

Financial Strategy Review and Outlook



Basic Policy

Support Mitsui's growth strategy by ensuring liquidity and maintaining financial soundness

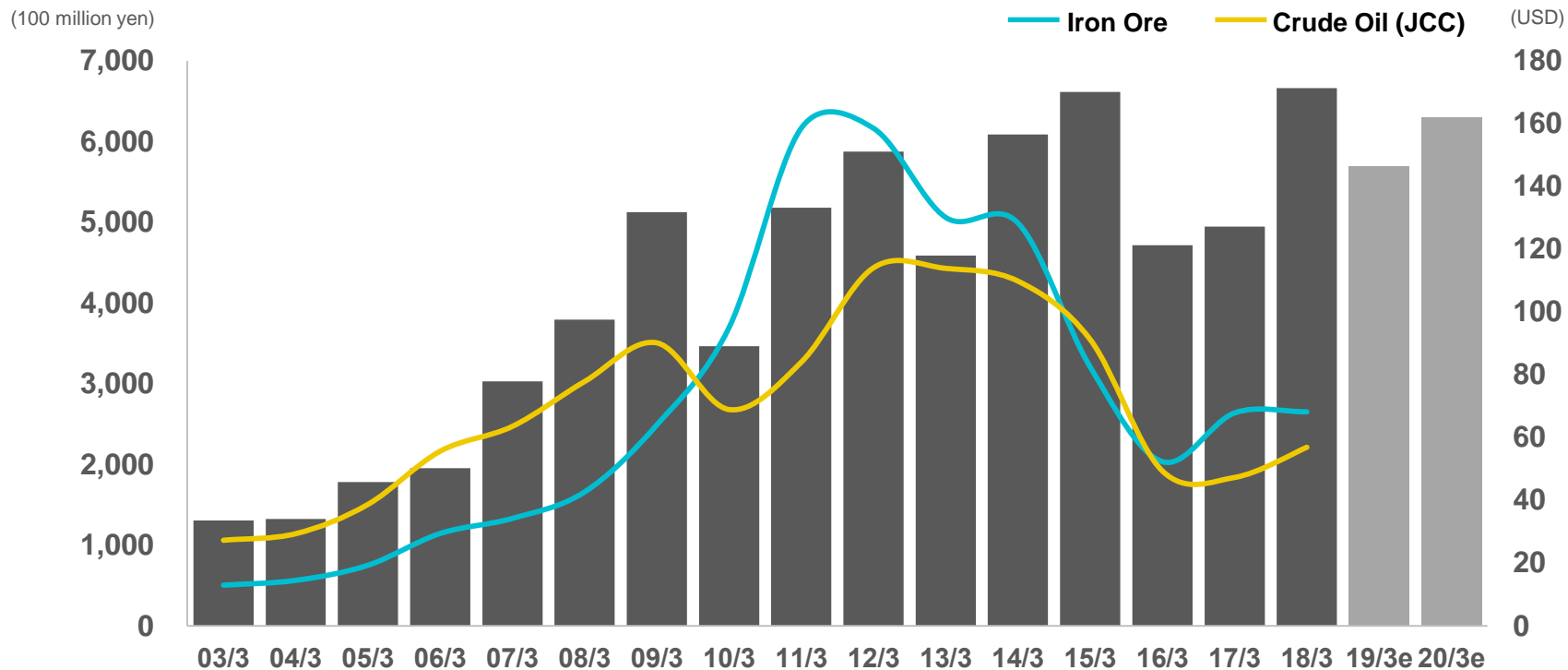
- Ensure long-term stable funding and maintain access to financial capital markets
- Maintain liquidity and mitigate refinancing risk
- Fully utilize loans from government financial agencies, project finance
- Exercise efficient cash management and transaction control
(global cash management, in-house banking)

