

Business Segment IR Meeting

Mitsubishi Corporation

Food Industry Group



Food Industry Group: Attendees

Norio Saigusa : Group CEO

Ken Yamaguchi : General Manager, Group CEO Office

Yoshihiro Shimazu : General Manager, Group Administration Dept.

Koji Kishimoto : Division COO, Food Sciences Div.

Shuji Kobayashi : Division COO, Food Resources Div.

Yasumasa Kashiwagi : Division COO, Produce & Marine Products Div.

Kazuo Ito : Division COO, Global Fast Moving Consumer Goods Div.

Today's Agenda

1. Group Overview

- Business Areas
- Organization
- Group Mission and the Surrounding Environment
- Key Strategies

2. Introduction to our Business

- Food Sciences Division
- Food Resources Division
- Produce & Marine Products Division
- Global FMCG Division
- Developing Markets Office, Livestock, Meat & Dairy Products Dept.

3. Group Strategies

- Growth Drivers
- Outlook on Profit and Investment

Today's Agenda

1. Group Overview

- Business Areas
- Organization
- Group Mission and the Surrounding Environment
- Key Strategies

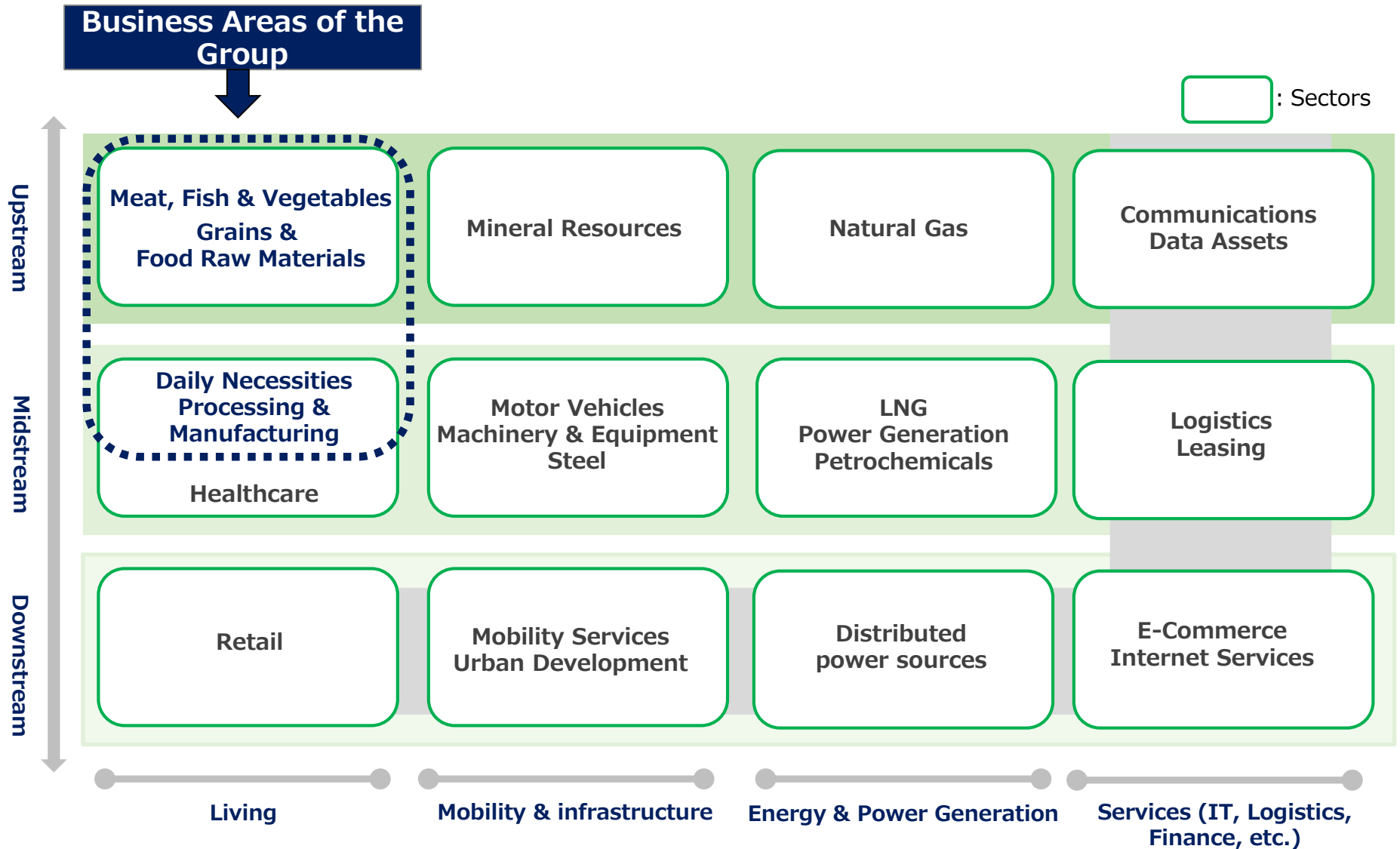
2. Introduction to our Business

- Food Sciences Division
- Food Resources Division
- Produce & Marine Products Division
- Global FMCG Division
- Developing Markets Office, Livestock, Meat & Dairy Products Dept.

