Mitsubishi Corporation

INVESTORS' NOTE

First- and Second-Quarter Reports for Year Ending March 2011

NOV. 2010

Security code 8058

To Our Shareholders

Ken Kobayashi
President and CEO

Our mission is to help solve global problems through our business activities and create "Sustainable Corporate Value."

Consolidated Operating Results for the Six Months Ended September 2010

Full-Year Forecast Raised After Net Income Jumps 95% Year on Year

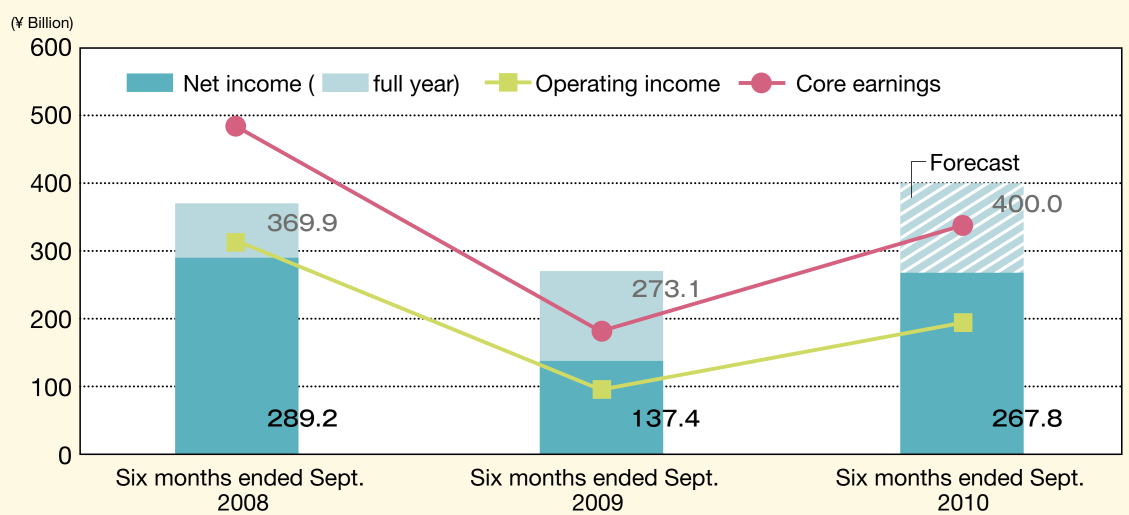
I'm pleased to address the shareholders of Mitsubishi Corporation (MC) through this newsletter. Let me begin by reporting on our consolidated operating results for the six months ended September 2010 and our full-year forecasts for the year ending March 2011.

During the first six months of the year ending March 2011, the pace of the economic recovery in industrialized nations softened slightly due to sluggish demand. Contrastingly, China and other emerging nations generally maintained strong economic growth. The Japanese economy saw export and production growth soften somewhat. However, personal consumption continued to improve, supported by various government policies, resulting in an ongoing mild economic recovery.

Against this business backdrop, net income for the six months ended September 2010 climbed 95% from ¥137.4 billion to ¥267.8 billion. This was mainly due to rising prices for coking coal, crude oil and other resources, and strong sales in automobile-related operations, notably in Asia.

MC has raised its initial full-year projection for net income by ¥30.0 billion to ¥400.0 billion for the year ending March 2011. This upward revision takes into account the fact that MC's first-half performance represented a high achievement rate of 72% relative to its initial full-year forecast of ¥370.0 billion. The revised bottom-line forecast also factors in the economic outlook, including the yen's current appreciation.

Changes in Six-Month Net Income, Operating Income and Core Earnings



*Core earnings = Operating income (before the deduction of provision for doubtful receivables) + Interest expense-net + Dividend income + Equity in earnings of affiliated companies

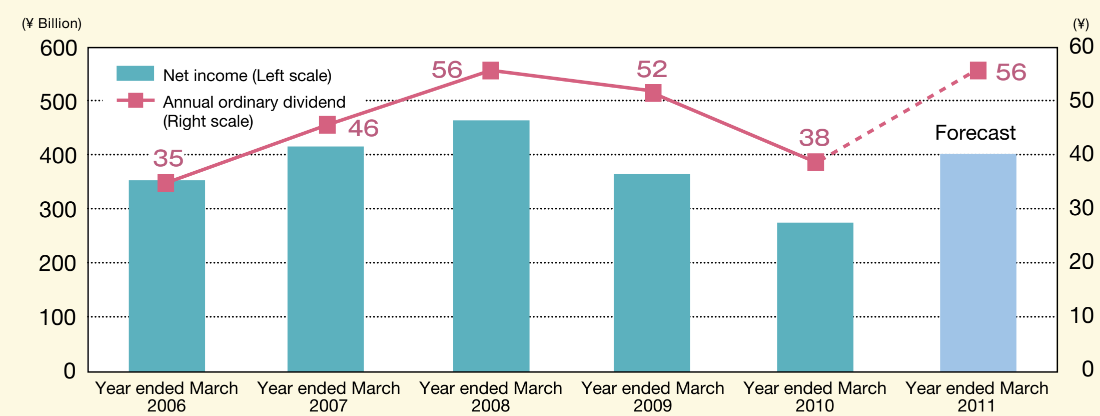
Net income as used in this INVESTORS' NOTE refers to net income attributable to Mitsubishi Corporation, excluding noncontrolling interests.
Also, shareholders' equity refers to total Mitsubishi Corporation shareholders' equity, excluding noncontrolling interests.

Dividend

MC Declares an Interim Dividend of ¥26 Per Share and Raises Planned Year-End Dividend by ¥4 to ¥30 Per Share

Our dividend policy is to maintain a consolidated dividend payout ratio in the range of 20–25% taking into consideration the business environment and the expectations of shareholders for a stable dividend. In accordance with this policy, MC plans to raise the annual dividend by ¥4 from its original forecast to ¥56 per share, providing it achieves its revised full-year forecast for net income of ¥400.0 billion. This would equate to a consolidated payout ratio of 23%. MC has decided to pay an interim dividend of ¥26 per share, as originally forecast.

