

Business Highlights

The following are MC's business highlights in the second half of the year ended March 2019.
* Based on the new business group structure that started in April 2019



A **Natural Gas Group** February 19, 2019 / Belgium
Gas4Sea partners and Equinor signed an LNG bunkering agreement

B **Industrial Materials Group** December 14, 2018 / U.K.
MC participated in a carbon fiber reprocessing business in the U.K.

C **Mineral Resources Group** December 18, 2018, and March 27, 2019 / Australia
MC reached an agreement to sell its interests in the Clermont and Ulan Thermal Coal Mines in Australia / MC completed sale of interest in BMA's Gregory Crinum Coking Coal Mine in Australia

F **Food Industry Group** January 8, 2019 / Indonesia
MC decided to set up new processed oil products factory in Indonesia

G **Consumer Industry Group** November 1, 2018 / Japan
MC and Toyo Tire Form Capital and Business Alliance [P10 for more information](#)

D **Industrial Infrastructure Group** September 17, 2018 / Turkmenistan
Opening ceremony of a large-scale fertilizer plant supplied by MC was held

E **Automotive & Mobility Group** Japan
MC commenced commercial on-demand-bus transit pilot services utilizing artificial intelligence in the Island City area located in Higashi-ku, Fukuoka

H **Power Solution Group** Belgium
Construction of Belgium's largest offshore wind farm project is underway

I **Urban Development Group** September 14, 2018 / Singapore
MC moved up a gear about urban development projects in Asia [P11 for more information](#)



MC and Toyo Tire Form Capital and Business Alliance

Consumer Industry Group

In November 2018, MC decided to purchase an additional stake in Toyo Tire Corporation (former Toyo Tire & Rubber) via subscription to a private placement of shares, and entered into a capital and business alliance agreement with Toyo Tire. Based on this agreement, MC raised its stake in Toyo Tire from 3.05% to 20% in February 2019.

The field of mobility is headed toward a once-in-a-century transformation as the focus on connected, autonomous, shared and electric (CASE) vehicles continues to grow. The roles and services expected for the tire business are also changing as the industry is called upon to upgrade capabilities across its operations, from manufacturing to sales and distribution, such as by harnessing AI/IoT to improve production efficiency and by developing fuel efficient, environmentally-friendly products to support the

shift to electric vehicles. Toyo Tire has utilized its own technologies to develop a unique portfolio of products, including large-diameter tires for SUVs and light trucks. Meanwhile, MC has built up a global network and amassed business expertise through activities spanning diverse industries.

Over the past half century, MC has cultivated business ties with Toyo Tire, including the operation of overseas joint ventures. Through this alliance, MC has expanded these cooperative ties to a companywide partnership and will now seek to leverage MC's far-reaching strengths to spur the creation of new business models at both companies. MC will also aim to raise Toyo Tire's corporate value by proposing initiatives for products and services that capitalize on advances in digitalization and mobility.

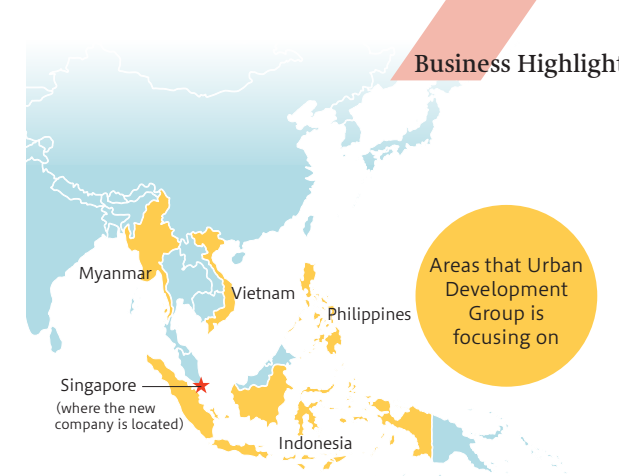
MC Moved up a Gear about Projects in Asia

Urban Development Group

In November 2018, MC, jointly with Surbana Jurong (SJ), a wholly owned subsidiary of Temasek Holdings, a Singapore government affiliated investment company, established a new joint venture to promote urban development projects. The new company was built to move up a gear about urban development projects in Asia.

The new company will be involved in the development of transportation infrastructures as well as urban development projects in the neighboring areas in Asian countries such as Vietnam, Indonesia, the Philippines, Myanmar, and India, where MC and SJ already have substantial experience. In the next five years, the new company plans to invest USD 500 million in projects with a total investment cost of USD 2.5 billion. In the future, the company aims to take on larger-scale urban development projects by inviting third-party investors and with its additional funds.

SJ started operations with the development of public housing and industrial estates in Singapore. For



over 70 years since then, the company has expanded its business to as many as 40 countries, including Vietnam, Myanmar, and India.

On the other hand, MC Group has developed real-estate development businesses not only in Japan but also in Southeast Asia, the US, China, and other countries around the world, building up a wealth of expertise in the real estate business ranging from industrial estates, residential buildings, commercial facilities, to distribution centers. In the future, MC Group will strive for urban development projects across different industries and business fields by making use of its comprehensive strengths, allowing for a holistic view of entire global industries.

MC will contribute to further growth of emerging economies by combining know-how and track records of both companies, and through the supply of high-quality, region-oriented urban functions.



Yoma Central Project in Myanmar



Manor Central Park Project in Vietnam