



Business Segment IR Meeting

Mitsubishi Corporation Living Essentials Group *Retail Div.*



Agenda

1. Retail Div. Overview

2. Explanation of the main businesses

The Retail Division's Mission

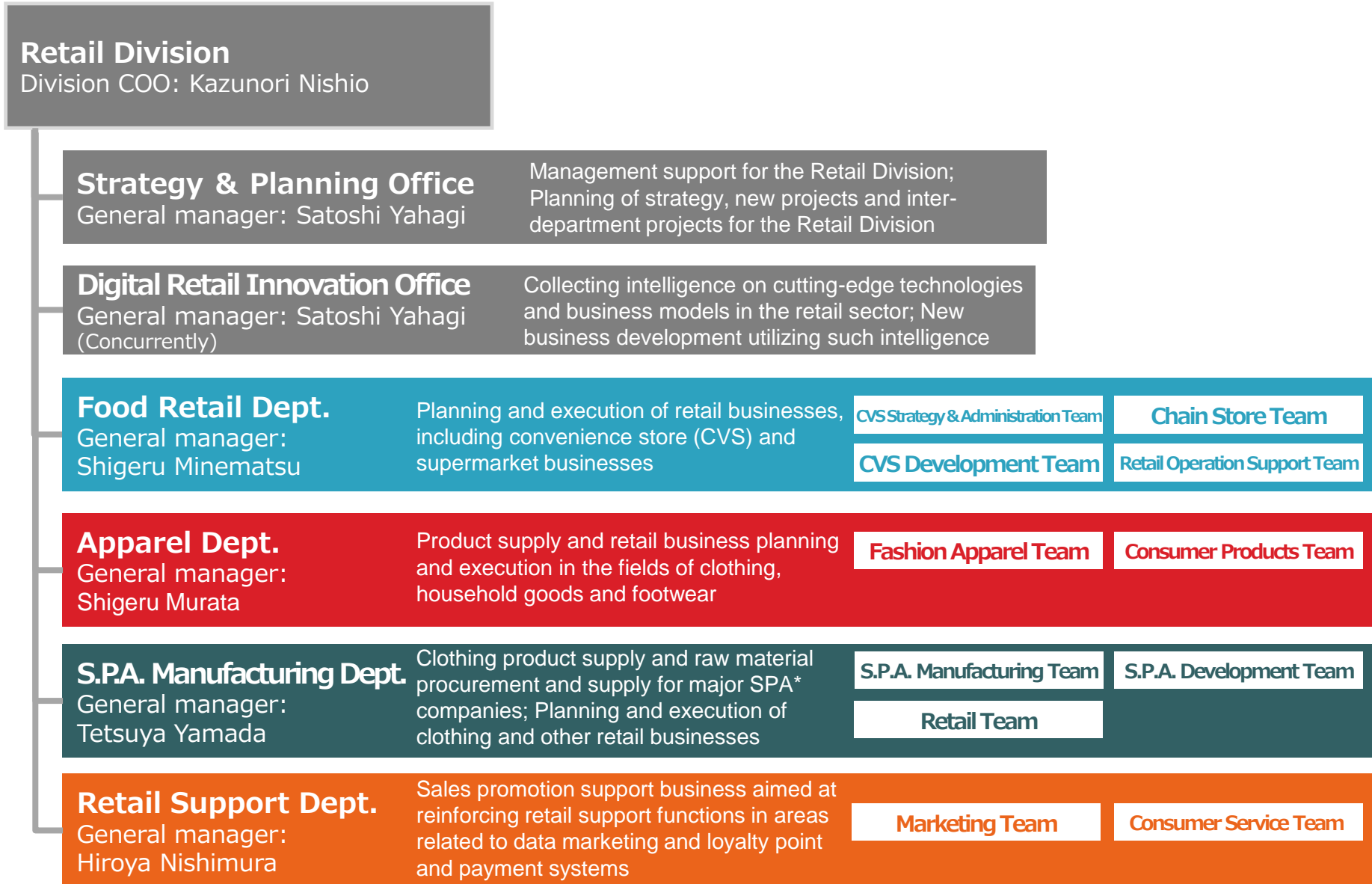
- Contribute to the sustainable, qualitative growth of Japan by building distribution platforms
- Bring outstanding brands and business models created in Japan to overseas consumers to exceed their expectations

Retail Division Management Policies

Aim to solve various social problems such as low birth rate, graying population, labor shortages, and weakening foundations for daily life in regional areas outside major urban centers;

