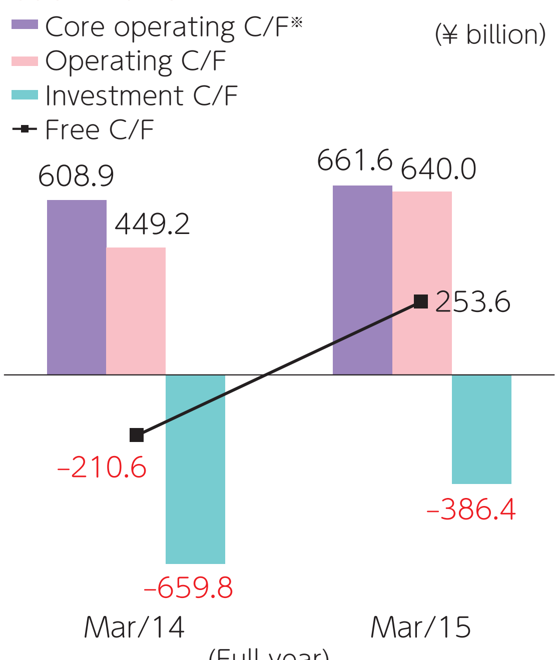
IPP business
Net generation capacity : 8.5GW → 9.6GW

Grain production and origination business
Handling volume : 15M ton/year → 17.5M ton/year

IHH Healthcare hospital business
Number of beds : approx.5,000 → approx.7,000

"We made progress in the combined reinforcement of three key strengths : reserves, output and production cost"

Cash Flows



※Core operating C/F= Operating C/F
– C/F from increase/decrease in working capital

Basic Policy ③ of the New Medium-term Management Plan

Pursue both "New Investments" and "Shareholder Return" backed by strong cash generation capabilities

Free cash flow as a total of cash flow generated from operations and investment cash flow was a net inflow of ¥250 billion for the fiscal year ended March 2015.

We will continue to pursue both "New Investments" and "Shareholder Return" backed by strong cash generation capability

Consolidated financial results for the fiscal year ended March 2015

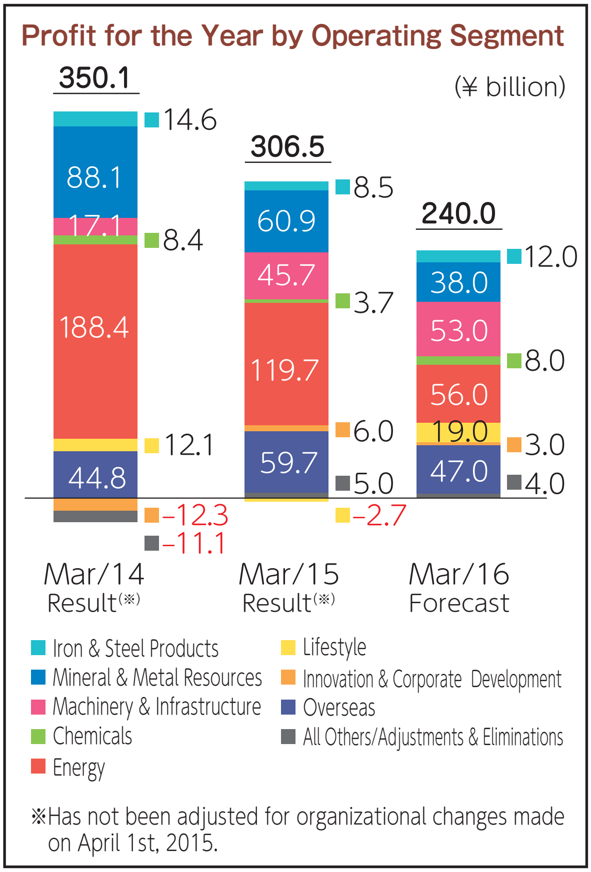
Profit for the Year(※1) was ¥306.5 billion, a decline of ¥73.5 billion from our original forecast and a decline of ¥43.6 billion from the previous year.

Total assets as of end of March 2015 increased by ¥700 billion to ¥12.2 trillion. Shareholders'(※2) equity increased by

¥280 billion to \4.1 trillion. Net DER[※3] was 0.82 at the end of March 2015, nearly the same level from a year ago. Return on Equity (ROE) was 7.7%.

Forecast for the year ending March 2016

Our forecast for the fiscal year ending March 2016 is ¥240 billion which is a decline of ¥66.5 billion from the fiscal year ended March 2015, mainly caused by assumed lower crude oil prices. Decline in profit is expected at Mineral & Metal Resources and Energy segments, while increases are expected in segments such as Lifestyle, Machinery & Infrastructure and Chemicals.



