Publication of Mitsubishi Corporation Integrated Report 2015

Mitsubishi Corporation (MC) is pushing ahead with a strategy for generating sustainable corporate value by pursuing sustainable economic value, along with sustainable societal value and environmental value. To ensure that readers are able to correctly understand these activities, we must take a systematic view of financial information linked directly to business activities and non-financial information, and provide explanations accordingly. Guided by this thinking, we have incorporated elements of our sustainability report into our conventional annual report since 2011 in order to enhance the non-financial information in the annual report. This has led to our decision to publish an integrated report from the previous fiscal year.

In the preparation of this report, we have referred to the International Integrated Reporting Framework (International <IR> Framework) advocated by the International Integrated Reporting Council (IIRC), the Sustainability Reporting Guidelines (Version 3.1) of the Global Reporting Initiative (GRI) and the ISO 26000 Handbook on Social Responsibility. Going forward, MC intends to ensure that the content of the integrated report serves as a communications tool that clearly conveys the Company's activities to create value over the medium and long terms.

MC has achieved business expansion over many years while embracing the Three Corporate Principles, which constitute our corporate philosophy, as the source of inspiration of our business activities. Today, MC is striving to create sustainable corporate value with the view to driving further sustained growth. In Integrated Report 2015, we sought to highlight the appeal of MC in these respects, while reflecting the viewpoints of a variety of stakeholders. In the future, we will continue to make improvements to this report so as to make it even easier to understand, while taking into account the opinions of stakeholders regarding the report.

September 2015

Ken Kobayashi
President and CEO
Since its founding years, Mitsubishi Corporation has embraced the spirit of the Three Corporate Principles as its corporate philosophy.

The Three Corporate Principles were formulated in 1934, as the action guidelines of Mitsubishi Trading Company (Mitsubishi Shoji Kaisha), based on the teachings of Koyata Iwasaki, the fourth president of Mitsubishi. Although Mitsubishi Trading Company ceased to exist as of 1947, the principles were adopted as MC’s corporate philosophy, and this spirit lives on in the actions of today’s management and employees. The Three Corporate Principles also serve as the cornerstone of the management ethos of the so-called Mitsubishi group of companies. Active in many business fields and united by a common history and philosophy, the Mitsubishi companies continue to grow through a strong spirit of friendly competition with one another.

Corporate Responsibility to Society “Shoki Hoko”
Strive to enrich society, both materially and spiritually, while contributing towards the preservation of the global environment.

Integrity and Fairness “Shoji Komei”
Maintain principles of transparency and openness, conducting business with integrity and fairness.

Global Understanding Through Business “Ritsugyo Boeki”
Expand business, based on an all-encompassing global perspective.

(The modern day interpretation of the Three Corporate Principles, as agreed on at the Mitsubishi Kinyokai meeting of the companies that constitute the so-called Mitsubishi group in January 2001.)

Corporate Standards of Conduct

1. **Aim of Corporate Business Activities**
   Through its business activities, Mitsubishi Corporation will endeavor to increase its value. At the same time, the company will strive to enrich society in all ways, developing and offering its customers the best services and products, with the highest regard for safety.

2. **Fairness and Integrity in Corporate Business Activities**
   Mitsubishi Corporation will continue to develop its business activities in compliance with all relevant laws, international regulations and internal rules. The company will act responsibly and will respect the highest social standards.

3. **Respect for Human Rights and Employees**
   Mitsubishi Corporation will respect human rights and will not engage in any discrimination. The company will preserve and improve its corporate strengths through the development of its employees, all the while respecting the character and individuality of each employee.

4. **Information Security and Disclosure**
   While Mitsubishi Corporation will continue to develop, implement and improve the effectiveness of its information security management system, at the same time the company will disclose information accurately and in a timely fashion, so as to maintain transparency and be correctly understood by both its stakeholders and the general public.

5. **Consideration for Environmental Issues**
   Mitsubishi Corporation understands that an enterprise cannot continue to prosper without consideration for its environmental performance, and will strive to protect and improve the global environment and pursue sustainable development through all aspects of its business activities.

6. **Contribution to Society**
   As a responsible member of society, Mitsubishi Corporation will actively carry out philanthropic programs in an effort to promote the enrichment of society. Moreover, the company will support efforts of its employees to contribute to society.
While growing the scope of our operations, MC is focusing on being mindful of the environment and society, and on improving the soundness of management.

**Number of consolidated subsidiaries and equity-method affiliates**

614

MC has 614 consolidated subsidiaries and equity-method affiliates. We have 398 consolidated subsidiaries and 216 equity-method affiliates.

⇒ For details, please see “Global Network” on page 116.

**Number of consolidated employees**

71,994

MC has 614 consolidated subsidiaries and affiliates and 71,994 consolidated employees. MC’s diverse human resources play active roles regardless of gender, nationality and other aspects.

⇒ For details, please see “MC Group Human Resources Strategy” on page 84.

**Consolidated net income**

¥400.6 billion

Consolidated net income for the year ended March 31, 2015 was ¥400.6 billion, thereby exceeding our full-year forecast of ¥400.0 billion. MC has set a target of doubling attributable equity production in resource fields and doubling consolidated net income in non-resource fields by circa 2020 under our growth vision (relative to the year ended March 31, 2013).

⇒ For details, please see “Message from President and CEO” on page 06 and “Message from the Chief Financial Officer” on page 32.

**HISTORY**

**Foundation to 1970s**

In 1954 the new Mitsubishi Shoji was founded, and that same year was listed on the Tokyo stock exchange. In 1967, the company announced its first management plan. In 1968, the company committed to a large project in Brunei to develop LNG (liquefied natural gas). This was its first large-scale investment. Not content with mere trade-based activities, the company began expanding its development and investment-based businesses on a global scale, as evidenced by iron-ore and metallurgical coal projects in Australia and Canada, and salt field business in Mexico. In 1971, the company made “Mitsubishi Corporation” its official English name.

**The 1980s**

MC needed to construct new systems to generate profits. The company began streamlining its established businesses and developing more efficient operations. In 1986 the company firmly entrenched a new policy, shifting its focus from operating transactions to profits. That same year a new management plan was drawn up.
Number of countries with global sites

90

Approx.

MC has over 200 business sites in Japan and about 90 countries and develops business together with its consolidated subsidiaries and affiliates.

⇒ For details, please see “Regional Initiatives” on page 82 and “Global Network” on page 116.

Number of Outside Directors/Number of Directors

5/14

MC appoints Outside Directors to strengthen management supervision. The total number of Directors as of March 31, 2015 was 14. Five of them are Outside Directors.

⇒ For details, please see “Special Feature 2: MC’s Corporate Governance System Supporting Sustainable Growth” on page 24, “Approaches to Corporate Governance” on page 104 and “Members of the Board and Corporate Auditors” on page 112.

Investments made in the year ended March 31, 2015

¥760 billion

MC made investments that totaled ¥760 billion in the year ended March 31, 2015. Under New Strategic Direction, we plan to invest a total of ¥2.0-2.5 trillion over the three-year period starting from the year ended March 2014.

⇒ For details, please see “Message from the Chief Financial Officer” on page 32.

Cumulative number of trees planted (As of July 1, 2015)

1,190,456

MC has been conducting the Tropical Forest Regeneration Experimental Project since 1990 as one aspect of its environmental preservation and improvement activities. To date we have planted a cumulative total of 1,190,456 trees.

⇒ For details, please see “Preservation of Biodiversity” on page 95.

The 1990s

In 1992, MC announced a new management policy, namely to reinvent the company as a “Sound, Global Enterprise.” MC began placing greater focus on its consolidated operations and increasing the value of its assets. More efforts were made to globalize the company’s operations and its people. In 1998, MC established “MC2000” which introduced a “Select & Focus” approach to business, strengthened strategic fields, and emphasized customer oriented policies. The new plan was instrumental in shoring up the company’s foundations and paving the way to a prosperous future.

Into the New Millennium

Message from President and CEO .......06

Special Features

1. MC’s Corporate Value Creation Story
   Aiming for a Sustainable Aquaculture Model ..................16
   Mineral Resources Investment Business Passes
   the Baton to the Next Generation ...............................20

2. MC’s Corporate Governance System Supporting
   Sustainable Growth
   Governance & Compensation Committee
   Roundtable Discussion ..........................................24
   MC’s Corporate Governance Initiatives .........................29

INTEGRATED REPORT 2015
CONTENTS
Message from President and CEO

Ken Kobayashi
President and CEO

Joined MC in 1971. Became Senior Vice President and General Manager of Singapore Branch in April 2000 after successively holding post as General Manager of Ship & Industrial Project Dept. and General Manager of Singapore Branch. Appointed Senior Vice President and Division COO of Plant Project Div. in June 2004. Became Senior Vice President and Division COO of Ship, Aerospace & Transportation Systems Div. in April 2006. Appointed Executive Vice President and Group CEO of Industrial Finance, Logistics & Development Group in April 2007. Became Member of the Board, Executive Vice President and Group CEO of Industrial Finance, Logistics & Development Group in June 2007. Retired as Member of the Board and appointed Executive Vice President and Group CEO of Industrial Finance, Logistics & Development Group in June 2008. Became Senior Executive Vice President and Executive Assistant to President in April 2010. Assumed current position as Member of the Board, President and CEO in June 2010.
Concentrating Our Strengths Towards Completion of New Strategic Direction

Management Policies for the Fiscal Year Ending March 2016

During 2014 the economies of developed countries stagnated as growth in developing countries, which had been expected to drive worldwide economic growth over the medium and long term, slowed, with China transitioning from a period of high economic growth to one of stable growth. Furthermore, developments such as the conflicts between Russia and Ukraine and in the Middle East signaled growing geopolitical risks, while a sense of uncertainty regarding the global economy as a whole was aggravated by factors such as falling prices for crude oil and other resources. Facing such challenges, we began 2015, which holds a particular significance for us as a year which we mark as the completion of our latest strategic cycle, New Strategic Direction.

The Business Strategy Committee held this March provided an opportunity to review the path forward and associated issues as we pursue our vision for circa 2020 in the context of these conditions through detailed discussions with each business group and department. While we currently face a challenging environment that poses various issues, we feel good response that the vision for circa 2020 laid out in New Strategic Direction will become apparent if each of us moves steadily to implement our growth strategy in respective areas of responsibility, while dealing with the realities of the current environment and adjusting our approach as needed.

Pursuing fair, robust business operations by contributing to society, acting in an environmentally responsible manner and undertaking global business activities in accordance with the Three Corporate Principles, which have been passed down since our founding and form the starting point of Mitsubishi Corporation (MC), will not only enable us to overcome the environmental challenges that we face in each area of our operations, but also will lead to successfully implementing our New Strategic Direction.

► For details about corporate philosophy, please refer to “OUR PHILOSOPHY” on page 01.
Vision and Policies of New Strategic Direction

Under New Strategic Direction, MC has adopted a vision based on doubling the scale of its businesses by circa 2020. This vision was adopted using a “future pull” approach eyeing circa 2020 based on a reacknowledgement of the Company’s value as “providing upside potential as well as stable earnings.”

As a specific vision for growth, we are working to double attributable equity production compared with the fiscal year ended March 2013 in the resource field that deals in products such as liquefied natural gas (LNG), coking coal, copper and other resources. We also aim to double earnings in the non-resource field such as finance, infrastructure and living essentials. In addition, we have defined our vision for our portfolio circa 2020 as a combination of optimal diversification and multiple winning businesses. We will also undertake growth investments with an emphasis on cash flow and adherence to financial rules and regulations.

In an effort to narrow down the business sub-segments, we aim to have more than 10 business sub-segments in our portfolio that generate net income of at least ¥20.0 billion and another 10 to 15 that can generate between ¥10.0 billion and ¥20.0 billion.

At the same time, we have set a return on equity (ROE) of 12-15% over the medium to long term as an indicator of profitability, and we will continue to improve the Company’s value by implementing a stable dividend policy that reflects our upside potential.

For more information about portfolio management and other topics related to risk management, see “Risk Management” on page 36.

New Strategic Direction

Maximizing our sustainable corporate value as a company with a diversified selected portfolio

<table>
<thead>
<tr>
<th>Business Strategy</th>
<th>Market Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Using capital efficiently</td>
<td>Targeting Asia</td>
</tr>
</tbody>
</table>

### Principles
- Create sustainable corporate value, proactively reshape our portfolio

### Investment Policy
- Accelerate divestments, continue consistent investment rate

### Financial Discipline
- Fund investments within own cash flow, deliver a return on equity of 12-15% in the medium to long term

### Dividend Policy
- Introduce new dividend policy, set base dividend according to a conservative base earnings level of ¥350 billion per annum

#### Double Business

- Resource: double attributable equity production
- Non-resource: double earnings

- 2013.3
- Circa 2020

#### Business Sub-Segments Evaluation Matrix (Illustrative example)

- Growth Potential: Low, High
- Level of Earnings: Winning Businesses, Up or Out
- Cost of Equity: 15%
- ROE: 12-15%
Progress on New Strategic Direction

Financial Results for the Year Ended March 2015

Consolidated net income during the fiscal year ended March 2015 totaled ¥400.6 billion, meeting our full-year forecast of ¥400.0 billion.

Although we were able to meet our full-year forecast thanks to steady profits in the non-resource field, we were forced to post an impairment loss of ¥95.0 billion in resource-related businesses and a total impairment loss of ¥127.0 billion including corresponding figures for other businesses.

Although the results for the resource field reflect the impact of factors such as falling resource prices, we are gradually accumulating exceptional, cost-competitive assets as we take steady action to double attributable equity production as set forth in New Strategic Direction.

Our non-resource businesses posted record earnings. A gain on reversal of impairment losses from Lawson shares and other sources contributed to these results along with factors such as increased equity profits in our fund businesses and increased earnings in our livestock business. We are steadily strengthening our profitability so that we can achieve the goal of doubling consolidated earnings as set forth in New Strategic Direction.

During the fiscal year ending March 2016, which will mark the last year of New Strategic Direction, we will work to achieve profit targets and successfully implement New Strategic Direction while making investments and asset divestments to facilitate continued growth.

For details about results of the year ended March 2015, please refer to “Message from the Chief Financial Officer” on page 32.

Consolidated Net Income for the Fiscal Year Ended March 2015

- Profits in the resource field fell from the previous year due to impairment losses.
- Profits in the non-resource field set a new record (¥314.5 billion).
- Positive results in the non-resource field covered falling profits in the resource field, allowing us to post results in line with our forecasts.

For more information about business opportunities in the non-resource and resource fields, see “Special Feature 1: MC’s Corporate Value Creation Story” on page 16.

Progress in Investments

Since announcing New Strategic Direction, MC has been making steady progress towards the long-term objective of doubling the scale of its businesses by circa 2020.

In addition to milestones in the resource field that include the opening of a new coal mine in Australia and finalizing our plans to invest in U.S. company Cameron LNG, we have steadily pursued new investments in the non-resource field, including the acquisition of Norwegian salmon and trout farming company, Cermaq ASA. In keeping with our awareness that “no growth is possible without investment,” we plan to continue investing actively in promising opportunities.
Progress on Business Strategies

In the resource field, we are working to further strengthen our competitiveness by ensuring profitability in our project pipeline and focusing on improving capital and operational costs with an emphasis on investments that update or expand existing core businesses.

In the non-resource field, we are accelerating our efforts to allocate management resources to “stronger performing businesses” and “businesses that promise to develop into strong performers” in line with our growth vision for circa 2020 of creating multiple sizable “winning businesses.” In addition to expanding our automobile, foods, food retail, power generation, life sciences and other businesses, we are working to effect change in business models, for example, through downstream development of the North American shale gas business and by shifting our finance business to a focus on asset management.

In addition to new investments, we will continue to work to achieve our growth targets while reviewing the allocation of management resources in each segment, with the goal of actively pursuing the replacement of assets and strengthening portfolio management.

As a result of our business selection and consolidation efforts, we have narrowed down the number of business sub-segments from 47 to 39, while the number of “winning businesses” is steadily increasing.

For more information about initiatives in individual businesses, see “Group/Business Groups” on page 42.

Progress on Market Strategies

Our objective is to ensure sustainable growth by capturing growth in Asia by accelerating global development, leveraging our shift towards Asian markets, which are gaining a greater international presence not only as resource rich and industrial nations, but also as consumer markets. To achieve this goal, we are working to secure global supply sources to meet increasing demand of Asian markets for raw materials and other commodities, and to establish a local presence within the Asian region through M&As, strategic alliances and other proactive initiatives.

For details about each regional initiative, please refer to “Regional Initiatives” on page 82.
Message from President and CEO

Progress on Business Development (R&D) Strategy

As we implement our business portfolio strategy, we have launched multiple task forces in areas such as agriculture and healthcare. We are involved in initiatives designed to create new business sub-segments that will form part of the Company’s future portfolio, and we continue to study specific individual projects in that regard.

Financial Position

New Strategic Direction adopts a financial policy of placing positive cumulative free cash flow over the three-year period by funding our investment within the scope of consolidated net earnings. Cumulative net investment of ¥200.0 billion over the two-year period until the fiscal year ended March 2015, fell within the corresponding period’s cumulative consolidated net income of ¥800.0 billion.

Despite of the challenging present environment and various associated issues, we plan to continue an active execution of growth investments during the current fiscal year. However, free cash flow over the past two years has exceeded ¥700.0 billion and we believe that we now see the light to achieve the objectives of the financial policy that we initially adopted.

For details about financial position, please refer to “Message from the Chief Financial Officer” on page 32 and Financial Section of Integrated Report 2015.

Creating Sustainable Corporate Value

New Strategic Direction carries on our commitment to creating sustainable corporate value, which was established by the previous Midterm Corporate Strategy in an effort to maximize our overall corporate value by combining the three pillars of sustainable economic value, sustainable societal value and sustainable environmental value. We pursue sustainable economic value in the form of robust profit growth, which is achieved through constant innovation to our profit model and portfolio, and we create sustainable societal value by contributing to the development of local economies and communities as a responsible corporate citizen growing together with society. Thirdly, we aim to achieve sustainable environmental value by preserving and improving the global environment in recognition that the Earth itself is our greatest stakeholder.

In line with this approach, MC is working to create sustainable societal value and sustainable environmental value by closely monitoring global sustainability issues and actively working to provide solutions through both our global business activities and our corporate philanthropy programs.

Addressing Key Sustainability Issues through Our Business Activities

MC actively promotes sustainability initiatives in each area of our business activities, including by promoting the widespread use of electric vehicles, working to achieve a low-carbon society through our renewable energy business, supporting environmentally-friendly urban planning, and fostering the development of the communities in which we operate in harmony with the environment.

Addressing Key Sustainability Issues through Corporate Philanthropy Activities

MC engages in corporate philanthropy initiatives in a wide range of fields including the global environment, public welfare, education, culture and the arts, and international exchange and contributions. We also encourage all of our employees from around the world to participate in our long-running activities. MC’s broad range of initiatives includes our environmental projects in the areas of forest preservation, tropical forest regeneration, and coral reef conservation which have been running for many years.

We also have our Great East Japan Earthquake Restoration Efforts, which were launched in 2011 just after the disaster struck. In addition, in 2014 we launched a new program, Dream as One, in support of para-sports. These are just some of the ways in which MC strives to address global sustainability issues while working to enhance its corporate value.

For more information about MC’s sustainability initiatives, please refer to the “Sustainability” section on page 88.
Shareholder Returns

Under New Strategic Direction, MC’s dividend policy is to ensure a certain amount of return to our shareholders, regardless of changes in the operating environment. Such policy is to deliver a base dividend of ¥50 yen per share plus a performance-based variable dividend at a payout ratio of at least 30% for consolidated net income above ¥350 billion, thereby adopting a performance-based approach. In this way, profit growth translates into upside potential for the dividend.

Based on this policy, the dividend for the fiscal year ended March 2015 comprised an ordinary annual dividend of ¥60 plus an additional dividend of ¥10 to commemorate the 60th anniversary of the Company’s founding, for a combined total of ¥70 per share.

We are also working to optimize the scale of capital while giving top priority to improving profitability with the goal of restoring an ROE of 12-15% over the medium to long term. Using funds from the greater than expected replacement of assets undertaken as part of that policy, we continued purchases of treasury stock, which began last year. As a result, dividends and share buybacks of ¥100.0 billion in treasury stock together comprise our return to shareholders.

The fiscal year ending March 2016 is the final year of New Strategic Direction. Under New Strategic Direction, we will concentrate our strengths to realize our growth vision eyeing circa 2020.

Basic Dividend Policy

Basic Dividend Concept

- Deliver a base dividend (¥50 per share), plus a performance-based variable dividend at a consolidated dividend payout ratio of at least 30% for earnings above ¥350 billion
- Shareholders participate in the upside but have limited exposure to the downside

Applicable Formula

\[ 50 \text{ yen} + \text{EPS (for earnings above ¥350 billion yen)} \times \min 30\% \]

Illustrative Example

- Variable portion (performance based)
- Base portion

Basic Dividend Policy
MC strives to create sustainable corporate value through all of our business activities, aiming for solid earnings growth while also making a positive impact on the global environment and the communities in which we operate.

Our businesses are built upon the intelligence to create comprehensive strategies based on a wide variety of information such as political and economic trends which is gathered by our diverse human resources, including those in managerial positions throughout our approximately 600 consolidated subsidiaries and affiliates.

Using this framework as a solid infrastructure, we have flexibly adapted our business models in accordance with the surrounding environment.

In Special Feature 1, we have focused on the salmon farming business and mineral resources investment business to present our rationale and processes directed towards creating corporate value.

In Special Feature 2, we have provided an excerpt of the roundtable discussion held by the outside members of the Governance & Compensation Committee regarding the concept and features of MC’s corporate governance as the foundation supporting our sustainable growth.
Special Feature 1: MC’s Corporate Value Creation Story

16 Aiming for a Sustainable Aquaculture Model

20 Mineral Resources Investment Business Passes the Baton to the Next Generation

Special Feature 2: MC’s Corporate Governance System Supporting Sustainable Growth

24 Governance & Compensation Committee Roundtable Discussion

29 MC’s Corporate Governance Initiatives
Aiming for a Sustainable Aquaculture Model

In November 2014, MC executed a takeover bid (TOB) and acquired Norway-based Cermaq Group AS (Cermaq), the world’s third largest salmon farming company, and made Cermaq a wholly owned subsidiary.

Demand for marine products is rising in tandem with growth in the world’s population. As this trend progresses, besides wild-caught fish, which are limited in supply, the farmed fish business is also attracting increased attention. Farmed salmon have a low environmental impact and there is expected to be a particular increase in demand in both advanced countries and emerging countries for this salmon as a sustainable source of animal protein.

Using its distribution processing business in Japan as a foundation, MC has steadily built a vertically integrated business model encompassing farming, processing and sales by commencing business transactions in farmed salmon during the 1990s and entering the salmon farming business in Chile in 2011. Furthermore, by making Cermaq a subsidiary in 2014, the MC Group’s annual production volume for farmed salmon now stands at approximately 200,000 tons, ranking it second in the world.

Outline of Cermaq Group AS

<table>
<thead>
<tr>
<th>Company name</th>
<th>Cermaq Group AS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head Office</td>
<td>Oslo, Norway</td>
</tr>
<tr>
<td>Business activities</td>
<td>Farming, processing, sales and distribution of salmon</td>
</tr>
<tr>
<td>Capital stock</td>
<td>NOK 925 million</td>
</tr>
<tr>
<td>Representative (CEO)</td>
<td>Jon Vinter</td>
</tr>
<tr>
<td>Number of employees</td>
<td>4,361 (as of December 31, 2013)</td>
</tr>
<tr>
<td>Production Volume</td>
<td></td>
</tr>
<tr>
<td>Norway</td>
<td>Approx. 60,000 tons/year</td>
</tr>
<tr>
<td>Canada</td>
<td>Approx. 20,000 tons/year</td>
</tr>
<tr>
<td>Chile</td>
<td>Approx. 90,000 tons/year</td>
</tr>
<tr>
<td>Total</td>
<td>Approx. 170,000 tons/year</td>
</tr>
</tbody>
</table>

Salmon Farming Business Value Chain

<table>
<thead>
<tr>
<th>Procurement</th>
<th>Processing</th>
<th>Manufacturing</th>
<th>Distribution</th>
<th>Retail</th>
</tr>
</thead>
<tbody>
<tr>
<td>Norway, Chile, Canada</td>
<td>Cermaq Group AS</td>
<td>Farming, processing and sales of salmon</td>
<td>Lawson, Inc.</td>
<td>Convenience stores</td>
</tr>
<tr>
<td>Chile</td>
<td>Salmons Humboldt Limitada</td>
<td>Farming, processing and sales of salmon</td>
<td>Life Corporation</td>
<td>Supermarkets</td>
</tr>
<tr>
<td>Thailand/Vietnam</td>
<td>Thai Union Frozen Products PCL/Trung Son Group</td>
<td>Processing of marine products</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Toyo Reizo Co., Ltd.</td>
<td></td>
<td>Processing, ultra-low temperature logistics, storage and domestic sales</td>
<td>Other domestic and overseas customers</td>
<td></td>
</tr>
<tr>
<td>Sanyo Foods Co., Ltd.</td>
<td></td>
<td>Processing and sales of smoked salmon, etc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maruichi Co., Ltd.</td>
<td></td>
<td>Wholesale of marine products, etc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>Zhejiang Daling Seafood Co., Ltd.</td>
<td>Sales of marine products</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Purpose of Acquisition and Future Development

MC acquired Cermaq, which was the world’s third largest salmon farming company, for the purpose of providing stable supplies of farmed salmon, which is a sustainable, safe and secure food resource, in response to rising demand for food accompanying growth in the world’s population.

Looking ahead, MC will deploy its various channels and resources and strengthen its sales channels in each market. In conjunction, MC will leverage its advantages of scale in this business and set its sights on entering the feed and other peripheral fields of fish farming in line with efforts to expand earnings.

Farmed Salmon Production Trends

Owing to geographical factors, the principal markets for farmed salmon differ depending on the production regions. Specifically, Europe and Russia are the markets for Norwegian-farmed salmon and North America, South America and Japan are the main markets for salmon from Chile, while North America is the market for Canadian-farmed salmon.

By acquiring Cermaq, which operates production bases in the three countries of Norway, Chile and Canada, MC has set up a structure that broadly covers the world’s principal markets. Based on this global sales structure and its sales know-how accumulated to the present, MC aims to expand sales in the future in emerging markets that include China and Southeast Asia.
Creating Value through the Sustainable Salmon Farming Business

In the process of acquiring Cermaq, during the stages ranging from the original proposal draft to surveys, screening and obtaining internal approval and acquisition, various departments worked in close cooperation and performed their tasks in the run-up to launch. The specific roles fulfilled by respective departments and how they contributed to the successful acquisition as they undertook their jobs are introduced herein.

Cermaq Business
From the Original Proposal Draft to Acquisition
Salmon Farming Business Office, Living Essentials Group
This project began when we were undertaking business investigations exploring opportunities for entering business in Norway and we heard about the Norwegian government’s policy to sell some of its stockholdings of Cermaq. The process leading up to the finalization of the acquisition required numerous steps. These included holding dialogues with Cermaq’s management team and meetings with the Norwegian government as well as making judgments about business risk and the timing of the acquisition. We were able to successfully complete this acquisition thanks to the extensive support we received from both within and outside the company.

 Investigations and Navigation of the Acquisition Process (Legal Dept.)
Yasumasa Kashikagi (General Manager of Marine Products Dept. and Deputy General Manager of Salmon Farming Business Office)
Nobuyuki Yoshimura, Yukio Shinano
Front row from left:
Natsuko Wakabayashi Haruna Yamazaki
Investigations (due diligence)

Investigations and Screening (CSR & Environmental Affairs Dept.)
Yuko Yasukawa
Manager, CSR & Environmental Affairs Team
CSR & Environmental Affairs Dept.
Role of the CSR & Environmental Affairs Dept.
In order to inform our investment decisions, MC performs detailed assessments of company performance, including from social and environmental perspectives. In addition to management interviews and thorough document reviews, we also conduct on-site inspections to confirm the level and adequacy of sustainability initiatives both currently and after the investment.

Business Matters Involved with the Acquisition
MC conducted a detailed investigation of aspects including environmental initiatives, engagement with local indigenous communities and attention to occupational health and safety. After receiving comprehensive explanations on sustainability policies from Cermaq’s management team, we visited salmon farms and processing sites in Chile and confirmed the application of these policies on the ground. Through this process, Cermaq and MC developed a deeper mutual understanding, and I am confident that this investment will contribute to the creation of sustainable corporate value for MC in the future.

Message from the CIO of Cermaq
Akihiko Soga
Chief Integration Officer (CIO)
Cermaq Group AS

The fish farming business got off to a solid start thanks to the extensive support from the Marine Products Dept. as well as other involved departments. I’ll promote this business each day with a strong and deep sense of my responsibilities. Since joining MC, I have gained a wide range of experience. This includes working in the Marine Products Dept. as well as being dispatched to a marine products sales subsidiary in the United Kingdom, handling the Group’s risk management and working in the Feed & Meat Products Dept. I will leverage my diverse know-how and human networks cultivated through these experiences to further strengthen the fish farming business and take on the challenge of developing new businesses such as the feed business. Together with my colleagues inside and outside the company, I’ll make my best efforts to contribute to the further development of this business.
Message from the CEO of Cermaq

Cermaq is a company focused on sustainability based on the concept of “sustainable aquaculture.” We emphasize sustainability in every aspect of our operations, which includes managing fish health and giving consideration to the environment. We highly commended MC’s competencies as a trader, from sales and distribution to downstream processing. Additionally, we place high value on trust and integrity and empathize with MC’s approach to business from a long-term perspective.

Salmon farming is one important business for responding to the increase in world population. I’d like to deploy our presence to respond to this issue by working as a partner with MC, which is developing sustainable businesses.
History of MC’s Mineral Resources Investments
Since the 1950s MC has continued investing in mineral resources. MC’s investments in coking coal dates back to 1966 when it acquired a 15% stake in the Australia-based CQCA J/V*1 with an aim to stably supply coking coal to the Japanese steel industry. In 1984, BHP, a large resources company, joined the CQCA J/V as a business partner and since then, MC remains involved in business operations with BHP through MDP*2; a 100% MC-owned subsidiary in Australia. In 2001, behind the confidence in demand outlook of the high quality hard coking coal market, MDP and BHP Billiton (BHPB)*3 acquired all shares of the Gregory J/V* (MDP had previously acquired a 3% stake in the Gregory J/V in 1989), resulting in MDP and BHPB respectively holding a 50% stake in the CQCA J/V and the Gregory J/V. Since then, MC has further enlarged its value through the BHP Billiton Mitsubishi Alliance (BMA), which has grown to become one of the largest global coking coal suppliers, accounting for approximately one quarter of the world’s seaborne hard coking coal market. Meanwhile, the transition of the Japanese economy to a stable growth track in the 1980s was accompanied by increased demand for copper, a material used in such areas as electrical wire, communications, automobiles and construction. Amid this situation, in anticipation of increased demand not only in Japan but also primarily throughout Asia, MC invested in copper mines with the aim of providing stable supplies and expanding business revenues. Beginning with our participation in the Escondida mine (Chile), which boasts the world’s largest production volume, MC steadily expanded its interests in the Los Pelambres mine (Chile) and the Antamina mine (Peru). Based on the experiences handed down by our predecessors, during the 2010s we also participated in Anglo American Sur (Chile), which owns the Los Bronces mine and a large undeveloped mining area, and the Quellaveco project (Peru), for which development is being planned. Among these, all the mines currently in operation are large-scale businesses with the world’s largest production volumes. MC is working to create value in each business through MCI (Chile/Peru)*1, a 100%-owned subsidiary that undertakes the resources business in South America.

History of Mineral Resources Investment (Coking Coal and Copper)

Coking Coal
1966: CQCA J/V (Australia)
1984: MDP (Australia)
1988: Gregory J/V (Australia)
2001: BHPB (Australia)
2011: Quellaveco mine (Peru)
2014: Caval Ridge open cut mine (Australia)
2014: Daunia open cut mine (Australia)
2015: Caval Ridge open cut mine (Australia)

Copper
1968: Escondida mine (Chile)
1997: Los Pelambres mine (Chile)
1999: Antamina mine (Peru)
2001: BMA (Australia)
2011: Anglo American Sur (Chile)
2012: Quellaveco mine (Peru)

M.C. Inversiones Limitada (MCI)
Established: December 1988
Main business: Businesses related to investments in ferrous raw materials, mainly iron ore, and non-ferrous metal raw materials, mainly copper
Number of employees: Approximately 60
Engages in businesses related to investments in iron ore company Compañía Minera del Pacífico S.A. (CMP) in Chile and makes investments in copper mines in Chile and Peru (five investments).

Mitsubishi Corporation RIM International Pte. Ltd. (RIMI)
Established: December 2012
Main business: Mineral resources trading
Number of employees: Approximately 60
Carries out trading operations worldwide from Singapore, where human resources and information are concentrated. In Japan, carries out the same business at Mitsubishi Corporation RIM Japan Ltd.

Mitsubishi Development Pty Ltd (MDP)
Established: November 1968
Main business: Businesses related to investments in mineral resources (coking coal, thermal coal, iron ore and uranium)
Number of employees: Approximately 60
Invests, produces and sells mineral resources, mainly coking coal, through BMA, which owns eight coal mines in Australia.
Platform for Value Creation

To execute our growth strategy of accurately ascertaining business and industry trends and securing new investment opportunities, we must deeply immerse ourselves at the actual locations where information is accumulated and strong human networks have been formed. In addition to staff dispatched from the Head Office, MDP and MCI locally hire professional human resources such as technology and finance professionals to strengthen expertise, and are raising productivity and implementing expansion and development plans after undertaking discussions with partners. Moreover, through mutual collaboration MDP and MCI are raising each other’s knowledge levels and contributing to creating value for projects.