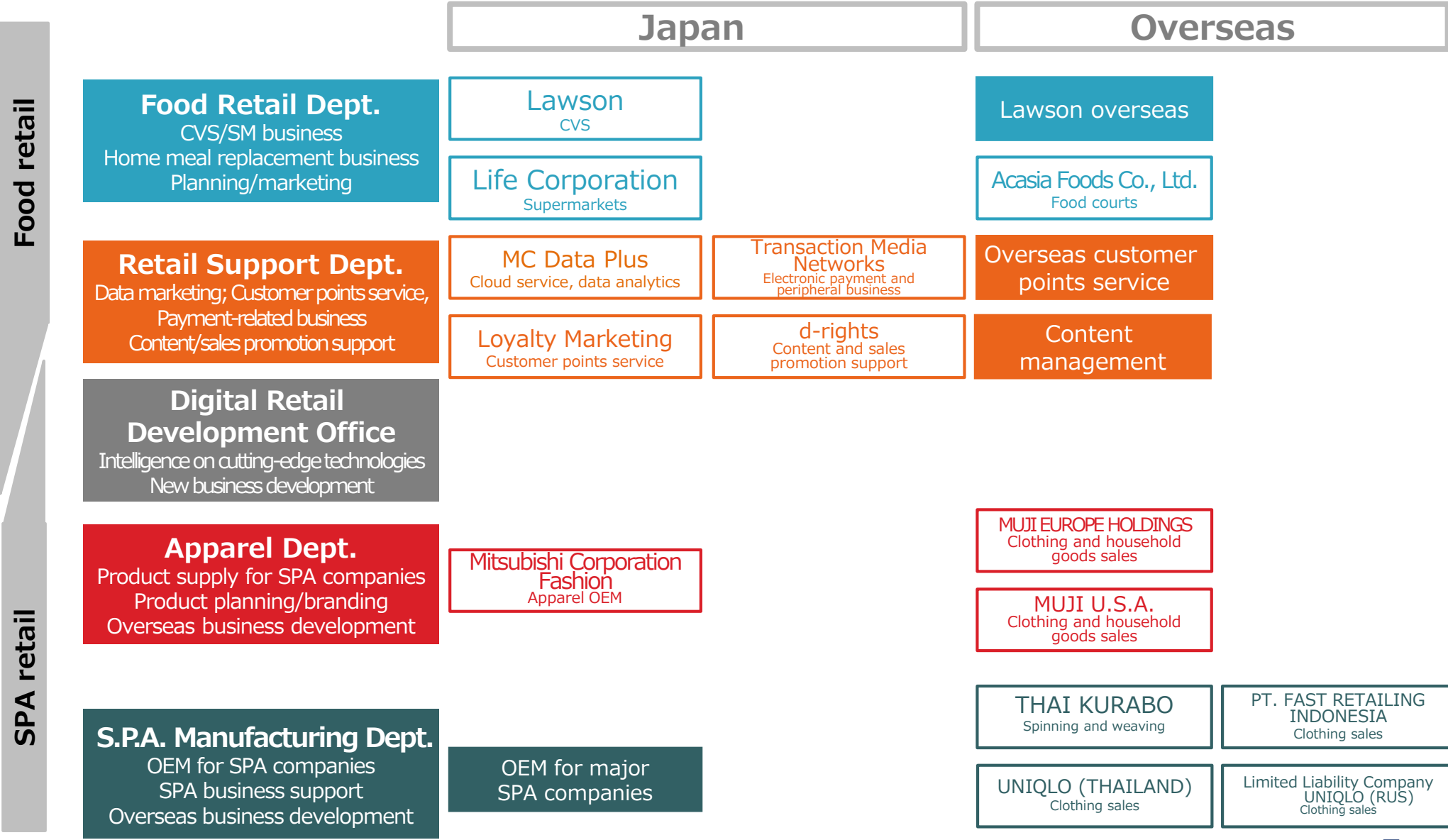
- **Expand contact with consumers** by fully utilizing our network of brick-and-mortar stores as well as our loyalty point and payment platforms to provide consumers with environments that enable seamless, convenient and enjoyable shopping in person and online and help realize an efficient consumer society.
- **Strive to create new retail businesses**

Retail Division Organization



* SPA: Specialty store retailer of private label apparel

The Retail Division's Business and Main Operating Companies



Position of the Retail Division within the Living Essentials Group and Main Operating Companies

Raw material procurement and processing

CERMAQ Salmon & trout	Nosan Livestock feed
OLAM Coffee, cacao, etc.	Nitto Fuji Flour Milling Flour milling
Indiana Packers Meat	Nihon Shokuhin Kako Starch
Ipanema Coffee	Japan Farm Meat

Product manufacturing

Itoham Yonekyu Holdings Meat	Kanro Confectionary
Art Coffee Coffee	Salad Club Vegetables
THAI KURABO Spinning and weaving	Sanyo Foods Marine products

Consumers
with diverse needs,
depending on region,
affiliation, etc.

