Consolidated Financial Results for the Six-Month Period Ended September 30, 2012

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

Tokyo, November 2, 2012 - Mitsui & Co., Ltd. announced its consolidated financial results for the six-month period ended September 30, 2012.

Mitsui & Co., Ltd. and subsidiaries
(Website : http://www.mitsui.com/jp/en/)

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1. Consolidated financial results (Unreviewed)

(1) Consolidated operating results information for the six-month period ended September 30, 2012
(from April 1, 2012 to September 30, 2012)

		Six-month period ended September 30,			
		2012	%	2011	%
Revenues	Millions of yen	2,365,898	△ 10.0	2,629,030	19.3
Income before Income Taxes and Equity in Earnings	Millions of yen	160,302	△ 30.8	231,640	22.5
Net income attributable to Mitsui & Co., Ltd.	Millions of yen	168,337	△ 25.9	227,261	24.0
Net income attributable to Mitsui & Co., Ltd. per share, basic	Yen	92.24		124.54	
Net income attributable to Mitsui & Co., Ltd. per share, diluted	Yen	—		124.54	

Notes：

1.Percentage figures for Revenues, Income before Income Taxes and Equity in Earnings, and Net income attributable to Mitsui & Co., Ltd. represent changes from the previous year.

2.Comprehensive Income (Loss) for the six-month periods ended September 30, 2012 and 2011 were ¥14,149 million (- %) and ¥(32,746) million (- %), respectively.

3.Diluted net income attributable to Mitsui & Co., Ltd. per share for the period ended September 30, 2012 is not disclosed as there are no dilutive potential shares.

(2) Consolidated financial position information

		September 30, 2012	March 31, 2012
Total assets	Millions of yen	8,919,243	9,011,823
Total equity (net worth)	Millions of yen	2,824,786	2,860,810
Mitsui & Co., Ltd. shareholders' equity	Millions of yen	2,603,278	2,641,318
Mitsui & Co., Ltd. shareholders' equity ratio	%	29.2	29.3
Mitsui & Co., Ltd. shareholders' equity per share	Yen	1,426.50	1,447.34

2. Dividend information

		Year ended March 31,		Year ending March 31, 2013 (Forecast)
		2013	2012	
Interim dividend per share	Yen	22	27	
Year-end dividend per share	Yen		28	21
Annual dividend per share	Yen		55	43

3. Forecast of consolidated operating results for the year ending March 31, 2013 (from April 1, 2012 to March 31, 2013)

		Year ending March 31, 2013
Net income attributable to Mitsui & Co., Ltd.	Millions of yen	310,000
Net income attributable to Mitsui & Co., Ltd. per share, basic	Yen	169.87

Note :
We have changed our forecast net income attributable to Mitsui & Co., Ltd. for the year ending March 31, 2013 from ¥400.0 billion to ¥310.0 billion.

4. Others
(1) Increase/decrease of important subsidiaries during the period : Yes
New : 1 company (MMRD Gama Limitada)

(2) Number of shares :

	September 30, 2012	March 31, 2012
Number of shares of common stock issued, including treasury stock	1,829,153,527	1,829,153,527
Number of shares of treasury stock	4,206,991	4,204,441

	Six-month period ended September 30, 2012	Six-month period ended September 30, 2011
Average number of shares of common stock outstanding	1,824,947,980	1,824,826,489

Disclosure Regarding Quarterly Review Procedures
As of the date of disclosure of this quarterly earnings report, a review of the quarterly financial statements is being carried out in accordance with the Financial Instruments and Exchange Act.

This report contains forward-looking statements including those concerning future performance of Mitsui & Co., Ltd. (“Mitsui”), and these statements are based on Mitsui’s current assumptions, expectations and beliefs in light of the information currently possessed by it.
It is not the intention of Mitsui to undertake to realize these statements, and various factors may cause Mitsui’s actual results to be materially different from any future performance expressed or implied by these forward-looking statements.
For key assumptions on which the statements concerning future performance are based, please refer to “(2) Forecasts for the year ending March 31, 2013” on p.18. For cautionary notes with respect to forward-looking statements, please refer to the “Notice” section on p.22.

Supplementary materials and IR meeting on financial results:
Supplementary materials on financial results can be found on our website.
We will hold an IR meeting on financial results for analysts and institutional investors on November 5, 2012.
Contents of the meeting (English and Japanese) will be posted on our web site immediately after the meeting.

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1. Qualitative Information

As of the date of disclosure of this quarterly earnings report, a review of the quarterly financial statements is being carried out in accordance with the Financial Instruments and Exchange Act.

