

Consolidated Financial Results for the Year Ended March 31, 2014 [IFRS]

Tokyo, June 20, 2014 - Mitsui & Co., Ltd. announced its consolidated financial results for the year ended March 31, 2014, based on International Financial Reporting Standards.

Mitsui & Co., Ltd. and subsidiaries

(Web Site : <http://www.mitsui.com/jp/en/>)

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1. Consolidated financial results

(1) Consolidated operating results information for the year ended March 31, 2014

(from April 1, 2013 to March 31, 2014)

		Years ended March 31,			
		2014		2013	
			%		%
Revenue	Millions of yen	5,731,918	16.7	4,912,118	-
Profit before income taxes	Millions of yen	550,517	7.6	511,463	-
Profit for the year	Millions of yen	373,863	18.2	316,252	-
Profit for the year attributable to owners of the parent	Millions of yen	350,093	18.0	296,623	-
Comprehensive income for the year	Millions of yen	556,973	Δ 20.8	703,211	-
Earnings per share attributable to owners of the parent, basic	Yen	192.22	/	162.53	/
Earnings per share attributable to owners of the parent, diluted	Yen	192.21		-	
Profit ratio to equity attributable to owners of the parent	%	9.7		9.4	
Profit before income taxes to total assets	%	4.9		5.0	

Notes :

- Percentage figures for Revenue, Profit before income taxes, Profit for the year, Profit for the year attributable to owners of the parent, and Comprehensive income for the year represent changes from the previous year.
- Share of profit of investments accounted for using the equity method for the years ended March 31, 2014 and 2013 were ¥171,239 million and ¥183,073 million, respectively.
- Diluted earnings per share attributable to owners of the parent for the year ended March 31, 2013 is not disclosed as there are no dilutive potential shares.

(2) Consolidated financial position information

		March 31, 2014	March 31, 2013
Total assets	Millions of yen	11,491,319	10,777,274
Total equity	Millions of yen	4,100,304	3,684,989
Total equity attributable to owners of the parent	Millions of yen	3,815,767	3,439,141
Equity attributable to owners of the parent ratio	%	33.2	31.9
Equity per share attributable to owners of the parent	Yen	2,128.73	1,884.33

(3) Consolidated cash flow information

		Years ended March 31,	
		2014	2013
Operating activities	Millions of yen	449,243	455,326
Investing activities	Millions of yen	(659,818)	(754,533)
Financing activities	Millions of yen	(13,237)	236,335
Cash and cash equivalents at the end of the year	Millions of yen	1,226,317	1,432,534

2. Dividend information

		Years ended March 31,		Year ending March 31, 2015 (Forecast)
		2014	2013	
Interim dividend per share	Yen	25	22	32
Year-end dividend per share	Yen	34	21	32
Annual dividend per share	Yen	59	43	64
Annual dividend (total)	Millions of yen	106,590	78,493	
Consolidated dividend payout ratio	%	30.7	26.5	30.2
Consolidated dividend on equity attributable to owners of the parent	%	2.9	2.5	

3. Forecast of consolidated operating results for the year ending March 31, 2015 (from April 1, 2014 to March 31, 2015)

		Year ending March 31, 2015
Profit attributable to owners of the parent	Millions of yen	380,000
Earnings per share attributable to owners of the parent, basic	Yen	211.99

Notes:

1. Mitsui & Co., Ltd. ("Mitsui") adopted International Financial Reporting Standards ("IFRS") for its annual securities report under the Financial Instruments and Exchange Act from the year ended March 31, 2014, filed with the Director-General of the Kanto Local Finance Bureau of the Ministry of Finance of Japan on June 20, 2014. This report is voluntary disclosure that provides selected financial data based on IFRS for the year ended March 31, 2014.

Please note that Mitsui reported consolidated financial results for the year ended March 31, 2014 prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") on May 7, 2014.

2. This report contains forward-looking statements including those concerning future performance of Mitsui, and those statements are based on Mitsui's assumptions, expectations and beliefs in light of the information possessed by it as of May 7, 2014. Various factors may cause Mitsui's actual results to be materially different from any future performance expressed or implied by these forward-looking statements. Therefore, these statements do not constitute a guarantee by Mitsui that such future performance will be realized.

