



MITSUI & CO., LTD.

**Annual Report
2008**

Year ended March 31, 2008

○ Mitsui & Co's **M**ission

To contribute to the creation of a future where the dreams of the inhabitants of our irreplaceable Earth can be fulfilled

○ Mitsui & Co's **V**ision

To become a global business enabler that can meet the needs of our customers throughout the world

○ Mitsui & Co's **V**alues

- To be fair and humble, sincere and worthy of the trust society places in us
- To pursue business that benefits society with lofty aspirations and from an honest perspective
- To take on the challenge of new fields and dynamically create business that can lead the times
- To fully demonstrate our abilities as a corporation and as individuals, making the most of a corporate culture that fosters "Freedom and Open-mindedness"
- To provide our people with a workplace that facilitates self-development and self-realization in order to nurture human resources full of creativity and with a superior sense of balance

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20-F Information contained in this annual report is summarized from the comprehensive Form 20-F report filed with the SEC in the United States in August 2008. Detailed information can be found in the 20-F report on the pages listed.

A Cautionary Note on Forward-looking Statements

This Annual Report contains statements 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.

Financial Highlights*1

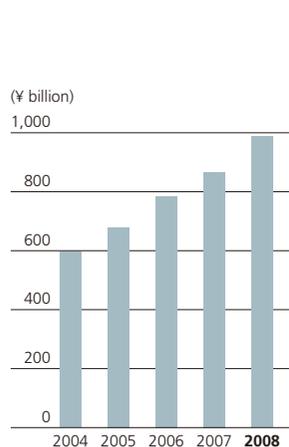
Mitsui & Co., Ltd. and subsidiaries
As of or for the Years Ended March 31

	Billions of Yen					Millions of U.S. Dollars ²
	2008	2007	2006	2005	2004	2008
For the Year:						
Revenues ^{*3}	¥ 5,739	¥ 4,794	¥ 4,028	¥ 3,421	¥ 2,915	\$57,389
Gross Profit ^{*3}	¥ 988	¥ 866	¥ 785	¥ 680	¥ 595	\$ 9,881
Operating Income ^{*3*4}	¥ 375	¥ 283	¥ 248	¥ 173	¥ 124	\$ 3,748
Equity in Earnings of Associated Companies	¥ 154	¥ 153	¥ 94	¥ 64	¥ 40	\$ 1,543
Income from Continuing Operations ^{*3}	¥ 339	¥ 299	¥ 215	¥ 114	¥ 80	\$ 3,391
Net Income	¥ 410	¥ 302	¥ 202	¥ 121	¥ 68	\$ 4,101
Net Cash Provided by Operating Activities	¥ 416	¥ 239	¥ 146	¥ 200	¥ 100	\$ 4,158
Net Cash Used in Investing Activities.....	¥ (105)	¥ (418)	¥ (347)	¥ (224)	¥ (134)	\$ (1,048)
At Year-End:						
Total Assets	¥ 9,691	¥ 9,813	¥ 8,574	¥ 7,593	¥ 6,716	\$96,909
Total Shareholders' Equity	¥ 2,184	¥ 2,110	¥ 1,678	¥ 1,123	¥ 963	\$21,837
Cash and Cash Equivalents.....	¥ 899	¥ 800	¥ 697	¥ 792	¥ 638	\$ 8,993
Long-term Debt, Less Current Maturities	¥ 2,944	¥ 2,888	¥ 2,659	¥ 2,710	¥ 2,391	\$29,444
Return on Equity (ROE)	19.1%	15.9%	14.5%	11.6%	7.5%	

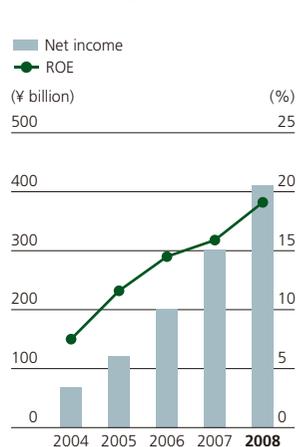
	Yen					U.S. Dollars ²
	2008	2007	2006	2005	2004	2008
Amounts per Share:						
Income from Continuing Operations ^{*3} :						
Basic	¥ 187.87	¥ 172.88	¥ 134.16	¥ 72.34	¥ 50.70	\$ 1.88
Diluted	¥ 185.91	¥ 164.02	¥ 126.26	¥ 68.18	¥ 47.88	\$ 1.86
Net Income:						
Basic	¥ 227.20	¥ 174.26	¥ 126.26	¥ 76.55	¥ 43.25	\$ 2.27
Diluted	¥ 224.82	¥ 165.32	¥ 118.85	¥ 72.12	¥ 40.89	\$ 2.25
Cash Dividends Declared ^{*5}	¥ 40	¥ 31	¥ 20	¥ 9	¥ 8	\$ 0.35
Shareholders' Equity.....	¥1,202.03	¥1,182.48	¥973.85	¥709.66	¥609.28	\$12.02

- *1. The consolidated financial statements have been prepared on the basis of accounting principles generally accepted in the United States of America.
*2. The U.S. dollar amounts, except cash dividends, represent translations of the Japanese yen amounts at the rate of ¥100=U.S.\$1, the approximate rate of exchange on March 31, 2008.
*3. In accordance with Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," the prior year figures relating to discontinued operations have been reclassified.
*4. For information on "Operating Income," please refer to "Key Performance Measures under Management's Discussion" of "Item 5. Operating and Financial Review and Prospects" on pages 73-74 of our Form 20-F.
*5. The U.S. dollar amounts represent translations of the Japanese yen amounts at the rates in effect on the respective payment dates.

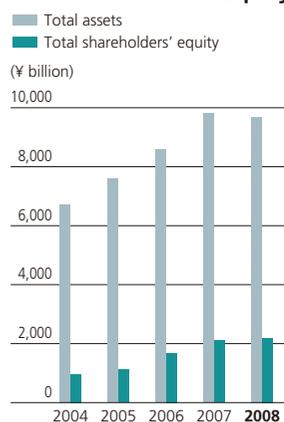
Gross Profit



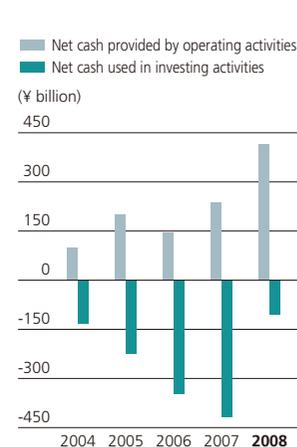
Net Income/ROE



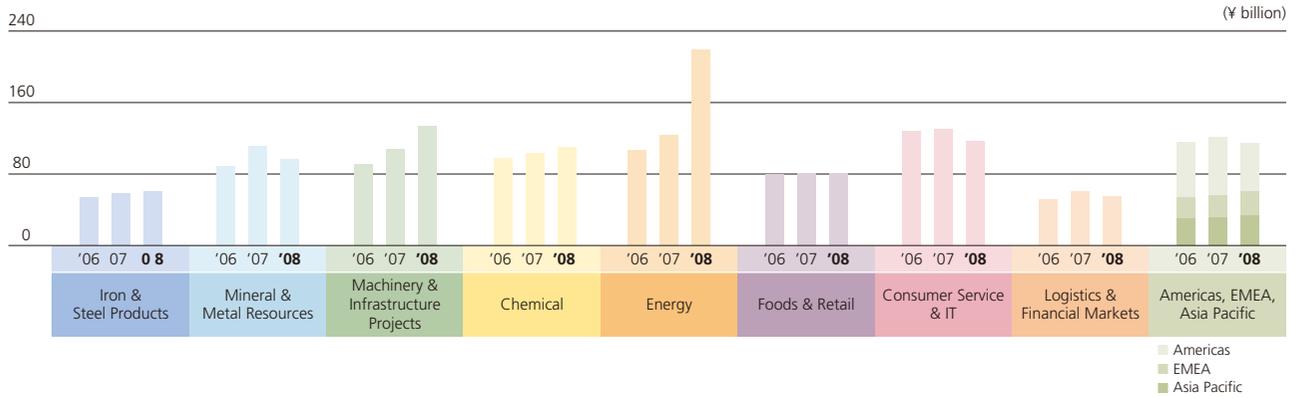
Total Assets/ Total Shareholders' Equity



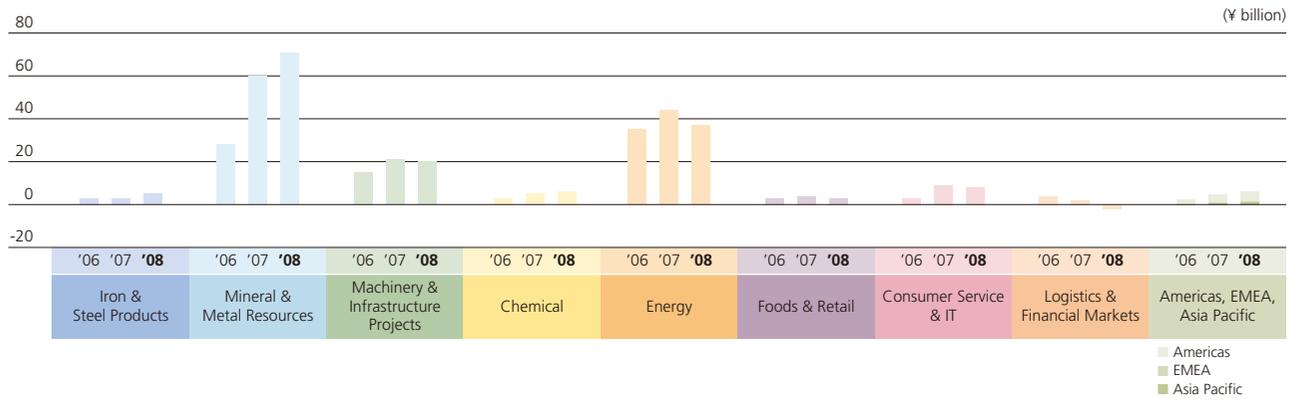
Cash Flows



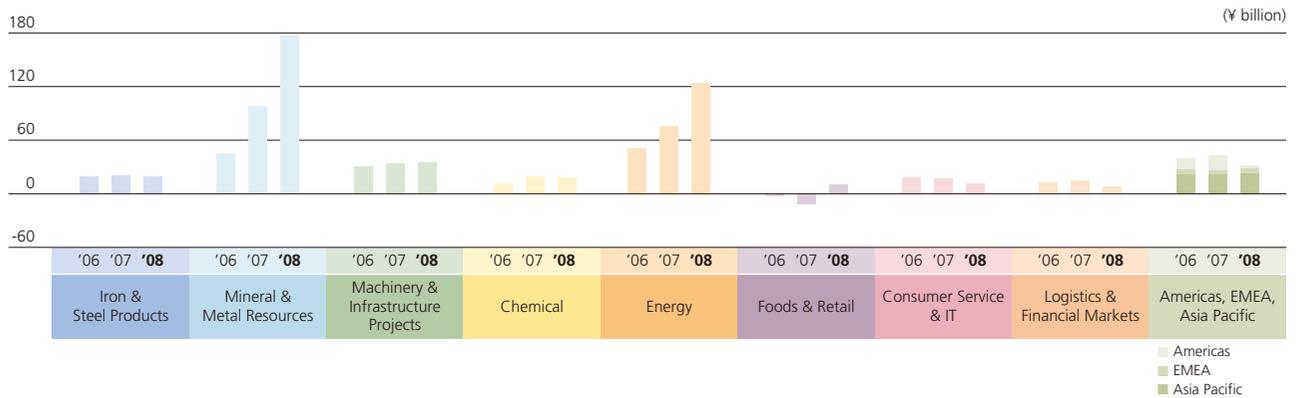
Gross Profit



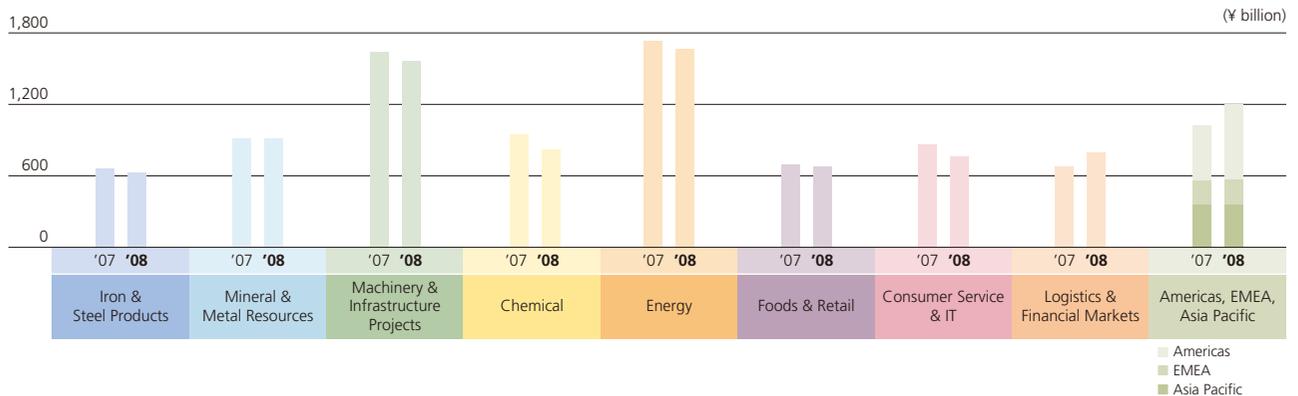
Equity in Earnings (Losses) of Associated Companies



Net Income (Loss)



Total Assets



To Our Investors



Shohei Utsuda

President and Chief Executive Officer

On behalf of the Board of Management, I would like to share with you my thoughts about the progress of the Company.

Business Environment

In the year ended March 31, 2008, we posted record consolidated net income for the fifth consecutive year, with net income increasing ¥108.6 billion, to ¥410.1 billion.

The key driver of global economic expansion in the year under review was the continued robust investment activity and consumption of emerging economies. This led to very strong demand for energy, minerals, and other raw materials, with a further run-up of commodity prices that contributed strongly to Mitsui's performance.

From the second half of the year, however, this highly favorable environment began to change, and a number of factors—including the impact of a slowdown in the U.S. economy on Europe and Japan, a weakening of the U.S. dollar and a strengthening of the yen, a fall in equity markets, and problems in global financial markets—began to exert a considerable influence on our operating results and financial condition.

