MITSUI & CO LTD
Form 6-K/A
November 04, 2008

FORM 6-K/A

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer

Consolidated Financial Results for the Three-Month Period Ended June 30, 2008

Pursuant to Rule 13a-16 or 15d-16

of the Securities Exchange Act of 1934

For the month of November 4, 2008

Commission File Number 09929

Mitsui & Co., Ltd.

(Translation of registrant s name into English)

2-1, Ohtemachi 1-chome Chiyoda-ku, Tokyo 100-0004 Japan

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F X Form 40-F______

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ______

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ______

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant s home country), or under the rules of the home country exchange on which the registrant s securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant s security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ______ No __X__

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-____

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: November 4, 2008

MITSUI & CO., LTD.

By:	/s/ Junichi Matsumoto
Name:	Junichi Matsumoto
Title:	Executive Director Executive Vice President Chief Financial Officer

November 4, 2008

For immediate release:

Mitsui & Co., Ltd.

Amendment of the Consolidated Balance Sheet as of March 31, 2008

Included in the Consolidated Financial Results Released on August 4, 2008

for the Three-month Period Ended June 30, 2008

Mitsui & Co., Ltd. announced today on the amendment of its consolidated balance sheet as of March 31, 2008, which was included in the consolidated financial results released on August 4, 2008 for the three-month period ended June 30, 2008.

The amendment is related to the retrospective application of FASB Staff Position (FSP) No. FIN 39-1, Amendment of FASB Interpretation No. 39 to the consolidated balance sheet as of March 31, 2008.

Please refer to the underlined items of attached documents for the details of the amendment.

For further information, please contact:

Mitsui & Co., Ltd.

Investor Relations Division

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Summary of Amendments to the Consolidated Financial Results

for the Three-Month Period Ended June 30, 2008

Please refer to the underlined items of attached forms for the details of the amendments.

1. Consolidated financial results (Unreviewed)

(2) Consolidated financial position information

(Original)

		June 30, 2008	March 31, 2008
Total assets	Millions of yen	10,293,365	9,606,394
Shareholders equity	Millions of yen	2,392,860	2,183,660
Shareholders equity ratio	%	23.2	22.7
Shareholders equity per share	Yen	1,315.53	1,202.03

(As Amended)

		June 30, 2008	March 31, 2008
Total assets	Millions of yen	10,293,365	<u>9,537,829</u>
Shareholders equity	Millions of yen	2,392,860	2,183,660
Shareholders equity ratio	%	23.2	<u>22.9</u>
Shareholders equity per share	Yen	1,315.53	1,202.03

Consolidated Financial Results for the Three-Month Period Ended June 30, 2008

[Based on accounting principles generally accepted in the United States of America (U.S. GAAP)]

Tokyo, August 4, 2008 Mitsui & Co., Ltd. announced its consolidated financial results for the three-month period ended June 30, 2008.

Mitsui & Co., Ltd. and subsidiaries

(Web Site : http://www.mitsui.co.jp)

President and Chief Executive Officer : Shoei Utsuda

Investor Relations Contacts : Katsurao Yoshimori, General Manager, Investor Relations Division TEL 81-3-3285-7533

1. Consolidated financial results (Unreviewed)

(1) Consolidated operating results information for the three-month period ended June 30, 2008

(from April 1, 2008 to June 30, 2008)

(Millions of yen)

	Three-month period ended June 30			
	2008	%	2007	%
Revenues	1,525,871		1,334,500	19.9
Income from continuing operations before income taxes, minority interests and equity in earnings	125,259		138,032	71.2
Net income	103,084		181,033	120.1
Net income per share, basic	56.71		101.37	
Net income per share, diluted	56.48		99.18	

Notes :

1. Percentage figures for Revenues, Income from continuing operations before income taxes, minority interests and equity in earnings, and Net income represent changes from the previous year.

2. In accordance with Statement of Financial Accounting Standards (SFAS) No.144, Accounting for the Impairment or Disposal of Long-Lived Assets, the figures for the three-month period ended June 30, 2007 relating to discontinued operations have been reclassified from income from continuing operations.

(2) Consolidated financial position information

		June 30, 2008	March 31, 2008
Total assets	Millions of yen	10,293,365	9,537,829
Shareholders equity	Millions of yen	2,392,860	2,183,660
Shareholders equity ratio	%	23.2	22.9
Shareholders equity per share	Yen	1,315.53	1,202.03

Note :

The companies adopted FASB Staff Position No. FIN 39-1, Amendment of FASB Interpretation No. 39 , during the three-month period ended June 30, 2008. In accordance with this amendment, the companies adjusted the total assets as of March 31, 2008.

