MITSUI & CO., LTD.

Chemical Segment
Business briefing session
Basic Chemicals Business Unit
Performance Chemicals Business Unit

Jul 8th 2011

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.
AGENDA

Ⅰ. Chemical Segment Overview
Ⅱ. Basic Chemicals Business Unit
Ⅲ. Performance Chemicals Business Unit
Ⅰ. Chemical Segment Overview

Ⅱ. Basic Chemicals Business Unit

Ⅲ. Performance Chemicals Business Unit
I. Chemical Segment Overview

Business Areas(1)

4 Business Areas

Mineral Resources and Energy

Global Marketing Network

Lifestyle Business

Infrastructure

Iron & Steel Products Business Unit

Motor Vehicles & Construction Machinery Business Unit

Chemical Segment

Basic Chemicals Business Unit

Performance Chemicals Business Unit
Business Areas (2)

Cultivating marketing and distribution businesses and pursuing investment opportunities centered around petrochemical industries

Activities in brief: We are,

- Pursuing large/medium scale cluster investment opportunities and deploying highly multifunctional distribution all the way from upstream to down in petrochem chain.
- Pursuing investment opportunities and deploying marketing and distribution businesses on the entire value chain, made possible by integrating chlor and alkali related businesses.
- Developing and deploying global marketing and distribution businesses by leveraging our stake in resource-based production assets.
- Developing Green Chemical businesses.

Expanding our presence in growth industries by leveraging strength acquired through our experience in the chemicals industry

Activities in brief: We are,

- Pursuing investment opportunities and deploying global marketing/distribution business in fert feed resource and product retail, pesticides, and animal feed additives business areas.
- Penetrating environment-related markets from the chemicals business standpoint, such as photovoltaic related business.
- Expanding global marketing/distribution for functional and advanced materials centering out from Asia.
- Deploying SCM services businesses with major LCD and electronics manufacturers.
Global Net Income by Product Segments

(Reference*)

(billions of JPY)

Mineral Resources & Energy

Foods & Retail

Consumer Service & IT

Logistics & Financial Business

Chemicals

Non-resources

Mineral & Metal Resources

Energy

Iron & Steel Products

Machinery & Infrastructure Projects

Chemical

Foods & Retail

Consumer Service & IT

Logistics & Financial Business

All Others/Adjustments & Eliminations

(*) Global results by business area, including all overseas operations (Reference).
I. Chemical Segment Overview

Chemicals Segment Trajectory
History, Plan, & Vision

Consolidated Net Income (billions of JPY)

<table>
<thead>
<tr>
<th>Month</th>
<th>AMERICAS</th>
<th>EMEA</th>
<th>ASIA/PACIFIC (AP)</th>
<th>HQ</th>
<th>Trading</th>
<th>Investment income</th>
</tr>
</thead>
<tbody>
<tr>
<td>08/3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>09/3</td>
<td>26</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10/3</td>
<td>18.4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>11/3</td>
<td>23.7</td>
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<td></td>
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</tr>
<tr>
<td>12/3</td>
<td>24.5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PLAN</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>VISION</td>
<td>40~50</td>
<td></td>
<td></td>
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</table>

Total Assets

<table>
<thead>
<tr>
<th>08/3</th>
<th>09/3</th>
<th>10/3</th>
<th>11/3</th>
<th>12/3</th>
</tr>
</thead>
<tbody>
<tr>
<td>806.4</td>
<td>546.0</td>
<td>605.7</td>
<td>642.6</td>
<td></td>
</tr>
</tbody>
</table>

※※※AP includes Far East (China, Taiwan, and South Korea)
※※ Total Assets not including overseas operations
I. Chemical Segment Overview

Staff and Office Deployment

GLOBAL TOTAL: 1,578

Number of employees (Consolidated): 2,820 (FYE 2011)

※Numbers as of FY2012 bop
※Overseas numbers include only local Mitsui offices
※AP includes Far East (China, Taiwan, and South Korea)
※EMEA includes CIS countries

<table>
<thead>
<tr>
<th>Region</th>
<th>Headquarter-hired Staff</th>
<th>Non Headquarter-hired Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMERICAS</td>
<td>82</td>
<td>55</td>
</tr>
<tr>
<td>ASIA/PACIFIC (AP)</td>
<td>565</td>
<td>77</td>
</tr>
<tr>
<td>EMEA</td>
<td>30</td>
<td>169</td>
</tr>
</tbody>
</table>

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Chemicals: Center of Various Growth Industries