**MDP**

Keisuke Hoshino
CEO
Mitsubishi Development Pty Ltd (MDP)

MDP jointly operates its coking coal business through BMA, together with BHPB. In order to maximize the value of BMA, employees at MDP’s head office in Brisbane who are skilled and experienced in the mineral resources business address day-to-day operational matters to BMA, such as production, transport and sales. MDP also has equally skilled employees seconded to divisions of BMA, who work in unison with MDP and the Mineral Resources Investment Division in Tokyo to ensure MC maintains strong collaboration with BHP and BMA. As a result of ongoing collaboration between the JV partners, BMA continues to identify and implement major improvements in costs and productivity. MDP provides an opportunity for junior employees to enhance their skills and expertise, an opportunity I myself was given through working in the copper and iron ore business upon joining MC.

**MCI**

Tadashi Omatoi
CEO
M.C. Inversiones Limitada (MCI)

MCI is a company that oversees a total of six copper and iron ore projects, with operations spanning the two countries of Chile and Peru.

MCI strives to raise the value of its assets by pursuing best practices among its projects and dispatching staff to investee businesses. In parallel, as one of its crucial roles MCI also focuses on responding to its stakeholders, including the political and business establishment.

To the present, I’ve been posted in Chile, Venezuela and South Africa, while my experience in products has spanned multiple fields that include steel products, iron ore and raw materials of stainless steel. I’d like to utilize my business experience in dealing with diverse cultures and products to enhance MCI’s network in Central and South America.

Internal Management Process for Existing Projects

MC formulates single-year and medium-term business plans of investees within the annual Business Plan and undertakes monitoring (business management) of status of achievement and response measures for management issues. We’ve also built a process whereby when there is a significant change from an originally assumed plan, the plan is to be reviewed at the necessary level (Executive Committee, etc.) and the adequacy of response measures must be re-discussed.

Additionally, we regularly visit business locations to check on actual conditions for principal businesses such as BMA and Anglo American Sur.

Comments by Corporate Auditor Tadashi Kunihiro on the Inspection of BMA and MDP

Corporate auditors attend the Board of Corporate Auditors meeting and the Board of Directors meeting and audit the decision-making process of directors. Besides these duties, corporate auditors also actively make on-site audits at bases in Japan and overseas for a first-hand observation of business sites. In October 2013, I made an inspection visit to BMA and MDP in Australia. During this visit, I gained a real sense of the extensive scale of an open cut coking coal mine and the wide reach of operations that extend from the mine all the way to port operations for shipment. While at these business sites, I could also truly feel the resilience of MC employees who made great efforts to undertake coal mining operations as equal partners of major overseas mineral resources companies.

For details about MC’s Corporate Auditors, please refer to the “Approaches to Corporate Governance” on page 104.
Creating Value in the Coking Coal and Copper Businesses

In the coking coal and copper businesses, MC deploys staff to a variety of business sites, such as coal and other mineral mines, ports and marketing and trading sites, as it works to create value. Here we introduce specific examples of the roles staff are fulfilling and how they are making contributions as they perform their jobs.

**Coking Coal**

**Resource Planning & Development/ Business Development**

I am the Head of Business Development and Acting Head of Resource Planning & Development for BMA. Resource Planning & Development focuses on understanding BMA’s mineral resources and planning the mining operations to extract those resources. We also plan the logistics chain to deliver BMA’s coking coal from our eight operating mines in Queensland by rail to the export ports for shipment to our customers globally. Business Development undertakes the commercial transactions to secure access to coal resources and infrastructure for future mining operations.

**Production**

BMA owns eight coking coal mines in Queensland. I work at the Peak Downs coal mine, which produces one of the world’s highest-quality coking coal. Extracting coal from a mining pit requires efficient operation of many types of large-scale equipment. My responsibility is to analyze operating data of various types of equipment and implement improvement measures that contribute to increased productivity and cost reductions. This ensures stable supplies of high-quality coking coal to the world’s steelmakers, who are BMA’s valuable customers, and at the same time strengthens the competitiveness of the Peak Downs coal mine.

**Finance**

I work in the Finance Department of the Antamina copper mine and am involved in the procurement and management of funds. Copper mine operations and investments require huge amounts of funds, and for this reason, carrying out optimal financing in accordance with circumstances is crucial. I contribute to stable business operations by emphasizing the high quality of our assets and the future potential of our investment plans to banks inside and outside of Peru and then finalize competitive financing contracts. My goal for the future is to become involved with MC’s new businesses as well as M&A for reshaping our asset portfolio by utilizing the expertise gained from my current work assignment.

**Copper**

**Production**

I’m primarily in charge of mining process management in the Ore Mining Division at Los Bronces, the main copper mine of Anglo American Sur. Comparing budgets and production plans with actual operating data on a daily basis while analyzing various problems and bottlenecks during operations and discussing these issues with the managers of each process and making improvement proposals are a key part of my role. To avoid sub-optimization, I am working to make improvements to production from a broad perspective in view of all our operations.

**Copper**

I work in the Finance Department of the Antamina copper mine and am involved in the procurement and management of funds. Copper mine operations and investments require huge amounts of funds, and for this reason, carrying out optimal financing in accordance with circumstances is crucial. I contribute to stable business operations by emphasizing the high quality of our assets and the future potential of our investment plans to banks inside and outside of Peru and then finalize competitive financing contracts. My goal for the future is to become involved with MC’s new businesses as well as M&A for reshaping our asset portfolio by utilizing the expertise gained from my current work assignment.

---

1* A Chilean copper mine in which Anglo American has a 50.1% stake, Codelco a 20% stake, Mitsui & Co. a 9.5% stake and MC a 20.4% stake through wholly owned subsidiary MC Resource Development

2* A Peruvian copper mine in which BHPB and Glencore each have a 33.75% stake, Teck a 22.5% stake and MC a 10% stake
Developing Personnel in Mineral Resources

Every year since 2008, the Metals Group has seconded trainees to Australia, where they study mine management at the University of New South Wales, School of Mining Engineering, with the aim of developing personnel with technical abilities in mineral resources. Upon graduating, the trainees undergo further training at actual mines. I graduated in 2014 and am currently undergoing on-site training at the Mount Thorley Warkworth coal mine, a mine MOP owns a stake in that produces thermal coal for electric power generation. My goal is to gain a comprehensive understanding of mining operations through training in a variety of departments and to use the knowledge and experience I gained to contribute to MC’s mineral resources business.

Port

I work at the Hay Point Coal Terminal (HPCT), which is owned by BMA. Coking coal produced at BMA mines is transported to HPCT via rail and loaded onto vessels for delivery to customers all over the world. HPCT is a crucial part of BMA’s supply chain, which annually accepts around 4,500 BMA coal trains, loading coal on approximately 400 vessels per year. In order to avoid export delays, which impact BMA and its valuable customers, I strive to efficiently schedule coal transport via rail and vessel to optimize BMA’s port operations.

Futures Trading

I have been working for 11 years starting in Operations and progressing forward to becoming Head Copper Trader in 2014, and successfully brokering business from our global customer book. Due to the ever-changing financial climate, the market has become more volatile and demands quick trading decisions and healthy risk management. By utilizing all my skills and experience in base metals trading, I am able to execute client orders and try to ensure that a healthy profit is made for Triland Metals in a dynamic market.

Marketing

BMA sells coking coal to customers via its sales headquarters in Singapore, and sales offices in London, Delhi, Shanghai and Tokyo. Since BMA’s production and sales volumes equate to approximately one quarter of the world’s seaborne trade in hard coking coal, it is crucial to accurately determine global demand trends in order to continue providing a stable coking coal supply. I work in Singapore as a sales manager and my duties comprise confirming the execution of daily contracts, while analyzing sales data from our global offices and developing BMA’s sales strategies.

Trading

I’ve been involved in copper trading for the past 20 years and during this time I’ve cultivating customer and markets. This includes making sales calls in Asia for Chilean and Indonesian copper and unannounced sales visits in Germany for Russian copper when I was stationed in London. At RTMI, I currently formulate global trading growth strategies for copper and am responsible overseeing sales. Using my experience to the present as a driving force, I am working together with the team to build up our contact performance results, which includes selling copper produced in MC’s mineral resources investment business. Going forward, I’d like to become a business partner that is deeply trusted by both producers and users.
Governance & Compensation Committee Roundtable Discussion

MC’s Corporate Governance Features and Future Required Stance

MC recognizes strengthening corporate governance on an ongoing basis as its important subject concerning management as it is a foundation for ensuring sound, transparent and efficient management. In this segment we hear from Outside members of the Governance & Compensation Committee regarding the features of MC’s corporate governance and Board of Directors operations.

For details about MC’s corporate governance, please refer to the “Approaches to Corporate Governance” on page 104.
exceeds consolidated capital cost, as a result of creating corporate value. This is an excellent initiative that fits the essential purpose of corporate governance to "enhance corporate value."

Another pioneering initiative is the fact that the President's Performance Evaluation Committee has been established as a subcommittee to the Governance & Compensation Committee so that the President's performance can be assessed by Outside Directors and Outside Corporate Auditors. This pioneering spirit has undoubtedly become the cornerstone of MC's current corporate governance system.

Kunihiro: Although debate concerning governance often revolves solely around whether a Committees System or Audit Committee System should be employed, as Mr. Ito says, MC sufficiently fulfills its corporate governance functions under a Corporate Auditor System. MC shows by example that it is not the container that is important but what is inside. In essence, corporate governance requires self-discipline and the establishment of a framework enabling this. A company in which employees can govern themselves is perhaps the ideal situation. Efforts are finally being made to strengthen corporate governance in Japan, but MC has been one step ahead in this regard for years.

Ito: If I express MC's governance in a single word, it would be "pioneering." My connection with MC began when I became a member of the Governance Committee (name at the time) established in 2001. Since then, I have been involved in discussions concerning such matters as the Ordinary General Meeting of Shareholders and the Board of Directors and remuneration for Directors and Corporate Auditors, which made me cognizant of the importance of corporate governance from an early stage.

MC has adopted a Corporate Auditor System so that Outside Directors can also play a key role in management supervision and decision-making in order to create a more effective corporate governance system. MC’s Corporate Auditors are comprised of three highly specialized Outside Corporate Auditors, with the current structure also incorporating a person who experienced Senior Executive Vice President and a person with a considerable degree of knowledge concerning finance and accounting. In this context, I feel that MC is taking full advantage of the merits of the Corporate Auditor System.

One pioneering initiative in MC's corporate governance that is worth noting concerns the method of determining bonuses for Directors and Corporate Auditors. Although many companies in Japan pay bonuses upon generating consolidated net income, in the case of MC, bonuses are paid only when consolidated net income exceeds consolidated capital cost, as a result of creating corporate value. This is an excellent initiative that fits the essential purpose of corporate governance to "enhance corporate value."

Taking the Lead among Japanese Companies
Fukushima: It is indeed important for companies to have self-discipline, and that is why selection criteria and the composition of Outside Directors and Outside Corporate Auditors are critical. Speaking from experience in introducing personnel suitable for the position of Outside Director and Outside Corporate Auditor to meet corporate requirements, I am very much aware that prospective candidates are limited in Japan at present. On top of this, the number of Outside Directors and Outside Corporate Auditors in a company is generally structured to fit the format of the organization, such as the Corporate Auditor System or the Audit Committee System, whereas the key points are actually the combination of people with experience consistent with corporate strategies. In Japanese companies, an image still exists of a lack of diversity among Outside Directors and Outside Corporate Auditors. This extends beyond occupation to also gender and nationality.

On that point, MC has struck a good balance in the composition of its Outside Directors and Outside Corporate Auditors as a global entity operating in different countries worldwide, comprising a person well versed in economics and international affairs, a university professor who is researching governance and accounting, and an attorney. I would like to see MC further enhance this diversity to also cover Executive Officers and personnel under their guidance.

Kate: Diversity is vital and the way a company deals with women, foreigners and persons with disabilities will become increasingly critical going forward. I would like to see MC really take the lead on this point. While it is essential to embrace diversity, it goes without saying that the proper rules and philosophy must also be implemented. MC has its Three Corporate Principles that it has passed down over many years and that have been instilled in employees. I believe that this provides MC with a huge advantage.

Konno: In some respects, true reform of corporate governance in Japan is yet to take place. We have entered a period in which capital markets are globalizing and companies listed on the stock market can no longer be viable unless they have firmly established a framework for corporate governance and are valued from investors. This has prompted many companies to pay attention to corporate governance in substantive terms. In that context, this raises the question of whether we have reached a diverging point at this period in time. As Mr. Ito touched on earlier, it is critical that MC continues to play a leading role among Japanese companies as a pioneer in corporate governance.
Konno: As a company deploying business globally, MC is required to constantly implement initiatives that are ahead of the times. On that point, the Governance & Compensation Committee is fulfilling the extremely important role they have to play. Furthermore, members of the International Advisory Committee, which comprises prominent experts from around the world, offer opinions on the global situation and hold highly meaningful debate based on these opinions. As the world faces a turning point both economically and geopolitically, these committees serve as a very valuable platform in providing a sense of direction essential to win over the global community.

Kato: The knowledge of the members in the International Advisory Committee and the discussions that are held are exceptional, and for me personally, it is the ultimate place to learn. There are cases where members from abroad are retained as directors, but gathering leaders from around the world in this way is an extremely useful and effective way of sharing the conditions and challenges being faced in each region and for discussing the future direction of MC.

Fukushima: As I stated earlier when discussing the diversity of Outside Directors and Outside Corporate Auditors, there is a shortage of foreign candidates for the position of Executive Officer in Japan. As such, it is effective to first establish an advisory board such as MC’s International Advisory Committee and appoint personnel to the position of Executive Officer from among the members.
Kunihiro: Being disciplined in management and having a set of checks and balances are indispensable components of corporate governance. MC's Board of Directors meetings are set up in such a way that personnel responsible for business execution and those responsible for management supervision face each other in the boardroom with the business execution team headed by the President & CEO on one side and the Chairman, Corporate Auditors and Outside Directors on the other. When I raise a question at a Board of Directors meeting, I try to get others present to pose their own questions and points in order to draw out the crux of the matter. Rather than merely agreeing with an explanation, I always take the time to challenge what has been said if needed.

Using a baseball analogy, I think it is sufficient for Outside Directors and Outside Corporate Auditors to go one-for-three with the statements they make. Rather than meticulously going over each statement, it is important to listen to opinions from differing perspectives that perhaps nobody envisioned as a kind of check and balance for management. It also provides a platform for deeper discussion.

Kate: Dialogue with Business Group CEOs, Managing Directors and Corporate Auditors as well as the numerous sessions set up to provide information via the Board of Directors’ Office provide a useful basis for discussion at Board of Directors meetings and facilitate a better understanding of the company. In addition, visiting subsidiaries of MC offer the opportunity to gain an insight into the business of a sogo shosha.

On top of this, it is necessary to pay attention to methods of communication as relationships between the Head Office and subsidiaries grow in importance alongside continued globalization. As an example, when information needs to be communicated to a foreign subsidiary, whether the said information has been translated into English and disseminated sufficiently among local staff or not. In that sense, it is important to be as close to the frontline as possible.
Kunihiro: I try to get as close as I can to the frontline and to younger employees so that I can really see what is going on, including studying crisis management simulations. However, the Board would be able to offer more practical advice alongside a greater understanding of the Company’s actual condition, including the concerns and doubts of management. I am confident that repeated efforts in this regard would lead to advancement in MC’s corporate governance.

Fukushima: MC’s internal plan-do-check-act (PDCA) cycle is functioning extremely well and topics brought up by the Board are well conceived on the business execution side. A point for consideration, however, is that one may lose sight of the crux of an issue as the PDCA cycle runs its course. As an outside perspective, I am strongly aware that even if a process is firmly established, one must also check that nothing is being overlooked within that process and that the logic makes sense outside of the company as well. To achieve this, it is important to communicate with people inside the company using a variety of channels instead of relying solely on the Board.

Ito: It is true that the Board of Directors must be decisive when fast decision-making is required. But I think that it is also okay to take a certain amount of time to develop a well-conceived strategy for medium- and long-term challenges and topics by utilizing the knowledge of Outside Directors and Outside Corporate Auditors with diverse backgrounds.

Kunihiro: Although there are already opportunities for discussions in which Outside Directors and Outside Corporate Auditors have a majority such as the Governance & Compensation Committee, it would also be good for In-house Directors and Outside Directors to engage in active debate concerning topical issues without necessarily aiming to draw any conclusions.

**MC’s Corporate Governance Initiatives**

Since 2001, MC has made continuous efforts to strengthen its corporate governance. This has included the appointment of highly independent Outside Directors and Outside Corporate Auditors and the establishment of such advisory bodies for the Board of Directors as the Governance & Compensation Committee and International Advisory Committee.

The Board of Directors at present has a good balance, comprising Executive Officers well versed in the operations of a sogo shosha and global business (nine In-house Directors and two In-house Corporate Auditors) and Outside Directors and Outside Corporate Auditors with expertise in various fields (five Outside Directors and three Outside Corporate Auditors). I believe the corporate governance system is functioning well for a sogo shosha with such a complex business makeup. By having Outside Directors and Outside Corporate Auditors communicate at Board meetings, it is possible to keep management on their toes. As Chairman of the Board, my job is to make sure that the questions and recommendations posed by Outside Directors and Outside Corporate Auditors are given the attention they deserve.

Going forward, it is important to further expand and enhance the provision of information to Outside Directors and Outside Corporate Auditors in order to energize debate by the Board of Directors. Over the years, Outside Directors and Outside Corporate Auditors have visited MC’s subsidiaries and Outside Directors and Outside Corporate Auditors have attended dialogue sessions with Corporate Auditors and members of management as part of efforts to enhance understanding of MC’s business. Moving ahead, we aim to establish a framework that can reflect advice and recommendations from Outside Directors and Outside Corporate Auditors in management. This includes expanding and improving the provision of information to Outside Directors through the Board of Directors’ Office and increasing opportunities for communication. Through these and other initiatives, MC will continue working to reinforce its corporate governance system.
Finance and ESG
Message from the Chief Financial Officer

Delivering Both Financial Soundness and Efficiency with a Priority on Growth Potential

Shuma Uchino
Member of the Board, Executive Vice President, Chief Financial Officer (CFO)

Joined MC in April 1978. After serving as Group Controller of Metals Group became Senior Vice President and Senior Executive Officer at Mitsubishi Motors Corporation in April 2009. Appointed Senior Vice President and General Manager of Corporate Accounting Dept. in July 2010. Became Senior Vice President and General Manager of Corporate Accounting Dept., as well as Senior Assistant to Senior Executive Vice President, Chief Financial Officer in November 2010. Appointed Executive Vice President and Chief Financial Officer (CFO) in April 2013. Appointed co-treasurer as Member of the Board, Executive Vice President and Chief Financial Officer (CFO) in June 2013.

Performance Review for the Fiscal Year Ended March 2015

Net income attributable to owners of the Parent to the fiscal year ended March 2015 exceeded our forecast of ¥400.0 billion at ¥400.6 billion, an increase of ¥39.2 billion from the previous fiscal year.

In the resource field, net income attributable to owners of the Parent fell ¥30.0 billion from the previous fiscal year to ¥85.4 billion due to impairment losses in shale gas and the exploration and development business.

In the non-resource field, net income attributable to owners of the Parent rose ¥77.7 billion from the previous fiscal year to an all-time record of ¥314.5 billion as gains on reversal of impairment losses for owned shares augmented investment returns in our fund investment business and favorable results in our livestock and other businesses. In this way, stable profits from the non-resource field compensated for the downturn in the resource field through growth investments and reshaping our portfolio.

Net Income Attributable to Owners of the Parent

Net Income Attributable to Owners of the Parent

* Based on U.S. GAAP (net income attributable to MC) until the year ended March 31, 2012
Results by Segment

<table>
<thead>
<tr>
<th>Resource (¥ billion)</th>
<th>Year-over-Year Segment Net Income by Resource and Non-resource Fields</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Year ended March 2014</td>
</tr>
<tr>
<td>Energy Business (-31%)</td>
<td>115.4 (21%)</td>
</tr>
<tr>
<td>Non-resource (¥ billion)</td>
<td>236.8 (67%)</td>
</tr>
<tr>
<td>Global Environmental &amp; Infrastructure Business (+26%)</td>
<td>20.4</td>
</tr>
<tr>
<td>Industrial Finance, Logistics &amp; Development (+35%)</td>
<td>9.6</td>
</tr>
<tr>
<td>Machinery (-8%)</td>
<td>10.2</td>
</tr>
<tr>
<td>Chemicals (+45%)</td>
<td>9.8</td>
</tr>
<tr>
<td>Living Essentials (+104%)</td>
<td>21.7</td>
</tr>
<tr>
<td>Metals - Non-resource (-4%)</td>
<td>59.2</td>
</tr>
</tbody>
</table>

Main Investments and Divestments during the Fiscal Year under Review

In addition to new development at Daunia coal mine in our coking coal business in Australia, new investments in the resource field during the fiscal year ended March 2015, which totaled ¥220.0 billion, targeted the shale gas, LNG and other businesses. Investments in the non-resource field totaled ¥540.0 billion and targeted the Norway salmon farming business, fund investment business, real estate business and shipping business, among others.

Our aggressive program of portfolio reshaping exceeded expectations, yielding ¥720.0 billion in the aircraft lease business, fund investment business, real estate business, LNG business and shipping business, among others.

<table>
<thead>
<tr>
<th>New Investments and Portfolio Reshaping</th>
<th>Year ended March 2014</th>
<th>Year ended March 2015</th>
<th>Cumulative total</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Investments</td>
<td>Resource</td>
<td>330</td>
<td>80</td>
</tr>
<tr>
<td></td>
<td>Non-resource</td>
<td>470</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>800</td>
<td>180</td>
</tr>
<tr>
<td>Portfolio Reshaping</td>
<td>Asset sales*</td>
<td>510</td>
<td>70</td>
</tr>
<tr>
<td></td>
<td>Depreciation</td>
<td>170</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>680</td>
<td>120</td>
</tr>
</tbody>
</table>

Net Investment | 120 | 60 | 0 | 140 | -160 | 40 |

*Profit and loss on sales is not included in the amount of "Asset sales."
Investment Policy
Under New Strategic Direction, we are continuing to make average annual investments at approximately the same levels as Midterm Corporate Strategy 2012 in an effort to improve our earnings base, with gross investments during the three-year period totaling ¥2,500.0 billion.

Gross investments during the fiscal year ended March 2015 totaled ¥800.0 billion as planned, bringing the two-year cumulative total to ¥1,600.0 billion. Asset divestments totaled ¥700.0 billion, bringing the two-year cumulative total to ¥1,400.0 billion. As a result, net investment was ¥200.0 billion for the two-year period, an amount that is less than the same period’s cumulative consolidated net income of ¥800.0 billion.

Going forward, in order to adhere to our policy of keeping investments within the scope of profit and divestment, we will accelerate our divestment program, including in peak-out and non-core businesses.

Investing Policy and Financial Policies

<table>
<thead>
<tr>
<th>New Strategic Direction (3-year plan)</th>
<th>Results</th>
<th>Cumulative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross investment (A)</td>
<td>2,000-2,500 billion yen</td>
<td>1,600 billion yen</td>
</tr>
<tr>
<td>Depreciation, amortization and asset replacement (B)</td>
<td>1,500 billion yen</td>
<td>700 billion yen + 700 billion yen = 1,400 billion yen</td>
</tr>
<tr>
<td>Net investment (A-B)</td>
<td>500-1,000 billion yen</td>
<td>100 billion yen + 100 billion yen = 200 billion yen</td>
</tr>
<tr>
<td>Consolidated net profit</td>
<td>over 1,100 billion yen</td>
<td>400 billion yen + 400 billion yen = 800 billion yen</td>
</tr>
<tr>
<td>NET DER</td>
<td>around 1.0</td>
<td>0.8 (as of March 2015)</td>
</tr>
</tbody>
</table>

Cash Flow Analysis
Free cash flow was positive ¥643.4 billion for the fiscal year ended March 2015. Net cash provided by operating activities was ¥798.3 billion due to factors including an increase in operating revenue, reduced working capital requirements due to declining oil prices and the sale of real estate held for sale. Net cash used in investing activities was ¥154.9 billion, mainly due to an investment in a salmon farming company and capital expenditures in the Australian coal business, despite cash provided by the sale of aircraft, the collection of loans receivable at subsidiaries and proceeds from a paid-in capital reduction at an affiliated company.

Net cash used in financing activities was ¥305.3 billion, mainly due to the purchase of treasury stock and the payment of dividends at the Parent, in addition to the repayment of debt in line with asset sales and the recovery of working capital.

Cash Flows (¥ billion)

*Years ended March 31, 2011 and 2012 are based on U.S. GAAP.*
Total assets for the fiscal year ended March 2015 rose ¥873.2 billion from the end of the previous fiscal year to ¥16,774.4 billion, while liabilities rose ¥357.1 billion from the end of the previous fiscal year to ¥10,718.8 billion. Equity attributable to owners of the Parent rose ¥502.8 billion from the fiscal year ended March 2014 to ¥5,570.5 billion. Relative to those figures, net interest-bearing debt totaled ¥4,467.7 billion, yielding a net DER of 0.8, which is below the targeted threshold of 1.0.

As of the fiscal year ending March 31, 2016, we began utilizing Hybrid Bonds and Hybrid Loans (Unsecured and Subordinated Loans) as a fund procurement method conducive to both growth potential and financial stability without having an adverse impact on ROE. It was especially noteworthy that the Hybrid Bonds we issued in June 2015 were the first-ever public replacement by corporate issuers in the Japanese market. Going forward, MC is willing to issue Hybrid Bonds regularly to develop and cultivate a new market for Hybrid Bonds in Japan.

**Financial Policies**

**Message from the Chief Financial Officer**

Under New Strategic Direction, we introduced a two-stage dividend policy with a base dividend and a performance based variable dividend in order to provide a stable return to shareholders regardless of changes in the external environment. Our policy is to pay an annual base dividend of ¥50 per common share, regardless of our earnings level each year, as the base portion of this two-stage dividend. On top of that, we will pay a performance based variable dividend at a consolidated dividend payout ratio of at least 30% for consolidated net income above ¥350.0 billion, while taking into consideration our capital demand for investing in further growth.

Based on this policy, we paid a total dividend for the fiscal year ended March 2015 of ¥60 yen per common share, comprising a base dividend of ¥50 per common share plus a performance based variable dividend of ¥10 per common share. Combined with ¥10 per common share that was paid to commemorate the 60th anniversary of the Company’s founding, the total annual dividend was ¥70 per common share.

Furthermore, under New Strategic Direction, we will continue to make investments aimed at growth while working to restore ROE over the medium and long term. To do so, our approach is to optimize the scale of equity, which is the denominator in the ROE calculation, while giving priority to restoring profitability, which is the numerator. Based on this approach, we decided to continue last year’s policy of using some of the funds from the greater than expected replacement of assets for share buybacks of ¥100.0 billion in treasury stock. Going forward, we will continue to look into measures to improve ROE in a manner that is compatible with maintaining financial soundness while taking into consideration cash flows and investment plans.

**Status of Shareholder Returns**

Under New Strategic Direction, we introduced a two-stage dividend policy with a base dividend and a performance based variable dividend in order to provide a stable return to shareholders regardless of changes in the external environment. Our policy is to pay an annual base dividend of ¥50 per common share, regardless of our earnings level each year, as the base portion of this two-stage dividend. On top of that, we will pay a performance based variable dividend at a consolidated dividend payout ratio of at least 30% for consolidated net income above ¥350.0 billion, while taking into consideration our capital demand for investing in further growth.

Based on this policy, we paid a total dividend for the fiscal year ended March 2015 of ¥60 yen per common share, comprising a base dividend of ¥50 per common share plus a performance based variable dividend of ¥10 per common share. Combined with ¥10 per common share that was paid to commemorate the 60th anniversary of the Company’s founding, the total annual dividend was ¥70 per common share.

Furthermore, under New Strategic Direction, we will continue to make investments aimed at growth while working to restore ROE over the medium and long term. To do so, our approach is to optimize the scale of equity, which is the denominator in the ROE calculation, while giving priority to restoring profitability, which is the numerator. Based on this approach, we decided to continue last year’s policy of using some of the funds from the greater than expected replacement of assets for share buybacks of ¥100.0 billion in treasury stock. Going forward, we will continue to look into measures to improve ROE in a manner that is compatible with maintaining financial soundness while taking into consideration cash flows and investment plans.
Risk Management

It is becoming increasingly important to comprehensively identify risk and strengthen risk management as business operations grow in complexity, become more global in nature and expand in size. MC handles risk management from the dual perspectives of “portfolio management” aimed at ensuring the appropriate distribution of management resources and “management of individual investments” aimed at ensuring the stable operation of respective investments. These efforts seek to maintain a sound management framework.

Portfolio management
- Monitoring of risk asset
- Management of concentration risk
- Management of earnings fluctuation risk

Management of individual investments
- Deliberation on new investments
- Monitoring of existing investments
- Consideration and execution of investment withdrawal

Portfolio Management

- Monitoring of risk asset
MC defines risk asset as the amount of probable maximum loss that may be incurred from all of its businesses and monitors this twice a year. In order to ensure the continuation of business activities even in the worst case scenario, MC conducts portfolio management by comparing risk against management capability to ensure that risk asset does not exceed said capability (expressed by capital) and visualizing the risk-return balance for each business with risk asset expressed as quasi-capital.

- Management of concentration risk
An overly lopsided business portfolio has a huge impact on overall management once a risk has materialized in a specific business. MC manages concentration risk by placing an upper limit on investment amount per business in order to avoid over-concentration in a specific business.

Risk buffer
Utilization as an indicator for monitoring whether or not total risk across the company falls within the scope of management capability (capital).

Risk asset
Indistinctive evaluation of assets from diverse businesses and calculation of risk asset (probable maximum loss).

Risk-return
Utilization as an indicator when visualizing the risk-return balance in each business sub-segments.

Winning businesses

Divestment candidates

Risk-return
Management of Individual Investments

A management framework for individual investments has been established in order to enable a timely and appropriate response to individual investments. A decision is made on whether to go ahead with a new investment or not after discussing its viability in both qualitative and quantitative terms and deliberating based on structured competences.

Once an investment has been executed, MC conducts monitoring aimed at identifying the degree of achievement of the business plan and formulating measures in response to management issues. This is done primarily through an annual management plan and a review of business investment results. As a result of this monitoring, MC specifies those investment that do not satisfy clear standards stated in the EXIT rules and then examines and executes investment withdrawal.

**Deliberation on new investments**

MC carefully examines individual investments from both qualitative and quantitative standpoints, regarding them as means of strategy execution.

- Detailed examination relative to common quantitative standards and qualitative elements unique to the investment;
- Multi-layered deliberation according to the level of authorization required for each amount; and
- Decision from a comprehensive standpoint whether or not to invest.

**Monitoring of existing investments**

After making an investment, MC evaluates the degree of achievement of the business plan and reviews measures in response to management issues through an annual “Management Plan”.

**Consideration and execution of investment withdrawal**

Closely examine the reasonability of investment continuation, etc., and bring forward replacement of investments that do not satisfy standards as stated in the EXIT rules.
### Financial ESG Highlights

Mitsubishi Corporation and Subsidiaries

Years ended March 31

The consolidated financial information is prepared in accordance with International Financial Reporting Standards ("IFRS") from the fiscal year ended March 31, 2014.