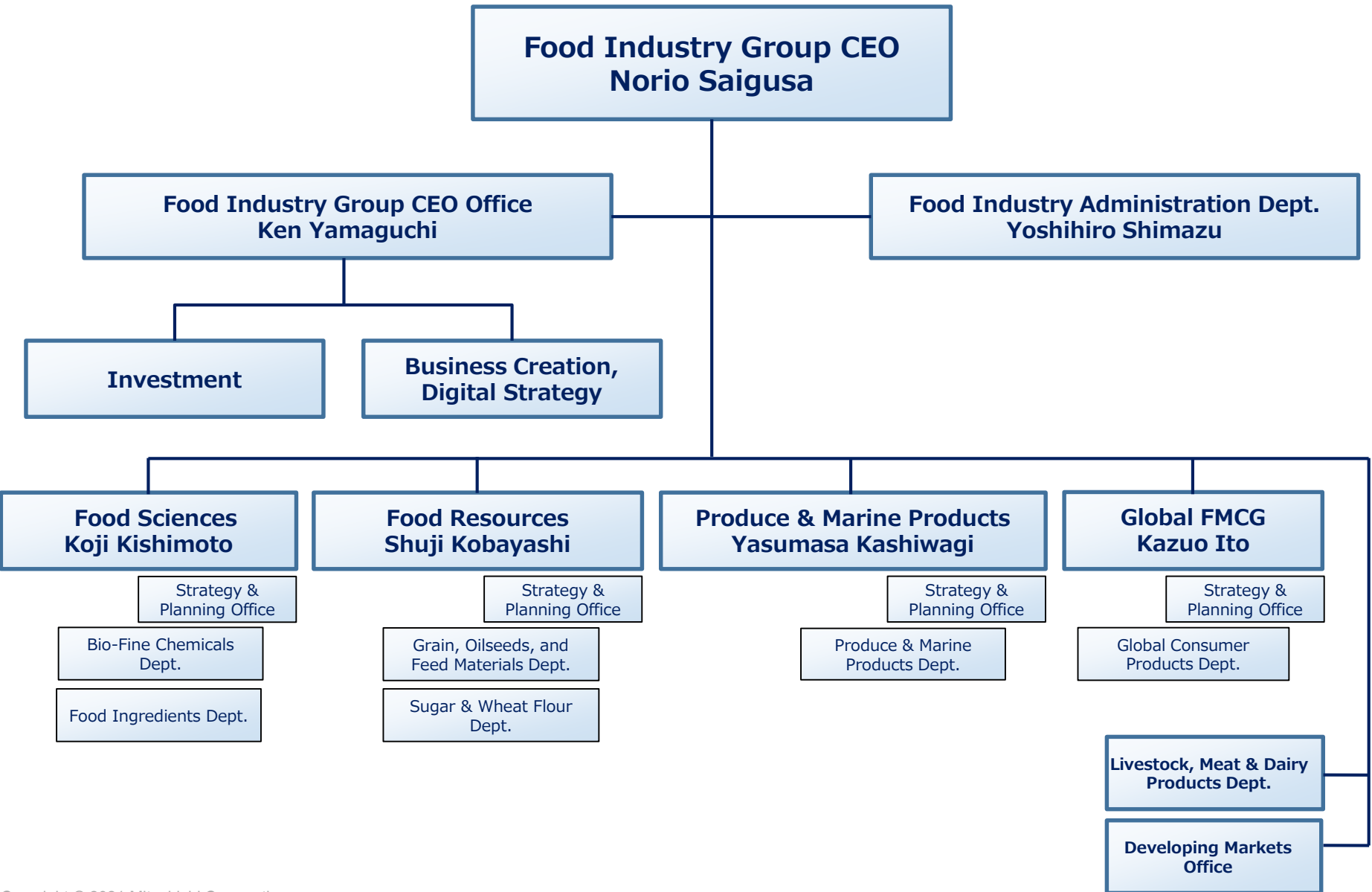
3. Group Strategies

- Growth Drivers
- Outlook on Profit and Investment

1. Group Overview : Business Areas



1. Group Overview : Organization



1. Group Overview : Group Mission and the Surrounding Environment

Our Mission (Why we exist)

The mission is to help solve the societal challenges surrounding supply chains and build a stable and sustainable business model. The group also contributes by expanding their quality products and services into overseas markets, thereby creating new growth opportunities.

Vision (Our Aspiration)

A business entity that innovates its business model and supply chain in response to changes in the environment, and supplies products that meet the needs of each country and region throughout the globe.

Surrounding environment

What will not change

Change is accelerating in...

Demand side

- Stable demand for basic food products and daily necessities
- Demand growth for proteins and non-essential items

- Heightened awareness towards health
- "Food" becoming more simple and diverse
- Heightened awareness towards the environment issues

Supply side

- Importance of the supply chain
- Competitive advantage in production, and procurement
- Food resources with structural competitive advantage

- R&D of functional food and processed food
- Sustainability and SDG-related initiatives
- New Technologies / digitalization

Our understanding

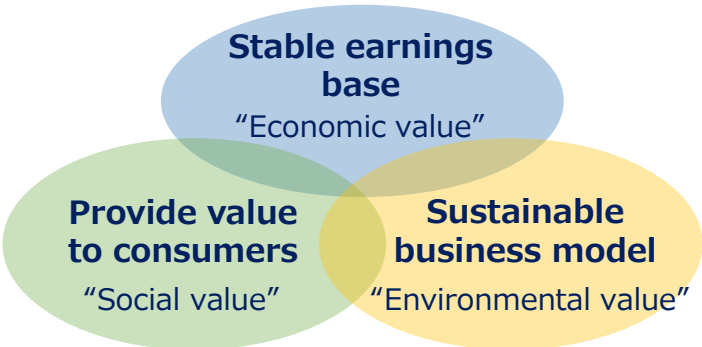
Effectiveness of the business model and supply chain

