

MITSUBISHI CORPORATION AND SUBSIDIARIES

CONSOLIDATED FINANCIAL RESULTS FOR THE THREE MONTHS ENDED JUNE 30, 2005

(UNAUDITED)

Based on US GAAP

Mitsubishi Corporation

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For Immediate Release

**Mitsubishi Corporation Announces Consolidated Financial Results
for the First Quarter Ended June 30, 2005
(Based on US GAAP)**

TOKYO, July 29, 2005.....Mitsubishi Corporation announced today its consolidated results, using accounting principles generally accepted in the United States, for the first quarter ended June 30, 2005.

Outline of Consolidated Results (April 1, 2005 to June 30, 2005)

Operating transactions for the three months ended June 30, 2005 rose 300.5 billion yen, or 7.5%, to 4,328.8 billion yen due to factors such as steady transaction growth at Metal One Corporation. Gross profit also increased, rising 36.0 billion yen, or 18.5%, to 230.6 billion yen due to continuing favorable market conditions for steel products and petroleum-related activities, improved profitability in a coking coal business and the consolidation of a food-related subsidiary.

Selling, general and administrative expenses rose due to factors such as the inclusion of newly consolidated subsidiaries. However, this increase was outweighed by the increase in gross profit, resulting in operating income of 66.4 billion yen, up 30.2 billion yen, or 83.4%, from the same period of the previous fiscal year.

In other income (expenses), gain on marketable securities and investments-net decreased from the corresponding period of the previous fiscal year when gains were recorded on the sale of shares. However, dividend income increased markedly year on year due mainly to higher dividends from investments related to energy and metal resources. In addition, other income-net increased due mainly to foreign currency-related gains.

Equity in earnings of affiliated companies-net rose 4.8 billion yen, or 25.4%, to 23.6 billion yen due in part to higher earnings at energy and metal resource-related companies.

As a result, net income increased 34.6 billion yen, or 80.9%, to 77.5 billion yen, representing an achievement rate of 27.7% relative to the full-year forecast of 280.0 billion yen.

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 historic 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.

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Mitsubishi Corporation and subsidiaries
FINANCIAL HIGHLIGHTS
For the three months ended June 30, 2005 (unaudited)
(Based on US GAAP)

1. Summary of consolidated results

(1) Consolidated results for the three months ended June 30, 2005

(Millions of Yen)

| | Operating transactions | Operating income | Income from consolidated operations before income taxes | Net income |
|----------------------------|------------------------|------------------|---|------------|
| For the three months ended | | | | |
| June 30, 2005 | 4,328,840 | 66,435 | 103,781 | 77,452 |
| June 30, 2004 | 4,028,331 | 36,220 | 60,720 | 42,820 |
| For the year ended | | | | |
| March 31, 2005 | 17,132,704 | 183,365 | 209,799 | 182,369 |

| | Net income per share | Net income per share (diluted basis) |
|----------------------------|----------------------|--------------------------------------|
| For the three months ended | Yen | Yen |
| June 30, 2005 | 49.47 | 45.70 |
| June 30, 2004 | 27.35 | 25.26 |
| For the year ended | | |
| March 31, 2005 | 116.49 | 107.58 |

(2) Assets and shareholders' equity

(Millions of Yen)

| | Total assets | Shareholder's equity | Ratio of shareholders' equity to total assets | Shareholders' equity per share |
|----------------|--------------|----------------------|---|--------------------------------|
| As of | | | | Yen |
| June 30, 2005 | 9,246,681 | 1,600,908 | 17.3% | 1,022.40 |
| June 30, 2004 | 8,408,435 | 1,248,203 | 14.8% | 797.27 |
| As of | | | | |
| March 31, 2005 | 9,149,938 | 1,504,454 | 16.4% | 960.85 |