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1. Consolidated Financial Statements

(1) Consolidated Statements of Financial Position

(Millions of Yen)

Assets			
	April 1, 2012	March 31, 2013	March 31, 2014
Current Assets:			
Cash and cash equivalents	¥ 1,431,112	¥ 1,432,534	¥ 1,226,317
Trade and other receivables	2,030,101	2,012,708	2,040,855
Other financial assets	278,666	239,060	271,288
Inventories	561,291	644,817	625,328
Advance payments to suppliers	211,121	189,155	183,576
Other current assets	96,454	110,198	118,049
Total current assets	4,608,745	4,628,472	4,465,413
Non-current Assets:			
Investments accounted for using the equity method	1,461,414	2,055,085	2,448,848
Other investments	1,253,262	1,395,786	1,554,673
Trade and other receivables	342,925	436,660	470,880
Other financial assets	124,679	146,494	116,298
Property, plant and equipment	1,378,233	1,759,961	2,007,452
Investment property	115,550	122,837	139,334
Intangible assets	109,810	121,189	144,153
Deferred tax assets	54,321	62,026	74,419
Other non-current assets	44,865	48,764	69,849
Total non-current assets	4,885,059	6,148,802	7,025,906
Total	¥ 9,493,804	¥ 10,777,274	¥ 11,491,319

(Millions of Yen)

Liabilities and Equity			
	April 1, 2012	March 31, 2013	March 31, 2014
Current Liabilities:			
Short-term debt	¥ 316,379	¥ 532,101	¥ 436,869
Current portion of long-term debt	372,657	429,915	505,946
Trade and other payables	1,491,225	1,465,857	1,473,834
Other financial liabilities	315,070	358,504	301,047
Income tax payables	73,121	54,096	42,857
Advances from customers	166,992	156,534	165,124
Provisions	13,733	10,153	17,491
Other current liabilities	48,890	41,725	41,486
Total current liabilities	2,798,067	3,048,885	2,984,654
Non-current Liabilities:			
Long-term debt, less current portion	2,920,311	3,214,371	3,468,301
Other financial liabilities	76,576	102,115	95,541
Retirement benefit liabilities	56,886	69,341	69,558
Provisions	113,339	127,182	174,855
Deferred tax liabilities	417,053	496,080	567,281
Other non-current liabilities	36,334	34,311	30,825
Total non-current liabilities	3,620,499	4,043,400	4,406,361
Total liabilities	6,418,566	7,092,285	7,391,015
Equity:			
Common stock	341,482	341,482	341,482
Capital surplus	430,490	428,552	418,004
Retained earnings	1,860,410	2,060,298	2,345,790
Other components of equity	240,099	614,783	766,631
Treasury stock	(6,203)	(5,974)	(56,140)
Total equity attributable to owners of the parent	2,866,278	3,439,141	3,815,767
Non-controlling interests	208,960	245,848	284,537
Total equity	3,075,238	3,684,989	4,100,304
Total	¥ 9,493,804	¥ 10,777,274	¥ 11,491,319

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of Yen)

	Year ended March 31, 2013	Year ended March 31, 2014
Revenue:		
Sale of products	¥4,407,699	¥5,206,772
Rendering of services	392,088	415,395
Other revenue	112,331	109,751
Total revenue	4,912,118	5,731,918
Cost:		
Cost of products sold	(3,880,909)	(4,627,572)
Cost of services rendered	(160,175)	(162,690)
Cost of other revenue	(56,895)	(61,550)
Total cost	(4,097,979)	(4,851,812)
Gross Profit	814,139	880,106
Other Income (Expenses):		
Selling, general and administrative expenses	(529,290)	(574,871)
Gain (loss) on securities and other investments—net	20,460	30,816
Impairment loss of fixed assets	(33,672)	(59,966)
Gain (loss) on disposal or sales of fixed assets—net	6,122	16,419
Other income (expense)—net	(23,636)	(21,720)
Total other income (expenses)	(560,016)	(609,322)
Finance Income (Costs):		
Interest income	40,268	33,644
Dividend income	80,638	124,026
Interest expense	(46,639)	(49,176)
Total finance income (costs)	74,267	108,494
Share of Profit of Investments Accounted for Using the Equity Method	183,073	171,239
Profit before Income Taxes	511,463	550,517
Income Taxes	(195,211)	(176,654)
Profit for the Year	¥ 316,252	¥ 373,863
Profit for the Year Attributable to:		
Owners of the parent	¥ 296,623	¥ 350,093
Non-controlling interests	19,629	23,770

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Year ended March 31, 2013	Year ended March 31, 2014
Profit for the Year	¥ 316,252	¥ 373,863
Other Comprehensive Income:		
Items that will not be reclassified to profit or loss:		
Financial assets measured at FVTOCI	99,204	76,202
Remeasurements of defined benefit plans	(10,447)	(9,676)
Share of other comprehensive income of investments accounted for using the equity method	(443)	622
Income tax relating to items not reclassified	(25,686)	(12,915)
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation adjustments	161,057	19,961
Cash flow hedges	940	9,623
Share of other comprehensive income of investments accounted for using the equity method	173,801	103,182
Income tax relating to items that may be reclassified	(11,467)	(3,889)
Total other comprehensive income	386,959	183,110
Comprehensive Income for the Year	¥ 703,211	¥ 556,973
Comprehensive Income for the Year Attributable to:		
Owners of the parent	¥ 664,345	¥ 521,457
Non-controlling interests	38,866	35,516