Operating Results and Financial Condition

Operating Results

In reviewing our consolidated net income of ¥410.1 billion for the year, the primary contributing factor was increased earnings from operating segments such as Mineral & Metal Resources, Energy, Iron & Steel Products, Machinery & Infrastructure, and Chemicals, which largely reflects the favorable economic environment during the period under review. The second factor was the substantial gain recorded on the divestitures of assets, such as Sesa Goa Limited in India and part of our

stake in Sakhalin II in Russia. Those divestitures arose in the course of our constant effort to optimize our business and asset portfolio. The third factor was the offsetting effect of weaker performance in our U.S. operations, including a write-down of inventories in our residential home business, along with write-down losses on domestically listed securities.

Financial Condition

Total assets as of March 31, 2008 were ¥9.7 trillion. As a result of investment activity and organic growth, our total assets have been increasing by around ¥1 trillion every year since March 31, 2004. However, for the year under review, total assets actually decreased by ¥0.1 trillion due to:

- execution of asset divestitures such as the partial transfer of our stake in Sakhalin II; and
- sharp reduction in the value of domestic listed securities, and a decrease in the book value of foreign currency-denominated assets due to the strengthening of the yen.

Similarly, shareholders' equity increased, but by only ¥0.1 trillion, despite a robust increase in retained earnings. Our net debt-to-equity ratio (Net DER^{*1}) decreased to 1.3 times, reflecting a reduction in interest-bearing debt. ROE was 19.1%.

^{*1} Net DER comprises interest-bearing debt less cash and cash equivalents and time deposits, divided by shareholders' equity.

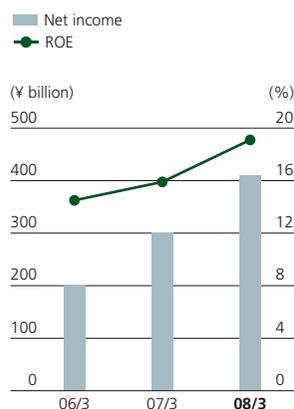
Medium-Term Management Outlook and Strategy by Business Area

In May 2006, we announced our Medium-Term Management Outlook ("Outlook"), a qualitative vision of what we intend to achieve for the three to five years from 2009 through 2011. This outlook was based on Company-wide consideration of the kind of business models we should seek to develop during that period, and contained the following key elements:

- creating a business portfolio that meets the needs of our stakeholders;
- dynamically allocating resources to develop new businesses that leverage our business engineering capabilities; and
- developing and deploying human resources on a global basis.

Our year-by-year business plan is founded on the most important premise of the Outlook—strategic portfolio management.

Guided by the Outlook, our aim during the course of its five years is to secure a superior position in the upstream business area of mineral resources and energy, taking advantage of strong global economic fundamentals arising from the expansion of emerging countries, while optimizing our business functions and reconstructing our business portfolio. Looking back at our business and financial performance for the year ended March 2008, I think it is fair to say we are making sound overall progress.



Development of Strategic Business Portfolio

Our Medium-Term Management Outlook contains a specific strategic vision for each of the four business areas: Mineral Resources and Energy; Global Marketing Networks; Consumer Services; and Infrastructure.

□ Mineral Resources and Energy Area

Our three key policies in this area are to create a strategic business portfolio through:

- 1) completing the development of large-scale projects and expansion of existing production basis,
- 2) continuously seeking opportunities for asset divestiture, and
- 3) investing in emerging regions and new business domains using a disciplined approach.

In our worldwide iron ore operations, we have divested our stake in Sesa Goa, while continuing to invest in the expansion of our mining activities in Australia. In oil and gas production for the year ending March 2009, we expect production to start at Vincent oil field and the fifth train at our North West Shelf LNG project, both in Australia. Final construction work is under way at the Sakhalin II project*2. In coal mining, work on expanding the Dawson Coal Mine in Australia has been completed, and preparations are continuing for reaching full production output within the year.

*2 to achieve the earliest possible start of LNG shipments following completion of construction within 2008 and start up the LNG liquefaction plant.

With new acquisitions in mineral resources and energy being less appealing due to the high market prices of these commodities, we intend to focus on expanding production at our existing projects. Although exploration and development costs are increasing dramatically, we are continuing to invest in additional production capacity at our existing projects in order to meet the requirements of our customers.

We are also pursuing important initiatives in new business areas and new regions, typified by our acquisition of 16% of Australian scrap metal company Sims Group Ltd., and a 25% investment in Erdos EPM, a coal mining, power generation, and ferrous alloys business in the Inner Mongolia Autonomous Region of China.

□ Global Marketing Networks Area

This area encompasses logistics operations for steel, chemical, machinery, and other products. Our three key policies for this area are:

- 1) actively investing in our operating base with the objective of strengthening our various logistics and IT capabilities, while allocating human resources to growth fields,
- 2) strengthening partnerships with quality customers, and
- 3) focusing on the growth region of Asia as well as high-potential areas of automotive, IT, and energy-related business.



In steel products, we acquired Steel Technologies Inc. to enhance our U.S. capabilities in steel processing and distribution, and are currently in the process of post-merger integration. In Asia, demand continues to be strong for steel sheets, pipes, and construction materials, while the U.S. steel products market has been slowing down. We are looking at this operation from a broad perspective, aiming to serve our customers by creating an optimal network.

In chemicals, we are expanding our traditional strengths in petrochemical storage and transportation, and providing diverse distribution services with a special focus on Asia. We are also responding to global demand for agricultural products by securing raw materials for fertilizer and agrichemicals.

In machinery, we have acquired shares in Yamaha Motor Co., Ltd., and we are strengthening our alliance with the company in markets worldwide, starting with the expansion of our successful existing motorcycle retail finance business in Indonesia and Thailand to India and other regions.

□ Consumer Services Area

In consumer services, our core strategic policy is:

- 1) pursuing initiatives in media and information, medical and healthcare, and senior living industries,
- 2) developing new consumer-oriented businesses, and
- 3) strengthening related marketing and logistics businesses.

In the healthcare and medical business, we have integrated operations that were previously handled by various business units into a single medical and healthcare business division, in order to pursue opportunities that are arising in Japan.

In B2C business through internet and broadcast media, additional time is required to generate solid results, but we are continuing to develop specific opportunities to make use of Mitsui's capabilities, even as the domestic market matures. In major food-producing countries, such as Brazil, China, Australia, and Canada, we are investing in the upstream part of the business, forming partnerships with highly reliable partners with the aim of securing a stable and safe supply of food resources.

□ Infrastructure Area

Our focus in this area is:

- 1) developing a business portfolio positioning power generation, water supply, energy, and transportation as strategic industrial fields,
- 2) investing selectively in attractive projects, and
- 3) pursuing synergies with other business areas.

In our core overseas power generation operations, we have consolidated a number of power generating assets in the U.K. with our largest partner, International Power plc, and are working on the construction of a combined power generation and desalination plant in Qatar that is scheduled to begin commercial operations in 2011.

In collaboration with other Mitsui business units, we are finding innovative ways to provide high value-added services to customers, an example of which is the off-shore oil drill ship operations we are carrying out jointly with Brazilian company Petrobras.

Human Resources Portfolio Strategy

In looking at the business environment for the areas discussed above, we can see that in each of them the market structure and balance between different regions is undergoing continuous and often dramatic change. Because of this, we have been looking closely at the operational scope of each business unit, identifying fields with the greatest strategic fit and growth potential, and prioritizing the allocation of personnel to those areas at our head office.

In overseas business units, meanwhile, we have for the past two years been actively upgrading our human resource systems to foster the development of a highly capable and diverse workforce. We feel strongly that people are our most important resource, and believe it to be imperative that we have a human resources structure that allows us to flexibly and optimally reallocate resources to best effect.

Our Financial Outlook

Net Income, Total Assets and Financial Leverage

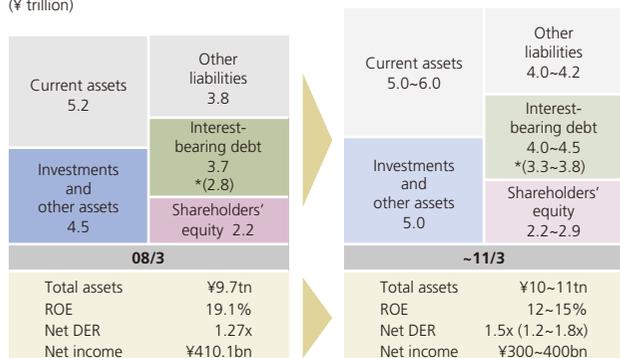
For the year ending March 31, 2009, we are forecasting consolidated net income of ¥460 billion, reflecting higher prices for iron ore, coal, and oil. Although we do not envisage the global economy showing the uniformly strong economic expansion seen to date, we expect generally favorable conditions to continue, driven by an ongoing high rate of demand expansion in emerging countries. At the same time, our earnings are subject to considerable influence from not only the U.S. dollar exchange rates, but also the exchange rates of currencies in such resource-rich countries as Australia and Brazil, and this is something the management team will be watching closely.

For the end of the three-year period ending March 2011, we are envisaging total assets of ¥10-11 trillion, ROE of between 12% and 15%, and net DER of between 1.2 and 1.8 times. Judging by our investment plan for the first of these three years, we think we are well placed to reach these targets.

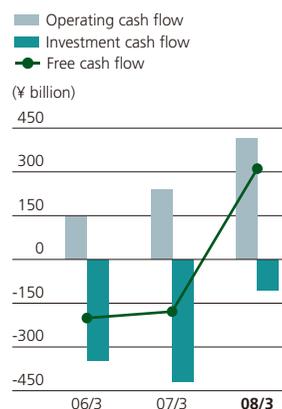
Investment Plan and Cash Flows

Investment cash flow and free cash flow are the two key management indices we use in undertaking strategic portfolio management, which, as noted earlier, we view as the most important premise of the Medium-Term Management Outlook. Accordingly, we monitor the

(¥ trillion)



* Figures in brackets for interest-bearing debt denote "net interest-bearing debt," which is interest-bearing debt minus cash and cash equivalents and time deposits.





progress of investment against our investment plan on a quarterly basis, while at the same time working to divest existing investments and assets in order to not only optimize our business portfolio but also generate cash flow. Free cash flow for the year ended March 2008 was ¥311.0 billion, the first time in five years that positive free cash flow has been recorded. However, we are aware that excluding the around ¥320 billion gain recorded from the two major divestitures of Sesa Goa and the part of our stake in Sakhalin II, free cash flow for the period was effectively neutral.

Our investment plan for the year to March 2009, closely considered in the process of formulating our business plan, is for an investment outlay of ¥700 billion. Around half of this amount is targeted for existing projects in the mineral resources and energy area. The remainder is targeted for non-resource areas. Although free cash flow for the year will depend on the level of operating cash flow and developments in asset recycling, in our business plan we are envisaging a net zero outcome in line with the previous year.

Compensation to Shareholders

Our policy on shareholder returns is to reward shareholders directly for improvements in Company performance by increasing dividend payments, while also balancing the need to use retained earnings for re-investment in key business sectors in pursuit of further

growth. Our target consolidated payout ratio is 20%, and by continuing to boost Company results we aim to steadily and sustainably increase dividends.

We have looked closely at our overall investment requirements for the year ahead, and given the continued strong demand for investment funding across our operations, we believe that the most prudent management approach is to maintain the payout ratio at 20%. Looking ahead, we will continue to review our approach to the distribution of profits, taking into account investment requirements, free cash flow, interest-bearing debt, and ROE.

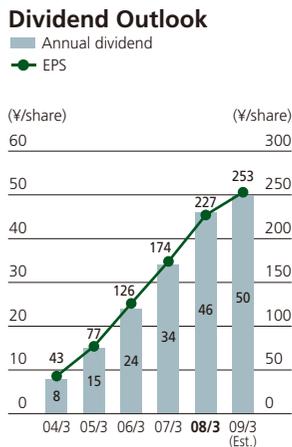
And in Closing...

Our operating environment has undergone extraordinary changes over the past several years, and the overall impact of this has been to substantially increase Mitsui's financial performance and shareholders' capital. There is no reason to expect an end to this environment of change, and in facing the challenges and opportunities this presents, we intend to meet our social responsibilities while continually refining our business focus and considering the kind of company we should aspire to be.

We sincerely appreciate the support we have received from our customers and shareholders during the past years, and, on behalf of the Board, I ask for your ongoing interest as we pursue further growth.

July 31, 2008

Shoji Utsuda
President and Chief Executive Officer



Highlights & Strategy by Operating Segment

Our operating segments have been aggregated based on the nature of the products and other criteria into 8 product-focused reportable operating segments and 3 region-focused reportable operating segments, totaling 11 reportable operating segments.

Iron & Steel Products Segment

Mineral & Metal Resources Segment

Machinery & Infrastructure Projects Segment

Chemical Segment

Energy Segment

Foods & Retail Segment

Consumer Service & IT Segment

Logistics & Financial Markets Segment

Americas Segment

Europe, the Middle East and Africa (“EMEA”) Segment

Asia Pacific Segment

Note: Further information is available where you see this icon.

20-F ► **Business Overview**

A description of the nature of the business unit’s operation and its principal activities, stating the main categories of products sold and/or services performed for each of the last three financial years

20-F ► **MD&A**

Information regarding significant factors materially affecting the business unit’s operating results for each of the last three years, in “Item 5. Operating and Financial Review and Prospects”

Iron & Steel Products Segment

As of or for the Years Ended March 31,		2008	2007	2006
Operating Results (¥ billion)	Gross Profit	61.3	57.8	54.4
	Operating Income	25.6	25.6	26.5
	Equity in Earnings of Associated Companies	4.9	3.1	2.9
	Net Income	20.2	20.6	19.4
Financial Condition (¥ billion)	Total Assets	632.3	663.7	—
	Investments in and Advances to Associated Companies	25.6	22.0	—
	Plant, Property and Equipment; and Property Leased to Others	23.3	22.9	—
Cash Flow (¥ billion)	Cash Flows from Investing Activities	(3.2)	(10.3)	—
Number of Employees	Consolidated	2,255	2,270	—
	Mitsui	377	375	—



Takashi Yamauchi
Managing Officer;
Chief Operating Officer of
Iron & Steel Products Business
Unit

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▶ MD&A..... Pages 100–101

HIGHLIGHTS

Demand remained strong, especially for high-end products such as pipe and tubular products for the energy industry.