Changes in Net Income and Dividend



	Year ended March 2006	Year ended March 2007	Year ended March 2008	Year ended March 2009	Year ended March 2010	Year ended March 2011
Interim dividend	¥13	¥18	¥26	¥36	¥17	¥26
Year-end dividend	¥22	¥28	¥30	¥16	¥21	¥30
Annual dividend	¥35	¥46	¥56	¥52	¥38	¥56
Consolidated dividend payout ratio	16%	19%	20%	23%	23%	23%

Forecasts

(The consolidated dividend payout ratio is rounded to the nearest percent.)

Midterm Corporate Strategy 2012

We will earn recognition from all stakeholders as a valuable and irreplaceable member of society.

Thanks to our past medium-term management plans, "MC2000/2003" and "INNOVATION 2007/2009," MC has reformed its business models and has been significantly reshaped. Continuing this reshaping process, Midterm Corporate Strategy 2012, our current three-year plan that runs through the year ending March 2011, aims to enhance our organizational strengths and capabilities by re-engineering management systems and platforms. Please refer to pages 8 to 13 for details of the plan.

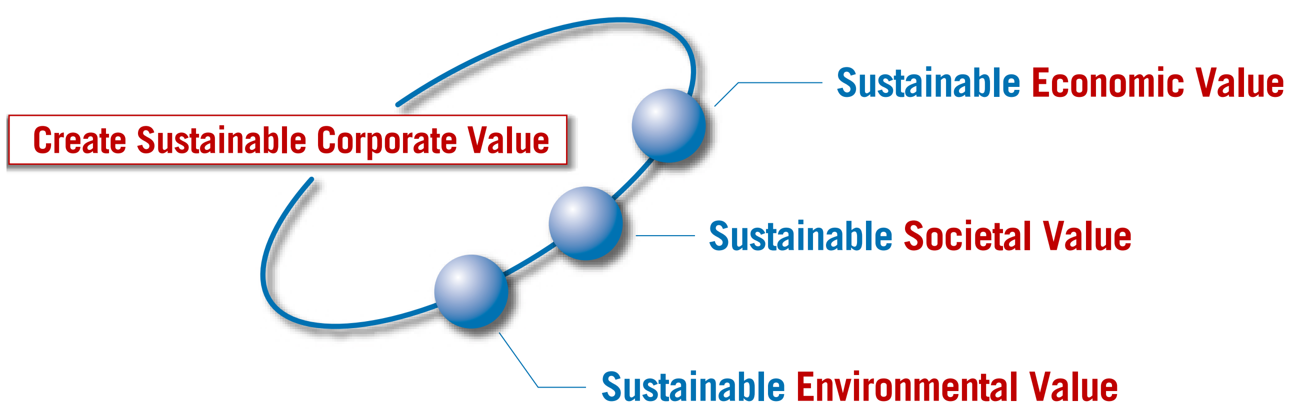
The Midterm Corporate Strategy 2012 establishes a new business goal for MC of "Creating Sustainable Corporate Value." This new concept of 'Sustainable Corporate Value' comprises three elements: "Economic," "Societal," and "Environmental."

"Sustainable Economic Value" refers to our aim for sound earnings growth and increased corporate value through the proactive reshaping of our business model and business portfolio.

"Sustainable Societal Value" refers to our contribution to economic development as a responsible corporate citizen. "Sustainable Environmental Value" refers to our aim to conserve and contribute to the global environment, recognizing that our planet is our greatest stakeholder.

Our mission is to help solve global problems through our business activities and create "Sustainable Corporate Value" in light of the needs and expectations of all stakeholders, including our customers, employees, shareholders, creditors, society and our planet.

As a for-profit enterprise, it is only natural that we seek to grow MC's earnings. But nowadays unless a company creates societal and environmental value as well, its market presence can be seriously compromised. Devising unique solutions to social and environmental problems will enhance our sustainability and competitiveness. Going forward, our aim is to take up the challenge of creating sustainable corporate value so that we earn recognition from all stakeholders as a valuable and irreplaceable member of society.



November 2010

Ken Kobayashi
President and CEO

Midterm Corporate Strategy 2012

–Creating Sustainable Corporate Value–

Launch of New Three-Year Management Plan

On July 16, 2010, MC launched Midterm Corporate Strategy 2012, a new medium-term plan covering the next three fiscal years through March 2013.

Our external business environment is being shaped by fast-growing emerging economies and stagnating OECD countries, the birth of new growth markets triggered by changing values, technological innovation and the rise of emerging economies. We are also witnessing an expanding stakeholder base. Changes are taking place internally as well. Among them are changes in our business portfolio, diversification of business models, and the shifting of businesses to subsidiaries and affiliates. In light of these external and internal dynamics, we are promoting efforts to strengthen and expand our earnings drivers and develop new businesses for future growth. Our overriding aim is to create sustainable corporate value.

Financial Targets

Under the new strategy, we will reinforce our earnings base by maintaining capital efficiency and a sound balance sheet. Over the course of the strategy, we are targeting net income of ¥500 billion by the year ending March 2013. This target would surpass MC's highest net income of ¥470.9 billion, which was recorded in the year ended March 2008.

Also, MC will maintain return on equity, or ROE*1, throughout the three-year period at 12–15% as well as a sound balance sheet by targeting a net debt-to-equity ratio, or net DER*2, of 1.0 to 1.5 times.

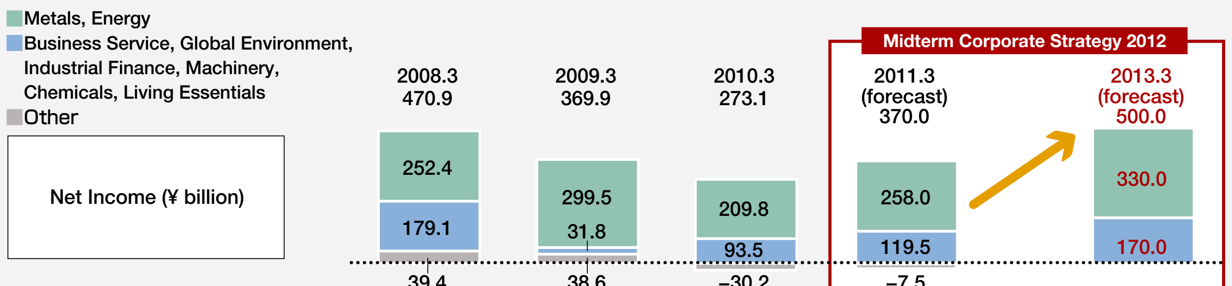
Finally, we plan to continue to pay dividends to our shareholders throughout the three-year period of the midterm corporate strategy in the range of 20 to 25%.

