



Energy

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Energy Business Unit II

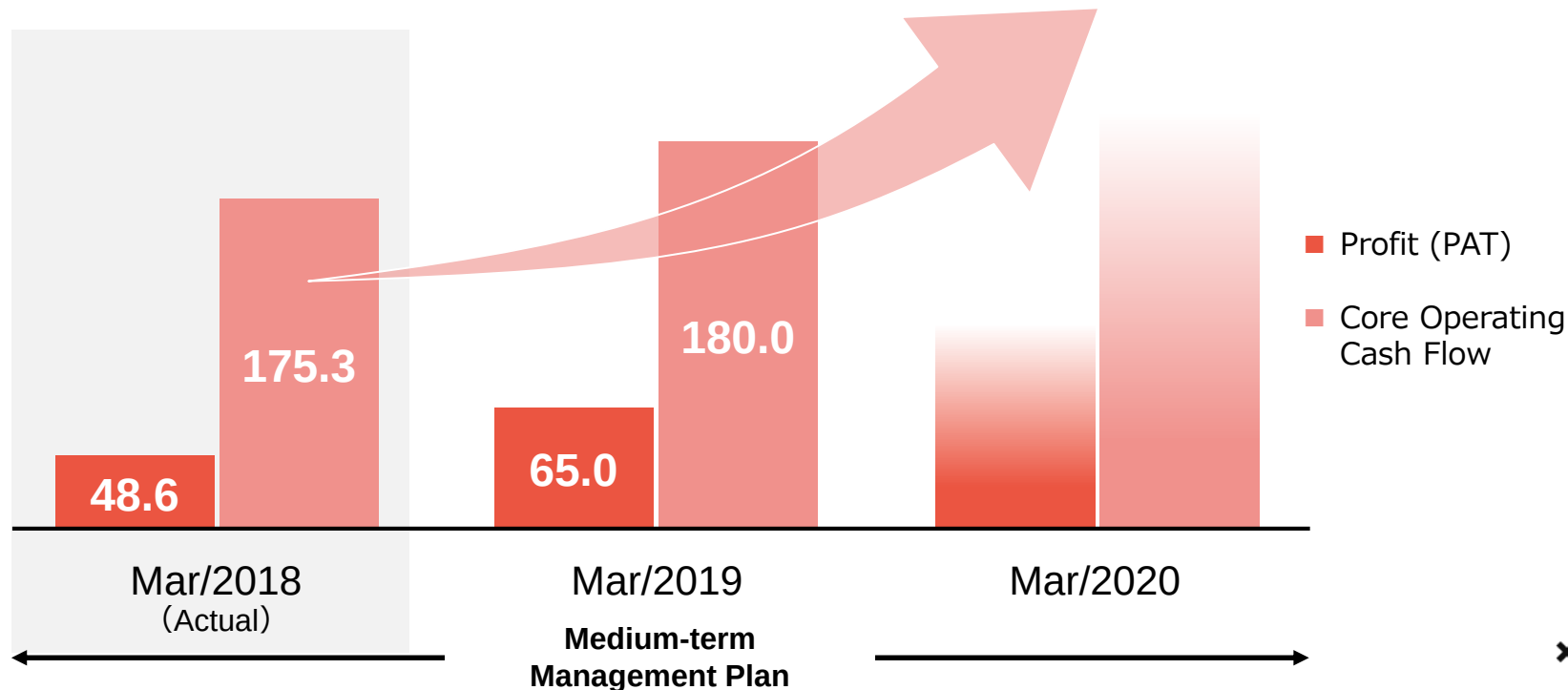
Basic Strategies

01 Build a competitive asset portfolio

02 Develop a mid/downstream energy value chain

Quantitative targets Profit(PAT)/Core Operating Cash Flow

Unit : ¥bn

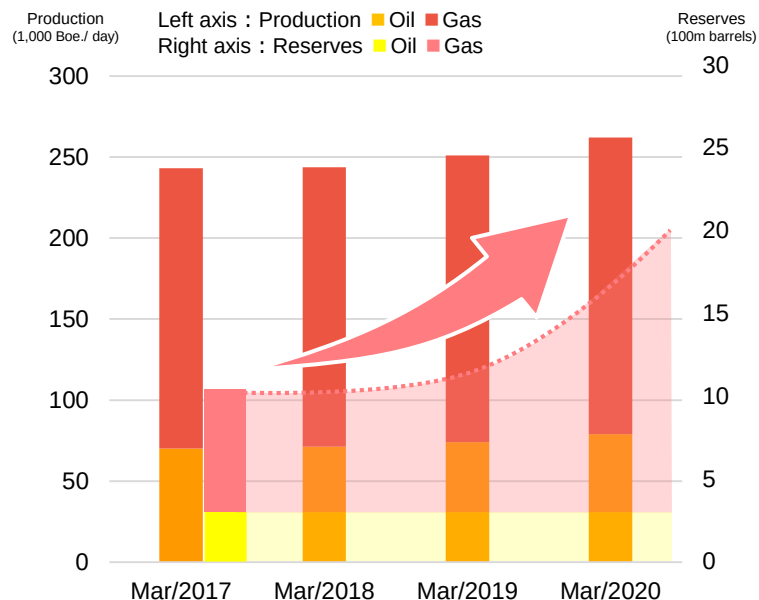


Competitive advantages

Equity share of crude oil & gas production and reserves;
LNG production capacity

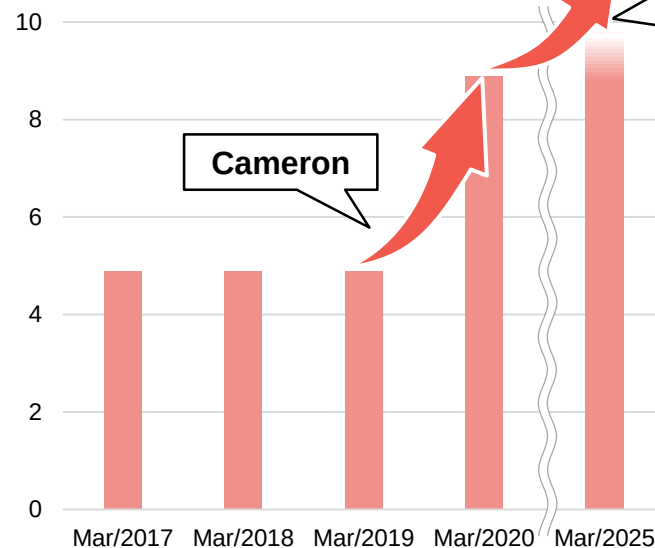
Production volume; Reserves

*Reserves are for post-FID projects only



LNG production capacity

(Unit: Million tons)



**Mozambique
Sakhalin II
expansion**

Cameron

Business Environment

Energy demand will increase along with economic and population growth

Fossil fuels

Main source of primary energy for some time

Crude Oil

There are scenarios that anticipate crude oil demand to reach a plateau between 2030-2040

Gas

Strong growth of demand over a protracted period

Non-fossil fuels/ Renewable energy

Growing needs of society
Lower cost resulting in market penetration

Manage asset portfolio with emphasis on long-term view
Further expansion of gas business

Initiatives related to new and renewable energy

1 Build a competitive upstream asset portfolio

E&P
Business

◆ Acquisition of AWE Limited, an Australian oil and gas company

- Expansion of asset portfolio
2P reserves 82m BOE (December 2017), Production 2.5m BOE (forecast for 2018)
