



To Our Shareholders
We will strive to
improve MC Group's
corporate value.

CONTENTS

Top Message	
To Our Shareholders	3
Special Feature	
MC's Management Professionals	
Global Environmental & Infrastructure Business Group	
Energy Business Group	8
BUSINESS HIGHLIGHT	12
Visiting places associated with Mitsubishi SEIKADO	16
CSR	
DREAM AS ONE.	
Relief and Recovery Support	18
About Us	22

Top
Message

Full-year forecasts were revised upward for the year ending March 2017

Operating Results

First of all, I would like to express our sincere appreciation for your continued support.

I would like to report our consolidated net income for the first six months of the year ending March 2017 and our forecasts of full-year consolidated net income for the year ending March 2017.

MC Group's consolidated net income for the first six months was ¥179.8 billion, an increase of ¥24.9 billion from the same period of the previous fiscal year, with an achievement rate of 72% to the full-year forecasts (¥250.0 billion consolidated net income) that we announced on May 10, 2016.

Although earnings in non-resource fields

decreased mainly due to the absence of one-off gains in the corresponding period of previous fiscal year, earnings in resource fields increased due to cost improvements and higher market prices production in the Australian coal business.

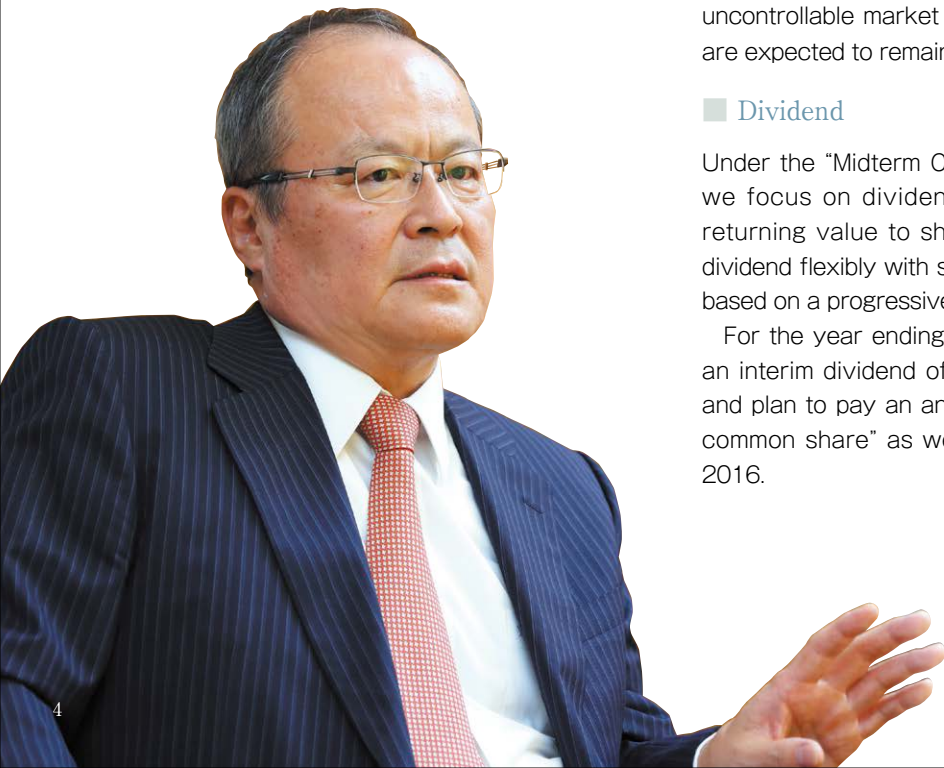
Based on the operational results in the first six months and higher resource market prices, we revised our forecasts of full-year consolidated net income for the year ending March 2017 upward to ¥330.0 billion (¥80.0 billion more than the forecasts we announced at the beginning of this fiscal year).

We will continue to steadily strive for "Rebalancing of Resources and Non-resources" as posted in the "Midterm Corporate Strategy 2018" without being left at the mercy of uncontrollable market prices as resource prices are expected to remain volatile.