Progress in Financial Strategy

Cash flow focused management; Strengthen financial base

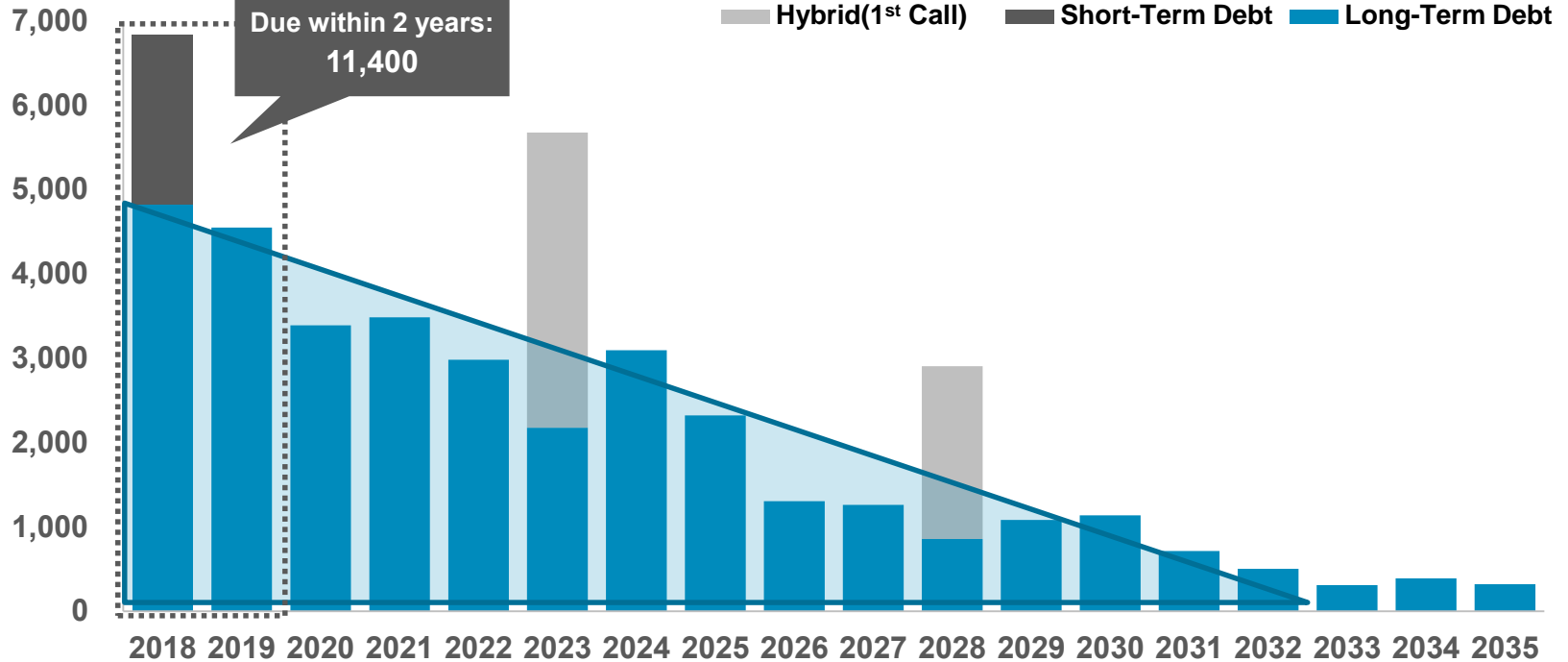
- Introduced cash flow allocation framework from previous medium-term management plan
- Mar/2017: Executed hybrid loans (total ¥555bn, recognized equity content 50%)
- Mar/2017 onwards: Made steady progress in strengthening financial base amid strong earnings
- Mar/2018 year end: Reduced Net DER to 0.78x (lowest ever); Equivalent to 0.66x after adjustment for hybrid loans
- Improved major ratings outlook from Negative to Stable
- Current outlook for shareholder returns in medium-term plan is ¥400bn+, compared with total shareholder returns during period of previous plan of ¥400bn