#### Results of Operations:

<table>
<thead>
<tr>
<th></th>
<th>2006.3 (U.S. GAAP)</th>
<th>2007.3 (U.S. GAAP)</th>
<th>2008.3 (U.S. GAAP)</th>
<th>2009.3 (U.S. GAAP)</th>
<th>2010.3 (U.S. GAAP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>¥ 4,813,468</td>
<td>¥ 5,066,199</td>
<td>¥ 6,050,654</td>
<td>¥ 6,156,365</td>
<td>¥ 4,540,793</td>
</tr>
<tr>
<td>Gross profit</td>
<td>1,054,371</td>
<td>1,144,982</td>
<td>1,172,665</td>
<td>1,465,027</td>
<td>1,016,697</td>
</tr>
<tr>
<td>Income from per share (yen, U.S. dollar)</td>
<td>134,667</td>
<td>153,973</td>
<td>155,614</td>
<td>163,256</td>
<td>179,057</td>
</tr>
<tr>
<td>Net income attributable to owners of the Parent*1</td>
<td>354,444</td>
<td>418,965</td>
<td>471,262</td>
<td>370,887</td>
<td>275,787</td>
</tr>
</tbody>
</table>

#### Financial Position at Year-End:

<table>
<thead>
<tr>
<th></th>
<th>2006.3</th>
<th>2007.3</th>
<th>2008.3</th>
<th>2009.3</th>
<th>2010.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total assets</td>
<td>10,283,887</td>
<td>11,350,293</td>
<td>11,638,365</td>
<td>10,837,537</td>
<td>10,903,702</td>
</tr>
<tr>
<td>Working capital*2</td>
<td>1,243,841</td>
<td>1,335,452</td>
<td>1,429,764</td>
<td>1,613,776</td>
<td>1,780,008</td>
</tr>
<tr>
<td>Borrowings (less current maturities)*3</td>
<td>2,877,050</td>
<td>2,863,558</td>
<td>3,098,818</td>
<td>3,467,766</td>
<td>3,246,029</td>
</tr>
<tr>
<td>Equity attributable to owners of the Parent*4</td>
<td>2,347,451</td>
<td>2,882,924</td>
<td>2,832,293</td>
<td>2,359,397</td>
<td>2,926,094</td>
</tr>
</tbody>
</table>

#### Interest-Bearing Liabilities:

<table>
<thead>
<tr>
<th></th>
<th>2006.3</th>
<th>2007.3</th>
<th>2008.3</th>
<th>2009.3</th>
<th>2010.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross interest-bearing liabilities*5</td>
<td>3,766,343</td>
<td>3,829,060</td>
<td>4,183,592</td>
<td>4,879,397</td>
<td>4,154,692</td>
</tr>
<tr>
<td>Net interest-bearing liabilities*6</td>
<td>3,130,046</td>
<td>3,081,050</td>
<td>3,443,861</td>
<td>3,567,633</td>
<td>2,968,151</td>
</tr>
</tbody>
</table>

#### Cash Flows:

<table>
<thead>
<tr>
<th></th>
<th>2006.3</th>
<th>2007.3</th>
<th>2008.3</th>
<th>2009.3</th>
<th>2010.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash provided by operating activities</td>
<td>384,278</td>
<td>448,573</td>
<td>327,712</td>
<td>558,226</td>
<td>761,573</td>
</tr>
<tr>
<td>Net cash used in investing activities*7</td>
<td>(91,851)</td>
<td>(303,251)</td>
<td>(353,480)</td>
<td>(693,550)</td>
<td>(138,502)</td>
</tr>
<tr>
<td>Free cash flows*8</td>
<td>292,427</td>
<td>145,322</td>
<td>(25,768)</td>
<td>(135,324)</td>
<td>623,071</td>
</tr>
<tr>
<td>Net cash provided by (used in) financing activities</td>
<td>(239,415)</td>
<td>(108,363)</td>
<td>69,700</td>
<td>650,608</td>
<td>(755,347)</td>
</tr>
<tr>
<td>Net cash flows*9</td>
<td>53,012</td>
<td>36,959</td>
<td>43,932</td>
<td>515,284</td>
<td>(132,276)</td>
</tr>
</tbody>
</table>

#### Per Share Information:

<table>
<thead>
<tr>
<th></th>
<th>2006.3</th>
<th>2007.3</th>
<th>2008.3</th>
<th>2009.3</th>
<th>2010.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic (yen, U.S. dollar)</td>
<td>219.32</td>
<td>248.34</td>
<td>284.06</td>
<td>225.88</td>
<td>167.85</td>
</tr>
<tr>
<td>Diluted (yen, U.S. dollar)</td>
<td>209.39</td>
<td>246.99</td>
<td>282.79</td>
<td>225.38</td>
<td>167.46</td>
</tr>
<tr>
<td>Cash dividends per share (yen, U.S. dollar)</td>
<td>35.00</td>
<td>46.00</td>
<td>56.00</td>
<td>52.00</td>
<td>38.06</td>
</tr>
<tr>
<td>Equity per share attributable to owners of the Parent (yen, U.S. dollar)</td>
<td>1,392.51</td>
<td>1,728.22</td>
<td>1,725.74</td>
<td>1,436.11</td>
<td>1,780.37</td>
</tr>
<tr>
<td>Payout ratio*5 (%)</td>
<td>16</td>
<td>19</td>
<td>20</td>
<td>23</td>
<td>23</td>
</tr>
</tbody>
</table>

#### Common Stock:

<table>
<thead>
<tr>
<th></th>
<th>2006.3</th>
<th>2007.3</th>
<th>2008.3</th>
<th>2009.3</th>
<th>2010.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of shares outstanding at year-end*6 (thousands of shares)</td>
<td>1,685,767</td>
<td>1,688,303</td>
<td>1,641,203</td>
<td>1,642,904</td>
<td>1,643,532</td>
</tr>
</tbody>
</table>

#### Financial Measures:

<table>
<thead>
<tr>
<th></th>
<th>2006.3</th>
<th>2007.3</th>
<th>2008.3</th>
<th>2009.3</th>
<th>2010.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROE*7 (%)</td>
<td>18.6</td>
<td>16.0</td>
<td>16.5</td>
<td>14.3</td>
<td>10.4</td>
</tr>
<tr>
<td>ROA*8 (%)</td>
<td>3.7</td>
<td>3.9</td>
<td>4.1</td>
<td>3.3</td>
<td>2.5</td>
</tr>
<tr>
<td>DOE*9 (%)</td>
<td>1.3</td>
<td>1.1</td>
<td>1.2</td>
<td>1.5</td>
<td>1.0</td>
</tr>
<tr>
<td>DOE*10 (%)</td>
<td>3.0</td>
<td>2.9</td>
<td>3.2</td>
<td>3.3</td>
<td>2.4</td>
</tr>
</tbody>
</table>

#### Stock Price Information:

<table>
<thead>
<tr>
<th></th>
<th>2006.3</th>
<th>2007.3</th>
<th>2008.3</th>
<th>2009.3</th>
<th>2010.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stock price (annual average) (yen, U.S. dollar)</td>
<td>2,042</td>
<td>2,371</td>
<td>3,110</td>
<td>2,299</td>
<td>1,969</td>
</tr>
<tr>
<td>Price Earnings Ratio (PER)*11 (times)</td>
<td>9.67</td>
<td>9.56</td>
<td>11.18</td>
<td>10.51</td>
<td>12.11</td>
</tr>
<tr>
<td>Price Book-value Ratio (PBR)*12 (times)</td>
<td>1.5</td>
<td>1.4</td>
<td>1.9</td>
<td>1.7</td>
<td>1.1</td>
</tr>
</tbody>
</table>

Notes:
- The U.S. dollar amounts represent translations, for convenience, of yen amounts at the rate of ¥120=$1.
- *1 Net income attributable to owners of the Parent corresponds to net income attributable to Mitsubishi Corporation under U.S. GAAP.
- *2 Working capital consists of all current assets and liabilities, including cash and short-term debt.
- *3 Gross interest-bearing liabilities is defined as gross interest-bearing liabilities minus cash and cash equivalents and time deposits.
- *4 Equity attributable to owners of the Parent corresponds to total Mitsubishi Corporation shareholders' equity under U.S. GAAP.
- *5 The payout ratio was calculated based on net income attributable to owners of the Parent for the fiscal year before reclassification (this includes the restatement of results for the Financial Years ending March 2013 and March 2014 due to the change from U.S. GAAP to IFRS standards).
- *6 Excluding treasury stock held by the Company.

The consolidated financial information is prepared in accordance with International Financial Reporting Standards ("IFRS") from the fiscal year ended March 31, 2014.
### Message from President and CEO

Special Features

- **Millions of Yen**
- **Millions of U.S. Dollars**

<table>
<thead>
<tr>
<th></th>
<th>2011.3 (U.S. GAAP)</th>
<th>2012.3 (U.S. GAAP)</th>
<th>2013.3 (IFRS)</th>
<th>2014.3 (IFRS)</th>
<th>2015.3 (IFRS)</th>
<th>2015.3 (U.S. GAAP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>¥ 1,149,002</td>
<td>¥ 1,127,860</td>
<td>¥ 1,029,637</td>
<td>¥ 1,054,933</td>
<td>¥ 1,186,065</td>
<td>¥ 1,209,894</td>
<td>¥ 10,082</td>
</tr>
<tr>
<td>¥ 167,002</td>
<td>¥ 192,418</td>
<td>¥ 164,274</td>
<td>¥ 167,840</td>
<td>¥ 168,356</td>
<td>¥ 203,818</td>
<td>¥ 5,698</td>
</tr>
<tr>
<td>¥ 464,543</td>
<td>¥ 452,344</td>
<td>¥ 360,028</td>
<td>¥ 323,457</td>
<td>¥ 361,359</td>
<td>¥ 400,574</td>
<td>¥ 3,338</td>
</tr>
<tr>
<td>¥ 11,272,775</td>
<td>¥ 12,588,320</td>
<td>¥ 14,410,665</td>
<td>¥ 15,064,738</td>
<td>¥ 15,801,125</td>
<td>¥ 16,774,366</td>
<td>¥ 139,786</td>
</tr>
<tr>
<td>¥ 2,012,098</td>
<td>¥ 1,709,310</td>
<td>¥ 2,098,147</td>
<td>¥ 2,076,570</td>
<td>¥ 2,417,452</td>
<td>¥ 2,620,705</td>
<td>¥ 21,914</td>
</tr>
<tr>
<td>¥ 3,188,749</td>
<td>¥ 3,760,101</td>
<td>¥ 4,498,683</td>
<td>¥ 4,498,683</td>
<td>¥ 4,693,855</td>
<td>¥ 4,835,117</td>
<td>¥ 40,293</td>
</tr>
<tr>
<td>¥ 3,233,342</td>
<td>¥ 3,507,818</td>
<td>¥ 4,179,698</td>
<td>¥ 4,517,107</td>
<td>¥ 5,067,666</td>
<td>¥ 5,570,477</td>
<td>¥ 46,421</td>
</tr>
<tr>
<td>¥ 4,257,563</td>
<td>¥ 5,016,383</td>
<td>¥ 5,805,238</td>
<td>¥ 5,889,642</td>
<td>¥ 6,075,835</td>
<td>¥ 6,348,993</td>
<td>¥ 52,908</td>
</tr>
<tr>
<td>¥ 2,947,308</td>
<td>¥ 3,647,408</td>
<td>¥ 4,335,829</td>
<td>¥ 4,420,068</td>
<td>¥ 4,601,694</td>
<td>¥ 4,835,117</td>
<td>¥ 37,231</td>
</tr>
<tr>
<td>¥ 331,204</td>
<td>¥ 550,694</td>
<td>¥ 403,313</td>
<td>¥ 453,327</td>
<td>¥ 381,576</td>
<td>¥ 798,264</td>
<td>¥ 6,652</td>
</tr>
<tr>
<td>(262,601)</td>
<td>(1,100,913)</td>
<td>(752,477)</td>
<td>(791,036)</td>
<td>(300,502)</td>
<td>(154,852)</td>
<td>(1,290)</td>
</tr>
<tr>
<td>¥ 68,603</td>
<td>¥ 550,219</td>
<td>¥ 249,164</td>
<td>¥ 337,699</td>
<td>¥ 81,074</td>
<td>¥ 643,412</td>
<td>¥ 5,362</td>
</tr>
<tr>
<td>¥ 76,749</td>
<td>¥ 599,059</td>
<td>¥ 461,687</td>
<td>¥ 388,366</td>
<td>(118,845)</td>
<td>(305,034)</td>
<td>(2,544)</td>
</tr>
<tr>
<td>¥ 145,352</td>
<td>¥ 48,640</td>
<td>¥ 52,523</td>
<td>¥ 50,667</td>
<td>(37,771)</td>
<td>¥ 330,078</td>
<td>¥ 2,817</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2011.3 (U.S. GAAP)</th>
<th>2012.3 (U.S. GAAP)</th>
<th>2013.3 (IFRS)</th>
<th>2014.3 (IFRS)</th>
<th>2015.3 (IFRS)</th>
<th>2015.3 (U.S. GAAP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>¥ 282.62</td>
<td>¥ 274.91</td>
<td>¥ 218.66</td>
<td>¥ 196.45</td>
<td>¥ 219.30</td>
<td>¥ 248.39</td>
<td>¥ 2.05</td>
</tr>
<tr>
<td>¥ 281.67</td>
<td>¥ 274.30</td>
<td>¥ 218.01</td>
<td>¥ 196.02</td>
<td>¥ 218.80</td>
<td>¥ 248.83</td>
<td>¥ 2.05</td>
</tr>
<tr>
<td>¥ 60.00</td>
<td>¥ 65.00</td>
<td>¥ 55.00</td>
<td>¥ 55.00</td>
<td>¥ 68.00</td>
<td>¥ 70.00</td>
<td>¥ 0.58</td>
</tr>
<tr>
<td>¥ 1,966.66</td>
<td>¥ 2,130.89</td>
<td>¥ 2,537.52</td>
<td>¥ 2,742.36</td>
<td>¥ 3,074.03</td>
<td>¥ 3,437.75</td>
<td>¥ 28.65</td>
</tr>
<tr>
<td>23</td>
<td>24</td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>28.65</td>
</tr>
<tr>
<td>¥ 1,644,074</td>
<td>¥ 1,646,173</td>
<td>¥ 1,647,158</td>
<td>¥ 1,647,158</td>
<td>¥ 1,648,541</td>
<td>¥ 1,620,384</td>
<td>–</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2011.3 (U.S. GAAP)</th>
<th>2012.3 (U.S. GAAP)</th>
<th>2013.3 (IFRS)</th>
<th>2014.3 (IFRS)</th>
<th>2015.3 (IFRS)</th>
<th>2015.3 (U.S. GAAP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>15.1</td>
<td>13.4</td>
<td>9.4</td>
<td>7.8</td>
<td>7.5</td>
<td>7.5</td>
<td>–</td>
</tr>
<tr>
<td>4.2</td>
<td>3.8</td>
<td>2.7</td>
<td>2.3</td>
<td>2.3</td>
<td>2.5</td>
<td>–</td>
</tr>
<tr>
<td>0.9</td>
<td>1.0</td>
<td>1.0</td>
<td>0.9</td>
<td>2.2</td>
<td>2.1</td>
<td>–</td>
</tr>
<tr>
<td>3.5</td>
<td>3.2</td>
<td>2.4</td>
<td>2.2</td>
<td>2.3</td>
<td>2.5</td>
<td>–</td>
</tr>
<tr>
<td>2,102</td>
<td>1,840</td>
<td>1,626</td>
<td>1,626</td>
<td>1,897</td>
<td>2,143</td>
<td>17.86</td>
</tr>
<tr>
<td>7.68</td>
<td>6.73</td>
<td>7.47</td>
<td>8.31</td>
<td>8.68</td>
<td>8.69</td>
<td>–</td>
</tr>
<tr>
<td>1.1</td>
<td>0.9</td>
<td>0.6</td>
<td>0.6</td>
<td>0.6</td>
<td>0.6</td>
<td>–</td>
</tr>
</tbody>
</table>

---

1) Figures from the year ended March 2006 through the year ended March 2011 have been retrospectively adjusted to reflect a change in year-end at certain consolidated subsidiaries. However:
- No retrospective adjustments have been made to figures in the year ended March 2009 or prior years for gross interest-bearing liabilities, net interest-bearing liabilities and net debt-to-equity ratio.
- No retrospective adjustments have been made to figures for the year ended March 2008 or prior years for cash flows.

*7 ROE is calculated by dividing net income attributable to owners of the Parent by the average of equity attributable to owners of the Parent at the beginning and end of the fiscal year.

*8 ROA is calculated by dividing net income attributable to owners of the Parent by the average of total assets at the beginning and end of the fiscal year.

*9 Net DER is calculated by dividing net interest-bearing liabilities by equity attributable to owners of the Parent at the end of fiscal year.

*10 DOE is calculated by dividing cash dividends per share by equity per share attributable to owners of the Parent.

*11 PER is calculated by dividing market capitalization, as determined by multiplying the average share price during the fiscal year by the number of shares issued at the fiscal year-end, by net income attributable to owners of the Parent.

*12 PBR is calculated by dividing market capitalization, as determined by multiplying the average share price during the fiscal year by the number of shares issued at the fiscal year-end, by equity attributable to owners of the Parent.
### Table

**Net income attributable to owners of the Parent**

<table>
<thead>
<tr>
<th>Year</th>
<th>U.S. GAAP</th>
<th>IFRS</th>
<th>Asia GAAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>¥464.5</td>
<td>¥471.3</td>
<td>¥275.8</td>
</tr>
<tr>
<td>2014</td>
<td>¥452.3</td>
<td>¥420.6</td>
<td>¥256.4</td>
</tr>
<tr>
<td>2013</td>
<td>¥360.0</td>
<td>¥361.4</td>
<td>¥225.8</td>
</tr>
<tr>
<td>2012</td>
<td>¥275.8</td>
<td>¥276.0</td>
<td>¥134.4</td>
</tr>
<tr>
<td>2011</td>
<td>¥187.6</td>
<td>¥187.2</td>
<td>¥134.4</td>
</tr>
<tr>
<td>2010</td>
<td>¥113.3</td>
<td>¥113.3</td>
<td>¥134.4</td>
</tr>
<tr>
<td>2009</td>
<td>¥76.5</td>
<td>¥76.5</td>
<td>¥47.2</td>
</tr>
<tr>
<td>2008</td>
<td>¥30.4</td>
<td>¥30.4</td>
<td>¥134.4</td>
</tr>
<tr>
<td>2007</td>
<td>¥0.0</td>
<td>¥0.0</td>
<td>¥134.4</td>
</tr>
<tr>
<td>2006</td>
<td>¥0.0</td>
<td>¥0.0</td>
<td>¥134.4</td>
</tr>
<tr>
<td>2005</td>
<td>¥0.0</td>
<td>¥0.0</td>
<td>¥134.4</td>
</tr>
<tr>
<td>2004</td>
<td>¥0.0</td>
<td>¥0.0</td>
<td>¥134.4</td>
</tr>
</tbody>
</table>

**Net interest-bearing liabilities**

<table>
<thead>
<tr>
<th>Year</th>
<th>U.S. GAAP</th>
<th>IFRS</th>
<th>Asia GAAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>¥275.8</td>
<td>¥276.0</td>
<td>¥134.4</td>
</tr>
<tr>
<td>2014</td>
<td>¥256.4</td>
<td>¥257.2</td>
<td>¥134.4</td>
</tr>
<tr>
<td>2013</td>
<td>¥225.8</td>
<td>¥226.8</td>
<td>¥134.4</td>
</tr>
<tr>
<td>2012</td>
<td>¥134.4</td>
<td>¥134.4</td>
<td>¥134.4</td>
</tr>
<tr>
<td>2011</td>
<td>¥134.4</td>
<td>¥134.4</td>
<td>¥134.4</td>
</tr>
<tr>
<td>2010</td>
<td>¥134.4</td>
<td>¥134.4</td>
<td>¥134.4</td>
</tr>
<tr>
<td>2009</td>
<td>¥134.4</td>
<td>¥134.4</td>
<td>¥134.4</td>
</tr>
<tr>
<td>2008</td>
<td>¥134.4</td>
<td>¥134.4</td>
<td>¥134.4</td>
</tr>
<tr>
<td>2007</td>
<td>¥134.4</td>
<td>¥134.4</td>
<td>¥134.4</td>
</tr>
<tr>
<td>2006</td>
<td>¥134.4</td>
<td>¥134.4</td>
<td>¥134.4</td>
</tr>
<tr>
<td>2005</td>
<td>¥134.4</td>
<td>¥134.4</td>
<td>¥134.4</td>
</tr>
<tr>
<td>2004</td>
<td>¥134.4</td>
<td>¥134.4</td>
<td>¥134.4</td>
</tr>
</tbody>
</table>

**Net debt-to-equity ratio**

<table>
<thead>
<tr>
<th>Year</th>
<th>U.S. GAAP</th>
<th>IFRS</th>
<th>Asia GAAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>2014</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>2013</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>2012</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>2011</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>2010</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>2009</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>2008</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>2007</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>2006</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>2005</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>2004</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

### Notes

* ROE: Return on Equity
* Net interest-bearing liabilities
* Net debt-to-equity ratio
ESG Data

Environmental Performance

<table>
<thead>
<tr>
<th></th>
<th>2013.3</th>
<th>2014.3</th>
<th>2015.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity Consumption (Unit: kWh)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Head offices</td>
<td>5,796,441</td>
<td>5,384,950</td>
<td>5,010,103</td>
</tr>
<tr>
<td>Domestic branches</td>
<td>958,528</td>
<td>923,462</td>
<td>904,175</td>
</tr>
<tr>
<td>All head offices and branches in Japan</td>
<td>6,754,969</td>
<td>6,308,412</td>
<td>5,914,278</td>
</tr>
<tr>
<td>CO2 Emissions*1 (Unit: t-CO2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Head offices</td>
<td>2,403</td>
<td>2,233</td>
<td>2,078</td>
</tr>
<tr>
<td>Domestic branches</td>
<td>398</td>
<td>383</td>
<td>375</td>
</tr>
<tr>
<td>All head offices and branches in Japan</td>
<td>2,801</td>
<td>2,616</td>
<td>2,453</td>
</tr>
<tr>
<td>CO2 Emissions from Logistics*1 (Unit: t-CO2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distribution factors</td>
<td>70,644</td>
<td>66,229</td>
<td>59,806</td>
</tr>
<tr>
<td>Waste Production</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waste produced (kg)</td>
<td>794,628</td>
<td>704,856</td>
<td>688,557</td>
</tr>
<tr>
<td>Waste recycling rate (%)</td>
<td>99.0</td>
<td>98.6</td>
<td>98.3</td>
</tr>
<tr>
<td>Paper Consumption*2 (Unit: sheets)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Head offices</td>
<td>75,709,250</td>
<td>67,857,500</td>
<td>60,094,716</td>
</tr>
<tr>
<td>Domestic branches</td>
<td>6,142,623</td>
<td>6,106,505</td>
<td>5,742,661</td>
</tr>
<tr>
<td>All head offices and branches in Japan</td>
<td>81,851,873</td>
<td>73,964,005</td>
<td>65,837,377</td>
</tr>
<tr>
<td>Water Consumption (Unit: m³)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Head offices</td>
<td>43,410</td>
<td>43,460</td>
<td>41,722</td>
</tr>
</tbody>
</table>

[Period] Financial Year (April 1 to March 31)

[Policies and Standards] Information is provided in accordance with internal regulations such as the Environmental Management Policy Regulations and the Environmental Management Standards, and in compliance with relevant environmental laws and regulations.

[Scope of Aggregation] The scope of all data provided is for MC’s branches and offices in Japan.

- Head Offices: Mitsubishi Shoji Building, Marunouchi Park Building and some other offices in Tokyo
- Domestic branches and offices: Six Japan-based branches and offices under MC’s jurisdiction
- Electricity consumption: Excludes electricity of common areas and some electricity used for air-conditioning, etc., in certain office areas.
- Waste production: Aggregate amount for Head Offices only

Employee Data

<table>
<thead>
<tr>
<th></th>
<th>2013.3</th>
<th>2014.3</th>
<th>2015.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees (consolidated)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>65,975</td>
<td>68,383</td>
<td>71,994</td>
</tr>
<tr>
<td>Male</td>
<td>4,720</td>
<td>4,749</td>
<td>4,703</td>
</tr>
<tr>
<td>Female</td>
<td>1,603</td>
<td>1,609</td>
<td>1,619</td>
</tr>
<tr>
<td>Gender ratio in management positions (non-consolidated)** (%)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>93.6</td>
<td>92.9</td>
<td>92.1</td>
</tr>
<tr>
<td>Female</td>
<td>6.4</td>
<td>7.1</td>
<td>7.9</td>
</tr>
<tr>
<td>Average years of service (non-consolidated)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>18.9</td>
<td>18.7</td>
<td>18.6</td>
</tr>
<tr>
<td>Female</td>
<td>18.6</td>
<td>18.7</td>
<td>18.6</td>
</tr>
<tr>
<td>Number of employees on overseas assignments (including global trainees)**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,210</td>
<td>1,272</td>
<td>1,295</td>
</tr>
<tr>
<td>Employment rate of people with disabilities** (%)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>2.12</td>
<td>2.12</td>
<td>2.06</td>
</tr>
<tr>
<td>Female</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of employees who took leave of absence for childcare**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>1</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Female</td>
<td>25</td>
<td>25</td>
<td>42</td>
</tr>
<tr>
<td>Total</td>
<td>26</td>
<td>25</td>
<td>44</td>
</tr>
<tr>
<td>Number of employees who shortened working hours for childcare</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Female</td>
<td>66</td>
<td>62</td>
<td>57</td>
</tr>
<tr>
<td>Total</td>
<td>68</td>
<td>64</td>
<td>58</td>
</tr>
</tbody>
</table>

* From the year ended March 2012 onward, the scope of data aggregation covers direct CO2 emissions from fuel consumption as well as indirect CO2 emissions from electricity consumption. In addition, from the year ended March 2013 onward, the scope of data aggregation also covers greenhouse gases from energy sources other than CO2.

*1 Converted electricity consumption
The conversion from electricity consumption to CO2 emissions was performed using coefficients contained in The Greenhouse Gas Protocol (GHG Protocol) “GHG Emissions from Purchased Electricity Version 4.4” (WRI/ WBCSD) (Country: Japan, Year: 2009, Fuel mix All).

*2 Data collected in compliance with the Act on the Rational Use of Energy in Japan and covers domestic (Japan) transport where MC is the cargo owner.

*3 Copy paper consumption

*4 As of April 1 of each calendar year

*5 The “Global Trainee System” is an overseas assignment system aimed at young employees, in order to handle the global development of MC’s business portfolio and strengthen MC’s global competitiveness in terms of human resources.

*6 As of June 1 of the previous calendar year

*7 The number of employees who began taking that type of leave of absence during each fiscal year
Group/Business Groups
OUR BUSINESS

MC’s subsidiaries and affiliates are diverse organizations engaged in a wide variety of activities on a global scale. We manufacture and market a wide range of products, including energy, metals, machinery, chemicals and living essentials through our domestic and overseas networks. We also are involved in diverse businesses by actively investing in areas such as natural resources development and infrastructure, and we are engaged in finance businesses. We are also engaged in diversified businesses such as creating new business models in the fields of new energy and the environment, and new technology-related businesses. Some of our basic functions enhance the above activities and enable us to provide various services to customers.

Global Environmental & Infrastructure Business Group  P50
The Global Environmental & Infrastructure Business Group conducts infrastructure projects, related trading operations and other activities in power generation, water, transportation and other infrastructure fields that serve as a foundation for industry.

MC Constructs Fertilizer Plant in Turkmenistan
In August 2014, MC, Turkish construction and real estate development company Gap Insaat Yatırım ve Dis Ticaret A.S., and Mitsubishi Heavy Industries, Ltd. have been awarded a contract from Turkmen state-owned company Turkmenhimya for the construction of a large-scale fertilizer plant in Turkmenistan, with contracts amounting to some 1.3 billion US dollars. The plant will be the country’s largest ammonia and urea fertilizer plant, using feedstock drawn from the country’s abundant natural gas resources. Through this project, MC is aiming to increase our presence in the oil and gas based chemical / fertilizer plant market in central Asia, the Middle East and Africa and expect to be awarded similar related projects in the future.

Industrial Finance, Logistics & Development Group  P54
The Industrial Finance, Logistics & Development Group is developing shosha-type industrial finance businesses. These businesses range from asset management, infrastructure investment, and buyout investment to leasing, real estate development and logistics services.

Employees Provident Fund Malaysia Appoints Diamond Realty Management for Japan Core-Plus Logistics Investments
In February 2015, Diamond Realty Management Inc., a wholly owned subsidiary of MC was awarded a non-discretionary mandate to invest in Japan Core-Plus Logistics on behalf of Employees Provident Fund Malaysia (EPF). Diamond Realty Management arranges and manages private real estate funds for institutional investors worldwide. Leveraging its insight into income-generating real estate developed as a sogo shosha, MC will supply capital to industry and provide investment opportunities to investors.

Energy Business Group  P58
The Energy Business Group conducts a number of activities including oil and gas exploration, development and production (E&P) business, investment in Natural Gas liquefaction projects, trading of crude oil, petroleum products, carbon materials and products, liquefied natural gas (LNG), and liquefied petroleum gas (LPG), and planning and development of new energy businesses.

Companies Behind LNG Canada Mark Milestone for Proposed LNG Export Project
In May 2014, Shell Canada Energy, Korea Gas Corporation, PetroChina Corporation and MC announced the signing of a joint venture agreement to develop a proposed liquefied natural gas (LNG) export project – LNG Canada. The new operating entity, LNG Canada Development Inc., was set up to undertake the design, construction and operation of the LNG export plant in British Columbia, Canada. The partners are expediting specific initiatives toward making a Final Investment Decision. Notably, the Project Description for the LNG plant has been submitted and the Environmental Assessment is currently underway.
Redesigned Plant in Indonesia

In April 2015, Mitsubishi Motors Corporation and MC established a new vehicle manufacturing joint venture company (plant), Mitsubishi Motors Krama Yudha Indonesia (MMKI), with their local partner PT Krama Yudha in an industrial complex on the outskirts of Jakarta. The new plant will start operation in April 2017 with a production capacity of 160,000 units per year. The new plant is expected to play an important role as the second largest MMC production site in the region behind Thailand.

Establishing a New Plant in Indonesia

In Indonesia, MC has been involved in the motor vehicle businesses such as production, distribution, and automobile finance. Taking advantage of its long-term experience, MC will further strengthen its business foundation in the country.

BMA Coking Coal Mine in Australia

In October 2014, MITSUBISHI DEVELOPMENT PTY LTD (MDP), a wholly-owned subsidiary of MC announced the opening of the Caval Ridge Coal Mine in Queensland, Australia. The mine is run by BHP Billiton Mitsubishi Alliance (BMA), a joint venture between resource major BHP Billiton and MDP. The mine features high production efficiency owing to the introduction of cutting-edge facilities and equipment, as well as potential for further expansion with a mine-life of about 60 years. MC intends to further enlarge BMA operations and to enhance the reliable supply of coking coal in order to respond to prospective increases in global demand.

Cocking Coal Mine in Queensland, Australia

Reinforced Food Science Business Through the Transfer of MC Food Specialties Inc. Stocks

In April 2015, MC transferred stocks of MC Food Specialties Inc. (MCFS, Shareholding: MC 96.97%) to a wholly-owned subsidiary of MC, Mitsubishi Corporation Life Science Limited (MCLS). MCFS is engaged in the manufacturing and sales of food ingredients and seasonings. MCLS already has two subsidiaries, Mitsubishi Shoji Foodtech Co., Ltd. and Kohjin Life Science Co., Ltd., both of which are engaged in the food science business. Bringing MCFS under MCLS will therefore allow MC to reinforce its management infrastructure for the food science business field.

MC Food Specialties Plant

Acquisition of Cermaq ASA, World’s Third Largest Salmon Farming Company

In November 2014, MC converted Cermaq Group AS (Cermaq) into a wholly owned subsidiary through a takeover bid. Cermaq is the world’s third largest salmon farming company in terms of production volume. As demand for food increases in step with global population growth, the seafood farming business is anticipated to continue growing. Salmon farming offers strong prospects for growth in demand based on its low environmental footprint. Harnessing its production know-how and business foundation accumulated in the food sector, MC will contribute to securing a safe, reliable and sustainable food supply network.

A salmon farming site operated by Cermaq

MC’s Corporate Value Creation Story

Special Feature 1

MC’s Corporate Value Creation Story

P.20

MC’s Corporate Value Creation Story

P.16

MC’s Corporate Value Creation Story
### Results of Business Groups

#### Year Ended March 2015 Net Income ¥400.6 billion

<table>
<thead>
<tr>
<th>Business Group</th>
<th>Gross Profit and Income from Equity Method Investment (¥ billion)</th>
<th>Net Income*1 (¥ billion)</th>
<th>Total Assets (¥ trillion)</th>
<th>Net Income<em>1, Total Assets and ROA</em>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Environmental &amp; Infrastructure Business Group</td>
<td><img src="#" alt="Graph" /></td>
<td><img src="#" alt="Graph" /></td>
<td><img src="#" alt="Graph" /></td>
<td><img src="#" alt="Graph" /></td>
</tr>
<tr>
<td>Industrial Finance, Logistics &amp; Development Group</td>
<td><img src="#" alt="Graph" /></td>
<td><img src="#" alt="Graph" /></td>
<td><img src="#" alt="Graph" /></td>
<td><img src="#" alt="Graph" /></td>
</tr>
<tr>
<td>Energy Business Group</td>
<td><img src="#" alt="Graph" /></td>
<td><img src="#" alt="Graph" /></td>
<td><img src="#" alt="Graph" /></td>
<td><img src="#" alt="Graph" /></td>
</tr>
<tr>
<td>Metals Group</td>
<td><img src="#" alt="Graph" /></td>
<td><img src="#" alt="Graph" /></td>
<td><img src="#" alt="Graph" /></td>
<td><img src="#" alt="Graph" /></td>
</tr>
<tr>
<td>Chemicals Group</td>
<td><img src="#" alt="Graph" /></td>
<td><img src="#" alt="Graph" /></td>
<td><img src="#" alt="Graph" /></td>
<td><img src="#" alt="Graph" /></td>
</tr>
<tr>
<td>Living Essentials Group</td>
<td><img src="#" alt="Graph" /></td>
<td><img src="#" alt="Graph" /></td>
<td><img src="#" alt="Graph" /></td>
<td><img src="#" alt="Graph" /></td>
</tr>
</tbody>
</table>

*1 Net Income

*2 ROA (Return on Assets)
### Share of Total Assets by Segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>Total Assets</th>
<th>Share of Net Income</th>
<th>Share of Gross Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Environmental &amp; Infrastructure Business Group</td>
<td>¥16.8 trillion</td>
<td><em>5.9%</em></td>
<td><em>14.3%</em></td>
</tr>
<tr>
<td>Industrial Finance, Logistics &amp; Development Group</td>
<td>¥2.2 trillion</td>
<td><em>5.3%</em></td>
<td><em>15.3%</em></td>
</tr>
<tr>
<td>Energy Business Group</td>
<td>¥3.6 trillion</td>
<td><em>13.4%</em></td>
<td><em>22.6%</em></td>
</tr>
<tr>
<td>Metals Group</td>
<td>¥2.6 trillion</td>
<td><em>28.6%</em></td>
<td><em>11.9%</em></td>
</tr>
<tr>
<td>Machinery Group</td>
<td>¥3.7 trillion</td>
<td><em>11.9%</em></td>
<td><em>10.2%</em></td>
</tr>
<tr>
<td>Living Essentials Group</td>
<td>¥3.9 trillion</td>
<td><em>18.7%</em></td>
<td><em>5.8%</em></td>
</tr>
</tbody>
</table>

### As of March 31, 2015

- Total Assets: ¥16.8 trillion

---

1. Net income refers to “Net income attributable to owners of the Parent.”
2. ROA is calculated by dividing net income by the average of total assets at the beginning and end of the fiscal year.
3. Data as of March 31, 2015. The number of Corporate Staff Section employees not shown on this page was 3,848 on a consolidated basis and 1,687 on a Parent company basis. Accordingly, the total number of employees was 71,994 on a consolidated basis and 5,637 on a Parent company basis.
4. Data as of March 31, 2015. Figures do not include companies consolidated by subsidiaries. Not shown on this page are 7 consolidated subsidiaries and equity-method affiliates belonging to the Business Service Group, 12 consolidated subsidiaries and equity-method affiliates belonging to the Corporate Staff Section and 44 overseas regional subsidiaries. Accordingly, the total number of consolidated subsidiaries and equity-method affiliates was 614.
5. Figures for the Global Environmental & Infrastructure Business represent those of the Global Environmental & Infrastructure Business Group’s infrastructure-related businesses. Figures for this Group’s environment-related businesses are included in Others, Adjustments and Eliminations. In addition, effective from April 1 and July 1, 2014, certain environment-related businesses included in this Group were integrated into the infrastructure-related businesses. In line with this change, MC has restated the figures of related segments for the fiscal year ended March 31, 2014.
Organizational Structure (As of July 1, 2015)

* Organizational structure of the Head Office
The Business Service Group undertakes the roles of providing IT functions required for the MC Group’s and our clients’ business as well as making investments and handling other matters for this purpose.

