MITSUI&CO.

Notice of the 96th Ordinary General Meeting of Shareholders

Translated document

This notice has been prepared in English solely for the convenience of foreign readers, based on the *Shoushu-Gotsuchi* for Mitsui's 96th Ordinary General Meeting of Shareholders. The original report in Japanese is definitive.

Terminology

In this translated report, the terms the "Company" refer to Mitsui & Co., Ltd.

MITSUI & CO., LTD.

From the President



We are pleased to bring you notice of the 96th annual general meeting of shareholders.
Please allow me to introduce myself. I am Tatsuo Yasunaga. I took the office of President and Chief Executive Officer of Mitsui & Co., Ltd. on April 1, 2015.

While the global economy is continuing to grow moderately on the strength of the United States, the growth in the emerging countries is continuing to slow. This has ushered in a period of supply and demand adjustment in the international commodities market price. Moreover, much care needs to be taken concerning the rising geopolitical risks in the Middle East and elsewhere. Against this backdrop, there are ever-growing challenges in the fields of global infrastructure, energy, food, health, communications, and transportation, and we continue to strategically invest our company's business resources to undertake initiatives to find solutions for these challenges.

Having entered the second year of our New Medium-term Management Plan, we will not only strictly adhere to investment rules centered on cash flows but also refine our capabilities in terms of heightening our competitiveness and business development capability. In these ways we will build earnings base in accordance with "Key Strategic Domains."

Our goal is to create value that meets our customer's needs, and to contribute to a sustainable society. We will achieve our goal by putting into practice "360°business innovation." which is to connect multiple businesses, ideas and information in the various regions across the globe that leads us to innovate business and industry.

On behalf of the board and our organization as a whole, I look forward to your ongoing support.

May 2015

Tatsuo Yasunaga
President and Chief Executive Officer
Mitsui & Co., Ltd.

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Note : The term "the Group" refers to "corporate organizations" as defined in Article 120(2), of the enforcement regulations of the Companies Act of Japan.

MITSUI & CO., LTD.
1-3, Marunouchi 1-chome, Chiyoda-ku, Tokyo
May 28, 2015

To the shareholders of Mitsui & Co., Ltd.:

Notice of the 96th Ordinary General Meeting of Shareholders

You are cordially invited to attend the 96th Ordinary General Meeting of Shareholders (the "Meeting") of Mitsui & Co., Ltd. (the "Company"), to be held as set forth below.

If you are able to attend the Meeting, please present your voting card (enclosed) at the Meeting reception desk on the day of the Meeting.

If you are unable to attend the Meeting, you may vote in writing or electronically (via the Internet or other means). In that case, please review the "Reference Materials for the Exercise of Voting Rights" on pages 52–74 and exercise your voting rights by 5:30pm (Japan standard time) on Thursday, June 18, 2015. (Please also refer to the enclosed "Execution of Voting Rights in Writing or Electronically (via the Internet or Other Means)" on pages 75–76.)

Yours sincerely,
Masami Iijima
Representative Director, Chairman of the Board
Mitsui & Co., Ltd.

1. Date and Time: June 19, 2015 (Friday) at 10:00 am (doors open from 9:00 am)

2. Place : 13-1, Takanawa, 3-chome, Minato-ku, Tokyo

Grand Prince Hotel New Takanawa, International Convention Center Pamir
Note: In the event that Room 1 becomes full, directions will be given to additional rooms, and we ask for your understanding in this regard.

3. Agenda

MATTERS TO BE REPORTED

1. Reports on the Business Report, Consolidated Financial Statements for the 96th Fiscal Year (from April 1, 2014, to March 31, 2015), and the Results of the Audit thereof by the Independent Auditor and the Board of Corporate Auditors.
2. Reports on the Financial Statements for the 96th Fiscal Year (from April 1, 2014, to March 31, 2015).

PROPOSED RESOLUTIONS

【Items proposed by the Company (Items 1 through 3)】

Item 1: Dividend of Surplus for the 96th Fiscal Year
Item 2: Election of Fourteen (14) Directors
Item 3: Election of Three (3) Corporate Auditors

【Items proposed by a shareholder (Items 4 through 12)】

Item 4: Partial Amendment to the Articles of Incorporation (Addition to Object of the Company in the Articles of Incorporation)

Item 5: Partial Amendment to the Articles of Incorporation (Addition to Object of the Company in the Articles of Incorporation)

Item 6: Partial Amendment to the Articles of Incorporation (Addition to Object of the Company in the Articles of Incorporation)

Item 7: Partial Amendment to the Articles of Incorporation (Deletion of Provisions from the Articles of Incorporation)

Item 8: Partial Amendment to the Articles of Incorporation (Addition of Provisions to the Articles of Incorporation)

Item 9: Partial Amendment to the Articles of Incorporation (New Establishment of Provisions in the Articles of Incorporation)

Item 10: Dismissal of One (1) External Director

Item 11: Share buyback

Item 12: Partial Amendment to the Articles of Incorporation (Addition to Object of the Company in the Articles of Incorporation)

Please refer to the "Reference Materials for the Exercise of Voting Rights" on pages 52–74 for details of the proposed resolutions and related information.

4. Notes regarding the Execution of Votes

(1) Where there is no indication of either "approval" or "disapproval" of the respective proposed resolutions on the voting card, it shall be deemed that each of the Items proposed by the Company (Items 1 to 3) was approved, respectively, and each of the Items proposed by a shareholder (Items 4 to 12) was opposed, respectively.

(2) Duplication of votes

1) Where votes have been cast several times electronically, the vote cast last will be taken as the validly exercised vote.

2) Where votes have been cast both electronically and by voting card, the vote that arrives at the Company latest (in terms of days) will be taken as the validly exercised vote. Further, in the event that duplicated votes arrive at the Company on the same day, votes cast electronically over the Internet, etc., will be taken as the validly exercised votes.

* In case of voting by proxy, please have the proxy present the voting card along with written proof of their right of proxy at the Meeting reception desk. As per the Company's Articles of Incorporation, each shareholder owning voting rights in the Company is entitled to appoint one (1) proxy who is also a shareholder of the Company entitled to voting rights at the Meeting.

◎ Where there are changes in either the schedule or venue as well as to the Reference Materials for the Exercise of Voting Rights, the Business Report, the Financial Statements, or the Consolidated Financial Statements, these changes will be posted on the Company's website.

◎ Based on relevant laws and the Company's Articles of Incorporation, the following items are posted on the Company's website and are therefore not included in the documents accompanying this Convocation Notice. If you would like to receive these items by mail, please telephone the Company at 81 (3) 3285-1111 to request.

• Notes to Consolidated Financial Statements (96th Fiscal Year from April 1, 2014, to March 31, 2015)

• Notes to Non-Consolidated Financial Statements (96th Fiscal Year from April 1, 2014, to March 31, 2015)

Accordingly, portions of the consolidated and non-consolidated financial statements audited by the independent auditors in the preparation of the Independent Auditor's Report are available only on the Company's website.

<<Website>>

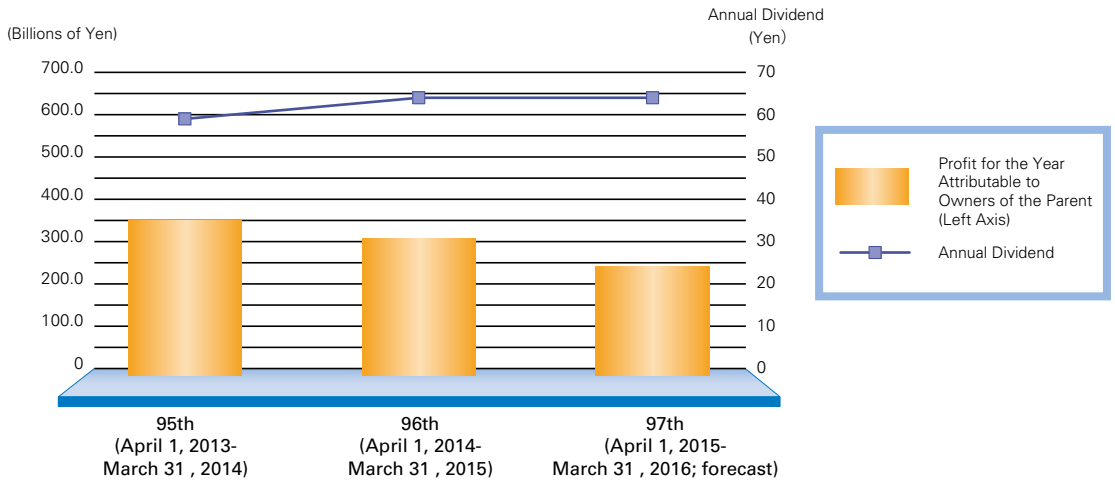
http://www.mitsui.com/jp/en/ir/information/general/index.html

Attachment to Convocation Notice

Business Report (April 1, 2014, to March 31, 2015)

	95th (April 1, 2013 – March 31, 2014)	96th (April 1, 2014 – March 31, 2015; current consolidated fiscal year)	97th (April 1, 2015 – March 31, 2016; forecast)
Profit for the Year Attributable to Owners of the Parent	¥350.1 (Billions)	**¥306.5 (Billions)**	¥240.0 (Billions)
Annual Dividend	¥59.00	¥64.00(*) (Interim dividend: ¥32.00)	¥64.00

(*) For the 96th fiscal year from April 1, 2014, to March 31, 2015, the Company intends to propose a **year-end dividend** of **¥32.00** per share at the Ordinary General Meeting of Shareholders scheduled to be held on June 19, 2015.
Please refer to page 52 of the "Reference Materials for the Exercise of Voting Rights."



I. BUSINESS REVIEW

1. Operating environment

During the fiscal year under review, the global economy recovered moderately overall, but while economies in advanced countries recovered, driven by the United States economy, the extent of recovery varied as the slowdown continued in emerging economies.

In financial markets, the dollar strengthened against most other currencies owing to economic disparity and differences in the direction of monetary policy between the United States and other major countries, and commodity prices fell, mainly crude oil, against a backdrop of slowing economic growth in emerging market economies that are big resource consumers, and other factors.

In the United States economy, firm expansion continued as a result of increasing consumer spending due to an expanded employment and higher stock prices, coupled with firm capital investment backed by improvement in corporate earnings, as well as a rebounded housing market. In the face of these economic conditions, the Federal Reserve ended its quantitative easing measures in October 2014.

In the European economy, domestic demand stagnated against a backdrop of a high unemployment rate, banks' reluctance

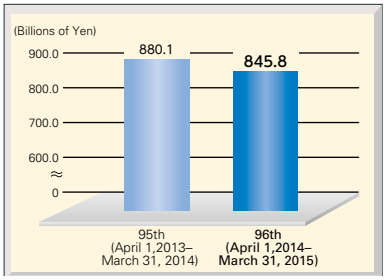
to lend, and other factors, but a recovery trend is gradually gaining momentum, backed by the introduction of quantitative easing and the weakening euro.
In the Chinese economy, the growth rate continued to slow as capital investment and investment in real estate development slowed against a backdrop of cuts to excess production capacity, mostly in the raw material sector, adjustments to the housing market and other factors, despite monetary easing in small increments and government infrastructure investment in constructing railroads. Meanwhile, in other emerging economies, some countries faced depreciated currencies owing to capital flight overseas and an increase in foreign debt, mainly countries with current account deficits and those where structural reform is delayed, meaning attention must be paid to swings in emerging economies.
In the Japanese economy, the significant fall in consumer spending and investment in housing continued in the first half of the fiscal year, owing to the effect of the increase in consumption tax in April 2014. However, in the second half of the fiscal year, the economy began a moderate recovery, as additional monetary quantitative easing measures were implemented, leading to a weaker yen and higher stock prices, economic measures totaling over ¥3 trillion in government spending were implemented, and demand recovered both in Japan and abroad.

2. Operating results, financial condition, etc.

1. Results of Operations

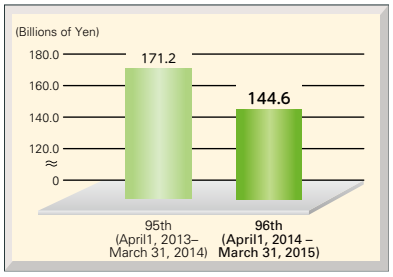
- **Gross Profit** for the year ended March 31, 2015 totaled **¥845.8 billion**, a decline of ¥34.3 billion from the corresponding previous year. The Mineral & Metal Resources Segment reported a decline due to lower iron ore prices despite the positive impact of exchange rate fluctuations, higher sales volume, and other factors. The Iron & Steel Products Segment reported a decline due to the reversal effect of solid sales of tubular products including line pipe in the corresponding previous year. Meanwhile, the Machinery & Infrastructure Segment reported an increase, attributable to an increase in trading volume of commercial ships.

Gross Profit



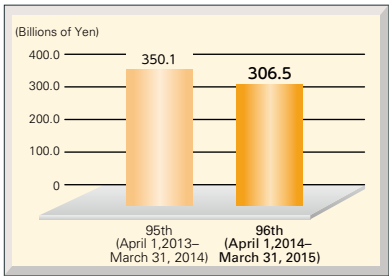
- **Share of Profit of Investments Accounted for Using the Equity Method** for the year ended March 31, 2015 was **¥144.6 billion**, a decline of ¥26.6 billion from the corresponding previous year. The Mineral & Metal Resources Segment reported a decline due to additional recognition of a deferred tax liability at a copper mining company in Chile reflecting the tax system revision in Chile, and Vale S.A., a Brazilian resource company, a subsidiary of Valepar S.A., reported losses due to lower iron ore prices and foreign exchange valuation on debt. Also, Robe River Mining Co. Pty. Ltd., an iron ore mining company in Australia, reported a decline due to lower iron ore prices.

Share of Profit of Investments Accounted for Using the Equity Method



- **Profit for the Year Attributable to Owners of the Parent** for the year ended March 31, 2015 totaled **¥306.5 billion**, a decline of ¥43.6 billion from the corresponding previous year. In addition to the above, the main reasons for the decrease were:
  - **Gain on Securities and Other Investments—Net** increased by ¥11.7 billion from the corresponding previous year to **¥42.5 billion**. Gains on the sale of a stake in relation to aviation business, the sales of the stakes in Silver Bell Mining, LLC and Shanghai Senmao International Real Estate Co., Ltd. were recorded.

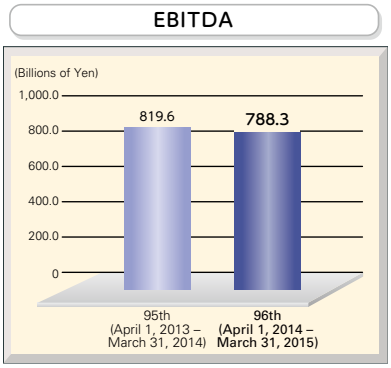
Profit for the Year Attributable to Owners of the Parent



- **Impairment Loss of Fixed Assets** was **¥79.9 billion**, a deterioration of ¥19.9 billion. Impairment losses related to Eagle Ford shale oil and gas producing operations and oil and gas fields in the North Sea were recorded.
- **Gain on Disposal or Sales of Fixed Assets—Net** was **¥1.4 billion**, a decline of ¥15.0 billion. For the corresponding previous year, gains on the sales of interests in oil fields and office buildings were recorded.
- **Other Expenses (Income) – Net** was **¥34.9 billion loss**, a deterioration of ¥13.2 billion. Exploration expenses increased, including those recorded at oil and gas producing businesses.
- **Dividend Income** declined by ¥9.9 billion to **¥114.1 billion**. Dividends from LNG (liquefied natural gas) projects declined.
- **Income Taxes** declined by ¥71.8 billion to **¥104.9 billion**. Income taxes declined in response to a decline in profit before income taxes, and a tax system revision in Japan.

EBITDA(*) declined by ¥31.3 billion to **¥788.3 billion**.

(*) We use EBITDA as a measure of underlying earning power from the year ended March 31, 2015. EBITDA is the total of "Gross profit," "Selling, general and administrative expenses," "Dividend income" and "Share of profit of investments accounted for using the equity method" from the consolidated statements of income and "Depreciation and amortization" from the consolidated statements of cash flows.



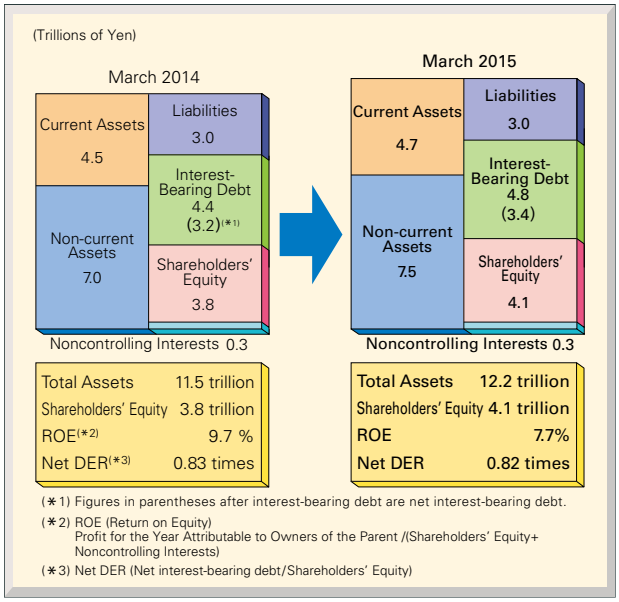
Return on Equity ("ROE") for the year ended March 31, 2015 was 7.7%, 2.0 point down from the 9.7% recorded in the corresponding previous year.

2. Financial Condition and Cash Flows

Financial Condition

Total assets as of March 31, 2015 were **¥12,202.9 billion**, an increase of ¥711.6 billion from the previous fiscal year-end. Of these, non-current assets increased by ¥446.5 billion, mainly due to the impact of depreciation of the Japanese yen and new investments.

Net interest-bearing debt (interest-bearing debt minus cash and cash equivalents and time deposits) increased by ¥203.4 billion to **¥3,382.2 billion**. Meanwhile, **Shareholders' equity**(*) increased by ¥284.0 billion to **¥4,099.8 billion**, mainly owing to an increase in retained earnings and an increase in foreign currency translation adjustments due to the depreciation of the Japanese yen. As a result, the net debt-to-equity ratio ("Net DER") was 0.82 times, 0.01 points lower as of the previous fiscal year-end.



(*) The term "Shareholders' equity" refers to "Total equity attributable to owners of the parent" as shown in the "Consolidated Statements of Financial Position" on page 36.

Cash Flows

Net cash provided by operating activities for the year ended March 31, 2015 was **¥640.0 billion**, an increase of ¥190.8 billion from the corresponding previous year.

Core operating cash flow, cash flows from operating activities without the net cash outflow from an increase in working capital, amounted to **¥661.6 billion**, an increase of ¥52.7 billion.

Net cash used in investing activities was ¥386.4 billion, a decline of ¥273.4 billion, owing mainly to new investments. As a result, **free cash flow** – the sum of net cash provided by operating activities and net cash used in investing activities – was a net inflow of **¥253.6 billion**.

Net cash used in financing activities was **¥126.2 billion**, an increase of ¥113.0 billion from the corresponding previous year.

Cash Flows



3. Overview of Operating Segments

The Company develops business activities by structuring its business organization along two axes: products and regions. The product axis comprises headquarters business units, which operate independently under their respective product strategies. Headquarters business units also cooperate horizontally across business units to better deploy the Company's comprehensive strength. The regional axis consists of regional business units, which are staffed by experts in the respective local markets who build close relationships with leading companies in those markets, and are the cornerstone of the Company's global strategy.

These business units are organized into seven product segments, based on the properties and characteristics of the products they handle, and three regional segments.

(1) Results by Operating Segment

Profit for the year attributable to owners of the parent by operating segments is as follows:

(Billions of Yen)

	Operating Segments	Year ended March 31, 2015	Year ended March 31, 2014	Increase / (Decrease)
Product Segments	Iron & Steel Products	8.5	14.6	(6.1)
	Mineral & Metal Resources	60.9	88.1	(27.2)
	Machinery & Infrastructure	45.7	17.1	28.6
	Chemicals	3.7	8.4	(4.7)
	Energy	119.7	188.4	(68.7)
	Lifestyle	(2.7)	12.1	(14.8)
	Innovation & Corporate Development	6.0	(12.3)	18.3
Regional Segments	Americas	25.8	13.7	12.1
	Europe, the Middle East and Africa	3.4	0.4	3.0
	Asia Pacific	30.5	30.7	(0.2)
	Total	301.5	361.2	(59.7)
	All Other	8.9	11.0	(2.1)
	Adjustments and Eliminations	(3.9)	(22.1)	18.2
	Consolidated Total	306.5	350.1	(43.6)

Notes :

1. "All Other" principally consisted of the Corporate Staff Unit which provides financing services and operations services to external customers and/or to the companies and affiliated companies.
2. "Adjustments and Eliminations" includes income and expense items that are not allocated to specific operating segments and eliminations of intersegment transactions.

(2) Overview of operating segments

The business activities and results of each operating segment are provided separately below.

1) Product Segments

Iron & Steel Products

Business Activities

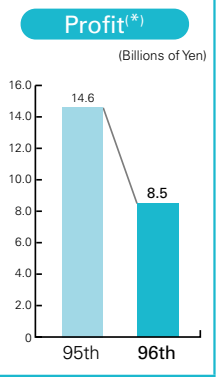
To respond to the various needs of industry, the segment invests in businesses that procure, supply, sell, and process various types of iron and steel products, and in functional logistics businesses.

Main factors behind results

Reversal effect of solid sales of tubular products including line pipe in the corresponding previous year, and declined the sales volume of other steel materials were reported. In addition to the above, due to the reversal effect of valuation gain on the investment recorded in the corresponding previous year, profit declined.



Steel Technologies Inc.'s service center in North America



Mineral & Metal Resources

Business Activities

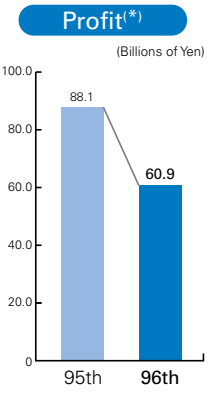
Through business investment, development and trading of ferrous and nonferrous metals and resources, and thermal coal as fuel for power generation the segment secures and provides a stable supply of resources and materials that are essential to industrial society. The segment is also working toward industrial solutions to environmental problems through resource recycling.

Main factors behind results

In the iron ore business, profit declined due to lower iron ore prices. Profit declined due to an increase in income taxes at a copper mining company in Chile reflecting the tax system revision in Chile, and foreign exchange valuation losses on debt at Valepar S.A.