MARKET OUTLOOK & STRATEGY

Market Outlook

Demand for steel products continues to be healthy not only in the energy industry but also in the automotive, shipbuilding, home appliance, and construction industries, reflecting steady global growth led by the continued strong growth of emerging markets and developing economies.

Strategy

Focus on providing the optimum marketing and logistic services for high-end products such as pipes, plates, and coated sheets for the automotive industry

- Automotive industry: Continue to provide high value-added supply chain services by integrating and improving the steel processing functions of our coil centers around the globe

- Energy sector: Further strengthen our procurement and logistics for products such as oil well tubes and line pipes by participating in projects at initial stages
- Overseas markets: Work closely with our overseas business segments, including the Americas Segment, to support Japanese manufacturers' global operations through our further involvement in their procurement and sales
- Domestic market: Following merger of four existing subsidiaries to form Mitsui & Co. Steel Ltd. in April 2008, aim to provide a highly cost-competitive and timely sales and procurement services to our customers

PORTFOLIO AND NEW BUSINESS DEVELOPMENT

- Consolidated Siam Yamato Steel Co., Ltd., a shaped steel manufacturer in Thailand, in 2007, anticipating further increases in demand for shaped steel for construction in Southeast Asia
- Currently working with Eiwa Co., Ltd. of South Korea, a fabricator of steel products for our Sakhalin II project, to establish a structural steel fabrication site in the Middle East



Siam Yamato Steel Co., Ltd.

Mineral & Metal Resources Segment

As of or for the Years Ended March 31,		2008	2007	2006
Operating Results (¥ billion)	Gross Profit	95.8	111.0	88.5
	Operating Income	79.0	91.3	68.5
	Equity in Earnings of Associated Companies	71.2	60.3	28.0
	Net Income	177.0	98.4	44.8
Financial Condition (¥ billion)	Total Assets	916.2	912.6	—
	Investments in and Advances to Associated Companies	388.8	264.4	—
	Plant, Property and Equipment; and Property Leased to Others	96.8	95.3	—
Cash Flow (¥ billion)	Cash Flows from Investing Activities	(3.5)	5.1	—
Number of Employees	Consolidated	757	2,425	—
	Mitsui	207	265	—



Masayuki Kinoshita
Managing Officer,
Chief Operating Officer of
Mineral & Metal Resources
Business Unit

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HIGHLIGHTS

This segment achieved excellent performance in FY2007, with substantial gains from several large-scale divestitures as well as increases in prices of iron ore and other minerals and metals.

MARKET OUTLOOK & STRATEGY

Market Outlook

Demand for mineral and metal resources remains strong, with emerging markets and developing economies expected to expand further, led by China and India. Major mineral and metal suppliers are endeavoring to increase production capacity, while associated costs for such expansions are also rising.

Strategy

Focus on development and expansion of our existing production units in line with our long-term strategic vision of increasing competitive equity tonnage in mineral and metal resources

- Iron ore: Continue to invest in the development and expansion of our existing production units, to respond to the ongoing tightness in global supply and demand
- Non-ferrous metals (copper, aluminum, nickel, etc.): Look for new opportunities with important partners, including Vale, while continuing to expand our existing production basis
- Recycling business: Establish a leading position in the global metal recycling business in areas such as steel scrap and non-ferrous metal scrap through Sims Group Ltd. and Mitsui Bussan Metals Co., Ltd. with the ultimate goal of creating recycling and environmental solutions business through materials recycling from urban mines, teaming up with our other business segments and business partners
- Erdos: Expand our ferrous alloys production with Erdos Electrical Power & Metallurgical Co., Ltd. Also seek to develop new businesses such as coal mining, high purity silicone, carbide,



and environmental solutions business through cross-organizational cooperation within Mitsui, aiming to establish a strong foothold in the Chinese market

PORTFOLIO AND NEW BUSINESS DEVELOPMENT

- Restructured portfolio through divestitures of several assets, including shares of an Indian iron ore mining company Sesa Goa (April 2007) and shares in a Brazilian iron ore mining company Empreendimentos Brasileiros de Mineração S.A. (April 2007)
- Acquired 16% of the voting shares in Sims Group Ltd. as of the end of March 2008
- Established Mitsui Bussan Metals Co., Ltd. through merger of Mitsui Bussan Raw Materials Development Corp. and MITSUI BUSSAN METALS SALES CO., LTD. (April 2008), aiming to become the largest mineral and metal trading and recycling company in Japan



Vale iron ore mining

Machinery & Infrastructure Projects Segment

As of or for the Years Ended March 31,		2008	2007	2006
Operating Results (¥ billion)	Gross Profit	134.1	108.0	90.6
	Operating Income	32.0	20.9	21.7
	Equity in Earnings of Associated Companies	20.3	21.4	14.6
	Net Income	35.0	33.6	30.6
Financial Condition (¥ billion)	Total Assets	1,563.2	1,643.2	—
	Investments in and Advances to Associated Companies	375.0	383.2	—
	Plant, Property and Equipment; and Property Leased to Others	125.3	142.2	—
Cash Flow (¥ billion)	Cash Flows from Investing Activities	(87.3)	(166.8)	—
Number of Employees	Consolidated	13,177	10,859	—
	Mitsui	734	689	—



Takao Omae
Executive Managing Officer;
Chief Operating Officer of
Infrastructure Projects Business Unit



Shigeru Hanagata
Managing Officer;
Chief Operating Officer of
Motor Vehicles Business Unit



Masayoshi Komai
Managing Officer;
Chief Operating Officer of
Marine & Aerospace Business Unit

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▶ MD&A..... Pages 105–107

HIGHLIGHTS

The Infrastructure Projects, Motor Vehicles, and Marine & Aerospace business units all continued to perform soundly, reflecting strong economic growth in emerging countries, although not meeting our expectations primarily due to impairments and evaluation losses.

MARKET OUTLOOK & STRATEGY

Market Outlook

Infrastructure: Global demand for infrastructure projects remains firm. Power generation projects are particularly active, with new independent power producer (IPP) construction projects currently under development to meet higher demand for power.



Motor Vehicles: Demand continues to grow with continued economic expansion in emerging countries.

Marine & Aerospace: Marine business continues to perform soundly, driven by strong demand for marine transportation of cargo. Energy-related vessels such as FPSOs (Floating Production, Storage, and Offloading units) are in high demand, due to increasing demand for energy, mainly from the BRIC countries.

Strategy

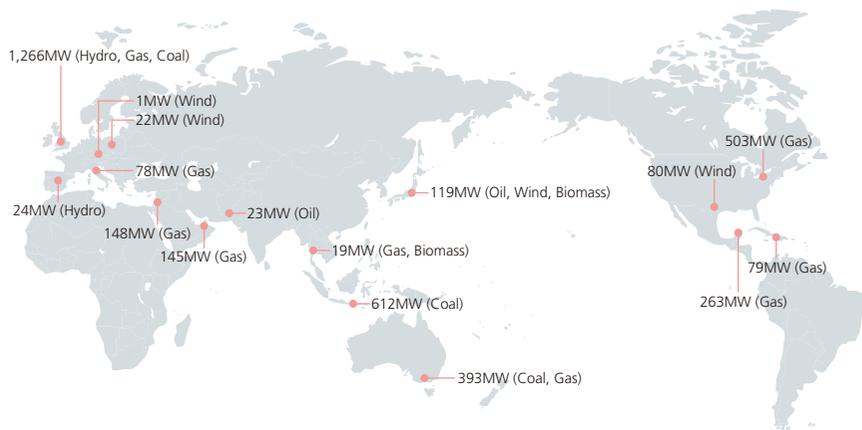
- IPP: Aim to maintain stable operations at existing projects while also launching new IPP projects. Remain committed to further developing water treatment and supply projects, along with infrastructure related to oil and gas exploration and production projects
- Rolling stock transportation leasing: Further strengthen involvement in management and operation of rolling stock leasing
- Motor vehicles: Focus on retail finance, parts logistics, dealership, and car parts business. Aim to grow retail finance business in India, building on our experience gained in Indonesia. Expand parts logistics business in emerging countries. For dealership business, seek joint projects with a major U.S. car dealer Penske Automotive Group, Inc. Further expand our car parts business through various initiatives, including the acquisition of shares of ASAHI TEC CORPORATION
- Marine: Continue to focus on general shipping operations, investment in LNG vessels and their operation, as well as FPSO and other ocean energy development-related businesses
- Aerospace: Develop business through marketing of Airbus aircraft and Bell helicopters, and expanding other aircraft-related businesses

PORTFOLIO AND NEW BUSINESS DEVELOPMENT

- Established by a 37.5% capital investment, a new JV for a Mexican LNG terminal project, which will supply gas to the Mexican Federal Commission of Electricity for the next 20 years (March 2008)
- Participated in a power generation and desalination plant project in Qatar, with Suez-Tractebel SA of Belgium, aiming to supply electricity and desalinated fresh water for 25 years (March 2008)
- Acquired a 3% stake in Yamaha Motor Co., Ltd. (May 2007) and initiated several joint projects to expand motorcycle business overseas, including establishing a new manufacturing and marketing operation in India (March 2008), in which Mitsui holds a 30% stake
- Acquired preferred stock newly issued by Japan Airlines Corporation (JAL) for ¥20 billion (March 2008), aiming to develop new businesses and strengthen our business relationship with JAL

Portfolio of Worldwide IPP Business

Capacity (megawatts) refers to Mitsui's Net Generating Capacity



Portfolio of Automotive-related Businesses

		EMEA	ASIA & JAPAN	AMERICAS
Upstream	Parts	Germany, etc	Japan	USA
	Logistics	UK, France	India, China	USA, Canada
	Assembly/ Manufacturing	Turkey	Thailand, Malaysia, Indonesia, India	
Midstream	Distribution	UK, Germany, Belgium, Italy, Poland	Thailand, Malaysia, Philippines	Canada, Chile, Peru
Downstream	Dealerships	Russia	Thailand, Taiwan	USA, Brazil, Peru, Chile
	Retail Finance	Germany	Indonesia, Thailand, India	Chile

Chemical Segment

As of or for the Years Ended March 31,		2008	2007	2006
Operating Results (¥ billion)	Gross Profit	110.3	103.1	97.8
	Operating Income	46.2	35.3	34.0
	Equity in Earnings of Associated Companies	5.8	4.9	3.2
	Net Income	18.4	19.3	12.1
Financial Condition (¥ billion)	Total Assets	818.7	949.1	—
	Investments in and Advances to Associated Companies	42.9	46.2	—
	Plant, Property and Equipment; and Property Leased to Others	59.1	71.9	—
Cash Flow (¥ billion)	Cash Flows from Investing Activities	(17.0)	(21.2)	—
Number of Employees	Consolidated	3,489	3,731	—
	Mitsui	687	713	—



Yoshinori Setoyama
Managing Officer;
Chief Operating Officer of
First Chemicals Business Unit



Junichi Mizonoue
Executive Managing Officer;
Chief Operating Officer of
Second Chemicals Business Unit

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HIGHLIGHTS

Petrochemicals had a sound year overall, with solid global growth. Inorganic chemicals showed significant growth due to strong demand, especially in Asia.

MARKET OUTLOOK & STRATEGY

Market Outlook

Petrochemical industry: The industry is undergoing a major structural change, with a significant increase in demand in Asia driven by China and India, rapid increase in the cost of raw materials triggered by sharp increases in the price of crude oil especially after October 2008, and the addition of new production capacity in the Middle East where competitive natural resources are abundant.

Agrobusiness (fertilizers, agricultural chemicals, feed additives, etc.): Demand remains strong, reflecting growth in global demand for foodstuffs.

Plastics and electronic components and materials: Demand is firm, especially in emerging countries, due to an increasing shift in electronics and automobile production to those countries.

Strategy

- **Petrochemicals:** Maintain and reinforce our global marketing network, a key element of our strong presence in the industry that comprises in-house chemical storage capabilities, ocean vessels, production facilities, a global customer network, and diverse proprietary marketing and logistics expertise in global swap and other operations

- **Fertilizers and agrochemicals:** Seek to secure sources of key raw materials and products for fertilizer and agrochemicals and further strengthen our marketing network with important partners both inside and outside Japan
- **Environmental areas:** Develop and nurture green chemicals and new energies such as solar cell systems, which contribute to resolving air and water pollution problems
- **Inorganic raw materials:** Focus on securing production bases and interests in chemicals such as salt and titanium and also upgrading our logistics infrastructure for sulfur and others
- **Plastics and electronics:** Focus on overseas investment in the plastics field, while establishing highly functional logistic network, including supply chain management (SCM) and electronics manufacturing service (EMS) solutions, in liquid crystal displays and other areas of the electronics industry

PORTFOLIO AND NEW BUSINESS DEVELOPMENT

- Consolidated three existing subsidiaries into Mitsui Bussan Plastics Trade Co., Ltd. (April 2008), aiming to provide highly cost-competitive and timely sales and procurement services to our customers
- Acquired Onslow Salt Pty. Ltd. and increased our equity tonnage of Australian salt production to 3.8 millions tons per annum. Looking to add tonnage through investment to meet further demand for salt, particularly for industrial electrolysis in China
- Acquired additional shares in Mitsui Chemicals Inc. for approximately ¥16 billion (May 2007), aiming to further strengthen our global strategic alliance



Salt production in Australia

Energy Segment

As of or for the Years Ended March 31,		2008	2007	2006
Operating Results (¥ billion)	Gross Profit	219.3	123.9	107.0
	Operating Income	172.5	81.3	70.7
	Equity in Earnings of Associated Companies	36.8	44.4	34.6
	Net Income	124.1	75.7	50.8
Financial Condition (¥ billion)	Total Assets	1,668.7	1,733.6	—
	Investments in and Advances to Associated Companies	154.0	558.7	—
	Plant, Property and Equipment; and Property Leased to Others	460.2	471.2	—
Cash Flow (¥ billion)	Cash Flows from Investing Activities	118.3	(211.6)	—
Number of Employees	Consolidated	1,633	1,516	—
	Mitsui	335	251	—



Fuminobu Kawashima
Managing Officer;
Chief Operating Officer of
Energy Business Unit I



Mitsuhiko Kawai
Managing Officer;
Chief Operating Officer of
Energy Business Unit II

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HIGHLIGHTS

Operating results increased significantly due to increased production and higher crude oil prices, along with gains from divestitures of upstream interests.

