April 1,2008

President Kojima's Message to Newly Hired Graduates (2008)

Good morning everyone. My name is Yorihiko Kojima, and I am the president of Mitsubishi Corporation.
I am delighted to see so many fresh young faces, and I am sure you are all ready and eager to begin your careers at MC. Let me begin then by welcoming you all as new members of our proud family.

【The Business Environment Surrounding MC】

This year has no doubt been an exciting one for all of you, bringing your lives as students to a close and opening your way to a fresh start as members of the working population. This year marks a significant turning point, not only for each of you, but for our company as well.
When I became president in 2004, I initiated a new four-year management plan called "INNOVATION 2007". The first two years of this plan comprised the "Hop" period, and the last two years, beginning from the start of fiscal 2006 and concluding at the end of fiscal 2007, comprised the "Step" period. Over these four years we have implemented a number of new policies and strategies. By thoroughly strengthening our core businesses and reforming our business models, we have steadily reinvented ourselves as a global, and comprehensive, business enterprise.
And now, having completed the "Hop" and "Step" periods, we are ready to begin the next phase in fiscal 2008: the "Jump" period. We have been very successful up to now, but if MC is to make even greater leaps forward in the next generation, we cannot afford to be content with our current situation. Now is the time to further strengthen our management foundations, and make a more aggressive push to develop both new and existing business domains.
That said, the business environment surrounding MC does not warrant a great deal of optimism. While the high growth in emerging nations like BRICs is leading the world economy, much turmoil has resulted from the sub prime loan problem that began in the US. Concerns such as these have fostered a greater and greater sense of uncertainty about the economic future. Despite these circumstances, MC is staying keenly apprised of changes in the business environment and together with our customers and partners, developing trends for a new era. We are flexibly reshaping our corporate constitution,

growing together with society as a “New Industry Innovator”. Our mission is to take a leading role in the next generation and open the way to a bright future.

【My Requests】

Today I would like to discuss three requests I have for all of you, as you prepare to take your first step as professionals. I ask these things both as president of MC, and as a fellow member of society.

My first request is that you think big, and consider things from a global perspective.

As I mentioned, our company is presently doing very well; however, the pace of change is accelerating all over the world.
These are harsh times, during which the advantages we have nurtured for so long can be lost in an instant. In order to ensure MC continues to grow and develop, we need to determine how best to tap into growth that is underway in various regions throughout the world. This will be the key to our future success. I have been taking business trips overseas about once per month, and doing my best to keep apprised of the global situation. I ask that all of you too, stay keenly attuned to the business environment and any opportunities that may arise. It is up to each of us to take on new challenges and realize new businesses.
Simply being perceptive, however, is not enough to make it in the business world. The projects that have contributed to our current high earnings were made possible thanks to the tremendous effort and dedication of our predecessors. It has been a steady accumulation of their wisdom, sweat, and toil that has brought us to where we are today. In order to realize big dreams and hopes, you must first learn the basics of business. This is your responsibility, both as a member of working society and as a member of MC. Please approach your initial studies here at MC in much the same way we approach our daily work: with honesty, modesty, and unwavering dedication.
During the course of your work, you will no doubt encounter many problems or concerns. You mustn’t neglect these issues, for working diligently to solve them, one at a time, is what will earn you the trust and respect of others. This applies not only to your fellow colleagues and people here at MC, but to our partners and customers on the outside as well. Being able to deal with issues quickly and effectively whenever they come up is an admirable quality, the kind of quality that will gain the confidence of

others and make them eager to work with you. I want all of you to understand the importance of starting your careers with this kind of attitude, for this is what makes those big dreams for the future possible.

My second request is that you place great value in communication and be ready to assume your roles as "*shonin*"*.

"Business Sensitivity" is an expression we use to describe the powers of imagination and execution that are necessary to firmly establish one's place in the business world. Business sensitivity will enable you to keenly pick up on changes that take place over time, as well as the ever-diversifying needs of markets around the world. With each employee working to hone his or her business sensitivity and invigorate mutual communication channels, our company is certain to gain a significant advantage.

It is vital that we fuse our different perceptions and work as one to make MC's business a success. By this I mean the perceptions of our younger generation of employees, represented by all of you here today, and the perceptions of the older generation, who understand the qualities and advantages that make MC unique, and that have been passed down from so long ago.

Be proactive and take your chances whenever they come. Don't let inexperience hold you back or cause you to hesitate. Never be afraid to come forward and speak your mind.