I. Chemical Segment Overview

Mineral Resource Development
(NPK, Saltpan, Silicon Metal etc)

Energy BU I&II,
Infrastructure Projects BU,
Mineral & Metal Resources BU

Agriculture
(Fertilizer, Agrichemicals,
Forage Additive etc)
Food & Retails BU

Markets

Value-chains of Chemicals

Natural Resource → Intermediates → End Product

- Crude Oil
- Natural Gas
- Coal
- Salt
- N/P/K
- Biomass
- Ammonia
- Methanol
- Olefins
- Aromatics
- Caustic, EDC/VCM
- Phenolic
- Detergent Feed
- Sulphur, Sulphuric Acid
- Fertilizer
- Agrichemical
- Forage Additive
- Solar battery
- Rechargeable battery
- Plastics, Synthetic Rubber
- Electronic parts

Renewable and New Feed Source Energy
(Solar, Biomass)

Infrastructure Projects BU,
Energy BU I&II, Food & Retails BU

Car industry
(Parts, Rechargeable battery)
Motor Vehicles & Construction Machinery BU

Electronics, Consumer Products
(Display, Semi-conductor, OA, Home Electronics, Medicines etc)
IT BU, Consumer Service BU

BLUE: Basic Chemicals
RED: Performance Chemicals
Vision and Basic Strategy of Chemicals Segment

Vision

Commit to the growth of the chemical industry, and become the global player on whom the industries in the various corners of the world relies.

Chemical Segment Basic Strategy ("The Backbone")

Concept: Mindset Change

We first change our mindset from optimization of individual products and sales divisions to overall segment optimization. We then put following three strategies into action with speed.

1. Cluster Investment Strategy
2. Highly Multifunctional Trading, Marketing Platform Strategy
3. Chemical Frontier Strategy

~Take Investment Chances from 'Highly Multifunctional Logistics and Marketing Platform Strategy In the View of Cluster Investment~
Realize the following, by participating in the Cluster Investment with partners in the regions where competitive feeds exist.
(1) Create new profit platform.
(2) Contribute in increasing projects’ value with our marketing functions and strengthen marketing network further.
(3) Contribute improving partners’ values and strengthen ties with them.

~Chain enables better view of opportunities to strengthen marketing capabilities ~
Value chain optimization by globally combining market-oriented distribution platform and multifunctional trading/distribution that takes advantage of our wide array of logistics functionalities and trading techniques.

~Finding seeds of growth and bringing them to harvest, from chemical point of view~
Focused on building new profit bases by incubating growth seeds by taking advantages of chemical industries’ interaction with peripheral industries. This is enabled by our competencies in marketing and distribution.
Ⅰ. Chemical Segment Overview

Ⅱ. Basic Chemicals Business Unit

Ⅲ. Performance Chemicals Business Unit
View on The Business Environment

- Petrochemical demand is anticipated to expand on the world scale stably, as global economy is led by emerging economies.
  - Middle East playing bigger role as production center
  - More domestic production expected in China to support continuous demand growth
  - Potential for new crackers in other regions such as North America

- The shift of key integrated producers in the west towards high performance products
- A structural change in the petrochemical industry – from mega competitions among players to the state of oligopoly
- Diversification in the petrochemical feed due to technological innovations, high crude oil prices
- Shift to a low-carbon, sustainable growth economy
Commodities Trading and Mitsui’s Share in Asia

- **Ethylene (2,200 KT)**
  - Mitsui: 32%
  - Others: 27%
  - A: 36%
  - B: 5%

- **Propylene (2,450 KT)**
  - Mitsui: 27%
  - Others: 49%
  - A: 14%
  - B: 10%

- **Benzene (5,000 KT)**
  - Mitsui: 20%
  - Others: 63%
  - A: 12%
  - B: 5%

- **Paraxylene (10,000 KT)**
  - Mitsui: 23%
  - Others: 50%
  - A: 36%
  - B: 15%

- **EDC (2,000 KT)**
  - Mitsui: 40%
  - Others: 22%
  - A: 25%
  - B: 13%

- **Phenol (2,300 KT)**
  - Mitsui: 24%
  - Others: 63%
  - A: 9%
  - B: 4%

If accounted for GLOBALLY, Mitsui’s trading volume is approx 13 million ton per annum (FY2010)
Strategies

Our unit is working on..

- Implementing “Cluster Investment” and “Highly Multifunctional Trading” based on the product chains centered around petrochemicals industry.