(3) Consolidated Statements of Changes in Equity

(Millions of Yen)

	Attributable to owners of the parent						Non-controlling Interest	Total Equity
	Common Stock	Capital Surplus	Retained Earnings	Other Components of Equity (Net of Income Tax)	Treasury Stock	Total		
Balance as at April 1, 2012	¥ 341,482	¥ 430,490	¥1,860,410	¥ 240,099	¥ (6,203)	¥2,866,278	¥ 208,960	¥3,075,238
Profit for the year			296,623			296,623	19,629	316,252
Other comprehensive income for the year				367,722		367,722	19,237	386,959
Comprehensive income for the year						664,345	38,866	703,211
Transaction with owners:								
Dividends paid to the owners of the parent (per share: ¥50)			(91,248)			(91,248)		(91,248)
Dividends paid to non-controlling interest shareholders							(13,580)	(13,580)
Acquisition of treasury stock					(15)	(15)		(15)
Sales of treasury stock			(11)		244	233		233
Equity transactions with non-controlling interest shareholders		(1,938)		1,486		(452)	11,602	11,150
Transfer to retained earnings			(5,476)	5,476		—		—
Balance as at March 31, 2013	¥ 341,482	¥ 428,552	¥2,060,298	¥ 614,783	¥ (5,974)	¥3,439,141	¥ 245,848	¥3,684,989
Profit for the year			350,093			350,093	23,770	373,863
Other comprehensive income for the year				171,364		171,364	11,746	183,110
Comprehensive income for the year						521,457	35,516	556,973
Transaction with owners:								
Dividends paid to the owners of the parent (per share: ¥46)			(83,957)			(83,957)		(83,957)
Dividends paid to non-controlling interest shareholders							(18,981)	(18,981)
Acquisition of treasury stock					(50,217)	(50,217)		(50,217)
Sales of treasury stock			0		51	51		51
Equity transactions with non-controlling interest shareholders		(10,548)		(160)		(10,708)	22,154	11,446
Transfer to retained earnings			19,356	(19,356)		—		—
Balance as at March 31, 2014	¥ 341,482	¥ 418,004	¥2,345,790	¥ 766,631	¥ (56,140)	¥3,815,767	¥ 284,537	¥4,100,304

(4) Consolidated Statements of Cash Flows

(Millions of Yen)

	Year ended March 31, 2013	Year ended March 31, 2014
Operating Activities:		
Profit for the Year	¥ 316,252	¥ 373,863
Adjustments to reconcile profit for the year to cash flows from operating activities:		
Depreciation and amortization	188,400	219,147
(Gain)/loss on securities and other investments—net	(20,460)	(30,816)
Impairment loss of fixed assets	33,672	59,966
(Gain)/loss on disposal or sales of fixed assets—net	(6,122)	(16,419)
Finance (income)/costs – net	(66,538)	(101,451)
Income taxes	195,211	176,654
Share of profit of investments accounted for using equity method	(183,073)	(171,239)
Changes in operating assets and liabilities		
Change in trade and other receivables	27,884	(44,457)
Change in inventories	(13,184)	(13,508)
Change in trade and other payables	421	(51,883)
Other—net	(41,239)	(38,495)
Interest received	43,420	26,817
Interest paid	(54,912)	(51,283)
Dividends received	195,262	277,305
Income taxes paid	(159,668)	(164,958)
Cash flows from operating activities	455,326	449,243
Investing Activities:		
Net change in time deposits	(382)	707
Net change in investments in and advances to equity accounted investees	(230,531)	(204,757)
Net change in other investments	9,170	(96,918)
Net change in long-term loan receivables	(134,667)	(1,963)
Net change in property, plant, equipment and investment property	(398,123)	(356,887)
Cash flows from investing activities	(754,533)	(659,818)
Financing Activities:		
Net change in short-term debt	164,308	(85,141)
Net change in long-term debt	162,389	208,986
Purchases and sales of treasury stock	(13)	(50,216)
Dividends paid	(91,270)	(83,970)
Transactions with noncontrolling interest shareholders	921	(2,896)
Cash flows from financing activities	236,335	(13,237)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	64,294	17,595
Change in Cash and Cash Equivalents	1,422	(206,217)
Cash and Cash Equivalents at Beginning of Year	1,431,112	1,432,534
Cash and Cash Equivalents at End of Year	¥ 1,432,534	¥ 1,226,317

(5) Notes to Consolidated Financial Statements

① Segment Information

Year ended March 31, 2013 (from April 1, 2012 to March 31, 2013)

(Millions of Yen)