Initiating communication is something that each of us is personally responsible for. It exceeds organizational, company, and even national boundaries. When it comes to promoting business, the action – and the substance – is on the frontlines. We have to make a point of getting ourselves to the frontlines on a regular basis, and meeting directly with all the key players. By considering each person's situation, and taking personal initiative to distribute the relevant intelligence, we can facilitate stronger trust-based relationships.

We live in an age of convenience, with e-mail and mobile phones; but it is for this very reason that face-to-face communication is so important nowadays.

No matter where or who we are meeting with, we must choose our words carefully and make sure to listen attentively to the other party. If we can provide the other side with valuable information, we are more likely to get valuable information in return. An inquisitive mind and a craving for greater knowledge will certainly help you here; but even those who possess a wealth of knowledge need to maintain a modest and sincere disposition whenever they meet with customers. This is the *"shonin"* mindset. Those who have just the right combination of humility and insight, and who make the effort to

initiate communication, are the ones our customers and partners will confide in. They are also the ones who will unearth new business opportunities for MC.
Earlier I referred to MC as a global and comprehensive business enterprise, but it is important that you always remember this basic *"shonin"* mindset. Over the decades MC may have evolved into a ubiquitous and highly complex organization, but the mindset of our people has never changed.

**Shonin*: Loosely translated as "merchants" or "people of business"; a person of business in the very traditional Japanese sense.

My last request is that you understand the spirit of the Three Corporate Principles, our company's management philosophy.

I think most of you already know this by now, but our Three Corporate Principles have been given modern interpretations. These are: "Strive to enrich society, both materially and spiritually, while contributing to the preservation of the global environment" for *"Shoki Hoko"* (Corporate Responsibility to Society); "Maintain principles of transparency and openness, conducting business with integrity and fairness" for "*Shoji Komei"* (Integrity and Fairness); and "Expand business, based on an all-encompassing global perspective" for *"Ritsugyo Boeki"* (International Understanding Through Trade).
The Three Corporate Principles were based on directives drawn up in 1920 by Mr. Koyata Iwasaki, fourth head of the Iwasaki family and Chairman of the old Mitsubishi Shoji Kaisha. The directives were meant at the time as guidance for general managers and branch managers. In 1934, the official *Sankoryo* (Three Corporate Principles) were established. Since then they have been passed down from one generation to the next at our company, serving as a constant reminder of correct business practices, and something each and every employee can rely on. These principles are the very cornerstones of our corporate culture. You will find them hanging in my office and in the offices of other executives and office general managers both in Japan and around the world.

In recent years three factors have become important indicators of a company's value and position: CSR, compliance, and consideration of the natural environment. Since MC's foundation, however, not only have we been highly conscious of these things, we have used them as the basis of our guiding management philosophy. You will also need to have a thorough understanding of them, as it is you that will be helping to shape the

future history of MC. Make sure you remain conscious of the fact that you are a member of a company that prioritizes these issues above all else. Your challenge will be to live up to the high standards we have set for our employees, in everything you do and say as part of the MC family.

【Some Final Words of Encouragement】

Your new employee training will begin shortly. It will last about a month and a half and will be quite demanding I'm sure; but it will also be an exciting period that will provide you with an excellent head start in your careers at MC. I have no doubt that all of you will do your very best, and I wish you good luck.

This training will be different from the studies you have become used to during your years as students. You can think of it as MC's initial investment in your careers. Over the next month and a half you will begin building the foundations of business execution, as MC employees and as professionals. Keep in mind though, that this program has not been designed for you to sit back and be spoon fed. You will need to exhibit your individuality, leadership, and unique characteristics in making this training a personal success. If you make a determined effort to do this, you will no doubt become aware of your own strengths and weaknesses, and the areas in which you will need to improve. By making a full commitment to your work once the training has come to an end, you will gradually gain the skills and know how to take care of these shortcomings. The key will be having confidence and patience, for it is when we learn from our mistakes that our careers really begin to flourish.

After your new employee training comes to a close and you are each assigned to your initial posts, I will be arranging another opportunity to meet and speak with you all face to face. This will probably be sometime in July. I look forward to seeing you all again at that time. It is always a pleasure to note how much our new recruits have grown, even in just a few months.

So then, today begins your new lives as professionals. One of our slogans here is "opening up a new era for MC", and as MC people this means opening up a new era for yourselves as well. With that in mind, let's work together to make our company stronger than ever before.

I have great expectations of all of you, and I know that you won't let me down. Thank you very much, and good luck!