*1 Return on Equity = Net income divided by shareholders' equity
*2 Net interest-bearing liabilities = Gross interest-bearing liabilities (bank borrowings, corporate bonds, commercial paper, etc.) that must be repaid with interest, minus cash and cash equivalents. The ratio is in comparison to shareholders' equity.

Financial Targets

Basic Policy

- Deliver earnings growth by strengthening earnings drivers while maintaining capital efficiency and sound balance sheet
- Target ¥500 billion net income in the year ending March 2013 with ROE throughout the three-year period at 12–15%
- Maintain sound balance sheet by targeting net DER of 1.0–1.5 times



	2008.3	2009.3	2010.3	2011.3	2013.3
ROE	16.3%	14.1%	10.2%	12～15%	
Net DER (times)	1.2	1.5	1.0	1.0～1.5	
For reference only (¥ trillion): Total Assets	11.8	10.9	10.9	11.4	Approx. 13.0
Shareholders' Equity	2.8	2.4	3.0	3.2	Approx. 4.0
Net Interest-Bearing Liabilities	3.4	3.6	3.0	3.3	Approx. 4.0

Dividend Policy

Basic Policy

- Maintain a consolidated dividend payout ratio in the range of 20–25% taking into consideration the business environment and the expectations of shareholders for a stable dividend

Midterm Corporate Strategy 2012

	2008.3	2009.3	2010.3	2011.3	2013.3
Consolidated Dividend Payout Ratio	20%	23%	23%	20～25%	

*Dividend will be ¥52 assuming earnings forecast of ¥370 billion is achieved

**Applied payout ratio of 20% (lower limit) assuming earnings target of ¥500 billion is achieved

The diagrams on this page are as of July 16, 2010, the date Midterm Corporate Strategy 2012 was announced. Figures for the year ending March 2011 have been revised. Please refer to page 5 for details of revisions to full-year net income and dividend forecasts for the year ending March 2011.

Initiatives to Leverage and Solidify the Diversified Business Portfolio

Over the decades, MC, as a *sogo shosha*, has prospered together with partners in a variety of industries. In recent years, our nature as a "general" trading company (the '*sogo*' in '*sogo shosha*') has changed in meaning. At one time this referred to our product diversity within a single business model, but now it refers to diversity in our business models themselves. We must leverage and solidify our business models and exhibit our strengths as a continuously evolving enterprise.

In order to leverage MC's diversity, it is essential for us to harness all of our existing business models. At MC, business units (BUs) are the smallest unit for organizational control and earnings management. We've monitored risk versus return of BUs by using a performance indicator called Mitsubishi Corporation Value Added (MCVA). In Midterm Corporate Strategy 2012, we plan to refine MCVA. We will introduce BU mapping, which categorizes BUs by business model and business development stage.

Classifying BUs by business development stage will better enable us to reshuffle our business portfolio. By clarifying the appropriate risk versus return for each business model and enhancing the required capabilities, we will be better positioned for further growth.

As our business models become even more diversified we will accumulate even more experience and knowhow. In order to solidify MC's diversity, it is very important to share experience and knowhow throughout the company. I will take the lead in encouraging cooperation among our various business groups and divisions. For example, I established the Business Development Committee for encouraging businesses within Strategic Domains and Regions, as defined in Midterm Corporate Strategy 2012.

Initiatives to Leverage MC's Diversified Business Portfolio

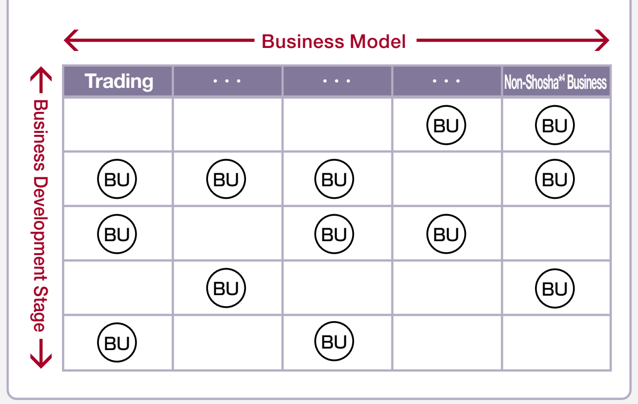
① A tool for enabling visualization of MC's diversified business portfolio

- Categorize BUs using the "Business Model by Business Development Stage" concept (BU mapping)
- Identify capabilities and risks for each "Business Model"
- Reshuffle business portfolio based on "Business Development Stage"

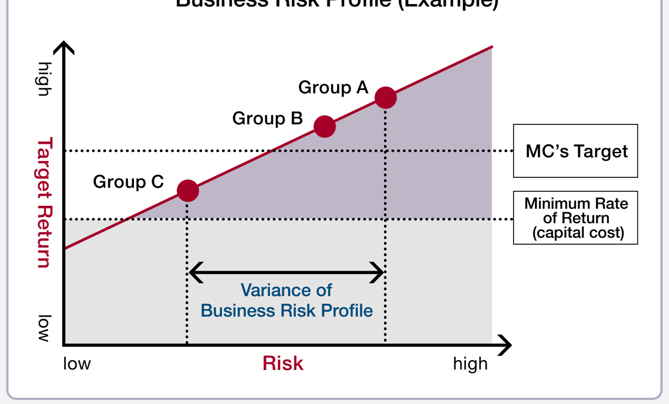
② Set targets according to business model and business risk profile

- Set return targets for invested capital (risk-adjusted) according to business risk profile
- Introduce additional performance indicators according to business model
- Include contributions to sustainable societal and environmental values in performance evaluations

BU Mapping (Example)



Setting Targets According to Business Risk Profile (Example)



*4 Businesses with business models and/or sectors different from *Shosha* business models and sectors, such as manufacturing, and operation and management of infrastructure and facilities.