	Iron & Steel Products	Mineral & Metal Resources	Machinery & Infrastructure	Chemicals	Energy	Lifestyle	Innovation & Corporate Development
Revenue	214,059	629,495	376,246	747,589	1,280,504	816,106	121,067
Gross Profit	42,218	162,666	109,685	70,685	203,157	114,351	31,733
Operating Income (Loss)	2,665	125,619	(9,542)	7,055	150,741	(4,136)	(26,905)
Share of Profit of Investments Accounted for Using the Equity Method	3,405	49,044	32,541	6,365	53,569	15,316	12,724
Profit (Loss) for the Year Attributable to Owners of the parent	(3,184)	94,493	20,644	961	145,475	13,009	5,077
Total Assets at March 31, 2013	557,379	1,745,947	1,580,411	754,705	2,231,332	1,382,545	536,774

	Americas	Europe, the Middle East and Africa	Asia Pacific	Total	All Other	Adjustments and Eliminations	Consolidated Total
Revenue	547,116	95,118	82,922	4,910,222	1,902	(6)	4,912,118
Gross Profit	66,000	15,646	10,513	826,654	935	(13,450)	814,139
Operating Income (Loss)	11,990	(3,673)	(5,936)	247,878	(1,289)	38,260	284,849
Share of Profit of Investments Accounted for Using the Equity Method	4,736	421	4,936	183,057	-	16	183,073
Profit (Loss) for the Year Attributable to Owners of the parent	10,101	3,042	25,308	314,926	7,515	(25,818)	296,623
Total Assets at March 31, 2013	509,386	115,806	328,436	9,742,721	4,787,114	(3,752,561)	10,777,274

Year ended March 31, 2014 (from April 1, 2013 to March 31, 2014)

(Millions of Yen)

	Iron & Steel Products	Mineral & Metal Resources	Machinery & Infrastructure	Chemicals	Energy	Lifestyle	Innovation & Corporate Development
Revenue	220,068	791,197	410,155	943,198	1,454,254	890,587	103,215
Gross Profit	51,130	200,892	114,743	80,527	199,834	113,979	22,579
Operating Income (Loss)	13,580	159,141	(9,502)	10,709	141,893	(15,408)	(37,089)
Share of Profit of Investments Accounted for Using the Equity Method	5,395	37,990	24,400	8,606	60,087	19,289	4,879
Profit (Loss) for the Year Attributable to Owners of the parent	14,583	88,052	17,146	8,370	188,441	12,096	(12,258)
Total Assets at March 31, 2014	567,741	1,970,858	1,872,585	765,751	2,478,158	1,495,387	496,533

	Americas	Europe, the Middle East and Africa	Asia Pacific	Total	All Other	Adjustments and Eliminations	Consolidated Total
Revenue	699,622	108,663	109,079	5,730,038	1,884	(4)	5,731,918
Gross Profit	78,725	18,752	12,469	893,630	794	(14,318)	880,106
Operating Income (Loss)	13,829	(2,296)	(6,889)	267,968	(7,383)	44,650	305,235
Share of Profit of Investments Accounted for Using the Equity Method	4,039	1,384	4,525	170,594	365	280	171,239
Profit (Loss) for the Year Attributable to Owners of the parent	13,668	397	30,682	361,177	11,004	(22,088)	350,093
Total Assets at March 31, 2014	568,772	105,907	345,074	10,666,766	5,037,172	(4,212,619)	11,491,319

- Notes:1. "All Other" principally consisted of the Corporate Staff Unit which provides financing services and operations services to external customers and/or to the companies and associated companies. Total assets of "All Other" at March 31, 2013 and 2014 consisted primarily of cash and cash equivalents and time deposits related to financing activities, and assets of the Corporate Staff Unit and certain subsidiaries related to the above services.
2. Transfers between operating segments are made at cost plus a markup.
3. Profit (Loss) for the Year Attributable to owners of the parent of "Adjustments and Eliminations" includes income and expense items that are not allocated to specific reportable operating segments, and eliminations of intersegment transactions.
4. Operating Income (Loss) reflects the companies' a) Gross Profit and b) Selling, general and administrative expenses as presented in the Consolidated Statements of Income.

② Earnings per Share

The following is a reconciliation of basic earnings per share attributable to owners of the parent to diluted earnings per share attributable to owners of the parent for the years ended March 31, 2013 and 2014:

Year ended March 31, 2013 (from April 1, 2012 to March 31, 2013)

	Profit (numerator)	Shares (denominator)	Per share amount
	Millions of Yen	In Thousands	Yen
Basic Earnings per Share Attributable to Owners of the Parent:			
Profit for the Year Attributable to Owners of the Parent	296,623	1,825,019	162.53
Effect of Dilutive Securities:			
Adjustments of effect of dilutive securities of associated companies	-	-	
Diluted Earnings per Share Attributable to Owners of the Parent:			
Profit for the Year Attributable to Owners of the Parent after effect of dilutive securities	296,623	1,825,019	162.53

Year ended March 31, 2014 (from April 1, 2013 to March 31, 2014)

	Profit (numerator)	Shares (denominator)	Per share amount
	Millions of Yen	In Thousands	Yen
Basic Earnings per Share Attributable to Owners of the Parent:			
Profit for the Year Attributable to Owners of the Parent	350,093	1,821,339	192.22
Effect of Dilutive Securities:			
Adjustments of effect of dilutive securities of associated companies	(17)	-	
Diluted Earnings per Share Attributable to Owners of the Parent:			
Profit for the Year Attributable to Owners of the Parent after effect of dilutive securities	350,076	1,821,339	192.21

③ SUBSEQUENT EVENTS

Cancellation of the treasury stock

Mitsui cancelled its treasury stock as follows under Article 178 of the Companies Act, based on the resolution at the meeting of the Board of Directors held on March 26, 2014.