Retail/Service

Retail Support Dept.	Food Retail Dept.	S.P.A. Manufacturing Dept.
MC Data Plus Cloud service Data analytics	Lawson CVS	UNIQLO (THAILAND) Clothing sales
Loyalty Marketing Customer points service	Life Corporation Supermarkets	PT. FAST RETAILING INDONESIA Clothing sales
d-rights Content and sales promotion support	Acasia Foods Co., Ltd. Food courts	Limited Liability Company UNIQLO (RUS) Clothing sales
Transaction Media Networks Electronic payment and peripheral business		MUJI EUROPE HOLDINGS Clothing and household goods sales
		MUJI U.S.A. Clothing and household goods sales
		Apparel Dept.
		Mitsubishi Corporation Fashion Apparel OEM

Intermediate distribution

Mitsubishi Shokuhin Food
Mitsubishi Shoji Packaging Paper, packaging
Toyo Reizo Marine products
Foodlink Meat

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Convenience Store Business—Lawson

- Lawson Inc., boasting 14,000 stores, will be the core of the consumer-focused value creation model that MC's Living Essentials Group is working to create.
- Convenience stores are becoming an essential part of Japan's social infrastructure. MC will make full use of its collective capabilities and functions to support Lawson's growth on all fronts, and at the same time, work to respond to the changing consumer market and solve social issues. MC currently have more than 50 people dispatched to Lawson.

Consumer value creation centered around Lawson

Social issues

- Low birth rate, graying population
- Labor shortages
- Logistics system struggling to meet needs
- Weakening foundations for daily life in regional areas
- Lack of access to retail outlets

Building a consumer-focused value creation model

Deepening our business model from a consumer-first perspective

Supplying products and services to customers

Product & service development

Consumer needs

- Precise analysis of consumers' hidden needs and understanding of challenges
- Develop products and services that contribute to better living
- Solve social issues
- Realize ongoing local development
- Implement consumer-focused Japanese business models overseas

Establishing broader contact with customers is essential

Changes in consumer markets

- Rise of massive, dominant platforms
- Rapid evolution of technology
- Growth in drug stores
- Diversifying tastes
- Shift from owning to sharing
- Falling domestic demand

etc.

Supermarket Business—Life

- Provide supermarkets—important centers of Japan’s food culture—with systematic, commercialized functions that utilize the MC Group’s resources and thereby help bring vitality to local communities.
- Life Corporation is Japan’s leading supermarket chain (non-consolidated basis). MC provides multifaceted support for Life, including data analysis, marketing and product procurement. We have also dispatched three people, including director-class managers, to Life.

Supporting Japan’s food culture while helping bring vitality to local communities



Sales: ¥677.7 billion
Stores: 264
Consolidated net income: ¥12.6 billion
Capital: ¥100.04 billion
Top shareholder: Mitsubishi Corporation (22.4%)

- No. 1 food supermarket (non-consolidated basis)
- Stores in the two major markets of the Tokyo metropolitan area and the Kinki region.

Management philosophy

Aim to contribute to the development and betterment of society through ambitious, trustworthy management.

Basic Policy of the 6th Four-Year Medium-Term Plan: To Fiscal 2021

Aim to be a business that is trusted by customers, society and employees and to be Japan’s leading supermarket in both name and substance with ¥800 billion in annual net sales and ¥20 billion in ordinary income.

Stores are center stage!
Realizing a unique Life brand that suits local customers

Invest in people

Invest in stores

Invest in products

Life’s strengths
Online super-market strategy
Card strategy

Strategies that support the unique Life Brand
Management support, infrastructure strategy, etc.

Penetration, development and ongoing initiatives

Big Data Analytics—Loyalty Marketing, TMN, MC Data Plus

- Support retail using point, consumption and payment data.
- Building new distribution platforms that leverage point and payment data and working to provide environments that enable seamless, convenient, and enjoyable shopping in person and online.
- Aim to help realize an efficient consumer society.

Next-generation retail initiatives—Building new distribution platforms using point and payment data

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 LOYALTY MARKETING, INC.

Members: 87.12 million
(as of May 31, 2018)

Participating companies: 122
(as of June 1, 2018)

Major partners: Lawson, Showa Shell, Recruit, Himaraya, KFC Holdings Japan, Route Inn, Japan Airlines, Takashimaya, Urban Renaissance Agency, Albis, Nishimuta, etc.