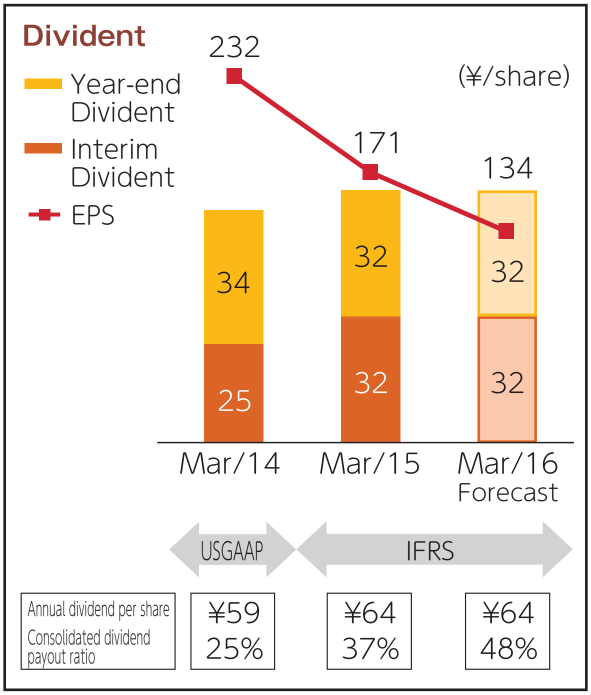
Dividend

Annual dividend for the fiscal year ended March 2015 was ¥64 per share.

Annual dividend for the fiscal year ending March 2016 is forecast at ¥64 per share (same amount as the previous year)

Although our result for the fiscal year ended March 2015 was ¥306.6 billion, we maintained our annual dividend at ¥64 per share (including ¥32 interim dividend) as originally forecasted for our Return to Shareholders.

Our forecasted Profit for the Year for the fiscal year ending March 2016 is expected to be lower, but based on our forecasted Profit for the Year of ¥240 billion we are planning our annual dividend at ¥64 per share, the same level as the previous year. In this case our payout ratio would be 48%.



(※1) In this newsletter, "profit for the year" means "profit for the year attributable to owners of the parent" for the Year ended March 31, 2015.
(※2) In this newsletter, "shareholder equity" means "total equity attributable to owners of the parent".
(※3) Net DER is defined as the ratio of net interest bearing debt to shareholder equity. Net interest bearing debt is defined as interest bearing debt less cash, cash equivalents and time deposits.

Financial Highlights

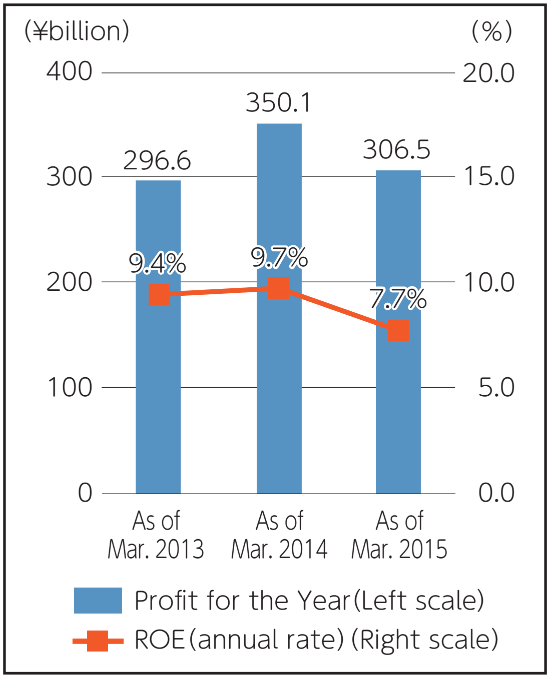
■Overview of Result for the Year Ended March 2015 (from April 1, 2014 to March 31, 2015)

Results of Operations

Profit for the Year decreased by ¥43.6 billion

Profit for the Year ¥306.5 (-12% Y-on Y)

Profit for the Year ended March 31, 2015 was ¥306.5 billion, an decrease of ¥43.6 billion from the previous year, due to a decline of iron ore prices, impairment losses of oil and gas producing operations and decrease of dividends from LNG projects. Annual return on equity (ROE) was 7.7%.



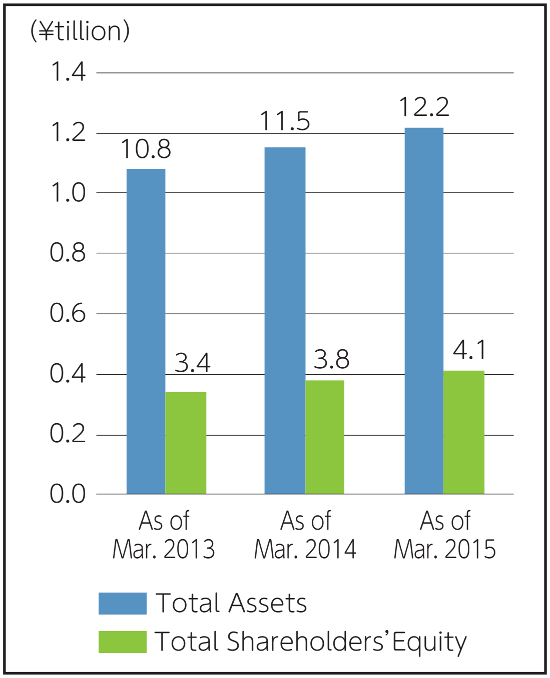
Financial Condition

Total assets increased by ¥0.8 trillion

Total Assets ¥12.2 trillion (+6% Y-on Y)
Total Shareholders' Equity ¥4.1 trillion (+7% Y-on Y)

Total assets as of March 31, 2015 increased by ¥0.7 trillion from that of March 31, 2014, to ¥12.2 trillion, due to investments as well as depreciation of the Yen.