(Expanding business model from one centered around global marketing on which we have long experience, to grow global presence by both expanding equity stake and strengthening marketing capabilities, taking advantage of expertise cultivated as a longtime marketer.)

Expand Value Chain into Upstream
(Secure competitive resources and develop business with scale)

Vision
Commit to the growth of the chemical industry, and become the global player on whom the industries in the various corners of the world relies.

Develop the investment-oriented partnerships
(Aim to accelerate globalization and to become insider of regional markets by developing business with global overseas companies and Japanese firms striving to accelerate their advancement overseas.)

Strengthen Alliances with Other Segments and Manifest Integrative Strengths
(In order to respond with requirements of clients and emerging economies growing more broad and complex, manifesting integrative strengths through enhancement of cross-segment collaboration.)
II. Basic Chemicals Business Unit

Major Subsidiaries & Associated Companies

- ITC Rubis Terminal Antwerp NV
- HI-BIS GmbH
- Mitsui Bussan Chemical Co.Ltd.
- Daiichi Tanker Co.Ltd.
- Honshu Chemical Industry Co.Ltd.
- Soda Aromatic Co.Ltd.
- Dow Mitsui Chlor-Alkali LLC
- Intercontinental Terminals Company
- International Methanol Company
- Riken Thailand Co., Ltd.
- Palm Oleo Sdn. Bhd.
- Siam Tank Terminals Co., Ltd.
- P.T. Standard Toyo Polymer
- Onslow Salt Pty Ltd
- Shark Bay Salt Pty Ltd

Trade platform
Manufacturing

: Subsidiary
: Associated company

Methanol
Chlor-alkali
Petrochemicals
Specialty Chemicals
Methanol Business

Deploying upstream investments and global trading of derivatives from its value chain

<Vision>
By securing stake in methanol chain upstreamed with competitive natural gas, we aim to become one of world’s prominent methanol players. Moreover, promote not only gas chemical but gas development as chemical feed through collaboration with our Energy Segment.

International Methanol Company (IMC)

<table>
<thead>
<tr>
<th>Location</th>
<th>Al Jubail, Kingdom of Saudi Arabia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foundation</td>
<td>2002</td>
</tr>
<tr>
<td>Ownership</td>
<td>SIPChem 65%, Japan Arabia Methanol 35% (NET Share of Mitsui &amp; Co., :19.3%)</td>
</tr>
<tr>
<td>Capacity</td>
<td>1.1 million ton/Y</td>
</tr>
<tr>
<td>Japan Arabia Methanol / Net income as of March 2011</td>
<td>1.7 billion yen</td>
</tr>
</tbody>
</table>
Chlor-Alkali Business


Western Australia Salt Business (Shark Bay Salt, Onslow Salt)

<Vision>
Strengthen the total Chlor-Alkali value chain through both trading and investment. Build a unique business operation that integrate marketing into manufacturer position.

Dow Mitsui Chlor-Alkali LLC

<table>
<thead>
<tr>
<th>Location</th>
<th>Freeport, TX USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Business</td>
<td>Production and sales of Caustic and Chlorine made by electrolysis</td>
</tr>
<tr>
<td>Founded</td>
<td>2010</td>
</tr>
<tr>
<td>Operation commencement</td>
<td>Expected in mid 2013</td>
</tr>
<tr>
<td>Capacity</td>
<td>Caustic: About 880k tpa</td>
</tr>
<tr>
<td></td>
<td>Chlorine: About 800k tpa</td>
</tr>
<tr>
<td>Ownership</td>
<td>The Dow Chemical Company 50%, Mitsui 50%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Location</th>
<th>Shark Bay Salt</th>
<th>Onslow Salt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location</td>
<td>About 800km to the north of Perth</td>
<td>About 1,300km to the north of Perth</td>
</tr>
<tr>
<td>Capacity</td>
<td>1.3 million ton</td>
<td>2 million ton</td>
</tr>
<tr>
<td>Product</td>
<td>Bay Salt</td>
<td>Bay Salt</td>
</tr>
<tr>
<td>Area of lake</td>
<td>About 6,900ha</td>
<td>About 8,600ha</td>
</tr>
<tr>
<td>Equity participation since</td>
<td>1973~</td>
<td>2006~</td>
</tr>
<tr>
<td>Current ownership</td>
<td>Mitsui 100%</td>
<td>Mitsui 100%</td>
</tr>
<tr>
<td>PAT for yr ending Mar '11</td>
<td>3.2 billion yen</td>
<td></td>
</tr>
</tbody>
</table>
II. Basic Chemicals Business Unit

Petrochemicals Business

Integrated the derivatives businesses from upstream to common resin of petrochemical. Deploying the large/mid scale “Cluster Investment” and “Highly multifunctional global trading”. Collaborating with Performance Chemicals Business Unit as the downstream of petrochemicals.