Initiatives to Solidify MC's Diversified Business Portfolio

① Establish a New Committee

- Establish a new committee (under the Executive Committee) chaired by the president and CEO in order to promote investment in strategic domains/regions and company-wide projects

② Strengthen Management Platform

- Review MC's management platform considering the ongoing shift of businesses to subsidiaries and affiliates, and expanding breadth of risks associated with diversification of business models

Examples	Regional Offices	Review functions and structures of regional offices including cooperation with subsidiaries and affiliates
	HR	Acquire and enhance talent necessary to promote/strengthen MC's diversified business portfolio and promote consolidated talent management
	IT	Reconstruct IT governance (develop and optimize IT systems on a consolidated basis)

Strategic Domains and RegionsPortfolio

Looking 10 to 20 years into the future, one important theme for us is to cultivate new earnings drivers for the MC Group. We have therefore designated Strategic Domains and Regions with the aim of capturing fast-growing demand in emerging domains and regions.

Our Strategic Domains are infrastructure an global environmental businesses, while our Strategic Regions are China, India and Brazil. We expect to face fierce competition and that it could take a long time to establish profitable businesses. That's why the president of MC will directly lead the development of these Strategic Domains and Regions.

Strategic Domains and Regions

- Designate Strategic Domains and Regions to drive investment in fast-growing emerging economies and new growth markets
- Build MC's future earnings drivers by allocating ¥400-500 billion in Strategic Domains and Regions

Strategic Domains
Respond to new growth markets
Help to solve global problems

Infrastructure Global Environmental Businesses	● Power generation (including renewable energy) ● Water business ● Transportation ● Other environmental businesses, etc.	Capital Allocation Approx. ¥300 billion

- Created the Global Environment Business Development Group
  Established the Infrastructure Project Division within the Machinery Group
- Prioritize capital allocation

Strategic Regions
Capture fast-growing domestic demand in emerging economiess

	China	Capital Allocation ¥100–200 billion
	India	
	Brazil	

- Develop new projects on a company-wide basis
- Prioritize capital allocation
- Strengthen local operations

Investment Plan

During the three-year period of Midterm Corporate Strategy 2012, we plan to invest a total of ¥2.0-¥2.5 trillion, and aim to consistently invest ¥700-800 billion every year through the economic cycles. While there is increasing uncertainty and volatility in the global economy, we have decided that in order to create sustainable corporate value we need to maintain a certain level of investment even in a harsh operating environment without being swayed by short-term economic conditions or fluctuations in our earnings.

Investment Plan

Basic Policy

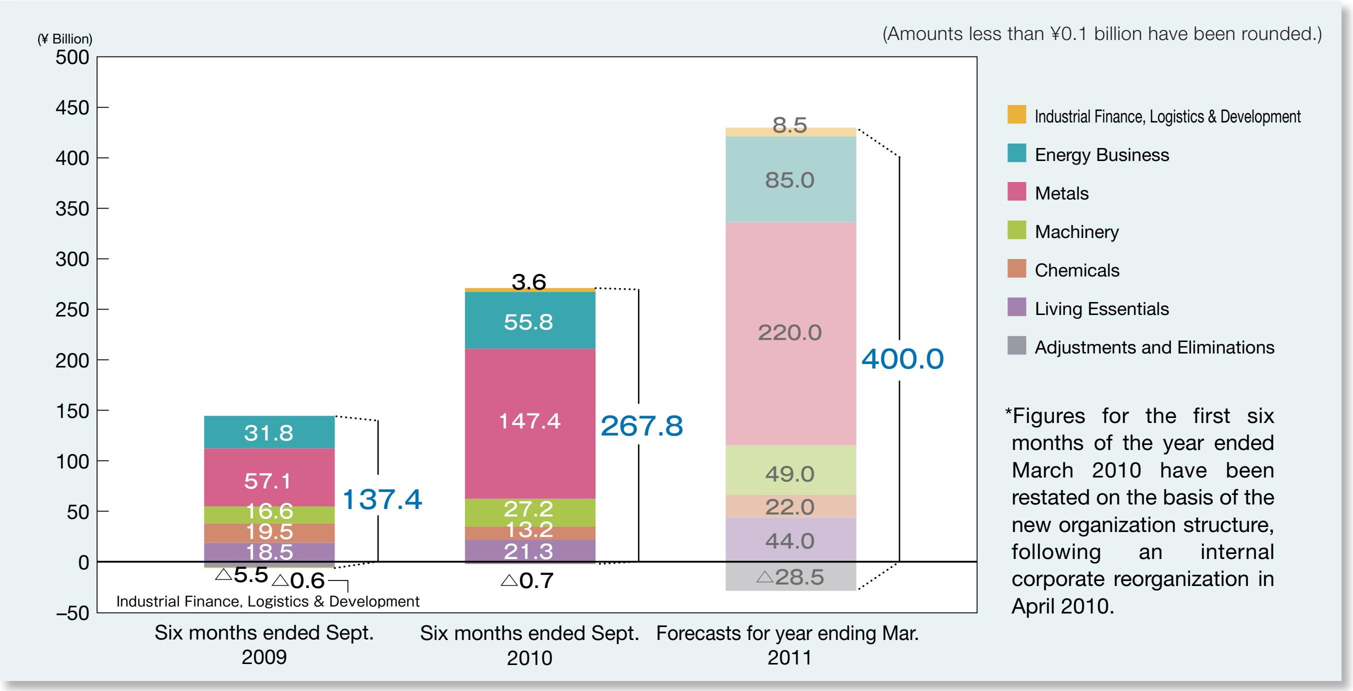
- Maintain investment at a constant ¥700–800 billion per year, with a total of ¥2.0–2.5 trillion invested over three years
- Invest ¥400–500 billion in strategic domains and regions, ¥1.0–1.2 trillion in mineral resources, and oil and gas resources, and ¥600–800 billion in other areas

(¥ billion)

Regions/Domains		Business Portfolio	Capital Allocation (three years)	
Strategic Regions	China, India, Brazil	Development of new businesses	Approx. 300.0	100.0–200.0
Strategic Domains	Infrastructure Global Environmental Businesses			
Mineral Resources		Strengthen current earnings drivers	Approx. 1,000.0–1,200.0	
Oil and Gas Resources				
Industrial Finance, Steel Products, Carbon Materials, Ships, Motor Vehicles, Chemicals, Retail, Foods, etc.		Broaden other earnings drivers	600.0–800.0	
		Total (gross)	2,000.0–2,500.0	

Operating Results

Net Income (Loss) by Business Group



Industrial Finance, Logistics & Development Group

Segment net income increased ¥4.2 billion year on year due to the absence of write-downs of investment securities recorded in, the first six months of previous fiscal year, higher transaction volumes in distribution-related businesses, and an improvement in lease-related business earnings.