Total shareholders' equity was ¥4.1 trillion, an increase of ¥0.3 trillion due to an increase in retained earnings and depreciation of the Yen.



※In this newsletter, "shareholder equity" means "total equity attributable to owners of the parent".

Cash Flows

Continue to maintain strong financial position

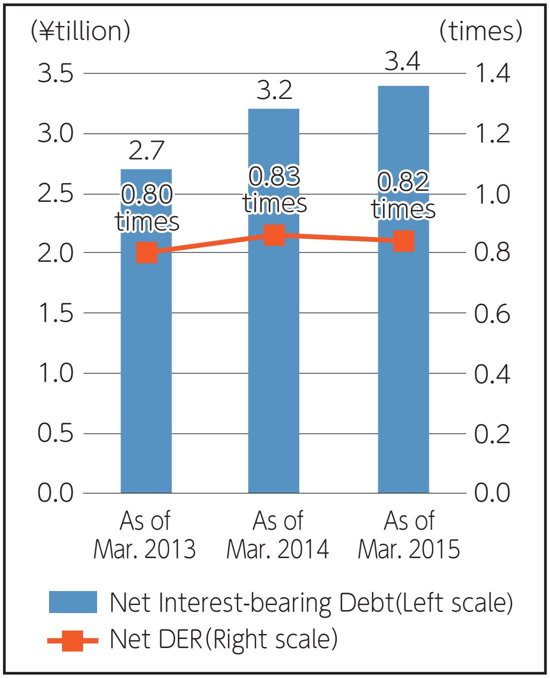
Net Interest-bearing Debt	¥3.4 trillion (+6% Y-on Y)
Net DER	0.82 (-0.01 point Y-on Y)

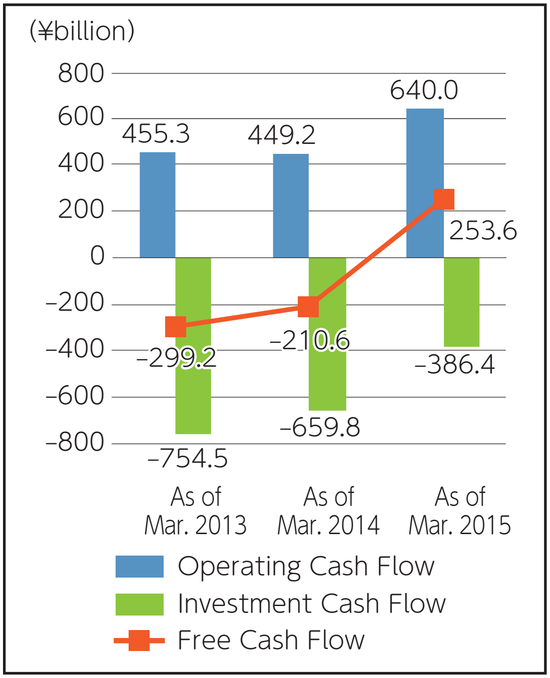
Net interest-bearing debt as of March 31, 2015 was ¥3.4 trillion, an increase of ¥0.2 trillion. Net debt-to-equity ratio (Net DER) declined by 0.01 point, to 0.82 from the level of March 31, 2014.

Free cash flows was a net inflow of ¥253.6 billion

Operating Cash Flow	¥640.0 billion
Investment Cash Flow	-¥386.4 billion
Free Cash Flow	¥253.6 billion

Net cash provided by operating activities increased by ¥190.8 billion, to ¥640.0 billion, due to increase of depreciation and amortization as well as dividends. Net cash used in investment activities was ¥386.4 billion.



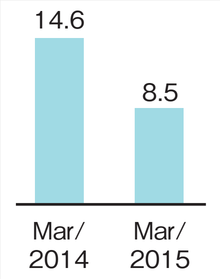


Segment Overview

Overview of Result of the Year Ended March 2015 (from April 1, 2014 to March 31, 2015)

Profit for the Year	Investment and Loans

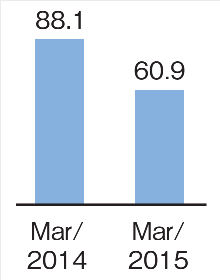
Iron & Steel Products Segment



〔**Summary of Increase/Decrease**〕
- ↓ Line pipe to LNG projects shipped during fiscal year ended March 31, 2014
- ↓ Trading volume of other steel products declined

●**Gross cash outflow** **¥5 billion**
- ・Automotive components in U.S.

Mineral & Metal Resources Segment

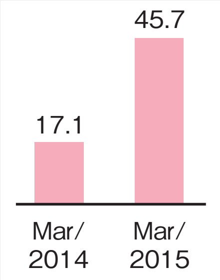


〔**Summary of Increase/Decrease**〕
- ↓ Iron ore prices declined
- ↓ Negative impact on deferred tax related to Chile
- ↓ FX valuation losses on debt at Vale

●**Gross cash outflow** **¥75 billion**
- ・Expansion and development of Australian iron ore operations

●**Divestiture**
- ・Redemption of preferred shares of Valepar
- ・Sales of stake in Silver Bell Mining