<Vision>
Capture growth of demand from China and Asia by deploying highly multifunctional trading globally. And build partnerships with customers in worldwide, to lead steer advancement Japanese manufacturers overseas that have technical strength and to coinvest with them.

Daiichi Tanker Co., Ltd.

ITC (Intercontinental Tank Terminal)

- Location: Deer Park, TX USA
- Operation commencement: Feb, 1972
- Site area: 265 acres (about 110ha)
- Tank capacity: 11.3 mil barrels (=1.8 mil CBM)
- Number of tanks: 225 now + 3 on stream by ’11-end
- Major clients: Shell, Lyondell Basell, ExxonMobil, Westport, Methanex, Dow/R&H etc.
- Ownership: Mitsui 100%
- PAT for yr ending Mar ’11: 2.4 billion yen

<table>
<thead>
<tr>
<th>HQ location</th>
<th>Tokyo, Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Founded</td>
<td>1961</td>
</tr>
<tr>
<td>Main Business</td>
<td>Coast and Ocean Shipping of Petrochemicals</td>
</tr>
<tr>
<td>Ownership</td>
<td>Mitsui 100%</td>
</tr>
<tr>
<td>PAT for yr ending Mar ’11</td>
<td>0 billion yen</td>
</tr>
</tbody>
</table>
Specialty Chemicals Business

With focus on intermediate products from midstream to downstream of petrochemicals, cultivating “green chemicals businesses” that respond to growing need for sustainability, further deploying the field of specialty chemical products. Also managing Mitsui Bussan Chemicals as a common marketing platform of our Segment.

Create new value chain, in response to the diversification into Non-Petro Businesses of petrochemical manufacturers. Expand the businesses as the player of Non-Petro feeds or products by deploying both investment and marketing in the field of carb-resource or plant oil feed originating chains.

<table>
<thead>
<tr>
<th>Palm-Oleo Sdn. Bhd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>HQ location</td>
</tr>
<tr>
<td>Founded</td>
</tr>
<tr>
<td>Ownership</td>
</tr>
<tr>
<td>Main Business</td>
</tr>
<tr>
<td>Plants</td>
</tr>
</tbody>
</table>
Ⅰ. Chemical Segment Overview

Ⅱ. Basic Chemicals Business Unit

Ⅲ. Performance Chemicals Business Unit
Strategies

Our unit is working on...

➢ The Performance Chemicals Business Unit, serving as bridges between the chemical industries and non-chemical industries, strive to expand its profits by linking new business investments, global trading activities and partners based upon its existing client & business platform.

➢ Primary focus given upon the areas of Agricultural Chemicals where globalization is rapidly progressing, while growth would be also sought in the areas of Environmental Chemicals where future growth is foreseen and Performance Chemicals and Advance Materials where market growth is expected especially in China and other Asian markets.

Vision

Commit to the growth of the chemical industry, and become the global player on whom the industries in the various corners of the world relies.

Agricultural Chemicals
(Securing fertilizer resources, marketing of fertilizer products, investments in the areas of agrochemicals and feed additives combined with global trading activities)

Performance Materials
Advanced Materials
(Improvement of global profitability through the integrated management of distribution companies, regional business units and HQ)

Environmental Chemicals
(Development of businesses giving primary focus upon photovoltaic power generation from the chemical industries perspectives)
<Market Environment>
- Oligopoly through M&A among major players & market participation of major resource players (phosphate rock & potash)
- Increased difficulty in procuring competitive natural gas (ammonia)
- Growing need for sulfur trade along with the growth of demand for gas produced in the Middle East
- Inflation of company values agrochemical & feed additive industries

<Vision>
Fertilizer resources: A major player having rights and interests in upstream resources
Ammonia: A global player owning T/C fleet as well as production facilities in gas producing nations
Sulfur & Sulfuric Acid: A sulfur solution provider having the largest global trade volume
Feed additives: A leading nutrition company having a diversified but solid earning platform
Agrochemicals: A leading player promoting innovative products developed by Japanese manufacturers as well as our own using our in-house IPs
### Market Environment
- Expectations for high-growth, low barrier to entry, competition getting tougher
- Economics often depend on government policies
- No standard yet for winning model, always looking for better way of doing business