Energy Business Group

Segment net income increased ¥24.0 billion year on year. In addition to gains on the sale of shares, this increase reflected higher gross profit at overseas resource-related subsidiaries and higher equity in earnings of overseas resource-related business investments because of rising oil prices.

Metals Group

Segment net income rose ¥90.3 billion year on year. This increase resulted primarily from gains on a share transfer at a Chilean iron ore-related subsidiary and higher equity-method earnings of related business investees, as well as from higher sales volumes and sales prices at an Australian resource-related subsidiary (coking coal).

Machinery Group

Segment net income increased ¥10.6 billion year on year due mainly to strong results at overseas automobile-related businesses, notably in Asia.

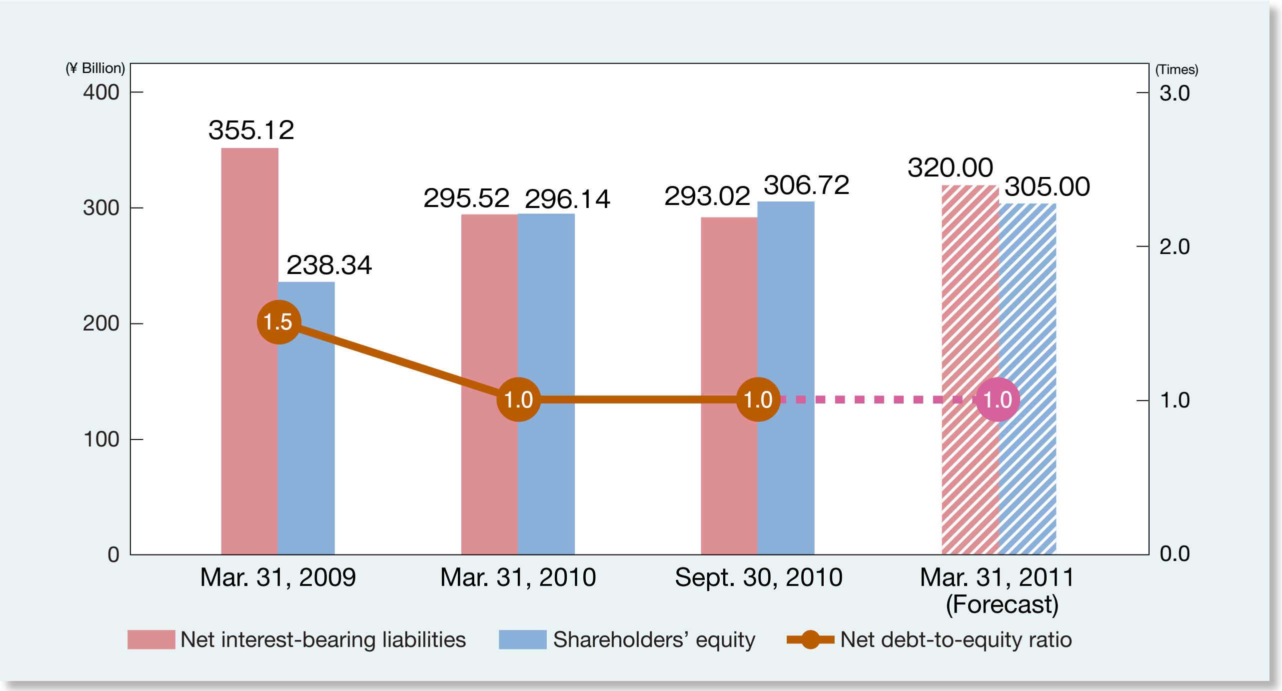
Chemicals Group

Segment net income decreased ¥6.3 billion year on year. The decrease reflects the absence of a gain on reversal of deferred tax liabilities of a petrochemical business-related company recorded in previous fiscal year's first six months, offset in part by higher earnings due to strong transactions at a petrochemical business-related companies.

Living Essentials Group

Segment net income increased ¥2.8 billion year on year due to higher earnings on transactions and equity-method earnings at general merchandise-related businesses, as well as an increase in equity-method earnings at food-related subsidiaries.

Changes in Shareholders' Equity and Interest-Bearing Liabilities



Total shareholders' equity exceeded ¥3,000 billion again, increasing ¥105.8 billion from March 31, 2010 to ¥3,067.2 billion at September 30, 2010. This reflected the first-half net income, which outweighed a deterioration in foreign currency translation adjustments, and decreases in sales and unrealized gains on listed shares.

Net interest-bearing liabilities decreased ¥25.0 billion from March 31, 2010 to ¥2,930.2 billion due to a decrease in trade accounts payable and other factors. The net debt-to-equity ratio, a measure of financial soundness, was maintained at 1.0 from March 31, 2010. MC continues to ensure strong financial soundness.

Main Reasons for Changes in Shareholders' Equity (Compared to March 31, 2010)

Net income
(¥267.8 billion)

Payment of dividends
(–¥34.5 billion)

Decrease in net unrealized gains on securities available for sale
(–¥40.2 billion)
→Decrease in unrealized gains on listed shareholdings due to falling stock prices

Deterioration in foreign currency translation adjustments
(–¥98.2 billion)
→Impact of yen's appreciation against the U.S. dollar, etc.

BUSINESS HIGHLIGHT

Major Recent News

Japan's First Precious Metals Exchange Traded Funds Backed by Physical Metal Stored Domestically

MC and Mitsubishi UFJ Trust and Banking Corporation (MUTB) teamed up to develop four precious metals exchange traded funds (ETFs) for gold, platinum, silver and palladium. The Japan Physical Precious Metals ETFs were listed on the Tokyo Stock Exchange on July 2, 2010.

These ETFs are backed by physical precious metals stored in Japan. Provided certain criteria are met, investors are also able to trade their certificates of beneficiary interest for the respective physical metals. This is a new and never before seen concept in Japan. As with shares and other investment products, trading is permitted through securities companies. Because trading units are small, investors can invest relatively small sums.

For more details on the precious metals ETFs, please see this website. (Japanese only)

kikinzoku.tr.mufg.jp/

MC is also offering a service whereby investors can invest regular amounts in pure gold and platinum traded funds or purchase these precious metals on a spot basis. (Japanese only)

www.gold.mitsubishi.co.jp/

Second Plant at Venezuelan Methanol-Producing Joint Venture Starts Operation

Metanol de Oriente, METOR S.A. ("METOR"), a methanol-producing joint venture involving MC, Mitsubishi Gas Chemical Co., Inc. (MGC), Venezuelan state-owned petrochemicals company Pequiven and other parties, began production at a second plant in August 2010. This has increased METOR's annual production capacity from 0.75 million tons to 1.6 million tons. As a basic chemical, methanol is used in a wide range of applications, including adhesives and coatings. In recent years, demand has grown for use as a feedstock for new applications such as biodiesel.