2. Dividend information

		Year ended March 31, 2009	Year ended March 31, 2008	Year ending March 31, 2009 (Forecast)
Interim dividend per share	Yen		23	25
Year-end dividend per share	Yen		23	25
Annual dividend per share	Yen		46	50

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3. Forecast of consolidated operating results for the year ending March 31, 2009 (from April 1, 2008 to March 31, 2009)

		Year ending March 31, 2009
Net income	Millions of yen	460,000
Net income per share, basic	Yen	253.21

4. Others

(1) Increase/decrease of important subsidiaries during the fiscal year : None

(2) Number of shares :

	June 30, 2008	March 31, 2008
Number of shares of common stock issued, including treasury stock	1,822,731,135	1,820,183,809
Number of shares of treasury stock	3,799,584	3,543,891

	Three-month period ended June 30, 2008	Three-month period ended June 30, 2007
Average number of shares of common stock outstanding	1,817,643,244	1,785,928,413

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. These include, but are not limited to, (i) changes in economic conditions that may lead to unforeseen developments in markets for products handled by Mitsui, (ii) fluctuations in currency exchange rates that may cause unexpected deterioration in the value of transactions, (iii) adverse political developments that may create unavoidable delays or postponement of transactions and projects, (iv) changes in laws, regulations, or policies in any of the countries where Mitsui conducts its operations that may affect Mitsui s ability to fulfill its commitments, and (v) significant changes in the competitive environment. In the course of its operations, Mitsui adopts measures to control these and other types of risks, but this does not constitute a guarantee that such measures will be effective.

I. Highlights of Consolidated Financial Results for the Three-Month Period Ended June 30, 2008

Consolidated financial statements for the three month period ended June 30, 2008 and the corresponding three month period of the previous year are not audited by auditors.

1. Summary of Financial Results for the Three-Month Period Ended June 30, 2008

(1) *Operating Results*

Mitsui & Co., Ltd. (Mitsui) and its subsidiaries (collectively the Group) posted consolidated net income of ¥103.1billion, a decrease of ¥77.9 billion, or down 43.0 %, from ¥181.0 billion for the corresponding three month period of the previous year. Major developments during the periods were:

Substantial one-off gains on sale of securities and divestitures in the three month period of the previous year amounting to approximately ¥84 billion (after tax) including sales of the Group s stakes in mineral resources and energy businesses, such as Sesa Goa Limited in India, Sakhalin II in Russia and EBM(*1) in Brazil as well as gains on sale of aircraft held by Tombo Aviation (United States).

Increases in gross profit, equity in earnings of associated companies and dividend income of mineral resources and energy producing businesses all reflecting the continued run-up in prices of related commodities(*2) in the current year. On the other hand, the Consumer Service & IT Segment recorded a downturn chiefly from write downs on inventories in residential home business in Japan. In addition, the Chemical Segment also recognized impairment loss on domestic listed securities.

(*1) Empreendimentos Brasileiros de Mineração S.A.

(*2) Due to the difference in accounting periods as well as time-lag issues, the impact of various run-ups in prices of internationally traded commodities such as iron ore, coal and oil has not been fully reflected in the three month period ended June 30, 2008. Such impact will be reflected in the next three months period.

(2) *Financial Condition*

Total assets as of June 30, 2008 were ¥10.3 trillion, an increase of ¥0.8 trillion from ¥9.5 trillion as of March 31, 2008. Investments and plant, property and equipment (PPE) increased by ¥0.3 trillion mainly due to higher stock prices on Japanese stock exchanges as well as net improvement in foreign currency translation adjustments due to the weaker Japanese Yen against Australian Dollar, U.S. Dollar and Brazilian Real. In addition, various capital expenditures for the expansions made by the Mineral & Metal Resources and the Energy segments also contributed to the increase. Higher commodity prices resulted in an increase of ¥0.5 trillion in the current assets. Shareholders equity as of June 30, 2008 was ¥2.4 trillion, an increase of ¥0.2 trillion from ¥2.2 trillion as of March 31, 2008, as a result of increased retained earnings, higher stock prices and Japanese yen depreciation, and Net Debt-to-Equity Ratio (Net DER) as of June, 2008 was 1.21 times, 0.06 points lower than that of March 31, 2008.

(3) *Cash Flow Statement*

Reflecting net increase of ¥97.5 billion of operating assets and liabilities including increased inventories at Westport Petroleum, Inc. net cash provided by operating activities for the three month period ended June 30, 2008 was ¥30.7 billion despite the steady growth of operating income. Net cash used in investing activities for the three month period ended June 30, 2008 was ¥80.8 billion due mainly to expansion expenditures of natural resources in the Mineral & Metal Resources and the Energy Segments. As a result, free cash flow(*1) for the three-month period ended June 30, 2008 was a net outflow of ¥50.1 billion.

