

**For Immediate Release**

**Mitsubishi Corporation Announces Consolidated Financial Results  
for the Third Quarter Ended December 31, 2007  
(Based on US GAAP)**

TOKYO, January 31, 2008.....Mitsubishi Corporation announced today its consolidated results, using accounting principles generally accepted in the United States, for the third quarter ended December 31, 2007.

**[Qualitative Information and Financial Position]**

**1. Qualitative Information Concerning Consolidated Operating Results**

**(1) Summary of Fiscal 2008 Third-quarter Results (April 1, 2007 to December 31, 2007)**

Consolidated operating transactions for the nine months ended December 31, 2007 rose 1,826.3 billion yen, or 11.9%, to 17,129.7 billion yen due to factors such as higher machinery- and metals-related transactions. Gross profit rose 34.0 billion yen, or 4.0%, to 887.5 billion yen. Although earnings were partly affected by a lower sales price in Australian coal operations, the higher gross profit mainly reflected continued strong transactions in non-resource segments and new consolidations.

Selling, general and administrative expenses rose 63.1 billion yen, or 11.6%, to 607.9 billion yen, mainly due to new consolidations as well as higher personnel expenses in line with business expansion.

Consequently, operating income declined 28.4 billion yen, or 9.3%, to 278.2 billion yen.

In other income-net, although there was an improvement in foreign currency transaction gains and losses, there was a decline in gain on marketable securities and investments-net due to the absence of the gain on sale of Diamond City Co., Ltd. shares recorded in the previous fiscal year.

As a result, income from consolidated operations before income taxes decreased 48.7 billion yen, or 10.3%, to 424.4 billion yen.

Net equity in earnings of affiliated companies rose 2.8 billion yen, or 2.7%, to 107.3 billion yen due to new consolidations in the overseas IPP business and other factors.

As a result of the above, net income declined 3.7 billion yen, or 1.1%, year on year to 345.6 billion yen. This result represented an achievement rate of 80.4% relative to the full-year forecast of 430.0 billion yen.

**(2) Segment Information**

**1) Business Innovation Group**

The group recorded a net loss of 0.9 billion yen, down 1.7 billion yen from net income in the same period of the previous fiscal year. While the conversion of an affiliated temporary staffing company into a subsidiary and healthy transactions at IT-related subsidiaries had a beneficial impact on earnings, the overall bottom-line result reflected the absence of gains on share sales recorded in the same period of fiscal 2007 and other factors.

## 2) Industrial Finance, Logistics & Development Group

This group recorded net income of 10.3 billion yen, down 17.3 billion yen year on year, mainly due to the absence of the gain on sale of Diamond City shares in fiscal 2007. The main factors contributing to segment net income, however, were gains on the sale of developed real estate and higher REIT-related earnings, as well as a strong overall performance in the logistics business.

## 3) Energy Business Group

The Energy Business Group returned net income of 60.8 billion yen, 8.2 billion yen higher year on year. This mainly reflected higher gross profit at an overseas resource-related subsidiary due to rising oil prices, a gain on the sale of part of Mitsubishi Corporation's equity interest in the Sakhalin II Project, and the recording of some foreign tax credits on overseas dividends in advance.

## 4) Metals Group

The Metals Group posted net income of 128.3 billion yen, a decrease of 19.7 billion yen from the same period in fiscal 2007. This result is mainly because of a decline in net income of an Australian coal subsidiary due to a lower coking coal selling price. However, the overall decline in net income was limited by higher earnings at companies involved with other metal resources such as iron ore and ferrochrome.

## 5) Machinery Group

This group posted net income of 52.7 billion yen, 7.4 billion yen more than in the corresponding period of the previous fiscal year. The major contributors to this higher net income were new consolidations in the overseas IPP business, recovery in the auto market in Asia and the beneficial impact of foreign exchange rate movements. Limiting an even higher increase was the absence of gains on the sales of shares recorded in fiscal 2007.

## 6) Chemicals Group

This group recorded net income of 28.0 billion yen, 8.6 billion yen more than in the first nine months of fiscal 2007. The main reasons for the higher earnings were tax benefits from a higher equity interest in a petrochemical business-related company, an increase in equity-method earnings and strong transactions at an overseas subsidiary.

## 7) Living Essentials Group

The group posted net income of 40.9 billion yen, 4.9 billion yen higher year on year, the result of strong performances in food-related businesses, including the effect of making some affiliated companies subsidiaries, and the effect of applying the equity method of accounting to a general merchandise-related company. The higher earnings were despite the absence of gains on sales of shares recorded in fiscal 2007.

## **2. Qualitative Information Concerning Consolidated Financial Position**

Total assets as of December 31, 2007 were 12,359.0 billion yen, up 873.4 billion yen from March 31, 2007. Receivables-trade increased due to robust business activities, and business expansion resulting from new investments also led to increases in receivables-trade as well as property and equipment-net.

Total liabilities were 8,953.7 billion yen, up 736.0 billion yen from March 31, 2007, the result mainly of an increase in borrowing at the parent company and overseas subsidiaries to ensure sufficient liquidity to meet demand for funds for working capital and new investments, and of higher payables-trade, which tracked the rise in trade receivables.

Interest-bearing liabilities-net, which are interest-bearing liabilities-gross minus cash and cash equivalents, rose 383.0 billion yen to 3,429.3 billion yen. The net debt-to-equity ratio, which is net interest-bearing liabilities divided by total shareholders' equity at period-end, was 1.1.

Total shareholders' equity increased 106.7 billion yen from March 31, 2007 to 3,057.7 billion yen. The result is mainly because of the net income of 345.6 billion yen thanks to a strong performance. On the other hand, a 150.1 billion yen acquisition of the Company's own shares and the payment of dividends of 89.9 billion yen reduced shareholders' equity.

### **Forward-Looking Statements**

The statements included in this release contain forward-looking statements about Mitsubishi Corporation's future plans, strategies, beliefs and performance that are not historical facts. Such statements are based on the company's assumptions and beliefs in light of competitive, financial and economic data currently available and are subject to a number of risks, uncertainties and assumptions that, without limitation, relate to world economic conditions, exchange rates and commodity prices. Accordingly, Mitsubishi Corporation wishes to caution readers that actual results may differ materially from those projected in this release.