METOR's second plant

2010

JUN.

JUL.

AUG.

Development of World-Class Solar PV Power Plant in Thailand

MC invested in the Changwat Lop Buri power generation project in Thailand. In terms of scale, the 73 MW (DC) solar photovoltaic (PV) project ranks among the world's largest PV projects currently scheduled for production. Through its Hong Kong-based wholly owned subsidiary Diamond Generating Asia Limited (DGA), MC will construct and operate the Changwat Lop Buri project together with partners Hong Kong utilities company CLP Holdings Limited (CLP), and Electricity Generating Public Company Limited (EGCO), one of Thailand's largest independent power producers (IPPs)*.

Natural Energy Development Co., Ltd. (NED), a company jointly established and equally owned by DGA, CLP and EGCO, will operate the plant for a 25-year period to the Electricity Generating Authority of Thailand (EGAT). The new plant due to begin operations by the end of 2011. The facility will house 540,000 solar panels covering an area of approximately 200 hectares, and supply enough power for around 40,000 households. Compared with conventional thermal power generation, the new solar PV plant will contribute to an annual reduction of CO_2 emissions of 40,000 to 50,000 tons.

*IPPs are independent operators who generate electricity with proprietary facilities and sell it to power companies.

Computer graphic of the completed project

Flare Gas Recovery Business Approved as Russia's First JI*1 Project

Russian oil major JSC Gazprom Neft (GN), JX Nippon Oil & Energy Corporation (NOE) and MC have been jointly developing a project to recover and utilize flare gas from the Yety Purovskoe Oilfield (Yamal Nenets district, Russian Federation). The recovery business was authorized as the Russian government's first Joint Implementation (JI) Project. The project is expected to earn approximately 3.1 million Emission Reduction Units (ERUs; one ERU per ton of reduced CO_2) by the end of December 2012.

MC is conducting a number of emissions credit businesses in a wide range of fields and regions. In September 2010, it became the first Japanese firm to gain United Nations registration for 50 CDM*2 projects.

*1 A JI Project is an emission reduction scheme conceived under the Kyoto Protocol. Such projects are collaborative efforts by developed countries like Japan and Russia to reduce greenhouse gases (GHG). The countries receiving the benefits of these JI Projects repay the collaborating countries in the form of carbon credits called ERUs.

*2 Clean Development Mechanism projects are carried out by industrialized countries to reduce emissions in developing countries.

Flare gas incineration processing (Prior to project implementation)

Order Received From Cairo Metro for Rolling Stock

MC won an order for additional rolling stock (88 cars) for Cairo Metro Lines 2 and 3 in Egypt. MC's railway business in Egypt dates back to before 1960 and the most recent order brings to more than 1,500 the number of rail cars MC has delivered over the years. With Egypt's railway infrastructure market expected to grow going forward, MC aims to continue expanding its business.

Image of trains for Cairo Metro Line 3 (Provided by The Kinki Sharyo Co., Ltd.)

Enhancing the Sales Structure for Petroleum Products

MC merged two wholly owned subsidiaries to strengthen the petroleum products sales structure. The two merged entities were MC Energy, Inc., which handled a wide range of petroleum products especially focusing on asphalt for road construction and other industrial purposes, and industrial-use fields, and Petro-Diamond Japan Corporation, which specialized in sales of marine products, including bunker fuel oil and marine lubricants. The merged company is called MC Energy, Inc.

New Commercial Complex, "coppice KICHIJOJI" Opens

On October 15, "coppice KICHIJOJI" opened for business. This commercial complex was renovated and is managed and operated by MC business investee Mitsubishi Corporation Urban Development. Located on the site of the former Isetan Kichijoji in Musashino City, Tokyo, the renovated facility features 109 new tenants. Kichijoji consistently ranks as the No. 1 area where people want to live in Tokyo in various surveys, and the facility aims to become a "community hub" in this popular area.

"coppice KICHIJOJI" is two minutes' walk from Kichijoji Station on the JR and Keio Inokashira

"Chara-Park KICHIJOJI" brings together multiple shops offering famous character merchandise all on one floor (6F, Building A)

2010

AUG.

SEP.

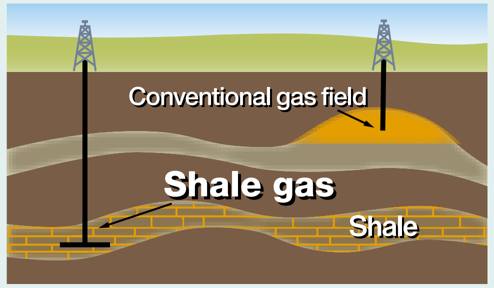
OCT.

MC Invests Shale Gas Development Project in Canada

MC acquired a 50% interest in the shale gas assets in Cordova Embayment of northeastern British Columbia, Canada, which is owned by major Canadian independent oil and natural gas producer Penn West Energy Trust (PWE). MC will develop shale gas assets in this area with PWE, with the aim of producing 500 million cubic feet per day (approximately 3.5 million tons of LNG equivalents per year) across the whole project by 2014. MC estimates that Natural gas resources in this interest are over 100 to 160 million tons in LNG equivalents, greatly exceeding Japan's annual natural gas demand.

What Is Shale Gas?

Shale gas is gas that is trapped in shale, hard rock layers underground. Shale gas has been difficult to extract. However, recent technological developments have made it possible to produce large volumes of shale gas at low cost. Given the enormous reserves of shale gas around the world, it is attracting attention as a new source of natural gas.



CSR & Environmental Affairs Advisory Committee Holds 7th Meeting

In March 2008, MC established the CSR & Environmental Affairs Advisory Committee, which is composed of outside experts. MC reflects the advice of this committee in its CSR and environmental affairs programs and stakeholder communications.

On October 5, 2010, the committee convened for the seventh time. The main theme for discussion was "Creating Sustainable Corporate Value" under Midterm Corporate Strategy 2012, which was announced in July this year.