Collahuasi copper mine in Chile



Machinery & Infrastructure

Business Activities

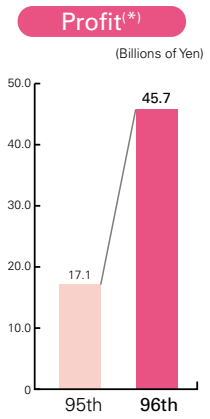
The segment enriches people's daily lives by ensuring a long-term, stable supply of indispensable social infrastructure, including railways, logistics infrastructure, and supplies of electricity, gas, and water. The segment invests in businesses engaged in the sale, financing, and leasing, and transport and distribution, of a wide range of machinery used in fields including large-scale plants, marine resource development, shipping, aircraft, automobiles, construction machinery, mining equipment, and industrial equipment.

Main factors behind results

Logistics infrastructure businesses and the gas distribution business in Brazil reported solid results, and the trading volume of commercial ships increased. Profit also increased owing to the sale of a stake in relation to aviation business.



Bii Stinu Wind Project in Mexico



(*) "Profit" in this section (2) Overview of operating segments means "Profit for the Year Attributable to Owners of the Parent."

Chemicals

Business Activities

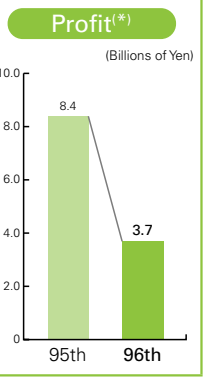
The segment is engaged in a broad range of transactions and investments that contribute to a variety of industries, including new areas like green chemicals, from upstream areas like basic chemicals and fertilizer resources, to downstream areas including functional materials, electronic materials, fertilizer and agrochemicals, and specialty chemicals.

Main factors behind results

Profit declined owing to unfavorable market conditions in the chlor-alkali producing business in US, and the completion of the ammonia producing business in Indonesia.



Phosphorus ore business in Peru



Energy

Business Activities

The segment secures and provides a stable supply of energy that is indispensable to industrial society, through investments in businesses including oil, natural gas/LNG, coal, and nuclear fuel, and in logistics transactions. The segment is also working toward the realization of a low carbon society through environmental and next generation energy businesses.

Main factors behind results

Profit declined due to the recognition of impairment losses related to Eagle Ford shale oil and gas producing operations and oil and gas fields in the North Sea, in addition to an increase in exploration expenses related to oil and gas producing businesses and a decline in dividends received from LNG projects.

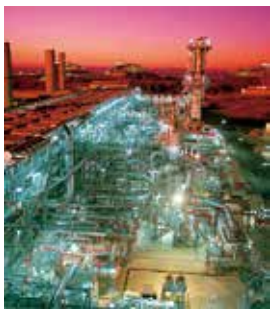
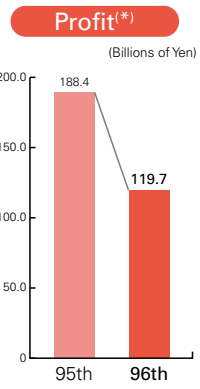


Image supplied by the North West Shelf Project

NWS LNG project in West Australia



Lifestyle

Business Activities

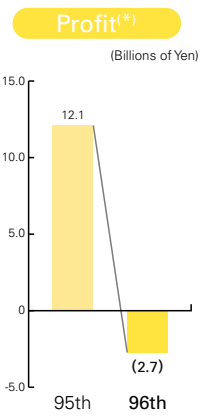
The segment provides value-added products and services to meet a variety of lifestyle needs in response to changes in retail structures and lifestyles, as well as business development and investment, in areas including foods and foodstuffs, retail support, medical and health care, fashion, paper resources, real estate, and media.

Main factors behind results

Profit declined due to weak performance in origination and merchandising of agricultural products in Brazil while a gain on the sale of the stake in Shanghai Senmao International Real Estate Co., Ltd. was recorded.



Mount Elizabeth Novena Hospital in Singapore, under the umbrella of IHH Healthcare Bhd. (Malaysia)



Innovation & Corporate Development

Business Activities

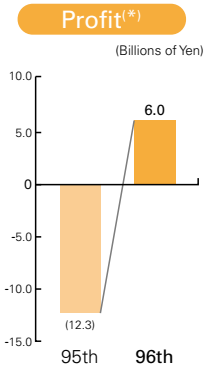
The segment works in a variety of ways to create next-generation businesses and expand spheres of business through operations including logistics, finance, and information technology. The segment also strengthens and expands the Company's companywide earnings base by providing the Group with specialty functions across the organization.

Main factors behind results

Profit increased due to a gain on the partial sale of shares in TPV Technology Limited and the valuation on retained shares, in addition to the reversal effect of weak performance in the energy derivatives trading business in the corresponding previous year.



Tri-net Logistics Co. Ltd.'s logistics center



2) Regional Segments

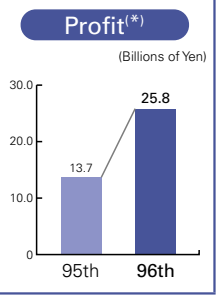
Americas

Business Activities

The chief operating officer of the Americas Business Unit oversees a range of activities, mainly at locally incorporated entities in North, Central, and South America.

Main factors behind results

In addition to an increase in profit due to higher prices at the US feed additive manufacturing and sales company, profit also increased due to the posting of gains on the sales of a stake in the senior living facilities business and a stake in Silver Bell Mining, LLC.



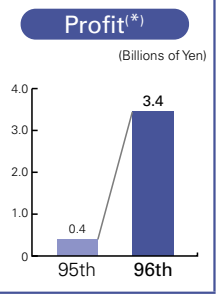
Europe, the Middle East and Africa

Business Activities

The chief operating officer of the EMEA (Europe, the Middle East, and Africa) Business Unit oversees a range of activities, mainly at locally incorporated entities in Europe, the Middle East, and Africa.

Main factors behind results

Profit increased due to the posting of a one-time positive impact related to taxes, and the reversal effect of the recognition of an impairment loss related to the renewable energy business in Europe in the corresponding previous year.



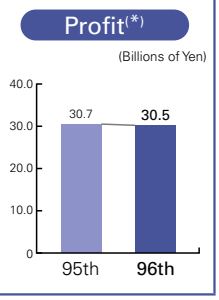
Asia Pacific

Business Activities

The chief operating officer of the Asia Pacific Business Unit oversees a range of activities, mainly at locally incorporated entities in the Asia Pacific region.

Main factors behind results

In the iron ore business, profit declined due to lower iron ore prices. Meanwhile, reversal effect of impairment losses in the coal business in the corresponding previous year was recorded. Profit remained mainly unchanged.



3. Progress with the New Medium-term Management Plan

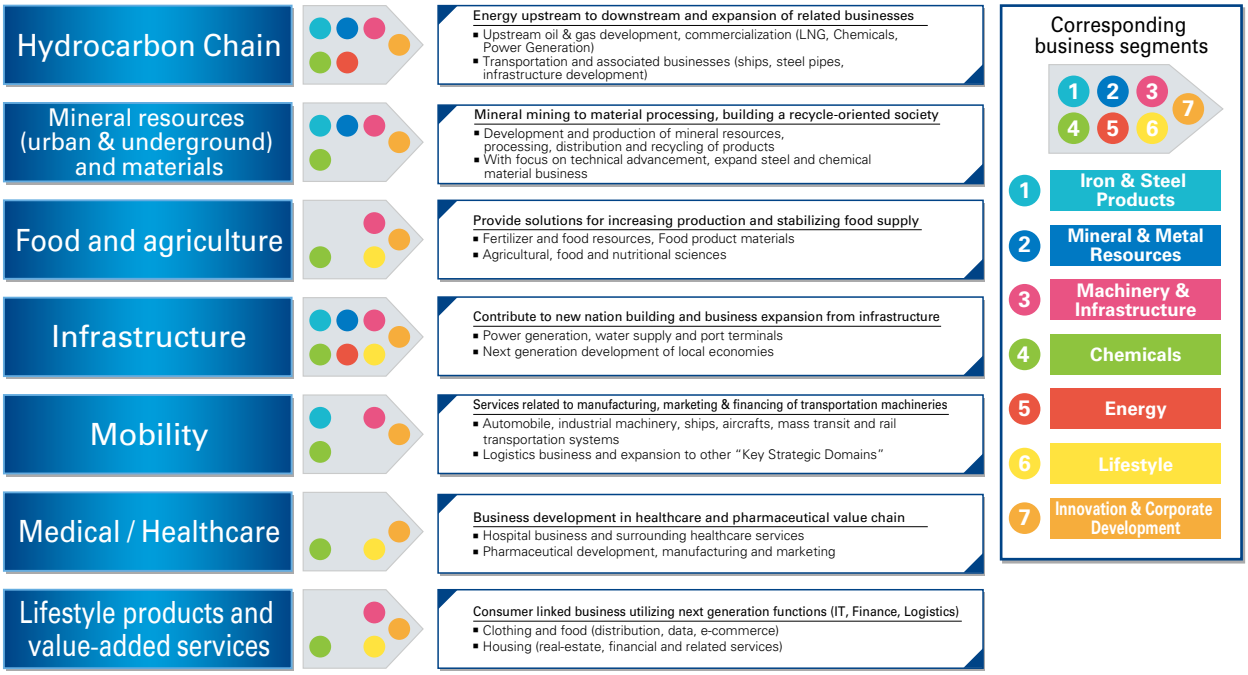
Review of the first year (the year ended March 31, 2015) of the New Medium-term Management Plan announced in May 2014, "Challenge & Innovation for 2020 -Demonstrating Mitsui Premium-" is outlined below.

(1) Basic Policies of the New Medium-term Management Plan

① Provide industrial solutions to our customers' needs through higher level of competitiveness, managerial excellence and successful business development
⇒ Establishing "Key Strategic Domains" in line with our core strengths
② Enhance earnings base of "Existing Business" and fully execute "Projects in the pipeline" (*)
③ Pursue both "New Investments" and "Shareholder Return" backed by strong cash generation capabilities

(*) Projects our participation in which have been decided and announced as of May 2014 and profit contribution by which are expected within several years.

Seven key strategic domains :



(2) Progress with the New Medium-term Management Plan

Basic Policy ①: Establishing "Key Strategic Domains" in line with our core strengths

In the first year, we had significant accomplishments in four "Key Strategic Domains."

<Accomplishments in the First Year>

Hydrocarbon Chain

Energy upstream to downstream and expansion of related businesses

- 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)



US shale oil & gas business



US MMA monomer

Mineral resources (urban & underground) and materials

Mineral mining to material processing, building a recycle-oriented society

- Mozambique: coal mine and rail & port infrastructure (agreed to participate)
- US: chloroprene rubber production and sales (agreed to acquisition)
- China: oleochemicals production and sales (agreed to participate)



Mozambique Moatize coal mine



China oleochemicals

Infrastructure

Contribute to new nation building and business expansion from infrastructure

- Thailand: cogeneration (agreed to participate)
- Indonesia: new container terminal (participated)



Nacala Corridor Rail



Indonesia new container terminal

Mobility

Services related to manufacturing, marketing & financing of transportation machineries

- US: truck leasing (participated)
- Brazil: passenger railway transportation (agreed to participate)



US truck leasing



Brazil passenger railway transportation

Basic Policy ②: Enhance earnings base of "Existing Business" and fully execute "Projects in the pipeline"

Main accomplishments in enhancing the earnings base of Existing Business and fully executing Projects in the pipeline in the first year are outlined below.

<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



IPP(US : Astoria I gas power plant)



US : tank terminal for chemical products

◆ 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



Source : BHP Billiton
Australia : Jimblebar ion ore mine



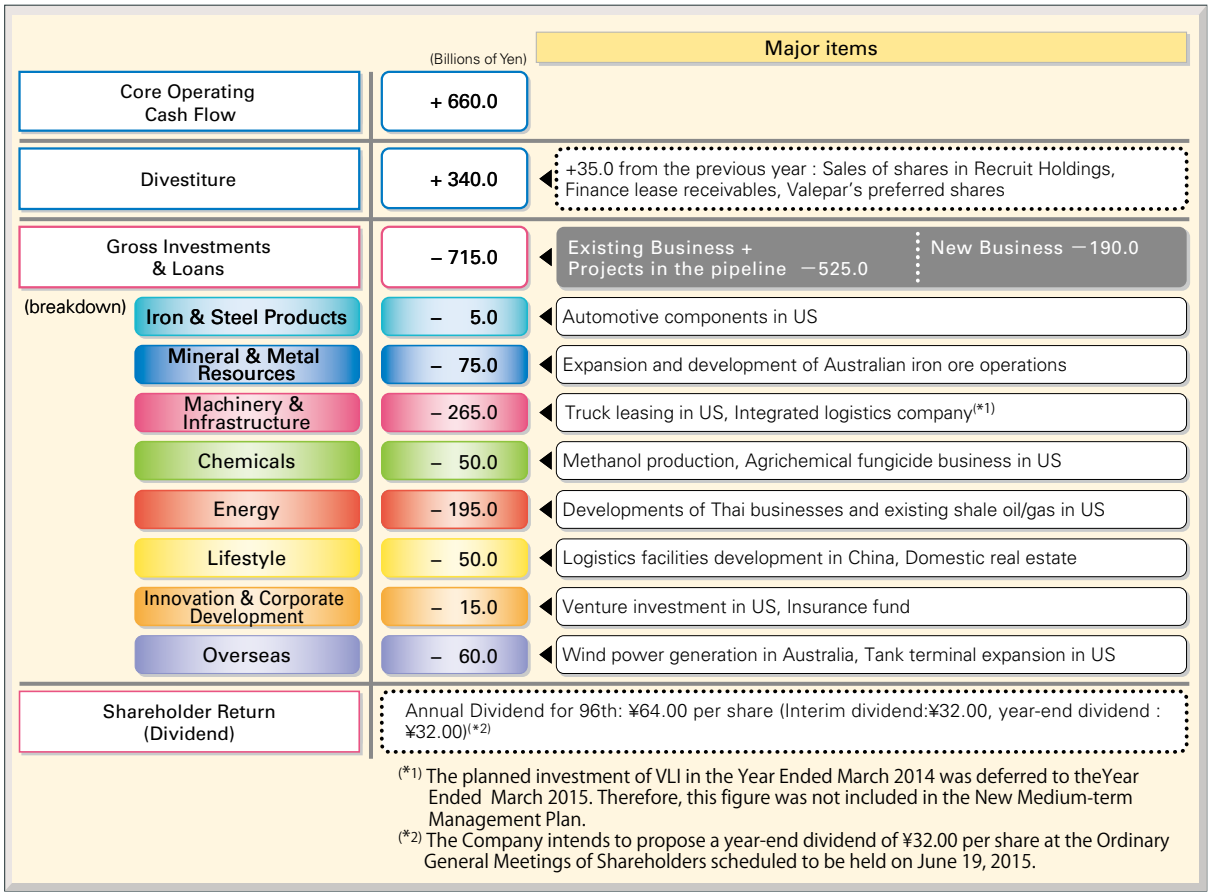
US : FID on Cameron LNG

Business assets expanded during the Year Ended March 2015

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

(3) Basic Policy ③: Pursue both "New Investments" and "Shareholder Return" backed by strong cash generation capabilities

Core operating cash flow amounted to approximately ¥660.0 billion. Divestiture generated cash flow of approximately ¥340.0 billion, which combined with core operating cash flow amounted to a total of approximately ¥1 trillion. Meanwhile, gross investments and loans totaled approximately ¥715.0 billion. Of this amount, gross investments and loans in Existing Business and Projects in the pipeline totaled approximately ¥525.0 billion, and gross investments and loans in new business totaled approximately ¥190.0 billion. Amid strong demand for new investments for further growth, the Company implemented diligent assessment and screening process before the final investment decision. Regarding shareholder return, we plan to propose an agenda at the Ordinary General Meeting of Shareholders for a year-end dividend of ¥32 per share, for an annual dividend of ¥64 per share (including an interim dividend of ¥32 per share).



4. Outline of financing and capital expenditure

1. Financing

The basic funding policy of the Company is to secure appropriate liquidity required for our business activities and to maintain financial strength and stability. We procure long-term funds, mostly with maturities of around 10 years, primarily through long-term borrowings from domestic financial institutions, including insurance companies and banks, and the issuance of corporate bonds. In cases where projects require large amounts of financing, we utilize loans from government financing agencies and/or project finance.

In principle, wholly owned subsidiaries procure funds not from financial institutions outside the Group, but by utilizing our Cash Management Service, in which wholly owned subsidiaries can procure financing from overseas and domestic financing subsidiaries and overseas offices of the Company. Through this service, we are promoting centralization of fund raising and the efficient use of funds.

Interest-bearing debt outstanding as of March 31, 2015, totaled ¥4,793.9 billion, marking a ¥382.8 billion increase from the previous fiscal year-end, mainly due to the impact of depreciation of the Japanese yen, and execution of new investments and loans. Net interest-bearing debt (after subtracting cash and cash equivalents) totaled ¥3,382.2 billion, a ¥203.4 billion increase. We will continue to strive to maintain stable fund procurement, while closely monitoring economic and price trends, and the economic environment, in Japan and overseas.

During the year ended March 31, 2015, the Company borrowed long-term funds of ¥400.2 billion in total from insurance companies, banks, and other financial institutions. The Company issued yen-denominated straight domestic corporate bonds totaling ¥25.0 billion and medium-term notes (medium-term corporate bonds in the euro market) totaling US$100 million (approximately ¥12.0 billion). In addition, Japanese and overseas financing subsidiaries and overseas offices procured long-term and short-term borrowings as well as issued commercial paper (short-term corporate bonds) and medium-term notes in accordance with their funding needs.

2. Capital Expenditure

Please refer to pages 12–14 of the "Progress with the New Medium-term Management Plan" for information regarding the Group's capital expenditures during the fiscal year under review.

5. Trends in value of group assets and operating results

1. Trends in Value of Assets and Operating Results (Consolidated)

(Millions of Yen, Except Basic Earnings per Share Attributable to Owners of the Parent)

	US GAAP			IFRS	
	Year ended March 31, 2012	Year ended March 31, 2013	Year ended March 31, 2014	Year ended March 31, 2014	Year ended March 31, 2015
Total Trading Transactions	10,481,166	10,049,637	11,165,660	11,155,434	10,827,831
Gross Profit	878,279	790,439	859,932	880,106	845,840
Profit for the Year Attributable to Owners of the Parent	434,497	307,926	422,161	350,093	306,490
Basic Earnings per Share Attributable to Owners of the Parent (Yen)	238.10	168.72	231.79	192.22	170.98
Total Equity Attributable to Owners of the Parent	2,641,318	3,181,819	3,586,414	3,815,767	4,099,795
Total Assets	9,011,823	10,324,581	11,001,264	11,491,319	12,202,921

Notes :

1. From the year ended March 31, 2015, consolidated financial statements have been prepared on the basis of International Financial Reporting Standards ("IFRS") pursuant to the provisions of Article 120(1) of the Ordinance on Company Accounting. Also, figures from the year ended March 31, 2014 on the basis of IFRS have been provided for reference purposes.
2. The value of group assets and operating results is shown based on terms used in IFRS. In terms used in accounting principles generally accepted in the United States of America ("US GAAP"), "Net income attributable to Mitsui & Co., Ltd." is equivalent to "Profit for the Year Attributable to Owners of the Parent," "Net Income Attributable to Mitsui & Co., Ltd. per Share" is equivalent to "Basic Earnings per Share Attributable to Owners of the Parent," and "Total Mitsui & Co., Ltd. Shareholders' Equity" is equivalent to "Total Equity Attributable to Owners of the Parent."
3. Total Trading Transactions is shown voluntarily in accordance with its customary use in Japanese accounting, and the Company believes it is useful to investors as a generally used indicator for general trading companies in Japan. It shows the total value of trading transactions carried out by the Company or its consolidated subsidiaries as contracting parties and commissions received as agents, and it is not equivalent to revenue based on IFRS.
4. Basic Earnings per Share Attributable to Owners of the Parent was computed based on the average number of shares outstanding during the fiscal year.
5. Figures less than ¥1.0 million and figures less than ¥1/100 (in the case of Basic Earnings per Share Attributable to Owners of the Parent) are rounded.

2. Trends in Value of Assets and Operating Results (Non-Consolidated)

(Millions of Yen, Except Net Income per Share)

	Year ended March 31, 2012	Year ended March 31, 2013	Year ended March 31, 2014	Year ended March 31, 2015
Sales	4,343,155	4,182,193	4,597,257	4,413,063
Net Income	253,551	83,366	220,470	349,085
Net Income per Share (Yen)	138.90	45.67	121.02	194.71
Net Assets	1,459,425	1,406,050	1,433,627	1,655,842
Total Assets	4,893,805	5,093,715	5,167,617	5,581,899

Notes :

1. Net Income per Share was computed based on the average number of shares outstanding during the fiscal year.
2. Figures less than ¥1.0 million and figures less than ¥1/100 (in the case of Net Income per Share) are truncated.