2. Number of consolidated subsidiaries : 377

Number of affiliated companies accounted for by equity method : 173

- (1) The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.
- (2) Operating transactions and operating income, as presented above, are voluntary disclosures solely for the convenience of investors in Japan. Operating transactions represents the gross transaction volume or the aggregate nominal value of the sales contracts in which the companies act as principal and transactions in which the companies serve as agent. Operating transactions exclude the contract value of transactions in which the companies' role is limited to that of a broker. Operating income reflects the companies' (a) gross profit, (b) selling, general and administrative expenses, and (c) provision for doubtful receivables. Operating transactions and operating income, as presented above, are non-GAAP measure commonly used by similar Japanese trading companies and should not be construed as equivalent to, or a substitute or proxy for, revenues, or as an indicator of our operating performance, liquidity or cash flows generated by operating, investing or financing activities.
- (3) The outlook of operating transactions and net income for the year ending March 31, 2006 have not changed from the original outlook announced on April 28, 2005.
- (4) Certain restatements for the three months ended June 30, 2004 have been made in accordance with Accounting Principles Board Opinion No.18 "The Equity Method of Accounting for Investment in Common Stock."

Forward-looking Statements

This presentation contains 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 presentation.

Mitsubishi Corporation and subsidiaries
STATEMENTS OF CONSOLIDATED INCOME (US GAAP)
For the three months ended June 30, 2005 and 2004 (unaudited)

| | Millions of yen | | | |
|---|-------------------------------------|-------------------------------------|----------------------------|-------|
| | Three months ended June 30, 2005 | Three months ended June 30, 2004 | Increase or [-]decrease | % |
| Revenues: | | | | |
| Revenues from trading, manufacturing and other activities | 893,706 | 799,974 | 93,732 | 11.7 |
| Trading margins and commissions on trading transactions | 162,491 | 139,690 | 22,801 | 16.3 |
| Total revenues | 1,056,197 | 939,664 | 116,533 | 12.4 |
| Cost of revenues from trading, manufacturing and other activities | (825,602) | (745,021) | -80,581 | 10.8 |
| Gross profit | 230,595 | 194,643 | 35,952 | 18.5 |
| Expenses and other: | | | | |
| Selling, general and administrative | (162,987) | (158,388) | -4,599 | 2.9 |
| Provision for doubtful receivables | (1,173) | (35) | -1,138 | / |
| Interest expense - net | (184) | (541) | 357 | -66.0 |
| Dividend income | 18,684 | 10,693 | 7,991 | 74.7 |
| Gain on marketable securities and investments - net | 3,242 | 8,391 | -5,149 | / |
| Gain on property and equipment-net | 4,068 | 817 | 3,251 | / |
| Other income- net | 11,536 | 5,140 | 6,396 | / |
| Total expenses and other | (126,814) | (133,923) | 7,109 | / |
| Income from consolidated operations before income taxes | 103,781 | 60,720 | 43,061 | 70.9 |
| Income taxes | (40,010) | (31,218) | -8,792 | / |
| Income from consolidated operations | 63,771 | 29,502 | 34,269 | 116.2 |
| Minority interests in income of consolidated subsidiaries | (9,896) | (5,490) | -4,406 | / |
| Equity in earnings of affiliated companies | 23,577 | 18,808 | 4,769 | 25.4 |
| Net income | 77,452 | 42,820 | 34,632 | 80.9 |

NOTE:

- (1) The companies have reclassified revenues and cost of revenues in accordance with the accounting guidance by the Financial Accounting Standards Board ("FASB") Emerging Issues Task Force ("EITF") No. 99-19, "Reporting Revenue Gross as a Principal versus Net as an Agent" for the six months ended September 30, 2004. Revenues and cost of revenues for the three months ended June 30, 2004 have been restated to conform to the current period presentation.
- (2) Tax effects on investments in affiliated companies which were formerly included in "Equity in earnings of affiliated companies" are included in "Income taxes" for the three months ended June 30, 2005. Amounts for the three months ended June 30, 2004 have been reclassified to conform to the current period presentation.
- (3) Certain restatements for the three months ended June 30, 2004 have been made in accordance with Accounting Principles Board Opinion No.18 "The Equity Method of Accounting for Investment in Common Stock."
- (4) Operating transactions and operating income, as presented below, are voluntary disclosures solely for the convenience of investors in Japan. The figures are as follows.

| | Three months ended June 30, 2005 | Three months ended June 30, 2004 | Increase or [-] decrease | % |
|------------------------|-------------------------------------|-------------------------------------|-----------------------------|------|
| Operating transactions | 4,328,840 | 4,028,331 | 300,509 | 7.5 |
| Operating income | 66,435 | 36,220 | 30,215 | 83.4 |

Operating transactions represent the gross transaction volume or the aggregate nominal value of the sales contracts in which the companies act as principal and transactions in which the companies serve as agent. Operating transactions exclude the contract value of transactions in which the companies' role is limited to that of a broker.