Need to make reforms and innovations toward the future

1. Group Overview : Key Strategies

Values

(Standards that we embrace)



Stable earnings base
"Economic value"

Provide value to consumers
"Social value"

Sustainable business model
"Environmental value"

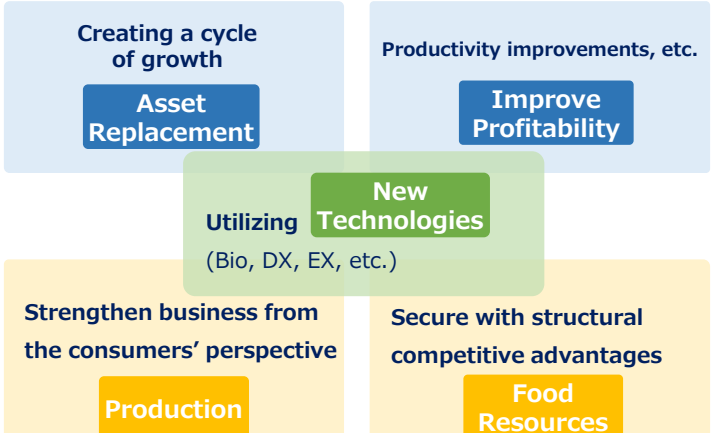
- 1. Adapt to changes business environment, generate stable earnings**
 - Realize a sizeable earnings base by creating a cycle of growth
 - Reinforce and innovate businesses by bringing together our strengths to create a multiplier effect
- 2. Provide value to consumers**
 - Establish a system for the stable supply of daily necessities
 - Contribute to the healthy and enriched lives of consumers worldwide
- 3. Build a sustainable business model**
 - New business concepts, and reforms of existing businesses, that help solve social issues
 - Build an environmentally sustainable supply chain

Key Strategies

Structural reform

X

Growth strategies



Creating a cycle of growth
Asset Replacement

Productivity improvements, etc.
Improve Profitability

Utilizing New Technologies
(Bio, DX, EX, etc.)

Strengthen business from the consumers' perspective
Production

Secure with structural competitive advantages
Food Resources

Growth Drivers

Food Resources	Salmon farming	➔P17
Improve Profitability	Grains, feed and livestock	➔P18
New Technologies	Food and health	➔P19
New Technologies	DX & EX initiatives	➔P20

Today's Agenda

1. Group Overview

- Business Areas
- Organization
- Group Mission and the Surrounding Environment
- Key Strategies

2. Introduction to our Business

- Food Sciences Division
- Food Resources Division
- Produce & Marine Products Division
- Global FMCG Division
- Developing Markets Office, Livestock, Meat & Dairy Products Dept.

3. Group Strategies

- Growth Drivers
- Outlook on Profit and Investment

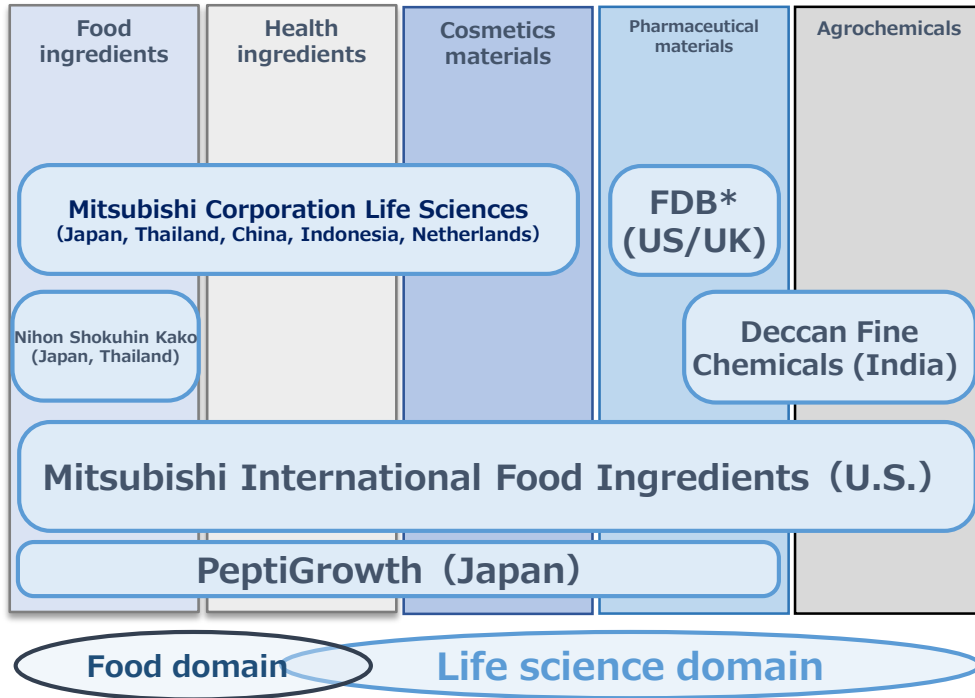
2. Introduction to our Business : Food Sciences Division

Leverage on Life Science technology, and contribute to help solve social issues such as improving Quality of Life (Good Taste, Health, Beauty, etc.), as well as saving lives

Business Model & Business Areas

Bio technology (Fermentation, cell cultivation)

Fine chemicals technology



*FDB – Fujifilm Diosynth Biotechnologies

Strengths

- ◆ Technologies in fields such as bio (fermentation technology, cell cultivation, etc.) of the companies we have invested in.
- ◆ Seize opportunities from changes in the market and consumer needs in the domain of food and health, and engage in businesses with social value as well as potential to generate strong growth and value-add, including forming alliances with companies with promising technologies.