MARKET OUTLOOK & STRATEGY

Market Outlook

Demand for energy remains strong, driven by growth in emerging markets led by China and India. Other factors are also underpinning energy prices, including an influx of speculative capital into oil futures markets as well as the possibility of coal supply shortages arising from heavy rain and infrastructure constraints.

Strategy

Develop a balanced portfolio of upstream energy interests based on an overview of diversified energy resources, and secure a stable supply to customers

- Oil and natural gas: Focus on development and expansion of our existing production interests and replenishment of reserves, maintaining a geographical portfolio with a focus on Oceania, Southeast Asia, the Middle East, and North America
- LNG: Prioritize a successful start-up of LNG production at Sakhalin II, while continuing reinforcement and expansion of operations at existing core projects (North West Shelf in Australia, Qatar, Abu Dhabi, Oman, and Equatorial Guinea) including the planned addition of the fifth train of the North West Shelf project
- Coal: Focus on ensuring stable operations and expanding existing operations at the Dawson, Lake Lindsay, and Kestrel mines, and continue to undertake exploration of undeveloped mine reserves
- Nuclear fuels: Continue studies on uranium resources development projects in Russia and other areas



- Environment-related initiatives: Continue development activities targeting biomass ethanol production in Brazil and expand emissions reduction-related business

PORTFOLIO AND NEW BUSINESS DEVELOPMENT

- Diluted part of our stake in Sakhalin Energy Investment Company Ltd., the operator of the Sakhalin II project, with the transfer of shares to OAO Gazprom of Russia (April 2007). Currently holding a 12.5% stake in Sakhalin Energy
- Divested upstream oil and gas interests of Wandoo Petroleum Pty Ltd. in Australia (April 2007)
- Commenced production at Tui Oil Fields (July 2007), located offshore near the North Island of New Zealand, in which we have a 35% stake
- Merged Mitsui Liquefied Gas Co., Ltd., our LPG business subsidiary, with Marubeni Gas Energy Co., Ltd. (April 2008) to form an LPG company with a more cost-competitive structure



FPSO for the Tui oil project



The offshore production platform for Qatar LNG project

Foods & Retail Segment

As of or for the Years Ended March 31,		2008	2007	2006
Operating Results (¥ billion)	Gross Profit	81.2	81.3	79.9
	Operating Income	16.6	10.9	9.2
	Equity in Earnings of Associated Companies	3.1	3.8	3.5
	Net Income	10.4	(12.3)	(3.2)
Financial Condition (¥ billion)	Total Assets	675.3	696.1	—
	Investments in and Advances to Associated Companies	63.1	57.0	—
	Plant, Property and Equipment; and Property Leased to Others	63.8	62.5	—
Cash Flow (¥ billion)	Cash Flows from Investing Activities	(14.7)	5.8	—
Number of Employees	Consolidated	6,008	6,575	—
	Mitsui	402	425	—



Masaaki Fujita
Executive Managing Officer;
Chief Operating Officer of
Foods & Retail Business Unit

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HIGHLIGHTS

Operating results improved significantly as a result of restructuring initiatives at our domestic wholesale, distribution, and manufacturing operations. Also invested in upstream food raw material businesses focusing on food production overseas, in order to meet growing global food demand.

MARKET OUTLOOK & STRATEGY

Market Outlook

The Japanese market is facing challenges, including a declining and aging population and excessive competition. At the same time, the global food supply-demand balance is becoming increasingly tight amid global population growth, changes in lifestyles especially in the BRIC countries, and a sharp increase in demand for biofuels. Securing stable food supply is therefore becoming critical. Consumers are also increasingly becoming concerned about food quality and safety following various production problems.



Country grain elevator

Strategy

- Overseas upstream food sources:
Focus on new investments to secure food sources in fields such as agriculture, fish farming, and livestock farming, aiming to participate as an operator and to secure stable supply to the domestic market and growing overseas markets, with priority on Asian markets
- Domestic business: Restructure and rationalize MITSUI FOODS CO., LTD., a vital part of our food value chain, as well as Mitsui Norin Co., Ltd., a major tealeaf manufacturer in Japan
- Traceability: Establish supply and distribution systems both outside and inside Japan which contribute to food safety by assuring traceability
- Seven & i business: In the domestic market and growing markets overseas, seek to ensure the business expansion of Seven & i Holdings Co., Ltd. by crafting creative new business proposals

PORTFOLIO AND NEW BUSINESS DEVELOPMENT

- Acquired a 25% stake in Multigrain AG, which is actively engaged in food production business in Brazil, and invested in a dairy farming business in New Zealand (both in August 2007). Also invested in a Canadian canola processor (December 2007)
- Invested in a shrimp farming business in China (April 2007), aiming to establish a business model that places emphasis on food safety and traceability



Synlait dairy farming in New Zealand

■ Upstream Food Sources



Consumer Service & IT Segment

As of or for the Years Ended March 31,		2008	2007	2006
Operating Results (¥ billion)	Gross Profit	116.7	130.0	128.4
	Operating Income	19.0	20.3	25.0
	Equity in Earnings of Associated Companies	8.2	8.7	3.5
	Net Income	12.0	16.6	17.5
Financial Condition (¥ billion)	Total Assets	760.8	861.5	—
	Investments in and Advances to Associated Companies	123.0	112.7	—
	Plant, Property and Equipment; and Property Leased to Others	69.3	103.2	—
Cash Flow (¥ billion)	Cash Flows from Investing Activities	23.7	(58.7)	—
Number of Employees	Consolidated	4,540	5,481	—
	Mitsui	814	855	—



Kenichi Yamamoto
Executive Managing Officer;
Chief Operating Officer of
First Consumer Service
Business Unit



Masahiko Okamura
Managing Officer;
Chief Operating Officer of
Second Consumer Service
Business Unit



Osamu Takahashi
Managing Officer;
Chief Operating Officer of
IT Business Unit

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HIGHLIGHTS

Continued to create and develop new business in the medical and healthcare, media and IT, housing, outsourcing, and apparel business domains.

MARKET OUTLOOK & STRATEGY

Market Outlook

The Japanese B2C market is still one of the largest markets in the world, despite being saturated due to declining and aging population and fierce competition, while Asian and other overseas B2C markets are expected to continue growing.

The introduction of new business models based on new broadcasting and internet technology is key to future success.

Strategy

- Media, internet, and contents: Focus on development and sales of animation and other movie-related business, supported by IT marketing promoting business, all of which derive from media businesses such as our joint venture TV shopping business QVC Japan Inc.
- Medical and healthcare: Focus on developing value-added medical and healthcare services driven by the internet and other media in this high-potential business area
- Strategic partnerships: Develop new businesses leveraging our strategic partnerships with RECRUIT CO., LTD., Tokyo Broadcasting System, Inc., and DUSKIN CO., LTD.

- Real estate: Aim to establish two core businesses: real estate development and related services
 - NI/SI* and outsourcing: Improve service quality and prioritize enhanced cost efficiency in our IT businesses, including NI and SI services provided by Mitsui Knowledge Industry Co., Ltd. and Nihon Unisys, Ltd., and telemarketing services provided by Moshi Moshi Hotline, Inc., so as to succeed in an increasingly competitive market
- * Network integration and system integration
- Cellular handset and home appliance distribution: Expand our distribution network in overseas growth markets

PORTFOLIO AND NEW BUSINESS DEVELOPMENT

- Created Medical Healthcare Business Division through the integration of various businesses conducted within different Mitsui segments (January 2008)
- Established a sales and distribution subsidiary in Brazil for home appliances made by Sharp Corporation (July 2007)



Real estate development in Shiodome area



Brightstar Corp.

Logistics & Financial Markets Segment

As of or for the Years Ended March 31,		2008	2007	2006
Operating Results (¥ billion)	Gross Profit	55.1	60.5	51.4
	Operating Income	20.9	24.2	17.6
	Equity in Earnings of Associated Companies	(1.9)	2.0	4.0
	Net Income	7.5	14.6	13.4
Financial Condition (¥ billion)	Total Assets	797.3	681.3	—
	Investments in and Advances to Associated Companies	29.1	33.9	—
	Plant, Property and Equipment; and Property Leased to Others	57.6	60.7	—
Cash Flow (¥ billion)	Cash Flows from Investing Activities	(0.7)	0.4	—
Number of Employees	Consolidated	1,177	1,284	—
	Mitsui	256	232	—



Masaaki Iida
Managing Officer;
Chief Operating Officer of
Transportation Logistics
Business Unit



Katsumi Ogawa
Managing Officer;
Chief Operating Officer of
Financial Markets Business Unit

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HIGHLIGHTS

Transportation Logistics seeks to develop effective infrastructure to meet Mitsui's companywide logistics needs. Financial Markets seeks to improve companywide financial technology literacy and also develop creative financial businesses.

MARKET OUTLOOK & STRATEGY

Market Outlook

Transportation Logistics: Development of logistics infrastructure in emerging countries has become essential
Financial Markets: The creation of new business models utilizing various up-to-date financial technology and instruments in addition to trading business is critical to success

Strategy

Transportation Logistics:

- Continuously develop and improve our logistics infrastructure business in areas such as the India Free Trade Warehouse Zone, and pursue logistics development for Japanese manufacturers' goods destined for Russia and Europe from Japan with utilizing of JSC Russian Railways
- Expand our insurance agency and reinsurance businesses globally, especially in Asia
- Develop new logistics businesses by integrating financial functions through asset securitization business

Financial Markets:

- Continue to optimize our global commodity trading business and

ensure highly sophisticated risk management

- Serve the needs of investors, providing clients with access to a wide range of investment opportunities through our diversified industry know-how and knowledge of assets
- Expand our investment portfolio through selective venture capital and buyout/growth activities in financial investment business

PORTFOLIO AND NEW BUSINESS DEVELOPMENT

- Commenced operation of logistics and warehouse facilities in Moscow (July 2007), which we are targeting as a high-growth market for Japanese automobile, construction machinery, and electrical home appliances, based on our agency agreement with JSC Russian Railways and ZAO Russkaya Troyka
- Divested our entire 25% interest in BALtrans Holdings Limited (February 2008)
- Invested in common stocks and convertible bonds of Central Finance Co., Ltd. (May 2007)



Container yard at the Port of Tokyo



Mitsui & Co. Energy Risk Management Ltd.

Americas Segment

As of or for the Years Ended March 31,		2008	2007	2006
Operating Results (¥ billion)	Gross Profit	54.0	64.7	61.6
	Operating Income	2.0	21.3	21.7
	Equity in Earnings of Associated Companies	5.0	3.8	2.1
	Net Income	4.3	16.9	12.7
Financial Condition (¥ billion)	Total Assets	635.6	464.8	—
	Investments in and Advances to Associated Companies	36.7	39.0	—
	Plant, Property and Equipment; and Property Leased to Others	82.4	40.4	—
Cash Flow (¥ billion)	Cash Flows from Investing Activities	(99.5)	(26.6)	—
Number of Employees	Consolidated	4,297	2,316	—
	Mitsui	212	190	—



Yasunori Yokote
Executive Vice President;
Chief Operating Officer of
Americas Business Unit

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HIGHLIGHTS

The notable slowdown in U.S. economic growth triggered by the sub-prime mortgage problem is negatively affecting the bottom line. Residential business in California and trading activities in steel products and automotive-related businesses have been seriously affected.

MARKET OUTLOOK & STRATEGY

Market Outlook

While the possibility of recession is increasing in the United States as it deals with the sub-prime problem, the Canadian economy remains relatively robust, and favorable economic performance continues in Brazil and elsewhere in Latin America, reflecting firm global demand for mineral resources and energy.



Strategy

- **Iron & Steel Products:** Continue efforts to re-organize the North American operation, aiming to achieve highly efficient management. Emphasize profitability at Steel Technologies Inc., a newly acquired steel processing and service company covering much of North America, through post-merger integration
- **Chemicals:** Strengthen our distribution capacity across the Americas, taking into consideration the structural change toward increased dependency on imports in the U.S. petrochemical market
- **Residential:** Focus on early liquidation of our inventories of residential homes, while preparing for future expansion in the Western U.S., where steady population increases are projected
- **Environmental:** Expand the solar cell business of SunWize Technologies, Inc., and establish a foothold in environmental businesses in the housing and auto sectors

PORTFOLIO AND NEW BUSINESS DEVELOPMENT

- Acquired Steel Technologies Inc., one of the largest steel processing and service centers in North America (June 2007), and restructured it as our platform company for steel products business in the region by integrating our existing steel service center network serving Japanese automakers and Mitsui Steel Inc.'s steel sheet products business for end users
- MBK Real Estate LLC, which is engaged in residential home sales business on the West Coast, incurred a ¥9.6 billion loss due to a write-down of inventories to reflect a slump in sales and the housing market downturn

Europe, the Middle East and Africa (“EMEA”) Segment

As of or for the Years Ended March 31,		2008	2007	2006
Operating Results (¥ billion)	Gross Profit	26.8	25.4	24.3
	Operating Income	1.8	2.9	4.7
	Equity in Earnings of Associated Companies	0.3	0.3	(0.2)
	Net Income	5.0	4.1	5.0
Financial Condition (¥ billion)	Total Assets	205.7	199.1	—
	Investments in and Advances to Associated Companies	25.5	14.9	—
	Plant, Property and Equipment; and Property Leased to Others	10.7	11.7	—
Cash Flow (¥ billion)	Cash Flows from Investing Activities	(8.3)	(4.6)	—
Number of Employees	Consolidated	1,299	1,326	—
	Mitsui	205	204	—



Norinao Iio
Executive Managing Officer;
Chief Operating Officer of
EMEA Business Unit

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HIGHLIGHTS

Supported by steady economic growth in European markets, EMEA’s overall business remained firm, especially in machinery and chemical business.

MARKET OUTLOOK & STRATEGY

Market Outlook

The market outlook remains stable, based on steady economic growth in the EU and robust economic growth in the CIS, the Middle East, and Africa. However, close monitoring is needed since the U.S. economic slowdown may begin to negatively influence the EMEA economy at any time.