(*1) Sum of net cash flow for operating activities and cash flow for investing activities

2. Results of Operations

(1) *Analysis on consolidated income statements*

Gross Profit

Gross profit for the three month period ended June 30, 2008 was ¥275.0 billion, an increase of ¥38.6 billion, or 16.3%, from ¥236.4 billion for the corresponding three month period of the previous year as a result of the following:

The Energy Segment reported an increase of ¥25.2 billion in gross profit. This increase is attributable to solid performance by the oil & gas producing businesses and Mitsui Coal Holdings Pty. Ltd. (Australia), reflecting continued run-up in mineral resource prices and additional energy equity production.

The Mineral & Metal Resources Segment also reported an increase of ¥20.0 billion in gross profit. Reflecting higher iron ore prices Mitsui Iron Ore Development Pty. Ltd. (Australia) reported an increase of ¥16.5 billion.

Automotive and other machinery businesses; and basic materials such as steel products and chemical products continued to show good performance carrying over last year s positive trend into this fiscal year.

The Consumer Service & IT Segment reported a decrease in gross profit due to write downs on inventories in the domestic residential home business as well as a slowdown in other business areas.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the three month period ended June 30, 2008 were ¥150.7 billion, an increase of ¥3.7 billion, from ¥147.0 billion for the corresponding three month period of the previous year. The table below provides selling, general and administrative expenses by operating segment.

Billion of Yen

Operating Segment	Iron & Steel Products	Mineral & Metal Resources	Machinery & Infrastructure Projects	Chemical	Energy	Foods & Retail	Consumer Service & IT	Logistics & Financial Markets
Three month period ended June 30, 2008	9.1	3.6	20.8	13.5	11.1	15.8	24.5	8.4
Three month period ended June 30, 2007	8.5	4.2	19.3	14.9	10.9	16.7	24.3	7.8
Change(*)	0.6	p0.6	1.5	p1.4	0.2	p0.9	0.2	0.6

Operating Segment	Americas	Europe, the Middle East and Africa	Asia Pacific	Total	All other	Adjustments and Eliminations	Consolidated Total
Three month period ended June 30, 2008	17.9	6.3	6.4	137.4	1.4	11.9	150.7
Three month period ended June 30, 2007	17.1	5.8	5.9	135.4	1.8	9.8	147.0
Change(*)	0.8	0.5	0.5	2.0	p0.4	2.1	3.7

(*) p : Decrease in selling, general and administrative expenses

The table below provides a breakdown of selling, general and administrative expenses used for our internal review.

Billion of Yen

	Personnel	Welfare	Travel	Entertainment	Communication	Others	Total
Three month period ended June 30, 2008	74.4	3.3	8.9	2.6	12.2	49.3	150.7
Three month period ended June 30, 2007	73.6	3.1	8.5	2.7	10.9	48.2	147.0
Change(*)	0.8	0.2	0.4	p0.1	1.3	1.1	3.7

(*) p : Decrease in selling, general and administrative expenses

Provision for Doubtful Receivables

Provision for doubtful receivables for the three month period ended June 30, 2008 was ¥1.0 billion, a decrease of ¥0.5 billion, from ¥1.5 billion for the corresponding three month period of the previous year. Provisions for both periods consisted of individually small ones.

Interest Expense, Net of Interest Income

Interest expense, net of interest income for the three month period ended June 30, 2008 was ¥9.0 billion, a decrease of ¥1.1 billion from ¥10.1 billion for the corresponding three month period of the previous year. Mitsui recorded a ¥1.1 billion increase reflecting higher Japanese Yen interest rates.

On the other hand, overseas subsidiaries reported a decrease in total due to lower U.S. Dollar interest rates.

The following table sets forth the periodic average of 3 month Libor of Japanese Yen and U.S. Dollar for the three month periods ended June 30, 2008 and 2007.

Periodic average of 3 month Libor (%p.a.)

	3 month Period Ended June 30, 2008	2007
Japanese Yen	0.92	0.71
U.S. Dollar	2.77	5.36

Dividend Income

Dividend income for the three month period ended June 30, 2008 was ¥24.6 billion, an increase of ¥6.6 billion from ¥18.0 billion for the corresponding three month period of the previous year.

Dividends from LNG projects in Abu Dhabi, Qatar and Oman were ¥11.9 billion, an increase of ¥6.0 billion over for the corresponding three month period of the previous year. Also, we received a dividend of ¥1.1billion from an LNG project in Equatorial Guinea.