Key Group Companies

Mitsubishi Corporation Life Sciences

Manufactures and sells a wide range of ingredients, from functional food ingredients, health ingredients and cosmetics materials



Nihon Shokuhin Kako

Manufactures and sells processed and reprocessed products of corn etc., such as corn starch and HFCS(High Fructose Corn Syrup)



2. Introduction to our Business : Food Resources Division

Improve Profitability

Manufacturing and sales of flour products, animal feed and sugar, which serve as the foundation of our diet, as well as the global procurement and stable supply of those raw materials

Business Model & Business Areas

Origination, export, procurement

Port facilities

Processing and manufacturing

Animal feed

Agrex Inc. (U.S.)



Agrex do Brasil



Riverina (Australia)



Seto Futo

Shibushi Silo

Kamaishi Grain Terminal

Tomakomai Silo

Nosan Corporation

Flour products

Nitto Fuji Flour Milling

Sugar

Mitsui DM Sugar Holdings

Strengths

- ◆ Supply chain that covers the whole process from origination to primary processing
- ◆ Cost competitiveness from transporting large volumes of raw materials (grains, raw sugar)
- ◆ Product development that caters to consumer needs, through the collaboration with other Group companies

Key Group Companies

NOSAN Corp.

Invested in 1967, and became 100% subsidiary in 2009. Involved in Livestock feed, Aqua feed, eggs and pet-food businesses.



Nitto Fuji Flour Milling

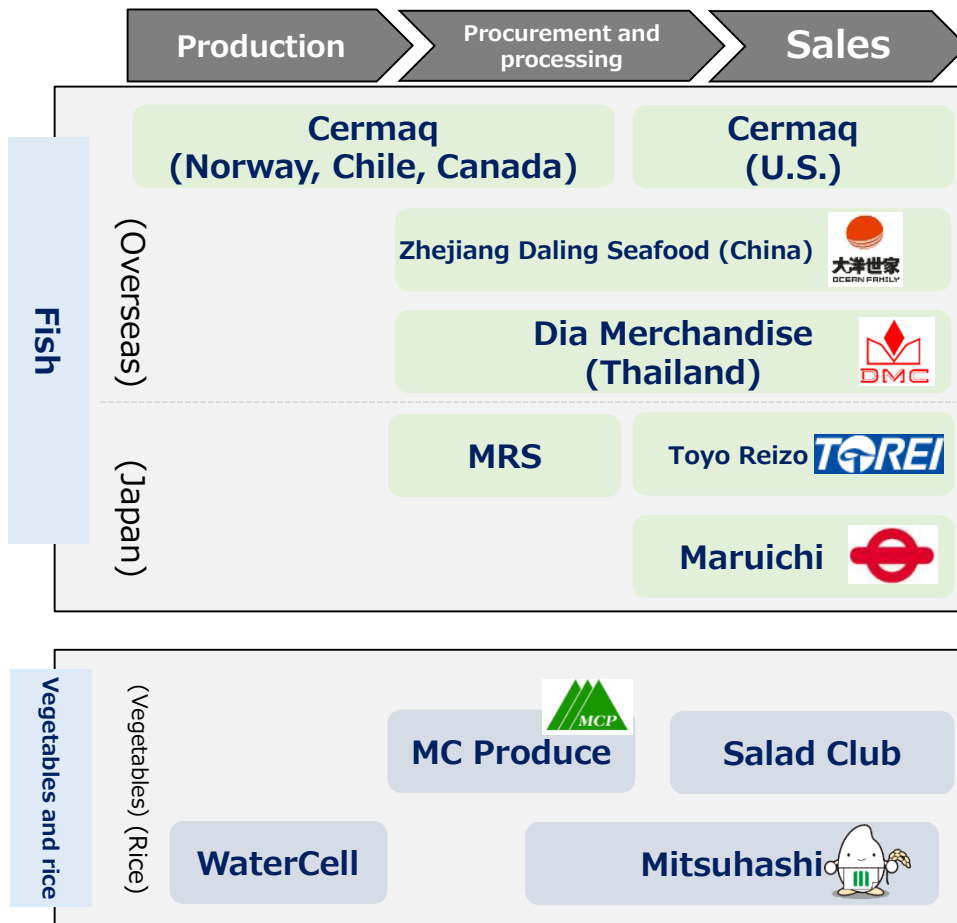
Invested in 1951, and became 100% subsidiary in 2007. Manufactures and sells flour and mixed flour, and has brands such as "Takaragasa" and "Tendan"



2. Introduction to our Business : Produce & Marine Products Division

Through a vertically integrated business model from production, procurement, manufacturing, processing, and sales, works to meet the needs of consumers by providing a stable supply of fresh foods, such as seafood, rice, vegetables, etc., and processed goods

Business Model & Business Areas



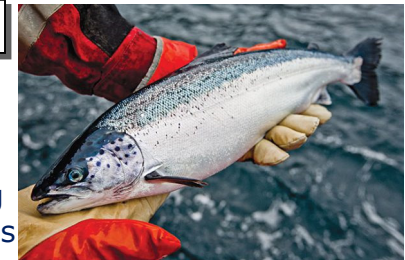
Strengths

- ◆ Global seafood business, centered around the world-leading salmon business with global competitiveness
- ◆ Robust domestic value chain of seafood, rice and vegetables, covering up to downstream

Key Group Companies

Cermaq

Became 100% subsidiary in 2014. Engaged in salmon farming business in Norway, Chile and Canada, with farming volume of approx. 200,000 tons



Toyo Reizo

Imports, processes and sells seafood (tuna, salmon, shrimp, etc.) mainly in the domestic market



2. Introduction to our Business : Global FMCG Division

Food Resources

By engaging in procurement, supply, manufacturing and sales globally, the Division seeks to solidify its business platform to accommodate changes in the environment and consumer needs, and contribute to solving supply chain-related social issues

Business Model & Business Areas

Key Group Companies



Food ingredients

Manufacturing of consumer products

MC Agri Alliance

Food & beverages (domestic brands)



Food & beverages (domestic partners)



Food & beverages (original brands)



Olam



World-leading market share in more than 60 countries, with approx. 40 products.