IT has become an essential tool for all types of business following environmental changes such as advances in the digital society and business diversification, which has prompted a growing need for IT on a global basis. The Business Service Group will develop and provide IT services boasting global responsiveness and competitiveness through ties with business partners in Japan and overseas. We will also contribute to continuously raising the enterprise value of the MC Group and clients and business expansion by helping to promote the use of IT in business.

Toshimitsu Urabe
Executive Vice President,
Group CEO, Business Service Group
Joined MC in 1978. After working in Personnel Dept. and Corporate Planning Office, dispatched to Mitsubishi International Corporation (New York). Appointed General Manager of Personnel Dept. in 2006 and Service Vice President, as well as Deputy Chief Representative for China and concurrently President of Mitsubishi Corporation (Hong Kong) Ltd. in 2009. Assumed current position in 2013.

The IT Service Business Division provides integrated IT services through business investees and partners in order to resolve customer issues, improve business processes and raise corporate value. We also work to strengthen and expand IT-related businesses by utilizing advanced information technologies.

Tata Consultancy Services Japan
Pooling MC’s customer relations expertise with the international successes of India’s Tata Consultancy Services (TCS), TCS Japan’s comprehensive IT services provide robust support for innovation and globalization at client companies.

The IT Planning Department is responsible for MC’s company-wide IT measures such as IT systems and infrastructure, covering strategies and planning, as well as investments and cost management. The business needs of the MC Group are becoming increasingly diverse and more globalized, and IT technology is ever advancing. Always quickly responding to these changes, the IT Planning Department not only deploys MC’s company-wide IT measures on a consolidated basis, but also proposes and promotes IT internal control and information security measures.

Gu Zheng
Deputy General Manager of IT Planning Office
Joined in 1997 and has since been involved in IT management activities both in Japan and overseas. In 2014, assumed his current position.

Contribute to corporate growth by nurturing and making full use of people

I am on temporary assignment at iVision Shanghai Co., Ltd., which provides IT services in China. When it was first established in 2003, the company was small with only three employees, but now it has grown to encompass four sites in China with around 200 employees and a customer base of over 150 companies. I believe that people are the source of corporate growth so I am focused on nurturing and making full use of our human resources. It provides me with a feeling of satisfaction and joy knowing that I am contributing to corporate growth by executing various human resource measures at a company where employees of differing nationality and age challenge one another and grow.

Gu Zheng
Deputy General Manager of Administration Division
iVision Shanghai Co., Ltd.
Global Environmental & Infrastructure Business Group

We will contribute to society and the environment while achieving sustainable growth by pursuing new business models.

On March 2, 2015, MC commenced commercial operation of a mega solar power plant in Tahara City, Aichi Prefecture, with Diamond Solar Corporation, a wholly owned subsidiary of MC, owning a 50% stake, C-Tech Corporation of the Chubu Electric Power Company Group holding a 35% stake and Mitsubishi UFJ Lease & Finance Company Limited holding a 15% stake. The power plant is located on a site measuring approximately 100 hectares and boasts enough solar panels to produce around 81 MW of solar power, making it one of the largest in Japan, and will provide enough clean power for 24,000 households. The Global Environmental & Infrastructure Business Group aims to contribute to the realization of a low-carbon society through the proliferation of renewable energy that is kind to the environment such as solar power, wind power and geothermal power.

Creating sustainable societal and environmental value through business
Q1 Could you explain the goals of the Global Environmental & Infrastructure Business Group under New Strategic Direction and your progress towards attaining these objectives?

The Global Environmental & Infrastructure Business Group conducts infrastructure projects and related trading operations in power generation, water, transportation and other infrastructure fields that serve as a foundation for industry. We also engage in projects in fields that are highly public and have a high degree of growth potential centered on trading in environment-related fields such as renewable energy projects and lithium-ion battery projects that contribute to the prevention of global warming and energy safety and security. Through these projects, we aim to contribute to the creation of a sustainable society and the realization of greater corporate value.

The Group’s earnings have been steadily increasing in line with the goal of doubling consolidated earnings in the non-resource field by 2020. We aim to achieve our objective of approximately ¥60 billion in consolidated earnings by fiscal 2020.

Q2 As you strive to attain your goals, how do you perceive the medium-to-long-term business environment as well as risk?

This Group’s business is indispensable to the sustainable development of society, and it is therefore important to always consider things from a medium-to-long-term perspective and a public standpoint. While business opportunities for the Group are steadily increasing on the back of the easing of regulations and ongoing privatization on a global basis, some social infrastructure related projects require considerable time from development to realization.

In order to drive sustainable growth, it is important to create a suitable asset portfolio by striking a good balance between projects that take on a medium-to-long-term perspective and projects with a forecast of stable earnings over a relatively short period.

Q3 How will you go about resolving the challenges you mentioned in Q2? Also, could you please describe the future outlook and your growth strategies?

We aim to reduce risk and drive sustainable growth over the long term by taking advantage of favorable opportunities to create new businesses in times of change such as the easing of regulations and ongoing privatization while maintaining and expanding our stable sources of earnings. We will also strive to realize initiatives with higher added value by leveraging our collective strengths that include regional knowledge, networks in a broad array of industries and financial capabilities, which are our strengths as a general trading company.

In addition, we aim to fulfill our corporate social responsibility by both building an environmentally friendly business portfolio and creating social value through contribution to regional advancement without focusing solely on the pursuit of profit.

Business partner comments — Expectations towards MC

Complementary strengths for joint success

As a globally leading engineering company, Robert Bosch GmbH (Bosch) is on the vanguard of development with innovative technologies that set market trends. One of our main areas of focus is electromobility, a challenge whose key element is the lithium-ion battery.

In order to further refine this technology, we established Lithium Energy and Power GmbH & Co. KG, a joint venture together with MC and GS Yarasa International Ltd. We value the extremely high technical competence of our partners as well as their long-term strategic orientation, which is also in keeping with our corporate culture at Bosch. Furthermore, as a partner, MC contributes tremendous know-how regarding the setup of global value chains, an activity it approaches with a clear strategic focus.

This fits perfectly with Bosch’s strengths, which include a portfolio of components for electromobility, as well as extensive expertise in the areas of systems integration and processes for complex large-scale volume production. All the partners’ strengths thus complement each other, and together they guarantee our joint success.

Dr. Rolf Bulander
Member of the Board of Management
Chairman of the Mobility Solutions
Robert Bosch GmbH
Global Environmental & Infrastructure Business Group

Environmental Business Division

This division engages in environment-related business that includes development of lithium-ion battery business required for eco-friendly vehicles and electricity storage systems, and next-generation energies using hydrogen energy and oceanic energy such as tidal current and wave power for creating a low-carbon society.

VISION

The division continues to take up the challenge of developing technologies and businesses in environment-related fields that enable more people to optimally utilize the earth’s finite resources in an environmentally friendly manner. We will also promote businesses that will lead the next generation from a medium- and long-term perspective in order to contribute to the resolution of global energy and resource issues by utilizing networks with a broad range of partners in Japan and overseas.

STRATEGY

Together with strategic business partners, the division will promote lithium-ion battery business for eco-friendly vehicles and electricity storage systems that emit minimal levels of CO₂ and have little impact on the environment in order to prevent global warming and drive sustainable growth. We will also work on utilizing hydrogen energy and oceanic energy such as tidal current and wave power in the next-generation energy field. In addition, we will cooperate with customers, business partners and research institutes in Japan and overseas in pursuing the development of new business models from a medium- to long-term standpoint.

New Energy & Power Generation Division

This division strives to contribute to the improvement of power infrastructures worldwide through power generation business overseas and in Japan and power transmission business in Europe as well as trading of power generation plants and transmission facilities, while attaching importance to the environmental value added by engaging in power generation by renewable energies.

VISION

In the field of power generation business overseas and in Japan, the division plans to increase its worldwide installed power capacity (on an equity basis) from the current 5,000 MW to 7,500 MW by 2020, which includes thermal power as well as renewables such as solar (photovoltaic and thermal), wind and geothermal power generation. The division’s transmission business in Europe engages in sending the electricity from offshore wind farms to the onshore grids, thus playing an indispensable role in realizing a low-carbon society, and plans are in place to boost the length of its transmission lines from 870 km to 1,500 km by 2020.

STRATEGY

While steadily operating existing power generation and transmission facilities, the division will take advantage of opportunities to expand initiatives to participate in new projects worldwide. In the business of trading power generation plants and transmission facilities, the division will continue providing optimal solutions to customers by leveraging relationships with a wide range of business partners and experience accumulated over the years. More challenges will be made to create new business models in line with the market environment changing with the times.
Infrastructure Business Division

This division develops infrastructure business to build, own and operate infrastructures in the fields of water, such as water supply and sewerage systems and desalination plants; transportation, such as airports, ports and railway systems; and plant engineering, such as oil and gas related facilities, steel plants and other plants.

VISION

During worldwide economic advancement and the easing of regulations including privatization, this division will exert various capabilities accumulated through experience of projects in different regions globally and become an integrated infrastructure business operator engaged in the building, owning and operation of infrastructure from the project development phase. We will endeavor to contribute to the international community by supporting the basis of economic activities and aim to establish a long-term, stable earnings base.

STRATEGY

The division will strive to increase high-quality infrastructure business assets in each of the water business, transportation infrastructure business and plant engineering business. To achieve this, we will create mutual trust with customers and partners around the world, have a medium- to long-term perspective and strengthen ties with the Japanese government. In particular, we will take a chance of changes, such as the easing of regulations and the establishment of legal systems, and exploit new business opportunities in each country.

MC Group human resources — Acting Globally

TRILITY continues with long-term growth

TRILITY is a private water utility in Australia that owns, operates and constructs water, wastewater treatment and desalination plants. Since becoming part of the MC Group during 2010, TRILITY embarked on an aggressive expansion strategy consisting of organic growth, diversification and acquisitions.

Private sector participation in the Australian water sector commenced during the mid-90’s. This is a market that is set to expand with the ever increasing pressure on the natural environment and capital.

We pride ourselves in that we make a difference in the lives of people as well as the environment by supplying safe, reliable water. With our widespread water infrastructure portfolio spanning Australia and New Zealand and the excellent support provided by Mitsubishi Australia Ltd. (MAL) and the MC Water team in Tokyo, TRILITY is strongly positioned for continued, long-term growth.

Francisco Gouws
Managing Director
TRILITY
We will identify changes in the environment and create a new flow of funds for industry through techniques befitting a trading company.

Industrial Finance, Logistics & Development Group

Industrial Finance, Logistics & Development Group CEO Office
Industrial Finance, Logistics & Development Group Administration Dept.
- Asset Management Business Div.
- Industrial Finance Div.
- Real Estate Development & Construction Div.
- Logistics Div.

Eiichi Tanabe
Executive Vice President, Group CEO, Industrial Finance, Logistics & Development Group


Eiichi Tanabe
Executive Vice President, Group CEO, Industrial Finance, Logistics & Development Group

Our path to growth image by circa 2020

Creating sustainable societal and environmental value through business

Retail property REITs with exceptional environmental and social attributes

Japanese Retail Fund Investment Corporation, which is managed by Mitsubishi Corp. - UBS Realty Inc. (MCUBSR), a subsidiary of MC, obtained OBU Green Building Certification offered by Development Bank of Japan Inc. in the year ended March 2015 for six of the properties in its portfolio, a first for retail property REITs in Japan. The certification is given to properties that have exceptional environmental and social attributes. MCUBSR has organized the Sustainability Committee to continuously implement measures to reduce environmental burdens and contribute to local communities with the aim of achieving a sustainable society through its business activities.
Q1 Could you explain the goals of the Industrial Finance, Logistics & Development Group under New Strategic Direction and your progress towards attaining these objectives?

As a unique financial services player, we aim to expand our profit base through a combination of strengthening our financing capability to provide risk capital required in a wide variety of industries and executing measures related to real estate development business targeting the growing middle class in emerging countries and to the privatization of public infrastructure in Japan. In part due to favorable conditions in the real estate market in Japan and the United States in the year ended March 31, 2015, we achieved consolidated net income of ¥40.1 billion, which was well over our initial target. We will strive to boost the level of profit further as we head towards 2020.

Q2 As you strive to attain your goals, how do you perceive the medium-to-long-term business environment as well as risk?

Structural changes have started to emerge in the capital market in Japan and in society on the whole. Specifically, institutional investors are considering investment in real assets as part of their fund management. In addition, companies are liquidating real estate and non-core businesses from the perspective of focusing on capital efficiency. The Industrial Finance, Logistics & Development Group will provide solutions driven by its financing function and a deep knowledge of real assets as a trading company to meet these needs. At the same time, over the medium and long term I believe it is necessary to make provisions due to uncertainty in financial markets, notably rising volatility caused by increasing geopolitical risk and ultra monetary easing policies in developed countries.

Q3 How will you go about resolving the challenges you mentioned in Q2? Also, could you please describe the future outlook and your growth strategies?

We will pay close attention not only to profitability when investing but also to liquidity and diversification, and will combat risk by creating a portfolio based on a disciplined approach.

Going forward, we will continue to provide financial products befitting a trading company that meet the needs of investors in the field of real assets, including real estate, infrastructure, ships and aircraft, as well as in the field of private equity, which are our areas of comparative strength. By doing so, we can identify new fund management needs and capital demand in Japan and overseas and translate this into growth in our businesses.

We are excited to collaborate with MC to continue to expand the MC Seamax footprint globally.

MC Seamax Management Limited is a joint venture between Seamax Partners LLC and Mitsubishi Corporation established in 2013 as an alternative investment management firm to provide major shipping lines with creative outsourcing alternatives to vessel ownership by offering leases on large, modern container vessels. Our management team has over 100 years of combined experience in commercial, financial and technical vessel operations.

The MC Seamax joint venture closed its first real asset fund in 2015 and has rapidly grown assets under management with investments in vessels secured by multi-year charter contracts deployed in all major global trade lanes with some of the world's top shipping lines.

The combination of Seamax's sector expertise and MC's global financial prowess has been key to MC Seamax strategy execution.

We consider it a great privilege to work with the MC team in developing Seamax's global footprint in the transportation industry and look forward to many more years of collaboration.
Industrial Finance, Logistics & Development Group

Asset Management Business Division

This division provides capital to industry and real asset investment opportunities for investors through an asset management business for real assets, businesses and companies that leverages MC's deep knowledge of industry and networks as a sogo shosha.

**VISION**

The Asset Management Business Division aims to form an asset management company group with a strong presence in the global market that specializes in real assets.

The division will work to strengthen its management structure in Japan and overseas with the objective of doubling current total assets under management (AUM) by 2020.

**STRATEGY**

The Asset Management Business Division conducts asset management operations centered on domestic real estate and private equity (PE). In recent years, we have expanded the range of assets we deal with to include overseas real estate, transportation, and PE in the United States and Asia to complement conventional assets.

Going forward, the division aims to expand AUM by focusing further on overseas real estate and transportation, and diversifying targeted investment areas and asset class.

Industrial Finance Division

With an industrial finance perspective, this division provides risk capital to the industrial sector and a wide variety of investment opportunities to institutional investors focusing on the four fields of infrastructure finance business and leasing business.

**VISION**

The division will seize investment opportunities and business chances in the infrastructure finance field amid a global tide of infrastructure development using private funds. In the leasing field, we will take advantage of steady demand for leasing services due to monetary easing and expanded public investment in Japan as well as a rise in capital investment in emerging countries overseas. At the same time, we will promote business growth in the aircraft leasing field, in which an increase in demand is forecast due to a growing number of passengers and the new entry of airlines to the market.

**STRATEGY**

The division aims to create new investment opportunities in infrastructure finance business by leveraging our long-standing experience with our partners. In general leasing in Japan and overseas, we will support the growth of MC affiliates Mitsubishi UFJ Lease & Finance Company Limited and Mitsubishi Auto Leasing Corporation. In the aircraft leasing field, we aim to drive growth globally through MC subsidiary MC Aviation Partners Inc. and through the joint venture with Cheung Kong (Holdings) Limited.

Real Estate Development & Construction Division

This division provides high value-added real estate developed by utilizing its access to wide-ranging industries and global networks as a sogo shosha. Its business varies not only in areas worldwide but also in assets, including medical industries, infrastructure and industry related facilities.

**VISION**

The division conducts a wide variety of real estate development projects in Japan, North America, China and the ASEAN region, which include retail properties, industrial facilities, condominiums and industrial parks. In particular, it is contributing to the creation of high

---

(Source: preqin)

Minato Mirai 21 Shinko district 4 block (tentative name) currently being developed by business investee Mitsubishi Corporation Urban Development, Inc.

Espier Omotesando owned by an investment corporation that delegates asset management duties to a business investee

---

Minato Mirai 21 Shinko district 4 block (tentative name) currently being developed by business investee Mitsubishi Corporation Urban Development, Inc.
quality townships and economic advancement by promoting real estate development with high value added through the transfer of Japan’s extensive knowledge to China and the ASEAN region.

**Strategy**

The division will promote balanced business development in light of market trends in Japan, North America, China and the ASEAN region. In Japan, we will conduct revenue-generating real estate development and mixed-use development that meets investor needs, and in the United States where we boast an investment track record spanning over 20 years, we will continue conducting development of rental housing and logistics facilities.

In addition, the division will pursue condominium development according to actual demand and revenue-generating real estate development in China and the ASEAN region, where continued growth is forecast over the medium and long term.

**Logistics Division**

This division conducts a comprehensive logistics solutions business globally that includes distributing products such as automobiles and apparel, transporting raw materials such as coal and grains, and providing support to the distribution sector to remove assets from the balance sheet.

**Vision**

The division will seek sustainable growth in the global economy through the provision of advanced logistics services and deployment to emerging markets by leveraging the capabilities, knowledge and networks built up as a logistics division of a sogo shosha. Utilizing the financial expertise of the MC Group, we will work to meet the needs for solutions in the distribution sector.

**Strategy**

The division will provide advanced logistics services through MC subsidiaries such as Mitsubishi Corporation LT, Inc. (product distribution) and Diamond Bulk Carriers Pte. Ltd. (raw material transport). It will also promote business development in emerging markets that hold the promise of growth, notably the ASEAN region, Greater China and Russia. In addition, the division will provide solutions in different areas that include removing assets (real estate, movable assets) from the balance sheet and business reorganization for logistics companies and other entities aiming to add a level of sophistication to their management.

**MC Group human resources — Acting Globally**

**Aiming to be a company with a strong presence in the U.S. real estate industry**

Since being established in 1994, Diamond Realty Investments, Inc. (“DRI”) has made a significant contribution to the U.S. real estate development industry, specializing in joint venture partnerships with local developers. To date we have invested in over 120 Multifamily, Student Housing and Industrial projects. DRI develops and eventually disposes the income-generating properties upon stabilization to the U.S. institutional investors as financial assets while managing market risks inherent the changing U.S. real estate investment market.

Immediately upon being appointed as president in October 2014, I stated “Become a Big Player with Sustainable Growth” as one of DRI’s mid-term goals. It is not easy building a strong presence in the tough competitive market environment in the United States and realizing sustainable growth in the cyclical real estate market. However, we are constantly on the move finding new business opportunities to achieve our goals together with our capable national staff as a professional U.S. real estate company.

Katsumi Nakamoto
President and CEO
Diamond Realty Investments, Inc.
We will continue to implement measures that contribute to the stable supply of energy in Japan and around the world.

Energy Business Group

Energy Business Group CEO Office
Energy Business Group Administration Dept.
- E&P Business Div.
- Natural Gas Business Div.
- Petroleum Business Div.
- Carbon & LPG Business Div.

Jun Yanai
Member of the Board,
Senior Executive Vice President,
Group CEO, Energy Business Group


Our path to growth image by circa 2020

Our path to doubling attributable equity production by circa 2020

<table>
<thead>
<tr>
<th>Attributable equity production of LNG (Million tons)</th>
<th>Project plan for LNG</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.4 Year ended March 2013</td>
<td>Circa 2015 Donggi-Senoro</td>
</tr>
<tr>
<td>7.4 Year ended March 2014</td>
<td>Circa 2016 Wheatstone</td>
</tr>
<tr>
<td>7.4 Year ended March 2015</td>
<td>Circa 2018 Cameron</td>
</tr>
<tr>
<td>7.4 Year ending March 2016</td>
<td>2019~2020 Expand Tangguh</td>
</tr>
<tr>
<td>Circa 2020</td>
<td>2020 onward Browse</td>
</tr>
</tbody>
</table>

Creating sustainable societal and environmental value through business

Contribute to the local community by enabling self-independence for local residents

PT Donggi-Senoro LNG devises ways to support the self-sustainability of local residents and enable ongoing contribution to the local community. After researching and analyzing the agricultural and fishing activities conducted since long ago by local residents, we introduced new methods to cultivate such items as melon, cacao, capsicum and shallots as well as more efficient fishing techniques.

Aside from these activities, our support programs for the local community cover a wide range of areas, including micro-financing for local female residents, initiatives to protect rare species and support for local infrastructure development.
Q1 Could you explain the goals of the Energy Business Group under New Strategic Direction and your progress towards attaining these objectives?

Under New Strategic Direction, MC aims to double its attributable equity production of LNG and double earnings in non-resource fields such as trading eyeing circa 2020. To achieve these goals, we are working to build an optimal portfolio through strategic business investments. In the natural gas business, we will advance several projects scheduled to commence production around 2020. In the E&P business, we aim to attain sustainable growth as we replace assets in our portfolio. In the petroleum, carbon and LPG businesses, we will continue to promote projects that will entail investments that strengthen our trading business. In the process, we will allocate management resources with an emphasis on achieving an efficient risk-return profile.

Q2 As you strive to attain your goals, how do you perceive the medium-to-long-term business environment as well as risk?

Prices have declined due to a sharp drop in the cost of crude oil since the latter half of 2014 and growing geopolitical risk globally, particularly in the Middle East. Such events demonstrate the immense changes the environment surrounding our energy business is undergoing. In addition, progress in negotiations over Iran’s nuclear program and further turmoil in the Middle East will presumably add to the uncertainty. In Japan, there is ongoing debate over the realization of an optimal energy mix with a view to the level of sustainable societal and environmental development. We will boldly confront these changes and risks and seek to translate them into new business opportunities.

Q3 How will you go about resolving the challenges you mentioned in Q2? Also, could you please describe the future outlook and your growth strategies?

Our unchanging vision concerns the long-term supply of energy to customers, and to this end, we will promote development from a long-range perspective of 20 or 30 years, undertaking efforts to ensure supply is not impacted solely by the business environment. To implement this vision in an ongoing manner, we aim to implement each one of our projects no matter what the circumstances while doing our utmost to boost the competitiveness of our operations. Our goals of doubling production volume and doubling earnings eyeing circa 2020 under New Strategic Direction are just a milestone towards the realization of our mission. Going forward, we will work to strengthen functions and develop new businesses in order to remain an indispensable presence for our customers.
The E&P Business Division is engaged in the efficient exploration, development and production of crude oil and natural gas in Asia, Africa, Europe, the Americas and other parts of the world, and contributes to the stable supply of finite oil and natural gas.

**VISION**

Amid a growing focus on energy policies, this division will strive to secure, develop, produce and ensure the stable supply of crude oil and natural gas, the source of light, heat and power that are indispensable to the advancement of industry and the enhancement of people’s lives.

**STRATEGY**

Together with MC’s consolidated subsidiary Mitsubishi Corporation Exploration Co., Ltd., the division aims to establish medium-to long-term earnings foundations for existing projects in addition to expanding reserves and production volume and optimizing our resource portfolio. We also seek to participate in new projects.

**Natural Gas Business Division**

With the aim of contributing to the improvement of energy security and a natural gas supply that meets customer needs, this division is engaged in natural gas and LNG projects in various areas around the world.

**VISION**

Natural gas is an important primary energy source with the added advantage of having a comparatively low environmental impact. In addition, total global demand for natural gas is expected to exhibit the greatest growth among fossil fuels, achieving a solid annual growth rate of 4.0% going forward. Alongside this, demand for LNG is also expected to expand. MC forecasts the trading volume of LNG in 2025 to increase to approximately 1.7 times compared with the 2014 figure.

**STRATEGY**

The division is participating in over 10 projects in the world’s LNG exporting countries and is developing business across the natural gas and LNG value chain, including the production and liquification of natural gas and the shipping of the resulting LNG. Moreover, with an eye on the future and with the aim of adding to the earnings base of the division’s LNG business and diversifying its portfolio, we are also pushing forward with new projects such as the Donggi-Senoro LNG Project in Indonesia and a project to develop shale gas resources in North America.

**Petroleum Business Division**

This division engages in comprehensive activities that include the purchase and sale of crude oil and petroleum products, as well as petroleum refinery business, fuel logistics business and fuel retail sales to general consumers via service stations through affiliated companies. We also invest in businesses overseas centered on the sale of petroleum products.

**VISION**

The division’s mission is to add further economic value and business value to petroleum, which offers outstanding utility in emergency situations and value to society in terms of supporting people’s daily lives and industry.
Although demand for petroleum is declining in Japan, demand is expected to increase even further in Asia and Oceania. Against this backdrop, we aim to strengthen sales capabilities and trading functions globally, maintain and expand our businesses in Japan and secure demand in growing markets with our businesses overseas.

**Strategy**

In Japan, we will work to strengthen competitiveness through further business streamlining and efficiency, and maintain and expand business by increasing the domains in which we are engaged. In marketing crude and heavy oil to electric utilities, we will optimize and make effective use of petroleum terminals and shipping space in light of the positioning of oil-fired thermal power. Overseas, we will promote investment in business in growing markets and work to establish and strengthen a system to expand and enhance global trading business.

**Carbon & LPG Business Division**

This division conducts carbon business, which handles global trading for a broad range of carbon materials and products, and LPG business worldwide with foundations in Japan through Astomos Energy Corporation, one of the world’s largest dedicated LPG companies.

**Vision**

[Carbon Business]

By applying our strong relationships with a broad range of industries to a series of investment and M&A projects, we aim to expand operations as a composite business sub-segment of trading and investment.

[LPG Business]

LPG is a disaster-resilient, decentralized energy resource, which makes it valuable into the future. Through the business activities of our affiliated company, Astomos Energy Corporation, we are committed to developing our functions in sourcing, logistics and sales of LPG to support our homes and businesses.

**Strategy**

[Carbon Business]

Focusing our resources on ongoing investment projects, we are reinforcing our management foundations to drive the growth of businesses. Together with our strengths in trading business, we aim to establish a management system that is optimum for both trading and investment.

[LPG Business]

We have numerous strategies to expand our businesses both internationally and domestically. For instance, in international business, we aim to expand our global trading flow, while adding U.S. shale-derived LPG to our procurement source, and, in domestic business, we will make our utmost efforts to stabilize LPG supply by utilizing our logistics infrastructures such as import terminals.

**MC Group human resources — Acting Globally**

**Establishing value chain for global fuel oil trading**

Currently, Petro Diamond Singapore Fuel Oil trading is mainly focused on sourcing cargoes for outlets in Far East Asia - Japan and Korea, where we have a sound basis. Power plants and refineries are main customers of fuel oil. Our advantage in logistics - terminal and vessel - and customer oriented service has strengthened our business activity in Far East.

From current situation, we’re going to put more focus on expanding our value chain geographically and functionally. Based on our strength in Far East, extended business area from South East Asia to Europe and start to add more functions like blending and trend trading which will contribute to establish global value chain for fuel oil trading.

**Jin-woo, Kim**

Manager, Fuel Oil Trading

Petro-Diamond Singapore (Pte) Ltd
We will enhance resilience to changes in the business environment and make preparations to take advantage of future opportunities.

Our path to growth image by circa 2020

Our path to doubling attributable equity production by circa 2020

Attributable equity production of coking coal and copper

<table>
<thead>
<tr>
<th>Year ended</th>
<th>Year ended</th>
<th>Year ended</th>
<th>Year ending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coking coal (Million tons)</td>
<td>20</td>
<td>28</td>
<td>32</td>
</tr>
<tr>
<td>Copper (Thousand tons)</td>
<td>248</td>
<td>259</td>
<td>237</td>
</tr>
</tbody>
</table>

Regional contribution through coal business in Australia

Since its establishment in 1968, MC’s wholly owned subsidiary Mitsubishi Development Pty Ltd has conducted resource mining operations in Australia, particularly for coal, while actively undertaking community-based activities.

As part of efforts in the coal business in Queensland, we are implementing a buying program for the procurement of certain equipment and services from local small- and medium-sized companies with the aim of ensuring harmonious coexistence with local communities. The program has led to job creation for approximately 3,800 people with participation by around 570 companies to date.
An enduring, warm and successful partnership founded and operating in challenging market conditions

Anglo American plc’s strategically important partnership with MC is based on MC’s holdings in our world class copper portfolio, specifically, 20.4% in Anglo American Sur S.A. in Chile and 18.1% in the Quellaveco Project in Peru.

We consider ourselves very fortunate to have a partner of MC’s calibre. The relationship was forged in challenging circumstances and continues to strengthen based on firm foundations of shared values, mutual respect and clear and open communication. Moving to a tough and long-term business requiring the courage and conviction to make major capital investments in a cyclical environment while working hard at all times to preserve and enhance sustainable value for all stakeholders, including shareholders, employees, partners, customers, host countries and communities. We know that MC recognizes and understands the importance of this approach.

The resources industries are now experiencing very challenging markets. The strongest partnerships work well in both good and bad times; we are confident that we shall receive MC’s continuing support, encouragement and advice as we seek to optimize the assets within our partnership, and we commit to reciprocate in kind.

Mark Cutifani
Chief Executive
Anglo American plc
Metals Group

Steel Business Division

This division works on business areas that include distribution and processing of steel products through Metal One, a trading company specializing in steel products that is 60% owned by MC. We invest in and develop steel related projects by leveraging our capabilities as a integrated steel trading company for emerging markets and growing industries, such as automotive components.

VISION

We attain Metal One’s sustainable growth in corporate value to meet the expectations and the trust of all stakeholders. Metal One will be the world No.1 integrated steel trading company in 2020. We also aim to expand business further by developing downstream business, such as automotive components manufacturing business.

STRATEGY

The division focuses on building a strategy for business investments and seeking business opportunities, taking a broader perspective in the entire steel industry by the followings: contributing to the sustained development of steel distribution through Metal One, promoting a steel business strategy based on utilization of comprehensive capabilities and providing higher added-value services in the automotive components business.

Mineral Resources Trading Division

This division deploys trading business globally for such items as ferrous raw materials and non-ferrous metals through Mitsubishi Corporation RtM* International Pte. Ltd. (RtMI), which serves as global headquarters. In Japan, the division’s most important market, we conduct the same business at Mitsubishi Corporation RtM Japan Ltd. and we also trade on the London Metal Exchange (LME) through U.K.-based Triland Metals Ltd.

VISION

With the establishment of its headquarters in Singapore, where there is a high concentration of market information and human resources, the division will strive to enhance responsiveness to diversifying customer needs and meet demand in growing markets, particularly in Asia, amid increased market changes due to further globalization.

STRATEGY

The division will devise strategy with a view to the global market at RtMI and work to strengthen its capabilities by making use of its global network and diverse human resources in order to provide services with even higher added value than before.

*Mt stands for “Resources to Market.” MC named the new subsidiary company RtM International due to its objective of realizing sustainable growth over the medium to long term through capacity enhancement, which enables it to effectively bridge the gap between producers and end-users and to add value to the whole supply chain.

Metal One has a sales network of more than 140 offices and subsidiaries in Japan and overseas that provide a variety of services.

Metal One has a sales network of more than 140 offices and subsidiaries in Japan and overseas that provide a variety of services.
Mineral Resources Investment Division

This division strives to ensure a stable supply of high-quality mineral resources to global markets through mineral resource investments such as coal (coking coal and thermal coal), iron ore, uranium, copper, aluminum, nickel, chrome and PGM.*

* PGM: Platinum Group Metals (platinum, palladium and other platinum group metals)

VISION

Although the business environment remains tough due to stagnation in commodity prices primarily as Chinese economic growth slows, demand for mineral resources is expected to be firm over the medium to long term on account of global economic growth, particularly in emerging nations. In preparation for such a future business environment, the division will work to double attributable equity production of coking coal and copper, its core businesses. The division will also maximize value for the entire business and attain sustainable growth while continuing to review its mineral resources portfolio, including other products.

STRATEGY

To build a unified management framework for all projects in the mineral resources investment business and to increase management efficiency, we integrated the ferrous raw materials business and the non-ferrous metals business sub-segments to form the Mineral Resources Investment Division in April 2014. To promote these businesses, the division will make use of the Metals Group’s collective strengths through ties with other divisions (Mineral Resources Trading Division, Steel Business Division, etc.) and work to further strengthen and innovate the business base while responding to customer needs worldwide.

Iron Ore Dept.
MDP Dept.
Base Metals Dept.
Aluminium Dept.
Hernic Dept.
Rare Metals Development office

Iron Ore Dept.
MDP Dept.
Base Metals Dept.
Aluminium Dept.
Hernic Dept.
Rare Metals Development office

Anglo American’s La Laja copper mine located northeast of Santiago in Chile

The journey from good to great

I have been working in the commodity industry for over 20 years, started with Mitsubishi Corporation India Private Ltd., then moved to BHP Billiton Marketing Services India Private Ltd., and currently once again working for Mitsubishi Corporation PIM International Pte. Ltd. (PIM) since August 2014.

This year PIM will enter its third year, following an initial setup phase in the first two years. The focus is now shifting toward building a market presence by scaling up our business, which comes at a time when the commodity markets are facing its greatest challenge of survival amid historic lows. We believe this timing in the market presents a great opportunity to build a world-class business by blending our internal talent together with professional external talent, in which their combined skills, knowledge and experience will be the foundation of our business.