6. Key issues to address

1. Business Plan for the Year Ending March 31, 2016

(1) Establishing "Key Strategic Domains" in line with our core strengths

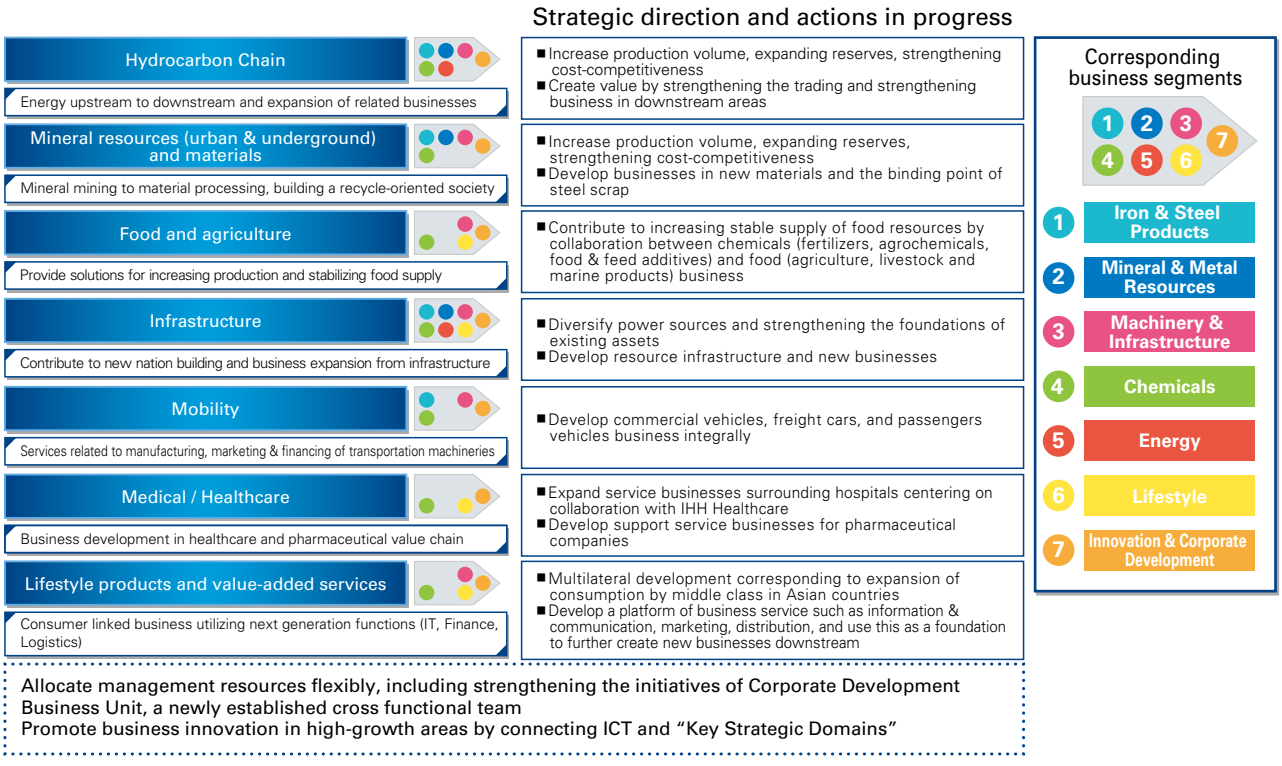
As the diagram below shows, the Company will strengthen its initiatives in each "Key Strategic Domain" as it looks to establish seven "Key Strategic Domains."

We will fully execute an abundance of Projects in the pipeline in the "Hydrocarbon Chain," "Mineral resources and materials," "Infrastructure," and "Mobility," and further strengthen "Key Strategic Domains."

Also, in the year ending March 31, 2016, we will further focus on the three "Key Strategic Domains" of "Food and agriculture," "Medical/Healthcare," and "Lifestyle products and value-added services" in particular.

In order to accelerate initiatives toward the establishment of "Key Strategic Domains," in addition to proactive initiatives by existing corresponding product segments, we will make flexible use of the Corporate Development Business Unit, which was newly established in the Innovation & Corporate Development Segment in April 2015. We will assign personnel experienced in various business investments across the Company, and, while collaborating with product segments, will proactively work on deal sourcing, screening and execution of investment opportunities to establish "Key Strategic Domains."

Also, in order to accelerate reform in the Company's business model in the information and communication technology (ICT) area, where business chances are expanding in areas such as the internet, media, and IT services, we newly established IT & Communication Business Unit in the Innovation & Corporate Development Segment in April 2015, aiming to connect each "Key Strategic Domain," thus promoting innovation in high-growth areas.



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

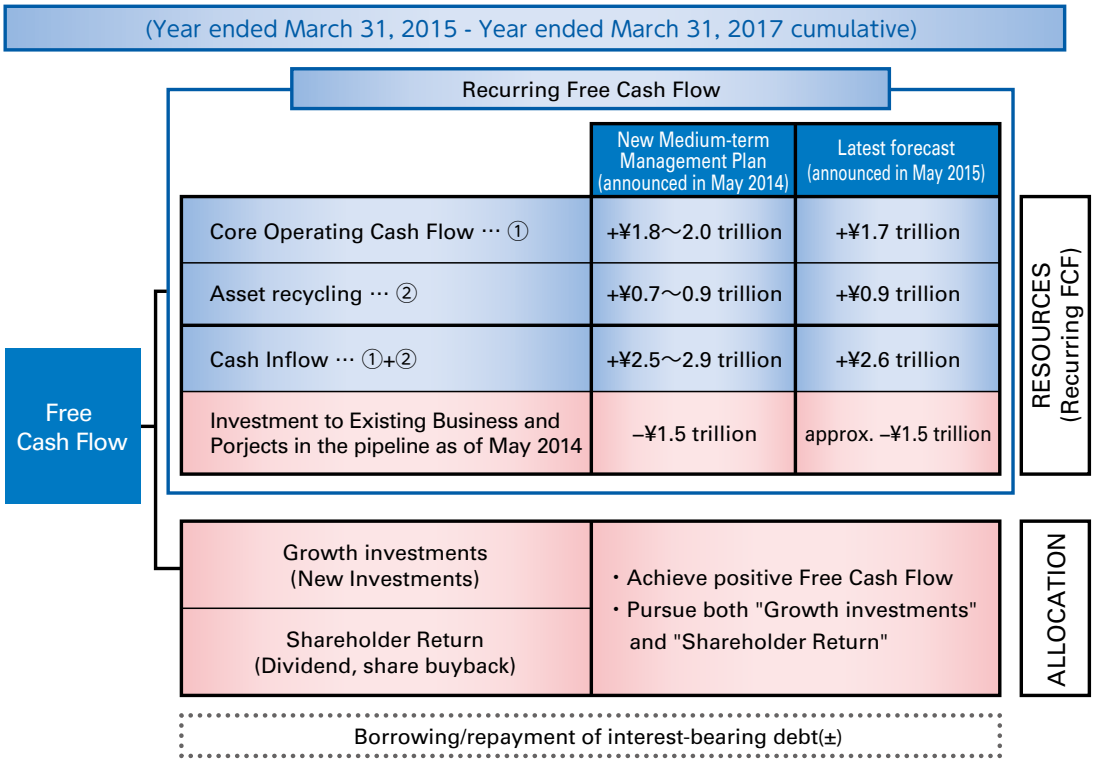
Based on cash flow results in the first year of the New Medium-term Management Plan and the latest outlook for core operating cash flow and asset recycling and other factors, we have revised our outlook for cumulative cash flow over the three years.

As a result, as shown in the diagram below, we expect cumulative core operating cash flow amounting to ¥1,700.0 billion level over the three years. We expect asset recycling activities to generate cash flow at the higher end of originally forecasted range in the New Medium-term Management Plan which is at ¥900.0 billion and, adding the core operating cash flow to this amount, we expect a total cash inflow over the three years of ¥2,600.0 billion, within the range of the New Medium-term Management Plan.

Regarding investments and loans in Existing Business and Projects in the pipeline, the investment plans for most of these has already been decided, therefore no significant change in the figure of ¥1,500.0 billion shown in the New Medium-term Management Plan.

Though the current fall in commodity prices will have a certain impact on the Company's operating cash flow, there is no change in our plan to generate recurring free cash flow at the level shown in the New Medium-term Management Plan, by enhancing our cash-generating ability in Existing Business as well as promoting asset recycling. We will aim to achieve a positive free cash flow by fully following-through on our investment discipline, and pursue both "growth investments" and "shareholder return."

<Latest forecast of Cash Flow Allocation>



(3) Profit Distribution Policy

Our profit distribution policy has been resolved as follows at the board of directors through discussion in which external directors were also involved:

- In order to increase corporate value and maximize shareholder value, we seek to maintain an optimal balance between (a) meeting investment demand in our core and growth areas through re-investments of our retained earnings, and (b) directly providing returns to shareholders by paying out cash dividends.
- In addition to the above, in relation to share buyback toward improving capital efficiency, we judge that the decision by the board of directors in a prompt and flexible manner as needed concerning its timing and amount by taking into consideration of the business environment such as, future investment activity trends, free cash flow and interest-bearing debt levels, and return on equity, continues to contribute to enhancement of corporate value.

For the year ending March 31, 2016, as a second year of the New Medium-term Management Plan, we currently envisage an annual dividend of ¥64 per share, same amount as the year ended March 31, 2015, taking into consideration of EBITDA, core operating cash flow as well as stability and continuity of the amount of dividend, on the assumption that profit for the year attributable to owners of the parent will be ¥240 billion, as mentioned in our forecast profit attributable to owners of the parent for the year ending March 31, 2016.

2. Forecasts for the Year Ending March 31, 2016

Our forecasts for the year ending March 31, 2016 are as follows :

(Billions of Yen)

	Forecast for the year ending March 31, 2016	Year ended March 31, 2015	Change
Gross Profit	740.0	845.8	(105.8)
Share of Profit of Investments Accounted for Using the Equity Method	190.0	144.6	45.4
Profit for the Year Attributable to Owners of the Parent	240.0	306.5	(66.5)
EBITDA	660.0	788.3	(128.3)

Note : The above forecast is based on an exchange rate assumption of ¥120/US$ (¥110.62/US$ for the year ended March 31, 2015) and a crude oil price assumption of US$63/barrel (US$103/barrel for the year ended March 31, 2015).

Gross profit for the year ending March 31, 2016 is expected to be ¥740.0 billion, reflecting the decline in crude oil and iron ore prices. The reversal effects of impairment losses on fixed assets of Eagle Ford shale oil and gas producing operations as well as oil and gas fields in the North Sea are expected. Dividend income for the year ending March 31, 2016 is expected to be ¥60.0 billion, reflecting the decline in dividend from LNG projects. Share of Profit of Investments Accounted for Using the Equity Method is expected to be ¥190.0 billion, reflecting reversal effects of the one-time negative impact and decline in earnings from equity method investments of resource and energy. For income taxes, reversal effects of the one-time positive impact due to reduction of Japanese corporate income tax rate are forecasted.
As a result, EBITDA and profit for the year attributable to owners of the parent for the year ending March 31, 2016 are expected to be ¥660.0 billion and ¥240.0 billion, respectively.

II. Corporate Outline

1. Principal group business (As of March 31, 2015)

The Group is engaged in its business through product segments of Business Units as well as regional segments of overseas offices and local subsidiaries, both of which form the operating segments. Along with its domestic and overseas affiliate companies, the Group is engaged in the sale, import, export, and international trading of various products from the Iron & Steel Products, Mineral & Metal Resources, Machinery & Infrastructure, Chemicals, Energy, Lifestyle, and Innovation & Corporate Development Business areas. The Group also provides a diversified range of services, including manufacturing, transport, and financial services as well as the development of natural resources and investment in operations.

2. Principal group offices (As of March 31, 2015)

The Company has 11 domestic offices and branches in Japan in addition to its head office and 129 branches and trading subsidiaries overseas. The principal entities are as follows :

- **Head Office** Chiyoda-ku, Tokyo
- **Domestic Offices and Branches** Hokkaido Office (Sapporo), Tohoku Office (Sendai), Chubu Office (Nagoya), Osaka Office, Chugoku Office (Hiroshima), Kyushu Office (Fukuoka), Niigata Branch, Hokuriku Branch (Toyama), Shikoku Branch (Takamatsu)
- **Overseas: Trading Subsidiaries** MITSUI & CO. (U.S.A.), INC. MITSUI & CO. EUROPE PLC (United Kingdom) MITSUI & CO. (ASIA PACIFIC) PTE. LTD. (Singapore)

Note : For information regarding the status of important subsidiaries and equity accounted investees, as well as the number of consolidated subsidiaries, including overseas offices, and equity accounted investees, see "Principal subsidiaries" on page 24.

3. Shares of Mitsui & Co., Ltd. (As of March 31, 2015)

- **Number of shares authorized:** 2,500,000,000 shares
- **Number of shares outstanding:** 1,796,514,127 shares (including 3,745,706 shares of treasury stock)

Notes : The number of shares outstanding was decreased by 32,639,400 shares dated April 18, 2014 due to cancellation of such number of treasury stock based on the resolution of the meeting of the Board of Directors held on March 26, 2014.

- **Number of shareholders:** 311,332 shareholders

4. Subscription rights to shares, etc.

1. Overview of the subscription rights to shares, etc. granted to and held by Directors of the Company as compensation for execution of duties as of March 31, 2015

Name	The 2014 First Subscription Rights to Shares of the Company (stock options as stock-based compensation with stock price conditions)
Date of resolution of issuance	July 4, 2014
Number of subscription rights to shares	1,432 rights
Number of holders	Directors of the Company (excluding External Directors): 9 persons
Class and number of shares to be issued upon exercise of subscription rights to shares	143,200 shares of common stock of the Company
Issue price of subscription rights to shares	Issued without contribution
Amount of assets to be contributed upon exercise of subscription rights to shares	¥1 per share
Exercise period of subscription rights to shares	From July 28, 2017 to July 27, 2044
Main conditions for exercise of subscription rights to shares	(1) Holders of subscription rights to shares may no longer exercise the subscription rights to shares after a period of 10 years has elapsed from the subsequent day on which the holders lose their positions as Directors, and/or Managing Officers, and/or Corporate Auditors of the Company. (2) Holders of subscription rights to shares may exercise all of the subscription rights to shares only when, as the stock price conditions, the Company's stock price growth rate over 3 years from the allotment date is equal to or exceeds the TOPIX (Tokyo Stock Price Index) growth rate and on the other hand, when such rate falls below the TOPIX (Tokyo Stock Price Index) growth rate, reflecting the degree, they may exercise only part of such subscription rights to shares allotted (please refer to details on stock price conditions below).

2. Overview of the subscription rights to shares granted to employees of the Company, etc. as compensation for execution of duties during the fiscal year ended March 31, 2015

Name	The 2014 First Subscription Rights to Shares of the Company (stock options as stock-based compensation with stock price conditions)
Date of resolution of issuance	July 4, 2014
Number of subscription rights to shares	1,142 rights
Number of granted persons	Managing Officers of the Company not concurrently serving as Directors (excluding Managing Officers outside Japan): 24 persons
Class and number of shares to be issued upon exercise of subscription rights to shares	114,200 shares of common stock of the Company
Issue price of subscription rights to shares	Issued without contribution
Amount of assets to be contributed upon exercise of subscription rights to shares	¥1 per share
Exercise period of subscription rights to shares	From July 28, 2017 to July 27, 2044
Main conditions for exercise of subscription rights to shares	(1) Holders of subscription rights to shares may no longer exercise the subscription rights to shares after a period of 10 years has elapsed from the subsequent day on which the holders lose their positions as Directors, and/or Managing Officers, and/or Corporate Auditors of the Company. (2) Holders of subscription rights to shares may exercise all of the subscription rights to shares only when, as the stock price conditions, the Company's stock price growth rate over 3 years from the allotment date is equal to or exceeds the TOPIX (Tokyo Stock Price Index) growth rate and on the other hand, when such rate falls below the TOPIX (Tokyo Stock Price Index) growth rate, reflecting the degree, they may exercise only part of such subscription rights to shares allotted (please refer to details on stock price conditions below).

[Details of stock price conditions]

1. When the **Company's stock 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 the Company's stock price growth rate falls below the TOPIX (Tokyo Stock Price Index) growth rate: **Only part of the subscription rights to shares granted***3 may be exercised.

*1 The Company's stock price growth rate shall be calculated by the formula below based on the Company's stock 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 the Company's common stock on the Tokyo Stock Exchange on each day for the 3 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 common share of the Company 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 the Company's common stock on the Tokyo Stock Exchange on each day for the 3 months immediately before the month in which the allotment date falls

The Company's stock price growth rate = (A + B) / C

*2 The TOPIX (Tokyo Stock Price Index) growth rate shall be calculated by the formula below based on the TOPIX (Tokyo Stock Price Index) growth rate for the period of 3 years from the allotment date to the first date of the exercise period.

D: The average closing price for TOPIX on the Tokyo Stock Exchange on each day for the 3 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 price for TOPIX on the Tokyo Stock Exchange on each day for the 3 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 × (the Company's stock price growth rate / TOPIX growth rate)**

5. Principal shareholders (As of March 31, 2015)

Name of Shareholder	Investment in the Company	
	Number of shares (thousands)	Investment ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	122,273	6.82
Japan Trustee Services Bank, Ltd. (trust account)	86,283	4.81
Sumitomo Mitsui Banking Corporation	38,500	2.15
Nippon Life Insurance Company	35,070	1.96
Barclays Securities Japan Limited	25,000	1.39
Mitsui Sumitomo Insurance Company, Limited	24,726	1.38
THE BANK OF NEW YORK MELLON SA/NV 10	24,479	1.37
STATE STREET BANK AND TRUST COMPANY 505223	24,207	1.35
STATE STREET BANK WEST CLIENT - TREATY 505234	22,805	1.27
The Dai-ichi Life Insurance Company, Limited	20,444	1.14

Notes :

1. The number of shares is rounded down to the nearest thousand.
2. The investment ratios are calculated excluding treasury stock (3,745,706 shares).

6. Group employees

(Persons)

Operating Segment	Total Number of Company and Subsidiary Employees		Total Number of Company Employees	
	As of March 31, 2014	As of March 31, 2015	As of March 31, 2014	As of March 31, 2015
Iron & Steel Products	1,882	1,624	352	327
Mineral & Metal Resources	457	446	251	250
Machinery & Infrastructure	18,804	18,868	784	769
Chemicals	2,727	2,343	634	596
Energy	758	784	416	430
Lifestyle	10,047	9,781	801	840
Innovation & Corporate Development	3,586	3,466	391	360
(Other)	3,198	3,188	1,865	1,847
Americas	4,220	4,315	219	215
Europe, the Middle East and Africa	947	862	155	147
Asia Pacific	1,464	1,441	229	225
Total (Compared with Year Ended March 31, 2014)	48,090	47,118 (-972)	6,097	6,006 (-91)

Notes :

1. The above employee figures do not include temporary staff, seconded staff, or part-time staff.
2. Employees at locally incorporated companies and their consolidated subsidiaries in China, Taiwan, South Korea, and the CIS region, which report directly to headquarter business units, and headquarter employees working in these regions, are included in "Other."

7. Principal sources of borrowings (As of March 31, 2015)

(Millions of Yen)

Source of Borrowings	Amount Borrowed by the Company
Meiji Yasuda Life Insurance Company	226,000
Nippon Life Insurance Company	196,000
Japan Bank for International Cooperation	182,344
The Dai-Ichi Life Insurance Company, Limited	178,000
Sumitomo Mitsui Trust Bank, Limited	163,431
Mitsui Life Insurance Company Limited	157,000
Mitsubishi UFJ Trust and Banking Corporation	156,221
Sumitomo Mitsui Banking Corporation	142,200

Note : Amounts are rounded down to the nearest ¥1 million.

8. Principal subsidiaries

1. Principal Subsidiaries and Equity Accounted Investees (As of March 31, 2015)

Subsidiary (S)/ Equity Accounted Investees (E)	Operating Segment	Capital	Percentage owned by Mitsui & Co.,Ltd.	Main Business
Mitsui & Co. Steel Ltd. (Japan) (S)	Iron & Steel Products	¥9,620 million	100	Sales of architectural, lumber and building materials
Mitsui Iron Ore Development Pty. Ltd. (Australia) (S)	Mineral &Metal Resources	A$20,000 thousand	100 (100)	Production and sales of Australian iron ore
Valepar S.A. (Brazil) (E)	Mineral &Metal Resources	R$11,627,225 thousand	18.2	Investment in Brazilian natural resources company Vale
Oriente Copper Netherlands B.V. (Netherlands) (S)	Mineral &Metal Resources	US$9,000 thousand	100	Investment and loan in copper business in Chile through Inversiones Mineras Acrux SpA
PT. Bussan Auto Finance (Indonesia) (S)	Machinery & Infrastructure	IDR353,571,000 thousand	70 (11.7)	Retail finance for Yamaha motorcycles in Indonesia
P.T. Paiton Energy (Indonesia) (E)	Machinery & Infrastructure	US$424,740 thousand	40.5 (40.5)	Power generation in Indonesia
Japan-Arabia Methanol Company Ltd. (Japan) (S)	Chemicals	¥500 million	55	Investments in, and product sales of methanol producing businesses in Saudi Arabia
Mitsui & Co. Plastics Ltd. (Japan) (S)	Chemicals	¥626 million	100	General wholesaler mainly handling synthetic resins
Mitsui Sakhalin Holdings B.V. (Netherlands) (S)	Energy	US$347,416 thousand	100	Investment in Sakhalin Energy Investment
Mitsui Oil Exploration Co., Ltd. (Japan) (S)	Energy	¥33,133 million	74.3	Exploration, development and sales of oil and natural gas resources
Japan Australia LNG (MIMI) Pty. Ltd. (Australia) (E)	Energy	US$2,604,286 thousand	50 (50)	Exploration, development and sales of oil and natural gas resources
MITSUI FOODS CO., LTD. (Japan) (S)	Lifestyle	¥12,031 million	100	Wholesale of food products
MBK Healthcare Partners Limited (United Kingdom) (S)	Lifestyle	S$1,376,885 thousand	100	Investment in IHH Healthcare Bhd.
JA MITSUI LEASING, LTD. (Japan) (E)	Innovation & Corporate Development	¥32,000 million	31.4	Leasing business
Novus International, Inc. (United States) (S)	Americas	US$100,000 thousand	65 (65)	Manufacture and sales of feed additives

Notes :

1. The companies listed above are the major subsidiaries and equity accounted investees of the main operating segments.
2. The figures in brackets represent indirect ownership through other subsidiaries.
3. The figures for capital have been rounded.

2. Number of Subsidiaries and Equity Accounted Investees

The number of subsidiaries and equity accounted investees as of March 31, 2015, and for the previous three years, is as follows:

(Number of Companies)

	Year ended March 31, 2012	Year ended March 31, 2013	Year ended March 31, 2014	Year ended March 31, 2015
Subsidiaries	263	268	272	279
Equity accounted investees	150	142	154	166

Note : The numbers in the table above do not include the companies, which are sub-consolidated or accounted for under the equity method by subsidiaries other than trading subsidiaries.