The committee welcomed Takeshi Okada as a new member for the first time. A former head coach of the Japanese national soccer team, Mr. Okada has been actively involved in tackling environmental issues for some time now. In fact, since 2008, he has served as a director of Global Environment Initiative (GEIN), which advises the government on matters such as promoting the uptake of renewable energies.

Going forward, MC will continue to regularly hold CSR & Environmental Affairs Advisory Committee meetings, taking into account the valued opinions of committee members as it works to create sustainable corporate value.

A Worldwide MC Business

Metals Group
Ferrous Raw Materials Division
Non-Ferrous Metals Division

Metal Resources Business

MC's metal resources business is executing the two core strategies of "resources investment" and "sales and trading." Our greatest mission is to provide a stable supply of metal resources to users in Japan and around the world based on these strategies.

Growing More in the Metal Resources Field

For over 40 years, MC has accumulated vast knowledge about markets and commodities through its trading activities involving the sourcing of natural resources for sale to steelmakers and other users. At the same time, MC has increased its investment in coal, iron ore, copper and other mines around the world, achieving significant results in the field of resources investment.

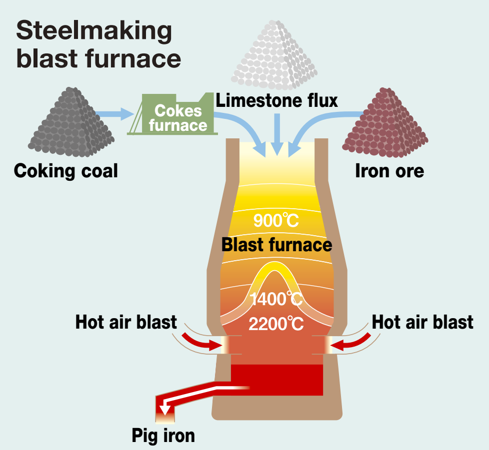
In 2001, MC's metal resources business marked a major turning point in its growth. Up until this point, MC had limited opportunities to engage in mine management and operation as a direct operator. That all changed when MDP*, our wholly owned subsidiary which owned working interests in coking coal (refer to the column on this page) in Australia, established BMA, a 50:50 joint venture with resource major BHP Billiton, to acquire an additional interest. Through BMA, MC is involved fully in mine management, including development, operation and sales, as a mine operator.

MDP has progressively strengthened the capabilities needed to operate mines and has grown into one of the world's leading coking coal producers today. MDP supplies coking coal to more than 20 countries, including Japan, China, India and European nations. Having increased its industry profile, MDP is now also taking part in thermal coal, iron ore and uranium projects in Australia, as it seeks to expand its business.

*Mitsubishi Development Pty Ltd. Established in 1968, MDP is headquartered in Sydney, Australia.

What Is the Difference Between Coking Coal and Thermal Coal?

Coal is split between coking coal and thermal coal depending on the purpose of use. In order to make steel, producers require iron ore, limestone and cokes (steamed and sintered coal). Coking coal is the raw material for cokes used in steelmaking. Thermal coal, on the other hand, is the general name given to coal other than that used for special purposes such as coking coal and anthracite. Thermal coal is mainly used as fuel in thermal power plants.

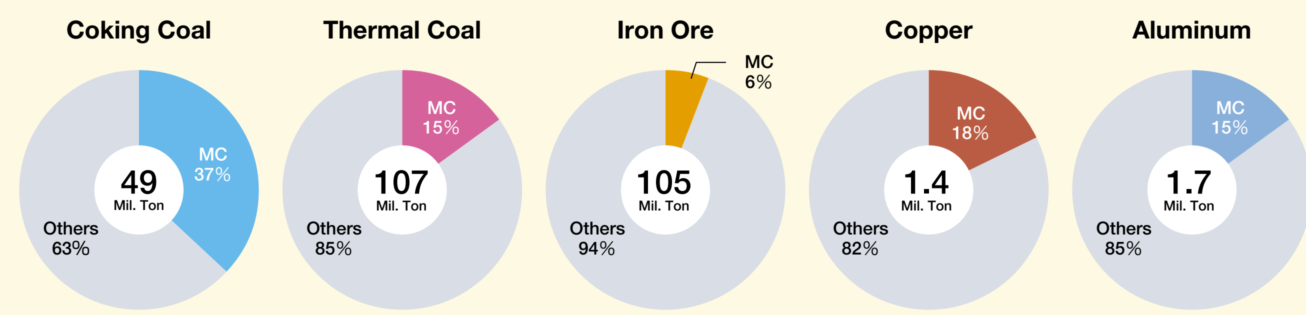


Our Greatest Mission Is Ensuring a Stable Supply

By creating a new business model with MDP, MC's metal resources business now functions as a supplier of natural resources, as well as a distributor that sells and trades. However, its focus to ensure a stable supply to its users hasn't changed. By being fully involved in the development, management, operation and sales as a supplier in addition to its traditional metals resource sales and import/export activities, MC is able to push forward with securing useful resources for users worldwide, including those in resource-poor Japan.

Looking ahead, demand for metal resources is expected to grow strongly over the medium and long term, supported by economic growth in China and other emerging economies. Eyeing this trend in demand, MC is focusing on six significant mineral resource fields: coal, iron ore, copper, aluminum, stainless steel raw materials, and uranium. We will be selective in assessing future investments, moving forward with the most promising projects. These will include ventures in rare metals like platinum, which is expected to see a considerable increase in demand going forward. Moreover, we will further strengthen our global sales and trading system, aiming to provide a stable supply of metals resources into the future. At the same time, we intend to focus on our environmental response, including avoiding and minimizing the impact of mine development on the environment. We will also actively contribute locally to mining areas in resource-rich nations by improving existing infrastructure, and providing support for education and medical care.

Imports to Japan and MC's Share* (2009)



* MC's share includes imports where MC's only involvement is trading.