The journey ahead presents both opportunities and challenges. We at PIM are moving forward each day with a sense of purpose, drawing great strength and inspiration from the core values of MC especially from other divisions in the Metals Group and overseas offices.

We are changing and stepping up our efforts to become a truly top-class global trading house for metals and mineral resources.

Vineet Kohli
Executive Vice President
Mitsubishi Corporation PIM International Pte. Ltd.

MC Group human resources — Acting Globally

The journey from good to great

I have been working in the commodity industry for over 20 years, started with Mitsubishi Corporation India Private Ltd., then moved to BHP Billiton Marketing Services India Private Ltd., and currently once again working for Mitsubishi Corporation PIM International Pte. Ltd. (PIM) since August 2014.

This year PIM will enter its third year, following an initial setup phase in the first two years. The focus is now shifting toward building a market presence by scaling up our business, which comes at a time when the commodity markets are facing its greatest challenge of survival amid historic lows. We believe this timing in the market presents a great opportunity to build a world-class business by blending our internal talent together with professional external talent, in which their combined skills, knowledge and experience will be the foundation of our business.

The journey ahead presents both opportunities and challenges. We at PIM are moving forward each day with a sense of purpose, drawing great strength and inspiration from the core values of MC especially from other divisions in the Metals Group and overseas offices.

We are changing and stepping up our efforts to become a truly top-class global trading house for metals and mineral resources.

Vineet Kohli
Executive Vice President
Mitsubishi Corporation PIM International Pte. Ltd.

MC Group human resources — Acting Globally

The journey from good to great

I have been working in the commodity industry for over 20 years, started with Mitsubishi Corporation India Private Ltd., then moved to BHP Billiton Marketing Services India Private Ltd., and currently once again working for Mitsubishi Corporation PIM International Pte. Ltd. (PIM) since August 2014.

This year PIM will enter its third year, following an initial setup phase in the first two years. The focus is now shifting toward building a market presence by scaling up our business, which comes at a time when the commodity markets are facing its greatest challenge of survival amid historic lows. We believe this timing in the market presents a great opportunity to build a world-class business by blending our internal talent together with professional external talent, in which their combined skills, knowledge and experience will be the foundation of our business.

The journey ahead presents both opportunities and challenges. We at PIM are moving forward each day with a sense of purpose, drawing great strength and inspiration from the core values of MC especially from other divisions in the Metals Group and overseas offices.

We are changing and stepping up our efforts to become a truly top-class global trading house for metals and mineral resources.

Vineet Kohli
Executive Vice President
Mitsubishi Corporation PIM International Pte. Ltd.
Vitality of the individual, Dynamic strength of the Group and Creativity for the future

Machinery Group

Machinery Group CEO Office
Machinery Group Administration Dept.
Machinery Group Business Development Office
Industrial Machinery Business Div.
Ship & Aerospace Div.
Moto Vehicle Business Div.
Isuzu Business Div.

Kozo Shiraji
Executive Vice President, Group CEO, Machinery Group

Joined MC in 1977. Since then has been involved with the automobile business and gained experience working at Saidai Branch in Japan, and was temporarily transferred to an automobile importer and distributor in Indonesia. Appointed Division CEO of Motor Vehicle Business Div. in 2004 and Senior Vice President in 2009. Assumed current position in 2013.

Our path to growth image by circa 2020

Consolidated net income

(¥ million)

Year ended March 2015 (Result)

Year ended March 2014 (Result)

Year ended March 2015 (Result)

Circa 2020 (Plan)

Our path to doubling earnings by circa 2020

Basic policy by division

Motor Vehicle:

Strengthen business foundation in Thailand and Indonesia and expand businesses to other emerging countries

Ship:

Strengthen the competitiveness of the fleet of Company-owned vessels as well as sales capabilities

Industrial Machinery:

Develop elevator, rental, agricultural machinery and other businesses in the ASEAN market

Creating sustainable societal and environmental value through business

We will contribute to the realization of a low-carbon society by expanding sales of electric vehicles (EVs) and developing infrastructure for recharging.

MC has been promoting the proliferation of environmentally friendly EVs since 2008 in conjunction with Mitsubishi Motors Corporation. We have cooperated with the development of recharging infrastructure, including by providing support to Nippon Charge Service LLC, which was established in 2014 for the purpose of promoting the spread of recharging infrastructure.

Setting up this infrastructure will help create an environment in which users can drive EVs with peace of mind, and this in turn will provide momentum for more widespread use. Major benefits will be reductions in noise, atmospheric pollution and CO2. MC aims to contribute to the realization of a sustainable, eco-friendly society through activities such as these going forward.
Q1 Could you explain the goals of the Machinery Group under New Strategic Direction and your progress towards attaining these objectives?

In working towards our goal of doubling earnings by 2020, the Group will further strengthen our existing “winning businesses” and bolster our portfolio through proactive asset replacement. The Machinery Group is currently facing a harsh business environment owing to such factors as sluggishness in emerging country economies. Nevertheless, we have achieved the originally established goals for net income each year thanks in part to the tailwind provided by the weak yen. The Group is also steadily promoting our regional strategies in terms of strategies for the Asia and ASEAN regions. Meanwhile, in line with our efforts to strengthen human resources, we are also promoting various measures for cross-sectional human resources training, exchanges and the movement of personnel transcending the boundaries of the Machinery Group.

Q2 As you strive to attain your goals, how do you perceive the medium-to-long-term business environment as well as risk?

Although the Machinery Group operates with a business model centered on product volume sales and the ownership and operation of assets that is easily susceptible to the markets and market conditions in each country, the state of emerging country markets and trends regarding geopolitical risks are of concern. At the same time, however, emerging country economies still have room for further growth and we recognize that there are significant earnings opportunities from a medium- to long-term standpoint. Moreover, despite an endless wave of innovation, we must always keep in mind that combining functional value created by this innovation with utility value demanded by users in all our products represents the needs of society and users.

Q3 How will you go about resolving the challenges you mentioned in Q2? Also, could you please describe the future outlook and your growth strategies?

The business environment is continually evolving. For this reason, it is crucial that we diversify to some extent the regions where we do business and reinforce as much as possible those aspects of our business that are not easily affected by market conditions. Additionally, we will steadily promote initiatives for new businesses with an eye toward further growth. We also have launched a new organization within the Group to strengthen our efforts towards business initiatives that extend beyond the boundaries of existing businesses. We will support these strategies by effectively replacing assets in our portfolio and promoting the movement of personnel. At the same time, we will strive to build a muscular Machinery Group with the strength to respond to changes in the external environment.

Business partner comments — Expectations towards MC

Sigdo Koppers

Grow together and develop South American markets with MC

I believe that the future is built based on past successful results. The partnership between Sigdo Koppers (SK) Group and MC goes back in 1980. SK conducts business with many divisions of MC, including those related to energy, copper mining, acid refineries, generation plants and our recent successful Mitsubishi Motors Corporation (MMC) distributor (vehicles/spare parts) in Chile and Peru. In 1994, our joint venture distributor MMC Chile S.A. (MMCC) started operations. In 2011, we established our second joint venture, MC Autos del Peru S.A. (MCAP), both achieving great results.

Last year, together with our Chilean MMC dealer partners, we proudly celebrated 100,000 MMC accumulated sales in Chile. As the Chairman of the Japan/Chile Economic Committee and having been honored with The Order of the Rising Sun, Gold Rays with Neck Ribbon conferred by the Japanese government, I wish to further reinforce the ties between Japan and Chile and to achieve business success in the same manner as with our Japanese partner MC. We have achieved this success together. By utilizing MC’s overall capabilities, let us continue our business partnership in the interest of South American markets and economic development!

Juan Eduardo Errazuriz O.
Chairman and CEO
Sigdo Koppers S.A.
Operating globally in markets worldwide, this division conducts sales and services of various industrial machinery such as construction equipment, mining equipment, machine tools, agricultural machinery, elevators and escalators. It also handles rental, finance business and other related business investments.

**VISION**

The division will contribute to the mechanization and enhanced efficiency of industry worldwide by providing such functions as sales, maintenance services, as well as rental and financing services, in accordance with market needs through a global business network created over many years in the industrial machinery field.

**STRATEGY**

The division will work to drive growth in the market by responding to customer needs and through the addition of various services and functions in Japan and other places in the world. The basic policy is to deploy the business operational know-how it has accumulated in Japanese business in emerging markets and seek to cultivate these markets by building close ties with local communities. In particular, it will work to create a revenue base and strengthen functions in all of its business fields in the ASEAN region, which has been positioned as the division’s key market.

---

**Ship & Aerospace Division**

This division conducts shipping related business that includes trading, ownership and operation of commercial vessels, and ownership and operation of offshore and gas carriers, as well as aerospace related business that includes the trading of defense related equipment and satellite imagery data service sales.

**VISION**

The commercial vessel business will seek to play a part in maritime transport supporting the world economy by pursuing synergies in both trading and business investment (ownership and operation). The offshore and gas carrier business will contribute to the world’s energy supply through the gas carrier business in which significant demand is anticipated as a result of the shale gas revolution and the special ship business for offshore oil and gas exploration. The aerospace and defense business will contribute to a safe and secure society through the introduction of state-of-the-art technologies.

**STRATEGY**

The commercial vessel business will promote a bulk carrier ship owning business at a subsidiary in Singapore, a marine transportation hub, and strengthen trading while also working on new business. The offshore and gas carrier business will continue its participation in ownership and operation of Floating Production, Storage and Offloading (FPSO) systems and expand the gas carrier business. The aerospace and defense business will steadily promote trading and expand new services business in the satellite imagery field and other areas.

---

**Motor Vehicle Business Division**

This division is developing business with a broad value chain centered on sales and finance operations for vehicles produced by Mitsubishi Motors Corporation (MMC) and Mitsubishi Fuso Truck and Bus Corporation (MFTBC) around the world.

**VISION**

The division will strive to expand its business foundation, particularly in emerging nations where MMC and MFTBC products hold an advantage and medium- to long-term growth can be expected.
In this division, we sell, provide services and export Isuzu motor vehicles that are essential for a wide range of industries and people's lives around the world, particularly in Thailand.

**STRATEGY**

In Indonesia, the division’s most important market, a new vehicle manufacturing joint venture company with MMC and PT Krama Yudha, a local partner, was established to strengthen the passenger vehicle business. In addition, the division will work to further strengthen business for MPEGC products by commencing the import of midsize trucks made in India.

Russia is still positioned as a key market over the long term despite deterioration in the business environment and we will strengthen our business foundation to make it into a second earnings driver.

Profitability is recovering in mature markets, particularly the United Kingdom where results have been solid for the Outlander PHEV, and we will strive to strengthen business in these markets as well to ensure a stable source of earnings.

**Isuzu Business Division**

In this division, we sell, provide services and export Isuzu motor vehicles that are essential for a wide range of industries and people’s lives around the world, particularly in Thailand.

**VISION**

Efforts will be made to strengthen and expand existing business, beginning with the Thai business, which forms the foundation of this division. We also aim to take the next leap forward by actively challenging new markets and introducing new business models.

**STRATEGY**

In Thailand, we have established Isuzu as the leading brand in the commercial vehicle market through sales activities that are closely tied with the local community. Going forward, we will pay close attention to local needs and strive to reinforce and expand existing business, mainly sales operations. At the same time, working together with Isuzu Motors Limited, we aim to strengthen and expand business in areas aside from Thailand such as India where there is future potential.

We will also offer products according to global trends with regard to the energy supply-demand balance and the environment by expanding our sales of Isuzu motor vehicles, which have exceptional environmentally friendly attributes such as low fuel consumption. In this way we will contribute to the realization of a society that enables sustainable development.

Isuzu's D-MAX pickup truck is one of the core products in our Thai operations.

In Indonesia, the division’s most important market, a new vehicle manufacturing joint venture company with MMC and PT Krama Yudha, a local partner, was established to strengthen the passenger vehicle business. In addition, the division will work to further strengthen business for MPEGC products by commencing the import of midsize trucks made in India.

Russia is still positioned as a key market over the long term despite deterioration in the business environment and we will strengthen our business foundation to make it into a second earnings driver.

Profitability is recovering in mature markets, particularly the United Kingdom where results have been solid for the Outlander PHEV, and we will strive to strengthen business in these markets as well to ensure a stable source of earnings.

**Isuzu Business Division**

In this division, we sell, provide services and export Isuzu motor vehicles that are essential for a wide range of industries and people’s lives around the world, particularly in Thailand.

**VISION**

Efforts will be made to strengthen and expand existing business, beginning with the Thai business, which forms the foundation of this division. We also aim to take the next leap forward by actively challenging new markets and introducing new business models.

**STRATEGY**

In Thailand, we have established Isuzu as the leading brand in the commercial vehicle market through sales activities that are closely tied with the local community. Going forward, we will pay close attention to local needs and strive to reinforce and expand existing business, mainly sales operations. At the same time, working together with Isuzu Motors Limited, we aim to strengthen and expand business in areas aside from Thailand such as India where there is future potential.

We will also offer products according to global trends with regard to the energy supply-demand balance and the environment by expanding our sales of Isuzu motor vehicles, which have exceptional environmentally friendly attributes such as low fuel consumption. In this way we will contribute to the realization of a society that enables sustainable development.

**Success with Outlander plug-in hybrid electric vehicle (EV) – The Colt Car Company**

The Colt Car Company Ltd. is the importer and distributor of Mitsubishi Motors Corporation (MMC) vehicles in the UK.

We've just enjoyed a tremendously successful year in which car sales were up over 80%, turnover was more than double fiscal 2013 and we sold more than 10,000 new plug in hybrid Outlander PHEVs in its first year on sale. This was more than in any other world market, including Japan.

The Outlander PHEV is already the best-selling EV of any kind in the UK, overshadowing much longer-established rivals from companies like Nissan and Toyota. This has positioned MMC at the forefront of EV technology in the UK.

As our sales have grown, the support we have received from MC has grown as well being part of such a huge and prestigious organisation has meant that we have the financial and commercial support to meet and exceed our goals.

Our aim for the coming years is to continue to grow and exceed those goals.

Lance Bradley
Managing Director
The Colt Car Company Ltd.
We will forge a valuable market nexus in the chemicals field using our *sogo shosha* network.

**Chemicals Group**

Chemicals Group CEO Office
- Chemicals Group Administration Dept.
  - Phoenix Dept.
  - Saudi Petrochemical Project Dept.
  - Commodity Chemicals Div. A
  - Commodity Chemicals Div. B
  - Functional Chemicals Div.
  - Life Sciences Div.

**Takahisa Miyauchi**

Member of the Board,
Senior Executive Vice President,
Group CEO, Chemicals Group

Joined MC in 1975. Successively gained experience working in Saudi Arabia and at Mexico ESSA EXP and held posts of General Manager of Chemicals Group CEO Office and was appointed Senior Vice President and General Manager of the Chemicals Group CEO Office in 2005, Became Senior Vice President and Division CEO of Commodity Chemicals Div. in 2006 and Executive Vice President and Group CEO of Chemicals Group in 2009. Assumed current position in 2013.

---

**Our path to doubling earnings by circa 2020**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Consolidated Net Income (¥ billion)</th>
<th>Earnings from New Investments</th>
<th>Organic Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 2013</td>
<td>25.6</td>
<td>20 ~ 25</td>
<td>30 ~ 35</td>
</tr>
<tr>
<td>March 2014</td>
<td>21.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>March 2015</td>
<td>31.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Circa 2020</td>
<td><strong>50 ~ 60</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Portfolio Creation**

- Functional Chemicals Div.
- Commodity Chemicals Div. A
- Direct control by Group
- Life Sciences Div.

**Creating sustainable societal and environmental value through business**

Using the bounty of nature for energy and a sustainable recycling-oriented society

As part of countermeasures against global warming, Japan is making efforts to reduce CO2 emissions by blending bio ethyl tert-butyl ether (ETBE) made from low-environmental-impact bio-ethanol with gasoline. In response to this initiative, MC is enabling the stable procurement and supply of sugarcane bioethanol made in Brazil. This product satisfies standards for sustainability that also include key points aside from the reduction of CO2, namely avoiding food competition and protecting biodiversity. In this way, MC is contributing to the realization of a recycling-oriented society.
**Q1** Could you explain the goals of the Chemicals Group under New Strategic Direction and your progress towards attaining these objectives?

The Chemicals Group is pursuing new business opportunities while focusing on enhancing and enlarging existing businesses, which has enabled us to lay a solid foundation. In the petrochemical and plastics fields, we are continuing to strengthen trading functions as we further enhance these existing businesses. At the same time, we are promoting a strategy of increasing resilience to market changes. In the methanol and fertilizer fields, we are expanding the regions and sub-segments in which we do business and increasing the scale of our business through new investment based on competitive resources. In the life sciences field, we are creating a value chain spanning from materials to seasoning products in the food science field, where growth is projected, and expanding business.

**Q2** As you strive to attain your goals, how do you perceive the medium-to-long-term business environment as well as risk?

Demand is expected to continue increasing in emerging countries, particularly in Asia, in line with a growing middle class and higher standards of living. At the same time, conditions in product markets are forecast to become unstable due to the continued impact of stagnating oil prices as well as overcapacity and expectations of a slowdown in economic growth in China. Additionally, competitiveness and supply are increasing in the petrochemical industry in North America, which is based on shale gas, driving expectations of global industry reform and changes to distribution and product flows in the supply chain. Leveraging our global network, the Chemicals Group will stay abreast of such changes in the business environment and create new business opportunities.

**Q3** How will you go about resolving the challenges you mentioned in Q2? Also, could you please describe the future outlook and your growth strategies?

The Chemicals Group conducts business in the global market and has contact with a wide variety of industries. In order to heighten our resilience to sudden changes in the market environment and changes in industry structure, we will implement a well-balanced business portfolio strategy and strive hard to drive growth in markets in Japan and overseas. The Chemicals Group has embraced the vision of becoming “a strong collective business entity with sustainable earnings drivers and an influential presence in the marketplace” from the standpoint of chemistry. We aim to advance to a new stage of growth through the two wheels of expanding our trading platform and investing in growing business sub-segments.

**Business partner comments — Expectations towards MC**

I am pleased to welcome MC as a new major investor in a US$1 billion methanol/DME (di-methyl-ether) project in the Republic of Trinidad and Tobago. MC has a positive global reputation as a company with admirable principles of corporate social responsibility, integrity and fairness.

The time spent on project development has been and continues to be positive in developing mutual trust and understanding among MC, its partners and the Government of Trinidad and Tobago. Our country has a very positive reputation for integrity in its relationship with foreign investors. Over the past 40 years, Trinidad and Tobago has established 18 natural-gas-based petrochemical plants, producing over 11 million tons of ammonia and methanol. I am very optimistic that this new project with MC will contribute significantly to the future economic landscape of Trinidad and Tobago through industrial diversification and development of the downstream sector.

In the future, we look forward to a mutually promising partnership with MC.
Commodity Chemicals Division A

This division engages in trading and business investment activities for commodity chemicals such as raw materials for resins and fibers, industrial salts and caustic soda in the fields of petrochemicals and chlor-alkali.

**VISION**

The division will work to deliver value to customers by leveraging our expansive worldwide network to swiftly grasp changes in the business environment and customer needs, and by utilizing our trading assets such as distribution facilities. We will also exercise our trading functions to adjust imbalances between supply and demand in the market.

**STRATEGY**

Nowadays, we are seeing structural changes in the petrochemical industry and in distribution flows in the global market, catalyzed by a resurgence in the petrochemical industry in the United States on the back of shale gas development. As these trends gather momentum, we will pursue new business investment opportunities with a view to emerging markets such as Asia where steady growth is forecast, and aim to further strengthen our trading base and expand business.

LOTTE UBE Synthetic Rubber SDN. BHD. (production capacity: 50,000 tons/year), a joint venture for the production and sale of poly-urethane rubber, was established in response to growing demand in the Asia market.

Commodity Chemicals Division B

This division engages in trading and business investment activities for commodity chemicals such as methanol, ammonia, fertilizers, sulfur and sulfuric acid, and ethanol.

**VISION**

The division will work to ensure the stable procurement of products and expand and enhance our business chains amid expectations of steady growth in demand in the global market. In addition, we will further strengthen our trading functions with the aim of providing even more value to customers and driving sustainable growth.

**STRATEGY**

The division will look into investing in businesses for the manufacture of methanol and ammonia, which use competitive natural gas as the main feedstock, and in scarce raw materials used for producing fertilizer. In addition, we will work to expand our trading base on a global scale by utilizing these business investments and to capture growing markets, including those in emerging countries.

Metril Olefines de Union, METOR S.A. was established in Venezuela in 1992 as a joint venture for the production and sales of methanol. A second plant was launched in 2010, which increased production capacity to 1.6 million tons a year.

Functional Chemicals Division

This division trades in plastics (general-purpose resin and industrial resin) and functional products (materials such as urethane, synthetic rubber, coating raw materials and industrial minerals, and products such as cosmetic raw materials and electronics materials). We also make investments in businesses.

**VISION**

In the plastics field, the division will work to expand the scale of raw material trading and strengthen product sales capabilities, as well as aim to further enhance profitability by boosting their synergies. In the functional products field, we seek to sustain growth globally and meet customer and partner needs by harnessing our capabilities as a sogo shosha.

**STRATEGY**

The division will make investments with a focus on new business in industries and regions where growth is forecast. We have launched a joint venture company and sales base for resin compounds in Mexico, where the automobile industry is expanding at a rapid rate. In addition, Chuo Kagaku Co., Ltd., a subsidiary engaged in food packaging materials business primarily in Japan, is strengthening operations in China in response to the growing consumer goods market.

DM Color Mexicanos S.A. de C. V., established in Mexico where the automobile industry is booming, has commenced production of resin compounds.
**Life Sciences Division**

This division is engaged in trading and business investment activities in the food science field where we handle food ingredients such as sugar alcohols and yeast extracts under the key themes of health, safety, comfort and good taste, as well as in the pharmaceutical, agrochemical and fine chemical fields.

**VISION**

Aiming to form a food science entity with a strong global presence, the division will strengthen its product lineup from materials to seasoning products centered on our subsidiary Mitsubishi Corporation Life Sciences Limited. In the pharmaceutical and agrochemical fields, we will focus on expanding contract manufacturing business and work to extend and enhance our business portfolio through business investments.

**STRATEGY**

In the food science field, the division will enhance profitability by pursuing synergies in the three business companies under the umbrella of Mitsubishi Corporation Life Sciences Limited. We will also expand and enhance our product portfolio and further promote overseas business development with investment as an option. The policy of the pharmaceutical and agrochemical business is to capitalize on growth in markets, particularly in emerging countries, in conjunction with our good business partners.

---

**Saudi Petrochemical Project Department**

This business is centered on Eastern Petrochemical Co. (SHARQ), which was established as a joint venture with SPDC Ltd. and Saudi Basic Industries Corporation (SABIC). It is one of the most important businesses of the Chemicals Group as a source of raw materials for upstream industries in such fields as packaging, film, PET resins and polyester fiber.

**VISION**

MC will contribute to the advancement of the petrochemical industry in Saudi Arabia by helping to maintain and expand SHARQ’s business through SPDC Ltd. We will also cooperate with human resources development and employment promotion in Saudi Arabia through ongoing support of a school for training on plastics fabrication, which we contributed to the establishment.

**STRATEGY**

We aim to sell high-quality products produced by SHARQ to markets in Asia, including Japan and China, and in Europe by leveraging our global network. We also plan to strengthen the value chain from raw materials to final products.

---

**MC Group human resources — Acting Globally**

**Actively pursue global business development**

Mitsubishi Corporation Plastics Ltd. was established in 1989 as a functional subsidiary spun off from MC. Since that time, we have handled a broad array of items in the plastic resin field from raw materials to final products for the midstream and downstream domains of the petrochemical industry mainly for the Japanese market. Our operations cover a wide range of areas, including food and distribution, automobiles, electric and electronic products, office automation (OA), logistics and beverages, and over the years, we have made efforts to expand our business. In 2014, we extended our business portfolio following the transfer of global head office functions for the industrial plastics and PET resin businesses from MC. While working to further strengthen ties with MC, we will actively promote global business development and work to drive further growth together with our business partners in Japan and overseas with whom we have built trusting relationships over many years.

---

Yeast extracts, one of the strategic products in the Life Sciences Division, have maintained competitiveness through the technologies for fermentation and cell cultures in MC subsidiaries in Japan.

SHARQ boasts one of the largest production capacities for ethylene glycol and polyethylene for a single plant in the world.
We aim to realize sustainable growth by fulfilling consumers’ daily lives around the world.

Takehiko Kakiuchi
Executive Vice President, Group CEO, Living Essentials Group


Our path to growth image by circa 2020

Total solutions partner for medical institutions

MC Healthcare, Inc. procures and manages medical materials, pharmaceuticals and medical equipment for hospitals nationwide while also providing a variety of menus to help improve management, including group purchasing programed between multiple hospitals, thereby offering total support for the operations of medical institutions. In addition, the Group companies MC Medical, Inc. and Japan Medicalnet Co., Ltd. import and sell state-of-the-art medical equipment and aim to contribute to the realization of more enriched medical care through the advancement of medical technology.
Q1 Could you explain the goals of the Living Essentials Group under New Strategic Direction and your progress towards attaining these objectives?

We are steadily implementing our strategy to realize our goal of doubling earnings by 2020.

In Japan, we are striving to strengthen capabilities and boost efficiency in existing businesses in response to changes in the structure of industries and the market environment.

Overseas, we are focusing on expanding our global resource supply system, which includes making Cermaq ASA, a salmon farming company with production bases in the three countries of Norway, Canada and Chile, a subsidiary in 2014. In addition, we will transplant our vertically integrated business model, which we established in Japan, spanning from resource procurement to retailing in growing markets such as Indonesia and Myanmar, and push ahead with efforts to develop joint ventures with leading partners in Japan.

Q2 As you strive to attain your goals, how do you perceive the medium-to-long-term business environment as well as risk?

We always look at the state of our consolidated management as we expand business worldwide.

The Living Essentials Group, which comprises over 100 business investees and more than 30,000 employees on a consolidated basis, views the development of management-level human resources who can support medium- to long-term growth and the establishment of a governance system befitting the attributes of our business as critical management challenges. In addition, our policy is to continue responding to compliance-related risk as a priority issue as we expand the scale of our consolidated businesses.

At the same time, a basic premise in our operations is to contribute to the environment and the local community as means to achieve sustainable business growth. As such, I believe it is essential to realize both economic value based on a growth strategy and societal value that includes environmental preservation and employment creation.

Q3 How will you go about resolving the challenges you mentioned in Q2? Also, could you please describe the future outlook and your growth strategies?

Although the consumer market in Japan is maturing and the fiercely competitive environment is expected to continue, domestic operations will remain the business root of the Living Essentials Group going forward. We will keep providing better products and services to consumers in Japan who have a critical eye, as well as strengthen our capabilities, which will be the key to building a growth strategy overseas.

In addition, in our salmon farming operations and other areas, we will implement environmentally friendly measures to ensure coexistence with nature while working to expand the scale of our business through a global supply system. By doing so, we aim to achieve both economic value and societal value.

Business partner comments — Expectations towards MC

Capital Diamond Star Group

I was excited with the opportunity to form JV with MC in 2012. When MC and Capital Diamond Star Group (CDSG) started the talks, I could realize we shared each other’s visions of becoming a leader in the branded packaged foods, to look after the interests of producers as well as consumers. We also believe in the integrated business model where we have presence in up, mid and downstream sectors.

We were also impressed by the knowledge, dedication, courteousness, integrity and fairness of MC employees.

Lluvia Ltd. (Lluvia) gained a lot from MC employees’ global/regional macro views, their insight from the regional operations and last but not least the inputs from the senior MC management on corporate structure and strategies.

That way MC contributed to Lluvia’s good start. I strongly believe Lluvia will help both CDSG and MC to spread their wings in the branded food sector in ASEAN and beyond.

A successful Lluvia will help cement the legacy of the current MC leaders who initiated “New Strategic Direction.”

I look forward to having a long and fruitful collaboration with MC family.
The Retail Division, which handles products and services closely related to consumers’ daily lives, operates businesses in the retail and restaurant sectors that include apparel and foods. We also conduct sales promotion operations utilizing loyalty point and payment settlement services to support these businesses. In these ways, the division comprehensively meets the various needs of consumers.

The division contributes to providing consumers with healthy, secure and safe lifestyles along with comfortable living environments by offering a wide range of products and services from the consumer’s perspective. This includes supplying living essentials for a broad scope of categories, ranging from foods to apparel and living items, through the operation of retailers such as convenience stores and supermarkets as well as restaurant business in addition to providing loyalty point services and payment settlement solutions.

The division provides optimum solutions to customers in the retail field, which has a major role in consumers’ lives, by leveraging MC’s unique total coordination abilities as a sogo shosha (global integrated business enterprise) together with the business investees that comprise our value chains. In addition, the division aims to seize various business opportunities arising from the diversification of consumer lifestyles to offer high added-value products and services from the consumer’s perspective.

At the Living Essential Products Division, we handle a broad array of products, including food, paper and packaging products, textile products, tires and healthcare-related products, and are responsible for processing, manufacturing and distribution and logistics operations in these fields.

In order to horizontally expand our business model focusing on food and consumer goods that has been established in Japan in overseas markets, the Global Consumer Business Division plans, executes and promotes new businesses in emerging markets and operates the European food business with a focus on the U.K.

The division plays a key role in business development in overseas growth markets. We leverage consumer demand, which is growing rapidly in countries such as Indonesia and Myanmar, in line with population growth and dramatic economic development. Also, the division ties our group functions together and realizes a vertically integrated business model. We aim to create sustainable social value to contribute to the well-being of targeted countries by streamlining manufacturing and distribution and providing safe and reliable consumer goods and services.

Through a strategic partnership with the Afia Group in Indonesia, the Global Consumer Business Division is promoting businesses in areas such as bread, confectioneries and beverages.
The Living Essential Products Division develops businesses in various fields which are closely related to our daily life, including food, apparel and healthcare.

A grain export facility, owned by AGREX, Inc., operating in the heart of the U.S. Gulf Coast, which is the largest grain exporting area in the U.S. This MC subsidiary is strengthening its grain procurement and export capabilities in the United States.

Agricultural Produce and Oils & Fats Dept.
- Grain & Oilsseeds Dept.
- Marine Products Dept.
- Sweetener & Starch Products Dept.
- Food & Meat Products Dept.
- Beverage and Dairy Products Dept.
- Housing & Construction Materials Dept.
- Salmon Farming Business Office

MC Group human resources — Acting Globally

Contributing to Indonesian society with the vertically integrated business model for daily necessities

In Indonesia, the middle class is growing rapidly in line with economic advancement, and by 2020 it is expected that the number of people in this demographic will roughly double to 140 million people. In the Living Essentials Group, we produce and sell products in the living essentials field such as food, daily commodities and clothing in conjunction with local companies and business partners around the world, including Japan. Last year, we commenced production operations for processed oils and fats, dressing and bread, and following this, we plan to launch other operations that include confectionaries and beverages. We aim to contribute to settling the lifestyles of consumers in Indonesia through the provision of a diverse range of high-quality products and services. We will achieve this by making further improvements from a local perspective to the capabilities we have accumulated over many years, from the procurement of raw materials to retail functions.

Takeshi Arakawa
President Director
PT. MC Living Essentials Indonesia

MITSUBISHI CORPORATION INTEGRATED REPORT 2015
Opening of the Caval Ridge Coal Mine (Australia)

In October 2014, MC announced the opening of the Caval Ridge Coal Mine. The mine is run by BMA, a 50/50 joint venture between resource major BHP Billiton and Mitsubishi Development Pty Ltd (MDP), MC’s wholly-owned subsidiary.

BMA annual production volume (50% basis)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>1Q</th>
<th>2Q</th>
<th>3Q</th>
<th>4Q</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>11.3</td>
<td>12.3</td>
<td>13.3</td>
<td>14.3</td>
</tr>
<tr>
<td>2015</td>
<td>15.3</td>
<td>15.3</td>
<td>15.3</td>
<td>15.3</td>
</tr>
</tbody>
</table>

MDP annual sales volume

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales Volume (Million tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>33.0</td>
</tr>
<tr>
<td>2015</td>
<td>37.0</td>
</tr>
</tbody>
</table>

Equity Share of Production (Total from January to December)

- **Iron Ore (Million tons)**:
  - 2014: 6.5, 6.4, 6.9, 6.9, 7.1
  - 2015: 6.5, 6.4, 6.9, 6.9, 7.1

- **Aluminum (Thousand tons)**:
  - 2014: 230, 230, 234, 232, 239

For more information about the Metals Group, please see page 62.
For more information about the Energy Business Group, please see page 58.
Regional Initiatives and Human Resources
Regional Initiatives

MC Group Human Resources Strategy
Regional Initiatives

Accurately identifying changes in the global operating environment will lead to quick action.

MC boasts a truly global network, consisting of more than 200 offices and subsidiaries and over 600 Group companies in approximately 90 countries around the world. The front lines of this expansive network enable us to gather information for controlling risk in existing businesses and for forming measures ensuring safety overseas, as well as identifying new business opportunities. This information is fed back within the MC Group, providing support on a consolidated basis.

Each of our key regions has been assigned a Regional CEO, who devises solutions to problems commonly faced in the region and identifies new business opportunities spanning various countries and regions. Specifically, in addition to Japan, we have mapped out six key overseas regions (North America; Latin America; Europe & Africa; Middle East & Central Asia; East Asia; and Asia & Oceania), assigning a Regional CEO to each. Each Regional CEO is endeavoring to ensure that optimal activities are conducted on a consolidated basis within their respective regions, while actively utilizing the locally hired workforce.

Under New Strategic Direction, we have set forth a market strategy of developing business globally by leveraging our shift towards Asian markets. At the same time, in other regions as well as Asia, taking into account the business environment of the various regions, we actively target growth countries and regions from a medium- to long-term perspective as part of our strategy, seeking new business opportunities for MC.