- (1) Class of stock cancelled : Common shares of Mitsui
 (2) Number of shares cancelled : 32,639,400 shares
 (1.8% of the total number of shares outstanding prior to cancellation)
 (3) Date of cancellation : April 18, 2014
 (4) Total number of treasury shares after cancellation : 1,796,514,127 shares

Stock Option Scheme

On June 20, 2014, the shareholders approved at Mitsui's Ordinary General Meeting of Shareholders, to grant the stock option scheme as stock-based compensation with stock price conditions, up to ¥500 million per annum, to Mitsui's Directors (excluding External Directors) to purchase up to 500,000 shares of Mitsui's common stock per annum.

The exercise period of subscription rights to shares shall be 27 years from the day following the date on which 3 years have elapsed after the allotment date of subscription rights to shares, with payment due upon the exercise of the subscription right to shares being ¥1 per share.

Dividend

On June 20, 2014, the shareholders approved the payment of a cash dividend to shareholders as of March 31, 2014 of ¥34 per share or a total of ¥60,955 million at Mitsui's Ordinary General Meeting of Shareholders.

2. DISCLOSURES OF TRANSITION TO IFRS

Reconciliation as of the date of transition to IFRS (April 1, 2012)

[Consolidated statements of financial position]

(Millions of Yen)

Assets	U.S. GAAP	Re-classification	Difference of recognition and measurement	IFRS	Assets
Current Assets:					Current Assets:
Cash and cash equivalents	1,431,112			1,431,112	Cash and cash equivalents
Time deposit	4,130	(4,130)			
Marketable securities	1,087	(1,087)			
Trade receivables	2,037,801	(2,037,801)			Trade and other receivables
		2,047,253	(17,152)	2,030,101	
Deferred tax assets - current	37,513	(37,513)			
Derivative assets	53,664	(53,664)			
		189,032	89,634	278,666	Other financial assets
Inventories	515,758		45,533	561,291	Inventories
Advance payments to suppliers	129,987	81,134		211,121	Advance payments to suppliers
Other current assets	215,271	(120,063)	1,246	96,454	Other current assets
Total current assets	4,426,323	63,161	119,261	4,608,745	Total current assets
Investments and non-current receivables					Non-current assets:
Investments in and advances to associated companies	1,709,082	(1,709,082)			
		1,538,401	(76,987)	1,461,414	Investments accounted for using the equity method
Other investments	792,492	(52,278)	513,048	1,253,262	Other investments
Non-current receivables, less unearned interest	454,191	(454,191)			
		347,412	(4,487)	342,925	Trade and other receivables
Allowance for doubtful receivables	(36,840)	36,840			
Property leased to others-at cost, less accumulated depreciation	272,746	(272,746)			
		160,734	(36,055)	124,679	Other financial assets
Total investments and non-current receivables	3,191,671				
Property and equipment, less accumulated amortization	1,255,883	157,196	(34,846)	1,378,233	Property, plant and equipment
		115,550		115,550	Investment property
Intangible assets, less accumulated amortization	110,307		(497)	109,810	Intangible assets
Deferred tax assets – non-current	15,626	37,513	1,182	54,321	Deferred tax assets
Other assets	12,013	31,490	1,362	44,865	Other non-current assets
Total non-current assets	4,585,500	(63,161)	362,720	4,885,059	Total non-current assets
Total Assets	9,011,823	—	481,981	9,493,804	Total Assets

(Millions of Yen)