Gain on Sales of Securities

Gain on sales of securities for the three month period ended June 30, 2008 was ¥6.4 billion, a substantial decrease of ¥37.6 billion from ¥44.0 billion for the corresponding three month period of the previous year. While there were no major divestitures for the three month period ended June 30, 2008, the Group posted substantial gains for the corresponding three month period of the previous year as a result of several large scale divestitures such as the sale of a part of its stake in the Sakhalin II project and its whole stake in EBM in Brazil.

Loss on Write-Down of Securities

Loss on write-downs of securities for the three month periods ended June 30, 2008 was ¥10.6 billion, an increase of ¥9.8 billion from ¥0.8 billion for the corresponding three month period of the previous year. Major loss for the three month period ended June 30, 2008 was impairment loss on listed shares in Mitsui Chemicals, Inc. (Japan) while the loss for the corresponding three month period of the previous year consisted of miscellaneous small losses.

Gain on Disposal or Sales of Property and Equipment Net

Gain on disposal or sales of property and equipment net for the three month period ended June 30, 2008 was ¥2.2 billion, an increase of ¥2.1 billion from ¥0.1 billion for the corresponding three month period of the previous year. Major gain for the three month period ended June 30, 2008 was related to the sale of an office building previously held by Mitsui & Co. France S.A.

Impairment Loss of Long-Lived Assets

Impairment loss of long-lived assets for the three month period ended June 30, 2008 was ¥0.5 billion, an increase of ¥0.5 billion from ¥0 billion for the corresponding three month period of the previous year.

Other Expense Net

Other expense net for the three month period ended June 30, 2008 was ¥11.2 billion, an increase of ¥10.3 billion, from ¥0.9 billion for the corresponding three month period of the previous year. The major expenses for the three month period ended June 30, 2008 were foreign exchange losses and exploration expenses in the oil & gas business. Other expenses for the corresponding three month period of the previous year consisted of miscellaneous small items.

Minority Interests in Earnings of Subsidiaries

Minority interests in earnings of subsidiaries for the three month period ended June 30, 2008 was ¥13.6 billion, an increase of ¥3.6 billion from ¥10.0 billion for the corresponding three month period of the previous year. Major factors of the increase are related to the increase in minority interest at Novus International, Inc. (United States) and Japan Collahuasi Resources B.V. (Netherlands), an investment vehicle of Compania Minera Dona Ines de Collahuasi SCM (Chile), a copper mining company.

Equity in Earnings of Associated Companies Net

Equity in earnings of associated companies net (after income tax effect) for the three month period ended June 30, 2008 was ¥44.6 billion, an increase of ¥8.1 billion from ¥36.5 billion for the corresponding three month period of the previous year as a result of followings:

Increase in earnings at Robe River Mining Company (Australia) reflecting an increase in iron ore prices.

Increase in earnings at Compania Minera Dona Ines de Collahuasi SCM (Chile), reflecting an increase in copper prices and additional production.

Reversal effect of IPM Eagle LLP (United Kingdom) which recorded a mark-to-market evaluation loss on long-term swap agreement at their overseas power generating operation for the corresponding three month period of the previous year.

Valepar S.A. (Brazil) posted a decrease, reflecting a reduction in earnings at Companhia Vale do Rio Doce (Vale) mainly due to a drop in nickel price as well as appreciation of Brazilian Real against U.S. Dollar. Impact of the settlement of iron ore contract price negotiation for the current fiscal year is not substantially reflected in the three month period ended June 30, 2008 due to a three-month time lag in consolidating its earnings into our operating results.

Income from Discontinued Operations Net

Income from discontinued operations net (after income tax effect) for the three month period ended June 30, 2008 was nil, a decrease from ¥59.9 billion for the corresponding three month period of the previous year. Major discontinued operations for the corresponding three month period of the previous year were Sesa Goa Limited (India) of the Mineral & Metal Resources Segment and Tombo Aviation, Inc. of Machinery & Infrastructure Projects Segment.

(2) ***Operating Results by Operating Segment***

Based on the reorganization effective April 1, 2008, the following subsidiaries previously included in the Machinery & Infrastructure Projects and the Chemical segments were transferred to the Americas segment. The operating segment information for the three month period ended June 30, 2007 has been restated to conform to the current year presentation.

From the Machinery & Infrastructure Projects segment :

Mitsui Automotoriz S.A. (Peru), Road Machinery LLC (United States), Ellison Technologies Inc.(United States)

From the Chemical Segment :

Novus International, Inc.(*1), Fertilizantes Mitsui S.A. Industria e Comercio (Brazil)

(*1) Novus International, Inc. was transferred in the 4th quarter of the fiscal year ended March 31, 2008.