Strategy

- Europe: Continue to expand our chemical and steel products businesses by strengthening our supply-chain services and extending our business in Central and Eastern Europe, and develop businesses such as metal recycling, wind power systems, solar cell energy systems, and bio-fuels
- CIS, Middle East, and Africa: Participate in exploration and production (E&P), and expand our business by strengthening ties with strong partners in the CIS, the Middle East, and Africa, such as OAO Gazprom, Qatar Petroleum, and Sonatrach
- Middle East and Africa: Continue to seek new investment opportunities in petrochemicals and IPP

PORTFOLIO AND NEW BUSINESS DEVELOPMENT

- Participated in a chemical tank terminal operation in Antwerp, where facilities expansion is planned
- Acquired Dispolok GmbH from Siemens in September 2006, and integrated it into Mitsui Rail Capital Europe, which has been conducting locomotive leasing business since 2004
- Promoted the extension of the railroad network from Western Europe to Central and Eastern Europe, the CIS, and Turkey

Asia Pacific Segment

As of or for the Years Ended March 31,		2008	2007	2006
Operating Results (¥ billion)	Gross Profit	33.1	30.7	30.4
	Operating Income	7.6	9.5	11.2
	Equity in Earnings of Associated Companies	1.1	0.7	0.8
	Net Income	22.5	22.0	22.8
Financial Condition (¥ billion)	Total Assets	360.5	360.1	—
	Investments in and Advances to Associated Companies	53.5	44.1	—
	Plant, Property and Equipment; and Property Leased to Others	5.6	6.4	—
Cash Flow (¥ billion)	Cash Flows from Investing Activities	(73.7)	(15.7)	—
Number of Employees	Consolidated	2,196	2,072	—
	Mitsui	351	328	—



Toshimasa Furukawa
Senior Executive Managing Officer;
Chief Operating Officer of
Asia Pacific Business Unit

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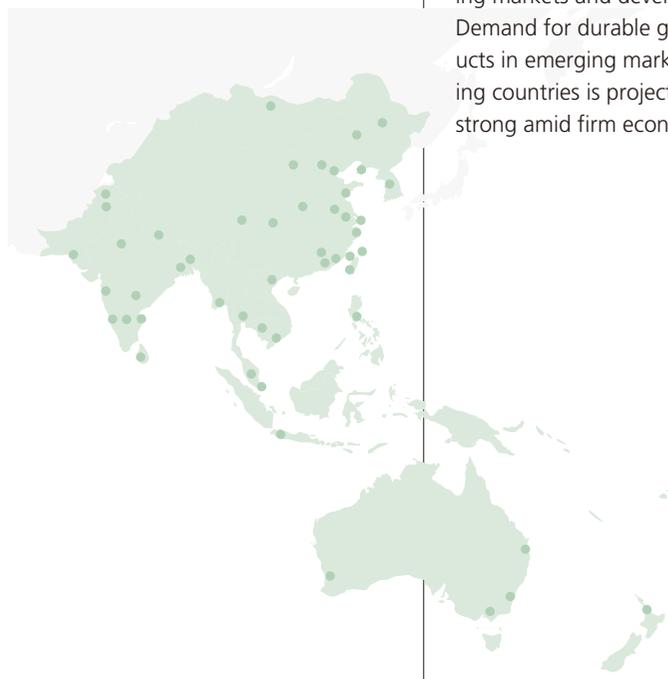
HIGHLIGHTS

Equity interests in mineral resources and energy in Australia contributed strongly to earnings. Global marketing businesses such as steel products and chemicals continued to perform soundly, buoyed by strong growth in emerging markets and developing countries.

MARKET OUTLOOK & STRATEGY

Market Outlook

Growing demand is projected for mineral resources and energy, supported by robust economic growth in emerging markets and developing countries. Demand for durable goods and products in emerging markets and developing countries is projected to remain strong amid firm economic growth.



Strategy

- Expand and deepen our business by further strengthening our global marketing network throughout the growing Asia Pacific market
 - Petroleum products and petrochemical materials: Expand our marketing volume throughout the region through reinforcement of terminal operations
 - Steel: Expand our steel business for infrastructure projects and the energy industry in cooperation with our partners
 - SCM: Provide SCM-based, high value-added logistics solution services especially in areas such as electronic components, materials, and automobiles
 - Foods: Refocus on China and Asia in general as the key future markets and seek to increase sales volumes of raw materials for livestock feed and dairy products within the region
- Develop logistics infrastructure such as port facilities in addition to our existing important areas such as power, transportation, natural resources, and water

PORTFOLIO AND NEW BUSINESS DEVELOPMENT

- Currently expanding ferrous alloy production capacity at our joint venture Erdos EPM, and looking to enter a range of other businesses with Erdos, including expanding production capacity for silicon-manganese
- Established a large-scale logistics and warehouse facility in the new India Free Trade Warehouse Zone (FTWZ) to supply our value-added services within the country

Corporate Social Responsibility (CSR)

Mitsui's CSR-oriented Management

Mitsui meets the challenges of a wide range of social issues through its broad-based business activities. Our CSR-oriented business activities come from individual officer and employee's awareness to needs of society and the Company's role in meeting those challenges.

<http://www.mitsui.co.jp/en/csr/index.html>

Basic CSR Policy

- 1** We will fulfill our role in the business community and continually strive to improve our corporate value by engaging conscientiously in our business activities, giving full consideration to our responsibilities to society and the environment.
- 2** We will raise the awareness of each employee with regard to CSR, and maintain a sound management base for practicing CSR by strengthening corporate governance and reinforcing internal control. We will also strive to contribute actively to society.
- 3** We will promote interactive communication with our stakeholders. We will fulfill our duties of accountability with respect to CSR and continually work to improve our CSR activities based on the responses of stakeholders.

Mitsui considers it an essential mission to help find industrial solutions to matters relating to human rights, labor conditions, the environment, safety, and other issues of particular importance to global society.

Supply Chain CSR Policy

To respond to the challenges of human rights, labor conditions, the environment, and safety, we must extend CSR activities beyond the initiatives of individual companies or enterprise groups in order to include related suppliers and customers on a global basis.

Accordingly, in December 2007, Mitsui established its "Supply Chain CSR Policy," and continues to tackle various problems relating to supply chains through Mitsui's business, and to contribute to the development of a sustainable society.

UN Global Compact and UN Millennium Development Goals (MDGs)

In 2004, we declared our formal support for the 10 Principles of the UN Global Compact relating to four areas—human rights, labor, the environment, and anti-corruption—and we are striving to contribute to the sustainable development of these principles.

On May 6, 2008, Mitsui signed the declaration on the UN Millennium Development Goals. This declaration was established with the intention of receiving the support of governments and companies, based on a speech given by British Prime Minister Gordon Brown at the UN in July 2007.



MDG signing ceremony in London

Social Contributions

Mitsui has set International Exchange, Education, and The Environment as three important areas for social contribution activities.

International Exchange

Support for Brazilian Children Living in Japan
Since 2005, we have been supporting the education of Brazilian children living in Japan, donating school goods, assisting an NPO supporting the Brazilian community, and developing supplementary learning materials for these children.



Classroom of Brazilian children

Education

Mitsui is pursuing educational activities globally for developing internationally minded human resources to actively contribute to development in the fields of industry, government, and academia.

- Mitsui Scholarship Program for Indonesian Students
- Donation to programs at Beijing University and the University of Western Australia



An Indonesian student in a university seminar



Lecture presentation at Beijing University

The Environment

Mitsui & Co., Ltd. Environment Fund
We established the Mitsui & Co., Ltd. Environment Fund in 2005, aiming to support and promote internal and external efforts to resolve global environmental problems and achieve sustainable development that balances economic development and environmental conservation.



An Environment Fund program in Malawi

Mitsui's Forests

Mitsui has Company-owned forests in 73 locations throughout Japan, covering a total area of approximately 44,000 hectares. We have formulated a policy of long-term possession of these forests and are maintaining them to demonstrate their various functions, while also exploring the potential for new roles by conducting innovative forest management.



Kimita forest in Hiroshima Prefecture

Corporate Governance and Internal Controls

Corporate Governance Policy

To improve management transparency and accountability and clarify the division of roles between management oversight and business execution, Mitsui's policy is to ensure sound supervision and monitoring of management, enhanced by external directors and external corporate auditors, and to establish internal controls system for disclosure so that all executives and employees fulfill their accountability to stakeholders under the principle of fair disclosure.

To enhance separation of the functions of business execution and management monitoring, the Board of Directors retains a supervisory role while appointing executive officers to implement business strategy. Consolidated group business is structured under Mitsui's 15 head office business units and 3 overseas regional business units, and a dynamic approach to business implementation is supported by the appointment of chief operating officers to each of these units.

Board of Directors

The Board of Directors is Mitsui's decision-making body. The Board of Directors determines basic guidelines and policies by establishing corporate strategy, reviewing the Company's business plans, and supervising and monitoring the activities of the Executive Officers. Upon the introduction of the Executive Officer System in 2002, Mitsui reduced the number of directors from 38 to 11. At the Annual General Meeting of Shareholders in June 2008, 13 directors were appointed, eight of which also serve as Executive Officers. Currently, there are four external directors, and Mitsui gives priority to the appointment of new external directors if increasing the number of board members. The tenure of Directors is one year and expires at the close of the Annual General Meeting of Shareholders. A meeting of the Board of Directors is normally held once every month, and from time to time whenever necessity arises. In the year ended March 2008, 14 meetings were held, including three extraordinary meetings.

External Directors

External directors are appointed from among candidates that have extensive business experience and knowledge. As Mitsui is a general trading company with business dealings with a broad variety of industries and businesses, we consider independence of external directors to be preferable from the viewpoint of effective management oversight, but not always practical and absolutely essential. Meanwhile, external directors serve as members of the Governance Committee and the Nomination Committee as well as committee chair of the Remuneration Committee.

Advisory Bodies to the Board of Directors

Mitsui has established the following three committees as advisory bodies to the Board of Directors. The members and purpose of each committee are indicated in detail in the chart shown on the next page.

- Governance Committee
- Nomination Committee
- Remuneration Committee

Board of Corporate Auditors

On and after the Annual General Meeting of Shareholders held in June 2008 there are seven corporate auditors, comprising three full-time and four external auditors. The Board of Corporate Auditors, as an independent body, has a statutory duty to prepare and submit its audit report to the shareholders. The Corporate Auditors communicate closely with the Independent Auditors, while monitoring independence of the Independent Auditors and the Internal Auditing Division. Full-time corporate auditors routinely attend important internal meetings and committees, including the Corporate Management Committee. All Corporate Auditors have discussions with the President and Chief Executive Officer ("the CEO") and the Chairman on a periodic basis, and full-time corporate auditors receive reports and exchange opinions at regular meetings with Directors, Executive Officers, and general managers. The Corporate Auditors conduct auditing on operation of Mitsui Group companies through daily visits to Mitsui's domestic and overseas offices and important subsidiaries. During the year ended March 2008, 13 meetings of the Board of Corporate Auditors were held.

External Corporate Auditors

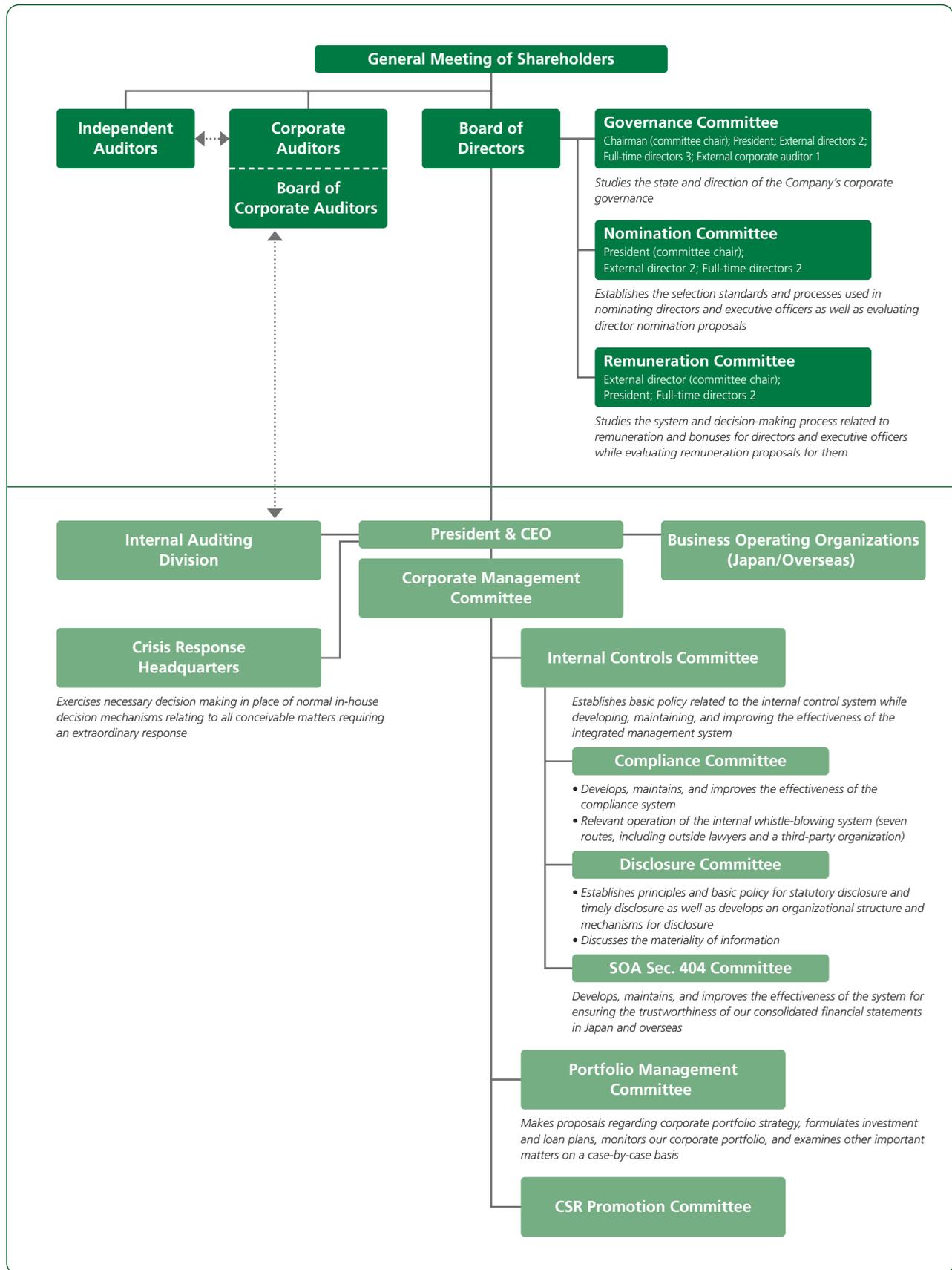
External corporate auditors are appointed from among candidates that can present their audit opinions from an independent and objective viewpoint. Prior to the appointment of an external corporate auditor, the Board of Corporate Auditors will confirm their independence in terms of relationships with the company, management, and principal employees.