Supports farmers and the development of farming systems



Has a supply chain encompassing production, procurement, processing, trading, logistics and manufacturing.

Business model focused on sustainability, with the aim of contributing to stakeholders such as farmers.

Princes



Innovation Lab



Manufactures and sells a wide range of own brands and private brands such as food and beverages in the U.K. market.

Focuses on ethical trading and sustainability as the leading company.

Ceaselessly innovates its brand and developing new products

Strengths

Food ingredients

- ◆ Procurement platform of sustainable ingredients, centered around Olam
- ◆ Wide business coverage including areas close to the consumer : "Farm to Table"

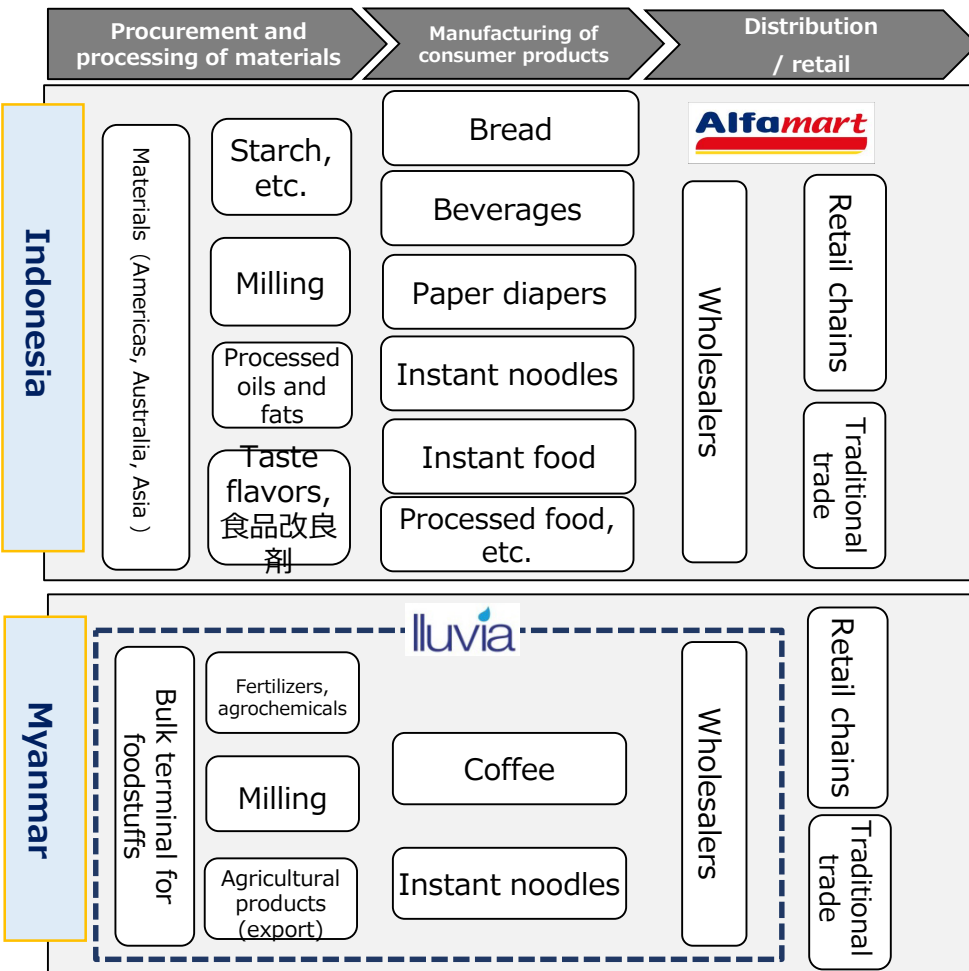
Manufacturing of consumer products :

- ◆ Development, manufacturing and sales capabilities of consumer products that meet consumer needs
- ◆ Engaged in business worldwide, with domestic manufacturers that have strong brands and technologies

2. Introduction to our Business : Developing Markets Office

Provides stable supply of products and services that cater to the needs of consumers, who are the end customers, in the growing consumer markets of developing countries, while contributing to the social development of those countries

Business Model & Business Areas



Strengths

- ◆ Capital and business alliance with powerful local partners
- ◆ Business development based on our expertise in manufacturing, distribution and wholesale

Key Group Companies

Alfa Group

In 2011, formed business alliance with the Alfa Group, which has good coverage of end customers in the market. Set up JV for manufacturing and wholesale of products.