### Vision
A front-runner with a definitive, winning business model.

### Key Strategies
Take bird’s eye view of the entire value chain → Deploy differentiated businesses with upstream & downstream focus.
### III. Performance Chemicals Business Unit

**Performance Materials & Advanced Materials**

- **Downstream** (Raw materials) → **Middle stream** (Intermediate materials) → **Downstream** (Products・Advanced materials)

#### Legend:
- Value Chain Grouping
- Products

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#### Market Environment
- Fast growing market in China and Asia (autos and electronics)
- Product life getting shorter
- Growing need for EMS who can realize low cost by large-volume, process-specific manufacturing

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#### Vision
A total solution provider in the areas of key materials/components supporting the manufacturing industries

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#### Key Strategies
With fast growing Chinese auto and electronics industries as key target market, deploy integration of existing customer assets, expertise, and subsidiary distribution networks and cope with rapid changes, to realize vision.
### Major Subsidiaries & Associated Companies

- Mitsui Agri Science International
- Plalloy Mtd B.V.
- TRI (Poland) SP. ZO.O.
- Mitsui Bussan Fertilizer Resources B.V.
- Novus International
- Mitsui Bussan Frontier Co.Ltd
- Mitsui Bussan Plastics Trade Co.Ltd
- Mitsui Bussan Agro Business Co.Ltd.
- Daito Chemical Co.Ltd.
- Mitsui Plastics Trading (Shanghai) Co., Ltd
- Mitsui Electronics SCM (China) Co., Ltd.
- Hexa Americans INC.
- SunWize Technologies, Inc.
- Mitsui Plastics, Inc.
- Advanced Composites, INC.

**Legend:**
- Subsidiary
- Associated company

**Market Platform:**
- Agricultural Chemicals
- Environmental Chemicals
- Performance materials and
- Advanced materials

**Manufacturing Platform:**
- Trade platform

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### Business Activities

(1) Mining Business of Phosphate Rock in Piura, Peru

<table>
<thead>
<tr>
<th>Location</th>
<th>Bayóvar area of Piura Province in northwest Peru</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capex</td>
<td>US $500 million</td>
</tr>
<tr>
<td>Ownership by voting right</td>
<td>Voting rights: Vale 51%, Mitsui 25%, Mosaic 24%</td>
</tr>
<tr>
<td>Ore reserves</td>
<td>520 million ton</td>
</tr>
<tr>
<td>Start of operations</td>
<td>10/Jul/2010</td>
</tr>
<tr>
<td>Annual production (refined ore)</td>
<td>Approx. 3.9 million tonnes/year</td>
</tr>
<tr>
<td>PAT for yr ending Mar ‘11</td>
<td>▲ 0.5 billion yen</td>
</tr>
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</table>
## Business Activities

### (2) Novus International

<table>
<thead>
<tr>
<th>Location of HQ</th>
<th>St. Charles, MO USA</th>
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</thead>
<tbody>
<tr>
<td>Plant</td>
<td>Chocolate Bayou, TX etc</td>
</tr>
<tr>
<td>Established</td>
<td>1991</td>
</tr>
<tr>
<td>Capital</td>
<td>US $1 billion</td>
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<tr>
<td>Ownership</td>
<td>Mitsui 65%, Nippon Soda 35%</td>
</tr>
<tr>
<td>Main Business</td>
<td>Manufacture and sales of feed additives</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>600</td>
</tr>
<tr>
<td>PAT for yr ending</td>
<td>8.9 billion yen</td>
</tr>
<tr>
<td>Mar ’11</td>
<td></td>
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</tbody>
</table>
### Business Activities

(3) Kaltim Pasifik Amoniak

<table>
<thead>
<tr>
<th>Location of HQ</th>
<th>Jakarta, Indonesia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location of Plant</td>
<td>Bontang, Kalimantan, Indonesia</td>
</tr>
<tr>
<td>Established</td>
<td>1997</td>
</tr>
<tr>
<td>Capital</td>
<td>US $76 mil</td>
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<tr>
<td>Ownership</td>
<td>Mitsui 75%、Toyota Tsusho 25%</td>
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<tr>
<td>Main Business</td>
<td>Production and sales of anhydrous ammonia</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>200</td>
</tr>
<tr>
<td>PAT for yr ending Mar ‘11</td>
<td>4.7 billion yen</td>
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</table>
Thank You