9. Senior company officers and auditors

1. Directors and Corporate Auditors (As of March 31, 2015)

Title	Name	Principal Position(s)	Significant Concurrent Position(s) Held in Other Organizations
Director, Chairman of the Board	Shoei Utsuda		TOKYO BROADCASTING SYSTEM HOLDINGS, INC. External Director Isetan Mitsukoshi Holdings Ltd. External Director
Representative Director, President and Chief Executive Officer	Masami Iijima	Chief Executive Officer	
Representative Director	Daisuke Saiga	Iron & Steel Products Business Unit; Food Resources Business Unit; Food Products & Services Business Unit; Consumer Service Business Unit	
Representative Director	Joji Okada	Chief Financial Officer; Corporate Staff Unit (CFO Planning & Administrative Division, Global Controller Division, Finance Division, Risk Management Division, Investor Relations Division, Business Supporting Unit (Each Financial Management & Advisory Division))	
Representative Director	Masayuki Kinoshita	Chief Information Officer; Chief Privacy Officer; Corporate Staff Unit (Corporate Planning & Strategy Division, Information Technology Promotion Division, Environmental･Social Contribution Division, Corporate Communications Division, Investment Administrative Division, Business Supporting Unit (Each Planning & Administrative Division)); Business Innovation & Incubation; Environmental Matters	
Representative Director	Shintaro Ambe	Infrastructure Projects Business Unit; Integrated Transportation Systems Business Unit; Innovation & Corporate Development Business Unit	
Representative Director	Koichi Tanaka	Chief Compliance Officer; Corporate Staff Unit (Secretariat, Corporate Auditor Division, Human Resources & General Affairs Division, Legal Division, Trade & Logistics Control Division, Corporate Logistics Development Division); BCM (Business Continuity Management)	
Representative Director	Hiroyuki Kato	Mineral & Metal Resources Business Unit; Energy Business Unit I; Energy Business Unit II	
Representative Director	Yoshihiro Hombo	Basic Chemicals Business Unit; Performance Chemicals Business Unit; Domestic Offices and Branches	

Title	Name	Principal Position(s)	Significant Concurrent Position(s) Held in Other Organizations
Director	Ikujiro Nonaka		Hitotsubashi University Professor Emeritus Trend Micro Incorporated External Director
Director	Hiroshi Hirabayashi		The Japan-India Association President DAIICHI SANKYO COMPANY, LIMITED External Director
Director	Toshiro Muto		Daiwa Institute of Research Ltd. Chairman The Tokyo Organising Committee of the Olympic and Paralympic Games CEO and Director General
Director	Izumi Kobayashi		ANA HOLDINGS INC. External Director Suntory Holdings Limited External Director
Corporate Auditor	Satoru Miura		
Corporate Auditor	Motonori Murakami		
Corporate Auditor	Kunihiro Matsuo		Attorney at Law Japan Exchange Group, Inc. External Director TOYOTA MOTOR CORPORATION External Corporate Auditor Komatsu Ltd. External Corporate Auditor BROTHER INDUSTRIES, LTD. External Corporate Auditor Seven Bank, Ltd. External Corporate Auditor TV TOKYO Holdings Corporation External Corporate Auditor
Corporate Auditor	Hiroyasu Watanabe		Graduate School of Finance, Accounting & Law, Waseda University Professor NOMURA Co., Ltd. External Corporate Auditor
Corporate Auditor	Haruka Matsuyama		Attorney at Law T&D Holdings, Inc. External Director Mitsubishi UFJ Financial Group, Inc. External Director VITEC CO., LTD. External Corporate Auditor

1. Directors Ikujiro Nonaka, Hiroshi Hirabayashi, Toshiro Muto, and Izumi Kobayashi are External Directors, the Company has submitted filings with the domestic stock exchanges on which it is listed designating all four individuals as independent Directors.
2. Corporate Auditors Kunihiro Matsuo, Hiroyasu Watanabe, and Haruka Matsuyama are External Corporate Auditors, and the Company has submitted filings with the domestic stock exchanges on which it is listed designating all three individuals as independent Corporate Auditors.
3. Full-time Corporate Auditor Motonori Murakami was formerly General Manager of the General Accounting Division and Assistant to Chief Financial Officer of the Company, and has considerable expertise in finance and accounting. Corporate Auditor Hiroyasu Watanabe is a former Commissioner of the National Tax Agency of the Ministry of Finance Japan, and is currently a professor at the Graduate School of Finance, Accounting & Law of Waseda University. He has considerable expertise in finance and accounting.
4. The Company paid a membership fee to The Japan-India Association, of which Director Hiroshi Hirabayashi has been serving as the President from June 2007, but the amount is small. The Company paid a membership fee and made financial contributions to the Japan Association of Corporate Executives, of which Director Izumi Kobayashi served as Deputy Chairman from May 2007 to April 2009, but the amount is small. There is no special interest between the organizations at which the External Directors and External Corporate Auditors are concurrently posted and the Company that would interfere with or raise problems with regard to their performance of their duties as External Directors or External Corporate Auditors.

2. Executive Officers (As of April 1, 2015)

* Serves concurrently as Director

	Title	Name	Principal Position(s) / Areas Overseen
	President and Chief Executive Officer	Tatsuo Yasunaga	Chief Executive Officer
*	Executive Vice President	Daisuke Saiga	Iron & Steel Products Business Unit; Consumer Service Business Unit
*	Executive Vice President	Masayuki Kinoshita	Chief Information Officer; Chief Privacy Officer; Corporate Staff Unit (Corporate Planning & Strategy Division, Information Technology Promotion Division, Environmental・Social Contribution Division, Corporate Communications Division, Investment Administrative Division, Business Supporting Unit (Each Planning & Administrative Division)); Business Innovation & Incubation; Environmental Matters
*	Executive Vice President	Shintaro Ambe	Infrastructure Projects Business Unit; Integrated Transportation Systems Business Unit; IT & Communication Business Unit, Corporate Development Business Unit
	Executive Vice President	Takashi Yamauchi	Corporate Auditor Division
	Executive Vice President	Motomu Takahashi	Chief Operating Officer of Americas Business Unit
*	Senior Executive Managing Officer	Hiroyuki Kato	Mineral & Metal Resources Business Unit; Energy Business Unit I; Energy Business Unit II, Domestic Offices and Branches
*	Senior Executive Managing Officer	Yoshihiro Hombo	Basic Chemicals Business Unit; Performance Chemicals Business Unit; Food Resources Business Unit; Food Products & Services Business Unit
	Senior Executive Managing Officer	Hironobu Ishikawa	Chief Operating Officer of EMEA (Europe, the Middle East and Africa) Business Unit
	Senior Executive Managing Officer	Atsushi Kume	General Manager of Osaka Office
	Senior Executive Managing Officer	Satoshi Tanaka	Chief Operating Officer of Asia Pacific Business Unit
	Senior Executive Managing Officer	Makoto Suzuki	Chief Compliance Officer; Corporate Staff Unit (Secretariat, Corporate Auditor Division, Human Resources & General Affairs Division, Legal Division, Trade & Logistics Control Division, Corporate Logistics Development Division); BCM (Business Continuity Management), New Headquarter Project
	Executive Managing Officer	Takeshi Kanamori	Chief Operating Officer of Infrastructure Projects Business Unit
	Executive Managing Officer	Katsunori Aikyo	General Manager of Nagoya Office
	Executive Managing Officer	Yasushi Takahashi	Chairman & CEO of Mitsui & Co. (Australia) Ltd.
	Executive Managing Officer	Toru Suzuki	General Director of Mitsui & Co. Vietnam Ltd.
	Executive Managing Officer	Yasushi Yoshikai	Chief Representative of Mitsui & Co., Ltd. in South West Asia

Title		Name	Principal Position(s) / Areas Overseen
	Executive Managing Officer	Keigo Matsubara	Chief Financial Officer; Corporate Staff Unit (CFO Planning & Administrative Division, Global Controller Division, Finance Division, Risk Management Division, Investor Relations Division, Business Supporting Unit (Each Financial Management & Advisory Division))
	Executive Managing Officer	Shinjiro Sawada	Chief Representative of Mitsui & Co., Ltd. in China
	Executive Managing Officer	Shinsuke Fujii	General Manager of Investment Administrative Division
	Managing Officer	Akira Nakaminato	President & CEO of Mitsui Global Strategic Studies Institute
	Managing Officer	Yasuyuki Fujitani	Chief Operating Officer of Corporate Development Business Unit
	Managing Officer	Taku Morimoto	Chief Operating Officer of Performance Chemicals Business Unit
	Managing Officer	Nobuaki Kitamori	Chief Operating Officer of IT & Communication Business Unit
	Managing Officer	Shingo Sato	President of Mitsui & Co. (Thailand) Ltd.
	Managing Officer	Motoo Ono	General Manager of Human Resources & General Affairs Division
	Managing Officer	Yukio Takebe	President & Chief Executive Officer of P.T. Mitsui Indonesia
	Managing Officer	Noboru Katsu	Chief Operating Officer of Iron & Steel Products Business Unit
	Managing Officer	Katsurao Yoshimori	Chief Operating Officer of Basic Chemicals Business Unit
	Managing Officer	Osamu Toriumi	General Manager of Legal Division
	Managing Officer	Takakazu Uchida	General Manager of Finance Division
	Managing Officer	Hiromichi Yagi	Chief Operating Officer of Integrated Transportation Systems Business Unit
	Managing Officer	Shinichiro Omachi	Chief Operating Officer of Mineral & Metal Resources Business Unit
	Managing Officer	Hiroyuki Tsurugi	Chief Operating Officer of Energy Business Unit I
	Managing Officer	Hirotatsu Fujiwara	Chief Operating Officer of Energy Business Unit II
	Managing Officer	Kenichi Hori	General Manager of Corporate Planning & Strategy Division
	Managing Officer	Itaru Nishimura	Chief Operating Officer of Consumer Service Business Unit
	Managing Officer	Masazumi Takahashi	General Manager of Internal Auditing Division
	Managing Officer	Shin Hatori	Chief Operating Officer of Food Products & Services Business Unit
	Managing Officer	Shinji Tsuchiya	President of Mitsui & Co. (Brasil) S.A.
	Managing Officer	Hiroshi Meguro	Chief Representative of Mitsui & Co., Ltd. in CIS
	Managing Officer	Kimiro Shiotani	General Manager of Global Controller Division
	Managing Officer	Miki Yoshikawa	Chief Operating Officer of Food Resources Business Unit
	Managing Officer	Yoshio Kometani	Deputy Chief Operating Officer of Asia Pacific Business Unit

3. Remuneration of Directors and Corporate Auditors

The remuneration system for Directors has an emphasis on transparency by examining compensation and bonuses for Directors and Executive Officers by the Remuneration Committee, which is chaired by an External Director.
This system comprises a basic fixed remuneration for Directors of no more than ¥70 million per month in total, results-linked bonuses in the total amount of 0.1% of profit for the year attributable to owners of the parent (with an upper limit of ¥500 million), and stock-based compensation stock options with stock price conditions as medium- to long-term incentive compensation of no more than ¥500 million per year.
Given the difficulty of correlating results-linked compensation for External Directors and Corporate Auditors, who carry out their duties independently from management, External Directors and Corporate Auditors are paid fixed remuneration only.
The fixed remuneration paid to Corporate Auditors has an upper limit of ¥20 million per month in total.
The systems of special retirement compensation for Directors and Corporate Auditors were abolished on July 1, 2004.

The remuneration of the Company's Directors and Corporate Auditors regarding the year ended March 31, 2015, was as follows :

	Number of Recipients	Basic Remuneration	Bonus	Stock Option	Total Remuneration Paid Relating to the Year Ended March 31, 2015
Directors (Excluding External Directors)	11	¥737 million	¥307 million	¥120 million	¥1,164 million
Corporate Auditors (Excluding External Corporate Auditors)	2	¥113 million	–	–	¥113 million
External Directors and External Corporate Auditors	9	¥93 million	–	–	¥93 million
Total	22	¥943 million	¥307 million	¥120 million	¥1,370 million

Notes :

1. The bonuses shown above are planned payments.
2. The stock options above show the amount recognized as expenses during the fiscal year under review, of the expenses related to stock options (The 2014 First Subscription Rights to Shares of the Company) to be allotted to nine Directors (excluding External Directors).
3. In addition to the above amounts, a total of ¥604 million was paid to 132 retired Directors, and ¥62 million to 19 retired Corporate Auditors, as pensions (representing payments determined prior to the abolition of those systems).
4. Amounts are rounded down to the nearest ¥1 million.

4. External Directors and External Corporate Auditors

(1) External Directors

1) Major activities of External Directors

Ikujiro Nonaka (Director since June 2007)	Mr. Nonaka participated in all 16 Board of Directors meetings held during the year ended March 31, 2015, and offered advice mainly from the perspective of his deep insight related to management gained as an expert in international corporate strategy.
Hiroshi Hirabayashi (Director since June 2007)	Mr. Hirabayashi participated in all 16 Board of Directors meetings held during the year ended March 31, 2015, and offered advice mainly from the perspective of his wealth and knowledge gained as a foreign diplomat for Japan.
Toshiro Muto (Director since June 2010)	Mr. Muto participated in 12 of the 16 Board of Directors meetings held during the year ended March 31, 2015, and offered advice mainly from the perspective of his deep insight into fiscal and monetary affairs, as well as in economics in general, gained at the Ministry of Finance and the Bank of Japan.
Izumi Kobayashi (Director since June 2014)	Ms. Kobayashi participated in all 12 Board of Directors meetings held since she became a Director in June 2014, and offered advice from perspective of her wide-ranging knowledge and experience gained as a representative of private sector financial institutions and a multilateral development bank.

2) The Company has entered into agreements with the respective External Directors pursuant to Article 427(1) of the Companies Act of Japan, to limit their liability to the minimum amount of liability as stipulated in Article 425(1) of the Companies Act.

3) The eldest daughter of External Director Hiroshi Hirabayashi is an employee of the Company (non-managerial post).

(2) External Corporate Auditors

1) Major activities of External Corporate Auditors

Kunihiro Matsuo (Corporate Auditor since June 2008)	Mr. Matsuo participated in 13 of the 16 Board of Directors meetings, and 16 of the 19 Board of Corporate Auditors meetings, held during the year ended March 31, 2015, and offered advice from the perspective of his knowledge and experience over the years gained as a prosecutor and an attorney at law.
Hiroyasu Watanabe (Corporate Auditor since June 2009)	Mr. Watanabe participated in 15 of the 16 Board of Directors meetings, and 18 of the 19 Board of Corporate Auditors meetings, held during the year ended March 31, 2015, and offered advice from the perspective of his knowledge and experience gained at the Ministry of Finance and the National Tax Agency, and as a graduate school professor.
Haruka Matsuyama (Corporate Auditor since June 2014)	Ms. Matsuyama has participated in all 12 Board of Directors meetings, and all 14 Board of Corporate Auditors meetings, held since she became a Corporate Auditor in June 2014, and offered advice from the perspective of her knowledge and experience gained as an attorney at law.

2) The Company has entered into agreements with the respective External Corporate Auditors pursuant to Article 427(1) of the Companies Act of Japan, to limit their liability to the minimum amount of liability as stipulated in Article 425(1) of the Companies Act.

10. Details of independent auditor

1. Name of Independent Auditor

Deloitte Touche Tohmatsu LLC

2. Remuneration Paid to Independent Auditor

- Total remuneration paid by the Company to its Independent Auditor relating to the consolidated fiscal year : ¥709 million
- Total amount of monetary and other economic benefits payable by the Company and its subsidiaries to the Independent Auditor: ¥1,473 million

Note : The Company has not drawn any distinction between the remuneration for the audit services pursuant to the Companies Act and the Financial Instruments and Exchange Act of Japan in the agreement with the Independent Auditor.

3. Non-Audit Services

The Company has engaged its Independent Auditor to provide "tax-related services," etc., being services falling outside the scope of Article 2(1) of the Certified Public Accountants Act (non-audit services).

4. Policy for Decisions on Dismissal or Non-Reappointment of Independent Auditor

The Company has the following policy on the removal of, and decisions not to re-appoint, the Independent Auditor.

1) The tenure of the Independent Auditor is one year, and they may be reappointed.
2) The election, dismissal and/or non-reappointment of the Independent Auditor is/are resolved by the Board of Corporate Auditors to be referred for discussion and resolution at the General Meeting of Shareholders. The reappointment of the Independent Auditor is determined by resolution of the Board of Corporate Auditors.
3) Where the Independent Auditor has breached or contravened law or regulation such as the Companies Act or the Certified Public Accountants Act, or has conducted itself in breach of public policy or breached its contract of engagement, the Board of Corporate Auditors considers 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.
4) The Board of Corporate Auditors may dismiss the Independent Auditor with the approval of each Corporate Auditor if the circumstances outlined in the respective provisions of Article 340(1) of the Companies Act apply.

Note :

1. In line with the promulgation of the "Act for Partial Amendment of the Companies Act" (Act No. 90, 2014) on May 1, 2015, the body responsible for decisions on proposals to the General Meeting of Shareholders relating to the election, dismissal and non-reappointment of an Independent Auditor was changed from the Board of Directors to the Board of Corporate Auditors.
2. Of the Company's major subsidiaries, Mitsui Iron Ore Development Pty. Ltd. is audited by Deloitte Touche Tohmatsu in Australia, Oriente Copper Netherlands B.V. and Mitsui Sakhalin Holdings B.V. are audited by Deloitte Accountants B.V. in the Netherlands, PT. Bussan Auto Finance is audited by Osman Bing Satrio & Eny (a member firm of Deloitte Touche Tohmatsu) in Indonesia, MBK Healthcare Partners Limited is audited by Deloitte LLP in the United Kingdom, and Novus International, Inc. is audited by Deloitte & Touche LLP in the United States.

11. Corporate governance

The Company adopts the structure of a company with the Board of Corporate Auditors. To achieve effective corporate governance for shareholders and other stakeholders, the Company has established and maintains the following structures:

(1) The Board of Directors is the highest authority for business execution and supervision. To ensure those functions, the Company has set the number of Directors to the maximum number to enable effective deliberations. The Company has also established the Governance Committee, Nomination Committee, and Remuneration Committee as advisory bodies to the Board of Directors, with External Directors and External Corporate Auditors serving as members of these committees.

The purpose of each committee as well as its membership, as of March 31, 2015, are as follows:

	Purpose	Chairman and Members
Governance Committee	To study the state and direction of the Company's corporate governance while taking into consideration the viewpoints of External Directors and Corporate Auditors.	Chairman: Chairman of the Board (Utsuda, Director) Members: President (Iijima, Director), two External Directors (Nonaka, Director; Kobayashi, Director), three Internal Directors (Okada, Director; Kinoshita, Director; Tanaka, Director), one External Corporate Auditor (Matsuo, Corporate Auditor)
Nomination Committee	To establish the selection standards and processes used in nominating Directors and Executive Officers and to evaluate Director nomination proposals.	Chairman: President (Iijima, Director) Members: two External Directors (Nonaka, Director; Hirabayashi, Director), two Internal Directors (Kinoshita, Director; Tanaka, Director)
Remuneration Committee	To study the system and decision-making process related to remuneration and bonuses— including the evaluation of remuneration proposals—for Directors and Executive Officers.	Chairman: External Director (Muto, Director) Members: President (Iijima, Director), two Internal Directors (Okada, Director; Tanaka, Director)

(2) The Corporate Auditors audits the execution of duties by the Directors as an independent body and reports to shareholders. In pursuit of this objective, the Corporate Auditors carry out multifaceted, effective auditing activities, such as attending important internal meetings and auditing various types of reports, investigating corporate business operations, and take necessary measures in a timely manner

Please refer to the Company's website (http://www.mitsui.com/jp/en/company/governance/system/index.html) for more information regarding the corporate governance structure.

12. Necessary systems to ensure appropriate operations

An outline of "Necessary systems to ensure appropriate operations" (pursuant to Article 362(4) (vi) of the Companies Act of Japan) of the Company is as follows.
Further details can be found via the following link on the website of the Company (http://www.mitsui.com/jp/en/company/governance/system/index.html).

1. Systems to Ensure that Directors and Employees Comply with Laws and Regulations, and the Articles of Incorporation

1) The Company has established the "BUSINESS CONDUCT GUIDELINES FOR EMPLOYEES AND OFFICERS OF MITSUI & CO., LTD.", based on its positioning of compliance by officers and employees in the course of carrying out their duties as one of the most important priorities of the Company.
2) The Company has established the Compliance Committee, headed by the Chief Compliance Officer (CCO), and carries out compliance training and other measures to improve awareness of compliance issues. The Company has set up several internal and external whistle-blowing avenues, and conducts periodical auditing to ensure its compliance regime is observed while also taking disciplinary actions on violations.
3) Corporate Auditors of the Company monitor the observance of all relevant laws and regulations and the Articles of Incorporation, among other things, by Directors and employees in the performance of their duties.
4) The Company has appointed External Directors and Corporate Auditors to strengthen the supervisory function of the Board of Directors and has established various advisory committees that include External Directors and External Corporate Auditors as committee members, in order to ensure management transparency and objectivity.

2. Systems to Store and Control Information-Related to Duties Performed by Directors

In accordance with its Rules on Information Management, the Company stores and controls important information such as the minutes of the General Meetings of Shareholders and the Board of Directors.

3. Regulations and Systems Related to Management of Risk of Loss

1) The heads of business units and regional business units of the Company manage risks of losses ("risks") that arise from businesses within the scope of their authority.
2) Corporate Staff Divisions of the Company have established and oversee an integrated risk management system to holistically manage the various risks that the Company faces in its businesses, centered on the Internal Controls Committee and the Portfolio Management Committee.
3) The Company responds to crises and emergency situations by establishing the Crisis Management Headquarters, etc. in accordance with the Crisis Management Headquarters Regulations and the Emergency Business Continuity Management Regulations.

4. Systems to Ensure Effective and Efficient Execution of Duties by Directors

1) Efficient management performance is pursued through having the Board of Directors oversee each Director in the performance of his/her duties and the use of an Executive Officer System.
2) The Company has established various committees, such as the Corporate Management Committee and the Portfolio Management Committee, to enhance efficient and appropriate management decisions.
3) The Company has constructed a business unit system and regional unit system to enable timely management decisions, and implemented an internal approval system where its Representative Directors make the final decision in the best interest of the Company, following deliberations by the relevant Corporate Staff Divisions.

4) Management initiatives are implemented in accordance with the Medium-Term Management Plan and annual business plans, with the Board of Directors regularly checking upon progress.

5. Systems to Ensure Proper Operations in the Group

1) Based on the general principle of maintaining the autonomy of its subsidiaries and associated companies, the Company appropriately manages subsidiaries and associated companies, understanding the management status and maintaining a group-wide management framework, while providing for the Company's participation in the management and/or governance of its subsidiaries and associated companies as appropriate to its equity investor status.
2) The Company requires its major subsidiaries and associated companies to conduct regular auditing to check their compliance with all relevant laws and regulations.
3) The Company has requested to build an appropriate whistle-blowing avenue for subsidiaries and associated companies, requested the prohibition of the disadvantageous treatment of employees, and, in the event where subsidiaries or associated companies discover compliance breaches by the officers or employees group-wideof the Company, the Company has set up several internal and external whistle-blowing avenues so that these subsidiaries and associated companies can report such breaches to the Compliance Committee.