Lluvia

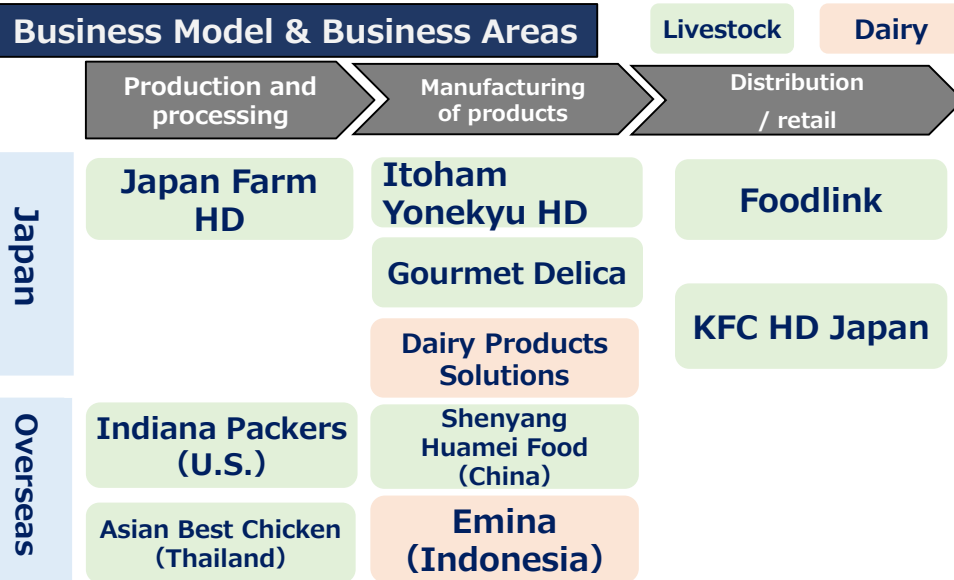
Invested in Lluvia of the CDSG Group in 2015. Lluvia runs the largest flour milling business in Myanmar, as well as the PREMIER brand coffee, bulk terminal for foodstuffs, instant noodles, etc.



2. Introduction to our Business : Livestock, Meat & Dairy Products Dept.

Food Resources

Engaged in meat and dairy products businesses in Japan, U.S., China, Thailand and Indonesia. By providing products that match the stages of consumption and local characteristics of each region, aims to establish a sustainable business model and enrich society



Key Group Companies

INDIANA PACKERS CORPORATION

Based in Indiana in the mid-west of the U.S., Indiana Packers is a company that slaughters hogs and processes pork. Produces pork, bacon etc. under rigid hygiene control using state-of-the-art equipment, and ships mainly to the U.S. and Japan



PT EMINA CHEESE INDONESIA

EMINA is a processed cheese manufacturer, supplying stick, block, sliced cheese etc. to Indonesia and other Asian countries



Strengths

- ◆ Established an integrated business model for meat products, from procurement and production of materials (grains and feed), to livestock farming, meat processing and sales (retail stores and restaurants).
- ◆ Operates leading entities/brands, such as Itoham Yonekyu HD, both domestically and globally.

Today's Agenda

1. Group Overview

- Business Areas
- Organization
- Group Mission and the Surrounding Environment
- Key Strategies

2. Introduction to our Business

- Food Sciences Division
- Food Resources Division
- Produce & Marine Products Division
- Global FMCG Division
- Developing Markets Office, Livestock, Meat & Dairy Products Dept.

3. Group Strategies

- Growth Drivers
- Outlook on Profit and Investment

3. Group Strategies : Growth Drivers / Salmon farming

Food Resources

- **Cermaq** : Engaged in salmon farming in Norway, Chile and Canada (3rd largest producer in the world)
- Produces sustainable and high-nutrition salmon, and contributes to the stable food supply globally

Business environment

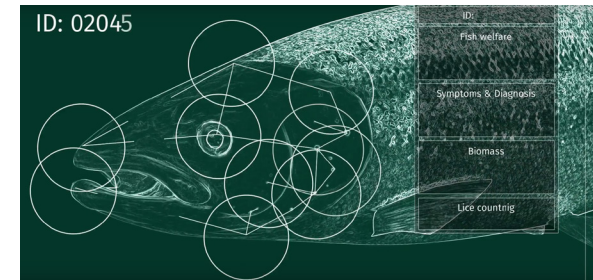
- Pricing of salmon weakened in some markets, due to the decline in demand from restaurants caused by COVID-19. However, demand has returned, and the business has recovered.
- Future demand growth is expected to outpace future supply growth

Measures to improve earnings

- Production volume : Expected to grow
- Cost reduction : Lower production cost, and lease or sell underutilized assets
- Sales margin : Increase volume of frozen products, which have less price volatility, and pursue business with high quality customers