(1) Operating Environment

During the six-month period ended September 30, 2012, the momentum of growth in the global economy showed a continued slowdown and the downside risks were seen to be increasing throughout this six-month period. Although the U.S. economy is continuing a moderate recovery as the employment situation gradually improves and the real estate market appears to be bottoming out, the financial conditions in the euro region remain fragile and are negatively affecting the global economy through the flow of goods and capital. In the emerging economies, China demonstrated a larger than expected slowdown during the summer months due to weaker external demand and slower real estate investment; and Brazil showed a clear slowdown in fixed asset investments. In Japan, economic recovery has stalled due to weaker demand from Europe including the indirect effect on flow of goods through China. This shift occurring in the global economy coupled with the price declines in some of the key commodity markets have presented severe challenges to our operations.

We remain cautious of the high levels of uncertainty in the global economy: the potential negative effects by the financial crisis in the euro region and the financial cliff situation in the U.S.; the unfavorable spillover effects that may be caused by the lower growth rates in the emerging economies; and volatile price movements in the international commodity markets. With such caution as a backdrop, we maintain our view that the global economy will continue to grow at a moderate pace driven by more manageable economic growth rates in the emerging economies and the coordinated global monetary policy easing and fiscal spending.

In the emerging economies, various measures of monetary and fiscal policy easing are now underway. In China, although the easing of policy tightening and additional stimulus programs have not gained the traction expected in the beginning of the fiscal year, we expect domestic demand to grow with a pickup in personal consumption and investment in infrastructure in response to the policy easing, and to drive a sustained, reasonably high growth rate in the medium term. In Latin America, although regional growth showed a weaker performance, private capital flows remain strong and financing conditions are generally favorable. In Brazil, we expect that the recent monetary policy easing and large-scale infrastructure investments will gradually contribute to higher domestic demand which will lead to strong, sustainable growth. In the advanced economies, several programs are in place to advance the prospects of continued recovery albeit at a moderate rate, and to tackle the downside risks: the European Central Bank’s measures of outright transactions in secondary sovereign bond markets would provide certain relief to the vulnerable situation in the euro region; the additional quantitative easing announced by the Federal Reserve in the U.S. would work to limit the downside risks; and the Bank of Japan’s further easing of its monetary policy by expanding the asset purchase program for government bonds aims to support economic growth and deflect deflationary pressure.

Oil prices (WTI) declined from over $100 per barrel in April to slightly under $80 per barrel in June at one point, and have subsequently recovered to the level of $90s per barrel. After closing at ¥10,083 at the end of March 2012, the Nikkei index gradually declined to the level slightly below ¥8,300 due to the deepening financial crisis in Europe and the slowing of economic growth in China, and closed at ¥8,870 at the end of September 2012. In the foreign exchange market, yen was the preferred currency. After closing at 82.19 per U.S. dollar at the end of March 2012, the yen appreciated gradually to the upper half of 70s per U.S. dollar and continued to trade in that range; it eventually closed at 77.60 per U.S. dollar at the end of September 2012.

Our operating environment is posing a larger challenge for us. We will continue to closely monitor the overall shift in the global economy, the movements in the international commodity markets, and the effects of the various policies implemented by the economic regions explained here, and will navigate our businesses with discipline and effective long term planning.

(2) Results of Operations

1) Analysis of Consolidated Income Statements

Revenues

Mitsui & Co., Ltd. ("Mitsui") and its subsidiaries (collectively "we") recorded total revenues of ¥2,365.9 billion for the six-month period ended September 30, 2012, a decline of ¥263.1 billion from ¥2,629.0 billion for the corresponding six-month period of the previous year.

Revenues from sales of products for the six-month period ended September 30, 2012 were ¥2,117.7 billion, a decline of ¥266.1 billion from ¥2,383.8 billion for the corresponding six-month period of the previous year, as a result of the following:

- The Chemicals Segment reported a decline of ¥142.4 billion mainly due to underperforming trading activities in petrochemical materials.
- The Energy Segment reported a decline of ¥93.4 billion. Oil trading businesses reported a decline of ¥128.9 billion due to deterioration of market conditions, while an increase of ¥29.4 billion was reported in oil and gas producing businesses due to an increase in volume and higher prices.
- The Mineral & Metal Resources Segment reported a decline of ¥42.9 billion, mainly attributable to a decline in iron ore prices.
- The Lifestyle Segment reported an increase of ¥17.8 billion. Multigrain AG (Switzerland) contributed to the increase as a result of its reclassification from associated company to subsidiary during the corresponding six-month period of the previous year. We consolidate Multigrain AG's results of operation based on a three-month time lag.

