



Mitsui to acquire shares in Panasonic Healthcare Holdings

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Topics

1. Outline of Mitsui's investment
2. The market for blood glucose monitoring systems
3. Profile of PHCHD
4. Strength of PHCHD
5. Mitsui contribution to potential synergies



1. Outline of Mitsui's investment

Purchase shares of Japanese healthcare device manufacturer Panasonic Healthcare Holdings Co., Ltd ("PHCHD")

Mitsui's share	22%
Investment Amount	54.1 billion yen
Investment Timing	Within FY ending March 2017 (plan)

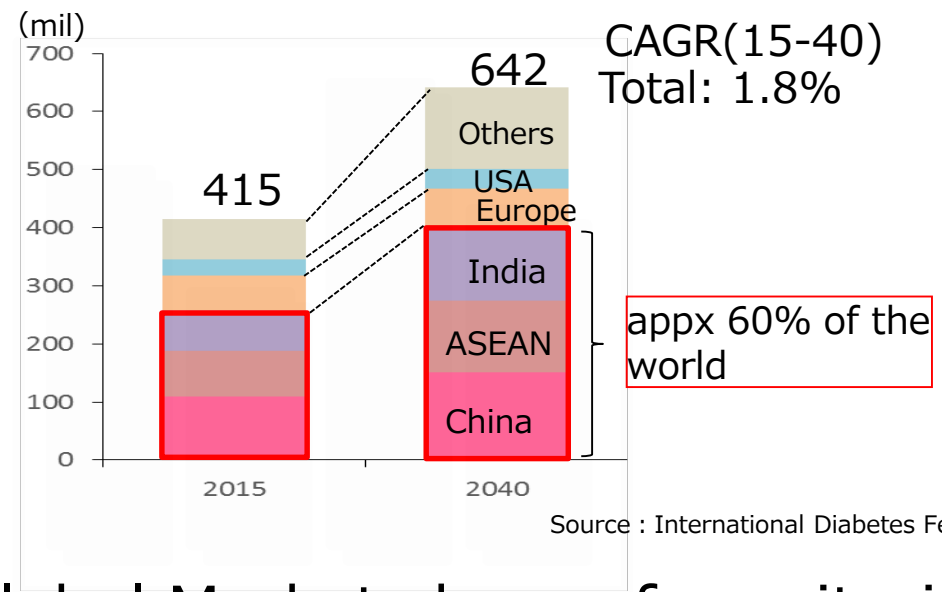
< Strategic Rationale >

- Realizing PHCHD's growth potential in Asian market
- Strengthening Mitsui's profit base of Medical and Healthcare as its key focus
- Establishing an easy-to-use health care ecosystems for patients.



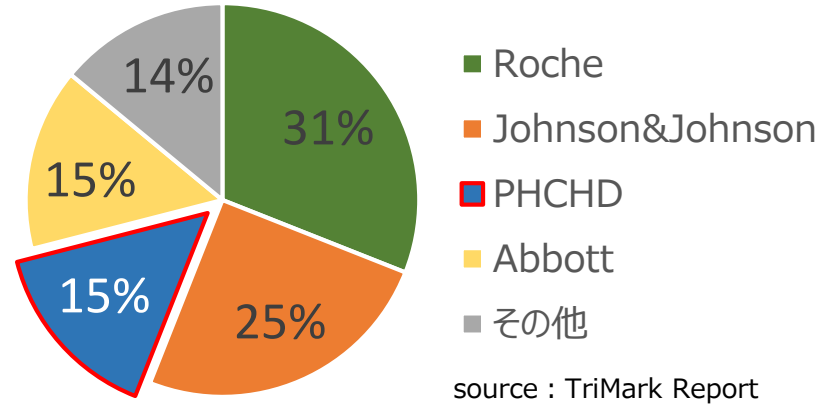
2. The market for blood glucose monitoring systems

number of diabetes patients



- The lifestyle diseases is rapidly increasing
- The number of Asian patients is expected to rise to 60% of the world total.

Global Market share of monitoring meters



- Top 4 has 86% market share
- The share is stable in the Western region



3. Profile of PHCHD

〈PHCHD〉

Establishment	2014
Head office	Minato-ku, Tokyo
Representative	Hidehito Kotani (President)
Net sales (consolidated)	185.0 billion yen (FY2017 forecast)
Total asset (consolidated)	359.9 billion yen (as of March 31,2016)

〈blood glucose monitoring meters and strips〉

- In Jan 2016, acquired the diabetes care business of Bayer Aktiengesellschaft
- By combining two competitive companies of manufacturing and sales of the products, PHCHD has become the global leader diabetes care business.



4. Strength of PHCHD

- Sales Network in 125 countries

The wider global sales network achieved by acquisition of diabetes care unit of Ascensia Diabetes Care (formerly known as Bayer Aktiengesellschaft)

- The most advance technology

High accuracy measurement and stable quality promoted by technological innovation capability

- Cost competitiveness supported by advanced development & manufacturing capabilities

Cost reduction achieved by automation of manufacturing line and competitive manufacturing cost with high yield rate



5. Mitsui contribution to potential synergies

〈Value up contribution〉

1. Support for promotion on the sales of PHCHD's blood glucose monitoring meters and strips mainly in Asian countries.
 - Utilizing the network of doctors and nurses belonging to the hospitals and clinics, which Mitsui has invested, such as IHH, Columbia Asia and DaVita Care.
 - Conducting the awareness building activities on diabetes and blood glucose monitoring, cooperating with the hospitals and clinics.
 - Expanding the sales channel, utilizing Mitsui's existing customers and our overseas branch's networks.



5. Mitsui contribution to potential synergies

〈Value up contribution〉

2. Total care program of diabetes

- The data integration of medical treatment and diagnosis provide integrated total care based on the stage of the patients.
- Strengthening the ability of medical institutions which Mitsui has an equity stake to attract patients.

3. New business creation by data management (long term)

- Establish data management function through the accumulation of data and analysis of big data
- New service provided for the stakeholders such as pharmaceutical and insurance companies



360° business innovation.



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