DX and green initiatives

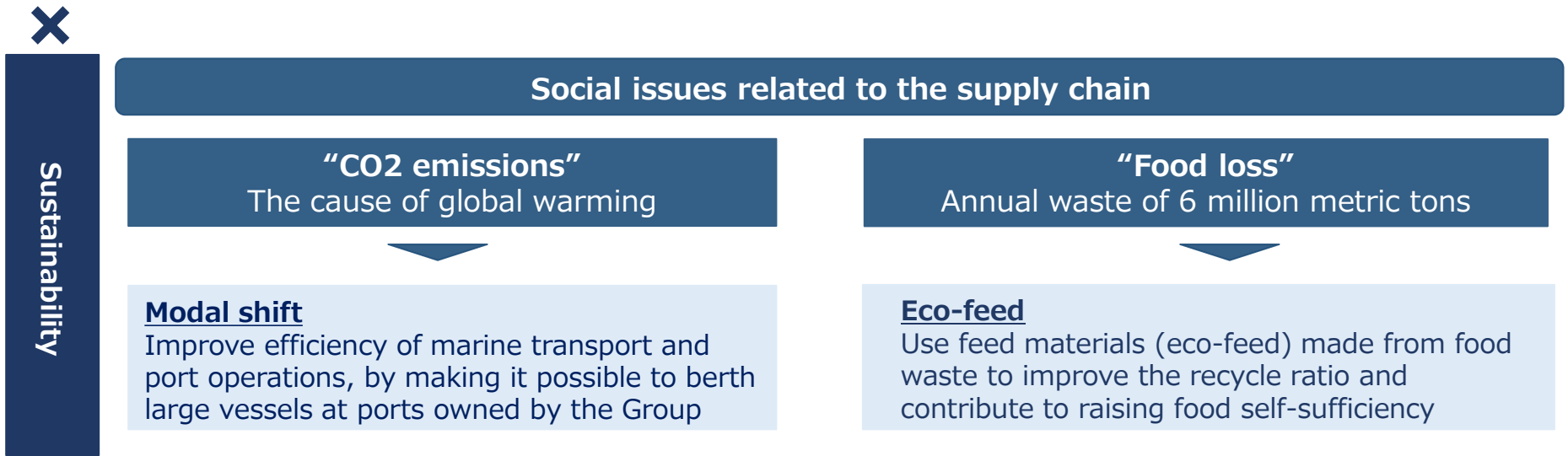
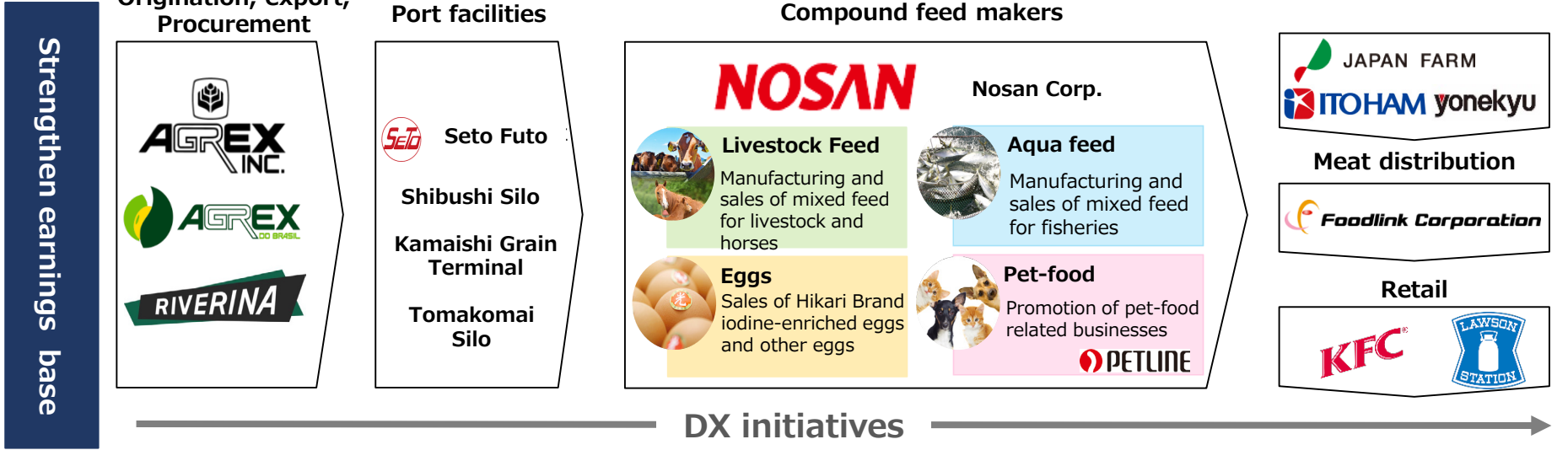
- DX : Smart farming using digital technologies
- Lowering the environmental burden : Improve feed efficiency, etc.
- New technologies : Looking into possibility of onshore farming near point of consumption, which will lead to local production, with Mitsubishi Corporation



3. Group Strategies : Growth Drivers / Grains, feed and livestock

Improve Profitability

Strengthen earnings base, provide stable supply of basic foodstuffs, and build a sustainable supply model



3. Group Strategies : Growth Drivers / Food and Health

New Technologies

【Healthy Life Innovation】

Designing the future of Food and Health, using the power of Life Science technology

Strategic food materials, based on competitive fermentation technology

Ability to develop and produce materials



Creating good taste and health value by blending food materials

Ability to propose applications

Business that contributes to “Good Taste” and “Health”

Mitsubishi Corporation Life Sciences Limited

- ✓ Global manufacturer of food ingredients
 - Sales of approx. 120 billion yen
 - Food chemicals maker with major share of the domestic market
- ✓ Global production and sales
 - 4 production facilities overseas, mainly in Asia
 - Own sales network in North America, Europe and Asia

Pursuing the value of Health and Beauty

Position the high value-add health food materials business as the strategic growth driver of Mitsubishi Corporation Life Sciences, and expand the business

● Ramp up production capacity

Increase supply capacity of the Saiki Plant, to cope with growing demand for health food materials, and promote sales globally



● Expand cosmetics materials business

Consolidate Vitamin C60 BioResearch Co., which promotes fullerene as a cosmetics material, with the cosmetics materials trading dept. of the Group, and expand the business

Collaborations with Group companies

Play a key role in product development of the Group, and seek to improve value of the entire food supply chain through collaborations with Group companies

● Establishment of Kyushu Extract Ltd.