Revenues from sales of services for the six-month period ended September 30, 2012 were ¥185.4 billion, an increase of ¥5.2 billion from ¥180.2 billion for the corresponding six-month period of the previous year.

Revenues from other sales for the six-month period ended September 30, 2012 were ¥62.8 billion, a decrease of ¥2.2 billion from ¥65.0 billion for the corresponding six-month period of the previous year.

Mitsui recorded losses and gains in revenues related to the commodity derivatives trading business, which correspond to foreign exchange losses of ¥5.2 billion and ¥0.4 billion posted in other expense-net for the six-month periods ended September 30, 2012 and 2011, respectively.

Gross Profit

Gross profit for the six-month period ended September 30, 2012 was ¥393.0 billion, a decline of ¥60.9 billion from ¥453.9 billion for the corresponding six-month period of the previous year as a result of the following:

- The Mineral & Metal Resources Segment reported a decline of ¥34.6 billion in gross profit. Mitsui Iron Ore Development Pty. Ltd. (Australia) reported a decline of ¥21.0 billion in gross profit reflecting the decline in iron ore prices, which was partially offset by the positive effect of increases in sales volume led by both the effect of incremental capacity and the reversal effect of unseasonably wet weather for the corresponding six-month period of the previous year. Mitsui-Itochu Iron Pty. Ltd. (Australia) also recorded a decline of ¥11.3 billion due to the decline in iron ore prices.
- The Energy Segment reported a decline of ¥11.0 billion in gross profit. Mitsui Coal Holdings Pty. Ltd. (Australia) reported a decline of ¥12.8 billion due to lower coal prices. A decline in gross profit of ¥6.8 billion in petroleum trading activities was recorded at Mitsui due to deterioration of market conditions. Furthermore, Mitsui E&P USA LLC (United States) reported a decline of ¥6.6 billion due to an increase in depreciation costs as well as a decline in gas prices in the U.S. Meanwhile, Mitsui Oil Exploration Co., Ltd. (Japan) reported an increase of ¥11.0 billion due to an increase in volume; Mitsui

E&P Middle East B. V. (Netherland) reported an increase of ¥4.4 billion due to increases in both oil prices and volume; and Mitsui E&P Texas LP (United States) recorded an increase of ¥4.3 billion.

- The Lifestyle Segment reported a decline of ¥7.5 billion in gross profit. The main cause of the decline included the reversal effect of ¥4.6 billion mark-to-market valuation gains on commodity derivative contracts related to coffee for the corresponding six-month period of the previous year, as well as a ¥3.2 billion decline recorded at Multigrain AG, reflecting a drop in the soybean harvest affected by the drought in Brazil.
- The Americas Segment reported a decline of ¥4.7 billion. Novus International, Inc. (United States) reported a decline of ¥4.8 billion due to a decline in sales price despite the increase in sales volume of methionine, as well as a write-down on inventories of feed additives other than methionine.
- The Iron & Steel Products Segment reported a decline of ¥4.3 billion in gross profit, due to weaker demand and lower prices in emerging markets including Asia and sluggish domestic sales.
- The Machinery & Infrastructure Segment reported an increase of ¥3.0 billion in gross profit mainly due to a reversal effect of a loss allowance for vessels under construction recorded in the corresponding six-month period of the previous year.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the six-month period ended September 30, 2012 were ¥251.5 billion, a decline of ¥2.8 billion from ¥254.3 billion for the corresponding six-month period of the previous year. The table below provides a breakdown of selling, general and administrative expenses used for our internal review.

Billions of Yen

	Personnel	Welfare	Travel	Entertainment	Communication
Six-month period ended September 30, 2012	135.6	6.0	15.2	3.6	23.3
Six-month period ended September 30, 2011	136.5	5.8	14.8	3.7	23.3
Change	(0.9)	0.2	0.4	(0.1)	0.0

	Rent	Depreciation	Tax	Others	Total
Six-month period ended September 30, 2012	8.8	6.2	4.1	48.7	251.5
Six-month period ended September 30, 2011	8.3	6.2	4.1	51.6	254.3
Change	0.5	0.0	0.0	(2.9)	(2.8)

The table below provides selling, general and administrative expenses broken down by operating segment.