Data analysis cloud service launched

Joint data analysis service development with MC Data Plus



Shareholders: MC (74.4%), INTEC, SIGMAXYZ

Retail



Data expansion phase :

2012: Ponta members exceed 5 million

MC entered the customer points service and electronic payment businesses

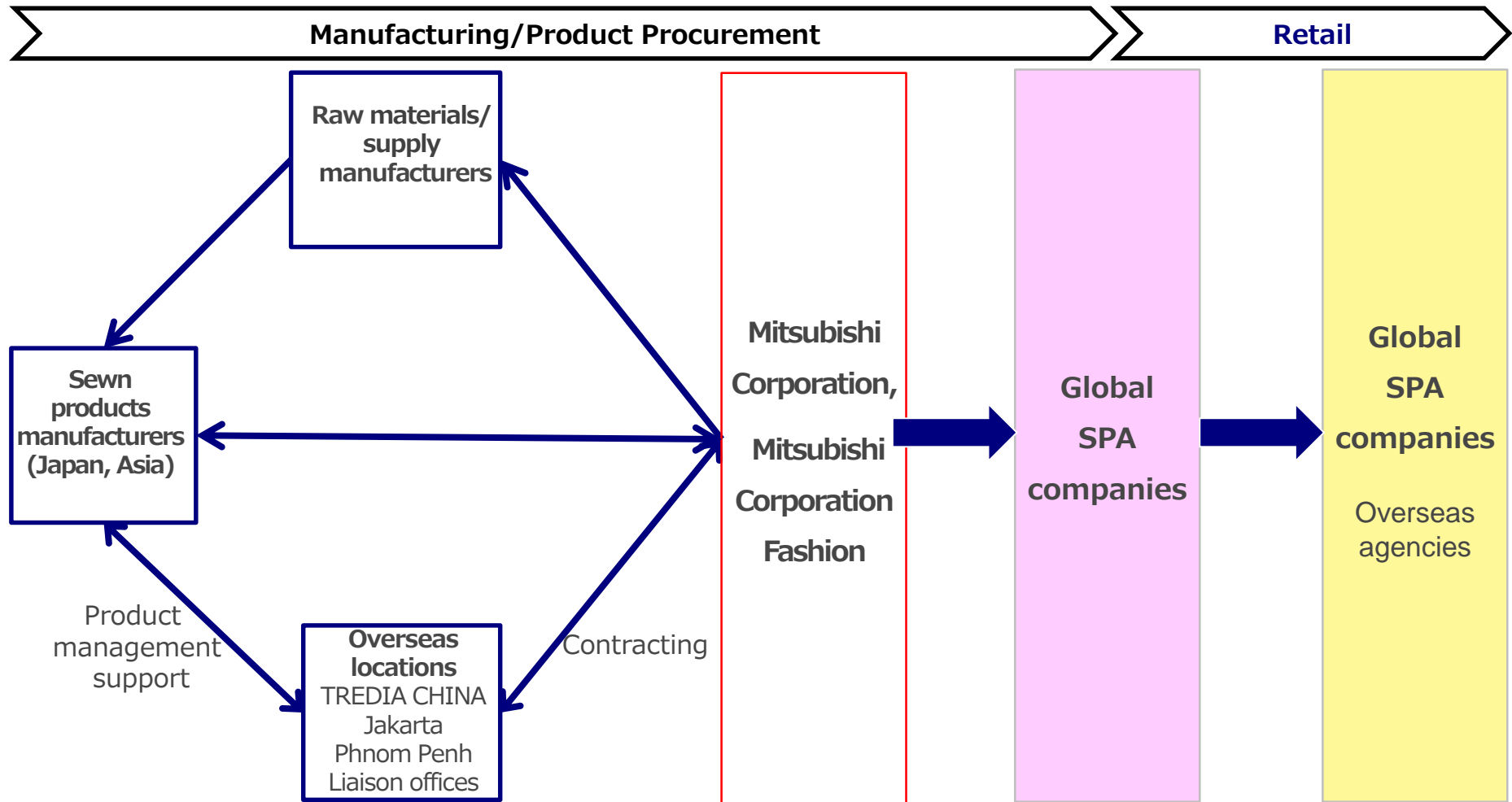
2008: Established Loyalty Marketing and Transaction Media Networks



Shareholders: MC (40.47%), Toyota Financial Services, NTT DoCoMo, NTT DATA, JCB, Sumitomo Mitsui Card, UC Card, Toyota Finance, Internet Initiative, Dai Nippon Printing