Liabilities and Equity	U.S. GAAP	Re-classification	Difference of recognition and measurement	IFRS	Liabilities and Equity
Current Liabilities:					Current Liabilities:
Short-term debt	307,132		9,247	316,379	Short-term debt
Current maturities of long-term debt	372,657			372,657	Current portion of long-term debt
Trade payables	1,505,940	4,503	(19,218)	1,491,225	Trade and other payables
Derivative liabilities	65,262	(65,262)			
		201,369	113,701	315,070	Other financial liabilities
Accrued expenses					
Income taxes	73,111		10	73,121	Income tax payables
Interest	16,619	(16,619)			
Other	93,266	(93,266)			
Advances from customers	106,787	60,205		166,992	Advances from customers
		13,733		13,733	Provisions
Other current liabilities	83,256	(35,123)	757	48,890	Other current liabilities
Total current liabilities	2,624,030	69,540	104,497	2,798,067	Total current liabilities
Long-term debt, less current maturities	2,898,218		22,093	2,920,311	Non-current Liabilities:
		76,344	232	76,576	Long-term debt, less current portion
Accrued pension costs and liability for severance indemnities	55,799		1,087	56,886	Other financial liabilities
		104,663	8,676	113,339	Retirement benefit Liabilities
Deferred tax liabilities – non-current	283,614	1,157	132,282	417,053	Provisions
Other long-term liabilities	289,352	(251,704)	(1,314)	36,334	Deferred tax liabilities
Total non-current liabilities	3,526,983	(69,540)	163,056	3,620,499	Other non-current liabilities
Total liabilities	6,151,013		267,553	6,418,566	Total non-current liabilities
Equity					Equity:
Mitsui & Co., Ltd. shareholders' equity:					
Common stock	341,482			341,482	Common stock
Capital surplus	430,491		(1)	430,490	Capital surplus
Retained earnings:					
Appropriated for legal reserve	65,500	(65,500)			
Unappropriated	2,192,494	65,500	(397,584)	1,860,410	Retained earnings
Accumulated other comprehensive income (loss)	(382,446)		622,545	240,099	Other components of Equity
Treasury stock	(6,203)			(6,203)	Treasury stock
Total Mitsui & Co., Ltd. Shareholders' equity	2,641,318		224,960	2,866,278	Total equity attributable to owners of the parent
Noncontrolling interests	219,492		(10,532)	208,960	Non-controlling interests
Total equity	2,860,810		214,428	3,075,238	Total equity
Total Liabilities and Equity	9,011,823	—	481,981	9,493,804	Total Liabilities and Equity

Reconciliation at the prior fiscal year-end (March 31, 2013)

[Consolidated statements of financial position]

(Millions of Yen)

Assets	U.S. GAAP	Re-classification	Difference of recognition and measurement	IFRS	Assets
Current Assets:					Current Assets:
Cash and cash equivalents	1,425,174		7,360	1,432,534	Cash and cash equivalents
Time deposit	4,740	(4,740)			
Marketable securities	367	(367)			
Trade receivables	2,022,092	(2,022,092)			Trade and other receivables
		2,029,300	(16,592)	2,012,708	
Deferred tax assets - current	15,644	(15,644)			
Derivative assets	61,081	(61,081)			Other financial assets
		182,155	56,905	239,060	Inventories
Inventories	746,584		(101,767)	644,817	Advance payments to suppliers
Advance payments to suppliers	135,120	54,035		189,155	Other current assets
Other current assets	220,729	(112,490)	1,959	110,198	Total current assets
Total current assets	4,631,531	49,076	(52,135)	4,628,472	Non-current assets:
Investments and non-current receivables					
Investments in and advances to associated companies	2,325,255	(2,325,255)			Investments accounted for using the equity method
		2,123,148	(68,063)	2,055,085	Other investments
Other investments	816,343	(44,431)	623,874	1,395,786	
Non-current receivables, less unearned interest	523,904	(523,904)			Trade and other receivables
		454,741	(18,081)	436,660	
Allowance for doubtful receivables	(37,362)	37,362			Other financial assets
Property leased to others-at cost, less accumulated depreciation	330,627	(330,627)			
		179,850	(33,356)	146,494	
Total investments and non-current receivables	3,958,767				
Property and equipment, less accumulated amortization	1,570,270	207,790	(18,099)	1,759,961	Property, plant and equipment
		122,837		122,837	Investment property
Intangible assets, less accumulated amortization	118,448		2,741	121,189	Intangible assets
Deferred tax assets – non-current	31,538	15,644	14,844	62,026	Deferred tax assets
Other assets	14,027	33,769	968	48,764	Other non-current assets
Total non-current assets	5,693,050	(49,076)	504,828	6,148,802	Total non-current assets
Total Assets	10,324,581	—	452,693	10,777,274	Total Assets

(Millions of Yen)