Hideto Nakahara
Member of the Board, Senior Executive Vice President,
Global Strategy & Business Development

Key Overseas Regions of MC

- Europe & Africa
  - Executive Vice President, Regional CEO, Europe & Africa
  - Haruki Hayashi

- East Asia
  - Executive Vice President, Regional CEO, East Asia
  - Shunichi Matsui

- North America
  - Executive Vice President, Regional CEO, North America
  - Yasuyuki Sugii

- Latin America
  - Executive Vice President, Regional CEO, Latin America
  - Seiji Shiraki

- Asia & Oceania
  - Executive Vice President, Regional CEO, Asia & Oceania
  - Toru Moriyama

- Middle East & Central Asia
  - Executive Vice President, Regional CEO, Middle East & Central Asia
  - Shigeki Yoshikawa

- Japan
  - Member of the Board, Executive Vice President, Regional Strategy (Japan)
  - Kazuyuki Mori

- Middle East & Central Asia
  - Executive Vice President, Regional CEO, Middle East & Central Asia
  - Shigeki Yoshikawa

- Asia & Oceania
  - Executive Vice President, Regional CEO, Asia & Oceania
  - Toru Moriyama
**Voices from management

**Actions and Objectives to Develop New Businesses**

- **Looking towards 2020** -

**North America**

To contribute MC’s innovation

Kevin Kuhn

General Manager
Silicon Valley Branch
Mitsubishi Corporation (Americas)

- The San Francisco Bay Area holds two of the ten most productive cities in the world: San Francisco and San Jose. With more than thirty Fortune 500 companies and hundreds of startup companies, Silicon Valley is the technological and business model innovation capital of the world. We monitor local companies and trends across a range of industries and disseminate this information, and also leverage the knowledge gained to influence business strategy and develop new businesses in North America. Current areas of focus include healthcare, new business models in the power industry, advanced manufacturing and the evolving automotive business.

**Europe & Africa**

Build closer customer relationships to achieve further business opportunities

Jan Erik Paulsen

General Manager
Dalo Liaison Representative
Mitsubishi Corporation

- Norway’s natural resources include oil & gas, seafood and hydro power. In addition we have a strong shipping and aluminium industry and a growing sovereign wealth fund. MC seeks new opportunities in enhancing oil & gas project and in ship sales and chartering as well as in offshore segments. With the recent 100% acquisition of Bard Engineering company (Germany) Group AG in 2014, MC is well placed for the future potential of seafood industry. Looking towards 2020 we support MC to enhance trading business and identify investment opportunities, with a strong focus on customer needs and relationships.

**East Asia**

Grasping “One Belt, One Road” — Collaboration with energetic Chinese companies

Xingya Hu

General Manager
Chengdu Branch
Mitsubishi Corporation (Shanghai) Ltd.

- While China’s economy is shifting to a more stable growth, the western area including Chengdu and Chongqing still keeps almost double-digit growth as the central area of Chinese government’s strategic Economic belts; Silk Road Economic Belt and 21st Century Maritime Silk Road (“One Belt, One Road”). With collaboration with MC and other offices, we focus on co-working with Chinese companies expanding their activities along these strategic areas. Also, all our staffs are always united to develop MC group businesses with the aim of capturing growing demand in neighboring areas upon “One Belt, One Road” in China.

**Latin America**

Our three strategic pillars to contribute MC Group value

Monserrat Galimany

Managing Director
Mitsubishi Chile Limitada

- We are expanding our businesses, bearing in mind MC’s growth vision of double attributable-equity production for resources and double earnings for non-resources by circa 2020. We believe this vision is to be attained based on innovative business practices encompassed with sound and sustainable organization. We will contribute to improve MC Group value through three strategic pillars aligned with Latin America regional strategy: (1) Execution of current EPC and investment projects in infrastructure, marine products and development of new business models with borderless strategy, (2) Human resources development, (3) Ensure adherence to our corporate principles and laws.

**Middle East & Central Asia**

To maximize our businesses in the young and growing market

Mehmet Ciftcioglu

General Manager
Baku Office
Mitsubishi Corporation

- Baku office covers Republic of Azerbaijan and Georgia, as a member of growing MECA (Middle East and Central Asia) region. Azerbaijan’s high economic growth has been attributable to large oil and gas exports. For further growth, it promotes economic diversification by boosting non-oil sector through foreign investments. We are supporting MC’s businesses such as tires, automobiles, elevators, air conditioners and graphite electrode, as well as newly developed methanol business and a cement plant project. Having young population with expanding consumer market, we will not only reinforce the existing business but also further plant & infrastructure project opportunities. Leveraging MC’s strength in cooperation with our strategic partners in region will play an important role.

**Asia & Oceania**

To grasp growing Malaysian market and head into ASEAN region

Datuk Rosman HJ Hasan

President & CEO
Sinar Berlian Sdn. Bhd.

- Malaysia targets its average GDP growth of 4-5% towards 2020, reflecting its affluent & gas resources, and expanding internal demand especially in consumer and infrastructure areas. We believe government initiatives through its policies will be the key for successful growth of the country, and increase its integration to ASEAN. Collaborating with MC and other offices, we, Sinar Berlian Sdn. Bhd., will continue to expand our local presence in all areas of MC’s business. To enable our goal, we continue to focus on human resources development of the staff to grasp internal and regional opportunities.
MC Group Human Resources Strategy

We are striving to strengthen our human resources functions and promote the development and empowerment of human resources throughout the entire MC Group.

The MC Group is promoting the development and empowerment of human resources on a consolidated global basis in response to the continued diversification and globalization of our operations.

As one measure, we are further reinforcing our efforts to develop and foster future business leaders based on the key concepts of “strengthening management capabilities,” “human resources management” and “organizational operation.” In addition, we will continue our efforts in supporting women’s careers at MC, ensuring an inclusive and flexible working environment where diverse employees can share their values and develop their career regardless of gender, nationality or other factors. We are also taking steps to encourage new work styles as part of our efforts to create attractive working environments that reaps the benefits of diversity and a corporate culture that embraces diverse work styles.

These efforts are not limited to the Global Human Resources Department at the MC Head Office. In order to continue enhancing our human resources functions and framework, joint efforts are being made together with those in charge of human resources operations in respective regional and oversea offices, subsidiaries and MC Group companies.

Yasuhito Hirota
Member of the Board, Executive Vice President, Human Resources

Consolidated Global Human Resources Framework

We are strengthening our human resources functions and framework on a group-wide basis in order to reinforce our measures for human resources on a consolidated global basis as well as business support to MC’s offices and subsidiaries and MC Group companies.

Specifically, we hold a global human resources conference once a year where officials and those in charge of human resources operations from MC’s offices and subsidiaries and MC Group companies come together at the MC Head Office to increase awareness and understanding of Head Office policy, exchange information and opinions and share good practices. We also leverage the human resources, networks, knowledge and know-how possessed within the MC Group to provide support when new companies are being established or consolidated overseas by dispatching human resources and conducting personnel-related consulting befitting the phase of each company.

Yasuhito Hirota
Member of the Board, Executive Vice President, Human Resources

Consolidated Global Human Resources Framework

Number of Employees throughout the Entire MC Group

<table>
<thead>
<tr>
<th></th>
<th>MC (approx. 6,300)</th>
<th>Domestic MC Group companies (approx. 36,000)</th>
<th>Overseas offices and subsidiaries (approx. 3,400)</th>
<th>Overseas MC Group companies (approx. 28,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overseas</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Training Future MC Group Leaders

Currently, MC has approximately 600 consolidated subsidiaries and equity method affiliates in Japan and overseas and around 6,300 employees, with roughly 1,700 of them on temporary assignments to consolidated subsidiaries amid rapidly advancing diversification and globalization of the MC Group’s operations. Of this number, over 200 are continuously dispatched to management positions. MC recognizes the need to reinforce efforts to develop and foster human resources capable of managing numerous businesses going forward. As such, we conduct stepwise management and leadership development programs targeting not only employees at the MC Head Office but also employees from MC’s offices and subsidiaries and MC Group companies in Japan and overseas. We will continue developing human resources throughout the organization by training future leaders of the MC Group.

■ Stepwise Management and Leadership Development Programs

![Diagram showing joint programs]

- Off-JT
- OJT

- Junior Management Program (JMP) (Assistant Manager level / Professors from business school in Japan)
- Program for Leadership Development (PLD) (Manager level / Collaboration with business school)
- Program for Global Leaders (PGL) (General Manager level / Professors from business school)

*Joint programs: Joint training for employees at the MC Head Office, MC’s offices and subsidiaries and MC Group companies

Leadership Development at Management Level

MC organizes various training programs targeting management-level employees from the MC Head Office, MC’s offices and subsidiaries and MC Group companies. Through group discussions and seminars taught by business school professors from Japan and overseas, these programs are designed to equip employees with the most advanced business skills and give them a better understanding of MC’s corporate values and the MC Group’s operations. With the aim of enhancing the mindset and perspective required for an MC Group leader, sessions are held to further hone elements of education and skills needed for management. Intensive courses at major business schools’ executive education programs are also available for candidates.

Number of Participants in Joint Programs

![Bar chart showing the number of participants in joint programs from 2012 to 2014]

- Total number of participants (left axis)
- Percentage of participants from MC’s offices and subsidiaries and MC Group companies (right axis)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Participants</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>221</td>
<td>26.2%</td>
</tr>
<tr>
<td>2013</td>
<td>249</td>
<td>29.7%</td>
</tr>
<tr>
<td>2014</td>
<td>255</td>
<td>31.0%</td>
</tr>
</tbody>
</table>

MC KEIEIJUKU (executive development program)
Promoting Human Resources Development throughout the Entire MC Group

In the MC Group, diverse human resources take on active roles in diverse business fields, and we are establishing frameworks to promote human resources development regardless of gender, nationality and other aspects.

### Transfers across Countries

In recent years, we have been transferring more employees hired at MC’s overseas offices and subsidiaries to other countries to meet the growing needs of our global operations. We have introduced globally shared transfer guidelines that set forth a basic philosophy on evaluations and work conditions during the transfer period in order to ensure smooth transfers.

#### Number of Employees Hired at Overseas Offices and Subsidiaries Transferred from Home Office to Another Country

<table>
<thead>
<tr>
<th>FY</th>
<th>Transferred from overseas to another overseas country</th>
<th>Transferred from overseas to the MC Head Office (per year one year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>00</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>01</td>
<td>6</td>
<td>15</td>
</tr>
<tr>
<td>02</td>
<td>11</td>
<td>20</td>
</tr>
<tr>
<td>03</td>
<td>7</td>
<td>25</td>
</tr>
<tr>
<td>04</td>
<td>9</td>
<td>30</td>
</tr>
<tr>
<td>05</td>
<td>10</td>
<td>35</td>
</tr>
<tr>
<td>06</td>
<td>10</td>
<td>40</td>
</tr>
<tr>
<td>07</td>
<td>15</td>
<td>45</td>
</tr>
<tr>
<td>08</td>
<td>17</td>
<td>50</td>
</tr>
<tr>
<td>09</td>
<td>20</td>
<td>55</td>
</tr>
<tr>
<td>10</td>
<td>28</td>
<td>60</td>
</tr>
<tr>
<td>11</td>
<td>31</td>
<td>65</td>
</tr>
<tr>
<td>12</td>
<td>47</td>
<td>70</td>
</tr>
<tr>
<td>13</td>
<td>41</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>43</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>47</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>28</td>
<td></td>
</tr>
</tbody>
</table>

### Sharing MC Values

The MC Group Gateway Program is conducted eight times a year in Tokyo as an orientation training program for employees of MC’s offices and subsidiaries and MC Group companies worldwide. Its purpose is to encourage employees to share MC’s corporate principles and values and to foster a greater understanding of the MC Group. Approximately 400 employees participate every year (cumulative total of around 1,700 employees). Similar orientation training programs are being held in other regions as well to share our values throughout the MC Group.

#### Number of Participants in the MC Group Gateway Program

<table>
<thead>
<tr>
<th>FY11</th>
<th>MC Group Gateway Program (English)</th>
<th>MC Group Gateway Program (Japanese)</th>
</tr>
</thead>
<tbody>
<tr>
<td>116</td>
<td>161</td>
<td>216</td>
</tr>
<tr>
<td>156</td>
<td>216</td>
<td>271</td>
</tr>
<tr>
<td>169</td>
<td>233</td>
<td>289</td>
</tr>
<tr>
<td>215</td>
<td>215</td>
<td>239</td>
</tr>
<tr>
<td>231</td>
<td>215</td>
<td>239</td>
</tr>
<tr>
<td>215</td>
<td>172</td>
<td>215</td>
</tr>
</tbody>
</table>

### New Work Styles Befitting MC

We are working to realize new work styles befitting MC that improve productivity and efficiency while delivering high results and performance. The aim is to ensure that each organization and individual autonomously practices a work style that best suits their needs. We are also building working environments in which diverse human resources are able to take active roles and fostering a corporate culture that encourages fair performance-based evaluations.

Although MC values organizational and individual initiatives amid differing business environments and industries, at the same time, we aim to raise the percentage of paid leave taken to at least 70% by encouraging employees to take their allotted time off in a planned manner. We also put in place improvement plans on an individual basis in cases of prolonged overtime.

### Helping to Increase Employment Opportunities for Persons with Disabilities

– Mitsubishi Shoji & Sun Co., Ltd.

Mitsubishi Shoji & Sun Co., Ltd. was established in 1983 as an IT company following joint investment by MC and Social Welfare Organization Japan Sun Industries, with its headquarters in Beppu City, Oita Prefecture, and offices in Tokyo (Marunouchi) and Hokkaido (Iwamizawa). Operating under its corporate philosophies of coexistence of people with disabilities and persons without disabilities, self-reliance as a company and new corporate values, the company works to increase employment opportunities for various persons with disabilities and also provides various IT services to numerous business partners including MC and MC Group companies, such as system development, data entry, DTP and server operation.

Tatsuo Yamashita
President
Mitsubishi Shoji & Sun Co., Ltd.
Supporting Women’s Careers at MC

MC initially aims to increase the percentage of women in management-level positions to more than 10% by the year ending March 2021. We have already taken a number of steps to encourage women to continue and pursue their careers. These include securing daycare facilities to support a smooth return to work after taking childcare leave and as well as providing flexible working styles to ensure a healthy work-home balance. We also have a re-hiring system for employees who resigned their positions in order to accompany their spouse to locations of domestic or international job transfer.

In October 2014, MC established the Diversity Office to further focus on supporting a greater work-home balance that includes practices such as setting up a “MC Childcare Concierge” within the Global HR Dept. and establishing a new paid leave system to attend school conference and events. The office also offers career support that considers significant life events such as childbirth and child care. In order to create a comfortable and supportive atmosphere that understands and encourages the active use of these systems and policies, MC will further focus on building a corporate culture that embraces diverse work styles.

INTERVIEW

Leveraging Compliance Know-How and Experience in the Workplace
-- From a Working Woman’s Perspective

Ever since I started to work in the first year following the enactment of the Equal Employment Opportunity Act for Men and Women, I have been consistently involved with corporate legal affairs and compliance. Having a career has really made me feel like a contributing member of society through engaging in a variety of projects and work related to various systems and policies amid ever-changing laws and social conditions. Although I was extremely busy for a while in balancing work and childcare, I’m grateful for the understanding and cooperation of those around me in allowing me to handle both in a natural manner. Since this spring, I have been endeavoring to enhance compliance that is entrenched in the workplace as a Compliance Officer of one of MC’s business groups. In this capacity, I am able to make the most of the knowledge and experience I accumulated during my time in the Corporate Section. I hope to forge ahead in my work with fresh ideas and a broad perspective with a view to society and the company 10 years and 20 years into the future.

Yuko Furumoto
Living Essentials Group
Compliance Officer
Sustainability
Creating Sustainable Corporate Value

MC’s Sustainability Policies

MC’s Sustainability Framework

Key Sustainability Themes for MC

Supply Chain Management

Great East Japan Earthquake Restoration Efforts

MC’s Corporate Philanthropy Activities

CSR & Environmental Affairs Advisory Committee
Creating Sustainable Corporate Value

Working towards the Creation of Sustainable Corporate Value

Here at MC, our Three Corporate Principles form the foundation of all of our business activities, and our Corporate Standards of Conduct, Environmental Charter and Social Charter build upon that foundation by establishing our expectations with regard to how our business should be conducted. These standards encompass aspects such as our commitment to enriching society, respecting human rights and striving to protect and improve the global environment.

Each of these commitments was emphasized in our Midterm Corporate Strategy 2012, highlighting the importance of creating sustainable corporate value. This same goal continues in our current corporate strategy, New Strategic Direction.

Valuing the Opinions of Our Diverse Stakeholders

In promoting sustainability initiatives, we recognize the need as a company to address the ever-evolving needs of the global environment and the societies in which we operate. To achieve this, we believe it is essential to incorporate feedback from our various stakeholders, based on ongoing dialogues.

MC has been a member of the World Business Council for Sustainable Development (WBCSD) and its earlier forms since 1995. Furthermore, MC became a signatory of the UN Global Compact (UNGC) in 2010, declaring our commitment to the UNGC’s 10 universal principles in four fields: human rights, labor, the environment and anti-corruption. We are promoting initiatives in each of these four areas, guided also by the spirit of our Three Corporate Principles.

Giving Back to Local Communities

As part of our efforts to grow together with the communities in which we conduct business around the world, we engage in a number of corporate philanthropy programs in a variety of fields. In Japan, a key initiative is our collection of activities to promote the recovery of the Tohoku region following the Great East Japan Earthquake and tsunami disaster which struck on March 11, 2011. Even though our initial four-year commitment concluded in March 2015, we are committed to continuing our employee volunteer programs as well as various other support activities through the Mitsubishi Corporation Disaster Relief Foundation. We have also kicked-off our new vertically integrated “Sixth Industry” fruit farming project in Fukushima Prefecture with the aim of contributing to the long-term revitalization of the Tohoku region.

We promote initiatives that pay close attention to the needs of local communities and the global environment.

Yasuhito Hirota
Member of the Board,
Executive Vice President,
CSR & Environmental Affairs

The Smile Africa Project in Kenya
This project provides gently used athletic shoes that are still in good condition to children in Africa in need. MC has donated a total of 73,107 pairs of shoes up to the year ended March 31, 2015.
MC’s Sustainability Policies

Basic Policies Centered around the Environmental Charter and Social Charter

MC considers addressing sustainability challenges as one of our most important management issues. We have therefore been actively engaged in promoting a range of initiatives towards realizing a sustainable society through every aspect of our business. The cornerstone of these activities has been our Environmental Charter, which we established in 1996. This charter clearly outlines our basic stance regarding environmental issues to all of our stakeholders. MC revised our Environmental Charter in 2010, reflecting the fact that environmental issues and awareness continue to evolve over time. Changes to the revised charter included addressing climate change, presentation of biodiversity and the sustainable use of resources as new key global environmental themes. The charter’s mandate towards protecting the environment and reducing our environmental impact is in line with our commitment to creating sustainable environmental value.

Following on from this, MC formulated our Social Charter in April 2014. This charter expresses our fundamental commitment towards making a positive contribution to society by working to address societal issues.

Based on our Environmental Charter and Social Charter, MC strives to create environmental and societal value through our core businesses and our various community investment projects.

Mitsubishi Corporation Environmental Charter

At Mitsubishi Corporation we consider the Earth itself to be our most important stakeholder and are continually working towards the realization of a sustainable society through our business activities.

- We will strive to reduce greenhouse gas emissions by continually implementing new efficiency measures and embracing new technologies.
- We will promote the sustainable use of natural resources including energy, minerals, food stocks and water throughout our global business operations.
- We recognize the critical importance of what ecosystems can provide and are committed to protecting ecosystems and mitigating any potential impacts on biodiversity.
- We will strive to create and enhance environmental benefits by undertaking conservation activities and reducing our environmental footprint.
- We will continue to actively engage and work with our various stakeholders openly and transparently and disclose information on the environmental impacts of our business operations in an appropriate and timely manner.
- We will conduct all of our activities in compliance with environmental laws while adhering to international rules and social standards.

Creating Sustainable Corporate Value by helping to address global sustainability issues through our business activities, taking into account the needs and expectations of all of our stakeholders

Creating Sustainable Corporate Value

Sustainable Economic Value
Aim for sound earnings growth and increased corporate value through the proactive reshaping of our business models and portfolios

Sustainable Social Value
Contribute to economic development as a responsible corporate citizen

Sustainable Environmental Value
Work towards preserving and improving the global environment, recognizing that our planet is our greatest stakeholder

Mitsubishi Corporation Social Charter

Mitsubishi Corporation strives to achieve sustainable societal value through our business operations by contributing towards lasting solutions to the wide spectrum of sustainability challenges facing today’s global society.

- We will work to address local societal challenges in the regions and communities in which we operate, contributing to lasting and sustainable development through our business activities.
- We will continue our wide-ranging philanthropic commitments while regularly adapting our approach in line with ever-evolving societal needs and challenges.
- We will fully respect human rights and indigenous peoples’ rights. We will also fully respect fundamental labor rights and endeavor to ensure the provision of safe and healthy working environments.
- We will not engage in corruption of any kind and will take appropriate preventative measures to safeguard against such practices.
- We will continue to actively engage and work with our various stakeholders openly and transparently and disclose information on the social impacts of our business operations in an appropriate and timely manner.
MC’s Sustainability Framework

Organizational Framework

At MC, we have established the CSR & Environmental Affairs Committee, which is attended by the Executive Vice President in charge of CSR & Environmental Affairs. This committee oversees our basic sustainability policies and also makes recommendations to the Executive Committee.

In addition, the CSR & Environmental Affairs Advisory Committee, which is comprised of outside experts, provides MC with recommendations regarding the MC Group’s sustainability initiatives (Please refer to page 102 for more information).

ESG Management of Loans and Investments

As part of MC’s strategic decision-making process, all loan and investment proposals are reviewed by our Executive Committee.

The screening and review process is an extensive one, taking into account not only financial and legal risks but also environmental, social and governance (ESG) factors. Proposals for certain projects are examined by the Board of Directors as well.

Loan and investment decisions by the Executive Committee are based on advisory input from the Investment Advisory Committee, which in turn bases its advice on comments submitted by specialized internal departments, including the CSR & Environmental Affairs Department (Please refer to the chart on the right).

In addition to performing detailed reviews of relevant documents such as Environmental, Social & Health Impact Assessments (ESHIA) and conducting site visits, MC’s ESG screening takes into account various standards including the International Finance Corporation (IFC) guidelines and the Guidelines for Confirmation of Environmental and Social Considerations published by the Japan Bank for International Cooperation (JBIC).

MC has also formulated our own sustainability criteria which are used for screening loan and investment proposals as part of the approval process. In addition to screening for environmental criteria, social criteria such as human rights and working conditions are also examined with careful consideration based on the unique circumstances of each country or region.

MC’s Environmental Management System (EMS)

MC develops a wide range of businesses across the globe, and accordingly, we believe it is important to continually assess how each of these businesses impacts the environment. Our President and CEO is responsible for maintaining environmental management systems (EMS) that are compliant with ISO 14001.

Our EMS activities are promoted in line with our Environmental Policy, which was established based on the principles of our Environmental Charter. Please refer to page 41 for our EMS performance data.

MC’s Environmental Policy

MC has created our Environmental Management System (EMS) based upon our Environmental Charter, and we have set out the following Environmental Policy with the aim of preserving the global environment and working towards the realization of a sustainable society through our business activities.

1. Compliance with Environmental Laws and Standards
   We will uphold environmental laws and standards in addition to our own environmental commitments.

2. Working to Address Climate Change
   (1) We will make efforts to reduce our greenhouse gas emissions in order to address climate change.
   (2) We will make efforts to reduce resource and energy consumption.
   (3) We recognize the importance of biodiversity and will pay close attention to our impact on the natural environment.

3. Continuous Improvement of our EMS
   We will strive for continuous utilization and improvement to our EMS in line with our business activities.

4. Disclosure of our Environmental Policy
   We will ensure that our Environmental Policy is conveyed to all of our employees, and we will promote understanding through training and dissemination efforts. We will also publicly disclose our Environmental Policy.

February 10, 2011
MC has identified the following sustainability issues as having high materiality in our business activities: addressing climate change; preservation of biodiversity; sustainable use of resources; prevention of pollution and accidents; respect for indigenous peoples’ rights and respect for human rights and labor rights. We aim to create sustainable corporate value by addressing these key issues through our business activities.

Stakeholder Expectations and Opinions

- Advice from our CSR & Environmental Affairs Advisory Committee
- Insight received from various NGOs and SRI indexes through direct engagement
- Domestic and international media monitoring
- Developments within the legal and regulatory environment, as well as international treaties and conventions (climate change, biodiversity, etc.)

Key Sustainability Themes for MC

Sustainable Use of Resources

Addressing Climate Change

Preservation of Biodiversity

Prevention of Pollution and Accidents

Respect for Indigenous Peoples’ Rights

Respect for Human Rights and Labor Rights

Identify Themes

Impacts on MC

Business Opportunities

Increase positive impacts

Risk Mitigation

Reduce negative impacts

Customers

Shareholders

Employees

Communities

Governments

NPOs/NGOs

• Important internal measures/policies related to New Strategic Direction
• Global business expansion
• Creation of new business opportunities
• Ongoing risk management for business projects

Key Sustainability Themes for MC

(Materiality)
Global Developments and MC’s Response

During the UN Climate Summit which was held in September of 2014, the world moved one step closer to reaching an international agreement to limit global warming to 2°C from pre-industrial levels. The following month, the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) released its Synthesis Report concluding that “human influence on the climate is clear, and recent anthropogenic emissions of greenhouse gases (GHG) are the highest in history.” The year 2015 will also be a significant year with respect to climate change with events leading up to the 21st Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21), where world leaders are expected to reach agreements on matters including post-2020 GHG emissions reductions targets and necessary financial support.

MC recognizes climate change as being highly material to our company, and we continue to actively address this issue through investments in renewable energy and other low-carbon business fields. Furthermore, given the diverse business risks associated with climate change including increased operational costs, additional taxes and regulations, and the evolving expectations of stakeholders, we are also committed to working towards reducing our GHG emissions throughout our business.

In this regard, starting from the fiscal year ending March 2016, MC began initiatives which aim to reduce the intensity of our GHG emissions on a global, consolidated basis by at least 1% (from fiscal 2012 levels) each year through the year ending March 2018.

Contributing to a Low-carbon Society through Our Business

MC’s Global Environmental & Infrastructure Business Group aims to contribute to the realization of a low-carbon society while also improving our corporate value through our renewable energy businesses including wind, solar and thermal energy, as well as other businesses in the fields of water, smart community integration, energy solutions and more. Our commitment to the creation of sustainable environmental value also spreads across the Company’s other business groups as we pursue a wide range of initiatives including electric vehicles and eco-friendly condominiums.

As an example of our accomplishments in this field, in the year ended March 2015, MC successfully reduced greenhouse gas emissions by approximately 1.6 million tons* (equivalent reduction of emissions from fuel combustion) on a consolidated, global basis through our investments in renewable energy. These emissions reductions were estimated based on the assumption that greenhouse gas emissions would have increased by 1.6 million tons had conventional methods (oil-fired thermal power generation) been employed to generate the same amount of power generated from renewable energy sources in MC’s business portfolio in the year ended March 31, 2015.

Our Performance

As part of ongoing efforts to reduce our carbon footprint, in April 2009 MC launched our CO2 Action Project, designed to promote the reduction of CO2 produced by our Japanese offices.

As a result of these efforts, MC’s CO2 emissions (indirect CO2 emissions from electricity consumption) in the year ended March 2015 on a non-consolidated basis were approximately 6% lower than the previous year. Furthermore, our direct CO2 emissions from fuel consumption, indirect CO2 emissions from electricity consumption and other CO2 emissions on a consolidated, global basis (including subsidiaries) in the year ended March 2015 totaled approximately 3.34 million tons.**

MC’s emissions performance information has received independent assurance from Deloitte Tohmatsu Evaluation and Certification Organization Co., Ltd. Please see the following link to access the certification document on our website: http://www.mitsubishicorp.com/jp/en/csr/management/pdf/pfm_01.pdf

Information Disclosure

In addition to disclosing our environmental performance and efforts to address climate change in our Integrated Report and website, MC has been sharing this information through our participation in CDP*** since 2003, and, as of 2014, through joining the Fun to Share campaign run by the Japanese Ministry of the Environment.

*The conversion was performed using emissions coefficients contained in the GHG Protocol for CO2 emissions from oil-fired thermal power generation; Emission Factors from Cross-Sector Tools (August 2014).

**The following metrics were adopted as the basis for calculating CO2 emissions. Also, please note that emissions from projects with high communality, including power generation and heat generation, are not included in the calculations.

- Direct CO2 emissions from fuel consumption
- Indirect CO2 emissions from electricity consumption
- Greenhouse gas emissions other than energy-related CO2


- CDP: Formerly the Carbon Disclosure Project. A project conducted in conjunction with institutional investors that encourages major companies around the world to disclose their GHG emissions, climate change strategies and other information.
Global Coral Reef Conservation Project

Coral reefs play a crucial role in marine ecosystems. Since 2005, MC has conducted comprehensive research in three key locations of Okinawa, the Seychelles and Australia in collaboration with universities and conservation NGOs with the goal of establishing and disseminating methods to preserve the health of coral reefs.

This project has also been approved as an official partnership project by the Japan Committee for the United Nations Decade on Biodiversity (UNDB-J).

Environmental Conservation Projects

MC conducts a number of environmental conservation projects with the aim of preserving the biodiversity of our global ecosystems through partnerships with NGOs, universities, research institutes and other stakeholders.

The Tropical Forest Regeneration Experimental Project

The destruction of tropical rainforests, treasure troves of biodiversity, is one of the most serious threats to our global environment. Once degraded, it is estimated that a tropical forest requires roughly 300-500 years in order to fully return to its natural state. This project aims to achieve the same level of recovery in only 40-50 years by planting a variety of indigenous tree and plant species through a dense, mixed-planting method.

MC first began this project in 1990 in Malaysia, and since then it has expanded to sites in Brazil, Kenya and Indonesia.

Here is an image showing a former mining site before (top) and after (bottom) the rehabilitation process.
**Sustainable Use of Resources**

As a company developing business in a wide variety of resource fields including mineral resources, energy, food and water, MC considers the sustainable use of resources as a crucial aspect of our business.

In particular, issues related to water resources are expected to become increasingly severe on a global scale due to a number of factors. These include economic development and rising global population, driven especially by emerging markets, and problems such as droughts, floods and drinking water shortages caused by changing rainfall patterns brought on by climate change.

MC is actively contributing towards finding solutions to address these pressing global water-related issues. We are committed to minimizing negative impacts on the environment and local communities when securing water resources, and also to improving access to water by supplying and recycling water through our businesses.

As part of these efforts, MC has disclosed its water management measures through CDP Water, an information disclosure initiative under the CDP, since 2011.

In the years ended March 2014 and 2015, MC’s water withdrawals and recycling/reuse rate* on a consolidated, global basis (including subsidiaries) totaled approximately 150 million m$^3$ (8.5% recycled/reused) and 155 million m$^3$ (11.3% recycled/reused), respectively.

* Water withdrawals equal the sum of water withdrawn from all sources including municipal / industrial water, rivers / lakes, seawater and rainwater. The water recycling/reuse rate is calculated as the amount of water recycled/reused divided by the sum of water withdrawn and water recycled/reused.

**CASE STUDY**

In 2014, MC undertook a strategic investment in Metito Holdings Ltd., the leading water management solutions provider for emerging markets, headquartered in Dubai, UAE. The acquisition will allow MC and its partners to expand their presence in the water business in fast-growing Middle Eastern, African and Asian markets, and at the same time, to make contributions to improving living conditions and the local environment by helping to address water scarcity issues and lack of infrastructure in those areas.

**Prevention of Pollution and Accidents**

MC conducts a number of businesses that involve manufacturing sites and plants.

Maintaining safe operations without accidents is of course essential for avoiding negative impacts on employees, customers, local communities and the global environment. MC also recognizes that prevention of pollution and accidents is a key factor in maintaining our social license to operate. Our approach towards this issue includes ensuring a swift response in the event of an accident, as well as constant review and improvement of our safety awareness and management systems.

**CASE STUDY**

MC has developed Oil Spill Risk Guidelines for projects related to oil and gas developments and tankers. Regardless of operator status, MC regularly confirms the oil spill prevention measures and safety management systems of projects in these areas. Mitsubishi Corporation Exploration Co., Ltd. (MCX), an investment of the Energy Business Group, regards HSE (Health, Safety, Environment) as a top priority for oil and gas exploration projects. MCX believes that proper management of HSE risks is crucial in order to contribute to sustainable societal development, and accordingly, promotes a variety of initiatives in line with its HSE Policy. Based on this policy, MCX formed an HSE Office under the direct administration of the CEO and has also established an HSE Management Committee comprised of relevant board members under the CEO. MCX will continue to revise and improve its HSE Management System (HSEMS) and to promote HSE activities companywide with the aim of preventing pollution and accidents, reducing environmental impact and mitigating risks related to labor, safety and sanitation.
Respect for Indigenous Peoples’ Rights

In the context of our overall commitment to respecting human rights, we have formulated policies regarding the rights of indigenous peoples. MC conducts business in numerous regions around the world inhabited by indigenous peoples, and we acknowledge and respect their unique social and legal status under national and international laws, conventions and declarations, such as the International Labour Organization Convention 169 and the United Nations Declaration on the Rights of Indigenous Peoples. When examining new business investment proposals, MC takes into consideration if and how the business operations may impact indigenous peoples and undertakes to consult with all relevant stakeholders to ensure that such investment is made having regard to relevant international standards, and with full respect for the dignity, human rights, aspirations, cultures and natural resource-based livelihoods of the indigenous peoples concerned.

MC considers respect for human rights to be key material aspect of our business. We have integrated respect for human rights into our Corporate Standards of Conduct and other internal policies, while our Code of Conduct stipulates clearly that we will “respect human rights,” “will not engage in discrimination on the basis of race, ethnicity, creed, religion or other grounds” and “will respect the cultures, customs and languages of other countries and regions.” MC supports international norms and codes regarding human rights including the Universal Declaration of Human Rights, the core labor standards of the ILO (International Labour Organization) and the Voluntary Principles on Security and Human Rights. Our commitments extend from our own operations through to our supply chains as detailed on the following page.