Operating income reflects the companies' (a) gross profit, (b) selling, general and administrative expenses, and (c) provision for doubtful receivables. Operating transactions and operating income, as presented above, are non-GAAP measure commonly used by similar Japanese trading companies and should not be construed as equivalent to, or a substitute or proxy for, revenues, or as an indicator of our operating performance, liquidity or cash flows generated by operating, investing or financing activities.

Mitsubishi Corporation and subsidiaries
CONDENSED CONSOLIDATED BALANCE SHEETS (US GAAP)
June 30, 2005 (unaudited) and March 31, 2005

| | Millions of yen | | |
|---|------------------|------------------|----------------------------|
| | Jun. 30, 2005 | Mar. 31, 2005 | Increase or [-]decrease |
| ASSETS | | | |
| Current assets: | | | |
| Cash, time deposits and short-term investments | 910,036 | 898,053 | 11,983 |
| Receivables-trade, less allowance for doubtful receivables | 2,917,243 | 2,985,168 | -67,925 |
| Inventories | 684,764 | 667,968 | 16,796 |
| Other current assets | 376,630 | 322,516 | 54,114 |
| Total current assets | 4,888,673 | 4,873,705 | 14,968 |
| Investments and non-current receivables: | | | |
| Investments in and advances to affiliated companies and other investments | 2,313,496 | 2,225,300 | 88,196 |
| Non-current receivables, less allowance for doubtful receivables | 551,484 | 594,930 | -43,446 |
| Total investments and non-current receivables | 2,864,980 | 2,820,230 | 44,750 |
| Property and equipment - Net | 1,234,694 | 1,227,161 | 7,533 |
| Other assets | 258,334 | 228,842 | 29,492 |
| Total | 9,246,681 | 9,149,938 | 96,743 |
| | | | |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | |
| Current liabilities: | | | |
| Short-term debt and current maturities of long-term debt | 1,052,543 | 1,106,608 | -54,065 |
| Payables-trade | 2,259,283 | 2,218,018 | 41,265 |
| Other current liabilities | 490,607 | 535,793 | -45,186 |
| Total current liabilities | 3,802,433 | 3,860,419 | -57,986 |
| Long-term debt, less current maturities | 3,088,917 | 3,024,709 | 64,208 |
| Other long-term liabilities | 754,423 | 760,356 | -5,933 |
| Shareholders' equity: | | | |
| Common stock | 126,737 | 126,705 | 32 |
| Additional paid-in capital | 179,664 | 179,632 | 32 |
| Retained earnings: | | | |
| Appropriated for legal reserve | 37,895 | 37,173 | 722 |
| Unappropriated | 1,196,443 | 1,138,509 | 57,934 |
| Accumulated other comprehensive income (loss): | | | |
| Net unrealized gains on securities available for sale | 291,227 | 278,288 | 12,939 |
| Net unrealized gains on derivatives | 2,408 | 2,883 | -475 |
| Minimum pension liability adjustments | (38,589) | (38,542) | -47 |
| Foreign currency translation adjustments | (193,764) | (219,264) | 25,500 |
| Total accumulated other comprehensive income | 61,282 | 23,365 | 37,917 |
| Less treasury stock | (1,113) | (930) | -183 |
| Total shareholders' equity | 1,600,908 | 1,504,454 | 96,454 |
| Total | 9,246,681 | 9,149,938 | 96,743 |