Machinery & Infrastructure Segment

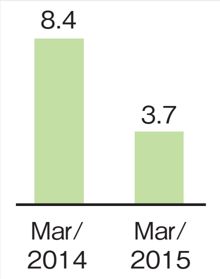


〔**Summary of Increase/Decrease**〕
- ↑ Solid performance of logistics infrastructure and gas distribution in Brazil
- ↑ Recovery of trading volume in commercial ships
- ↑ Sales of stake in aviation business

●**Gross cash outflow** **¥265 billion**
- ・Truck leasing in U.S.
- ・Integrated logistics company in Brazil

●**Divestiture**
- ・Finance lease receivables
- ・Sales of stake in aviation business

Chemicals Segment



〔**Summary of Increase/Decrease**〕
- ↓ Unfavorable market conditions in U.S. chlor-arkali business
- ↓ KPA: Exited at end of fiscal year ended March 31, 2014 due to asset transfer

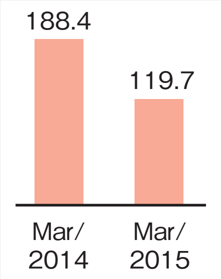
●**Gross cash outflow** **¥50 billion**
- ・Methanol production in U.S.
- ・Agrichemical fungicide business in U.S.

●**Divestiture**
- ・Sales of asset of KPA

(¥ billion)

Profit for the Year	Investment and Loans

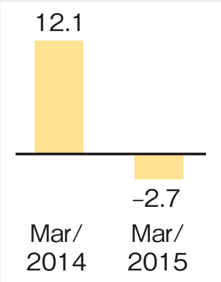
Energy Segment



〔**Summary of Increase/Decrease**〕
↓ Impairment losses on oil and gas producing operations
↓ Dividend from LNG projects decreased

●**Gross cash outflow ¥195 billion**
・Developments in Thai businesses
・Developments in existing shale gas/oil

Lifestyle Segment

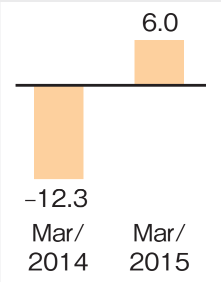


〔**Summary of Increase/Decrease**〕
↓ Underperformed operations at grain business in Brazil
↑ Sales of stake of Shanghai Senmao

●**Gross cash outflow ¥50 billion**
・Logistics facilities development in China
・Domestic real estate

●**Divestiture**
・Sales of shares in Recruit Holdings
・Sales of Burberry shares

Innovation & Corporate Development Segment

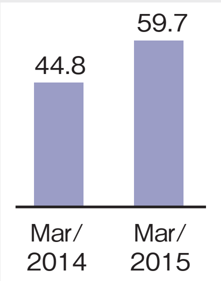


〔**Summary of Increase/Decrease**〕
↑ Sales of shares and valuation on retained shares of TPV
↑ Recovery of derivatives trading

●**Gross cash outflow ¥15 billion**
・Ventures investment in U.S.
・Insurance fund

●**Divestiture**
・Private equity sponsored loans in U.S.

Overseas' Segment ※



〔**Summary of Increase/Decrease**〕
↑ Americas: Increase in feed additive producing company in U.S., sales of stakes in senior living business
↓ Asia Pacific: Decrease in Australian iron ore business

●**Gross cash outflow ¥60 billion**
・Wind Power generation business in Australia
・U.S. Tank operation

●**Divestiture**
・Finance lease receivables in U.S,
・Sales of stake in Silver Bell Mining

※Overseas segment includes the Americas, Europe, the Middle East and Africa and Asia Pacific segments

NEWS FLASH

Together with their domestic and overseas affiliated companies, Mitsui & Co.'s 13 product-based business units and three regional business units are engaging in a wide range of business activities throughout the world. In this news flash, we will look at some of the most significant news items released by Mitsui & Co. in the second half of the year ended March 2015 (September 2014-March 2015). Please visit our website for information about other activities.

The Mitsui & Co. news release website:
http://www.mitsui.com/jp/en/release/index.html

- Hydrocarbon Chain
- Mineral resources (urban &underground) and materials
- Food and agriculture
- Infrastructure
- Mobility
- Medical / Healthcare
- Lifestyle products and value-added services

Lifestyle Segment/Food Resources Business Unit

Additional Investment to Support Expansion of Operations by Brazilian Agricultural Production Joint Venture

In October 2014, Mitsui & Co. executed an additional investment in SLC-MIT Empreendimentos Agrícolas ("SLC-MIT"), a large-scale agricultural production joint venture in Brazil. SLC-MIT was established in August 2013 as a joint venture between Mitsui & Co. and SLC Agricola S.A. ("SLC"), the biggest agricultural producer in Brazil. Using SLC' s expertise, it is efficiently growing soybeans and cotton on leased land in State of Bahia in northeastern Brazil.

Based on its shareholding ratio of 49.9%, Mitsui & Co. invested US$11.20 million (approximately ¥1.2 billion) in the capital increase. SLC-MIT will use the additional capital to start production of soybeans, corn, and sunflowers in mid-western State of Mato Grosso, which is Brazil's biggest soybean production area. In 2015, the company plans to expand its total land area to 40,000 hectares, including the area in Baia.

Brazil is one of the world' s biggest producers of food resources. Through its Brazilian subsidiary, Agricola Xingu and SLC-MIT, Mitsui & Co. is stably supplying its customers worldwide with safe grain crops, including non-GM soybeans.