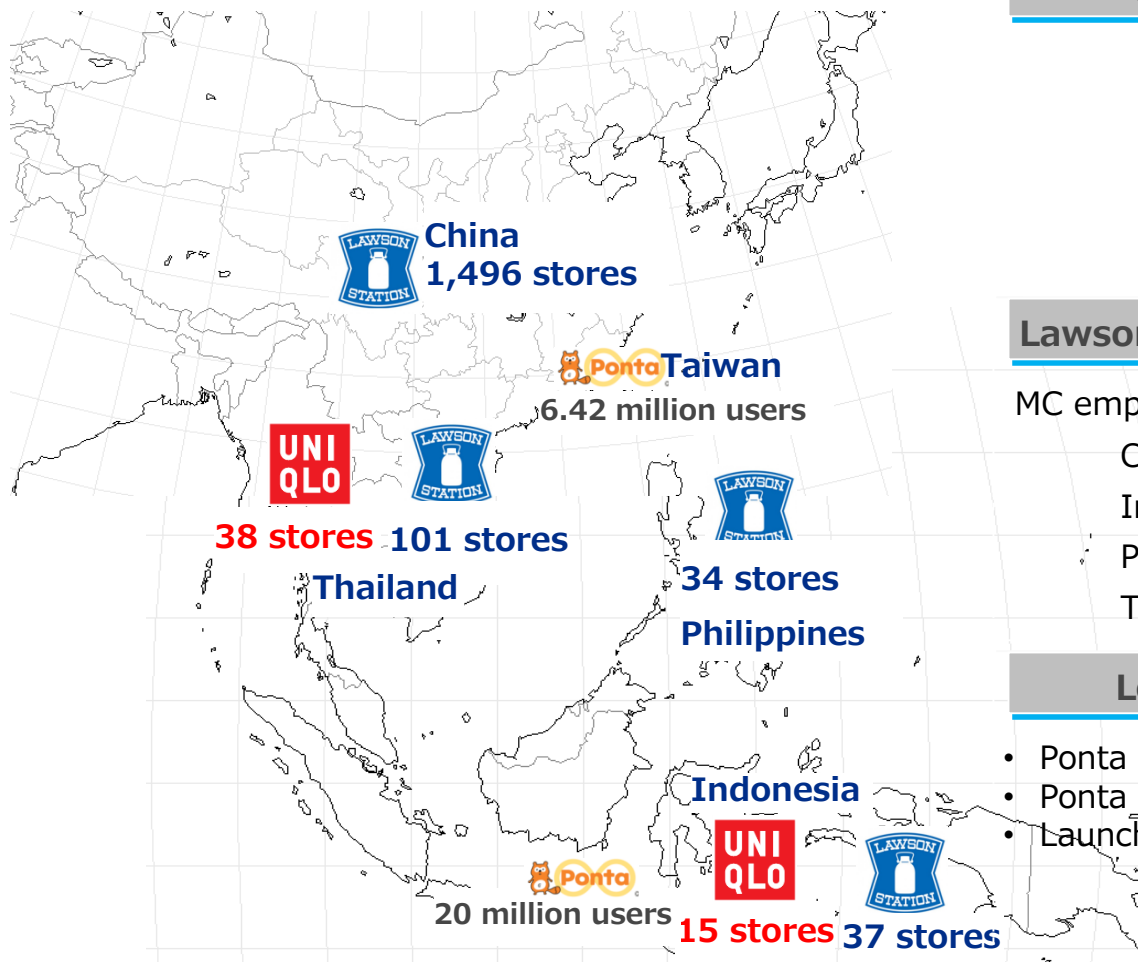
Initiatives with Global SPA Companies

- Reinforce SCM with global SPA companies through product procurement from global manufacturing bases and the provision of functions.
- Dispatching personnel developed through our businesses to advance joint ventures conducted with global SPA companies in Thailand, Indonesia and Russia, where MC can effectively utilize its functions.



Overseas Business—Asia

- Leveraging MC's overseas network and collective capabilities to advance joint retail businesses with partner companies.
- Providing multifaceted support, including functions like procurement and marketing and the dispatch of high-level managers to local companies.



Uniqlo (Thailand, Indonesia, Russia)



Lawson (China, Thailand, Philippines, Indonesia)

MC employees dispatched:

- China: 4
- Indonesia: 1
- Philippines: 2
- Thailand: 2



Loyalty Marketing (Taiwan, Indonesia)

- Ponta point business in Taiwan and Indonesia
- Ponta Global Alliance Cloud international point platform
- Launching service spanning Japan, Indonesia and Malaysia