6. Matters Related to Employees Assigned to Assist Corporate Auditors, the Independence of Such Employees from Directors, and Ensuring the Effectiveness of Corporate Auditors' Directions to Such Employees

1) The Corporate Auditor Division is staffed with three or more full-time employees.
2) The organization and assignment of employees to the Corporate Auditor Division is determined with the approval of the Corporate Auditors.

7. Systems to Report to Corporate Auditors

1) Corporate Auditors may receive information including information on subsidiaries and associated companies by attending relevant meetings, requesting copies of material documents, and holding regular meetings with Directors, Executive Officers, or other management staff.
2) Directors report immediately to the Board of Corporate Auditors in the event of discovery of circumstances that carry the potential risk of serious loss or consequence to the Company.
3) Corporate Auditors audit the status of the management of its major subsidiaries and associated companies through on-site visits and through regular coordination with the Corporate Auditors of those companies.
4) The Company prohibits the disadvantageous treatment of employees, including those of subsidiaries and associated companies, who reported to Corporate Auditors through the whistle-blowing avenue.

8. Other Systems to Ensure Effective Auditing by Corporate Auditors

1) The Directors maintain an appropriate environment for auditing.
2) The Corporate Auditors may request cooperation from the Internal Auditing Division, the Legal Division, and the Global Controller Division, as well as other divisions with regard to their auditing.
3) The Corporate Auditors maintain close contact with the Independent Auditor.
4) The Corporate Auditors may request the assistance of full-time corporate legal counsel and other external expert professional advisors.
5) The Company will bear expenses related to the execution of Corporate Auditors' duties.

9. Systems and Basic Philosophy Related to the Rejection of Anti-Social Forces

The Company ensures all Directors and employees fully understand the Company's basic philosophy with regard to the rejection of anti-social forces, including the forbidding of transactions with anti-social forces and related trading partners, and also cooperates with external professional such as the police and attorneys, through the establishment of an internal division for the handling of such matters.

Consolidated and Non-Consolidated Financial Statements

Consolidated Statements of Financial Position

(Millions of Yen)

ASSETS			LIABILITIES AND EQUITY		
	March 31, 2015	March 31, 2014(*)		March 31, 2015	March 31, 2014(*)
Current Assets:			**Current Liabilities:**		
Cash and cash equivalents	¥1,400,770	¥1,226,317	Short-term debt	¥ 290,641	¥ 436,869
Trade and other receivables	1,949,837	2,040,855	Current portion of long-term debt	472,718	505,946
Other financial assets	384,156	271,288	Trade and other payables	1,384,039	1,473,834
Inventories	671,164	625,328	Other financial liabilities	414,011	301,047
Advance payments to suppliers	188,545	183,576	Income tax payables	41,877	42,857
Other current assets	136,051	118,049	Advances from customers	177,432	165,124
Total current assets	**4,730,523**	**4,465,413**	Provisions	25,523	17,491
			Other current liabilities	34,900	41,486
			Total current liabilities	**2,841,141**	**2,984,654**
Non-current Assets:					
Investments accounted for using the equity method	2,791,341	2,448,848	**Non-current Liabilities:**		
			Long-term debt, less current portion	4,030,598	3,468,301
Other investments	1,529,767	1,554,673	Other financial liabilities	147,289	95,541
			Retirement benefit liabilities	46,211	69,558
Trade and other receivables	425,136	470,880	Provisions	228,540	174,855
			Deferred tax liabilities	482,141	567,281
Other financial assets	130,974	116,298	Other non-current liabilities	29,627	30,825
			Total non-current liabilities	**4,964,406**	**4,406,361**
Property, plant and equipment	2,148,142	2,007,452	**Total liabilities**	**7,805,547**	**7,391,015**
Investment property	147,757	139,334	**Equity :**		
			Common stock	341,482	341,482
Intangible assets	162,951	144,153	Capital surplus	411,881	418,004
			Retained earnings	2,537,815	2,345,790
Deferred tax assets	78,746	74,419	Other components of equity	814,563	766,631
			Treasury stock	(5,946)	(56,140)
Other non-current assets	57,584	69,849	Total equity attributable to owners of the parent	4,099,795	3,815,767
			Non-controlling interests	297,579	284,537
Total non-current assets	7,472,398	7,025,906	**Total equity**	**4,397,374**	**4,100,304**
Total	**¥12,202,921**	**¥11,491,319**	**Total**	**¥12,202,921**	**¥11,491,319**

(*) Supplementary Information

Consolidated Statements of Income

(Millions of Yen)

	Year ended March 31, 2015	Year ended March 31, 2014(*)
Revenue:		
Sale of products	¥4,815,162	¥5,206,772
Rendering of services	432,112	415,395
Other revenue	157,656	109,751
Total revenue	**5,404,930**	**5,731,918**
Cost:		
Cost of products sold	(4,310,657)	(4,627,572)
Cost of services rendered	(181,528)	(162,690)
Cost of other revenue	(66,905)	(61,550)
Total cost	**(4,559,090)**	**(4,851,812)**
Gross Profit	**845,840**	**880,106**
Other Income (Expenses):		
Selling, general and administrative expenses	(584,608)	(574,871)
Gain (loss) on securities and other investments—net	42,458	30,816
Impairment loss of fixed assets	(79,948)	(59,966)
Gain (loss) on disposal or sales of fixed assets—net	1,446	16,419
Other income (expense)—net	(34,918)	(21,720)
Total other income (expenses)	**(655,570)**	**(609,322)**
Finance Income (Costs):		
Interest income	33,120	33,644
Dividend income	114,070	124,026
Interest expense	(50,229)	(49,176)
Total finance income (costs)	**96,961**	**108,494**
Share of Profit of Investments Accounted for Using the Equity Method	**144,596**	**171,239**
Profit before Income Taxes	**431,827**	**550,517**
Income Taxes	**(104,903)**	**(176,654)**
Profit for the Year	**¥ 326,924**	**¥ 373,863**
Profit for the Year Attributable to:		
Owners of the parent	¥ 306,490	¥ 350,093
Non-controlling interests	20,434	23,770

(*) Supplementary Information

Consolidated Statements of Changes in Equity

Year ended March 31, 2015 (Millions of Yen)

	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, 2014	**¥341,482**	**¥418,004**	**¥2,345,790**	**¥766,631**	**¥(56,140)**	**¥3,815,767**	**¥284,537**	**¥4,100,304**
Profit for the year			306,490			306,490	20,434	326,924
Other comprehensive income for the year				100,093		100,093	12,255	112,348
Comprehensive income for the year						**406,583**	**32,689**	**439,272**
Transaction with owners:								
Dividends paid to the owners of the parent (per share:¥66)			(118,305)			(118,305)		(118,305)
Dividends paid to non-controlling interest shareholders							(13,900)	(13,900)
Acquisition of treasury stock					(25)	(25)		(25)
Sales of treasury stock			0		28	28		28
Cancellation of treasury stock			(50,191)		50,191	—		—
Compensation costs related to stock options		215				215		215
Equity transactions with non-controlling interest shareholders		(6,338)		1,870		(4,468)	(5,747)	(10,215)
Transfer to retained earnings			**54,031**	**(54,031)**		**—**		**—**
Balance as at March 31, 2015	**¥341,482**	**¥411,881**	**¥2,537,815**	**¥814,563**	**¥(5,946)**	**¥4,099,795**	**¥297,579**	**¥4,397,374**

Year ended March 31, 2014 (Supplementary Information) (Millions of Yen)

	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, 2013	**¥341,482**	**¥428,552**	**¥2,060,298**	**¥614,783**	**¥(5,974)**	**¥3,439,141**	**¥245,848**	**¥3,684,989**
Profit for the year			350,093			350,093	23,770	373,863
Other comprehensive income for the year				171,364		171,364	11,746	183,110
Comprehensive income for the year						**521,457**	**35,516**	**556,973**
Transaction with owners:								
Dividends paid to the owners of the parent (per share: ¥46)			(83,957)			(83,957)		(83,957)
Dividends paid to non-controlling interest shareholders							(18,981)	(18,981)
Acquisition of treasury stock					(50,217)	(50,217)		(50,217)
Sales of treasury stock			0		51	51		51
Equity transactions with non-controlling interest shareholders		(10,548)		(160)		(10,708)	22,154	11,446
Transfer to retained earnings			**19,356**	**(19,356)**		**—**		**—**
Balance as at March 31, 2014	**¥341,482**	**¥418,004**	**¥2,345,790**	**¥766,631**	**¥(56,140)**	**¥3,815,767**	**¥284,537**	**¥4,100,304**

Consolidated Statements of Comprehensive Income [Supplementary Information] (Unaudited)

(Millions of Yen)

	Year ended March 31, 2015	Year ended March 31, 2014
Profit for the Year	**¥326,924**	**¥373,863**
Other Comprehensive Income:		
Items that will not be reclassified to profit or loss:		
Financial assets measured at FVTOCI	(57,039)	76,202
Remeasurements of defined benefit plans	20,045	(9,676)
Share of other comprehensive income of investments accounted for using the equity method	(3,612)	622
Income tax relating to items not reclassified	42,045	(12,915)
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation adjustments	32,509	19,961
Cash flow hedges	(15,889)	9,623
Share of other comprehensive income of investments accounted for using the equity method	74,115	103,182
Income tax relating to items that may be reclassified	20,174	(3,889)
Total other comprehensive income	112,348	183,110
Comprehensive Income for the Year	**¥439,272**	**¥556,973**
Comprehensive Income for the Year Attributable to:		
Owners of the parent	¥406,583	¥521,457
Non-controlling interests	32,689	35,516

Consolidated Statements of Cash Flows [Supplementary Information] (Unaudited)

(Millions of Yen)

	Year ended March 31, 2015	Year ended March 31, 2014
Operating Activities:		
Profit for the Year	¥326,924	¥373,863
Adjustments to reconcile profit for the year to cash flows from operating activities:		
Depreciation and amortization	268,367	219,147
Change in retirement benefit liabilities	(3,787)	1,121
Provision for doubtful receivables	17,041	10,215
(Gain)/loss on securities and other investments-net	(42,458)	(30,816)
Impairment loss of fixed assets	79,948	59,966
(Gain)/loss on disposal or sales of fixed assets-net	(1,446)	(16,419)
Finance (income)/costs-net	(86,694)	(101,451)
Income taxes	104,903	176,654
Share of profit of investments accounted for using equity method	(144,596)	(171,239)
Changes in operating assets and liabilities:		
Change in trade and other receivables	159,674	(44,457)
Change in inventories	(161)	(13,508)
Change in trade and other payables	(52,092)	(51,883)
Other - net	(129,073)	(49,831)
Interest received	38,291	26,817
Interest paid	(49,906)	(51,283)
Dividends received	291,593	277,305
Income taxes paid	(136,561)	(164,958)
Cash flows from operating activities	639,967	449,243
Investing Activities:		
Net change in time deposits	(4,736)	707
Net change in investments in and advances to equity accounted investees	(155,355)	(204,757)
Net change in other investments	60,075	(96,918)
Net change in long-term loan receivables	60,046	(1,963)
Net change in property, plant, equipment and investment property	(346,427)	(356,887)
Cash flows from investing activities	(386,397)	(659,818)
Financing Activities:		
Net change in short-term debt	(181,841)	(85,141)
Net change in long-term debt	197,233	208,986
Purchases and sales of treasury stock	(23)	(50,216)
Dividends paid	(118,323)	(83,970)
Transactions with non-controlling interest shareholders	(23,239)	(2,896)
Cash flows from financing activities	(126,193)	(13,237)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	47,076	17,595
Change in Cash and Cash Equivalents	174,453	(206,217)
Cash and Cash Equivalents at Beginning of Year	1,226,317	1,432,534
Cash and Cash Equivalents at End of Year	**¥1,400,770**	**¥1,226,317**

Segment Information [Supplementary Information] (Unaudited)

The companies allocate their resources and review their performance by operating segments comprised of the business units of the Head Office and region-focused operating segments comprised of the regional business units. The companies' operating segments have been aggregated based on the nature of the products and other criteria into seven product-focused reportable segments and three region-focused reportable segments.

Year ended March 31, 2015 (from April 1, 2014 to March 31, 2015) (Millions of Yen)

	Iron & Steel Products	Mineral & Metal Resources	Machinery & Infrastructure	Chemicals	Energy	Lifestyle	Innovation & Corporate Development
Revenues	¥151,442	¥ 791,211	¥ 443,946	¥888,222	¥ 991,247	¥ 975,991	¥120,167
Gross Profit	¥ 37,970	¥ 146,125	¥ 130,131	¥ 70,134	¥ 202,739	¥ 116,242	¥ 37,420
Share of Profit of Investments Accounted for Using the Equity Method	¥ 7,641	¥ 913	¥ 32,988	¥ 7,225	¥ 56,610	¥ 21,642	¥ 5,748
Profit (Loss) for the Year Attributable to Owners of the parent	¥ 8,460	¥ 60,857	¥ 45,680	¥ 3,702	¥ 119,674	¥ (2,695)	¥ 6,006
EBITDA	¥ 12,909	¥ 155,530	¥ 54,977	¥ 18,074	¥ 439,849	¥ 16,156	¥ (4,991)
Total Assets at March 31, 2015	¥493,961	¥1,955,957	¥ 2,112,645	¥838,894	¥2,610,367	¥1,658,188	¥550,339

	Americas	Europe, the Middle East and Africa	Asia Pacific	Total	All Other	Adjustments and Eliminations	Consolidated Total
Revenues	¥828,521	¥ 110,161	¥102,179	¥5,403,087	¥ 1,843	¥ —	¥ 5,404,930
Gross Profit	¥ 92,589	¥ 19,317	¥ 12,223	¥ 864,890	¥ 701	¥ (19,751)	¥ 845,840
Share of Profit of Investments Accounted for Using the Equity Method	¥ 7,450	¥ 574	¥ 4,518	¥ 145,309	¥ —	¥ (713)	¥ 144,596
Profit (Loss) for the Year Attributable to Owners of the parent	¥ 25,757	¥ 3,408	¥ 30,535	¥ 301,384	¥ 8,947	¥ (3,841)	¥ 306,490
EBITDA	¥ 41,297	¥ (541)	¥ (2,528)	¥ 730,732	¥ 3,221	¥ 54,312	¥ 788,265
Total Assets at March 31, 2015	¥584,086	¥104,646	¥382,495	¥11,291,578	¥5,135,246	¥(4,223,903)	¥12,202,921

Year ended March 31, 2014 (from April 1, 2013 to March 31, 2014) (Millions of Yen)

	Iron & Steel Products	Mineral & Metal Resources	Machinery & Infrastructure	Chemicals	Energy	Lifestyle	Innovation & Corporate Development
Revenues	¥220,068	¥ 791,197	¥ 410,155	¥943,198	¥1,454,254	¥ 890,587	¥103,215
Gross Profit	¥ 51,130	¥ 200,892	¥ 114,743	¥ 80,527	¥ 199,834	¥ 113,979	¥ 22,579
Share of Profit of Investments Accounted for Using the Equity Method	¥ 5,395	¥ 37,990	¥ 24,400	¥ 8,606	¥ 60,087	¥ 19,289	¥ 4,879
Profit (Loss) for the Year Attributable to Owners of the parent	¥ 14,583	¥ 88,052	¥ 17,146	¥ 8,370	¥ 188,441	¥ 12,096	¥ (12,258)
EBITDA	¥ 21,839	¥ 241,785	¥ 35,642	¥ 28,514	¥ 416,106	¥ 20,203	¥ (23,614)
Total Assets at March 31, 2014	¥ 567,741	¥1,970,858	¥1,872,585	¥765,751	¥2,478,158	¥1,495,387	¥496,533

	Americas	Europe, the Middle East and Africa	Asia Pacific	Total	All Other	Adjustments and Eliminations	Consolidated Total
Revenues	¥699,622	¥108,663	¥109,079	¥5,730,038	¥ 1,884	¥ (4)	¥ 5,731,918
Gross Profit	¥ 78,725	¥ 18,752	¥ 12,469	¥ 893,630	¥ 794	¥ (14,318)	¥ 880,106
Share of Profit of Investments Accounted for Using the Equity Method	¥ 4,039	¥ 1,384	¥ 4,525	¥ 170,594	¥ 365	¥ 280	¥ 171,239
Profit (Loss) for the Year Attributable to Owners of the parent	¥ 13,668	¥ 397	¥ 30,682	¥ 361,177	¥ 11,004	¥ (22,088)	¥ 350,093
EBITDA	¥ 26,334	¥ 499	¥ (347)	¥ 766,961	¥ 7,756	¥ 44,930	¥ 819,647
Total Assets at March 31, 2014	¥568,772	¥105,907	¥345,074	¥10,666,766	¥ 5,037,172	¥(4,212,619)	¥ 11,491,319

Notes : 1. "All Other" principally consisted of the Corporate Staff Unit which provides financing services and operations services to external customers and/or to the companies and associated companies. Total assets of "All Other" at March 31, 2015 and 2014 consisted primarily of cash and 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 (Loss) 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. Since the year ended March 31, 2015, EBITDA has been disclosed by reportable segments as the information of the operating segments periodically reviewed by the management. EBITDA is comprised of the companies' (a) gross profit, (b) selling, general and administrative expenses, (c) dividend income, (d) share of profit of investments accounted for using the equity method as presented in Consolidated Statements of Income and (e) depreciation and amortization as presented in Consolidated Statements of Cash Flows.

Balance Sheets

(Millions of Yen)

	March 31, 2015	March 31, 2014(*)		March 31, 2015	March 31, 2014(*)
ASSETS			**LIABILITIES**		
Current Assets:			**Current Liabilities :**		
Cash and time deposits	¥ 834,783	¥ 762,825	Notes payable, trade	¥ 1,610	¥ 3,840
Notes receivable, trade	39,179	34,518	Accounts payable, trade	543,035	544,497
Accounts receivable, trade	739,162	717,012	Short-term borrowings	343,321	426,738
Inventories	165,198	132,077	Current portion of bonds	30,000	21,000
Prepaid expenses	3,061	2,976	Accounts payable, other	88,005	88,043
Short-term loans receivable	226,086	222,817	Accrued expenses	36,074	38,228
Income tax receivable	13,748	13,400	Advances from customers	9,085	7,128
Other	243,106	182,419	Deposits received	2,588	2,565
Allowance for doubtful receivables	(1,239)	(1,280)	Deferred income	9,188	10,718
Total current assets	**2,263,087**	**2,066,766**	Other	63,415	53,447
			Total current liabilities	**1,126,325**	**1,196,210**
Non-Current Assets:					
Tangible assets (net):			**Long-Term Liabilities:**		
Leased-out property	45,552	44,929	Bonds	322,682	313,400
Buildings	12,473	9,436	Long-term borrowings	2,313,618	2,071,226
Structures	197	259	Deferred tax liabilities - non-current	84,812	61,941
Machinery and equipment	2,342	3,221	Liability for retirement benefits	16,430	17,045
Vehicles	123	118	Allowances for the obligation for guarantees and commitments	25,514	35,505
Tools, furniture and fixtures	3,657	2,826	Other	36,673	38,659
Timberland	7,824	7,858	**Total long-term liabilities**	**2,799,731**	**2,537,779**
Land	23,057	24,283	**Total liabilities**	**3,926,057**	**3,733,989**
Construction in progress	679	171			
Total tangible assets (net)	95,909	93,105	**EQUITY**		
Intangible assets:			**Shareholders' Equity:**		
Software	11,941	14,850	Common stock	341,481	341,481
Other	1,683	1,801	Capital surplus:		
Total intangible assets	13,624	16,652	Capital reserve	367,758	367,758
Investments and other assets:			Total capital surplus	367,758	367,758
Investments in securities	622,860	522,462	Retained earnings:		
Investments in subsidiaries and associated companies	2,027,099	1,924,728	Legal reserve	27,745	27,745
Ownership in subsidiaries and associated companies	335,492	337,034	Other retained earnings:		
Long-term loans receivable	128,971	113,002	General reserve	176,851	176,851
Long-term accounts receivable	125,623	108,817	Special reserve	1,619	1,619
Other	56,631	53,161	Retained earnings - carry forward	786,888	572,641
Allowance for doubtful receivables	(87,401)	(68,115)	Total retained earnings	993,105	778,858
Total investments and other assets	3,209,278	2,991,092	Treasury stock	(5,739)	(55,715)
Total non-current assets	**3,318,812**	**3,100,850**	**Total shareholders' equity**	**1,696,605**	**1,432,383**
			Valuation and Translation Adjustments:		
			Net unrealized gains on available-for-sale securities	226,622	143,574
			Deferred losses on derivatives under hedge accounting	(267,601)	(142,330)
			Total valuation and translation adjustments	**(40,978)**	**1,243**
			Share Subscription Rights:		
			Share subscription rights	215	—
			Total share subscription rights	**215**	—
			Total equity	**1,655,842**	**1,433,627**
Total Assets	**¥5,581,899**	**¥5,167,617**	**Total Liabilities and Equity**	**¥5,581,899**	**¥5,167,617**

(*) Supplementary Information

Statements of Income

(Millions of Yen)

	Year ended March 31, 2015	Year ended March 31, 2014(*)
Sales	**¥4,413,063**	**¥ 4,597,257**
Cost of sales	**4,310,931**	**4,523,595**
Gross Profit	**102,131**	**73,661**
Selling, general and administrative expenses	**243,342**	**246,859**
Operating Loss	**(141,211)**	**(173,197)**
Non-Operating Income		
Interest income	5,537	5,091
Dividend income	476,302	364,772
Foreign exchange income	—	7,096
Gain on sales of tangible assets	775	349
Gain on sales of investments in securities and subsidiaries and associated companies	84,519	78,343
Gain on securities contributed to an employee retirement benefit trust	—	2,119
Gain on reversal of provision for the obligation for guarantees and commitments	8,933	—
Other	40,922	32,773
Total non-operating income	**616,991**	**490,546**
Non-Operating Expenses		
Interest expense	23,680	24,194
Foreign exchange loss	37,039	—
Loss on sales of tangible assets	285	524
Impairment loss	22	193
Loss on sales of investments in securities and subsidiaries and associated companies	896	509
Loss on write-down of investments in securities and subsidiaries and associated companies	40,210	33,927
Provision for doubtful receivables from subsidiaries and associated companies	18,648	22,320
Provision for the obligation for guarantees and commitments	—	6,443
Other	7,313	11,213
Total non-operating expenses	**128,097**	**99,326**
Ordinary Profit	**347,682**	**218,022**
Income before Income Taxes	**347,682**	**218,022**
Income taxes - current	(1,224)	(2,255)
Income taxes-deferred	(178)	(193)
Net Income	**¥ 349,085**	**¥ 220,470**