A large-scale soybean growing operation managed by SLC-MIT

Iron & Steel Products Segment/Iron & Steel Products Business Unit

Investment in Wind Turbine Tower and Flange Manufacturing Business

Mitsui & Co. agreed to acquire a 25% shareholding in the GRI Renewable Industries Group ("GRI") of Spain, the world's leading manufacturer of wind turbine towers and flanges.

Producing a wind turbine tower

GRI manufactures towers that support wind power generators, as well as large-scale flanges, which are key component of towers. It supplies these products to major wind turbine manufacturers. With 10 manufacturing plants in six countries, including Spain, it is able to deliver products of uniform quality to customers worldwide.

Demand for power generated from renewable energy, such as wind and solar power, has expanded on a global scale in recent years. The amount of wind-power generated is expected to triple over the next 20 years. Mitsui & Co. will continue to contribute to the development of wind power. We are currently considering the establishment of a new production facility for offshore wind power generation facilities, which are becoming increasingly common, especially in Asia.

Overseas Segment/ EMEA Business Unit

Investment in Turkey's Biggest Integrated Packaging Manufacturer Sarten

Mitsui & Co. agreed to acquire 15% of shares in Sarten Ambalaj Sanayi ve Ticaret A.Ş. ("Sarten"), Turkey's biggest integrated packaging manufacturer.

Established in 1972, Sarten has 13 plants in Turkey. In addition to packaging for foodstuffs and household products, it also manufactures steel cans and plastic containers for motor oil and chemical products. It supplies these products to around 1,500 companies in Turkey, Europe, the Middle East, Russia, North Africa, and other markets.

Demand for packaging products is expected to grow with projected lifestyle changes in Turkey and its neighboring countries as a result of economic growth and rising populations.

Mitsui & Co. aims to further create value by using its integrated strengths and functions to enhance Sarten's potential on various levels, including expansion of Sarten's customer base and sales networks, logistics optimization, and the development of new business activities.

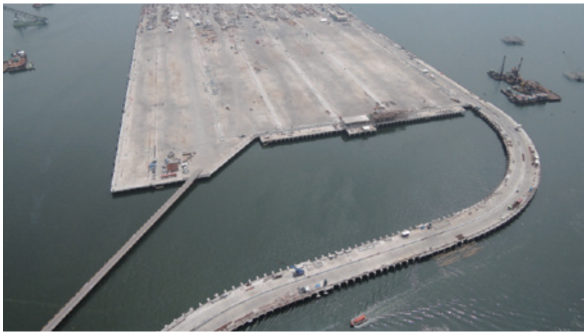
Products manufactured by Sarten

Machinery and Infrastructure Segment/Infrastructure Projects Business Unit

Participation in Construction and Operation of New Container Terminal in Jakarta, Indonesia

Mitsui & Co. decided to participate, jointly with partner companies, in the construction and operation of a new offshore container terminal at Tanjung Priok Port, Jakarta, Indonesia.

With a hinterland that includes Jakarta and surrounding industrial estates, Tanjung Priok Port is one of Indonesia's most important gateways. It handles around 50% of Indonesia's total container traffic. The development of logistics infrastructure has become an urgent priority because of Indonesia's recent rapid economic growth, and the construction of the new terminal at Tanjung Priok Port has become the focus of rising expectations.



Construction in progress at the new container terminal site

The new terminal will be capable of handling 1.5 million TEUs※ annually. With a total length of 850 meters and a draft of 16 meters, it will be able to accommodate today's advanced mega-container vessels.

Through participation in this project, Mitsui & Co. aims to capture continuing high growth and further future growth potential in Southeast Asia, while accumulating expertise about container terminal construction and operation to further expand logistics infrastructure business.

※A TEU is equivalent to one 20-foot container.

Energy Segment/Energy Business Unit II

Participation in Wood Biomass Power Generation Business in Tomakomai City, Hokkaido

Mitsui & Co., together with Iwakura Corporation, Sumitomo Forestry Co., Ltd., and Hokkaido Gas Co., Ltd., established Tomakomai Biomass Power Generation Co., Ltd. to operate a wood biomass power generation business in Tomakomai City, Hokkaido.

The new company will build a 5.9MW generation facility in the Harumi-cho district of Tomakomai City to generate electricity for sale at a fixed price under the Feed-in Tariff Scheme for Renewable Energy. Construction began in June 2015. The target date for the commencement of power generation is December 2016. The approximately 60,000 tons of woodchip fuel used by the facility each year will be produced entirely from unused timber, such as thinnings and offcuts, from forests in Hokkaido, including forests owned by Mitsui & Co. This will encourage the improvement of forest environments and contribute to the promotion of forestry in Hokkaido. The project is also expected to contribute to regional revitalization through job creation.

Through this project, Mitsui & Co. will work closely with local communities to build extensive networks with local companies and local governments. With experience gained through this project, Mitsui & Co. will work on new energy projects in the future as part of our continuing contribution to the reliable supply of energy.

Ground-breaking ceremony at the Tomakomai Biomass Power Plant

Sus-gaku (Education for Sustainable Development) Academy Workshop at Eco-Products 2014 Exhibition

Mitsui & Co. hosts “Sus-gaku (education for sustainable development)” academy programs with the aim of developing capabilities building a sustainable future. As part of this initiative, a Sus-gaku workshop focusing on Mitsui’s forests was held at the Eco-Products 2014 Exhibition, Japan’s biggest environmental exhibition, over a three-day period starting on December 11, 2014. The theme for the workshop was “Changing the Future through Kizukai.” Depending on the characters used to write it, the Japanese word kizukai can mean either “using wood” or “caring about others.”