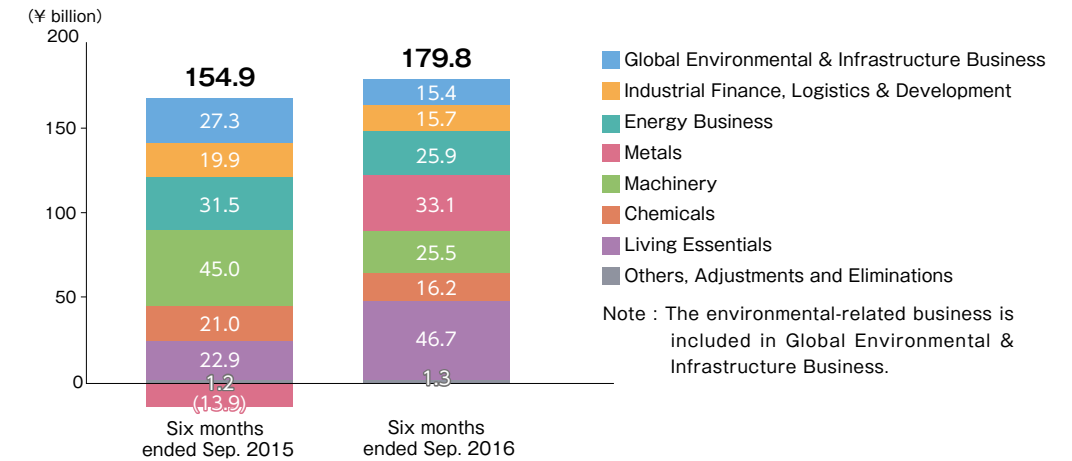
Dividend

Under the "Midterm Corporate Strategy 2018", we focus on dividend as basic approach to returning value to shareholders and increase dividend flexibly with sustainable earning growth based on a progressive dividend scheme.

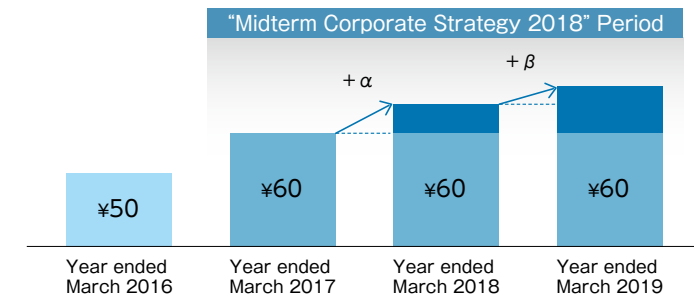
For the year ending March 2017, we will pay an interim dividend of ¥30 per common share, and plan to pay an annual dividend of "¥60 per common share" as we announced on May 10, 2016.



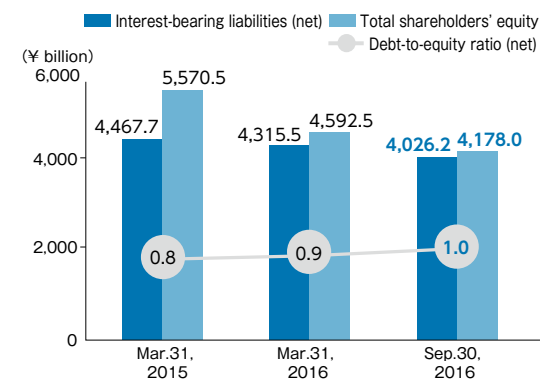
Consolidated Net Income by Segment



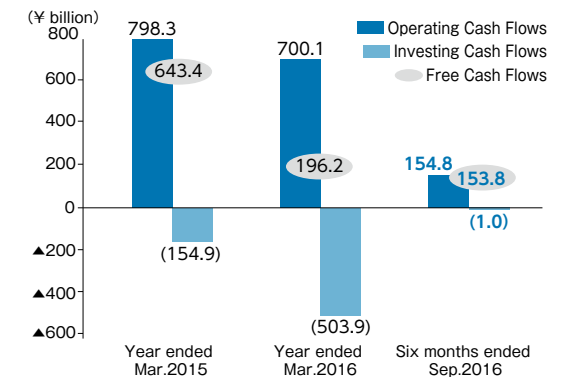
Shareholder Returns



Equity and Interest-bearing liability



Cash Flow



Evolving our business model from “Investing” to “Managing” through the development of management professionals

Since its foundation, MC has evolved its business model to accommodate global changes and progress.

Under the “Midterm Corporate Strategy 2018” which sets forth MC’s corporate vision and management approach over the next three years starting in fiscal year 2016, we will evolve our business model from “Investing” to “Managing”

and leverage MC’s strengths to become more deeply involved in management with the goal of creating new value through innovation in business operations; reforming business structures through alliances, partnerships, coalitions and other means; and raising corporate value through the revitalization of businesses.