Liabilities and Equity	U.S. GAAP	Re-classification	Difference of recognition and measurement	IFRS	Liabilities and Equity
Current Liabilities:					Current Liabilities:
Short-term debt	663,129		(131,028)	532,101	Short-term debt
Current maturities of long-term debt	421,211		8,704	429,915	Current portion of long-term debt
Trade payables	1,555,616	(64,760)	(24,999)	1,465,857	Trade and other payables
Derivative liabilities	83,940	(83,940)			
		271,061	87,443	358,504	Other financial liabilities
Accrued expenses					
Income taxes	54,091		5	54,096	Income tax payables
Interest	16,985	(16,985)			
Other	80,971	(80,971)			
Advances from customers	98,470	58,064		156,534	Advances from customers
		10,153		10,153	Provisions
Other current liabilities	70,917	(29,737)	545	41,725	Other current liabilities
Total current liabilities	3,045,330	62,885	(59,330)	3,048,885	Total current liabilities
Long-term debt, less current maturities	3,184,957		29,414	3,214,371	Non-current Liabilities:
		99,871	2,244	102,115	Long-term debt, less current portion
Accrued pension costs and liability for severance indemnities	68,312		1,029	69,341	Other financial liabilities
		113,883	13,299	127,182	Retirement benefit liabilities
Deferred tax liabilities – non-current	266,544	1,862	227,674	496,080	Provisions
Other long-term liabilities	319,334	(278,501)	(6,522)	34,311	Deferred tax liabilities
Total non-current liabilities	3,839,147	(62,885)	267,138	4,043,400	Other non-current liabilities
Total liabilities	6,884,477		207,808	7,092,285	Total non-current liabilities
Equity					Equity:
Mitsui & Co., Ltd. shareholders' equity:					
Common stock	341,482			341,482	Common stock
Capital surplus	429,828		(1,276)	428,552	Capital surplus
Retained earnings:					
Appropriated for legal reserve	69,653	(69,653)			
Unappropriated	2,405,008	69,653	(414,363)	2,060,298	Retained earnings
Accumulated other comprehensive income (loss)	(58,178)		672,961	614,783	Other components of equity
Treasury stock	(5,974)			(5,974)	Treasury stock
Total Mitsui & Co., Ltd. shareholders' equity	3,181,819		257,322	3,439,141	Total equity attributable to owners of the parent
Noncontrolling interests	258,285		(12,437)	245,848	Non-controlling interests
Total equity	3,440,104		244,885	3,684,989	Total equity
Total Liabilities and Equity	10,324,581	—	452,693	10,777,274	Total Liabilities and Equity

Reconciliation of Income and Comprehensive Income for the year ended March 31, 2013

[Consolidated statements of income]

(Millions of Yen)

	U.S. GAAP	Re-classification	Difference of recognition and measurement	IFRS	
Revenues:					Revenue:
Sales of products	4,408,144		(445)	4,407,699	Sale of products
Sales of services	392,088			392,088	Rendering of services
Other sales	111,377		954	112,331	Other revenue
Total revenues	4,911,609		509	4,912,118	Total revenue
Cost of revenues:					Cost:
Cost of products sold	(3,901,272)		20,363	(3,880,909)	Cost of products sold
Cost of services sold	(161,858)		1,683	(160,175)	Cost of services rendered
Cost of other sales	(58,040)		1,145	(56,895)	Cost of other revenue
Total cost of revenues	(4,121,170)		23,191	(4,097,979)	Total cost
Gross profit	790,439		23,700	814,139	Gross profit
Other income (expenses) :					Other income (expenses) :
Selling, general and administrative	(521,075)	(14,761)	6,546	(529,290)	Selling, general and administrative expenses
Provision for doubtful receivables	(14,761)	14,761			
		13,007	7,453	20,460	Gain (loss) on securities and other investments-net
Impairment loss of long-lived assets	(12,342)		(21,330)	(33,672)	Impairment loss of fixed assets
Gain on disposal or sales of property and equipment-net	6,207		(85)	6,122	Gain (loss) on disposal or sales of fixed assets-net
		(30,868)	7,232	(23,636)	Other income (expense)- net
				(560,016)	Total other income (expenses)
Interest income	41,724		(1,456)	40,268	Finance income (costs) :
Dividend income	80,057		581	80,638	Interest income
Interest expense	(42,910)		(3,729)	(46,639)	Dividend income
Loss on write-down of securities	(27,278)	27,278			Interest expense
Gain on sales of securities-net	44,905	(44,905)			
Other income (expense) -net	(30,868)	30,868			
				74,267	Total finance income (costs)
Total other income (expenses)	(476,341)				
Income before income taxes and equity in earnings	314,098				
		180,846	2,227	183,073	Share of profit of investments accounted for using the equity method
				511,463	Profit before income taxes
Income taxes	(158,349)		(36,862)	(195,211)	Income taxes
Income before equity in earnings	155,749				
Equity in earnings of associated companies-net	176,226	(176,226)			
Net income before attribution of noncontrolling interests	331,975	—	(15,723)	316,252	Profit for the year
Net income attributable to Mitsui & Co., Ltd.	307,926		(11,303)	296,623	Profit for the year attributable to:
Net income attributable to noncontrolling interests	24,049		(4,420)	19,629	Owners of the parent
					Non-controlling interests

[Consolidated statements of comprehensive income]

(Millions of Yen)