Business Execution and Internal Controls System

Ultimate responsibility for execution of business operations lies with the CEO. The CEO delegates authority to the Chief Operating Officers of the Business Units and Regional Business Units, who in turn report to the CEO.

Mitsui has the Corporate Management Committee for deliberating upon the basic policies and important matters for execution of group-wide business operations. There are three committees pertaining to business execution and internal controls under the Corporate Management Committee. The purpose of each organization is indicated in detail in the chart on the next page.

The Corporate Governance Framework



Directors and Corporate Auditors

As of June 24, 2008

Directors



Nobuo Ohashi
Chairman and Director



Shoei Utsuda*
President and Chief Executive Officer



Toshihiro Soejima*



Motokazu Yoshida*



Ken Abe*



Yoshiyuki Izawa*



Junichi Matsumoto*
Chief Financial Officer
Chief Compliance Officer



Masami Iijima*



Seiichi Tanaka*

Note: Representative Directors are marked with an asterisk.

External Directors



Akishige Okada

Date of Birth: April 9, 1938

Current Position:
Director (since June 27, 2003)

Principal Business Activities
Outside Mitsui:

- Director, Daicel Chemical Industries, Ltd.
- Corporate Auditor, Hotel Okura Co., Ltd.
- Corporate Auditor, Toyota Motor Corporation
- Corporate Auditor, Mitsui Fudosan Co., Ltd.

Prior Positions:

- 1991 Director, The Mitsui Taiyo Kobe Bank, Ltd.
- 1995 Managing Director, The Sakura Bank, Ltd.
- 1996 Senior Managing Director, The Sakura Bank, Ltd.
- 1997 President, The Sakura Bank, Ltd.
- 1999 President and Managing Director, The Sakura Bank, Ltd.
- 2001 Chairman of the Board, Sumitomo Mitsui Banking Corporation
- 2002 Chairman of the Board, Sumitomo Mitsui Financial Group, Inc.
- 2003 Chairman of the Board, Sumitomo Mitsui Banking Corporation
- 2005 Advisor, Sumitomo Mitsui Banking Corporation



Nobuko Matsubara

Date of Birth: January 9, 1941

Current Position:
Director (since June 23, 2006)

Principal Business Activities
Outside Mitsui:

- Director, Daiwa Securities Group Inc.

Prior Positions:

- 1987 Director of International Labor Division, Minister's Secretariat, the Ministry of Labor
- 1991 Director-General of Women's Bureau, the Ministry of Labor
- 1997 Vice Minister of the Ministry of Labor
- 1999 President of Japan Association for Employment of Persons with Disabilities
- Sep. 2002 Ambassador Extraordinary and Plenipotentiary of Japan to Italy
- Nov. 2002 Ambassador Extraordinary and Plenipotentiary of Japan to San Marino and to Malta
- Jan. 2006 Advisor to Japan Institute of Workers' Evolution
- Jul. 2006 Chairman of Japan Institute of Workers' Evolution



Ikujiro Nonaka

Date of Birth: May 10, 1935

Current Position:
Director (since June 22, 2007)

Principal Business Activities
Outside Mitsui:

- Director, Fujitsu Limited
- Director, Seven & i Holdings Co., Ltd.

Prior Positions:

- 1977 Professor, Management Faculty, Nanzan University
- 1979 Professor, National Defense Academy of Japan
- 1982 Professor, Institute of Business Research, Hitotsubashi University
- 1995 Professor, Graduate School of Knowledge Science, JAIST
- 1997 Xerox Distinguished Professor in Knowledge, Walter A. Haas School of Business, University of California, Berkeley
- 2000 Professor, Graduate School of International Corporate Strategy, Hitotsubashi University
- 2006 Professor Emeritus, Hitotsubashi University
- 2007 First Distinguished Drucker Scholar in Residence, Drucker School of Claremont Graduate University



Hiroshi Hirabayashi

Date of Birth: May 5, 1940

Current Position:
Director (since June 22, 2007)

Principal Business Activities
Outside Mitsui:

- Director, TOSHIBA CORPORATION

Prior Positions:

- 1988 Director, Management and Coordination Division, Minister's Secretariat, the Ministry of Foreign Affairs
- 1990 Minister, Japanese Embassy in the U.S.A.
- 1992 Envoy, Japanese Embassy in the U.S.A.
- 1993 Director-General, Economic Cooperation Bureau, the Ministry of Foreign Affairs
- 1995 Chief Cabinet Councillor's Office on External Affairs, Cabinet Secretariat
- 1997 Secretary-General, Indo-China Refugees Measures Coordination Conference
- 1998 Ambassador Extraordinary and Plenipotentiary to India and Bhutan
- 2002 Ambassador Extraordinary and Plenipotentiary to France and Andorra
- 2003 Ambassador Extraordinary and Plenipotentiary to Djibouti
- 2006 Ambassador in charge of Inspection, the Ministry of Foreign Affairs
- Mar. 2007 Councillor, The Japan Forum on International Relations, Inc.
- Jun. 2007 President, The Japan-India Association
- 2008 Visiting Professor, Waseda University, Graduate School of Asia-Pacific Studies

Corporate Auditors



Tasuku Kondo

Satoru Miura

Motonori Murakami

External Corporate Auditors



Ko Matsukata

Date of Birth: March 27, 1933

Current Position:

Corporate Auditor (since June 27, 1996)

Principal Business Activities
Outside Mitsui:

- Corporate Auditor, Mitsui Life Insurance Co., Ltd.

Prior Positions:

- 1984 Director and General Manager of Corporate Planning Department, Taisho Marine and Fire Insurance Co., Ltd.
- 1985 Executive Managing Director and General Manager of Corporate Planning Department, Taisho Marine and Fire Insurance Co., Ltd.
- 1988 Senior Executive Managing Director, Taisho Marine and Fire Insurance Co., Ltd.
- Jan. 1990 Executive Vice President, Taisho Marine and Fire Insurance Co., Ltd.
- Jun. 1990 President, Taisho Marine and Fire Insurance Co., Ltd.
- 1996 Vice Chairman, Mitsui Marine and Fire Insurance Co., Ltd.
- 1997 Advisor to the Board, Mitsui Marine and Fire Insurance Co., Ltd.
- 2006 Standing Advisor, Mitsui Sumitomo Insurance Co., Ltd.
- 2008 Honorary Advisor, Mitsui Sumitomo Insurance Co., Ltd.



Hideharu Kadowaki

Date of Birth: June 20, 1944

Current Position:

Corporate Auditor (since June 24, 2004)

Principal Business Activities
Outside Mitsui:

- Corporate Auditor, Mitsui Chemicals, Inc.

Prior Positions:

- 1996 Director, The Sakura Bank, Ltd.
- 1998 Managing Director, The Sakura Bank, Ltd.
- 1999 Managing Director & Executive Managing Officer, The Sakura Bank, Ltd.
- 2000 Senior Managing Director and Senior Executive Managing Officer, The Sakura Bank, Ltd.
- 2001 Senior Managing Director and Senior Executive Managing Officer, The Sumitomo Mitsui Banking Corporation
- 2002 Senior Managing Director, Sumitomo Mitsui Financial Group, Inc.
- 2003 Deputy President, Sumitomo Mitsui Financial Group, Inc.
- 2004 Chairman of the Institute, The Japan Research Institute, Limited



Naoto Nakamura

Date of Birth: January 25, 1960

Current Position:

Corporate Auditor (since June 23, 2006)

Principal Business Activities
Outside Mitsui:

- Corporate Auditor, Asahi Breweries, Ltd.

Prior Positions:

- Apr. 1985 Admitted to the member of Second Tokyo Bar Association
- Apr. 1985 Joined Mori Sogo Law Office
- 1998 Founded HIBIYA PARK LAW OFFICES and became a partner
- 2003 Founded Law Firm of Naoto Nakamura (currently Law Firm of Nakamura, Tsunoda & Matsumoto) and became a partner



Kunihiko Matsuo

Date of Birth: September 13, 1942

Current Position:

Corporate Auditor (since June 24, 2008)

Principal Business Activities
Outside Mitsui:

- Director, Asahi Glass Co., Ltd.
- Corporate Auditor, Toyota Motor Corporation

Prior Positions:

- 1968 Appointment as Public Prosecutor
- 1999 Vice Minister of Justice
- 2004 Attorney General
- 2006 Admission as Attorney at Law

Major Subsidiaries and Associated Companies

As of March 31, 2008

	Principal lines of business	Capital	Ownership of voting shares (%)
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● Iron & Steel Products

<Subsidiaries>

Mitsui & Co. Steel Ltd.* ¹ (Japan)	Sales of construction materials and semi-assembled steel products	1,000	100.0
Regency Steel Asia Pte Ltd. (Singapore)	Wholesale and retail of steel products	USD 4,000	85.0
MITSUMI BUSSAN KOZAI HANBAI CO., LTD. (Japan)	Wholesale of steel products	429	88.9
MITSUMI BUSSAN STEEL TRADE CO., LTD. (Japan)	Trading and sales of steel products	100	100.0

<Associated Companies>

Nippon Steel Trading Co., Ltd. (Japan)	Trading of iron and steel products, non-ferrous metals, machinery	8,750	25.2
Tokyo Kohtetsu Co., Ltd. (Japan)	Manufacture and sales of billets and rolled steel shapes	2,453	29.3
Siam Yamato Steel Co., Ltd. (Thailand)	Manufacture and sales of steel products	THB 3,000,000	20.0 (2.0)
Shanghai Bao-Mit Steel Distribution Co., Ltd. (China)	Processing and sales of steel products	USD 29,500	35.0

*1. Mitsui & Co. Steel Ltd. changed its name from Mitsui Bussan Construction Materials Co., Ltd. in October 2007.

● Mineral & Metal Resources

<Subsidiaries>

Mitsui Iron Ore Development Pty. Ltd. (Australia)	Mining and sales of Australian iron ore	AUD 20,000	100.0 (20.0)
Mitsui-Itochu Iron Pty. Ltd. (Australia)	Mining and sales of Australian iron ore	AUD 8,086	70.0 (14.0)
Japan Collahuasi Resources B.V. (Netherlands)	Investments in a copper mine in Chile	USD 84,176	61.9 (61.9)
Mitsui Raw Materials Development Pty. Limited (Australia)	Investment in Sims Group, a scrap metal recycler	AUD 252,968	100.0
Mitsui Bussan Raw Materials Development Corp.* ² (Japan)	Wholesale of ferrous and non-ferrous scrap and ferrous alloys	880	100.0
MITSUMI BUSSAN METALS SALES CO., LTD.* ² (Japan)	Sales of non-ferrous material products and metals	3,300	100.0

<Associated Companies>

Valepar S.A. (Brazil)	Holding company of Companhia Vale do Rio Doce (VALE)	BRL 7,258,355	18.2
Coral Bay Nickel Corporation (Philippines)	Smelting of nickel and cobalt	USD 10,569	18.0
SUMIC Nickel Netherlands B.V. (Netherlands)	Investments in nickel producing business in New Caledonia and sales of products	USD 28	47.6
NIPPON AMAZON ALUMINIUM CO., LTD. (Japan)	Investments in aluminum smelting business in Brazil	57,350	20.9
Inner Mongolia Erdos Electric Power & Metallurgy Co., Ltd. (China)	Coal mining, power generation, ferrous alloy production and water pumping from the Yellow River	CNY 3,600,000	25.0

*2. Mitsui Bussan Raw Materials Development Corp. merged MITSUMI BUSSAN METALS SALES CO., LTD. in April 2008 and changed its name to Mitsui Bussan Metals Co., Ltd.

● Machinery & Infrastructure Projects

<Subsidiaries>

MBK Project Holdings Ltd. (Japan)	Investments in manufacturers of plant-related materials and equipment	20	100.0
Mitsui & Co. Plant Systems, Ltd.* ³ (Japan)	Sales of various plants, electric power facilities and transportation	1,555	100.0
Mitsui Power Ventures Limited (United Kingdom)	Investments in power generation business	USD 301,356	100.0
Mitsui Rail Capital Holdings, Inc. (United States)	Freightcar leasing and management in North America	USD 13,413	100.0
Mitsui Rail Capital Participações Ltda. (Brazil)	Freightcar leasing and management in Brazil	BRL 145,062	100.0
Mitsui Rail Capital Europe B.V. (Netherlands)	Locomotive leasing and management in Europe	EUR 74,000	100.0 (25.0)
MRCE Dispolok GmbH (Germany)	Locomotive leasing and management in Europe	EUR 2,000	100.0 (25.0)
MITSUMI GAS E ENERGIA DO BRASIL LTDA. (Brazil)	Investments in gas distribution companies	BRL 152,606	100.0
MIT POWER CANADA LP INC. (Canada)	Investment in Greenfield Power Generation Project in Ontario	CAD 113,350	100.0
Toyota Chile S.A. (Chile)	Import and sales of automobiles and auto parts in Chile	CLP 691,942	100.0
PT. Bussan Auto Finance (Indonesia)	Motorcycle retail finance	IDR 275,000,000	90.0 (15.0)
Mitsui Automotive Europe B.V. (Netherlands)	Investments in automotive-related companies and trading of automobiles	EUR 65,580	100.0 (40.0)
MMK CO., LTD.* ⁴ (Japan)	Sales of machine tools and injection molding machines	300	100.0
Ellison Technologies Inc. (United States)	Sales of machine tools	USD 7,532	71.0 (71.0)
Clio Marine Inc. (Liberia)	Shipping business	700	100.0
Lepta Shipping Co., Ltd. (Liberia)	Shipping business	USD 1	100.0
Mitsui Bussan Aerospace Co., Ltd. (Japan)	Import and sales of helicopters and defense and aerospace products	450	100.0

<Associated Companies>

IPM Eagle LLP (United Kingdom)	Investments in power generation business	USD 506,695	30.0 (30.0)
IPM (UK) Power Holdings Limited (Gibraltar)	Investments in power generation business	GBP 938	26.3 (26.3)
P.T. Paiton Energy (Indonesia)	Power generation in Indonesia	USD 306,000	36.3 (36.3)
Toyo Engineering Corporation (Japan)	Plant engineering	18,198	23.0
Compania de Generacion Valladolid S. de R.L. de C.V. (Mexico)	Power generation in Mexico	USD 79,875	50.0

	Principal lines of business	Capital	Ownership of voting shares (%)
Toyota Canada Inc. (Canada)	Import and sales of Toyota automobiles and parts	CAD 10,000	50.0
Penske Automotive Group, Inc.*5 (United States)	Automotive retailer	USD 10	16.3 (3.3)
PT. Yamaha Indonesia Motor Manufacturing (Indonesia)	Manufacture and sales of motorcycles	IDR 25,647,000	15.0
JAPAN AUTOMOBILE AUCTION INC. (Japan)	Automobile auctions	1,690	22.0
ASAHI TEC CORPORATION (Japan)	Manufacture of parts for automobiles	34,384	19.1
Komatsu Australia Pty. Ltd. (Australia)	Sales of construction and mining equipment	AUD 21,000	40.0 (4.0)

*3. Mitsui & Co. Plant Systems, Ltd. changed its name from Mitsui & Co. Project Corp. in April 2007.