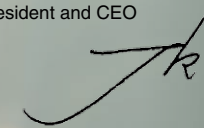
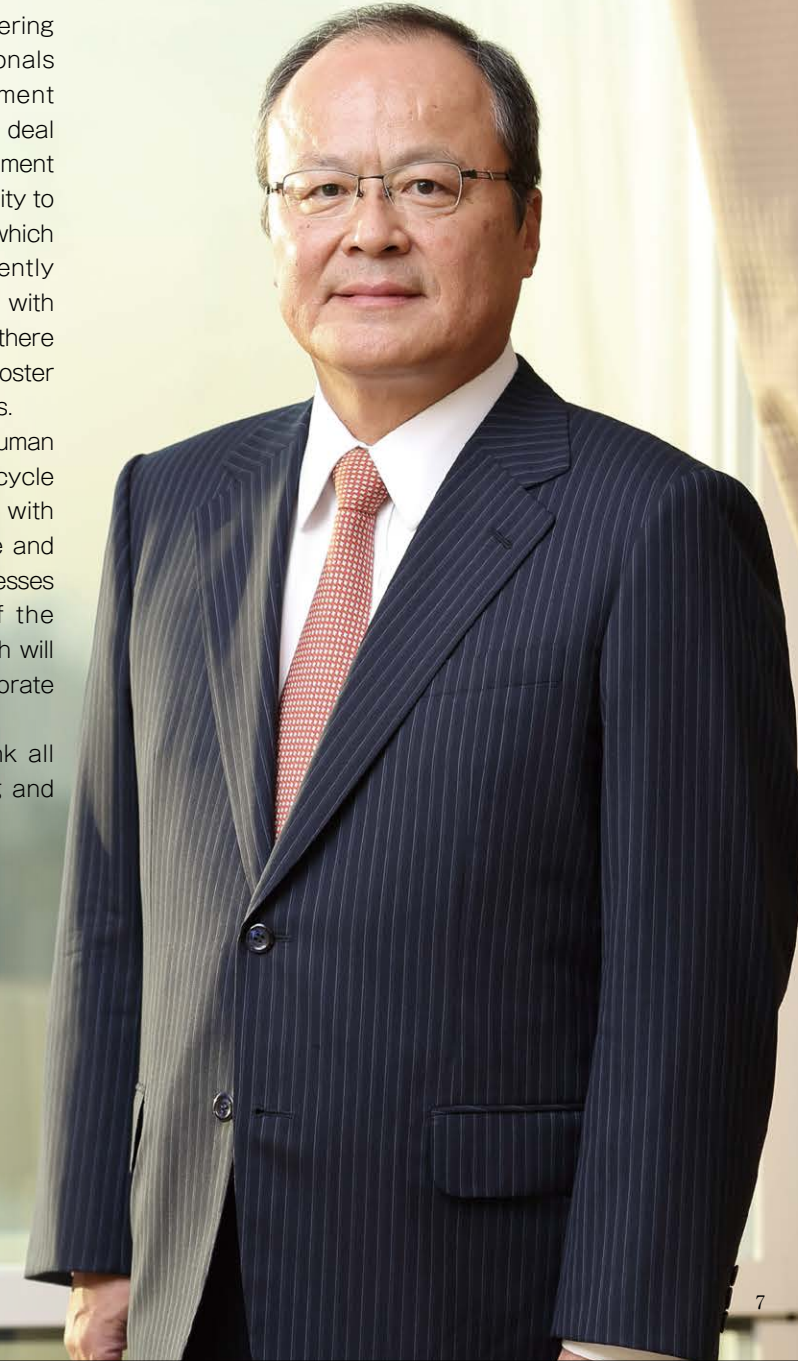
The key to evolving our business model from

“Investing” to “Managing” lies in fostering the development of more professionals with the highest level of management expertise who have the foresight to deal with changes in the business environment in a flexible manner, as well as the ability to proactively manage the business in which we have invested. There are currently more than 1,000 companies affiliated with the MC Group, so it is fair to say that there are a sufficient number of places to foster the development of these professionals.

The most important asset of MC is human resources. We will foster a virtuous cycle in which training more professionals with even greater management expertise and empowering them to create new businesses will lead to the further growth of the company. I am sure that this approach will increase the entire MC Group’s corporate value.

As always, we would like to thank all our shareholders for understanding and continued support.

November 2016
Takehiko Kakiuchi
President and CEO

Further Evolution from “Investing” to “Managing”

Promote further growth-driver evolution, from “investing” in businesses to “managing” them and generating continuous value.