Mitsubishi Corporation and subsidiaries
STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME (US GAAP)
For the three months ended June 30, 2005 and 2004 (unaudited)

| | Millions of yen | |
|---|-------------------------------------|-------------------------------------|
| | Three months ended June 30, 2005 | Three months ended June 30, 2004 |
| <u>Comprehensive income</u> | | |
| Net income | 77,452 | 42,820 |
| Other comprehensive income (loss): | | |
| Unrealized gains on securities available for sale | 12,939 | 4,758 |
| Unrealized gains on derivative instruments | (475) | (1,785) |
| Minimum pension liability adjustments | (47) | (881) |
| Foreign currency translation adjustments | 25,500 | (9,041) |
| Other comprehensive income (loss) | 37,917 | (6,949) |
| Comprehensive income | 115,369 | 35,871 |
| | | |

NOTE: Certain restatements for the three months ended June 30, 2004 have been made in accordance with Accounting Principles Board Opinion No.18 "The Equity Method of Accounting for Investment in Common Stock".

Mitsubishi Corporation and subsidiaries
OPERATING SEGMENT INFORMATION (US GAAP)
For the three months ended June 30, 2005 and 2004 (unaudited)

Three months ended June 30, 2005

| | Millions of yen | | | | | | | | |
|-------------------------------|-------------------------------|--------------------|-----------|-----------|-----------|----------------------|-----------|-----------------------------------|--------------|
| | New Business Initiative | Energy Business | Metals | Machinery | Chemicals | Living Essentials | Total | Eliminations or Unallocated | Consolidated |
| Operating transactions. . . . | 54,068 | 949,729 | 959,320 | 735,134 | 458,358 | 1,178,138 | 4,334,747 | (5,907) | 4,328,840 |
| Gross profit. | 11,373 | 21,545 | 53,092 | 45,468 | 18,839 | 79,094 | 229,411 | 1,184 | 230,595 |
| Net income. | 5,767 | 15,702 | 17,582 | 14,492 | 6,825 | 12,528 | 72,896 | 4,556 | 77,452 |
| Segment assets | 823,300 | 1,152,226 | 2,105,127 | 2,259,899 | 647,635 | 1,809,306 | 8,797,493 | 449,188 | 9,246,681 |

Three months ended June 30, 2004

| | Millions of yen | | | | | | | | |
|-------------------------------|-------------------------------|--------------------|-----------|-----------|-----------|----------------------|-----------|-----------------------------------|--------------|
| | New Business Initiative | Energy Business | Metals | Machinery | Chemicals | Living Essentials | Total | Eliminations or Unallocated | Consolidated |
| Operating transactions. . . . | 55,413 | 952,231 | 789,557 | 733,470 | 421,729 | 1,089,465 | 4,041,865 | (13,534) | 4,028,331 |
| Gross profit. | 11,336 | 13,366 | 39,431 | 39,636 | 18,442 | 72,501 | 194,712 | (69) | 194,643 |
| Net income (loss). | 6,512 | 7,529 | 9,463 | 14,450 | 4,357 | 7,456 | 49,767 | (6,947) | 42,820 |
| Segment assets | 1,047,869 | 896,345 | 1,763,322 | 2,187,631 | 593,266 | 1,552,635 | 8,041,068 | 367,367 | 8,408,435 |

NOTE:

- (1) Operating transactions, as presented above, are voluntary disclosures solely for the convenience of investors in Japan. Operating transactions represents the gross transaction volume or the aggregate nominal value of the sales contracts in which the companies act as principal and transactions in which the companies serve as agent. Operating transactions exclude the contract value of transactions in which the companies' role is limited to that of a broker.
Operating transactions, as presented above, is a non-GAAP measure commonly used by similar Japanese trading companies and should not be construed as equivalent to, or a substitute or proxy for, revenues, or as an indicator of our operating performance, liquidity or cash flows generated by operating, investing or financing activities.
- (2) Unallocated corporate assets included in the column of "Eliminations or Unallocated" at June 30, 2005 and 2004 were Y 1,008,103 and Y 861,028 million, respectively.
The assets mainly consist of cash, time deposits and securities for financial activities.
- (3) Certain restatements for the three months ended June 30, 2004 have been made in accordance with Accounting Principles Board Opinion No.18 "The Equity Method of Accounting for Investment in Common Stock."