*4. MMK CO., LTD. changed its name to Mitsui Bussan Machine Tec Co., Ltd. in April 2008.

*5. Penske Automotive Group, Inc. changed its name from United Auto Group, Inc. in July 2007.

● Chemical

<Subsidiaries>

P.T. Kaltim Pasifik Amoniak (Indonesia)	Production and sales of anhydrous ammonia	USD 75,750	75.0
Japan-Arabia Methanol Company Ltd. (Japan)	Investments in methanol producing business in Saudi Arabia and sales of products	5,000	55.0
mitsui BUSSAN SOLVENT & COATING CO., LTD. (Japan)	Sales and trading of solvents and coating materials	340	100.0
Mitsui AgriScience International SA/NV (Belgium)	Investments in crop protection businesses in Europe	EUR 25,702	100.0 (30.2)
Mitsui Bussan Agro Business Co., Ltd. (Japan)	Development and sales of fertilizers and agricultural products	350	100.0
Fertilizantes Mitsui S.A. Industria e Comercio (Brazil)	Production and sales of fertilizers	BRL 58,793	100.0
DAIICHI TANKER CO., LTD. (Japan)	Operation of chemical tankers	300	100.0
Mitsui Bussan Plastics Co., Ltd.*6 (Japan)	Wholesale of plastic raw materials and products	539	100.0
Nippon Trading Co., Ltd.*6 (Japan)	Sales of plastics and chemicals	626	100.0
SALT ASIA HOLDINGS PTY. LTD. (Australia)	Holdings company of Onslow Salt Pty. Ltd.	AUD 27,925	94.2 (9.4)
Mitsui Bussan Frontier Co., Ltd. (Japan)	Export and SCM services for electronic parts	180	100.0

<Associated Companies>

Agro Kanesho Co., Ltd. (Japan)	Manufacture and distribution of agrochemicals	1,809	20.0
Honshu Chemical Industry Co., Ltd. (Japan)	Manufacture and sales of chemicals	1,500	27.1
Soda Aromatic Co., Ltd. (Japan)	Manufacture and sales of aromatic-related chemicals	1,490	15.0
TG Missouri Corporation (United States)	Manufacture and sales of plastic automobile parts	USD 30,000	20.0
Advanced Composites, Inc. (United States)	Manufacture and sales of plastics (mainly PP) compounds	USD 14,100	27.0 (5.1)
Sanko Gosei Ltd. (Japan)	Manufacture of molded plastic products	1,891	20.4
Tensho Electric Industries Co., Ltd. (Japan)	Manufacture and sales of molded plastic products and molds	1,209	20.5

*6. Nippon Trading Co., Ltd. merged Mitsui Bussan Plastics Co., Ltd. and Mitsui Bussan Plastics Kansai Co., Ltd. in April 2008 and changed its name to Mitsui Bussan Plastics Trade Co., Ltd.

● Energy

<Subsidiaries>

Mitsui E&P Australia Pty Limited (Australia)	Exploration, development and production of oil and natural gas	USD 246,150	100.0
Mittwell Energy Resources Pty., Ltd. (Australia)	Sales of crude oil and condensate	AUD 1,875	100.0 (5.0)
Mitsui E&P Middle East B.V. (Netherlands)	Exploration, development and production of oil and natural gas in Oman	EUR 18	100.0 (100.0)
Mitsui Oil Exploration Co., Ltd. (Japan)	Exploration, development and sales of crude oil and natural gas	33,133	51.0
MitEnergy Upstream LLC (United States)	Exploration, development and production of oil and natural gas	USD 300,000	100.0 (100.0)
Mitsui Gas Development Qatar B.V. (Netherlands)	Development and production of natural gas and condensate	EUR 17,924	100.0
Mitsui LNG Nederland B.V. (Netherlands)	Investments in Qatar LNG project	EUR 5,672	100.0
Mitsui & Co. (E&P) B.V. (Netherlands)	Exploration, production and investments in oil and natural gas	EUR 27,955	100.0
Mitsui E&P (USA) LLC (United States)	Investment in MitEnergy Upstream LLC	USD 210,000	100.0 (100.0)
Mitsui Sakhalin Holdings B.V. (Netherlands)	Investments in Sakhalin Energy Investment Company Ltd.	EUR 1,506,845	100.0
Endeavour Resources Limited (United Kingdom)	Investments in Japan Australia LNG (MIMI) Pty. Ltd.	USD 176,922	100.0
Mitsui Coal Holdings Pty. Ltd. (Australia)	Investments in Australian coal business	AUD 417,430	100.0 (30.0)
Mitsui Oil Co., Ltd. (Japan)	Sales of petroleum products in Japan	3,000	89.9
Mitsui Liquefied Gas Co., Ltd. (Japan)	Sales of liquefied petroleum gas in Japan	2,000	100.0
Kokusai Oil & Chemical Co., Ltd. (Japan)	Sales of petroleum products in Japan	100	100.0

<Associated Companies>

Japan Australia LNG (MIMI) Pty. Ltd. (Australia)	Exploration, development and sales of crude oil and natural gas	AUD 369,050	50.0 (50.0)
United Petroleum Development Co., Ltd. (Japan)	Exploration, development and sales of crude oil	2,010	30.0 (10.0)
BHP Mitsui Coal Pty. Ltd. (Australia)	Mining and sales of Australian coal	AUD 168,372	16.8 (5.6)

	Principal lines of business	Capital	Ownership of voting shares (%)
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● Foods & Retail

<Subsidiaries>

WILSEY FOODS, INC. (United States)	Investments in processed oil food company	USD 25,000	90.0 (20.0)
MITSUMI FOODS CO., LTD. (Japan)	Wholesale of foods and beverages	12,031	99.9
Mitsui Norin Co., Ltd. (Japan)	Manufacture and sales of food products	7,424	87.6
DAI-ICHI BROILER CO., LTD.*7 (Japan)	Production, processing and sales of broilers	743	72.3
VENDOR SERVICE CO., LTD. (Japan)	Procurement and demand chain planning and management of food materials	450	100.0
MCM FOODS B.V. (Netherlands)	Import and sales of canned food products and groceries	EUR 1,175	100.0 (20.0)

<Associated Companies>

MIKUNI COCA-COLA BOTTLING CO., LTD. (Japan)	Production and sales of soft drinks	5,407	34.3
Mitsui Sugar Co., Ltd. (Japan)	Manufacture of refined sugar	7,083	31.6
Multigrain AG (Switzerland)	Production, origination, processing, logistics and merchandising of agriproducts	CHF 95,317	25.0
KADOYA SESAME MILLS INCORPORATED (Japan)	Extraction, refining and processing of vegetable oil, and sales of related products	2,160	22.3

*7. DAI-ICHI BROILER CO., LTD. changed its name to PRI Foods Co., Ltd. in April 2008.

● Consumer Service & IT

<Subsidiaries>

Mitsui Bussan Inter-Fashion Ltd. (Japan)	Planning and management of production and distribution of apparel	853	100.0
Kids Station Inc. (Japan)	Broadcasting of TV programs for children	515	67.0
BUSSAN REAL ESTATE CO., LTD. (Japan)	Real estate sales, leasing and management	1,000	100.0
MBK Real Estate Europe Limited (United Kingdom)	Real estate-related business	GBP 33,000	100.0 (30.0)
Telepark Corp. (Japan)	Sales and distribution of mobile phones and agency for telecommunication services	1,552	50.8
Mitsui Knowledge Industry Co., Ltd.*8 (Japan)	Planning, development and sales of information and communication systems	4,113	58.4
J-SCube Inc.*9 (Japan)	Outsourcing services for data entry and other back-office tasks	1,000	100.0
Mitsui Electronics Inc. (Japan)	Sales of electronic devices and equipment	350	100.0

<Associated Companies>

QVC JAPAN INC. (Japan)	TV shopping using a 24-hour dedicated channel	11,500	40.0
AIM SERVICES CO., LTD. (Japan)	Contract food services	1,910	50.0
ALCANTARA S.p.A. (Italy)	Manufacture and sales of synthetic suede	EUR 10,800	30.0 (10.0)
SOGO MEDICAL CO., LTD. (Japan)	Total solution services for medical institution management	3,467	20.4
Sumisho & Mitsui Bussan Kenzai Co., Ltd. (Japan)	Sales of building materials and contract construction work	2,500	50.0
Moshi Moshi Hotline, Inc. (Japan)	Comprehensive telemarketing and direct marketing operations	998	34.4
Nihon Unisys, Ltd. (Japan)	Development and sales of information systems	5,483	31.9
Brightstar Logistics Pty Ltd. (Australia)	Distribution of mobile handsets	AUD 7,500	40.0

*8. Mitsui Knowledge Industry Co., Ltd. and NextCom K.K. merged in April 2007.

*9. J-SCube Inc. was established upon reorganization of TOYO Officemation Inc. in July 2007.

● Logistics & Financial Markets

<Subsidiaries>

Mitsui & Co. Energy Risk Management Ltd. (United Kingdom)	Trading of energy derivatives	USD 21,689	100.0 (29.5)
Mitsui & Co. Precious Metals, Inc. (United States)	Trading of precious metals	USD 15	100.0 (50.0)
Mitsui Bussan Precious Metals (Hong Kong) Limited (Hong Kong, China)	Trading of precious metals	USD 4,000	100.0
Mitsui Bussan Logistics Holdings Ltd. (Japan)	Investments in domestic warehousing businesses	400	99.8
Mitsui Bussan Insurance Co., Ltd. (Japan)	Property and casualty insurance consignment and agency services	100	100.0
TRI-NET (JAPAN) INC. (Japan)	International integrated transportation services	400	100.0
TRI-NET LOGISTICS (ASIA) PTE LTD (Singapore)	International integrated transportation services	USD 3,000	100.0 (20.0)

<Associated Companies>

Mitsui Leasing & Development, Ltd.*10 (Japan)	Leasing and financing business	9,153	40.7 (0.7)
Mitsui Direct General Insurance Company, Limited (Japan)	General insurance	30,000	19.8

*10. Mitsui Leasing & Development, Ltd. became a subsidiary of newly established JA Mitsui Leasing, Ltd. through share transfer in April 2008.

● Americas

<Subsidiaries>

Mitsui & Co. (U.S.A.), Inc. (United States)	Trading	USD 350,000	100.0
Mitsui & Co. (Canada) Ltd. (Canada)	Trading	CAD 32,750	100.0

	Principal lines of business	Capital	Ownership of voting shares (%)
Mitsui Brasileira Importação e Exportação S.A. (Brazil)	Trading	BRL 6,778	100.0
Steel Technologies Inc. (United States)	Steel processing	USD 1	100.0 (100.0)
Champions Pipe & Supply, Inc. (United States)	Sales of steel pipes	USD 400	94.0 (94.0)
Intercontinental Terminals Company LLC (United States)	Chemical tank leasing	USD 62,000	100.0 (100.0)
Novus International, Inc. (United States)	Manufacture and sales of feed additives	USD 100,000	65.0 (65.0)
CornerStone Research & Development, Inc. (United States)	Processing and packaging of healthcare foods and supplements	USD 0	100.0 (100.0)
Westport Petroleum, Inc. (United States)	International trading of petroleum products and crude oil	USD 108	100.0 (80.0)
United Grain Corp. (United States)	Grain merchandising	USD 1,002	100.0 (80.0)
MBK Real Estate LLC (United States)	Real estate-related business	USD 163,677	100.0 (100.0)
AFC HoldCo, LLC (United States)	Investment in auto finance companies	USD 70,037	87.5 (87.5)

● Europe, the Middle East and Africa

<Subsidiaries>

Mitsui & Co. Europe Holdings PLC ^{*11} (United Kingdom)	Management of business in Europe and Africa	EUR 198,739	100.0
Mitsui & Co. Europe PLC ^{*12} (United Kingdom)	Trading	GBP 49,291	100.0 (100.0)
Mitsui & Co. Deutschland GmbH (Germany)	Trading	EUR 38,800	100.0 (100.0)
Mitsui & Co. Benelux S.A./N.V. (Belgium)	Trading	EUR 8,404	100.0 (100.0)
Mitsui & Co. France S.A.S. (France)	Trading	EUR 11,835	100.0 (100.0)
Mitsui & Co. Italia S.p.A. (Italy)	Trading	EUR 13,027	100.0 (100.0)
Mitsui & Co., Middle East Ltd. (UAE)	Trading	USD 8,000	100.0

*11. Mitsui & Co. Europe Holdings PLC changed its name from Mitsui & Co. Europe PLC in May 2007.

*12. Mitsui & Co. Europe PLC changed its name from Mitsui & Co. UK PLC in May 2007.