Mozal (Aluminum)

Mozambique

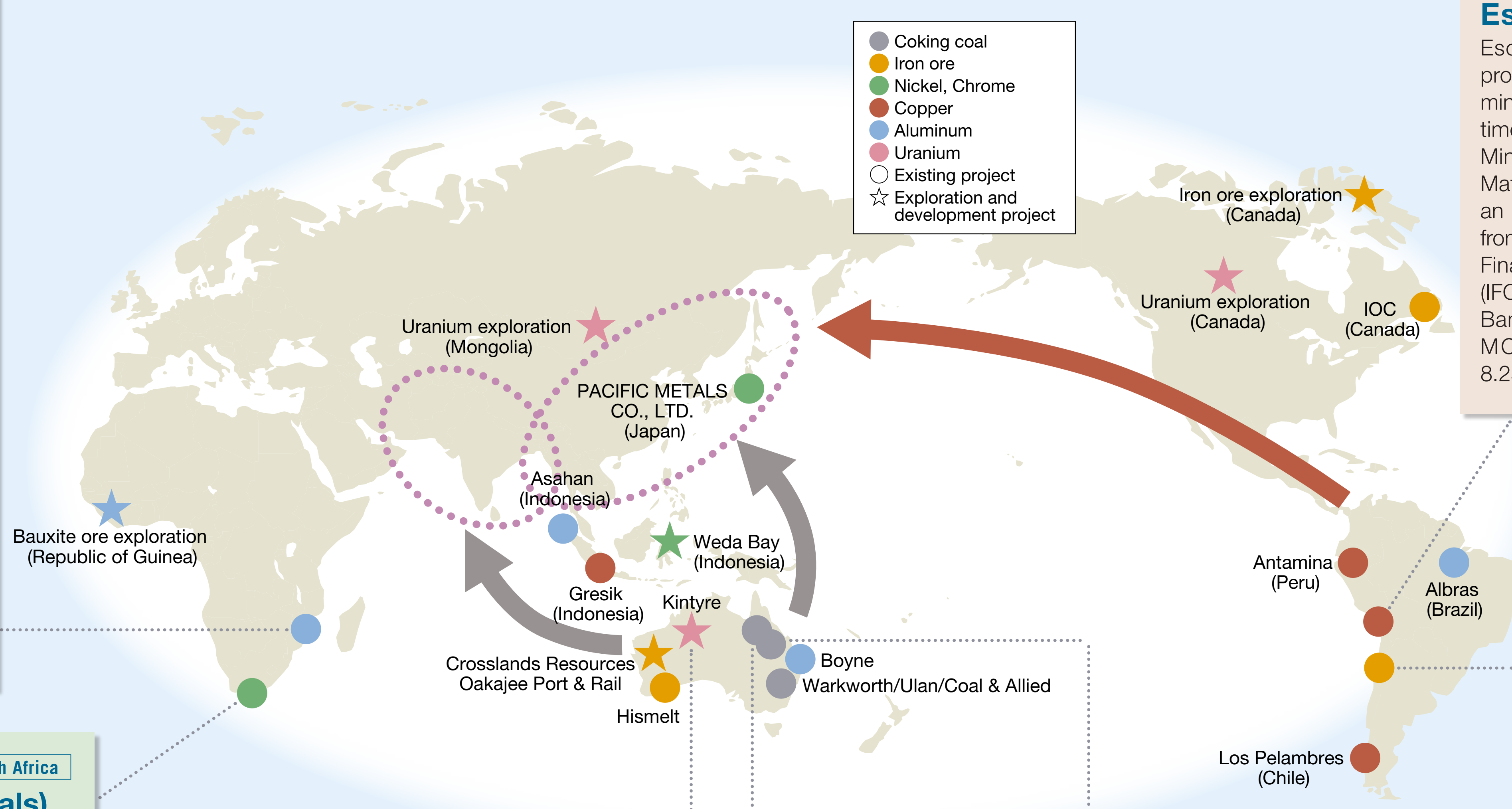
One of the largest aluminum smelting projects in the world, Mozal went online in 2000 and produces approximately 560,000 tons of aluminum ingots per year, exporting them all over the world. MC has a 25% equity stake in the venture. Following its establishment, Mozal saw aluminum grow to become Mozambique's largest export and a key contributor to the country's development. Mozal also undertakes activities to contribute to local society.

Hernic Ferrochrome (Stainless steel raw materials)

South Africa

MC owns a 51% equity stake of Hernic Ferrochrome, which is involved in mining and smelting of chromium ore, and production and sales of ferrochrome.* Hernic Ferrochrome has the world's fourth largest production of ferrochrome at around 400,000 tons per year, accounting for 6% of the global market. Taking coexistence with local communities and the environment as one of its management policies, Hernic Ferrochrome is also an active contributor to local society.

*The mined chromium ore is smelted to produce ferrochrome, a value-added raw material used in the production of stainless steel.



Uranium Exploration

Australia | Mongolia | Canada

Uranium is attracting renewed attention as a clean fuel with a small environmental load. MC is participating in uranium exploration projects around the world with the goal of ensuring stable supplies into the future. In 2008 MC secured an interest in the Kintyre project in Western Australia. In December of 2009 MC concluded anagreement allowing it to participate in a uranium exploration and development project in Mongolia, and in February 2010 acquired a 50% interest in a uranium exploration project in Canada.

BMA (Coking Coal)

Australia

BMA is a coal mining joint venture owned by MDP and BHP Billiton, each holding a 50% stake. As the world's largest coking coal producer, BMA is responsible for approximately 30% of global seaborne trade and boasts production of around 50 million tons per year of mainly high grade hard coking coal. With demand expected to grow in emerging countries over the medium and long terms, BMA will steadily expand existing mines and develop new ones.

Escondida (Copper)

Chile

Escondida is the world's largest copper mine, producing upward of 1 million tons per year. The mine started operations in 1990, with MC at the time holding a 7% interest along with JX Nippon Mining & Metals Corporation and Mitsubishi Materials Corporation. In April 2010 MC acquired an additional interest from the International Finance Corporation (IFC) of the World Ban Group, bringing MC's interest to 8.25%.

CMP (Iron Ore)

Chile

In May 2010, MC acquired a 25% equity stake in Compañia Minera del Pacifico (CMP), a subsidiary of Chilean steel and mining conglomerate CAP S.A. CMP is Chile's largest company specializing in production and sale of iron ore. Prior to MC's investment CMP had been jointly operating some of its mines with MC. MC is aiming to achieve long term growth by developing the many untapped mines held by CMP, and expanding its existing projects.

Clermont (Thermal Coal)

Australia

Clermont mine commenced operations in April 2010 as one of the world's largest thermal coal mines. MC holds a 34% interest in Clermont through MDP. The mine is scheduled to reach its full capacity in 2013, producing 12.2 million tons of thermal coal per year.