One of the activities experienced by the elementary school children who took part in the event was log sawing. They also learned about forest work, the state of the forestry industry, and the significance and importance of using wood through the presentation of Mitsui’s forestry activities involving forests owned by Mitsui & Co. They then contributed ideas about ways to engage in kizukai for a sustainable future.


School children participate in the Eco-Products 2014 Exhibition.

Publication of 10 Years to Commemorate the 10th Anniversary of the Mitsui & Co., Ltd. Environment Fund

A commemorative booklet, 10 Years, was published to mark the 10th anniversary of the establishment of the Mitsui & Co., Ltd. Environment Fund in July 2015. Since its establishment in 2005, the Fund has supported a variety of activities and research with the aim of contributing to the solution of global environment problems and the creation of a future-oriented sustainable society based on harmony between the economy and the environment. Over the past 10 years, a total of 492 Grants have been provided to NPOs, universities and other organizations in Japan and overseas.

The commemorative booklet describes how grant recipients took a first step through their encounter with the Fund and proceeded to put their ideas into practice on their own. Photographs are used to trace the history of those activities. The booklet will be available on the Mitsui & Co. website from July onwards.


The commemorative booklet 10 Years (published in Japanese only)

Participants in the 17th Mitsui-Bussan Scholarship Program for Indonesia Arrive in Japan

The Mitsui-Bussan Scholarship Program for Indonesia was established in 1992 to contribute to Japan-Indonesia exchange and growth and progress in Indonesia through human resource development. Scholarships are awarded to Indonesian high school graduates. Recipients are supported over a period of five-and-a-half years, including time to prepare for Japanese university entrance exams, to allow them to experience study and life in Japan. The two scholarship students, who have arrived and started studying in Japan, were selected from among 1,200 applicants in September 2014 under the 17th scholarship program. This brings the total number of students assisted through this program to 36. Many of the students have returned to Indonesia after graduation and chosen careers with Japanese-owned companies, including Mitsui & Co.

MBK Real Estate LLC

Supplying quality homes to help people to enhance their lifestyles

Serviced senior housing in California

Mitsui & Co. has more than 400 affiliated companies in Japan and around the world, and its daily business involves coordination with and among these companies. In this issue, we profile MBK Real Estate LLC, which is engaged in the serviced senior housing business and the development and management of detached housing sale and rental housing in the western United States.

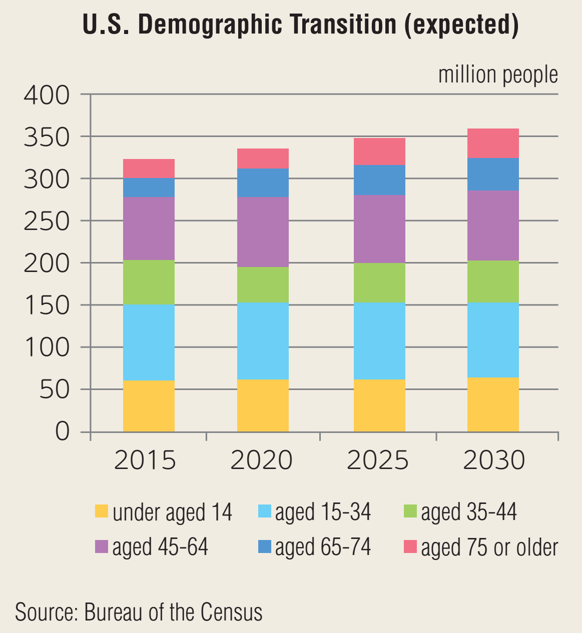
About MBK Real Estate LLC

MBK Real Estate LLC ("MRE") is a consolidated subsidiary of Mitsui & Co. Headquartered in Irvine, California, MRE was established in 1990 as a real estate development company. Mitsui & Co. initially owned 50% of MRE, and in 1997 made it a wholly owned subsidiary. With over 1,200 employees, MRE is now engaged into two business areas in the United States: the development and management of serviced senior housing; and the development, sale and management of general housing.

MRE owns a total of 13 serviced senior residential facilities in California, Utah, Colorado, Arizona, and Washington. In addition to the management of these facilities, including the supply of meals to residents, as well as housekeeping, living support, and health management services, MRE also manages four facilities owned by other companies. In its housing business, MRE uses land acquired in California to build and sell houses, and to develop and manage rental housing.

Serviced Senior Housing Business: High-quality Living Support

In 2012, there were approximately 18 million people aged 75 or older in the United States. This is equivalent to about 5.8% of the total population of 308 million. The number is expected to increase to 34 million, or around 9.7% of the total population, by 2030 (see graph on right-hand page). This means that the



market for senior housing can be expected to expand further.

In the United States, the older generations are increasingly choosing to live in residential communities where they have access to support ranging from dining and housekeeping to medical care. These communities are divided into four categories according to the level of care provided. At the low end of the care spectrum there are senior apartments, followed by facilities that support independent living and assisted living, and those that provide skilled nursing care. MRE is involved in the independent living and assisted living categories. In independent living facilities, the main services provided are meals and housekeeping. Assisted living residents receive day-to-day support services, such as bathing assistance, and health management services.