● Asia Pacific

<Subsidiaries>

Mitsui & Co. (Asia Pacific) Pte. Ltd. (Singapore)	Trading	USD 30,000	100.0
Mitsui & Co. (Hong Kong) Ltd. (Hong Kong, China)	Trading	HKD 200,000	100.0
Mitsui & Co. (China) Ltd. (China)	Management of business in China	CNY 431,071	100.0
Mitsui & Co. (China) Trading Ltd. (China)	Trading	CNY 242,445	100.0 (75.0)
Mitsui & Co. (Shanghai) Ltd. (China)	Trading	USD 5,000	100.0 (80.0)
Mitsui & Co. (Taiwan) Ltd. (Taiwan)	Trading	TWD 600,000	100.0
Mitsui & Co. Korea Ltd. (Korea)	Trading	KRW 16,000,000	100.0
Mitsui & Co. (Thailand) Ltd. (Thailand)	Trading	THB 1,500,000	100.0
Mitsiam International Ltd. (Thailand)	Trading	THB 100,000	55.0 (30.0)
Mitsui & Co. (Australia) Ltd. (Australia)	Trading	AUD 20,000	100.0

● All Other

<Subsidiaries>

Mitsui & Co. Financial Services Ltd. (Japan)	Financial services	2,000	100.0
Mitsui & Co. Financial Services (Europe) B.V. (Netherlands)	Financial services	EUR 17,244	100.0 (25.0)
Mitsui & Co. Financial Services (Asia) Ltd. (Singapore)	Financial services	USD 15,000	100.0

Figures shown in parentheses in the "Ownership of voting shares" column are Mitsui's indirect ownership through share ownership of consolidated subsidiaries.

These figures are the percentage ownership of such subsidiaries and are contained within the total direct and indirect ownership figures.

Figures shown in the "Capital" column without currency symbols are denominated in millions of yen. Figures with currency symbols are expressed in units of 1,000 in the currencies shown in the table below.

Symbol	Name of currency	Symbol	Name of currency	Symbol	Name of currency
AUD	Australian Dollar	CNY	Chinese Yuan	KRW	Korean Won
BRL	Brazilian Real	EUR	Euro	THB	Thai Baht
CAD	Canadian Dollar	GBP	Sterling Pound	TWD	Taiwanese Dollar
CHF	Swiss Franc	HKD	Hong Kong Dollar	USD	United States Dollar
CLP	Chilean Peso	IDR	Indonesian Rupiah		

Historical Financial Data (Unaudited)

Note: These historical financial data are prepared solely for the convenience of readers and should be read in conjunction with the consolidated financial statements and notes thereto contained in the Form 20-F.

As of or for the Years Ended March 31,	2008
Operating Results	
Revenues	¥5,738.9
Cost of Revenues	4,750.8
Gross Profit	988.1
Other Expenses (Income)	
Selling, general and administrative	605.2
Provision for doubtful receivables	8.1
Interest income	(57.3)
Interest expense	106.2
Dividend income	(50.1)
Government grant for transfer of substitutional portion of EPF	—
Gain on sales of securities—net	(92.3)
Gain on issuance of stock by a subsidiary	—
Loss on write-down of securities	36.7
Loss (gain) on disposal or sales of property and equipment—net	0.2
Impairment loss of long-lived assets	24.4
Impairment loss of goodwill	2.0
Compensation and other charges related to DPF incident	—
Other expense (income)—net	3.0
Total other expenses	586.1
Income from Continuing Operations before Income Taxes, Minority Interests and Equity in Earnings	402.0
Income Taxes	171.2
Income from Continuing Operations before Minority Interests and Equity in Earnings	230.8
Minority Interests in Earnings of Subsidiaries	(46.0)
Equity in Earnings of Associated Companies—Net (After Income Tax Effect)	154.3
Income from Continuing Operations	339.1
Income (Loss) from Discontinued Operations—Net (After Income Tax Effect)	71.0
Cumulative Effect of Change in Accounting Principle (After Income Tax Effect)	—
Net Income	¥ 410.1

Financial Position

Investments in and advances to associated companies	¥1,333.0
Other investments	1,281.5
Property leased to others—at cost, less accumulated depreciation	184.4
Net property and equipment	1,016.3
Total assets	9,690.9
Interest-bearing debt ³	3,685.6
Cash and cash equivalents and Time deposits	911.6
Net interest-bearing debt ³	2,774.0
Total shareholders' equity	2,183.7

Cash Flows

Net cash provided by operating activities	¥ 415.8
Net cash used in investing activities	(104.8)
Free cash flow ³	311.0

Ratios

Return on equity ⁴	19.1%
Net debt-to-equity ratio ³	1.27

Notes: 1. Certain reclassifications and format changes have been made to prior year amounts to conform to the current year presentation.

2. The U.S. dollar amounts represent translations of the Japanese yen amounts at the rate of ¥100=U.S.\$1, the approximate rate of exchange on March 31, 2008.

3. For information on interest-bearing debt, net interest-bearing debt, net debt-to-equity ratio and free cash flow, please refer to "Use of Non-GAAP Financial Measures" in "B. Liquidity and Capital Resources" of "Item 5. Operating and Financial Review and Prospects" in the Form 20-F.

4. Return on equity is calculated as annual consolidated net income divided by the average balance of shareholders' equity between the beginning date and the ending date of each fiscal year.

	Billions of Yen			Millions of U.S. Dollars ²
2007	2006	2005	2004	2008
¥4,793.6	¥4,027.5	¥3,420.9	¥2,915.3	\$57,389
3,927.3	3,242.9	2,741.0	2,320.2	47,508
866.3	784.6	679.9	595.1	9,881
571.6	538.6	498.0	478.3	6,052
11.9	(1.7)	8.9	9.8	81
(49.8)	(37.6)	(34.8)	(29.2)	(573)
92.5	58.8	42.4	34.5	1,062
(49.2)	(30.2)	(24.4)	(18.4)	(501)
—	—	—	(17.2)	—
(58.8)	(37.8)	(34.7)	(27.5)	(923)
—	—	(1.7)	—	—
11.7	10.5	16.5	31.0	367
(5.3)	(7.5)	(6.4)	(4.1)	2
19.4	15.8	13.8	19.7	244
16.5	—	1.1	—	20
(3.9)	9.0	36.0	—	—
0.5	(2.0)	5.1	26.8	30
557.1	515.9	519.8	503.7	5,861
309.2	268.7	160.1	91.4	4,020
145.3	134.1	97.4	44.9	1,712
163.9	134.6	62.7	46.5	2,308
(17.9)	(13.7)	(12.5)	(5.8)	(460)
153.1	94.2	64.3	39.5	1,543
299.1	215.1	114.5	80.2	3,391
2.4	(12.7)	6.6	(9.5)	710
—	—	—	(2.3)	—
¥ 301.5	¥ 202.4	¥ 121.1	¥ 68.4	\$ 4,101

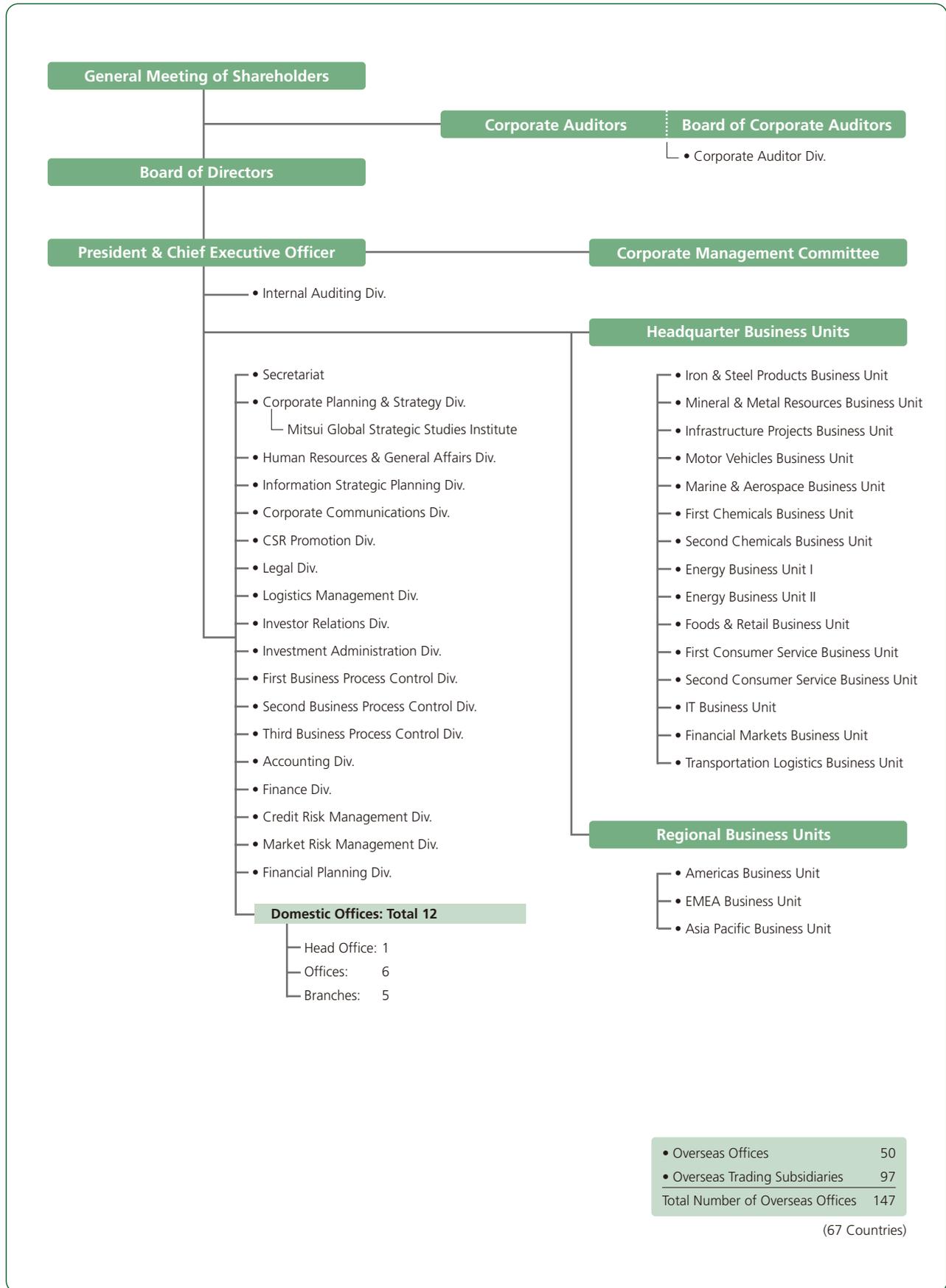
	Billions of Yen			Millions of U.S. Dollars ²
¥1,587.6	¥1,300.6	¥ 973.2	¥ 726.5	\$13,330
1,238.9	935.7	660.2	617.2	12,815
259.2	218.6	183.2	230.3	1,844
988.3	746.2	662.7	599.1	10,163
9,813.3	8,573.6	7,593.4	6,716.0	96,909
3,918.1	3,552.7	3,616.8	3,395.1	36,856
806.6	734.1	819.9	685.0	9,116
3,111.5	2,818.6	2,796.9	2,710.1	27,740
2,110.3	1,677.9	1,122.8	963.3	21,837

	Billions of Yen			Millions of U.S. Dollars ²
¥ 239.3	¥ 146.4	¥ 200.1	¥ 100.1	\$ 4,158
(418.0)	(347.3)	(224.0)	(134.2)	(1,048)
(178.7)	(200.9)	(23.9)	(34.1)	3,110

15.9%	14.5%	11.6%	7.5%
1.47	1.68	2.49	2.81

Organizational Structure

As of May 1, 2008



Investor Information

As of March 31, 2008

Corporate Profile

MITSUI & CO., LTD.

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

DATE OF ESTABLISHMENT

July 25, 1947

COMMON STOCK

¥337,543,942,744

NUMBER OF EMPLOYEES (CONSOLIDATED)

42,621 (of which 5,869 are employees of Mitsui & Co., Ltd.)

NUMBER OF OFFICES AND OVERSEAS TRADING SUBSIDIARIES

Offices: Domestic: 12 (including Tokyo Head Office)

Overseas: 50

Overseas Trading Subsidiaries: Head offices: 42

Others: 55

(Total: 67 countries)

SUBSIDIARIES AND ASSOCIATED COMPANIES

Subsidiaries:	Overseas	232
	Domestic	124
Associated companies:	Overseas	133
	Domestic	69
Total		558

Stock Information

COMMON STOCK ISSUED

1,820,183,809 shares

STOCK EXCHANGE LISTINGS

Tokyo, Osaka, Nagoya, Fukuoka, Sapporo,
NASDAQ (in the form of American Depositary Shares)

TRANSFER AGENT OF COMMON STOCK

The Chuo Mitsui Trust and Banking Company, Limited
33-1, Shiba 3-chome, Minato-ku, Tokyo 105-8574, Japan

DEPOSITORY AND TRANSFER AGENT FOR AMERICAN DEPOSITARY RECEIPTS

Citibank, N.A.
388 Greenwich Street,
New York, NY 10013
U.S.A.

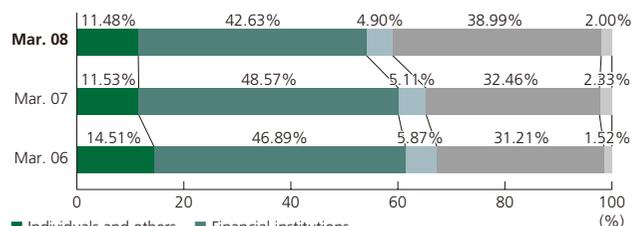
NUMBER OF SHAREHOLDERS

105,338

MAJOR SHAREHOLDERS

The Master Trust Bank of Japan, Ltd. (Trust account)
Japan Trustee Services Bank, Ltd. (Trust account)
STATE STREET BANK AND TRUST COMPANY
Sumitomo Mitsui Banking Corporation
Mitsui Life Insurance Company Limited
Nippon Life Insurance Company
The Chuo Mitsui Trust and Banking Company, Limited

COMPOSITION OF SHAREHOLDERS



Legend:
■ Individuals and others
■ Financial institutions
■ Other domestic corporations
■ Foreign institutions
■ Securities firms, Japan Securities Depository Center, Inc., and Treasury stock

Notes: 1. The figures in the above graph reflect all shareholders and shares held, including shareholders who own less than one trading unit.
 2. The "Individuals and other" category shown in the above color key to the graph includes organizations which are not incorporated.

Contact Points for Investors

Investor Relations Division

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C.P.O. Box 822, Tokyo 100-8631, Japan
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E-mail: infoTKADZ@mitsui.com

Home Page

Our investor relations home pages on the world wide web offer a wealth of corporate information, including the latest annual report and financial results.

Corporate Information: <http://www.mitsui.co.jp/en/>

Investor Information: <http://www.mitsui.co.jp/en/ir/>



