

Consolidated Financial Results for the Year Ended March 31, 2017 and Forecasts for the Year Ending March 31, 2018 (IFRS)

(Unit: Billions of Yen)

Results of Operation	Year Ended March 31, 2017 (FY 2017)	Year Ended March 31, 2016 (FY 2016)	Increase/Decrease	
				(%)
Revenue	4,364.0	4,759.7	△ 395.7	△ 8.3
Gross Profit	719.3	726.6	△ 7.3	△ 1.0
Selling, general and administrative expenses	△ 539.0	△ 566.0	27.0	
Gain (loss) on securities and other investments – net	65.0	93.2	△ 28.2	
Impairment reversal (loss) of fixed assets	△ 5.7	△ 89.0	83.3	
Gain (loss) on disposal or sales of fixed assets – net	11.0	△ 11.7	22.7	
Other income (expense) – net	9.8	△ 32.1	41.9	
Interest income and expense – net	△ 22.1	△ 19.4	△ 2.7	
Dividend income	51.9	54.7	△ 2.8	
Share of Profit (Loss) of Investments Accounted for Using the Equity Method	170.6	△ 132.0	302.6	
Profit before Income Taxes	460.8	24.3	436.5	–
Income Taxes	△ 134.7	△ 91.2	△ 43.5	
Profit (Loss) for the Year Attributable to Non-controlling Interests	△ 20.0	△ 16.5	△ 3.5	
Profit (Loss) for the Year Attributable to Owners of the Parent	306.1	△ 83.4	389.5	–
Comprehensive Income for the Year Attributable to Owners of the Parent	503.0	△ 607.5	1,110.5	–
EBITDA (*1)	596.1	336.4	259.7	77.2

Financial Position	March 31 2017	March 31 2016	Increase /Decrease
Total assets	11,501.0	10,910.5	590.5
Total equity attributable to owners of the parent	3,732.2	3,379.7	352.5
Interest-bearing debt (less cash & cash equivalents)	3,282.1	3,215.0	67.1
Net DER (times)	0.88	0.95	△ 0.07
Notes *1 Gross Profit + Selling, general and administrative expenses + Dividend income + Share of Profit (Loss) of Investments Accounted for Using the Equity Method + Depreciation and amortization *2 From the year ended March 31, 2017, part of the food business and food & retail management business included in the Lifestyle Segment was transferred to the Chemicals Segment, and part of Americas Segment was transferred to the Lifestyle Segment. In accordance with this change, the operating segment information for the previous period has been restated to conform to the current period presentation. *3 Cash flows from operating activities – Changes in operating assets and liabilities			

Summary of Increase/Decrease
Revenue Energy: volume and crude oil & gas prices declined Lifestyle: volume declined and FX effect Chemicals: volume and prices declined Gross Profit Energy: crude oil & gas prices declined and FX effect Americas: Novus, lower methionine prices and FX effect Mineral & Metal Resources: higher coal and iron ore prices Selling, general and administrative expenses Impact of FX fluctuation, etc. Gain (loss) on securities and other investments – net Gain on deconsolidation Sims Metal Management Partial sale of IHH shares (FY2016) FX gain related to the liquidation of Mitsui & Co. LNG Investment Impairment reversal (loss) of fixed assets – net Miscellaneous (FY2016) MCH, impairment loss due to the decline in coal prices Impairment loss on shale oil & gas business (Eagle Ford, Marcellus) Gain (loss) on disposal or sales of fixed assets – net Gain on sale of buildings in Japan (FY2016) MEPME, retirement loss on fixed assets Gain on sale of buildings in Japan Other income (expense) – net IPP, receipt of adjustment fees in relation to a purchase price (FY2016) Exploration expenses Interest income and expense – net Same level as FY2016 Dividend income Same level as FY2016 Share of Profit (Loss) of Investments Accounted for Using the Equity Method Inc.: Valepar, FX fluctuation gain on debts, higher iron ore prices (FY2016) Acrux, impairment loss reflecting revision to copper price outlook JAL–MIMI, impairment loss due to the postponement of LNG project IPP, impairment loss due to lower electricity prices etc. MLCC, impairment loss reflecting revision to copper price outlook etc.