(*) Supplementary Information

Statements of Changes in Equity

Year ended March 31, 2015 (Millions of Yen)

	Shareholders' Equity							
	Common Stock	Capital Surplus		Retained Earnings				
					Other Retained Earnings			
		Capital Reserve	Total Capital Surplus	Legal Reserve	General Reserve	Special Reserve	Retained Earnings -Carry Forward	Total Retained Earnings
Balance at beginning of current year	**341,481**	**367,758**	**367,758**	**27,745**	**176,851**	**1,619**	**572,641**	**778,858**
Cumulative effect of changes in accounting policies							33,484	33,484
Balance at beginning of current year after changes in accounting policies	341,481	367,758	367,758	27,745	176,851	1,619	606,125	812,342
Changes of items during the year								
Cash dividends							(118,323)	(118,323)
Net income							349,085	349,085
Acquisition of treasury stock								
Disposal of treasury stock							0	0
Cancellation of treasury stock							(49,999)	(49,999)
Compensation costs related to stock options								
Net changes during the year of items in valuation and translation adjustments								
Total changes of items during the year	–	—	—	—	—	—	180,763	180,763
Balance at end of current year	**341,481**	**367,758**	**367,758**	**27,745**	**176,851**	**1,619**	**786,888**	**993,105**

	Shareholders' Equity		Valuation and Translation Adjustments				
	Treasury Stock	Total Shareholders' Equity	Net Unrealized Gains on Available-for-Sale Securities	Deferred Losses on Derivatives under Hedge Accounting	Total Valuation and Translation Adjustments	Share Subscription Rights	Total Equity
Balance at beginning of current year	**(55,715)**	**1,432,383**	**143,574**	**(142,330)**	**1,243**	—	**1,433,627**
Cumulative effect of changes in accounting policies		33,484					33,484
Balance at beginning of current year after changes in accounting policies	(55,715)	1,465,867	143,574	(142,330)	1,243	—	1,467,111
Changes of items during the year							
Cash dividends		(118,323)					(118,323)
Net income		349,085					349,085
Acquisition of treasury stock	(25)	(25)					(25)
Disposal of treasury stock	1	1					1
Cancellation of treasury stock	49,999	—					—
Compensation costs related to stock options						215	215
Net changes during the year of items in valuation and translation adjustments			83,048	(125,271)	(42,221)		(42,221)
Total changes of items during the year	49,975	230,738	83,048	(125,271)	(42,221)	215	188,732
Balance at end of current year	**(5,739)**	**1,696,605**	**226,622**	**(267,601)**	**(40,978)**	**215**	**1,655,842**

Year ended March 31, 2014 (Supplementary Information) (Millions of Yen)

	Shareholders' Equity							
	Common Stock	Capital Surplus		Retained Earnings				
		Capital Reserve	Total Capital Surplus	Legal Reserve	Other Retained Earnings			Total Retained Earnings
					General Reserve	Special Reserve	Retained Earnings -Carry Forward	
Balance at beginning of current year	**341,481**	**367,758**	**367,758**	**27,745**	**176,851**	**1,619**	**436,141**	**642,357**
Changes of items during the year								
Cash dividends							(83,970)	(83,970)
Net income							220,470	220,470
Acquisition of treasury stock								
Disposal of treasury stock							(0)	(0)
Net changes during the year of items in valuation and translation adjustments								
Total changes of items during the year	—	—	—	—	—	—	136,500	136,500
Balance at end of current year	**341,481**	**367,758**	**367,758**	**27,745**	**176,851**	**1,619**	**572,641**	**778,858**

	Shareholders' Equity		Valuation and Translation Adjustments			Total Equity
	Treasury Stock	Total Shareholders' Equity	Net Unrealized Gains on Available-for-Sale Securities	Deferred Losses on Derivatives under Hedge Accounting	Total Valuation and Translation Adjustments	
Balance at beginning of current year	**(5,690)**	**1,345,907**	**119,475**	**(59,332)**	**60,143**	**1,406,050**
Changes of items during the year						
Cash dividends		(83,970)				(83,970)
Net income		220,470				220,470
Acquisition of treasury stock	(50,025)	(50,025)				(50,025)
Disposal of treasury stock	1	1				1
Net changes during the year of items in valuation and translation adjustments			24,098	(82,998)	(58,899)	(58,899)
Total changes of items during the year	(50,024)	86,476	24,098	(82,998)	(58,899)	27,576
Balance at end of current year	**(55,715)**	**1,432,383**	**143,574**	**(142,330)**	**1,243**	**1,433,627**

Auditors' Report

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 11, 2015

To the Board of Directors of Mitsui & Co., Ltd.:

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant: Yoshio Sato

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant: Nobuaki Fuse

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant: Hidehito Goda

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant: Michiyuki Yamamoto

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements, namely, the consolidated statement of financial position as of March 31, 2015 of Mitsui & Co., Ltd. (the "Company") and its consolidated subsidiaries, and the consolidated statements of income, and changes in equity for the fiscal year from April 1, 2014 to March 31, 2015, and the related notes.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting which allows companies to prepare consolidated financial statements with the omission of a part of the disclosures required under International Financial Reporting 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk

assessments, the auditor considers internal control relevant to the preparation and fair presentation of the consolidated financial statements 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 internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion
In our opinion, the consolidated financial statements referred to above, prepared with the omission of a part of the disclosures required under International Financial Reporting Standards pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting, present fairly, in all material respects, the financial position of the Company and its consolidated subsidiaries as of March 31, 2015, and the results of their operations for the year then ended.

Interest
Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language and "the accompanying supplemental schedules" referred to in this report are not included in the attached financial documents.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 11, 2015

To the Board of Directors of Mitsui & Co., Ltd.:

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant: Yoshio Sato

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant: Nobuaki Fuse

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant: Hidehito Goda

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant: Michiyuki Yamamoto

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the financial statements, namely, the balance sheet as of March 31, 2015 of Mitsui & Co., Ltd. (the "Company"), and the related statements of income and changes in net assets for the 96th fiscal year from April 1, 2014 to March 31, 2015, and the related notes and the accompanying supplemental schedules.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements and the accompanying supplemental schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the accompanying supplemental schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements and the accompanying supplemental schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the accompanying supplemental schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the accompanying supplemental schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements and the accompanying supplemental schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the financial statements and the accompanying supplemental schedules 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 internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the accompanying supplemental schedules.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion
In our opinion, the financial statements and the accompanying supplemental schedules referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2015, and the results of its operations for the year then ended in accordance with accounting principles generally accepted in Japan.

Interest
Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language and "the accompanying supplemental schedules" referred to in this report are not included in the attached financial documents.

Corporate Auditors' Report

Having examined the Directors' performance of their duties during the 96th fiscal year from April 1, 2014 to March 31, 2015, we, the Board of Corporate Auditors, make this report as follows, based upon discussion on the basis of the auditors' reports submitted by the respective Corporate Auditors :

1. METHODS AND SUBSTANCE OF AUDIT BY CORPORATE AUDITORS AND BOARD OF CORPORATE AUDITORS

The Board of Corporate Auditors decided upon auditing policies, allocation of work duties, etc., received a report on the auditing work performed and its results from each Corporate Auditor, and received a report on their status of work executed from the Directors and the Independent Auditor and requested their explanations as necessary.

While conforming to the auditing standards as decided by the Board of Corporate Auditors, the auditing policies, the allocation of duties, etc., each Corporate Auditor endeavored to facilitate mutual understanding with the Directors, the internal auditing division, other employees and the Independent Auditor endeavored to collect information and to improve the auditing environment, attended the meetings of the Board of Directors and other important meetings, received reports on their status of work executed from the Directors and the employees and requested their explanations as necessary, inspected material internal decision-making documents, etc., and investigated the status of operations and assets of the headquarters and major business sites. In addition, regular reports were received and explanations given by directors and employees, and audits were conducted, including expressing opinions, covering the substance of decisions made by the Board of Directors with regard to "Necessary systems to ensure appropriate operations" (pursuant to Article 362(4)(6) of the Companies Act of Japan) and of the status of construction and operation of the systems actually developed on the basis of those decisions (the "internal control systems"). With respect to subsidiaries, we endeavored to facilitate mutual understanding and exchanging of information with their directors, corporate auditors, etc., and collected reports on their business as necessary. Based on the above methods, the business report and its supplementary schedules for the relevant fiscal year were examined.

In addition, we examined whether the independence of the Independent Auditor was maintained and whether appropriate audit was being undertaken, received reports from the Independent Auditor on the status of operations, and requested explanations as necessary. We also received reports from the Independent Auditor that "Necessary systems to ensure appropriate execution of operations" (pursuant to Article 131 of the Corporate Accounting Regulations of Japan) was duly developed in line with "Quality control standards for auditing" (issued by the Japan Corporate Accounting Council on October 28, 2005), and requested explanations as necessary. Based on the above methods, we examined the financial statements for the relevant fiscal year (the balance sheet, the statements of income, the changes in shareholders' equity and the notes to non-consolidated financial statements) and their supplementary schedules and then the consolidated financial statements for the relevant fiscal year (the consolidated balance sheet, the statements of consolidated income, the statements of consolidated shareholders' equity and the notes to consolidated financial statements).

Regarding internal control of financial reporting, the Directors and Deloitte Touche Tohmatsu LLC provided us with reports assessing the internal control procedures and audit status, as well as explanations where necessary.

2. RESULTS OF AUDIT

(1) Results of examination of the business report, etc.

a) In our opinion, the business report and its supplementary schedules are in conformity with the applicable laws and regulations of Japan and the Articles of Incorporation of the Company and fairly present the state of the Company's affairs;

b) We have found no misconduct or material fact constituting a violation of any applicable laws and regulations of Japan or the Articles of Incorporation in connection with the Directors' performance of their duties; and

c) In our opinion, the substance of the decisions made by the Board of Directors with regard to the internal control systems is appropriate. Furthermore, we find no matters that require noting with regard to the Directors' performance of their duties or the details contained in the Business Report in connection with the internal control systems.

(2) Results of examination of the financial statements and their supplementary schedules

In our opinion, the auditing methods used and the conclusions reached by the Independent Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

(3) Results of examination of the consolidated financial statements

In our opinion, the auditing methods used and the conclusions reached by the Independent Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

May 15, 2015

Board of Corporate Auditors
Mitsui & Co., Ltd.
Corporate Auditor (full time) Satoru Miura
Corporate Auditor (full time) Motonori Murakami
Corporate Auditor Kunihiro Matsuo
Corporate Auditor Hiroyasu Watanabe
Corporate Auditor Haruka Matsuyama

Note : Kunihiro Matsuo, Hiroyasu Watanabe and Haruka Matsuyama are External Corporate Auditors.

Reference Materials for the Exercise of Voting Rights

Proposed Resolutions and Related Information

【Items proposed by the Company (Items 1 through 3)】

Item 1: Dividend of Surplus for the 96th Fiscal Year

Regarding the distribution of profits, in order to increase corporate value and maximize shareholder value, we seek to maintain an optimal balance between meeting investment demand in our core and growth areas through the reinvestment of our retained earnings, and directly providing returns to shareholders by paying out cash dividends, with the consolidated dividend payout ratio as a specific indicator. Under the New Medium-term Management Plan announced in May 2014, we established a consolidated dividend payout ratio of 30%. In the fiscal year ended March 31, 2015, profit for the year attributable to owners of the parent was ¥306.5 billion, but we maintained an annual dividend of ¥64 per share (including an interim dividend of ¥32), calculated by applying the 30% dividend payout ratio to forecast consolidated earnings at the start of the year of ¥380.0 billion, and we intend to pay a year-end dividend of ¥32 per share for the 96th fiscal year as follows.

(1) Type of Dividend Payment

Cash

(2) Items Relating to Dividend Payment and the Total Amount Distributed to Shareholders

Payment of a dividend of ¥32.00 per ordinary share, for a total payment of ¥57,368,589,472

An interim dividend of ¥32.00 per ordinary share was paid in December 2014, which would result in an annual dividend for the 96th fiscal year of ¥64.00 per ordinary share.

(3) Date that the Dividend of Surplus Became Effective

June 22, 2015

Item 2: Election of Fourteen (14) Directors

The terms of office for all the current Directors will expire at the conclusion of the 96th Ordinary General Meeting of Shareholders. Accordingly, the Company proposes to elect fourteen (14) Directors.

Based on the deliberations of the Nomination Committee, which serves as an advisory body to the Board of Directors of the Company, the Board of Directors has selected the following candidates for the position of Director.

Candidate Number	Name (Date of Birth)	Information regarding the Candidate's Career, Current Position, Current Responsibilities	Important Concurrent Positions Held in Other Organizations
1	Masami Iijima (September 23, 1950)  Number of Company's Shares Held 72,717 Board of Directors meeting attendance during the year ended March 31, 2015 – 100% (attended all 16 meetings)	Apr. 1974 Joined Mitsui & Co., Ltd. Apr. 2006 Managing Officer; COO, Iron & Steel Raw Materials and Non-Ferrous Metals Business Unit Apr. 2007 Managing Officer; COO, Mineral& Metal Resources Business Unit Apr. 2008 Executive Managing Officer Jun. 2008 Representative Director; Executive Managing Officer Oct. 2008 Representative Director; Senior Executive Managing Officer Apr. 2009 Representative Director; President and Chief Executive Officer (CEO) Apr. 2015 Representative Director and Chairman (current position) **Reasons for appointment as Director:** Mr. Iijima has excellent expertise and track record in the Mineral & Metal Resources area, to which he has been assigned since joining the Company, and also possesses a character suitable for a manager in the Company. In addition, after being appointed to various roles, including the COO of Mineral & Metal Resources Business Unit, Mr. Iijima spent six (6) years as President of the Company from April 2009 to March 31, 2015, during which time he showed his excellent managerial skill, and was further appointed Chairman from April 2015 by resolution of the Board of Directors. For these reasons, we have selected Mr. Iijima as a candidate for another term as a Director. **Term of office for Director:** Seven (7) years (at the conclusion of this Ordinary General Meeting of Shareholders)	

Candidate Number	Name (Date of Birth)	Information regarding the Candidate's Career, Current Position, Current Responsibilities	Important Concurrent Positions Held in Other Organizations
2	Tatsuo Yasunaga (December 13, 1960)  Newly appointed Number of Company's Shares Held 13,579	Apr. 1983 Joined Mitsui & Co., Ltd. Apr. 2013 Managing Officer; COO, Integrated Transportation Systems Business Unit Apr 2015 President and Chief Executive Officer (CEO) (current position) **Reasons for appointment as Director:** Mr. Yasunaga has excellent expertise and track record in the Machinery & Infrastructure area, to which he has been assigned since joining the Company, and also possesses a character suitable for a manager in the Company. Mr. Yasunaga was also appointed President from April 2015 by resolution of the Board of Directors, in view of his excellent managerial skill accumulated through his experience in roles including secondment to the World Bank and affiliated companies, General Manager of Corporate Planning & Strategy Division, and COO of Integrated Transportation Systems Business Unit. For these reasons, we have selected Mr. Yasunaga as a candidate for the position of Director.	
3	Daisuke Saiga (March 16, 1955)  Number of Company's Shares Held 27,678 Board of Directors meeting attendance during the year ended March 31, 2015 – 100% (attended all 16 meetings)	Apr. 1977 Joined Mitsui & Co., Ltd. Apr. 2008 Managing Officer; General Manager, Human Resources & General Affairs Division Apr. 2010 Executive Managing Officer, Chief Compliance Officer (CCO) Jun. 2010 Representative Director; Executive Managing Officer; CCO Apr. 2012 Representative Director; Senior Executive Managing Officer Apr. 2014 Representative Director; Executive Vice President (current position) **Current responsibilities:** Iron & Steel Products Business Unit, Consumer Service Business Unit **Reasons for appointment as Director:** Mr. Saiga has excellent expertise and track record in the Iron & Steel Products area, to which he has been assigned since joining the Company, and also possesses a character suitable for being a part of the Company's management team. In addition, Mr. Saiga has accumulated excellent managerial skill through his experience in roles including General Manager of Human Resources & General Affairs Division, and CCO. For these reasons, we have selected Mr. Saiga as a candidate for another term as a Director. **Term of office for Director:** Five (5) years (at the conclusion of this Ordinary General Meeting of Shareholders)	

Candidate Number	Name (Date of Birth)	Information regarding the Candidate's Career, Current Position, Current Responsibilities	Important Concurrent Positions Held in Other Organizations
4	Masayuki Kinoshita (April 11, 1954)  Number of Company's Shares Held 31,374 Board of Directors meeting attendance during the year ended March 31, 2015 – 100% (attended all 16 meetings)	Apr. 1978 Joined Mitsui & Co., Ltd. Apr. 2008 Managing Officer; COO, Mineral & Metal Resources Business Unit; General Manager, Planning & Administrative Division, Mineral & Metal Resources Business Unit May 2008 Managing Officer; COO, Mineral & Metal Resources Business Unit Apr. 2010 Executive Managing Officer; COO, Mineral & Metal Resources Business Unit Apr. 2011 Executive Managing Officer; Chief Information Officer (CIO); Chief Privacy Officer (CPO) Jun. 2011 Representative Director; Executive Managing Officer; CIO; CPO Apr. 2012 Representative Director; Senior Executive Managing Officer; CIO; CPO Apr. 2014 Representative Director; Executive Vice President; CIO; CPO (current position) **Current responsibilities:** Corporate Staff Unit (Corporate Planning & Strategy Division, Information Technology Promotion Division, Environmental•Social Contribution Division, Corporate Communications Division, Investment Administrative Division, Business Supporting Unit (Each Planning & Administrative Division)); Business Innovation & Incubation; Environmental Matters **Reasons for appointment as Director:** Mr. Kinoshita has excellent expertise and track record in the Mineral & Metal Resources area, to which he has been assigned since joining the Company, and also possesses a character suitable for being a part of the Company's management team. In addition, Mr. Kinoshita has accumulated excellent managerial skill through his experience in roles including General Manager of Corporate Planning & Strategy Division and COO of Mineral & Metal Resources Business Unit. For these reasons, we have selected Mr. Kinoshita as a candidate for another term as a Director. **Term of office for Director:** Four (4) years (at the conclusion of this Ordinary General Meeting of Shareholders)	

Candidate Number	Name (Date of Birth)	Information regarding the Candidate's Career, Current Position, Current Responsibilities	Important Concurrent Positions Held in Other Organizations
5	Shintaro Ambe (August 31, 1952)  Number of Company's Shares Held 24,083 Board of Directors meeting attendance during the year ended March 31, 2015– 94% (15 of 16 meetings)	Apr. 1977 Joined Mitsui & Co., Ltd. Apr. 2009 Managing Officer; COO, Infrastructure Projects Business Unit Apr. 2011 Executive Managing Officer; COO, Infrastructure Projects Business Unit Apr. 2012 Executive Managing Officer Jun. 2012 Representative Director; Executive Managing Officer Apr. 2013 Representative Director; Senior Executive Managing Officer Apr. 2014 Representative Director; Executive Vice President (current position) **Current responsibilities:** Infrastructure Projects Business Unit; Integrated Transportation Systems Business Unit; IT & Communication Business Unit; Corporate Development Business Unit **Reasons for appointment as Director:** Mr. Ambe has excellent expertise and track record in the Machinery & Infrastructure area, to which he has been assigned since joining the Company, and also possesses a character suitable for being a part of the Company's management team. In addition, Mr. Ambe has accumulated excellent managerial skill through his experience in roles including COO of Infrastructure Projects Business Unit. For these reasons, we have selected Mr. Ambe as a candidate for another term as a Director. **Term of office for Director:** Three (3) years (at the conclusion of this Ordinary General Meeting of Shareholders)	

Candidate Number	Name (Date of Birth)	Information regarding the Candidate's Career, Current Position, Current Responsibilities	Important Concurrent Positions Held in Other Organizations
6	Hiroyuki Kato (April 28, 1956)  Number of Company's Shares Held 27,049 Board of Directors meeting attendance since becoming Director in June 2014 – 100% (attended all 12 meetings)	Apr. 1979 Joined Mitsui & Co., Ltd. Apr. 2010 Managing Officer; COO, Energy Business Unit I Apr. 2012 Executive Managing Officer; COO, Energy Business Unit I Apr. 2014 Senior Executive Managing Officer Jun. 2014 Representative Director; Senior Executive Managing Officer (current position) **Current responsibilities:** Mineral & Metal Resources Business Unit; Energy Business Unit I; Energy Business Unit II; Domestic Offices and Branches **Reasons for appointment as Director:** Mr. Kato has excellent expertise and track record in the Mineral & Metal Resources area and Energy area, to which he has been assigned since joining the Company, and also possesses a character suitable for being a part of the Company's management team. In addition, Mr. Kato has accumulated excellent managerial skill through his experience in roles including COO of Energy Business Unit I. For these reasons, we have selected Mr. Kato as a candidate for another term as a Director. **Term of office for Director:** One (1) year (at the conclusion of this Ordinary General Meeting of Shareholders)	
7	Yoshihiro Hombo (March 19, 1957)  Number of Company's Shares Held 19,986 Board of Directors meeting attendance since becoming Director in June 2014 – 100% (attended all 12 meetings)	Apr. 1979 Joined Mitsui & Co., Ltd. Apr. 2010 Managing Officer; COO, Basic Chemicals Business Unit Apr. 2012 Executive Managing Officer; General Manager, Investment Administration Division Apr. 2014 Senior Executive Managing Officer Jun. 2014 Representative Director; Senior Executive Managing Officer (current position) **Current responsibilities :** Basic Chemicals Business Unit; Performance Chemicals Business Unit; Food Resources Business Unit; Food Products & Services Business Unit **Reasons for appointment as Director:** Mr. Hombo has excellent expertise and track record in the Chemicals area, to which he has been assigned since joining the Company, and also possesses a character suitable for being a part of the Company's management team. In addition, Mr. Hombo has accumulated excellent managerial skill through his experience in roles including COO of Basic Chemicals Business Unit and General Manager of Investment Administration Division. For these reasons, we have selected Mr. Hombo as a candidate for another term as a Director. **Term of office for Director:** One (1) year (at the conclusion of this Ordinary General Meeting of Shareholders)	

Candidate Number	Name (Date of Birth)	Information regarding the Candidate's Career, Current Position, Current Responsibilities	Important Concurrent Positions Held in Other Organizations
8	Makoto Suzuki (April 13, 1958)  Newly appointed Number of Company's Shares Held 37,553	Apr. 1981 Joined Mitsui & Co., Ltd. Apr. 2011 Managing Officer; Chief Representative of Mitsui & Co., Ltd. in South West Asia Apr. 2013 Executive Managing Officer; Chief Representative of Mitsui & Co., Ltd. in South West Asia Apr. 2015 Senior Executive Managing Officer; CCO (current position) **Current responsibilities:** Corporate Staff Unit (Secretariat, Corporate Auditor Division, Human Resources & General Affairs Division, Legal Division, Trade & Logistics Control Division, Corporate Logistics Development Division); BCM (Business Continuity Management); New Headquarter Project **Reasons for appointment as Director:** Mr. Suzuki has excellent expertise and track record in the Machinery & Infrastructure area, to which he has been assigned since joining the Company, and also possesses a character suitable for being a part of the Company's management team. In addition, Mr. Suzuki has accumulated excellent managerial skill through his experience in roles including Chief Representative of Mitsui & Co., Ltd. in South West Asia. For these reasons, we have selected Mr. Suzuki as a candidate for the position of Director.	
9	Keigo Matsubara (December 10, 1955)  Newly appointed Number of Company's Shares Held 7,558	Apr. 1979 Joined Mitsui & Co., Ltd. Apr. 2012 Managing Officer; Deputy CFO; General Manager, Global Controller Division Apr. 2015 Executive Managing Officer; Chief Financial Officer (CFO) (current position)) **Current responsibilities:** Corporate Staff Unit (CFO Planning & Administrative Division, Global Controller Division, Finance Division, Risk Management Division, Investor Relations Division, Business Supporting Unit (Each Financial Management & Advisory Division)) **Reasons for appointment as Director:** Mr. Matsubara has excellent specialist knowledge in accounting and financial operations, to which he has been assigned since joining the Company, and also possesses a character suitable for being a part of the Company's management team. In addition, Mr. Matsubara has accumulated excellent managerial skill through his experience in roles including General Manager of Financial Planning & Administrative Division, General Manager of Global Controller Division, and Deputy CFO. For these reasons, we have selected Mr. Matsubara as a candidate for the position of Director.	