Billions of Yen

Operating Segment	Iron & Steel Products	Mineral & Metal Resources	Machinery & Infrastructure	Chemicals	Energy	Lifestyle	Innovation & Cross Function
Six-month period ended September 30, 2012	17.9	17.6	47.6	30.2	27.4	55.7	37.4
Six-month period ended September 30, 2011	17.0	10.9	42.4	28.4	22.3	50.1	34.5
Change	0.9	6.7	5.2	1.8	5.1	5.6	2.9

Operating Segment	Americas	Europe, the Middle East and Africa	Asia Pacific	Total	All other	Adjustments and Eliminations	Consolidated Total
Six-month period ended September 30, 2012	23.7	9.2	7.7	274.4	2.8	(25.7)	251.5
Six-month period ended September 30, 2011	24.9	9.8	8.1	248.4	3.0	2.9	254.3
Change	(1.2)	(0.6)	(0.4)	26.0	(0.2)	(28.6)	(2.8)

Effective April 1, 2012, we changed our reportable operating segments. Starting from the six-month period ended September 30, 2012, the headquarters' cost allocation system was changed from partial allocation to full allocation to the operating segments. For more information, see 2) Operating Results by Operating Segment.

Provision for Doubtful Receivables

Provision for doubtful receivables for the six-month period ended September 30, 2012 was ¥7.2 billion, an increase of ¥2.3 billion from ¥4.9 billion for the corresponding six-month period of the previous year. The provisions for both periods represented aggregated reserves for individually small receivables.

Interest Expense—Net

Interest expense, net of interest income, for the six-month period ended September 30, 2012 was ¥6.3 billion, an increase of ¥3.9 billion from ¥2.4 billion for the corresponding six-month period of the previous year. Interest income declined by ¥3.4 billion mainly due to the lower interest income from the preferred shares of Valepar S.A. The following table provides the periodic average of 3 month Libor of the Japanese yen and the U.S. dollar for the six-month periods ended September 30, 2012 and 2011.

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

	Six-month period ended September 30,	
	2012	**2011**
Japanese yen	0.19	0.19
U.S. dollar	0.44	0.29

Dividend Income

Dividend income for the six-month period ended September 30, 2012 was ¥46.4 billion, an increase of ¥7.5 billion from ¥38.9 billion for the corresponding six-month period of the previous year. Dividends from six LNG projects (Abu Dhabi, Oman, Qatargas 1 and 3, Equatorial Guinea and Sakhalin II) were ¥37.2 billion in total, an increase of ¥9.0 billion from the corresponding six-month period of the previous year, reflecting an increase in dividends received from the Sakhalin II project.

Gain on Sales of Securities—Net

Gain on sales of securities for the six-month period ended September 30, 2012 was ¥15.7 billion, an increase of ¥3.8 billion from ¥11.9 billion for the corresponding six-month period of the previous year.

- For the six-month period ended September 30, 2012, MBK Healthcare Partners Limited (United Kingdom) recorded a ¥5.5 billion gain related to equity dilution in IHH Healthcare Bhd. (Malaysia) (*1) The relevant gain includes a ¥5.3 billion gain due to the dilution of MBK Healthcare Partners Limited's stake in IHH Healthcare Bhd. from 26.63% to 20.48% reflecting the issuance of new shares by IHH Healthcare Bhd. upon its initial public offering on the Bursa Malaysia and Singapore Exchange in July 2012 (*2). Meanwhile, a gain of ¥4.8 billion on the partial sales of shares in Nihon Unisys, Ltd. was recorded.
- For the corresponding six-month period of the previous year, a remeasurement gain of ¥3.6 billion on existing interests resulting from acquisition of the entire stake in Multigrain AG was recorded.

(*1) IHH Healthcare Bhd. changed its name from Integrated Healthcare Holdings Sdn. Bhd. on April 20, 2012.

(*2) MBK Healthcare Partners Limited recorded a ¥1.9 billion gain related to equity dilution in IHH Healthcare Bhd. in connection with the acquisition of Acibadem Saglik Yatirimlari Holding for the three-month period ended June 30, 2012. For the six-month period ended September 30, 2012, the gain was revised to ¥0.3 billion.

Loss on Write-Downs of Securities

Loss on write-downs of securities for the six-month period ended September 30, 2012 was ¥18.4 billion, a deterioration of ¥3.0 billion from ¥15.4 billion for the corresponding six-month period of the previous year.

- Due to a decline in share price, impairment losses on listed securities of ¥4.9 billion in Nippon Steel Corporation and ¥3.0 billion in Mitsui Chemicals Inc. were recorded for the six-month period ended September 30, 2012.
- An impairment loss of ¥4.0 billion on shares in Formosa Epitaxy Incorporation, a LED manufacturer in Taiwan, was recorded for the corresponding six-month period of the previous year.