Set up a production facility in 2019, through joint investment with Itoham Foods Inc., to produce meats extracts and reprocessed seasonings such as soups and sauces, using residual bone material as ingredients.



● Others

Provide food and taste development functions for the restaurants and ready-made food industries

3. Group Strategies : Growth Drivers / DX·EX initiatives

New Technologies

Achieving low & zero carbon through DX and the use of new technologies

DX

- Digitization : Improve productivity and efficiency
- Digitalization : Build and commercialize new model

■ Improve productivity and efficiency: Initiatives using digital technologies

- Making the supply chain for grains, feed and livestock more efficient
- Improving livestock productivity through data analysis (Japan Farm)
- Salmon management system using image recognition technology (Cermaq)



■ Build and commercialize new model

Improving agricultural productivity, and matching domestic producers, wholesalers and logistics companies (WaterCell Inc.)

EX

- Improving productivity and efficiency: Reduction of greenhouse gas emissions
- Building and commercializing a new model: Initiatives that lead to lowering the burden on the environment

■ Reduction of greenhouse gas emissions Switching power sources step by step to LNG and renewable energy-based electricity

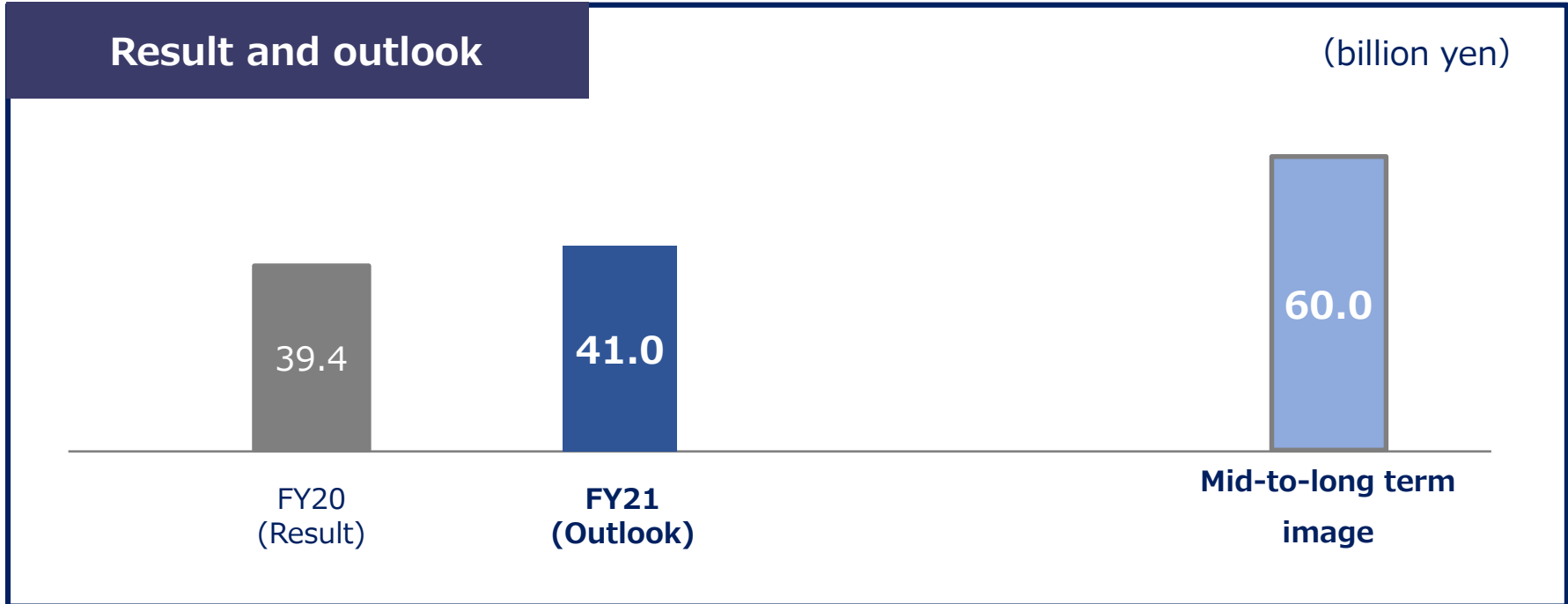
- MCLS Saiki Plant :Converted from fuel oil boiler to LNG cogeneration*
 - AMSCO Thailand Plant : Considering the use of biomass power generation and gas collected from waste fluids
- *System that uses LNG as the power source, and captures the heat discharged when generation electricity

Optimization of production and logistics

■ New initiatives that lower the burden on the environment: Alternative meat

- Initiatives to decarbonize the livestock industry, which accounts for 14% of greenhouse gas emissions
- Plant-based meat : 〈Product〉 Itoham Yonekyu, Princes
〈Ingredients〉 MCLS, Nihon Shokuhin Kako
- Cultivated meat : Formed an alliance with a start-up company, and currently assessing business potential

3. Group Strategies : Outlook on Profit



Future investment policy

Asset Replacement
Improve Profitability

- While further accelerating the pace of asset replacements, including the assessment of unprofitable or low growth businesses, focus on further strengthening and growing the existing businesses

(Notes on Forward-looking Statements etc.)

Data and future projections in this material are based on views and information available as of the day of releasing this material, and could change due to various reasons, and do not guarantee the future achievement of these targets and projections, as well as future business performance. The information may be changed without notice in the future. Therefore, please use this information and material based on your own responsibility, and please consult and compare with information obtained through other methods. Mitsubishi Corporation takes no responsibility whatsoever for any damages resulting from the use of this material.