Iron & Steel Products Segment

Gross profit for the three month period ended June 30, 2008 was ¥17.7 billion, an increase of ¥2.0 billion from ¥15.7 billion for the corresponding three month period of the previous year. Supported by continued favorable demand, foreign trading transactions, including those of Regency Steel Asia Pte Ltd. (Singapore) to Asian markets, of various products such as steel sheets and plates for automobiles and shipbuilding, steel tubular products and line pipes for oil and gas development recorded solid performance. Furthermore, domestic sales of steel products were robust under tight market condition and contributed to the increase in earnings as well.
Operating income for the three month period ended June 30, 2008 was ¥ 9.0 billion, an increase of ¥1.9 billion from ¥7.1 billion for the corresponding three month period of the previous year reflecting the increase in gross profit.

Equity in earnings of associated companies for the three month period ended June 30, 2008 was ¥0.9 billion, a decrease of ¥0.3 billion from ¥1.2 billion for the corresponding three month period of the previous year. Net income for the three month period ended June 30, 2008 was ¥5.8 billion, a ¥0.1 billion decrease from ¥5.9 billion for the corresponding three month period of the previous year.

Mineral & Metal Resources Segment

Gross profit for the three month period ended June 30, 2008 was ¥41.0 billion, an increase of ¥20.0 billion from ¥21.0 billion for the corresponding three month period of the previous year.

The main factor contributing to the increase was the price increase at iron ore mining operations. Reflecting tight supply and demand balance in Asia, especially in China and India, iron ore prices for the year ending March 31, 2009 increased substantially from the year ended March 31, 2008. Following the settlement of Brazilian iron ore fines with increases by 65~71% in February 2008, Australian iron ore lump and fines prices were settled with an increase by 96.5% and 79.9% respectively between June and July 2008. FOB prices of Brazilian iron ore and Australian iron ore had been the same level as a customary practice in this industry up to the year ended March 31, 2008. However, Australian iron ore producers insisted that different price be applied, reflecting ocean freight difference between Australia and Brazil to major steel making countries, China and Japan. Consequently increase in gross profit recorded by Mitsui Iron Ore Development (Australia) was ¥16.5 billion. Part of the price increase achieved is not reflected into the operating results for the three month period ended June 30, 2008, because the final settlement of the price negotiation was delayed until July.

Furthermore, increases in prices of other mineral and metal resources such as iron and steel scrap, ferrous alloy reflecting tight market conditions also contributed to increase in gross profit.

Operating income for the three month period ended June 30, 2008 was ¥ 37.7 billion, an increase of ¥21.0 billion from ¥16.7 billion for the corresponding three month period of the previous year, reflecting increase in gross profit.

Equity in earnings of associated companies for the three month period ended June 30, 2008 was ¥20.3 billion, an increase of ¥6.3 billion from ¥14.0 billion for the corresponding three month period of the previous year. Major factors were as follows:

Earnings at Robe River Mining Company (Australia) were ¥6.5 billion, an increase by ¥4.2 billion from ¥2.3 billion for the corresponding three month period of the previous year reflecting increase in the iron ore prices.

Compania Minera Dona Ines de Collahuasi SCM (Chile) recorded earnings of ¥6.6 billion, an increase by ¥3.9 billion from the corresponding three month period of the previous year supported by firm copper price and increased production.

Valepar S.A. (Brazil) posted a decrease of ¥2.0 billion, reflecting a reduction in earnings at Vale mainly due to a drop in nickel prices as well as the appreciation of Brazilian Real against U.S. Dollar. Most of the upwardly revised iron ore contract prices have not been reflected into the earnings for the three month period ended June 30, 2008 due to a lag in consolidating its earnings into our operating results.

Net income for the three month period ended June 30, 2008 was ¥36.4 billion, a large decrease of ¥48.4 billion from ¥84.8 billion for the corresponding three month period of the previous year. Increase in operating income and equity in earnings were offset by a significant rebound effect from gains from divestitures for the three month period ended June 30, 2007 of a ¥93.9 billion on the sale of its whole stake in Sesa Goa Limited(*1) and a ¥12.4 billion gain on the sale of shares in EBM, a Brazilian iron ore company.

(*1) In this Operating Results by Operating Segment , operating results of Sesa Goa have been included in and presented as continuing operation. In the consolidated statement of income, net income of Sesa Goa for the corresponding three month period of the previous year is presented as income from discontinued operations (after income tax effect).

Machinery & Infrastructure Projects Segment

Gross profit for the three month period ended June 30, 2008 was ¥28.2 billion, an increase of ¥0.8 billion from ¥27.4 billion for the corresponding three month period of the previous year.