Candidate Number	Name (Date of Birth)	Information regarding the Candidate's Career, Current Position, Current Responsibilities	Important Concurrent Positions Held in Other Organizations
10	Ikujiro Nonaka (May 10, 1935)  External Director Candidate Independent Director Number of Company's Shares Held 18,739 Board of Directors meeting attendance during the year ended March 31, 2015– 100% (attended all 16 meetings)	Apr. 1958 Joined Fuji Electric Co., Ltd. Apr. 1977 Professor, Management Faculty, Nanzan University Jan. 1979 Professor, National Defense Academy of Japan Apr. 1982 Professor, Institute of Business Research, Hitotsubashi University Apr. 1995 Professor, Graduate School of Knowledge Science, JAIST May 1997 Xerox Distinguished Professor in Knowledge, Walter A. Haas School of Business, University of California, Berkeley (current position) Apr. 2000 Professor, Graduate School of International Corporate Strategy, Hitotsubashi University Apr. 2006 Professor Emeritus , Hitotsubashi University (current position) Jan. 2007 First Distinguished Drucker Scholar in Residence, Drucker School of Claremont Graduate University (current position) Jun. 2007 External Director, Mitsui & Co., Ltd. (current position) Apr. 2012 Specially Appointed Professor, Waseda University (current position) **Reasons for appointment as External Director:** Mr. Nonaka is being nominated as an External Director so that the management may benefit from his deep insight and supervisory capabilities related to management gained over the years as an expert in international corporate strategy. Although Mr. Nonaka has no direct experience of participated in corporate management, he is deemed able to carry out the duties of an External Director by providing management with appropriate advice from a broad perspective that reaches beyond the industries in which the Company operates as well as by exercising an independent oversight function. **Term of office for Director:** Eight (8) years (at the conclusion of this Ordinary General Meeting of Shareholders)	Professor Emeritus, Hitotsubashi University External Director, Trend Micro Incorporated

Candidate Number	Name (Date of Birth)	Information regarding the Candidate's Career, Current Position, Current Responsibilities	Important Concurrent Positions Held in Other Organizations
11	Hiroshi Hirabayashi (May 5, 1940)  External Director Candidate Independent Director Number of Company's Shares Held 13,354 Board of Directors meeting attendance during the year ended March 31, 2015 – 100% (attended all 16 meetings))	Apr. 1963 Entered Ministry of Foreign Affairs Aug. 1993 Director-General, Economic Cooperation Bureau, Ministry of Foreign Affairs Jan. 1998 Ambassador Extraordinary and Plenipotentiary to India and to Bhutan Sep. 2002 Ambassador Extraordinary and Plenipotentiary to France and to Andorra Jan. 2003 Ambassador Extraordinary and Plenipotentiary to Djibouti Jun. 2006 Ambassador in Charge of Inspection, Ministry of Foreign Affairs Apr. 2007 Retired from Ministry of Foreign Affairs Jun. 2007 External Director, Mitsui & Co., Ltd. (current position); President, The Japan-India Association (current position) Jun. 2009 Vice President, The Japan Forum on International Relations, Inc. May 2015 Chairman, Japan Forum for Strategic Studies (current position) **Reasons for appointment as External Director:** Mr. Hirabayashi is being nominated as an External Director so that the management may benefit from his wealth of international experience and knowledge gained over the years as a diplomat. Although Mr. Hirabayashi has no direct experience of participating in corporate management, he is deemed able to carry out the duties of an External Director by providing management with appropriate advice from abroad perspective that reaches beyond the industries in which the Company operates as well as by exercising an independent oversight function. **Term of office for Director:** Eight (8) years (at the conclusion of this Ordinary General Meeting of Shareholders)	President, The Japan-India Association Chairman, Japan Forum for Strategic Studies

Candidate Number	Name (Date of Birth)	Information regarding the Candidate's Career, Current Position, Current Responsibilities	Important Concurrent Positions Held in Other Organizations
12	Toshiro Muto (July 2, 1943)  External Director Candidate Independent Director Number of Company's Shares Held 8,256 Board of Directors meeting attendance during the year ended March 31, 2015– 75% (12 of 16 meetings)	Apr. 1966 Entered Ministry of Finance Jul. 1999 Director-General of the Budget Bureau, Ministry of Finance Jun. 2000 Administrative Vice Minister, Ministry of Finance Jan. 2003 Retired from Ministry of Finance Special Advisor, Ministry of Finance Mar. 2003 Deputy Governor, Bank of Japan Mar. 2008 Retired from Deputy Governor, Bank of Japan Jul. 2008 Chairman, Daiwa Institute of Research Ltd. (current position) Apr. 2009 Director, Principal, The Kaisei Academy Jun. 2010 External Director, Mitsui & Co., Ltd. (current position)) **Reasons for appointment as External Director:** Mr. Muto is being nominated as an External Director so that the management may benefit from his deep insight into fiscal and monetary affairs, as well as in economics in general, gained over the years at the Ministry of Finance and the Bank of Japan. Although Mr. Muto has no direct experience of participating in corporate management, he is deemed able to carry out the duties of an External Director by providing management with appropriate advice from a broad perspective that reaches beyond the industries in which the Company operates as well as by exercising an independent oversight function. **Term of office for Director:** Five (5) years (at the conclusion of this Ordinary General Meeting of Shareholders)	Chairman, Daiwa Institute of Research Ltd. CEO and Director General, the Tokyo Organising Committee of the Olympic and Paralympic Games
13	Izumi Kobayashi (January 18, 1959)  External Director Candidate Independent Director Number of Company's Shares Held 481 Board of Directors meeting attendance since becoming Director in June 2014 – 100% (attended all 12 meetings))	Apr. 1981 Joined Mitsubishi Chemical Industries, Ltd. (currently Mitsubishi Chemical Corporation) Jun. 1985 Joined Merrill Lynch Futures Japan Inc. Dec. 2001 President, Merrill Lynch Japan Securities Co., Ltd. Jul. 2002 External Director, Osaka Securities Exchange Co., Ltd. Nov. 2008 Executive Vice President, Multilateral Investment Guarantee Agency, World Bank Group Jun. 2014 External Director, Mitsui & Co., Ltd. (current position) Apr. 2015 Vice Chairperson, Japan Association of Corporate Executives (current position) **Reasons for appointment as External Director:** Ms. Kobayashi is being nominated for External Director so that management may benefit from her wide-ranging knowledge and experience gained over the years both in Japan and overseas as a representative of private sector financial institutions and a multilateral development bank. **Term of office for Director:** One (1) year (at the conclusion of this Ordinary General Meeting of Shareholders)	External Director, ANA HOLDINGS INC. External Director, Suntory Holdings Limited

Candidate Number	Name (Date of Birth)	Information regarding the Candidate's Career, Current Position, Current Responsibilities	Important Concurrent Positions Held in Other Organizations
14	Jenifer Rogers (June 22, 1963)  Newly appointed External Director Candidate Independent Director Number of Company's Shares Held 0	Sep. 1989 Joined Haight Gardner Poor & Havens (currently Holland & Knight LLP) Dec. 1990 Registered as Attorney at Law admitted in New York Feb. 1991 Joined Industrial Bank of Japan Limited, New York Branch (currently Mizuho Bank) Dec. 1994 Joined Merrill Lynch Japan Securities Co., Ltd. Nov. 2000 Merrill Lynch Europe Plc Jul. 2006 Bank of America Merrill Lynch (Hong Kong) Nov. 2012 General Counsel, NEW Asurion Asia Pacific Japan LLC (current position) Reasons for appointment as External Director: Ms. Rogers is being nominated for External Director so that management may benefit from her global perspective gained over the years at international financial institutions and her knowledge and experience gained over the years through the work experiences etc, in Japanese companies.	

Notes :

1. Among the candidates for director, Mr. Ikujiro Nonaka, Mr. Hiroshi Hirabayashi, Mr. Toshiro Muto, Ms. Izumi Kobayashi, and Ms. Jenifer Rogers are candidates for External Director. Each of these candidates meets the standards set by the Company for selection as External Director.
2. The Company has submitted filings with the domestic stock exchanges on which it is listed designating four candidates for External Director, Mr. Nonaka, Mr. Hirabayashi, Mr. Muto, and Ms. Kobayashi, as independent Directors. Moreover, the Company will submit filings with the domestic stock exchanges on which it is listed designating Ms. Rogers as Independent Director.
3. The Company has entered into agreements with Mr. Nonaka, Mr. Hirabayashi, Mr. Muto, and Ms. Kobayashi pursuant to Article 427(1) of the Companies Act of Japan, to limit their liability to the minimum amount of liability as stipulated in Article 425(1) of the Companies Act. Upon approval of this Item, the aforementioned limited liability agreements shall be continued and the same limited liability agreement shall be newly executed with Ms. Rogers.
4. Mr. Hirabayashi's eldest daughter is an employee (in a non-managerial position) of the Company.
5. The Company paid a membership fee to The Japan-India Association, of which Mr. Hirabayashi has been serving as the President since June 2007, however, the amount is small. The Company paid a membership fee and made financial contributions to the Japan Association of Corporate Executives at which Ms. Kobayashi served as Vice Chairperson from May 2007 to April 2009, and at which she has served in the same position since April 2015, however, the amount is small. There is no special interest between each of the candidates for External Director and the organizations at which the candidates for External Director are concurrently posted, and the Company that would interfere with or raise problems with regard to their performance of their duties as External Directors.
6. Mr. Kato's name as it appears in his family registry is written with a different character in Japanese.

Item 3: Election of Three (3) Corporate Auditors

Corporate Auditor Kunihiro Matsuo will be retired, and the term of office of Corporate Auditor Satoru Miura and Motonori Murakami will expire as of the conclusion of the 96th Ordinary General Meeting of Shareholders. Accordingly, the Company newly proposes to elect three (3) Corporate Auditors.

The candidates for Corporate Auditors follow below. This nomination has been consented to by the Board of Corporate Auditors.

Candidate Number	Name (Date of Birth)	Information Regarding the Candidate's Career, Current Position	Important Concurrent Positions held in Other Organizations
1	Joji Okada (October 10, 1951)  Newly appointed Number of Company's Shares Held 40,771	Apr. 1974 Joined Mitsui & Co., Ltd. Apr. 2008 Managing Officer; General Manager, Accounting Division Apr. 2009 Managing Officer; Deputy CFO; General Manager, Global Controller Division Apr. 2010 Executive Managing Officer; Deputy CFO; General Manager, Global Controller Division Apr. 2011 Executive Managing Officer; CFO Jun. 2011 Representative Director; Executive Managing Officer; CFO Apr. 2012 Representative Director; Senior Executive Managing Officer; CFO Apr. 2014 Representative Director; Executive Vice President; CFO Apr. 2015 Director (current position) Reasons for appointment as Corporate Auditor: Mr. Okada has excellent specialist knowledge in accounting and financial operations, to which he has been assigned since joining the Company. In addition, Mr. Okada has been a part of the Company's management team as CFO, and has the ability to carry out appropriate auditing, with deep insight into the Company's affairs. For these reasons, we have selected Mr. Okada as a candidate for the position of Corporate Auditor.	

Candidate Number	Name (Date of Birth)	Information Regarding the Candidate's Career, Current Position	Important Concurrent Positions held in Other Organizations
2	Takashi Yamauchi (May 3, 1951)  Newly appointed Number of Company's Shares Held 39,033	Apr. 1976 Joined Mitsui & Co., Ltd. Apr. 2008 Managing Officer; COO, Iron & Steel Products Business Unit Apr. 2010 Executive Managing Officer; COO, Transportation Logistics Business Unit Apr. 2011 Executive Managing Officer; COO, Asia Pacific Business Unit Apr. 2013 Senior Executive Managing Officer; COO, Asia Pacific Business Unit Apr. 2014 Executive Vice President; COO, Asia Pacific Business Unit Apr. 2015 Executive Vice President; Corporate Auditor Division (current position) **Reasons for appointment as Corporate Auditor:** Mr. Yamauchi has excellent expertise and track record in the Iron & Steel Products Division, to which he has been assigned since joining the Company. In addition, Mr. Yamauchi has been a part of the Company's management team as COO of Asia Pacific Business Unit, and has the ability to carry out appropriate auditing, with deep insight into the Company's affairs. For these reasons, we have selected Mr. Yamauchi as a candidate for the position of Corporate Auditor.	
3	Hiroshi Ozu (July 21, 1949)  Newly appointed External Corporate Auditor Candidate Independent Corporate Auditor Number of Company's Shares Held 0	Apr. 1974 Appointed as Public Prosecutor Jul. 2007 Vice Minister of Justice Jul. 2012 Attorney General Sep. 2014 Registered as Attorney at Law **Reasons for appointment as External Corporate Auditor:** Mr. Ozu is being nominated for External Corporate Auditor so that management may benefit from his objective audit opinions from an independent and neutral perspective based on his knowledge and experience gained over the years as a public prosecutor. Although Mr. Ozu has no direct experience participating in corporate management, he is deemed able to appropriately carry out the duties of External Corporate Auditor by providing management with valuable opinions and advice.	

Notes :

1. Mr. Hiroshi Ozu is a candidate for the position of External Corporate Auditor. Mr. Ozu meets the standards set by the Company for selection as an External Corporate Auditor. The Company will submit filings with the domestic stock exchanges on which it is listed designating Mr. Ozu as Independent Corporate Auditor.
2. Upon approval of this Item, the Company will enter into an agreement with Mr. Ozu pursuant to Article 427(1) of the Companies Act of Japan, to limit his liability to the minimum amount of liability as stipulated in Article 425(1) of the Companies Act.
3. There is no special interest between Mr. Ozu and the organizations at which Mr. Ozu is concurrently posted, and the Company that would interfere with or raise problems with regard to his performance of his duties as an External Corporate Auditor.

【Reference: Selection Standards for External Directors and External Corporate Auditors】

【Selection Standards for External Directors】

1) The Company has decided that as the selection standard for External Directors, the prospective person's extensive business experience and knowledge is required to deliberate on such board meeting proposals as investments and loans, and knowledge of his or her particular area of business should be used.
2) The Company has decided that in selecting External Directors, Mitsui should put great value on ensuring their independence 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 shall take into consideration the fields from which candidates originate, along with their gender.
3) Given that Mitsui is a general trading company with extensive business dealings, it has been decided to make appropriate efforts by the Board of Directors to handle with likely conflicts of interest involving the prospective External Director in individual transactions with external parties.

【Selection Standards for External Corporate Auditors】

The External Corporate Auditors shall be selected with the objective of further heightening the neutrality and independence of the auditing system, and in particular it is expected that the external auditors will give objective voice to their auditing opinions from the standpoint of neutrality, building on such factors as that independence. When selecting candidates for External Corporate Auditors, the Board of Corporate Auditors shall confirm that no issues with independence arise by taking into consideration such factors as relations with the company, management and important staff members.

The full text of Mitsui & Co., Ltd.'s Corporate Governance and Internal Control Principles, in which the above are stipulated, is available on the Company's website.
(http://www.mitsui.com/jp/en/company/governance/system/__icsFiles/afieldfile/2015/04/02/corp_gov_e.pdf)

【Items proposed by a shareholder (Items 4 through 12)】

Items 4 through 12 were proposed by one shareholder.

The title of each Item and its purpose, details and reasons are shown below in the order of proposal and in its original wording as submitted by the proposing shareholder, excluding any change in proposal number.

◆ Opinion of the Board of Directors on shareholder proposals :

The Board of Directors opposes all of Items 4 through 12.

The Board of Directors believes that the Company, as a general trading company, contributes to the shared interests of shareholders by realizing mid- to long-term growth and increasing corporate value by cultivating and developing new business agilely responding the times and to changes in the operating environment. To achieve this, quick managerial decisions and execution of duties in step with current trends are necessary. Under the Companies Act, it is the basic principle that the execution of the business operation of the company is made in accordance with the decisions of the meeting of the Board of Directors. At the Company's Board of Directors meetings, there is active debate with the attendance of multiple External Directors and External Corporate Auditors with a wide range of backgrounds, who are appointed by the shareholders of the Company, and there exists a framework for making appropriate management decisions and determination of business execution, while performing duties and responsibilities related to corporate governance. Therefore, we believe that the matters relating to the shareholder proposals would be best handled based on quick managerial decisions and execution of duties by the Board of Directors elected by the shareholders as well as the corporate managers appointed by the Board of Directors.

For individual opinions of the Board of Directors with regard to these Items, please refer to the descriptions of each Item.

Item 4 : Partial Amendment to the Articles of Incorporation (Addition to the Object of the Company in the Articles of Incorporation

(Company Note) The purpose, details and reasons of proposal are shown in its original wording as submitted by the proposing shareholder.

(1) Purpose of the proposal

In preparation for future business, "Object of the Company" provided for in Article 2 of Chapter 1 "General Provisions" of the current Articles of Incorporation shall be partially amended.

(2) Details of the proposal

Details of the amendment are as follows.

(The underlined portions are changes.)

Chapter 1. General Provisions

(Object of the Company)

Article 2. The object of the Company shall be to engage in the following business :

In order to obtain the trust of consumers and society, the Company shall proactively pursue compliance in its business management and carry out highly transparent business operations.

(3) Reasons for the proposal

The Company has built up reputation as a "good company" over a long period of years through the efforts of various predecessors. However, in this rapidly changing world, there have been frequent instances of misconduct in recent times, and the issue of the importance of obeying social rules and behaving as an organization has truly started to come under scrutiny. It is necessary for the Company, which operates businesses round the clock in various regions of the world, to fully face up various problems, proactively overcome them, and make the results known widely in society. If a company is satisfied with merely formulating a "voluntary code of conduct" to prevent company

misconduct, it will be left behind the times. I propose that the Company clearly show society its resolve to address such issues, and that it clearly indicate its resolve to operate fair and responsible businesses in its Articles of Incorporation.

◆ **Opinion of the Board of Directors: We oppose Item 4.**

The Company positions the securing of a compliance structure as an important management issue, in the belief that trust is the foundation of business, and compliance is an essential qualification for protecting trust. In order that the entire Group, including group companies, may continue to be a corporate group that has the full trust of society, we are focused on ensuring that every single employee is fully aware of compliance, and building a compliance structure on a global group base. As specific policies aimed at improving the compliance structure, we have established a Compliance Committee with the CCO as its Chairman, and also manage compliance through regular line of management at business division and department level. In addition, we have established Compliance Supervising Officers at domestic and overseas business units, branch offices, and others. Going forward, we intend to aggressively implement policies aimed at improving the compliance structure, centered on the Compliance Committee, and believe there is no need to establish an amendment to the Articles of Incorporation. We therefore are opposed to this Item as the Board of Directors.

Item 5 : Partial Amendment to the Articles of Incorporation (Addition to the Object of the Company in the Articles of Incorporation)

(Company Note) The purpose, details and reasons of proposal are shown in its original wording as submitted by the proposing shareholder.

(1) Purpose of the proposal

In preparation for future corporate management, paragraph 27 shall be added to "Object of the Company" provided for in Article 2 of Chapter 1 of the current Articles of Incorporation.

(2) Details of the proposal

Establishment of Fukushima Daiichi Nuclear Power Plant (Fukushima Daiichi) Accident Response Business Unit

(3) Reasons for the proposal

The Company carried out work in the 1970s as an agent of GE, the main contractor, in the construction of Fukushima Daiichi Units 1, 2 and 6. Later, Fukushima Daiichi was hit by an unprecedented catastrophe. The emergency power source was flooded and the cooling function was lost. Subsequently, there was a hydrogen explosion at reactor building of Unit 1 (March 12, 2011), a large external emission of radioactive material from Unit 2 (6:00 am on March 15, 2011) and a continuing nuclear meltdown of the reactor. Even now, at least 400 tons of groundwater is flooding into the basements of the building each day, and in February 2015 it was discovered that highly contaminated water had flooded by accident into the ocean from a drainage system. In the past year, the natural environment has been put in a situation in which it is difficult to say that the radiation is being controlled. Little progress is being made in countermeasures against contaminated water, which constitute preliminary action in decommissioning the power plant, and the victims of the accident are still suffering its effects. It is time to repay Fukushima. I propose that the Company urgently establish a Fukushima Daiichi Nuclear Power Plant Accident Response Business Unit in order to flexibly supply necessities for daily life and necessary goods, technologies, services and the like using the worldwide network of the Company, not only to the victims of the Fukushima Daiichi nuclear accident but also to residents of the affected areas.