Cash Flows	FY 2017	FY 2016
Operating Activities	404.2	587.0
Investing Activities	△ 353.3	△ 408.1
(Free Cash Flow)	50.9	178.9
Financing Activities	△ 50.3	△ 50.5
Core Operating Cash Flow (*3)	494.8	471.7

Operating Segments (*2)	<EBITDA>			<Profit (Loss) for the Year Attributable to Owners of the Parent>			
	FY2017	FY2016	Increase/Decrease	FY2017	FY2016	Increase/Decrease	Summary of Increase/Decrease
Iron & Steel Products	9.5	10.9	△ 1.4	6.9	6.3	0.6	
Mineral & Metal Resources	173.6	△ 93.8	267.4	138.0	△ 162.5	300.5	–(FY2016)Acrux, impairment loss by revision to copper price outlook –Valepar, FX fluctuation gain on debts, higher iron ore prices
Machinery & Infrastructure	72.7	29.2	43.5	62.1	18.3	43.8	–(FY2016)IPP, impairment loss due to lower electricity prices etc. –Increased interest in gas distribution business in Brazil
Chemicals	38.8	32.5	6.3	15.5	18.6	△ 3.1	–(FY2016)Gain on sale of basic chemicals business –Full year contribution from methanol business in US
Energy	164.2	210.1	△ 45.9	32.6	△ 3.9	36.5	–(FY2016)JAL–MIMI: impairment loss at LNG project –(FY2016)Impairment loss on shale oil & gas business
Lifestyle	30.7	7.5	23.2	21.8	△ 14.9	36.7	–(FY2016)Loss at Multigrain (impairment loss on fixed asset etc.) –Gain on partial sale of shares in IHH
Innovation & Corporate Development	5.3	12.5	△ 7.2	13.5	16.1	△ 2.6	–Gain on valuation of shares in Hutchison China MediTech declined
Americas	45.3	69.4	△ 24.1	25.1	28.3	△ 3.2	–Novus, lower methionine prices
Europe, the Middle East and Africa	3.4	5.3	△ 1.9	1.9	3.5	△ 1.6	
Asia Pacific	59.0	40.9	18.1	38.1	11.6	26.5	–Earnings of Australian coal & iron ore subsidiaries declined –Gain on sale of wind power generation business in Australia
Total	602.5	324.5	278.0	355.5	△ 78.6	434.1	
All Other/Adjustments and Eliminations	△ 6.4	11.9	△ 18.3	△ 49.4	△ 4.8	△ 44.6	
Consolidated Total	596.1	336.4	259.7	306.1	△ 83.4	389.5	

Forecasts FY 2018	FY 2018 forecast	FY 2017 result
Gross Profit	770.0	719.3
Selling, general and administrative expenses	△ 570.0	△ 539.0
Gain (loss) on investments, fixed assets and other	30.0	80.1
Interest income and expense – net	△ 30.0	△ 22.1
Dividend income	60.0	51.9
Share of Profit (Loss) of Investments Accounted for Using the Equity Method	220.0	170.6
Profit before Income Taxes	480.0	460.8
Income Taxes	△ 140.0	△ 134.7
Profit (Loss) for the Year Attributable to Non-controlling Interests	△ 20.0	△ 20.0
Profit (Loss) for the Year Attributable to Owners of the Parent	320.0	306.1
Core Operating Cash Flow (*3)	500.0	494.8

<Notes> A Cautionary Note on Forward-Looking Statements:
This report contains statements (including figures) regarding Mitsui & Co., Ltd. (“Mitsui”)’s corporate strategies, objectives, and views of future developments that are forward-looking in nature and are not simply reiterations of historical facts. These statements are presented to inform stakeholders of the views of Mitsui’ s management but should not be relied on solely in making investment and other decisions. You should be aware that a number of important risk factors could lead to outcomes that differ materially from those presented in such forward-looking statements. For key assumptions on which the statements concerning future performance are based, please refer to (2) “Forecasts for the Year Ending March 31, 2018” on page 16 of our earnings report. For cautionary notes with respect to forward-looking statements, please refer to 4.Other Information “Notice” section on page 19 of our earnings report.

Dividend per Share (Unit: Yen)	Interim	Year end	Annual	Payout ratio
Fiscal Year ended March 2016	32.00	32.00	64.00	–
Fiscal Year ended March 2017 (Proposal)	25.00	30.00	55.00	32.1%
Fiscal Year ending March 2018 (Forecast)	30.00	30.00	60.00	33.1%

<Reference>	Major Indicators	FY 2017	FY 2016	Increase/Decrease
	Foreign Exchange (Yen/US\$: average)	108.89	119.99	△ 11.10
	Foreign Exchange (Yen/A\$: average)	81.75	88.24	△ 6.49
	Interests (YenTIBOR 3M average)	0.06	0.16	△ 0.10
	Interests (US\$LIBOR 3M average)	0.87	0.42	0.45
	Consolidated Oil Price (US\$/bbl)	\$44/bbl	\$53/bbl	△\$9/bbl
		March 31, 2017	March 31, 2016	Increase/Decrease
	Foreign Exchange (Yen/US\$: closing rate)	112.19	112.68	△ 0.49
	Nikkei Average (Yen: closing price)	18,909.26	16,758.67	2,150.59