CASE STUDY

Through the Mitsubishi Corporation Foundation for the Americas (MCFA), MC has had the opportunity to engage with organizations such as International Funders for Indigenous Peoples, First Peoples Worldwide, the Indian Law Resource Center and the Wolf Lake First Nation in Quebec, Canada. MCFA has supported advocacy for the rights of Indigenous Peoples and conservation initiatives that value and promote indigenous ecological knowledge.

In 2014, MCFA organized a side event to the UN’s World Conference on Indigenous Peoples, which featured a presentation by an MCFA grantee, FUNDESNAP, and indigenous community leaders from Bolivia about their involvement in the monitoring of the environmental, social and economic impacts of a major road infrastructure project. FUNDESNAP’s mission is to support the effective management and financial sustainability of the National System of Protected Areas in Bolivia. The relationships forged by MCFA have helped to reinforce and deepen MC’s understanding and appreciation of indigenous perspectives, which in turn have been comprehensively integrated into our business processes.

Mr. Mauricio Sarabia, President of the local community of Yucumo – Rurrenabaque, Bolivia

Respect for Human Rights and Labor Rights

MC is an active participant in the UN Global Compact Japan Network working group on Human Rights Due Diligence. We are also a member of the World Business Council for Sustainable Development (WBCSD) Human Rights working group.

We take ideas from these international initiatives and incorporate them into our sustainability management measures, including our supply chain assessments. Respect for human rights is also included in our internal training sessions.

MC is an active participant in the UN Global Compact Japan Network working group on Human Rights Due Diligence. We are also a member of the World Business Council for Sustainable Development (WBCSD) Human Rights working group.

We take ideas from these international initiatives and incorporate them into our sustainability management measures, including our supply chain assessments. Respect for human rights is also included in our internal training sessions.
Supply Chain Management

MC regards the management of supply chains from a sustainability standpoint as a vital aspect of our corporate social responsibility. In February 2008, we established the CSR Action Guidelines for Supply Chains (now the Mitsubishi Corporation Policy for Sustainable Supply Chain Management), which we share with all of our suppliers. These guidelines are explained to new recruits and managers at various internal training sessions and to employees of overseas business sites and affiliated companies at seminars and other events.

Mitsubishi Corporation Policy for Sustainable Supply Chain Management

Mitsubishi Corporation strives to ensure that business is conducted responsibly throughout its supply chains. In order to convey this stance to suppliers, the Company has established the Mitsubishi Corporation Policy for Sustainable Supply Chain Management, as outlined below, which it expects all suppliers to understand, embrace and abide by.

1. Policy Areas

(1) Forced Labor
(2) Child Labor
(3) Safe and Healthy Working Environments
(4) Freedom of Association
(5) Discrimination
(6) Abuse and Harassment
(7) Working Hours
(8) Suitable Remuneration
(9) Anti-corruption
(10) Environment
(11) Information Disclosure

2. Monitoring

MC conducts regular surveys of suppliers to monitor the status of their compliance with basic policies. Furthermore, MC visits suppliers to confirm the status of their activities when it determines that site visits are necessary based on the regions where suppliers are active and their business activities.

3. Response to Compliance Violations

If a violation of the basic policies is confirmed, MC will demand that the relevant supplier implement corrective measures and will provide guidance and assistance, as necessary. If MC determines that the supplier is unlikely to implement corrective measures even after providing continuous guidance and assistance, MC will review its business relationship with the relevant supplier.

Supply Chain Visits

In May 2014, MC representatives visited Ipanema Coffees, one of the world’s largest coffee plantations, and coffee exporting company MC Coffee do Brasil Ltda., both of which are located in southeastern Brazil approximately 300km to the northwest of Sao Paolo. Ipanema Coffees is not only world-renowned for producing high-quality coffee beans but they also have a number of sustainability certifications including Rainforest Alliance, Fair Trade USA and UTZ Kaphe for having socially and environmentally responsible operations. On this visit, the MC representatives, together with members of the Rainforest Alliance, observed all stages of the operations right through to the after-harvest process. Through meetings with Ipanema Coffee’s management, MC representatives confirmed that the plantation was working to provide safe, hygienic and healthy working conditions for employees, including temporary employees working during the harvesting period. With a full range of operations, from growing and harvesting to sorting and export, MC observed through this inspection that the plantation has an unwavering commitment to quality and an extremely high degree of awareness of the environmental and social dimensions of its operations.

At a plant of MC Coffee do Brasil Ltda., MC representatives inspected every stage of the after-harvest process, ranging from sorting to shipping of coffee beans. Inside the plant, guided by a policy of increasing labor efficiency, the company has been making efforts to automate its operations. The coffee beans are meticulously sorted based on size, density and color, with only the highest quality coffee beans selected for export. Similar to the Ipanema Coffees plantation, operations at the plant pay due consideration to the environment in addition to quality, being accredited with major certifications such as UTZ Kaphe and FLOCERT, and the company has earned an excellent reputation around the world for its high-quality coffee.

MC has also worked closely with our suppliers in other countries and recommended that they work towards achieving Rainforest Alliance certification for their product. As a result, the Thang Loi Plantation in Vietnam achieved certification in 2011 and the Edelweiss Plantation in Tanzania did the same in 2015. In addition, MC Coffee do Brasil has supported small-scale farmers in achieving Fairtrade certification, and these close relationships have allowed the company to handle one of the largest volumes of Fairtrade certified product in Brazil. In this way, MC is further establishing a business model to source coffee beans that are not only of high quality, but also sustainably produced.
Great East Japan Earthquake Restoration Efforts

MC began conducting recovery efforts for the Great East Japan Earthquake shortly after the disaster struck on March 11, 2011 by establishing the Mitsubishi Corporation East Japan Earthquake Recovery Fund in April of the same year. In March 2012, MC established the Mitsubishi Corporation Disaster Relief Foundation, which provides financial support in the form of scholarships and relief support grants, as well as promotes the recovery and growth of industry and employment through investment and loan projects.

Support for Industrial Recovery and Employment Creation

We believe that revitalization of industry and employment creation are essential in order for the regions affected by the disaster to make a sustained recovery. In the year ended March 2015, MC invested a total approximately ¥480 million in 13 projects, including 5 seafood processed facilities, 3 food processing facilities, 2 large-scale farms, a winery, a timber facility and a sewn products manufacturer. Since the year ended March 2013, MC has invested close to ¥2 billion in 44 projects (14 in Iwate Prefecture, 21 in Miyagi Prefecture and 9 in Fukushima Prefecture).

Employee Volunteer Teams (Dispatched Regions)

In response to the fact that so many of our employees were eager to contribute directly to the recovery of the afflicted region, we have been dispatching groups of employee volunteers from MC and our Group companies since shortly after the disaster struck. As of March 2015, 3,806 employees had participated in the volunteer programs since they were first established.

Sixth Industry Fruit Farming Project in Fukushima Prefecture

In February 2015, The Mitsubishi Corporation Disaster Relief Foundation entered a partnership with Koriyama City in Fukushima Prefecture for the Sixth Industry fruit farming project, which utilizes local products through an innovative, vertically integrated business model. MC made a ¥1 billion investment through the foundation, and construction has started on a processing facility in Koriyama City, which will use approximately 30 to 50 tons of locally produced fruits including peaches, pears, apples and grapes each year to produce and sell liqueurs and wines. The facility will be capable of producing 25,000 liters of product per year.
MC's Corporate Philanthropy Activities

MC’s corporate culture is based on a fundamental desire to grow in harmony with the communities in which we operate both locally and internationally in order to contribute to building truly prosperous, sustainable societies around the world. With this in mind, we engage in a variety of philanthropic projects at our operations in a wide range of fields such as the global environment, public welfare, culture, and arts, and international exchange and contributions. Our employees also play a key role in these activities by actively taking part as volunteers.

Employee Volunteer Activities

MC places great importance on promoting greater awareness of social contributions among its employees. We therefore take steps to encourage employee participation in volunteer activities, for example, by establishing a volunteer leave system and holding in-house volunteer programs during lunch hours.

■ Volunteer Token System
MC makes donations to public welfare, educational and environmental NPOs or foundations based on a virtual token system. Employees earn tokens by participating in volunteer activities, with each token worth a corporate donation of ¥1,000. Tokens are not only awarded for volunteer work organized by MC, but also for activities undertaken independently by employees during their private time outside of work.

■ Volunteer Leave System
Employees can take up to five days leave each year to participate in volunteer activities.

MC's International Scholarship for Studies in Japan
MC provides scholarships to outstanding international exchange students studying in Japan who are expected to become the leaders of tomorrow. As of 2014, MC has provided scholarships to over 1,000 students through this program.

MC Art Gate Program
This program provides career support for aspiring young artists. Each year, MC purchases around 200 pieces of artwork from young artists by public invitation at the price of ¥1,000,000 each. After being displayed within as well as outside of the company, the works of art are sold through public auctions. All proceeds are returned to the artists in the form of scholarships.

MC Forest Conservation Project
MC conducts forest conservation activities in Aki City, Kochi Prefecture, hometown of Yataro Iwasaki, the founder of the Mitsubishi Group. These activities provide hands-on environmental training to both MC employee volunteers and members of the local community.

MC’s Agricultural Development Project in India
Since 2006, MC has provided a variety of support through this project including donating 200 solar-powered street lamps to villages without electricity, building training centers, supporting farmers and installing irrigation facilities. The project received the CSR Leadership Award in 2013.

Friendship Camp for Mothers and Children
MC organizes a friendship camp where single mothers and their children can experience nature and forge new personal connections. In addition to having fun in the great outdoors, the program also aims to provide the mothers with networking opportunities.

Year ended March 2015

| No. of employees taking volunteer leave | 247 |
| Volunteer leave days taken | 323 |

Number of Tokens Given for Volunteer Work

<table>
<thead>
<tr>
<th>Year</th>
<th>Tokens</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013.3</td>
<td>9,713</td>
</tr>
<tr>
<td>2014.3</td>
<td>16,072</td>
</tr>
<tr>
<td>2015.3</td>
<td>12,173</td>
</tr>
</tbody>
</table>

Donations made through tokens ¥6,086,500
DREAM AS ONE.
Project in Support of Para-Sports

We hope to share the dreams and excitement with as many people as possible by supporting the advancement of para-sports.

1. Widen the Field of Para-Sports
We will provide opportunities for even more adults and children with disabilities (including children with congenital disabilities) to enjoy sports.

2. Raise Awareness and Understanding of Para-Sports
We will increase understanding and awareness of para-sports by giving more employees and regular citizens opportunities to get involved in para-sports competitions and events as volunteers and participants.

Support through Charitable Foundations
Through Mitsubishi Corporation Foundation for the Americas (MCFA) and Mitsubishi Corporation Fund for Europe and Africa (MCFEA), MC supports a wide range of initiatives focusing on environmental conservation, education and poverty alleviation.

For example, MCFA supports the activities of the Wildlife Conservation Society (WCS) through projects including their Amazon Waters Initiative, which involves engaging indigenous and other local communities, government agencies and civil society organizations in participatory watershed and natural resource management in two key Amazon watersheds in Brazil and Peru. A flagship partner of MCFEA is SolarAid, a fast-growing organisation that provides access to clean, affordable solar lights to rural communities in order to eradicate the use of kerosene lamps in Africa by 2020. SolarAid is helping to combat climate change while improving the lives of over 10 million people.
MC’s CSR & Environmental Affairs Advisory Committee is made up of external experts and provides advice on the MC Group’s sustainability activities from a multitude of perspectives. To deepen their understanding of MC’s businesses, the members of the Advisory Committee visit MC business sites annually in addition to participating in regular committee meetings. At the April 2015 meeting, joined by newest committee member Professor Nakashizuka from Tohoku University Graduate School, who is an expert in forest ecologies and biodiversity, the 11 committee members gave their opinions on the status of MC’s monitoring of sustainability risks, carbon management, supply chain management and initiatives in support of recovery efforts following the Great East Japan Earthquake.

### MC’s Approach to CSR & Environmental Affairs

As a company with operations all over the globe, MC should not only be satisfied with adequately managing sustainability risks, but should also challenge itself to have a clear vision and management approach towards addressing global sustainability issues, taking into account such international initiatives as the United Nations’ Sustainable Development Goals (SDGs). In particular, it is important not only to look at the issues of today, but also look towards future issues from a long-term perspective. Creating value through numerous business activities and corporate philanthropy initiatives which exceed stakeholder expectations will be a key competitive factor for companies going forward.

#### Supply Chain Management

It is wonderful that MC was able to conduct supplier site visits together with NGOs and other third parties to confirm the labor conditions and other factors at each site. Given the vast number of suppliers who are subject to the supply chain assessment, however, only a small number of site visits can be conducted each year. Accordingly, MC should constantly look to improve the ways in which the assessments are conducted.

#### Great East Japan Earthquake Recovery Efforts

MC’s efforts to support the recovery of the Tohoku region are commendable, and it is clear that the efforts go beyond disaster recovery to aim towards full revitalization of the areas affected by the Great East Japan Earthquake and tsunami disaster. In the future, MC should consider taking the knowledge and models utilized in Tohoku and apply them to support other regions in Japan and countries abroad. This is a successful case study for addressing societal issues through targeted investments.

### Members of the CSR & Environmental Affairs Advisory Committee

- **Eiichiro Adachi**  
  Counselor, The Japan Research Institute, Limited
- **Keiko Katsu**  
  Freelance Newscaster
- **Mizue Unno**  
  Managing Director, So-Tech Consulting, Inc.
- **Takeshi Okada**  
  Representative Director, Imabari Yume-Sports (Former head coach of the Japanese national soccer team)
- **Kazuki Kuroda**  
  Executive Director, CSO Network Japan
- **Eiichiro Adachi**  
  Counselor, The Japan Research Institute, Limited
- **Keiko Katsu**  
  Freelance Newscaster
- **Mizue Unno**  
  Managing Director, So-Tech Consulting, Inc.
- **Takeshi Okada**  
  Representative Director, Imabari Yume-Sports (Former head coach of the Japanese national soccer team)
- **Kazuki Kuroda**  
  Executive Director, CSO Network Japan
- **Eiichiro Adachi**  
  Counselor, The Japan Research Institute, Limited
- **Keiko Katsu**  
  Freelance Newscaster
- **Mizue Unno**  
  Managing Director, So-Tech Consulting, Inc.
- **Takeshi Okada**  
  Representative Director, Imabari Yume-Sports (Former head coach of the Japanese national soccer team)
- **Kazuki Kuroda**  
  Executive Director, CSO Network Japan
- **Eiichiro Adachi**  
  Counselor, The Japan Research Institute, Limited
- **Keiko Katsu**  
  Freelance Newscaster
- **Mizue Unno**  
  Managing Director, So-Tech Consulting, Inc.
- **Takeshi Okada**  
  Representative Director, Imabari Yume-Sports (Former head coach of the Japanese national soccer team)
- **Kazuki Kuroda**  
  Executive Director, CSO Network Japan
- **Eiichiro Adachi**  
  Counselor, The Japan Research Institute, Limited
- **Keiko Katsu**  
  Freelance Newscaster
- **Mizue Unno**  
  Managing Director, So-Tech Consulting, Inc.
- **Takeshi Okada**  
  Representative Director, Imabari Yume-Sports (Former head coach of the Japanese national soccer team)
- **Kazuki Kuroda**  
  Executive Director, CSO Network Japan
Corporate Governance

104 Approaches to Corporate Governance
108 Approaches to Internal Control System
110 Message from the Chief Compliance Officer
112 Members of the Board and Corporate Auditors
114 International Advisory Committee
MC’s Corporate Governance System Supporting Sustainable Growth

Basic Policy

MC’s corporate philosophy is enshrined in the Three Corporate Principles (page 01). Through corporate activities rooted in the principles of fairness and integrity, MC strives to continuously raise corporate value. MC believes that by helping to enrich society, both materially and spiritually, it will also meet the expectations of shareholders, customers and all other stakeholders.

In order to achieve these goals, MC recognizes strengthening corporate governance on an ongoing basis as its important subject concerning management as it is a foundation for ensuring sound, transparent and efficient management. MC, based on the Corporate Auditor System, is thus working to put in place a corporate governance system that is even more effective. This includes strengthening management supervision by appointing Outside Directors and Outside Corporate Auditors who satisfy the conditions for Independent Directors or Independent Corporate Auditors, and establishing advisory bodies to the Board of Directors, in which the majority of members are Outside Directors and Outside Corporate Auditors and other experts from outside MC. At the same time, MC uses the Executive Officer System, etc. for prompt and efficient decision-making and business execution.

Corporate Governance Framework (As of July 1, 2015)

Board of Directors

The Board of Directors is responsible for making decisions concerning important management issues and overseeing business execution. In-house Directors utilize their wealth of experience of working within MC and Outside Directors utilize their practical, objective and professional perspectives to ensure appropriate decision-making and management oversight. Currently, the Board comprises 14 members, including 5 Outside Directors. The Board meetings are attended by 5 Corporate Auditors, 3 of whom are Outside Corporate Auditors.

The composition of the Board of Directors and the policy and process for appointing nominated Directors are deliberated at the Governance & Compensation Committee, and then decided by the Board of Directors as follows.

Composition of the Board of Directors and the Policy for Appointing Nominated Directors

To ensure MC’s decision-making and management oversight are appropriate for a sogo shosha involved in diverse businesses and industries in a wide range of fields, several Directors are appointed from both within and outside MC with the depth of experience and high levels of knowledge and expertise needed for fulfilling their duties.

More specifically, in addition to the Chairman of the Board and the President &
Process for Appointing Nominated Directors

Based on the above policy, the President & CEO proposes a list of nominated Directors, which is then deliberated at the Governance & Compensation Committee and resolved by the Board of Directors before being presented at the Ordinary General Meeting of Shareholders.

Board of Corporate Auditors

The Board of Corporate Auditors audits Directors’ decision-making process and their performance of duties according to the Companies Act and other laws and regulations, MC’s Articles of Incorporation and internal rules and regulations. In-house Corporate Auditors conduct audits from a perspective of their wealth of experience of working within MC, and Outside Corporate Auditors from a neutral and objective perspective, to ensure that management is sound. Currently the Board of Corporate Auditors comprises 5 Corporate Auditors, 3 of whom are Outside Corporate Auditors. The composition of the Board of Corporate Auditors and the policy and procedure for appointment of nominated Corporate Auditors are deliberated by the Governance & Compensation Committee, and then, decided by the Board of Directors as follows.

Composition of the Board of Corporate Auditors and the Policy for Appointing Nominated Corporate Auditors

To ensure MC’s sound business development and improve its social credibility through audits, several Corporate Auditors are appointed from within and outside MC with the depth of experience and high level of expertise needed for conducting audits.

More specifically, In-house Corporate Auditors are appointed from those with knowledge and experience in corporate management, finance, accounting, risk management or other areas. Outside Corporate Auditors are appointed from those with rich knowledge and experience across various fields.

In principle, the total number of Corporate Auditors is around 5, with more than half their number being made up of Outside Corporate Auditors.

Process for Appointment of Nominated Corporate Auditors

Based on the above policy, the President & CEO consults with the Senior Corporate Auditor and creates a proposal for the appointment of nominated Corporate Auditors, which is then deliberated by the Governance & Compensation Committee and approved by the Board of Corporate Auditors before being resolved by the Board of Directors and presented at the Ordinary General Meeting of Shareholders.

Matters Deliberated by the Board of Directors

1. Matters requiring a resolution by the Board of Directors in accordance with laws and regulations and the Articles of Incorporation and important matters concerning management are resolved by the Board of Directors. In particular, for acquisitions and disposals of shares, equity stakes and fixed assets, and investments and loans involving loans and guarantees, the Board of Directors sets out monetary threshold standards for each of various types of risk, such as credit risk, market risk and business investment risk (amounts do not exceed 1% of total assets and are set individually depending on the nature of the risk). Investments and loans that exceed this monetary threshold are deliberated and resolved by the Board of Directors. Furthermore, business execution other than these matters for resolution by the Board of Directors is entrusted to Executive Officers in accordance with the allocation of duties decided by the Board of Directors for prompt and efficient business execution. Business is executed through the President, as the Chief Executive Officer, and the Executive Committee (held twice monthly), as a management decision-making body to take responsibility for business execution.

Details of the Duties, etc. of the (Board of) Corporate Auditors

The Corporate Auditors hold regular meetings with MC’s Independent Auditors and Internal Audit Department as the Board of Corporate Auditors. In addition, Corporate Auditors visit important offices in Japan and overseas to conduct audits and actively engage in dialogue with the Chairman of the Board, the President & CEO and other corporate officers (Directors and Executive Officers) as part of their efforts to accurately grasp the current state of management execution. The full-time Corporate Auditors actively gather information by attending important in-house meetings aside from Board of Director meetings and holding discussions with internal departments and through open channels of communication with people in the company.

In addition to conducting on-site audits and holding discussions with the corporate officers of respective companies, the full-time Corporate Auditors strive to create an environment conducive to auditing the corporate group by exchanging opinions during regular meetings with the Corporate Auditors of main subsidiaries and affiliates.

Moreover, the Board of Corporate Auditors creates opportunities to hold regular discussions with respected individuals from outside MC. The knowledge gained and external perspectives are put to good use in audit activities.

Through these activities, the Board of Corporate Auditors audits Directors’ decision-making process and their performance of duties. By requesting improvements and providing advice as necessary, the Board of Corporate Auditors seeks to ensure MC’s healthy, sustained growth and contribute to the establishment of a corporate governance system that earns society’s trust.
Selection Criteria for Outside Directors and Outside Corporate Auditors

To make the function of Outside Directors and Outside Corporate Auditors stronger and more transparent, MC has set forth Selection Criteria for Outside Directors and Outside Corporate Auditors as follows, after deliberation by the Governance & Compensation Committee, which is made up of a majority of Outside Directors and Outside Corporate Auditors. Each of the 5 Outside Directors and 3 Outside Corporate Auditors satisfy the requirements for Independent Directors and Corporate Auditors as stipulated by Japanese stock exchanges, such as the Tokyo Stock Exchange, and MC’s Selection Criteria for Outside Directors.

- **Selection Criteria for Outside Directors**
  1. Outside Directors are elected from among those individuals who have an eye on practicality founded on a wealth of experience as corporate executive officers, as well as an objective and specialist viewpoint based on extensive insight regarding global conditions and social and economic trends. Through their diverse perspectives, Outside Directors help ensure levels of decision-making and management oversight appropriate to the Board of Directors.
  2. To enable Outside Directors to fulfill their appointed task, attention is given to maintain their independency; individuals incapable of preserving this independency in effect will not be selected to serve as Outside Directors.
  3. MC’s operations span a broad range of business domains; hence there may be cases of conflict of interest stemming from business relationships with firms home to a corporate executive officer appointed as Outside Directors. MC appropriately copes with this potential issue through the procedural exclusion of the director in question from matters related to the conflict of interest, and by preserving a variety of viewpoints through the selection of numerous Outside Directors.

- **Selection Criteria for Outside Corporate Auditors**
  1. Outside Corporate Auditors are selected from among individuals who possess a wealth of knowledge and experience across various fields that is helpful in performing audits. Neutral and objective auditing, in turn, will ensure sound management.
  2. To enable Outside Corporate Auditors to fulfill their appointed task, attention is given to maintain their independency; individuals incapable of preserving this independency will not be selected to serve as Outside Corporate Auditors.

(Note) Independency for the purpose of Selection Criteria for Outside Directors and Outside Corporate Auditors

To make a judgment of independence, MC checks if the person concerned meets the conditions for independent directors and independent corporate auditors as specified by stock exchanges in Japan such as the Tokyo Stock Exchange, Inc., and whether the person concerned is currently any of the following items (1) to (7) and whether they have been at any time in the past 3 fiscal years.

- **Board of Directors’ Office and Board of Corporate Auditors’ Office**

To ensure that the Directors and Corporate Auditors are able to perform their management supervision and audit functions adequately, the Board of Directors’ Office and the Board of Corporate Auditors’ Office have been established, and have been providing necessary information appropriately and in a timely manner for them to perform their duties.

For Outside Directors and Outside Corporate Auditors, the Board of Directors’ Office and the Board of Corporate Auditors’ Office provide Board of Directors’ meeting materials and explanations as well as related information before the Board of Directors’ meetings to ensure that they can participate in the discussion fully. The offices also provide an orientation to newly appointed Outside Directors and Outside Corporate Auditors, as well as ongoing opportunities to understand the business of MC, including annual observation tours of subsidiaries and affiliates and opportunities for dialogue with the management. Furthermore, to enhance the management supervision function, MC holds meetings of the Governance & Compensation Committee, the President’s Performance Evaluation Committee and other bodies comprising a majority of Outside Directors and Outside Corporate Auditors in their memberships, enhancing close cooperation between them.

**Policy for Setting Directors’ and Corporate Auditors’ Remuneration**

In line with the Basic Policy on Corporate Governance (page 104), MC has established a remuneration system for Directors and Corporate Auditors and related systems to ensure a sustainable increase in corporate value and strive to administer the system with a high degree of transparency. The basic policy, composition of remuneration, etc., and method for setting remuneration are as follows.

- **Directors’ Remuneration**
  1. **In-house Directors**
     (1) **Basic Policy**

   A remuneration system for MC in-house Directors has been designed to provide further incentive and motivation to improve performance and a sustainable corporate value, further align the Directors’ interests with those of the shareholders and strengthen the link with business results. The level of remuneration is set by comparing levels of remuneration at other companies in
the same industry and other major Japanese companies of similar scale, and is also commensurate with performance. For In-house Directors who also serve as Executive Officers, the position as an Executive Officer is taken into account as one factor when setting Directors’ remuneration.

The policy for setting remuneration, appropriateness of remuneration levels and operation of the remuneration system for In-house Directors are discussed and monitored by the Governance & Compensation Committee.

(2) Composition
The remuneration of In-house Directors consists of Directors’ Base Remuneration, Individual Performance Bonus, Bonus, Stock-option-based Remuneration and Reserved Retirement Remuneration. The details of each type of remuneration are explained as below.

2. Outside Directors
The basic policy and composition for remuneration for Outside Directors is to pay Directors’ Base Remuneration only, due to their role as an independent supervisory function for management. Outside Directors’ remuneration does not have a performance-linked component.

3. Method for Setting Remuneration
Regarding Directors’ Base Remuneration, Individual Performance Bonus, Stock-

### In-house Directors’ Remuneration

<table>
<thead>
<tr>
<th>Remuneration type</th>
<th>Remuneration composition</th>
<th>Fixed/Variable (Note 1)</th>
<th>Form of payment</th>
<th>Included within remuneration limit (Note 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Remuneration*</td>
<td>An amount determined according to position, paid monthly</td>
<td>Fixed</td>
<td>Cash</td>
<td></td>
</tr>
<tr>
<td>Individual Performance Bonus*</td>
<td>For Directors who also serve as Executive Officers, Individual Performance Bonuses are determined and paid on an individual basis after the President &amp; CEO’s yearly performance assessment of each Director for the previous fiscal year. The assessment on the President &amp; CEO’s performance is deliberated by the President’s Performance Evaluation Committee, a subcommittee to the Governance &amp; Compensation Committee. The subcommittee comprises the Chairman, who also serves as the Chairman of the Governance &amp; Compensation Committee, and members made up of Outside Directors and Outside Corporate Auditors.</td>
<td>Variable (Single year)</td>
<td>Cash</td>
<td></td>
</tr>
<tr>
<td>Bonus</td>
<td>Bonuses are determined and paid on an individual basis after deciding whether or not Bonuses will be paid and what the total amount will be based on the previous year’s consolidated earnings and other factors. Bonuses are distributed from earnings where MC achieves a level of earnings that leads to improved corporate value. Specifically, Bonuses are only paid when consolidated net income (attributable to owners of MC) exceeds consolidated capital cost, and an upper limit is set for the total amount to be paid.</td>
<td>Variable (Single year)</td>
<td>Cash</td>
<td>(Paid upon resolution of the Ordinary General Meeting of Shareholders each year)</td>
</tr>
<tr>
<td>Stock-option-based Remuneration</td>
<td>Stock options as remuneration are grants from the perspective of aligning Directors’ interests with those of shareholders and creating value over the medium and long terms. Stock options cannot be exercised for two years from the date they are granted. As a basic policy, In-house Directors cannot sell shares, including shares acquired by exercising stock options, during their terms of office until their shareholdings reach a certain level.</td>
<td>Variable (Medium to long term)</td>
<td>Shares (Stock acquisition rights)</td>
<td></td>
</tr>
<tr>
<td>Reserved Retirement Remuneration</td>
<td>Reserved Retirement Remuneration is set aside in a certain amount every year as consideration for the performance of duties, and the accumulated amount is calculated and paid in full upon retirement of a director by resolution of the Board of Directors.</td>
<td>Fixed</td>
<td>Cash</td>
<td></td>
</tr>
</tbody>
</table>

*Previously presented as “monthly remuneration.” From the fiscal year ended on March 31, 2015, the presentation is changed to clearly classify the remuneration according to its composition.

(Note 1) “Fixed” indicates a fixed payment amount and “Variable” indicates a payment amount that varies based on performance and other factors. “Single year” indicates amounts that correspond to previous fiscal year performance or individual performance assessment. “Medium to long term” is used for stock options as remuneration to indicate their role as a medium- to long-term incentive.

(Note 2) “C” indicates remuneration paid by a resolution of the Board of Directors within the ¥1.6 billion per annum limit approved by the 2010 Ordinary General Meeting of Shareholders.

#### In-house Directors’ Remuneration Makeup Percentages

- **Fixed Remuneration Ratio:** Approx. 50%
- **Variable Remuneration Ratio:** Approx. 50% (Varies based on performance and other factors)
**Approaches to Internal Control System**

**Internal Control System (System for Ensuring Proper Business)**

MC, namely, the MC Group that includes its subsidiaries, is building and operating an internal control system, as indicated below, so as to ensure that business activities are conducted properly and in conformity with the law and its Articles of Incorporation. Efforts are ongoing to reform and improve this system.

**Internal Control Framework**

Corporate Governance Framework

- **Executive Structure**
  - President and CEO
  - Executive Committee
- **Internal Audit Dept.**
- **Corporate Staff Section**
- **Establish and inform about internal control-related systems and strategies**

**Main Internal Control-Related Committees**

- Disclosure Committee
- Compliance Committee
- CSR & Environmental Affairs Committee
- Investment Advisory Committee
- National Security Trade Management Committee, etc.

**Executive Organization (Business Groups, etc.)**

---

**Efficient Business Execution**

The President and CEO delineates basic management policies for the MC Group and sets specific management goals. At the same time, the President and CEO formulates management plans and oversees progress in achieving targets efficiently. The organization is realigned and resources are deployed as necessary so as to achieve management targets in the most efficient manner possible.

Furthermore, the organizational chain of command is clearly laid out and authority is delegated to managers and staff of internal organizational bodies to the extent necessary to accomplish targets. These people are required to submit reports regularly.

**Compliance**

Compliance, which is defined as acting in compliance with laws and regulations and in conformity with social norms, is regarded as a matter of the highest priority in conducting business activities. MC has formulated a Code of Conduct for all officers and employees, which specifies basic matters in relation to compliance. Efforts are made to ensure that all officers and employees are familiar with the Code of Conduct and that MC’s corporate philosophy is understood and practiced throughout the entire MC Group.

To accomplish this, MC has built a group-wide compliance promotion framework that includes the appointment of compliance officers in each organization and subsidiary by appointing the Chief Compliance Officer as a project manager. MC is also taking preventive and corrective measures such as offering any needed training on a consolidated basis regarding the various laws and regulations. Regarding the status of compliance, in addition to a framework for receiving reports from all officers and employees in internal organizations and subsidiaries throughout the MC Group, MC has established an internal whistleblower system. Through these structures and systems, MC identifies problems and shares information. Regular reports are also made to the Board of Directors and to the Corporate Auditors on the status of compliance. Moreover, MC rigorously protects people making reports from internal organizations and subsidiaries to ensure that they do not suffer any disadvantage.

**Risk Management**

MC has designated categories of business activity risk corresponding to the details and scale of the MC Group’s businesses, such as credit, market, business investment, country, compliance, legal, information management, environmental and natural disaster-related risks, and has specified departments responsible for each category. Furthermore, MC also has in place policies, systems and procedures for managing risk on a consolidated basis, including by responding to new risks by immediately designating a responsible department to manage such risks.

With respect to individual projects, personnel responsible for the applicable department make decisions within the scope of their prescribed authority after analyzing and assessing the risk-return profile of each project in accordance with company-wide policies and procedures. Projects are executed and managed on an individual basis in accordance with this approach.

In addition to managing risk on an individual project basis, MC assesses risk for the MC Group as a whole with respect to risks that are capable of being monitored quantitatively and manages these risks properly, making reassessments as necessary.
**Financial Reporting**

To ensure proper and timely disclosure in financial statements, MC has appointed personnel responsible for financial reporting and for preparing financial statements in conformity with legal requirements and accounting standards. These financial statements are released after being discussed and confirmed by the Disclosure Committee.

**Business Continuity and Disaster Preparedness Planning**

MC engages in rigorous crisis management on a consolidated basis, including individual MC Group companies, in light of the increasing diversity and complexity of risk that accompanies business expansion. A Business Continuity Plan (BCP) refers to an action plan formulated in advance with the aim of preventing the stoppage of prioritized company operations or restoring and restarting them in as little time as possible if they are interrupted by the occurrence of an unexpected event such as a natural disaster or incident. MC has formulated BCPs for different types of crises such as natural major disasters, new infectious diseases, international or political problems, and incidents. MC will immediately initiate its own BCP in the event of such crises and work to, at minimum, ensure the continuity of prioritized operations and to quickly restore operations.

For the internal control system governing financial reporting, MC conducts internal control activities and monitoring in accordance with the internal control system based on the Financial Instruments and Exchange Act. MC develops activities on a group-wide basis to ensure the effectiveness of internal controls.