◆ **Opinion of the Board of Directors: We oppose Item 5.**

The Articles of Incorporation of a stock company determine the basic matters of that company. Meanwhile, the specific field in which the Company engages in business is a matter relating to business execution that requires a swift and appropriate response, and which we believe should be responded to flexibly by the Board of Directors based on appropriate information, not determined by the Articles of Incorporation, which require a special resolution by the General Meeting of Shareholders to change. As a general trading company that engages in many diverse businesses, the Company will need to quickly develop new business areas in future, but the passage of this Item would result in excessive indications to the Object of the Company in the Articles of Incorporation, hindering the flexibility of management, and harming the shared interests of shareholders. Meanwhile, judging from the composition of the Board of Directors of the Company, there is no danger of harm to the shared interests of shareholders, even when designated to determination of business execution at the Board of Directors. We therefore are opposed to this Item as the Board of Directors.

Furthermore, the Company already provides ongoing support to disaster-stricken areas within the scope of the existing Object of the Company, and thus from this viewpoint, there is no need for an amendment to the Articles of Incorporation.

Item 6 : Partial Amendment to the Articles of Incorporation (Addition to the Object of the Company in the Articles of Incorporation)

(Company Note) The purpose, details and reasons of proposal are shown in its original wording as submitted by the proposing shareholder.

(1) Purpose of the proposal

In preparation for future corporate management, paragraph 5 shall be newly added to Article 4 of Chapter 1 "General Provisions" of the current Articles of Incorporation.

(2) Details of the proposal

5. Corporate Ethics Committee

(Number of committee members) A total of 8 members publicly invited, consisting of 3 general employees, 3 employees holding managerial post and 2 External Directors. The committee shall inspect overseas businesses, and, by a majority, report results to the management, and provide rectification recommendations and opinions on the form the Company should be. The management shall not refuse the recommendations and opinions of the committee without reasonable grounds.

(3) Reasons for the proposal

It is difficult for the head office to keep an accurate grasp of the businesses the Company is operating overseas. Incidents including a bribe given to a government party's treasurer by the parent company of a partner company in the Spain solar power project, and bid-rigging in the bidding process for railway maintenance and management in Brazil (the public prosecutor pointed out that, although Mitsui did not participate in the bidding, "there is proof that it was involved in the bid-rigging," according to Jiji Press De Sao Paulo) suggest that compliance at the Company's overseas businesses is in a parlous state. There have been no appropriate explanations from the Company. The shareholders are anxious about the direction of the management of these businesses. Regarding the Spain incident, this question was also asked at the General Meeting of Shareholders two years ago. The answer to this was: "we are aware from media reports that an investigation is underway into whether there was an improper donation made by the former president of a Group company. At present there is no further information. We will continue to monitor this matter." There is a lack of urgency apparent in this answer. In order to prevent similar scandals, I propose the establishment of a Corporate Ethics Committee that is independent from management and inspects businesses in a timely and appropriate manner from the perspectives of social fairness and compliance with corporate ethics.

◆ **Opinion of the Board of Directors: We oppose Item 6.**

The establishment of an internal structure for corporate ethics is a matter relating to business execution that requires a swift and appropriate response, and which we believe should be responded to flexibly by the Board of Directors based on appropriate information, not determined by the Articles of Incorporation, which require a special resolution by the General Meeting of Shareholders to change. The Company has already established a Compliance Committee with external attorneys as observers, as a place for the discussion of general matters related to compliance, including corporate ethics. Also, in addition to business management both in Japan and overseas by the departments in charge, Internal Auditing Division, under the direct control of the President carrys out the independent and objective evaluation and appropriate management of areas including the effectiveness of management and business operations, the effectiveness of the compliance structure, and the reliability of financial reporting. We thus believe there is no need to establish a new committee. We therefore are opposed to this Item as the Board of Directors.

Item 7 : Partial Amendment to the Articles of Incorporation (Deletion of Provisions from the Articles of Incorporation

(Company Note) The purpose, details and reasons of proposal are shown in its original wording as submitted by the proposing shareholder.

(1) Purpose of the proposal

To restore shareholder governance, Article 7 "Acquisition of Company Shares by Resolution of the Board of Directors" in Chapter 2 "Shares" of the Articles of Incorporation shall be deleted.

(2) Details of the proposal

Deletion of Article 7 (the Company may acquire its own shares through market transactions or otherwise following a resolution by the Board of Directors)

(3) Reasons for the proposal

This proposal received 16.7% approval (2,180,000 voting rights) at last year's General Meeting of Shareholders. Although the proposal was refused, a relatively significant number of shareholders approved the proposal. The Company sidestepped the issue by saying that it would "consider this flexibly in light of the management environment from time to time," but in the past year, the Company has not even given a hint of doing so. "Shareholder returns" is merely used as a hackneyed expression while the stock price falls, and drops in raw material prices exacerbate this further. Stating that "we will decide this appropriately at the Board of Directors" seems to have been an empty promise. The repurchase of shares worth ¥50 billion in February of last year is no excuse. While our Management spares no expense using up bountiful cash flows to rebuild the head office building (approximately ¥170 billion), they rested on their laurels as holders of the absolute right of "corporate managers" to maintain the "resolution of the Board of Directors" bestowed by the shareholder "owners" in the Articles of Incorporation, and continued to keep shareholders out of the loop. This is unreasonable. It would be reasonable to centralize the power to acquire own shares with the shareholders and, based on "authorization resolutions of the General Meeting of Shareholders," work towards the flexible acquisition of own shares through market transactions, etc. I therefore propose again that Article 7 be deleted.

◆ **Opinion of the Board of Directors: We oppose Item 7.**

The Company is managed with an awareness of capital efficiency, and a share buyback of ¥50 billion was made by resolution of the Board of Directors in February 2014. At a meeting held in May 2014, the Board of Directors decided a framework under the New Medium-Term Management Plan for allocating recurring free cash flow between new investments for growth and shareholder return. Regarding the allocation between investment in growth areas etc. and shareholder return, including share buybacks through market transactions etc., we believe that it will contribute to the improvement of corporate value if the Board of Directors, which has a range of External Directors and is fully capable of carrying out its responsibilities, responds flexibly to this matter based on appropriate information. Also, establishing an amount as the limit on a share buyback will itself raise expectations related to the Company repurchasing its own shares, and regardless of whether or not the Company repurchases shares, it may significantly impact the investment decisions of participants in equity markets. Therefore, we believe this matter should be decided upon after full consideration by the Board of Directors. Furthermore, under the current Articles of Incorporation, both the General Meeting of Shareholders and the Board of Directors have the authority to decide on share buybacks through market transactions etc., but in the event that the Articles of Incorporation were changed in line with the passage of this Item, the opportunity to examine and make decisions regarding the necessity and amount of share buybacks would be limited to the Ordinary General Meeting of Shareholders held once a year, excluding any Extraordinary General Meeting of Shareholders. This would narrow the options available for making flexible decisions regarding share buybacks, and harm the shared interests of shareholders. We therefore are opposed to this Item as the Board of Directors.

Item 8 : Partial Amendment to the Articles of Incorporation (Addition of Provisions to the Articles of Incorporation)

(Company Note) The purpose, details and reasons of proposal are shown in its original wording as submitted by the proposing shareholder.

(1) Purpose of the proposal

In preparation for future corporate management, Chapter 8 shall be newly added to the Articles of Incorporation.

(2) Details of the proposal

Chapter 8: Work to rebuild the head office building shall be carried out on condition of the Company achieving return on equity (ROE) of 12% under International Financial Reporting Standards (IFRS).

(3) Reasons for the proposal

Dark clouds have started to gather around various overseas investment business projects into which the Company has channeled the "money" of shareholders. Although the CFO used the word "plummet" when speaking about raw material prices at the Financial Results Briefing for the third quarter of the fiscal year ended March 31, 2015, the shareholders asked for a rally in the stock price, which sank fast. They are still enduring this situation. In the midst of this situation, the Company started its plan to rebuild the head office premises, which seems non-essential. (In August 2013, the Company reached basic agreement with Mitsui Fudosan regarding an integrated block development project for the block of 1-2, Ohtemachi, Chiyoda-ku, Tokyo). It is difficult to understand the management sense in recklessly spending ¥120.0 billion (the Company's portion) on this plan using the Company's sound positive free cash flow (also mentioned by the CFO) as a resource. It is also understandable that shareholders consider this to be malfeasance. Efficient business management is a pressing issue. Therefore, I propose that it be clarified in the Articles of Incorporation that "work to rebuild the head office building" shall be carried out on condition of the Company achieving ROE of 12%.

◆ **Opinion of the Board of Directors: We oppose Item 8.**

The rebuilding of office buildings is a matter relating to business execution that requires a swift and appropriate response, and which we believe should be responded to flexibly by the Board of Directors based on appropriate information, not determined by the Articles of Incorporation, which require a special resolution by the General Meeting of Shareholders to change. This construction to rebuild the head office building is necessary and unavoidable owing to the aging of the building, and at the same time, we aim to take this chance to improve the environmental performance of the building, including energy-efficiency, improve disaster prevention functions, and increase productivity via an efficient office. We do not think this should be swayed by the content of performance indicators, and believe there is no need for an amendment to the Articles of Incorporation. We therefore are opposed to this Item as the Board of Directors.

Item 9 : Partial Amendment to the Articles of Incorporation (New Establishment of Provisions in the Articles of Incorporation)

(Company Note) The purpose, details and reasons of proposal are shown in its original wording as submitted by the proposing shareholder.

(1) Purpose of the proposal

In preparation for future corporate management, Article 27 "Counselors" shall be established in Chapter 4 of the current Articles of Incorporation and matters such as the method of appointing counselors and their roles shall be clarified.

(2) Details of the proposal

(Counselors) Article 27: The Company may appoint counselors (mandatory retirement age of 70) by resolution of Directors and receive advice regarding the Company's operations from them.

(3) Reasons for the proposal

The practice in which person who served as President or Chairman automatically becomes a counselor is not transparent. While it is true that "old soldiers never die; they just fade away," even without high remuneration, if a counselor is invited, he or she should be able to give advice to the "company" that has treated him or her well. If the person who served as President or Chairman is perpetually enshrined in a company like a god to be prayed to, the people below this person will wither away. For this fiscal year, I ask that the new President scheduled to take office renounce the "authority" of his predecessors and instead exercise his "wisdom" and "wit" as much as he would like. In turn, this will help to improve corporate value and maximize shareholder value. I propose that the Company clarify the counselor system and, at the same time introduce a system of compulsory retirement at 70 for this position.

◆ **Opinion of the Board of Directors: We oppose Item 9.**

What type of system the Company uses to utilize human resources is a matter relating to business execution that requires a swift and appropriate response, and which we believe should be responded to flexibly by the Board of Directors based on appropriate information, not determined by the Articles of Incorporation, which require a special resolution by the General Meeting of Shareholders to change. Also, the appointment, role, and term of a counselor should be judged on an individual basis, based on that person's experience, qualities, etc., and establishing a mandatory retirement age system in the Articles of Incorporation risks being an obstacle to the securement of useful human resources. We therefore are opposed to this Item as the Board of Directors.

Item 10 : Dismissal of One (1) External Director

(Company Note) The details and reasons of proposal are shown in its original wording as submitted by the proposing shareholder.

(1) Details of the proposal

I propose the dismissal of the following Director :

1 Ikujiro Nonaka (External Director)

(2) Reasons for the proposal

Regarding this Director, the Company states: "Mr. Nonaka is being nominated as an External Director so that the management may benefit from his deep insight and supervisory capabilities related to management gained over the years as an expert in international corporate strategy" (as "deemed" by the Company) ("Item 3: Election of Thirteen (13) Directors" in the previous fiscal year). However, with respect to the many instances of wide-ranging and complicated social unfair trading practices and improper conduct that have occurred in many overseas investment business projects, it is not "deemed" that this Director sufficiently fulfilled his role of providing prompt rectification recommendations and exercising an appropriate supervisory function, and acting as a conduit for the interests of shareholders. I think that, with the (expected) coming of a fresh and vigorous new President, it is appropriate to clear the ground for a young External Director, also from the perspective of generational change. Continuing the tenure of the External Director is not appropriate.

◆ **Opinion of the Board of Directors: We oppose Item 10.**

Since his appointment as Director, Mr. Nonaka has appropriately carried out his duties as an External Director, with a high level of management expertise and supervisory ability, gained as an expert in international corporate strategy. Also, he attended all meetings of the Board of Directors held during the fiscal year ended March 31, 2015, and has also contributed to the improvement of the Company's governance structure etc. as a member of the Governance Committee and the Nomination Committee, advisory bodies to the Board of Directors. We thus believe he is qualified to be a Director of the Company. We therefore are opposed to this Item as the Board of Directors.

Item 11 : Share buyback

(Company Note) The details and reasons of proposal are shown in its original wording as submitted by the proposing shareholder.

(1) Details of the proposal

Pursuant to the provisions of Article 156 of the Companies Act, designating one year or less from the conclusion of this General Meeting of Shareholders as the transaction period, the Company shall repurchase shares in exchange of money; provided, however, that a maximum amount to be granted in exchange for repurchasing 100 million shares of common stock maximum shall be ¥150 billion (however, if such amount is lower than the total acquisition value permitted under the Companies Act (referring to the "distributable amount" provided for in Article 461 of the same Act), the amount shall be limited to the total acquisition value permitted under the Companies Act).

(2) Reasons for the proposal

This proposal received 17.7% approval at last year's General Meeting of Shareholders. Although the proposal was refused, a relatively significant number of shareholders approved the proposal. I aim to improve the ROE and the total returns to shareholders in the form of dividends and share buyback and to generate a share value increasing effect. The ¥50 billion share buyback in February of last year was very low compared to the capital increase of ¥200 billion by public offering in 2006. At the Financial Results Briefing for the third quarter of the fiscal year ended March 31, 2015, the CFO said that "free cash flow was a net inflow of ¥211.5 billion." The IFRS introduced from the annual

securities report for the fiscal year ended March 31, 2014 require unlisted shares that embody overseas interests to be accounted for on the balance sheet at fair value, not at acquisition cost. If the denominator shareholders' equity "E" inflates due to the fair value valuation, a low ROE of about 10% will further decline pushing down corporate value and taking our stock price down with it. This will negatively affect the investment decisions of institutional investors both in Japan and overseas. Now that the growth strategies are entering a mature phase, I once again propose that the Company return the funds the Company acquired through business operations to shareholders and strive to lift ROE and maximize shareholder value by executing a systematic Company share buyback.

◆ **Opinion of the Board of Directors: We oppose Item 11.**

The Company is managed with an awareness of capital efficiency, and a share buyback of ¥50 billion was made by resolution of the Board of Directors in February 2014. At a meeting held in May 2014, the Board of Directors decided a framework under the New Medium-term Management Plan for allocating recurring free cash flow between new investments for growth and shareholder return. Regarding the allocation between new investment in growth areas etc. and shareholder return, including share buybacks through market transactions etc., we believe that it will contribute to the improvement of corporate value if the Board of Directors, which has a range of External Directors and is fully capable of carrying out its responsibilities, responds flexibly to this matter based on appropriate information. Also, establishing an amount as the limit on a share buyback will itself raise expectations related to the Company repurchasing its own shares, and regardless of whether or not the Company repurchases shares, it may significantly impact the investment decisions of participants in equity markets. Therefore, we believe this matter should be decided upon after full consideration by the Board of Directors. Furthermore, the annual dividend for the fiscal year ended March 31, 2015, was ¥64 per share, an increase of ¥5 from the corresponding previous year, and the consolidated dividend payout ratio was 37%. Regarding the dividend for the fiscal year ending March 31, 2016, we currently envisage an annual dividend of ¥64 per share, taking into consideration of EBITDA, core operating cash flow as well as stability and continuity of the amount of dividend in addition to the existing dividend payout ratio. Although we expect consolidated earnings to decrease, we plan to pay an annual dividend of ¥64 per share, and so we are not neglecting shareholder return. We therefore are opposed to this Item as the Board of Directors.

Item 12 : Partial Amendment to the Articles of Incorporation (Addition to the Object of the Company in the Articles of Incorporation

(Company Note) The purpose, details and reasons of proposal are shown in its original wording as submitted by the proposing shareholder.

(1) Purpose of the proposal

In preparation for future business, paragraph 2 shall be newly added to Article 15 "Internet Posting of Reference Materials for General Meetings of Shareholders, and Deemed Provision of Information" in Chapter 3 "General Meeting of Shareholders" of the current Articles of Incorporation.

(2) Details of the proposal

Second paragraph: In order to establish shareholder democracy, the Company shall use the same disclosure methods for "shareholder proposals" stated in the Reference Materials for the Exercise of Voting Rights as it uses for the Company proposals in terms of character and line spacing.

(3) Reasons for the proposal

In the Reference Materials for the Exercise of Voting Rights for last year's 95th Ordinary General Meeting of Shareholders, the shareholder proposals were compressed in terms of character and line spacing in comparison with the Company proposals, and this put them at a disadvantage for visual effect. I propose that the Company use the same disclosure methods for both, and openly and fairly establish shareholder democracy for all items when putting them up for voting.

◆ **Opinion of the Board of Directors: We oppose Item 12.**

The way shareholder proposals are set forth in Reference Materials for the Exercise of Voting Rights may differ from the way Company proposals are set forth, but this is because they are set forth in limited space in consideration of the number of proposals etc., and this does not represent unfair treatment, and nor is it in violation of any rules or regulations. We therefore are opposed to this Item as the Board of Directors.

Execution of Voting Rights in Writing or Electronically (via the Internet or Other Means)

If voting in writing, please mail your completed voting card (enclosed) to arrive by 5 : 30pm (Japan standard time) on Thursday, June 18, 2015.

If voting via the Internet, please review the following and complete the voting procedure by 5 : 30pm (Japan standard time) on Thursday, June 18, 2015.

1. Voting rights may only be exercised via the Company's designated website for the exercise of voting rights (http://www.web54.net).
   1) Access the website, and following the directions on the screen, enter the voting rights code printed on the right-hand side of the voting card.
   2) Enter the password printed on the right-hand side of the voting card, and to prevent unauthorized third-party access or alterations of votes cast, enter a new password.
   If you have received this convocation notice by e-mail, the password printed on the right-hand side of the voting card will be shown as "********". Therefore please enter the password you designated when you registered your e-mail address.
2. Where votes have been cast several times over the Internet, the vote cast last will be taken as the validly exercised vote.
3. Where votes have been cast in duplicate on both the Internet and by voting card, the vote that arrives at the Company latest (in time) will be taken as the validly exercised vote. Further, in the event that duplicate votes arrive at the Company on the same day, votes cast on the Internet will be taken as the validly exercised votes.
4. In order to use the Internet voting website, it may be necessary to incur Internet service provider connection fees and data transmission fees (phone charges), the cost of which shall be borne by the shareholder.
5. Where shareholders access the Internet from their workplace, there are cases where communications over the Internet are restricted by the employer setting up firewalls, etc. Please check with the relevant person.

Safekeeping of passwords

1. Passwords provided at this time will only be valid for this Ordinary General Meeting of Shareholders. A new password will be provided for next year's Ordinary General Meeting of Shareholders.
2. Passwords are the means by which people exercising voting rights are confirmed as shareholders. Please keep these passwords safe until the close of the Meeting. Further, the Company cannot respond to password enquiries by phone.
3. Please note that if an incorrect password is entered an excessive multiple times, the shareholder will be unable to access the main screen.

☑ The following system specifications necessary in order to utilize the voting website

1. Access using a PC

(1) The PC must be able to access the Internet.

(2) The PC's monitor resolution must be at least 800 x 600 pixels (wide by long – SVGA).

(3) The following applications must be installed on the PC :

- Microsoft® Internet Explorer Version 5.01 Service Pack 2 or above
- Adobe® Reader® Version 6.0 or above

(This will be necessary when shareholders view the "Notice of Ordinary General Meeting of Shareholders" over the Internet.)

(Microsoft® and Internet Explorer, Adobe® Reader® are registered trademarks, trademarks, or product names of Microsoft Corporation and Adobe Systems Incorporated, respectively, in the United States and other countries.)

2. Access using a mobile phone terminal

The model of the mobile phone must be installed with 128 bit SSL (Secure Socket Layer) capable of encrypted communication as well as be able to receive the following services :

- i-mode
- EZweb
- Yahoo! Mobile

(i-mode, EZweb, Yahoo!, and Yahoo! Mobile are registered trademarks, trademarks, or service names of NTT DOCOMO INC., KDDI Corporation, Yahoo! Inc., of the United States, and SOFTBANK MOBILE Corp., respectively.)

(Regardless of whether the mobile phone fulfill the above conditions, when shareholders access the voting website via a full browser application by mobile phone, or by using a phone system as only for data communication terminal to access through PC, or by using smartphone, such access means will be taken as equivalent to voting using a PC.)

☑ Use of the platform for the electronic exercise of votes for institutional investors

When institutional investors have made prior application for use of the platform for the electronic exercise of votes operated by ICJ, Inc. they may, as an alternative to exercising voting rights over the Internet as detailed above, use such a platform as another way of electronically exercising voting rights at the Company's Ordinary General Meeting of Shareholders.

Corporate Mission, Vision and Values

Mission

Strive to contribute to the creation of a future where the aspirations of the people can be fulfilled.

Vision

Aim to become a global business enabler that can meet the needs of our customers throughout the world.

Values

- Build trust with fairness and humility.
- Aspire to set high standards and to contribute to society.
- Embrace the challenge of continuous innovation.
- Foster a culture of open-mindedness.
- Strive to develop others and oneself to achieve full potential.



【Information for shareholders】

Fiscal year-end	March 31
Record date	March 31
Interim dividend record date	September 30
General shareholders'meeting	June
Administrator of the register of shareholders	Sumitomo Mitsui Trust Bank, Limited 1-4-1, Marunouchi, Chiyoda-ku, Tokyo
Contact information for above	Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Business Planning Department
Mailing address Phone	Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Business Planning Department 8-4, Izumi 2-chome, Suginami-ku, Tokyo 168-0063 Tel : 0120-782-031 (free dial)
Stock exchange listings	Tokyo, Nagoya, Sapporo, Fukuoka
Securities identification code	8031