Overseas automotive-related and construction machinery subsidiaries continued to show steady performance, particularly a motorcycle retail finance company P.T. Bussan Auto Finance (Indonesia) as well as subsidiaries in Russia and other regions all reporting higher gross profit.

Reflecting strong demand, ocean vessels and marine project businesses showed overall strong performance through marketing commercial vessels, trading in used vessels, operating and chartering vessels, and owning or leasing special energy-related vessels.

In infrastructure projects business fields, plant business recorded a downturn in gross profit. Operations of rolling stock leasing subsidiaries in Europe and Americas also reported declines in gross profit.

Operating income for the three month period ended June 30, 2008 was ¥ 6.0 billion, a decrease of ¥1.0 billion from ¥7.0 billion for the corresponding three month period of the previous year. The decrease is primarily attributable to the decrease in gross profit and an increase in selling, general and administrative expenses in infrastructure projects business field. Operating income of automotive and marine business related subsidiaries increased in general, partially offset by an increase in selling, general and administrative expenses.

Equity in earnings of associated companies for the three month period ended June 30, 2008 was ¥9.7 billion, an increase of ¥4.5 billion from ¥5.2 billion for the corresponding three month period of the previous year. Overseas power producing businesses such as IPM Eagle LLP and P.T. Paiton Energy (Indonesia) reported equity in earnings of ¥4.2 billion in total, an increase of ¥3.4 billion from ¥0.8 billion earnings for the corresponding three month period of the previous year. The major factor of this increase is reversal effect (rebound effect) of IPM Eagle LLP which recorded a mark-to-market evaluation loss on long-term swap agreement at their Australian power generating operations for the corresponding three month period of the previous year.

Net income for the three month period ended June 30, 2008 was ¥15.9 billion, an increase of ¥2.3 billion from ¥13.6 billion for the corresponding three month period of the previous year. In addition to the above-mentioned factors, this segment recorded a gain of ¥5.5 billion (*1) on the sale of leased aircraft for the corresponding three month period of the previous year.

(*1) In this Operating Results by Operating Segment , the gain on the sale of aircraft has been included in and presented as continuing operation. In the consolidated statement of income, the gain on the sale for the corresponding three month period of the previous year is presented as income from discontinued operations (after income tax effect).

Chemical Segment

Gross profit was ¥27.5 billion, an increase of ¥0.5 billion from ¥27.0 billion for the corresponding three month period of the previous year. The principal developments in this segment were as follows:

Basic petrochemicals fields ranging from basic materials to mid-stream intermediate products recorded a slight decline in total. While P.T. Kaltim Pasifik Amoniak (Indonesia), a joint venture manufacturing and marketing company of ammonia recorded an increase in gross profit due to higher price and an increase in sales volume, business of aromatics such as xylene recorded a decrease in gross profit due to a sharp decrease in margins following a rapid cost increase of raw material naphtha.

Supported by a globally strong demand for agriculture products, businesses of crop protection chemicals and fertilizer as well as sulphur and sulfuric acid, raw materials of fertilizer, remained robust.

Operating income for the three month period ended June 30, 2008 was ¥13.5 billion, an increase of ¥1.0 billion from ¥12.5 billion for the corresponding three month period of the previous year, reflecting increase in gross profit.

Equity in earnings of associated companies for the three month period ended June 30, 2008 was ¥2.3 billion, an increase of ¥0.4billion from ¥1.9 billion for the corresponding three month period of the previous year, mainly due to the contribution of International Methanol Company (Saudi Arabia), a joint venture methanol manufacturing company.

Net income for the three month period ended June 30, 2008 was ¥1.5 billion, a decrease of ¥5.6 billion from ¥7.1 billion for the corresponding three month period of the previous year, despite a small improvement as above. This segment recorded a ¥8.1 billion impairment loss on shares of Mitsui Chemicals, Inc.

Energy Segment

Japan Crude Cocktail (JCC) continued to rise since April 2007, reflecting strong demand and an influx of speculative money into the future markets and reached US$121.83 (preliminary figure) per barrel in June 2008.

The JCC price, which has been reflected in revenues of the Mitsui s oil and gas producing subsidiaries and associated companies, was US$94 per barrel in average for the three month period ended June 30, 2008 compared to US$60 per barrel for the corresponding three month period of the previous year.