Core Operating Cash Flow

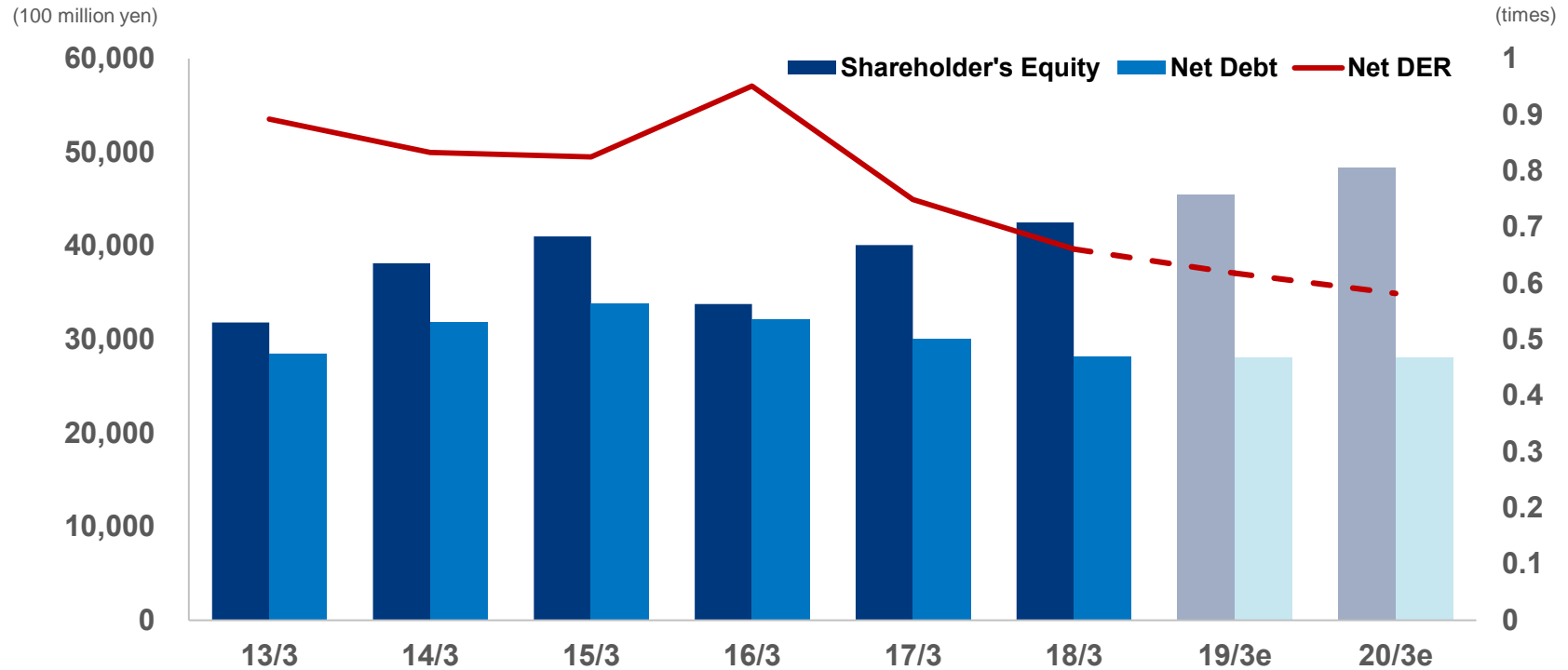


Debt Maturity as of 2018/03

(100 million yen)

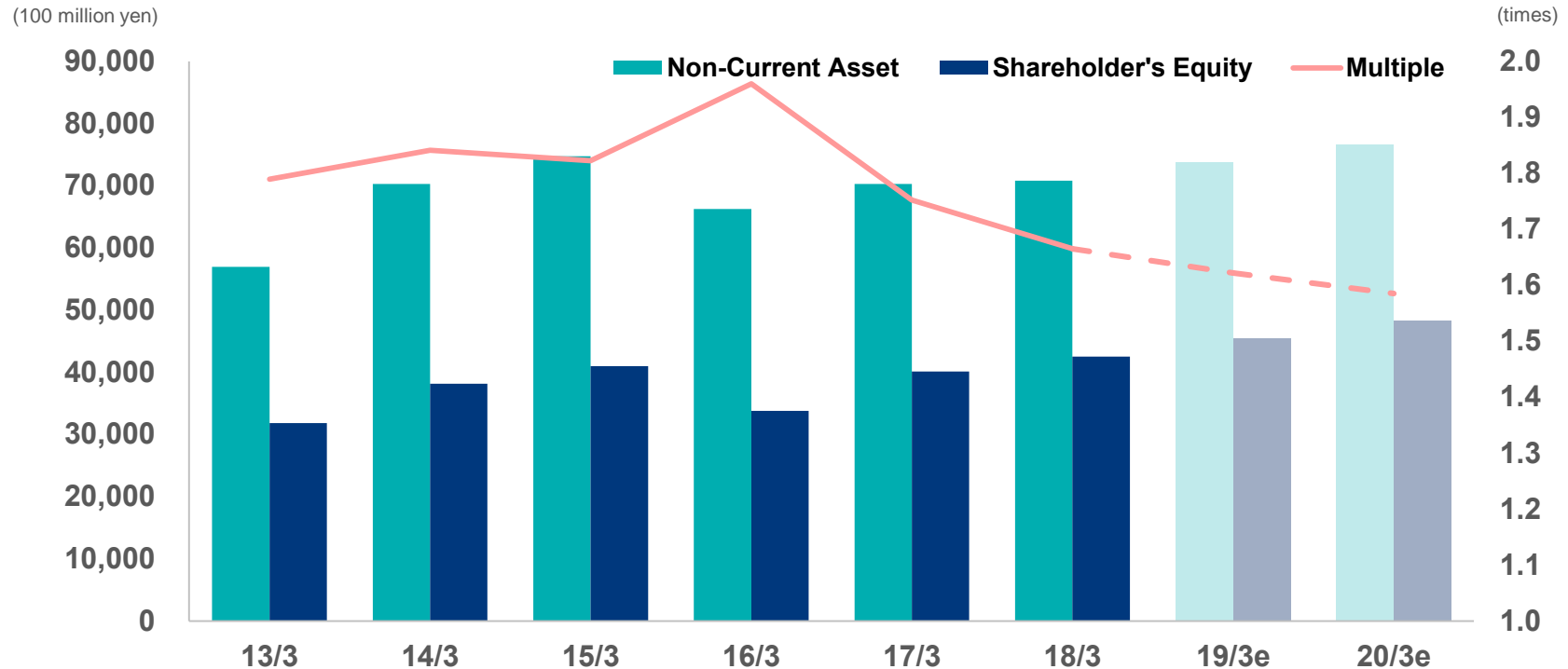


Net Debt to Equity Ratio*



*Adjusted Net DER by including 50% of subordinated syndicated loan (JPY 555bil) in capital

Non-Current Asset / Shareholder's Equity (Multiple)



Risk Asset / Shareholder's Equity*

(100 million yen)

50,000

40,000

30,000

20,000

10,000

0

13/3

14/3

15/3

16/3

17/3

18/3

19/3e

20/3e

■ Risk Asset ■ Shareholder's Equity — Risk Asset/Equity

(%)

80

75

70

65

60

55

50

45

40

35

30

*Adjusted Shareholder's Equity by including 50% of subordinated syndicated loan (JPY 555bil) in capital

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