MRE's business model begins with the purchase of existing serviced senior residential facilities. It then uses its own expertise to enhance the value of these facilities through renovation and management improvements. MRE either sells these facilities outright to third parties, or continues to operate them under contract if the purchaser does not have the necessary operating know-how. At present, MRE owns and operates 13 facilities with 1,480 rooms in the western United States, and operates another four facilities with 480 rooms under contract.

MRE aims to expand its serviced senior housing business, and in March 2015 it signed an agreement with HCP Inc., a leading company in the U.S. real estate investment trust business, providing for the joint acquisition of housing. MRE and HCP established a 50-50 joint venture, which purchased three facilities owned by MRE with a total of 448 rooms. MRE will continue to manage these facilities. The same structure will be used for future acquisitions of serviced senior living facilities, which will be purchased by the joint venture and managed by MRE. The assets owned by the joint venture will eventually increase to $300-400 million (approximately ¥36-48 billion).

A serviced senior residential facility

Housing Business: Experience in Detached Housing Sales the Key to Successful Expansion into Rental Housing

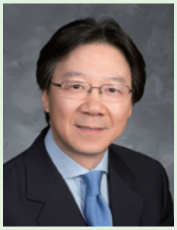
Since its establishment, MRE has built, sold, and delivered approximately 3,600 detached homes in California. As a company established by Japanese capital, it takes great care over the construction process and quality management and puts particular emphasis on after-sales customer service. MRE has built an excellent reputation and has consistently appeared in the top 10 rankings in customer satisfaction surveys conducted by a U.S. market research company.

Over the past few years there has been a conspicuous shift from home ownership to rental housing among the present young generation, who are the children of the baby boomers. Reasons for this trend include a tendency to marry later, the burden of student loan repayments, and low wages. In 2012, MRE began to apply its expertise in the area of detached housing construction to the development and management of rental housing. In 2014, it completed 100 rental houses in San Diego and maintained an occupancy rate in excess of 90%. This year MRE began to advertise for tenants for a total of 288 rental houses in Corona, California. As in San Diego, the occupancy rate is rising steadily there.

MRE will continue to supply people who need housing with homes that match their lifestyles.

Detached residences marketed by MRE in California

Message from the President



Kain Matsumoto
Chairman and President
MBK Real Estate LLC

The population of the United States is expected to increase by an average of 2.2 million (equivalent to the population of Nagoya) annually in the half-century to 2060. An estimated 1.5 million housing units per year will be needed to meet the resulting demand. The senior population made up of people aged 75 and older is increasing at three times the rate of the population of other age groups. With firm foundations in these stable growth markets, MRE helps people to enjoy enhanced lifestyles by supplying housing for all generations, including rental housing for the young, detached housing for those in the middle years, and serviced residential facilities for seniors.

The real estate business requires large amounts of funds and is affected by shifts in economic conditions. The key to sustained income growth is to create and optimize a portfolio of properties that will be less vulnerable to the effects of market trends. We established a joint venture with HCP, the world's third-ranked investment trust specializing in healthcare facilities, with the aim of building a stratified income structure by further expanding our combination of properties, and by earning income from asset management.

We will continue to work toward our medium/long-term goal of accumulating operating assets worth $1 billion (approximately ¥120 billion), including those of this joint venture.

Indonesia

Indonesia–Treasure Trove of Diversity

The Republic of Indonesia is an archipelago of five main islands, including Java, home to the country's capital city Jakarta, as well as over 13,000 smaller islands, making this country the world's largest island nation. Indonesia is roughly five times the size of Japan, and boasts the world's fourth largest population of approximately 250 million. Moreover, the country's Islamic population is No. 1 in terms of size, representing 88% of the total population. While the majority of Indonesia's population is comprised of Malays, the country is also home to more than 300 other ethnic groups, and is thus a highly diverse, multiethnic nation filled with numerous languages and religions.

Since 2010, Indonesia's economic growth rate has remained above 5%, and this growth remains firm due to the support of stable sociopolitical and financial conditions as well as expanding consumer spending. In addition, Indonesia has been a member state of the Association of Southeast Asian Nations (ASEAN) since its inception, and the association is headquartered in Jakarta.

Mitsui & Co.'s Relationship with Indonesia

In 1965, Mitsui & Co. established a representative office in Jakarta, and later founded PT. Mitsui Indonesia in 1990. Today, these two establishments are staffed by 152 employees, including 27 employees dispatched from Japan. Operations in this country include business investment and trading between Japan and Indonesia, and we are active in a wide range of fields including the iron and steel product, mineral and metal resource, machinery and infrastructure, chemical, energy, lifestyle, and innovation and corporate development fields. The total scope of our operations in Indonesia encompasses 24 subsidiaries and affiliate companies, which employ more than 10,000 people.