Gross profit for the three month period ended June 30, 2008 was ¥75.0 billion, an increase of ¥25.2 billion from ¥49.8 billion for the corresponding three month period of the previous year primarily due to the following:

There were contributions of ¥9.1 billion by Mitsui E&P Australia Pty Ltd (Australia) due to the start-up of oil production at Tui oil field in New Zealand in July 2007 as well as higher oil prices. Likewise, due to increased productions as well as higher oil prices Mitsui Oil Exploration Co., Ltd.(Japan) and MitEnergy Upstream LLC (United States) reported increases of ¥4.8 billion and ¥2.9 billion respectively. On the other hand, Mittwell Energy Resources Pty., Ltd. posted a decrease of ¥4.3 billion in gross profit due to lack of shipment during the three month period ended June 30, 2008.

The price for representative Australian premium hard coking coal for the year ending March 31, 2009 is quoted as US$300 per ton FOB, which is approximately tripled compared to the price for the year ended March 31, 2008. At the same time thermal coal prices are around doubled.

For the three month period ended June 30, 2008, gross profit at Mitsui Coal Holdings Pty. Ltd. (Australia) increased by ¥13.4 billion, reflecting higher coal price. Its coal production for the three month period ended June 30, 2008 increased slightly over the corresponding three month period of the previous year.

Operating income for the three month period ended June 30, 2008 was ¥ 63.6 billion, an increase of ¥24.8 billion from ¥38.8 billion for the corresponding three month period of the previous year.

Equity in earnings of associated companies for the three month period ended June 30, 2008 was ¥10.0 billion, a slight decrease of ¥0.3 billion from ¥10.3 billion for the corresponding three month period of the previous year.

Net income for the three month period ended June 30, 2008 was ¥30.6 billion, a decrease of ¥15.1 billion from ¥45.7 billion for the corresponding three month period of the previous year. Besides the above-mentioned developments, there were following factors:

In April 2007, this segment sold 50% of its stake in Sakhalin Energy Investment Company Ltd. (Bermuda) and recorded the relevant gains on sale of the shares.

Dividends from LNG projects in Abu Dhabi, Qatar, Oman and Equatorial Guinea were ¥13.0 billion, an increase of ¥7.1 billion over the corresponding three month period of the previous year.

Other expense increased by ¥7.9 billion due mainly to additional exploration.

Increased dividends from the segment s overseas subsidiaries resulted in increase in Japanese income tax expense. In addition, Petroleum Resource Rent tax in Australia increased at Mitsui E&P Australia Pty Limited.

Foods & Retail Segment

Gross profit for the three month period ended June 30, 2008 was ¥19.7 billion, a decrease of ¥0.8 billion from ¥20.5 billion for the corresponding three month period of the previous year. Under business circumstances where inflation of raw material costs, food raw material business transactions showed firm performance, however, this segment continues to face severe conditions in terms of profitability, particularly for food raw material manufacturing subsidiaries. In addition, the segment has been taking various cost reduction initiatives in the domestic food distribution and retail operations.

Operating income for the three month period ended June 30, 2008 was ¥4.0 billion, no variance from ¥4.0 billion for the corresponding three month period of the previous year. MITSUI FOODS CO., LTD. (Japan) and Mitsui Norin Co., Ltd. (Japan) succeeded in decreasing general, selling and administrative expenses. As a result, their operating income showed small improvement and remained at the same level respectively.

Equity in earnings of associated companies for the three month period ended June 30, 2008 was ¥0.7 billion, a ¥0.4 billion increase from ¥0.3 billion for the corresponding three month period of the previous year.

Reflecting these developments, net income for the three month period ended June 30, 2008 was ¥3.2 billion, which is the same as that of the corresponding three month period of the previous year.

Consumer Service & IT Segment

Gross profit for the three month period ended June 30, 2008 was ¥19.8 billion, a decrease of ¥8.2 billion from ¥28.0 billion for the corresponding three month period of the previous year. Consumer Service recorded a decrease of ¥5.7 billion due to loss on write down on inventories and reduced sales in the domestic residential home business. In addition, Media related businesses recorded a ¥1.2 billion decreases due to divestiture of cable television business.

For the three month period ended June 30, 2008, this segment recorded a ¥5.2 billion operating loss, a decrease of ¥9.1 billion from operating income of ¥3.9 billion for the corresponding three month period of the previous year.

Equity in earnings of associated companies for the three month period ended June 30, 2008 was ¥0.8 billion, a decrease of ¥1.2 billion from ¥2.0 billion for the corresponding three month period of the previous year.

Net loss for the three month period ended June 30, 2008 was ¥2.1 billion, a decrease of ¥9.8 billion from ¥7.7 billion for the corresponding three month period of the previous year. Other than the above-mentioned factors Gain on sales of securities decreased as follows:

For the corresponding three month period of the previous year, in conjunction with the merger of Mitsui Knowledge Industry Co., Ltd. (Japan) and NextCom K.K., this segment recorded a gain from the exchange of shares of these subsidiaries, and recorded gain on sales of shares including those in Jupiter Telecommunications Co., Ltd. For the three month period ended June 30, 2008, gains on sales of shares decreased as a reversal effect.

