

5) Machinery Group

This group posted net income of 26.3 billion yen, down 27.5 billion yen year on year. While ship charter income increased, the overall decrease in earnings was attributable to impairment losses on property and equipment and share write-downs, lower sales in overseas automobile operations, foreign currency effects, and decreased equity in earnings due to the sale of a European automobile-related company and lower earnings in overseas IPP businesses.

6) Chemicals Group

This group recorded net income of 26.2 billion yen, down 1.7 billion yen year on year. Although there was an increase in earnings from commodity chemical transactions at the parent company, the overall decrease in earnings reflected the absence of tax benefits from a higher equity interest in a petrochemical business-related company received in the same period of the previous fiscal year.

7) Living Essentials Group

This business group posted net income of 31.1 billion yen, 9.8 billion yen lower year on year, despite increased gross profit from making subsidiaries out of foodstuffs-related companies. The year-on-year decrease in net income was mainly due to write-downs of listed shares and the absence of gains on sales of shares recorded in the same period of the previous fiscal year.

2. Qualitative Information Concerning Consolidated Financial Position

(1) Changes in Assets, Liabilities and Shareholders' Equity

Total assets at December 31, 2008 were 12,135.0 billion yen, up 384.6 billion yen from March 31, 2008. One reason for this was an increase in cash and deposits as Mitsubishi Corporation secured liquidity to ensure it could weather turmoil in financial markets and to fund new investments. Another reason was additional investments in affiliated companies through subscription to private placements of shares to increase their capital. The overall increase in total assets was despite a decrease in unrealized gains on listed shares at the parent company and other entities.

Total liabilities were 9,354.4 billion yen, up 812.0 billion yen from March 31, 2008. This reflected an increase in interest-bearing liabilities as Mitsubishi Corporation procured funds to ensure it was prepared for turmoil in financial markets and due to

demand for funds to meet working capital requirements and for other uses.

Interest-bearing liabilities (net), which are interest-bearing liabilities (gross) minus cash and cash equivalents, rose 450.5 billion yen to 3,872.4 billion yen from March 31, 2008. The net debt-to-equity ratio, which is net interest-bearing liabilities divided by total shareholders' equity, was 1.6.

Total shareholders' equity decreased 407.1 billion yen to 2,466.4 billion yen from March 31, 2008, despite the net income result. The decrease was due principally to a decline in net unrealized gains on marketable securities available for sale resulting from a decrease in unrealized gains on listed shareholdings, as well as to a decrease in foreign currency translation adjustments because of the yen's appreciation.

(2) Cash Flows

Cash and cash equivalents at December 31, 2008 were 1,290.3 billion yen, up 540.2 billion yen, or 72.0%, from March 31, 2008.

(Operating activities)

Net cash provided by operating activities for the first nine months of fiscal 2009 was 155.6 billion yen. This was due to increased cash flows from transactions at resource-related subsidiaries and firm growth in dividend income from business investments, mainly resource-related companies, exceeding increased working capital requirements.

(Investing activities)

Net cash used in investing activities for the first nine months of fiscal 2009 was 463.4 billion yen. In addition to cash used for the purchase of additional shares in Chiyoda Corporation and Mitsubishi UFJ Lease & Finance Company Limited via subscription to private placements to boost their capital, cash was used for the acquisition of new working interests in a coking coal project by an overseas resource-related subsidiary.

As a result of the above, free cash flow, the sum of operating and investing cash flows, was a negative 307.8 billion yen.

(Financing activities)

Net cash provided by financing activities for the first nine months of fiscal 2009 was

922.8 billion yen. One of the main uses of cash was for the payment of dividends at the parent company. The net cash inflow, however, reflected fund procurement to meet demand for funds due to increased new investments and working capital requirements and to insulate Mitsubishi Corporation from financial market instability.

3. Qualitative Information Concerning Consolidated Forecasts for Fiscal 2009

MC has lowered its fiscal 2009 forecasts, reflecting the effects of the unfolding global financial crisis, falling commodity prices, the yen's appreciation and other factors.

< Consolidated > (Billion Yen)

	FY09 (Revised Forecasts)	FY09 (Previous Forecasts)	Increase or decrease	FY08 (Actual)
Operating transactions	23,000	25,000	-2,000	23,103.0
Net income	420.0	520.0	-100.0	470.9

< Non-Consolidated >

	FY09 (Revised Forecasts)	FY09 (Previous Forecasts)	Increase or decrease	FY08 (Actual)
Operating transactions	11,600	11,600	-	10,832.9
Net income	150.0	210.0	-60.0	235.3

Note:

Earnings forecasts and other forward-looking statements in this release are management's current views and beliefs in accordance with data currently available, and are subject to a number of risks, uncertainties and other factors that may cause actual results to differ materially from those projected.

4. Other

(1) Changes in Significant Subsidiaries During the Period (Changes in Significant Subsidiaries Causing Changes in Scope of Consolidation)

ARSH, INC., formerly a consolidated subsidiary, became a non-consolidated subsidiary due to a decline in significance within the scope of consolidation.

(2) Application of Simplified Accounting Treatment and Special Accounting