**Ensuring Proper Business in Group Management**

MC has established internal rules and regulations concerning the management of subsidiaries and specifies a department that is responsible for the oversight of each subsidiary and affiliate. The person responsible in the specified department requires the directors of the subsidiaries to report on matters regarding business execution and quantitatively monitor business performance, management efficiency and other operational aspects of each company every year. Efforts are also made to monitor qualitative issues such as compliance and risk management.

**Management and Storage of Information**

For information related to business activities, the person responsible for managing business activities classifies information individually in accordance with its degree of importance. They also instruct users on the handling of this information. The aim is to ensure information security while promoting efficient administrative processing and the sharing of information.

**Auditing and Monitoring**

To more objectively review and evaluate business activities, MC conducts regular audits of each organization and subsidiary through an internal audit organization.

**Corporate Auditors**

The Corporate Auditors attend and express opinions at meetings of the Board of Directors and other important management meetings. In addition, the Corporate Auditors gather information and conduct surveys, keeping channels of communication open with MC Directors, Senior Vice Presidents and employees, directors and corporate auditors of subsidiaries, and others, who cooperate with these efforts wherever necessary. Moreover, MC shall bear the necessary expenses to ensure the effectiveness of auditing.

If there is a risk of a certain level of financial loss or a major problem, personnel responsible in the department concerned are required to immediately report such matters to the Corporate Auditors in accordance with predetermined standards and procedures, and subsidiaries are also required to report if necessary, going through the responsible department concerned or other channels. To raise the effectiveness of audits conducted by Corporate Auditors, an internal organization directly reporting to the Board of Corporate Auditors and personnel working only for Corporate Auditors are appointed to assist Corporate Auditors in carrying out their duties so that they can quickly respond in providing such assistance. Mindful of the need for independence, the opinions of Corporate Auditors are respected and other factors taken into consideration when evaluating and assigning persons to assist them.

For more detailed information regarding corporate governance and the internal control system, refer to the Corporate Governance Report on the Company’s website.


**For Earthquake in Japan**

(Reference) Formulation of BCP in the Event of a Large-Scale Earthquake in Japan

- Select prioritized operations (vital operations that must be restored quickly or for which stoppage is unacceptable), designate the personnel or staff required to perform these operations and formulate an implementation structure and implementation methods
- Specify estimations of earthquake damage
- Confirm contact points with important business suppliers and share content of BCP
- Determine safety management policies and thoroughly understand the situation of important suppliers and contractors
Message from the Chief Compliance Officer

We will continue to improve and reinforce compliance promotion activities and initiatives that instill an awareness of compliance in each and every officer and employee of MC as well as its subsidiaries and affiliated companies.

Initiatives to Reinforce Compliance

MC has long been engaged in upholding compliance based on the Three Corporate Principles, which constitute our corporate philosophy. MC established the Mitsubishi Corporation Code of Conduct and introduced the Compliance Officer system, which has laid a solid foundation for compliance. In addition, MC has focused on the introduction of compliance-related regulations and employee education in order to enable immediate response to the ever-changing laws and social climate. Recently, MC has actively adopted new initiatives such as holding Compliance Discussions at respective workplaces in an effort to reinforce awareness and knowledge of compliance.

Strengthening Compliance on a Group-wide Basis

MC is practicing compliance on a group-wide, global basis through the introduction of similar compliance-related regulations and systems in Group companies, the provision of support for the holding of various seminars and other measures. MC has put compliance as the major premise upon which we conduct all our corporate activities, and MC will continue its efforts to improve and reinforce effective compliance promotion activities and initiatives on a group-wide, global basis.

Jun Yanai
Member of the Board, Senior Executive Vice President, Chief Compliance Officer

Importance of Compliance

MC defines compliance as observance of laws, rules, regulations, international standards and internal regulations, and respect for generally accepted standards for the conduct of business.

MC Internal Rules and Regulations

The Three Corporate Principles

<table>
<thead>
<tr>
<th>Principle</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Shoikai Hokusai” : Corporate Responsibility to Society</td>
</tr>
<tr>
<td>“Shoikai Kosei” : Integrity and Fairness in Compliance</td>
</tr>
<tr>
<td>“Rigyo Denki” : Global Understanding Through Business</td>
</tr>
</tbody>
</table>

Corporate Standards of Conduct

1. Aim of Corporate Business Activities
2. Fairness and Integrity in Corporate Business Activities
3. Respect for Human Rights and Employees
4. Information Security and Disclosure
5. Consideration for Environmental Issues
6. Contribution to Society

Code of Conduct

- Basic Rules for the Organization and Implementation of Compliance
- Code of Prohibition against Improper Payments or Other Types of Benefits

Under the Three Corporate Principles, which constitute MC’s corporate philosophy, MC has the Corporate Standards of Conduct, which regulate the Company, and the MC Code of Conduct, which regulates all officers and employees. Various rules and regulations are formulated under this conceptual framework.
Chronology of Efforts to Strengthen Compliance

An important aspect of compliance is to repeat compliance activities day in and day out at the frontlines of business operations. MC believes that such repetition leads to corporate sustainability and enhanced corporate value.

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 1998</td>
<td>Formulated Code of Prohibition against Improper Payments or Other Types of Benefits</td>
</tr>
</tbody>
</table>
| September 2000 | Formulated Code of Conduct  
                     | Introduced Compliance Officer post                                    |
| November 2001 | Established the administration office for the Compliance Committee |
| April 2003 | Started to require all officers and employees to sign a written commitment to the Code of Conduct |
| January 2009 | Conducted a Compliance Awareness Survey  
                     | (Conducted at MC Group companies in July and every fiscal year thereafter) |
| January 2010 | Obtained a written commitment to the Code of Conduct and launched an e-learning program (conducted every fiscal year since) |
| October 2010 | Revised the Code of Prohibition against Improper Payments or Other Types of Benefits and related guidelines |
| June 2011  | Launched an e-learning program for MC Group companies (conducted every fiscal year since) |
| 2013       | Prepared and distributed the Compliance Case Study Q&A Booklet for MC Group companies in April and MC Group in November |
| October 2013 | Launched Compliance Discussions (conducted every fiscal year since) |
Members of the Board and Corporate Auditors

(As of July 1, 2015)

Members of the Board

Yorihiko Kojima
2015: Chairman of the Board (present position)
2014: President and Chief Executive Officer
1983: Joined Mitsubishi Corporation (MC)

Ken Kobayashi*2
2010: President and Chief Executive Officer
1971: Joined MC

Hideto Nakahara*1
2011: Senior Executive Vice President (present position)
1973: Joined MC

Eiko Tsujiyama
2008: Corporate Auditor, MC (present position)
2003: Professor, Graduate School of Commerce, Waseda University (present position)

Hideyuki Nabeshima
2014: Senior Corporate Auditor (full time)
1972: Joined MC

Hideto Nakahara*1
2011: Senior Executive Vice President (present position)
1973: Joined MC

1981: Joined MC

Ken Kobayashi*2
2010: President and Chief Executive Officer
1971: Joined MC

Hideto Nakahara*1
2011: Senior Executive Vice President (present position)
1973: Joined MC

Eiko Tsujiyama
2008: Corporate Auditor, MC (present position)
2003: Professor, Graduate School of Commerce, Waseda University (present position)

Hideyuki Nabeshima
2014: Senior Corporate Auditor (full time)
1972: Joined MC

Hiroshi Kizaki
2015: Corporate Auditor (full time)
1981: Joined MC

Corporate Auditors

Ken Kobayashi*2
2010: President and Chief Executive Officer
1971: Joined MC

Hideto Nakahara*1
2011: Senior Executive Vice President (present position)
1973: Joined MC

Eiko Tsujiyama
2008: Corporate Auditor, MC (present position)
2003: Professor, Graduate School of Commerce, Waseda University (present position)

Hideto Nakahara*1
2011: Senior Executive Vice President (present position)
1973: Joined MC

Eiko Tsujiyama
2008: Corporate Auditor, MC (present position)
2003: Professor, Graduate School of Commerce, Waseda University (present position)

Hideto Nakahara*1
2011: Senior Executive Vice President (present position)
1973: Joined MC

Eiko Tsujiyama
2008: Corporate Auditor, MC (present position)
2003: Professor, Graduate School of Commerce, Waseda University (present position)

Hideto Nakahara*1
2011: Senior Executive Vice President (present position)
1973: Joined MC

Eiko Tsujiyama
2008: Corporate Auditor, MC (present position)
2003: Professor, Graduate School of Commerce, Waseda University (present position)

Hideto Nakahara*1
2011: Senior Executive Vice President (present position)
1973: Joined MC

Eiko Tsujiyama
2008: Corporate Auditor, MC (present position)
2003: Professor, Graduate School of Commerce, Waseda University (present position)

Hideto Nakahara*1
2011: Senior Executive Vice President (present position)
1973: Joined MC

Eiko Tsujiyama
2008: Corporate Auditor, MC (present position)
2003: Professor, Graduate School of Commerce, Waseda University (present position)

Hideto Nakahara*1
2011: Senior Executive Vice President (present position)
1973: Joined MC

Eiko Tsujiyama
2008: Corporate Auditor, MC (present position)
2003: Professor, Graduate School of Commerce, Waseda University (present position)
**Message from President and CEO**

---

**Tadashi Kunihiro**

- 2012 Corporate Auditor, MC (present position)
- 2013 Senior Executive Vice President (present position)
- 2011 Group CEO, Energy Business Group (present position)
- 1972 Joined MC

**Jun Kukukawa**

- 2013 Senior Executive Vice President (present position)
- 2008 Group CEO, Metals Group (present position)
- 1973 Joined MC

---

**Yasuhito Hirota**

- 2014 Executive Vice President, Corporate Communications, Corporate Administration, CSR & Environmental Affairs, Legal, Human Resources (present position)
- 1980 Joined MC

**Sakie T. Fukushima**

- 2013 Member of the Board, MC (present position)
- 2010 President & Representative Director, Korn/Ferry International-Japan (Resigned July 2013)
- 2008 Group CEO, Metals Group (present position)
- 1980 Joined Mitsubishi International

**Akihiko Nishiyama**

- 2013 Member of the Board, MC (present position)
- 2013 Adjunct Professor, Hitotsubashi University (present position)
- 2004 Professor, Dept. of International Liberal Arts, Tokyo Jogakkan College (Resigned March 2013)
- 1975 Joined Tokyo Gas Co., Ltd. (Resigned March 2015)

---

**Jun Yanai**

- 2014 Chief Compliance Officer (present position)
- 2013 Senior Executive Vice President (present position)
- 2011 Group CEO, Energy Business Group (present position)
- 1972 Joined MC

**Hideyo Ishino**

- 2012 Corporate Auditor, MC (present position)
- 2007 Member of the Board of Audit of Japan Auditor, The National Institute of Advanced Industrial Science and Technology (Resigned March 2011)
- 2004 Member of the Board of Audit of Japan (Resigned March 2011)
- 1972 Joined Board of Audit of Japan

---

**Yasuhito Hirota**

- 2014 Executive Vice President, Corporate Communications, Corporate Administration, CSR & Environmental Affairs, Legal, Human Resources (present position)
- 1980 Joined MC

---

**Sakie T. Fukushima**

- 2013 Member of the Board, MC (present position)
- 2010 President & Representative Director, Korn/Ferry International-Japan (Resigned July 2013)
- 2008 Group CEO, Metals Group (present position)
- 1980 Joined Mitsubishi International

---

**Akihiko Nishiyama**

- 2013 Member of the Board, MC (present position)
- 2013 Adjunct Professor, Hitotsubashi University (present position)
- 2004 Professor, Dept. of International Liberal Arts, Tokyo Jogakkan College (Resigned March 2013)
- 1975 Joined Tokyo Gas Co., Ltd. (Resigned March 2015)

---

**Jun Yanai**

- 2014 Chief Compliance Officer (present position)
- 2013 Senior Executive Vice President (present position)
- 2011 Group CEO, Energy Business Group (present position)
- 1972 Joined MC

---

**Yasuhito Hirota**

- 2014 Executive Vice President, Corporate Communications, Corporate Administration, CSR & Environmental Affairs, Legal, Human Resources (present position)
- 1980 Joined MC

---

**Sakie T. Fukushima**

- 2013 Member of the Board, MC (present position)
- 2010 President & Representative Director, Korn/Ferry International-Japan (Resigned July 2013)
- 2008 Group CEO, Metals Group (present position)
- 1980 Joined Mitsubishi International

---

**Akihiko Nishiyama**

- 2013 Member of the Board, MC (present position)
- 2013 Adjunct Professor, Hitotsubashi University (present position)
- 2004 Professor, Dept. of International Liberal Arts, Tokyo Jogakkan College (Resigned March 2013)
- 1975 Joined Tokyo Gas Co., Ltd. (Resigned March 2015)

---

**Jun Yanai**

- 2014 Chief Compliance Officer (present position)
- 2013 Senior Executive Vice President (present position)
- 2011 Group CEO, Energy Business Group (present position)
- 1972 Joined MC

---

**Hideyo Ishino**

- 2012 Corporate Auditor, MC (present position)
- 2007 Member of the Board of Audit of Japan Auditor, The National Institute of Advanced Industrial Science and Technology (Resigned March 2011)
- 2004 Member of the Board of Audit of Japan (Resigned March 2011)
- 1972 Joined Board of Audit of Japan

---

**Yasuhito Hirota**

- 2014 Executive Vice President, Corporate Communications, Corporate Administration, CSR & Environmental Affairs, Legal, Human Resources (present position)
- 1980 Joined MC

---

**Sakie T. Fukushima**

- 2013 Member of the Board, MC (present position)
- 2010 President & Representative Director, Korn/Ferry International-Japan (Resigned July 2013)
- 2008 Group CEO, Metals Group (present position)
- 1980 Joined Mitsubishi International

---

**Akihiko Nishiyama**

- 2013 Member of the Board, MC (present position)
- 2013 Adjunct Professor, Hitotsubashi University (present position)
- 2004 Professor, Dept. of International Liberal Arts, Tokyo Jogakkan College (Resigned March 2013)
- 1975 Joined Tokyo Gas Co., Ltd. (Resigned March 2015)
International Advisory Committee

International Advisory Committee: Purpose, Function and Recent news

MC’s International Advisory Committee (IAC) has met once a year since it was established in 2001. The aim of the IAC is to strengthen the Board of Directors’ functions. Committee members offer advice and recommendations on management of MC’s global businesses from the perspective of enhancing governance, and on corporate strategy from an international standpoint. The committee members also report and exchange opinions on the geopolitical and economic conditions in their respective regions.

In June 2014, George Yeo and Niall FitzGerald became members of the IAC in an effort to further enrich the advisory system. The fourteenth IAC meeting held in October 2014 involved discussions concerning such areas as progress in New Strategic Direction, economic conditions in emerging countries, new geopolitical threats, the situation in China, cyber security and human resources development.

Members of International Advisory Committee (As of October 27, 2014)

Dr. Herminio Blanco Mendoza
Former Secretary of Trade & Industry (Mexico)
1985 Deputy Secretary, Ministry of Commerce and Industrial Promotion
1988 Chief of Negotiation of NAFTA Treaty
1994 Secretary of Commerce and Industrial Promotion (~ 2000)

Professor Joseph S Nye
Harvard University Distinguished Service Professor and Sultan of Oman Professor (U.S.A.)
1993 Chairman of the National Intelligence Council
1994 Assistant Secretary of Defense for International Security Affairs

Mr. Ratan N Tata
Chairman, Tata Trusts (India)
1991 Chairman of Tata Industries, Ltd.
1991 Chairman of Tata Sons Limited
2012 Chairman Emeritus of Tata Sons Limited

Mr. George Yeo
Chairman, Kerry Logistics Network (Singapore)
1996 Ministers including the Ministry of Information and the Arts, Ministry of Health, Ministry of Trade and Industry and the Ministry of Foreign Affairs
2012 Chairman, Kerry Logistics Network

Mr. Jaime Augusto Zobel de Ayala II
Chairman and CEO, Ayala Corporation (the Philippines)
1994 President & CEO, Ayala Corporation
2016 Chairman & CEO, Ayala Corporation

Mr. Ryozo Kato
Outside Director

Minoru Makihara
Senior Corporate Advisor

Mikio Sasaki
Former Chairman Senior Advisor to the Board

Chairman of IAC

Ken Kobayashi
President and CEO

Hidehiro Konno
Outside Director

Mr. Niall FitzGerald, KBE
Former CEO and Chairman, Unilever (Ireland)
2004 Chairman of Reuters (~ 2011)
2008 Chairman of Nakanishi & Co. (~ 2013)
A Letter from IAC Member

Dear Partners and Friends of Mitsubishi Corporation

It is an honor for me to write this letter as a new member of the International Advisory Committee. MC’s success is dependent on its ability to sense changes in the world and move with economic trends. It is able to do this because of a strong corporate culture which embeds its officers in local environments while fostering a high degree of cooperation and information-sharing within the organization. Being simultaneously local and global enables MC to add value in different parts of the world, benefiting host communities, staff and shareholders.

China’s dramatic re-emergence is transforming the global landscape. India is also growing sustainably and will overtake China in population within twenty years. On all dimensions – political, economic, cultural and military – the world is becoming multipolar.

President Xi Jinping’s promotion of a New Silk Road for the 21st century can help a large part of the world develop on the basis of cooperation and peaceful competition. It is like an Internet which requires participants to adhere to certain rules and protocols. It is open to all and the greater the number of participants, the more each will be able to derive benefit. It is voluntary; no one is forced to join; anyone is free to leave. Everyone can keep his own internal operating system. Inherent in the Silk Road idea is the acceptance of diversity. If globalization threatens diversity, it will be fiercely opposed. But globalization will create a certain convergence in human society because it is natural for human beings to learn from one another. Thus towns and cities along the old Silk Road like Dunhuang, Malacca and Venice were centers of learning and sharing.

It is natural that different regions have different perspectives of the new Silk Road. East Asia’s perspective must be different from that of Southeast, South and West Asia. For Europe, going back to the Roman Empire, the Silk Road is not a new idea. For Africa, North and South America, it may be. For North America, there were analogues in the fur trade of the 17th and 18th centuries and the Yankee clipper trade of the 19th century. For South America, there was a silk road which included spices and silver, controlled by Iberians from the time of Magellan and Vasco da Gama. For Africa, there was a hint of it during the voyages of the Ming Admiral Zhenghe in the early 15th century.

One way to look at MC’s future is the role it will play in the new Silk Road of the 21st century. It is well placed to ride the trends which are gathering force in different parts of the world. Interacting with MC’s staff, I can sense an excitement about what the future holds for them and for the Corporation, and feel proud to be associated with their endeavors.

Yours sincerely,

Mr. George Yeo
Chairman,
Kerry Logistics Network
Global Network

(As of July 1, 2015)

Including offices in Japan, MC has more than 200 offices and subsidiaries, and develops business in collaboration with over 600 group companies in approximately 90 countries around the world.
**Number of Consolidated Subsidiaries and Equity-method Affiliates by Operating Segment**

(As of March 31, 2015)

<table>
<thead>
<tr>
<th>Operating Segment</th>
<th>No. of Consolidated Subsidiaries and Equity-method Affiliates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Environmental &amp; Infrastructure Business Group</td>
<td>59</td>
</tr>
<tr>
<td>Industrial Finance, Logistics &amp; Development Group</td>
<td>87</td>
</tr>
<tr>
<td>Energy Business Group</td>
<td>92</td>
</tr>
<tr>
<td>Metals Group</td>
<td>26</td>
</tr>
<tr>
<td>Machinery Group</td>
<td>124</td>
</tr>
<tr>
<td>Chemicals Group</td>
<td>52</td>
</tr>
<tr>
<td>Living Essentials Group</td>
<td>111</td>
</tr>
<tr>
<td>Business Service Group</td>
<td>7</td>
</tr>
<tr>
<td>Corporate Staff Section</td>
<td>12</td>
</tr>
<tr>
<td>Total</td>
<td>614</td>
</tr>
</tbody>
</table>

Number of employees at parent company and all of its consolidated subsidiaries: 71,994
Number of employees at parent company alone: 5,637

Companies affiliated with subsidiaries are not included in the number of consolidated subsidiaries and equity-method affiliates.

---

**Head Office**

![Head Office Map](image-url)

**Middle East & Central Asia**
- Amman
- Riyadh
- Jeddah
- Al Khobar
- Basra
- Doha
- Abu Dhabi
- Muscat
- Kuwait
- Tehran

**East Asia**
- Istanbul
- Beijing
- Chengdu
- Guangzhou
- Shenzhen
- Wuhan
- Tianjin
- Xiamen
- Nanning
- Qingdao
- Shanghai
- Dalian
- Shenyang
- Hong Kong
- Taipei

**Asia & Oceania**
- Karachi
- Islamabad
- Lahore
- New Delhi
- Mumbai
- Kolkata
- Chennai
- Colombo
- Doha
- Yangon
- Nga Pi Tae
- Bangkok

**Latin America**
- Popayan
- Bogota
- Sao Paulo
General Information

(As of March 31, 2015)

Share Data

<table>
<thead>
<tr>
<th>Year ended March 2015</th>
<th>Number of shares issued</th>
<th>Number of shareholders</th>
</tr>
</thead>
<tbody>
<tr>
<td>As of March 31, 2014</td>
<td>1,653,655,751</td>
<td>305,210</td>
</tr>
<tr>
<td>Change</td>
<td>-29,469,000</td>
<td>-40,460</td>
</tr>
<tr>
<td>As of March 31, 2015</td>
<td>1,624,036,751</td>
<td>264,730</td>
</tr>
</tbody>
</table>

Principal Shareholders

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of shares (thousands)</th>
<th>Shareholding (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan Trustee Services Bank, Ltd. (Trust Account)</td>
<td>94,850</td>
<td>5.85</td>
</tr>
<tr>
<td>Tokio Marine &amp; Nichido Fire Insurance Co., Ltd.</td>
<td>74,534</td>
<td>4.59</td>
</tr>
<tr>
<td>The Master Trust Bank of Japan, Ltd. (Trust Account)</td>
<td>67,273</td>
<td>4.15</td>
</tr>
<tr>
<td>Meiji Yasuda Life Insurance Company</td>
<td>64,846</td>
<td>4.00</td>
</tr>
<tr>
<td>The Master Trust Bank of Japan, Ltd. (Mitsubishi Heavy Industries, Limited Account, Retirement Benefit Trust Account)</td>
<td>32,276</td>
<td>1.98</td>
</tr>
<tr>
<td>The Bank of Tokyo-Mitsubishi UFJ, Ltd.</td>
<td>25,620</td>
<td>1.58</td>
</tr>
<tr>
<td>STATE STREET BANK AND TRUST COMPANY</td>
<td>25,374</td>
<td>1.56</td>
</tr>
<tr>
<td>The Nomura Trust and Banking Co., Ltd. (Pension Benefit Trust Account, Mitsubishi UFJ Trust and Banking Corporation)</td>
<td>22,088</td>
<td>1.36</td>
</tr>
<tr>
<td>THE BANK OF NEW YORK MELLON S.A./N.V.</td>
<td>19,810</td>
<td>1.22</td>
</tr>
</tbody>
</table>

Notes: 1. In addition to the above, the Company has treasury stock of 3,591,047 shares.
2. Shareholding was computed excluding total treasury stock and to two decimal points.

Number of Shareholders

(1) Authorized share capital: 2,500,000,000 shares of common stock
(2) Number of shares issued and number of shareholders as of March 31, 2015

<table>
<thead>
<tr>
<th>Year ended March 2015</th>
<th>Number of shareholders</th>
</tr>
</thead>
<tbody>
<tr>
<td>As of March 31, 2014</td>
<td>305,210</td>
</tr>
<tr>
<td>Change</td>
<td>-40,460</td>
</tr>
<tr>
<td>As of March 31, 2015</td>
<td>264,730</td>
</tr>
</tbody>
</table>

Shareholder Composition (Shareholding Ratio)

<table>
<thead>
<tr>
<th>Year ended March 2015</th>
<th>Public sector</th>
<th>Financial institutions</th>
<th>Securities companies</th>
<th>Other companies</th>
<th>Foreign companies, etc.</th>
<th>Individuals and others</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.0%</td>
<td>39.9%</td>
<td>3.3%</td>
<td>8.7%</td>
<td>31.8%</td>
<td>16.3%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year ended March 2010</th>
<th>Public sector</th>
<th>Financial institutions</th>
<th>Securities companies</th>
<th>Other companies</th>
<th>Foreign companies, etc.</th>
<th>Individuals and others</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.0%</td>
<td>39.7%</td>
<td>1.6%</td>
<td>8.1%</td>
<td>35.5%</td>
<td>15.1%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year ended March 2005</th>
<th>Public sector</th>
<th>Financial institutions</th>
<th>Securities companies</th>
<th>Other companies</th>
<th>Foreign companies, etc.</th>
<th>Individuals and others</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.0%</td>
<td>48.3%</td>
<td>0.7%</td>
<td>11.9%</td>
<td>30.0%</td>
<td>9.1%</td>
<td></td>
</tr>
</tbody>
</table>

(One Unit Stock /100 shares)

<table>
<thead>
<tr>
<th>Year ended March 2015</th>
<th>Public sector</th>
<th>Financial institutions</th>
<th>Securities companies</th>
<th>Other companies</th>
<th>Foreign companies, etc.</th>
<th>Individuals and others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>6,477,513</td>
<td>531,424</td>
<td>1,408,520</td>
<td>5,167,434</td>
<td>2,650,389</td>
<td>16,235,282</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year ended March 2010</th>
<th>Public sector</th>
<th>Financial institutions</th>
<th>Securities companies</th>
<th>Other companies</th>
<th>Foreign companies, etc.</th>
<th>Individuals and others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>561</td>
<td>6,729,628</td>
<td>269,655</td>
<td>1,376,247</td>
<td>6,027,557</td>
<td>2,557,435</td>
<td>16,961,083</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year ended March 2005</th>
<th>Public sector</th>
<th>Financial institutions</th>
<th>Securities companies</th>
<th>Other companies</th>
<th>Foreign companies, etc.</th>
<th>Individuals and others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>7,572,158</td>
<td>104,710</td>
<td>1,865,911</td>
<td>4,702,016</td>
<td>1,421,727</td>
<td>15,667,326</td>
<td></td>
</tr>
</tbody>
</table>
Executive Officers

(As of July 1, 2015)

President and Chief Executive Officer
Ken Kobayashi*

Senior Executive Vice Presidents
Hideto Nakahara*

Jun Yanai*
Group CEO, Energy Business Group (Concurrently) Chief Compliance Officer

Jun Kinukawa*
Group CEO, Metals Group

Takahisa Miyautchi*
Group CEO, Chemicals Group

Seiji Shiraki
Regional CEO, Latin America

Executive Vice Presidents
Tora Moriyama
Regional CEO, Asia & Oceania

Eiichi Tanabe
Group CEO, Industrial Finance, Logistics & Development Group

Shigeaki Yoshikawa
Regional CEO, Middle East & Central Asia

Yasuyuki Sugirua
Regional CEO, North America (Concurrently) President, Mitsubishi Corporation (Americas)

Shuma Uchina*
Chief Financial Officer

Toshimitsu Urabe
Group CEO, Business Service Group

Kozo Shirui
Group CEO, Machinery Group

Shunichi Matsui
Regional CEO, East Asia (Concurrently) President, Mitsubishi Corporation China Co., Ltd. (Concurrently) President, Mitsubishi Corporation China Commerce Co., Ltd.

Takehiko Kakkushi
Group CEO, Living Essentials Group

Kazuyuki Mori*
Regional Strategy (Japan) (Concurrently) General Manager, Kansai Branch

Kazushi Okawa
Group CEO, Machinery Group (Industrial Machinery Business, Ship & Aerospace Business)

Yasuhiro Hirota*
Corporate Communications, Corporate Administration, CSR & Environmental Affairs, Legal, Human Resources

Hajime Hirano

Hiroshi Sakuma
Group CEO, Global Environmental & Infrastructure Business Group

Yulchi Hiroimoto

Kenji Nishihara
Group CEO, Metals Group

Haruki Hayashi
Regional CEO, Europe & Africa (Concurrently) Managing Director, Mitsubishi Corporation International (Europe) Plc.

Senior Vice Presidents
Yasuhiko Kitagawa
General Manager, Global Strategy & Business Development Dept.

Kenji Yasuno
Division CEO, Ship & Aerospace Div.

Hidemoto Mizuhara
President, Mitsubishi International Corporation (Concurrently) EVP, Mitsubishi Corporation (Americas)

Junichi Iseda
Chief Regional Officer, Indonesia (Concurrently) President, PT. Mitsubishi Corporation Indonesia

Kazuyasu Misu
Division CEO, Global Consumer Business Div.

Shunichi Nakayama
Division CEO, Commodities Chemicals Div. B

Masaji Santo
Division CEO, Infrastructure Business Div.

Mitsuyuki Takada
Managing Director & CEO, Mitsubishi Australia Ltd. (Concurrently) Managing Director, Mitsubishi New Zealand Ltd. (Concurrently) Deputy Regional CEO, Asia & Oceania (Oceania)

Kenichi Koyanagi
General Manager, Nagoya Branch

Yoichi Shimoyama
Deputy Regional CEO, East Asia (Concurrently) President, Mitsubishi Corporation (Hong Kong) Ltd.

Akira Murakoshi
President, Mitsubishi Company (Thailand), Ltd. (Concurrently) President, Thai-MCK Company, Limited (Concurrently) General Manager, Haadyai Office, Mitsubishi Company (Thailand), Ltd. (Concurrently) General Manager, Haadyai Office, Thai-MC Company, Limited

Koichi Kitamura
General Manager, Machinery Group Administration Dept.

Masakazu Sakakida
Chairman & Managing Director, Mitsubishi Corporation India Private Ltd. (Concurrently) Deputy Regional CEO, Asia & Oceania (South Asia)

Hiroshi Nakagawa
President Director, TPI PETCHEI ELUZU SALES COMPANY LIMITED

Kazuyuki Masu
General Manager, Corporate Accounting Dept.

Takeshi Higawara
Division CEO, Commodities Chemicals Div. A

Koichi Wada
Deputy Division CEO, Natural Gas Business Div.

Tatsutomo Takanose
Head of Living Essentials Group for China

Shinya Yoshida
General Manager, Corporate Strategy & Planning Dept.

Katsuhiro Ito
Senior Assistant to Corporate Functional Officers (General Administration of the Section)

Mitsumasu Icho
General Manager, Risk Management Dept.

Takajiro Ishikawa
Division CEO, Asset Management Business Div.

Yasuteru Hirai
Deputy Regional CEO, East Asia (Concurrently) President, Mitsubishi Corporation (Shanghai) Ltd. (Concurrently) General Manager, Shanghai Office (Concurrently) General Manager, Mitsubishi Corporation (Shanghai) Ltd. Wuxian Branch

Noboru Tsuji
Division CEO, Motor Vehicle Business Div.

Norikazu Tanaka
Division CEO, Mineral Resources Investment Div.

Fuminori Hasegawa
Division CEO, Petroleum Business Div.

Yutaka Kyoya
Division CEO, Living Essential Resources Div.

Tetsuji Nakagawa
Division CEO, New Energy & Power Generation Div.

Hidenori Takakura
General Manager, Energy Business Group CEO Office

Noriyuki Tsunobuna
Chairman & CEO, MITSUBISHI CORPORATION RTMI INTERNATIONAL PTE LTD. (Concurrently) Division CEO, Mineral Resources Trading Div.

Yasushi Okahisa
General Manager, Industrial Finance, Logistics & Development Group CEO Office

* Represents members of the Board
Corporate Information

(As of March 31, 2015)

Mitsubishi Corporation

Date Established: July 1, 1954
(Date Registered: April 1, 1950)
Capital: ¥204,446,687,326
Shares of Common Stock Issued: 1,624,036,751

Head Office:
Mitsubishi Shoji Building
3-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo, 100-8086, Japan
(Registered address of the Company)
Telephone: +81-3-3210-2121
Marunouchi Park Building
6-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo, 100-8086, Japan

Number of Employees:
Parent company: 5,637
Consolidated: 71,994

Independent Auditors:
Deloitte Touche Tohmatsu LLC/
Tohmatsu Tax Co.

Number of Shareholders: 264,730

Stock Listings: Tokyo, Nagoya, London

Transfer Agent for Shares and Special Accounts, Account Management Institution:
Mitsubishi UFJ Trust and Banking Corporation
Corporate Agency Division
10-11, Higashiura 7-chome, Koto-ku,
Tokyo 137-8081, Japan
Telephone: 0120-232-711
(within Japan)

American Depositary Receipts:
Ratio (ADR:ORD): 1:2
Exchange: OTC (Over-the-Counter)
Symbol: MSBHY
CUSIP: 606769305

Depositary:
The Bank of New York Mellon
101 Barclay Street,
New York, NY 10286, U.S.A.
Telephone: (201) 680-8825
U.S. toll free: 888-269-2377
(888-BNY-ADRS)
URL: http://www.adrbnymellon.com

Contact:
Investor Relations Department,
Mitsubishi Corporation
3-1, Marunouchi 2-chome,
Chiyoda-ku, Tokyo, 100-8086, Japan
Telephone: +81-3-3210-2121

Internet
Mitsubishi Corporation’s latest integrated reports, financial reports and news releases are available on the Investor Relations homepage.
URL: http://www.mitsubishicorp.com/jp/en/ir/

Forward-Looking Statements
This integrated report contains forward-looking statements about Mitsubishi Corporation’s future plans, strategies, beliefs and performance that are not historical facts. They are based on current expectations, estimates, forecasts and projections about the industries in which Mitsubishi Corporation operates and beliefs and assumptions made by management. As the expectations, estimates, forecasts and projections are subject to a number of risks, uncertainties and assumptions, they may cause actual results to differ materially from those projected. Mitsubishi Corporation, therefore, wishes to caution readers not to place undue reliance on forward-looking statements. Furthermore, Mitsubishi Corporation undertakes no obligation to update any forward-looking statements as a result of new information, future events or other developments. Risks, uncertainties and assumptions mentioned above include, but are not limited to, commodity prices; exchange rates and economic conditions; the outcome of pending and future litigation; and the continued availability of financing, financial instruments and financial resources.