New Business Initiatives

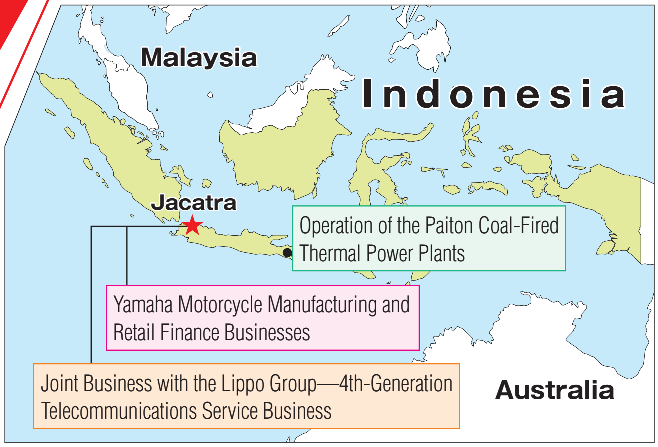
Mitsui has positioned Indonesia as one of its nine priority countries. We have established strong relationships with local partners in this country, and we are actively exploring and developing new businesses as we advance numerous existing projects. In addition to the business activities described on the following page, we are also embarking on new ventures including the operation of a new container terminal at Tanjung Priok Port in Jakarta (see News Flash on page 14 of this newsletter for more information) and participation in an integrated railway system and track-work project for the North-South Line of the Jakarta Mass Rapid Transit System. Aiming to contribute to ongoing economic growth in Indonesia, we will continue to push forward with existing projects while actively seeking out new ones.

Basic Data

Population	: 249,000,000 (2013)
Currency	: Rupiah
Nominal GDP	: US$869.6 billion (2013)
Land area	: Approx. 1,890,000 km^2 (5 times the area of Japan)
Official language	: Indonesian

Source: Ministry of Foreign Affairs of Japan

Major Business Activities in Indonesia



Mitsui is developing a diverse range of businesses in Indonesia. In addition to the projects introduced below, we also conduct transactions related to iron and steel products, chemicals, and other fields, and we are engaged in joint businesses with the Lippo Group, a major Indonesian conglomerate.

Yamaha Motorcycle Manufacturing and Retail Finance Businesses

PT. Yamaha Indonesia Motor Manufacturing (15% shareholding) was established as a joint venture between Yamaha Motor Co., Ltd. and Mitsui for the purpose of manufacturing and selling Yamaha motorcycles. Motorcycles are an important form of mobility for the people of Indonesia. The Indonesian motorcycle market is said to be the third largest, after the Chinese and Indian markets, with a scale of approximately 7.7 million on a unit basis, and Yamaha Indonesia boasts a share of roughly 30% of this market.

In addition, we established a finance company for motorcycles, PT. Bussan Auto Finance (BAF), together with Yamaha Motor in 1997. The goal of this company is to expand the scale of Yamaha Indonesia's motorcycle sales by providing loans to consumers seeking to purchase vehicles. Currently, BAF is supporting motorcycle sales through its 173 branches located across Indonesia.

In 2013, a financing company from the Lippo Group, a major Indonesian conglomerate, commenced investment in BAF, effectively strengthening its management and financial bases. Going forward, we will work to expand the number of Yamaha motorcycles sold in Indonesia to provide its people with this crucial source of mobility in their daily lives and contribute to the future growth of the country.

Head factory of PT. Yamaha Indonesia Motor Manufacturing

PT. Bussan Auto Finance branch

Joint Business with the Lippo Group—Indonesia's First 4th-Generation Telecommunications Service Business

In 2013, Mitsui acquired a 20% stake in PT. Internux, a telecommunications company belonging to major Indonesian conglomerate the Lippo Group. This marked the start of our participation in a high-speed mobile data telecommunications service business in the Greater Jakarta area.

Mobile phones are used by approximately 70% of the Indonesian population, and the ratio of people using smartphones is expected to reach 40% during 2015. Accordingly, the country is in need of a high-capacity mobile data communications infrastructure. Internux is responding to this demand by providing a high-speed mobile data telecommunications service based on next-generation LTE communication standards that is capable of delivering transmission speeds five to 10 times faster than traditional services.

A store in Jakarta directly managed by Internux

More than 1.2 million people have already subscribed to this service, and we aim to acquire more than 2.0 million additional subscribers during the next two years. Over the long term, the Company will examine the possibilities of expanding its service area to other parts of Indonesia and participating in businesses in peripheral fields as it continues contributing to the advancement of this country's telecommunications infrastructure.

Operation of the Paiton Coal-Fired Thermal Power Plants

Through its 40.5% stake in Indonesia independent power producer (IPP) PT. Paiton Energy, Mitsui takes part in operating two coal-fired thermal power plants on Java: Paiton 1 and Paiton 3.

Paiton 1 commenced commercial operation in 1999, and Paiton 3 went onstream in 2012. With a combined capacity of more than 2,000 MW, these two plants constitute Indonesia's largest IPP operation, supplying electricity that meets around 10% of the power demand from Java's population of approximately 140 million people.

As Indonesia's economy grows rapidly, it is expected that a tight supply and demand balance may need to be addressed in the future. For this reason, securing stable power supplies will be a matter of utmost importance. Paiton Energy has concluded a long-term electricity sales contract with a state-owned power company in Indonesia through which it will supply electricity until 2042. By providing a stable supply of energy over the long term, the Company aims to contribute to the growth of Indonesia's economy and society while supporting the lives of its people and aiding economic activities.

Paiton coal-fired thermal power plants (Paiton 1 (foreground) and Paiton 3 (third from front))