- Acquired operatorship capabilities



Waitsia gas field

- Currently planning for 2018 FID and 2020 start-up
- Cost competitive onshore gas field due to its proximity to demand and existing infrastructure
- Upside potentials for production and reserves

1995
Participate
in Wandoo

2004
Participate in
Enfield/Vincent

2015
Participate in
Kipper

Step
Change

Waitsia
FID

Develop
Waitsia

Maximize value
of Waitsia,
develop adjacent areas

Expand operations
in Australia and New Zealand

Synergies and positive impact
on the entire E&P business

1 Build a competitive upstream asset portfolio

**LNG
Business**

◆ Mozambique Area1

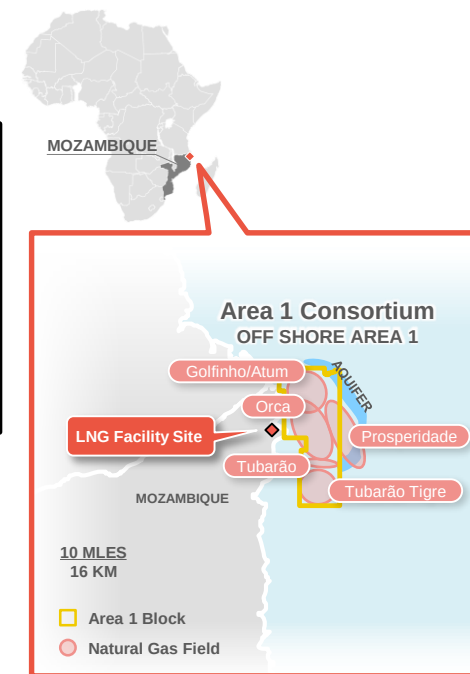
Top-class Resources

Approximately **75tcf**
– this amounts to **over 15
years' worth** of natural
gas consumption in Japan

Restrained entry cost

Participation from the
exploration stage
(approx. 10 years ago)

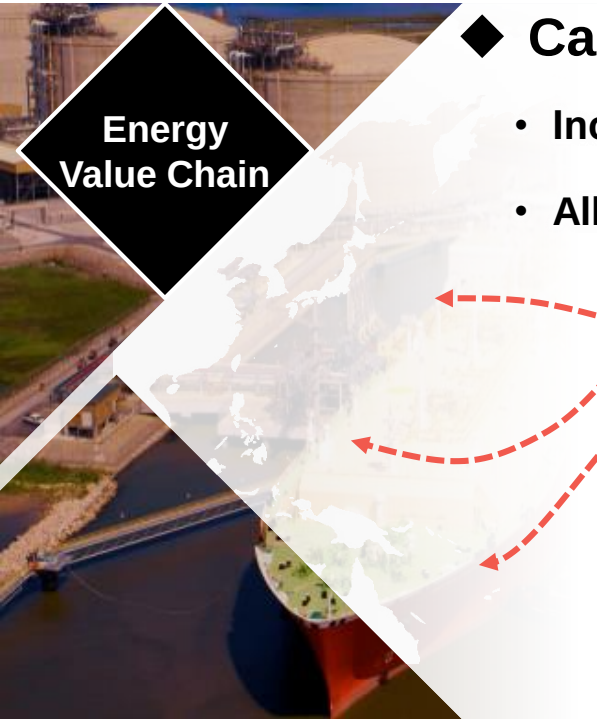
- **Plan to start production at a capacity of 12million tons/year from the early 2020s, potential for further expansion.**
- **Expect to be a major LNG supply base, contributing to profit in the long-term.**



2 Develop a mid/downstream energy value chain

◆ Cameron LNG

- Increase in Mitsui's handling volume of LNG by 4million tons/year*
*Approximately the annual gas consumption of 12million Japanese households
- Allocate 7 newly built LNG carriers to expand global trading



Projects in the Pipeline