Logistics & Financial Markets Segment

Gross profit was ¥14.3 billion, an increase of ¥2.2 billion from ¥12.1 billion for the corresponding three month period of the previous year. Commodity trading activities remained robust under as the commodity market continued to be volatile.

Reflecting the increase in gross profit, operating income for the three month period ended June 30, 2008 was ¥5.9 billion, an increase of ¥ 1.5 billion from ¥4.4 billion for the corresponding three month period of the previous year.

Equity in earnings of associated companies for the three month period ended June 30, 2008 was a loss of ¥1.6 billion, a ¥1.8 billion decrease from ¥0.2 billion for the corresponding three month period of the previous year. This segment recorded equity in loss from investment in a partnership, NPF-Harmony (Japan), reflecting other than temporary decline in its fair value.

Accordingly, net income for the three month period ended June 30, 2008 was ¥2.9 billion, a decrease of ¥0.6 billion from ¥3.5 billion for the corresponding three month period of the previous year. Other factors included a gain from the exchange of shares in Mitsui Leasing & Development, Ltd. for JA Mitsui Leasing, Ltd.

Americas Segment

Gross profit for the three month period ended June 30, 2008 was ¥19.2 billion, a decrease of ¥3.2 billion from ¥22.4 billion for the corresponding three month period of the previous year. Oil products trading subsidiary Westport Petroleum, Inc. (United States) recorded a significant decrease of ¥12.9 billion due to evaluation losses on derivative contracts(*1). On the other hand, Novus International Inc. recorded an increase of ¥7.6 billion in gross profit for the three month period ended June 30, 2008 reflecting higher product prices as well as increase in sales volume supported by a strong demand of animal feed additives. Also, Steel Technologies, Inc. (United States), which was acquired in June 2007, contributed to the increase in gross profit by ¥2.6 billion.

Operating income for the three month period ended June 30, 2008 was ¥1.2 billion, a decrease of ¥3.8 billion from ¥5.0 billion for the corresponding three month period of the previous year. Selling, general and administrative expenses at Mitsui & Co. (U.S.A.), Inc. and its subsidiaries increased.

Equity in earnings of associated companies for the three month period ended June 30, 2008 was ¥1.2 billion, a ¥0.1 billion decrease from ¥1.3 billion for the corresponding three month period of the previous year.

Net income for the three month period ended June 30, 2008 was ¥2.1 billion, a decrease of ¥0.6 billion from ¥2.7 billion for the corresponding three month period of the previous year. In addition to above factors, interest expenses, net of interest income, decreased by ¥1.2 billion at Mitsui & Co. (U.S.A.), Inc. and its subsidiaries resulting from a decline in U.S. Dollar interest rates.

(*1) Besides mark-to-market evaluation losses on derivative contracts, Westport Petroleum, Inc. maintained inventories which involved unrealized holding gains.

Europe, the Middle East and Africa Segment

Gross profit for the three month period ended June 30, 2008 was ¥4.0 billion, a decrease of ¥1.7 billion from ¥5.7 billion for the corresponding three month period of the previous year, reflecting a decrease in gross profit of energy business.

This segment recorded a ¥2.4 billion operating loss for the three month period ended June 30, 2008, a ¥2.2 billion decline from ¥0.2 billion loss for the corresponding three month period of the previous year, reflecting an increase mainly in personnel expenses.

Net income for the three month period ended June 30, 2008 was ¥0.4 billion, a decrease of ¥0.4 billion from ¥0.8 billion for the corresponding three month period of the previous year. The above mentioned decrease in operating profit was partly offset by a gain of ¥1.8 billion from sale of office building previously held by Mitsui & Co. France S.A.S.

Asia Pacific Segment

Gross profit for the three month period ended June 30, 2008 was ¥7.7 billion, a slight decrease of ¥0.2 billion from ¥7.9 billion for the corresponding three month period of the previous year.

Operating income for the three month period ended June 30, 2008 was ¥1.5 billion, a decrease of ¥0.5 billion from ¥2.0 billion for the corresponding three month period of the previous year, reflecting increases mainly in personnel expenses.

Net income for the three month period ended June 30, 2008 was ¥11.8 billion, an increase of ¥6.6 billion from ¥5.2 billion for the corresponding three month period of the previous year. The main factor of the increase in net income is attributable to the segment s minority interest in Mitsui Iron Ore Development Pty. Ltd. (Australia) and Mitsui Coal Holdings Pty. Ltd. (Australia).

3. Financial Condition and Cash Flows