	U.S. GAAP	Re-classification	Difference of recognition and measurement	IFRS	
Comprehensive Income (Loss) :					Comprehensive Income :
Net income before attribution of noncontrolling interests	331,975		(15,723)	316,252	Profit for the year
Other comprehensive income (loss) (after income tax effect) :					Other comprehensive income :
Unrealized holding gains (losses) on available-for-sale securities	40,871	5,574	52,759	99,204	Items that will not be reclassified to profit or loss :
Defined benefit pension plans	(5,908)	4,179	(8,718)	(10,447)	Financial assets measured at FVTOCI
		(2,017)	1,574	(443)	Remeasurements of defined benefit pension plans
		(7,736)	(17,950)	(25,686)	Share of other comprehensive income of investments accounted for using the equity method
Foreign currency translation adjustments	306,112	(185,527)	40,472	161,057	Income tax relating to items not reclassified
Net unrealized losses on derivatives	(753)	8,353	(6,660)	940	Items that may be reclassified subsequently to profit or loss :
		177,157	(3,356)	173,801	Foreign currency translation adjustments
		17	(11,484)	(11,467)	Cash flow hedges
Total other comprehensive income (loss) (after income tax effect)	340,322	—	46,637	386,959	Share of other comprehensive income of investments accounted for using the equity method
Comprehensive income before attribution of noncontrolling interests	672,297	—	30,914	703,211	Income tax relating to items that may be reclassified
Comprehensive income attributable to Mitsui & Co., Ltd.	631,260		33,085	664,345	Total other comprehensive income
Comprehensive income (loss) attributable to noncontrolling interests	41,037		(2,171)	38,866	Comprehensive income for the year

(Yen)

Net Income Attributable to Mitsui & Co., Ltd. per Share :					Earnings per share attributable to owners of the parent :
Basic	¥ 168.72	—	(6.19)	¥ 162.53	Basic

<Major differences between IFRS and U.S. GAAP >

1) Deemed cost

Mitsui and subsidiaries (collectively, the “companies”) elected to use the exemption under IFRS 1 to measure certain items mainly of property, plant and equipment at the date of transition to IFRS (April 1, 2012) at their fair value, and then use that fair value as their deemed cost. As a result, depreciation and amortization cost declined compared with U.S. GAAP.

2) Impairment

Under U.S. GAAP, when the companies’ property, plant and equipment and intangible assets are tested for impairment their undiscounted future cash flows are compared to its carrying amount. If the undiscounted cash flows are less than the carrying amount, the excess of the carrying amount over the fair value of the asset is recognized as an impairment loss (2 step). Under IFRS, the excess of the carrying amount of an asset over its recoverable amount, which is the higher of value in use or fair value less costs to sell, is recognized as an impairment loss (1 step).

3) Retirement benefit liabilities

Under U.S. GAAP, the net actuarial gain or loss and net prior service cost or credit are included in other comprehensive income (loss) in equity on a net-of-tax basis and are amortized into net periodic pension costs over the certain future periods. Under IFRS, the remeasurements of defined benefit pension plans are recognized in other components of equity and transferred to retained earnings when it occurs. The past service cost (income) is recognized immediately as the component of periodic pension costs.

4) Financial instruments measured at FVTOCI

Under U.S. GAAP, non-marketable equity securities are carried at cost and when there is a decline in the value that is not temporary for such securities, an impairment loss is recognized. Under IFRS, the companies elected to designate equity financial instruments other than those measured at FVTPL, regardless of whether they are listed or not, as equity measured at FVTOCI. The valuation differences and gain or loss on sales for FVTOCI are recognized in other components of equity.

(2) Segment Information (Profit attributable to owners of the parent)

(Unit: Billions of Yen)	Year ended March 31, 2014			Summary of Major Differences
	U.S. GAAP	Differences	IFRS	
Iron & Steel Products	18.1	(3.5)	14.6	↓Gain on sale of FVTOCI
Mineral & Metal Resources	95.6	(7.5)	88.1	↑Impairment loss on preferred shares of Valepar ↓Impairment loss on fixed assets (Coal mines, Caserones)
Machinery & Infrastructure	26.6	(9.5)	17.1	↑Reversal of Impairment loss on shares in PAG ↓Gain on sale of FVTOCI
Chemicals	15.8	(7.4)	8.4	↓Gain on sale of FVTOCI
Energy	197.0	(8.6)	188.4	↑Decrease in depreciation by using deemed cost ↓Impairment loss on fixed assets (Eagle Ford) ↓Gain on sale of FVTOCI
Lifestyle	19.2	(7.1)	12.1	↓Gain on sale of FVTOCI
Innovation & Corporate Development	4.9	(17.2)	(12.3)	↓Gain on sale of FVTOCI
Americas	13.8	(0.1)	13.7	
Europe, the Middle East and Africa	4.8	(4.4)	0.4	↓Gain on sale of property at MBK Real Estate Europe
Asia Pacific	35.2	(4.5)	30.7	↓Impairment loss on fixed assets (Coal mines)
All Other/Adjustments and Eliminations	(8.8)	(2.3)	(11.1)	
Consolidated total	422.2	(72.1)	350.1	