Gain (Loss) on Disposal or Sales of Property and Equipment—Net

Gain on disposal or sales of property and equipment—net for the six-month period ended September 30, 2012 was ¥1.5 billion, an increase of ¥0.1 billion from ¥1.4 billion for the corresponding six-month period of the previous year. There were miscellaneous small transactions in both periods.

Impairment Loss of Long-Lived Assets

Impairment loss of long-lived assets for the six-month period ended September 30, 2012 was ¥0.2 billion, an improvement of ¥1.9 billion from ¥2.1 billion for the corresponding six-month period of the previous year. There were miscellaneous small impairments in both periods.

Impairment Loss of Goodwill

There was no impairment loss of goodwill for the six-month period ended September 30, 2012, and ¥1.9 billion of impairment loss of goodwill consisting of miscellaneous small impairments was recorded for the corresponding six-month period of the previous year.

Other Expense (Income)—Net

Other expense—net for the six-month period ended September 30, 2012 was ¥12.7 billion, a deterioration of ¥19.2 billion from income of ¥6.5 billion for the corresponding six-month period of the previous year.

- For the six-month period ended September 30, 2012, exploration expenses totaled ¥14.0 billion including those recorded at oil and gas producing businesses. The Innovation & Cross Function Segment recorded a foreign exchange loss of ¥5.2 billion in the commodity derivatives trading business at Mitsui, which corresponded to related revenues in the same segment.
- For the corresponding six-month period of the previous year, Mitsui recorded foreign exchange gains of ¥4.9 billion and Shark Bay Salt Pty. Ltd. recorded a gain of ¥5.8 billion in other income-net as consideration for releasing a part of the mining lease area to support the progress of an LNG project in the vicinity of the salt field. Meanwhile, exploration expenses totaled ¥9.4 billion including those recorded at oil and gas producing businesses.

Income Taxes

Income taxes for the six-month period ended September 30, 2012 were ¥77.6 billion, a decline of ¥31.5 billion from ¥109.1 billion for the corresponding six-month period of the previous year. Major factors were a decline in “income from continuing operations before income taxes and equity in earnings” and “equity earnings of associated companies-net” as well as a decline in deferred tax on retained earnings of associated companies due to the reduction in Japanese corporate income tax rate, despite the recognition of valuation allowance against deferred tax assets, which we determined are not more likely than not to be realized. Furthermore, reversal of deferred tax liabilities related to dividends received from associated companies for the six-month period ended September 30, 2012 was approximately ¥15.0 billion, an increase of approximately ¥5.0 billion from approximately ¥10.0 billion for the corresponding six-month period of the previous year.

The effective tax rate on "income from continuing operations before income taxes and equity in earnings" for the six-month period ended September 30, 2012 was 48.4%, an increase of 1.3% from 47.1% for the corresponding six-month period of the previous year. Major factors were the negative factor of the aforementioned recognition of the valuation allowance against deferred tax assets, and the positive factor of a reduction in the tax rate applied to deferred tax on retained earnings of associated companies due to the decline in the Japanese corporate income tax rate.

Equity in Earnings of Associated Companies—Net

Equity in earnings of associated companies for the six-month period ended September 30, 2012 was ¥97.3 billion, a decline of ¥26.7 billion from ¥124.0 billion for the corresponding six-month period of the previous year as a result of the following:

- A decline of ¥26.0 billion was recorded at Valepar S.A. (Brazil), mainly due to a decline in iron ore prices and negative effect of foreign exchange.
- Earnings at Robe River Mining Co. Pty. Ltd. (Australia) reported a decline of ¥8.7 billion, due to the decline in iron ore prices, which was partially offset by the positive effect of an increase in sales volume led by both the effect of incremental capacity and the reversal effect of unseasonably wet weather for the corresponding six-month period of the previous year.
- Compañía Minera Doña Inés de Collahuasi SCM (Chile) reported a decline of ¥6.0 billion, mainly due to a decline in sales volume.
- Overseas power production businesses reported a decline of ¥8.1 billion due to a decline of ¥7.4 billion in mark-to-market valuation gains and losses such as those on power derivative contracts and fuel purchase contracts.
- Due to a decline in share price, impairment losses on investments of ¥28.4 billion in total, including ¥14.8 billion for TPV Technology Limited (Taiwan), ¥6.7 billion for Moshi Moshi Hotline, Inc. (Japan) and ¥6.0 billion for Nihon Unisys, Ltd. (Japan), were recorded in equity earnings of associated companies-net for the corresponding six-month period of the previous year.

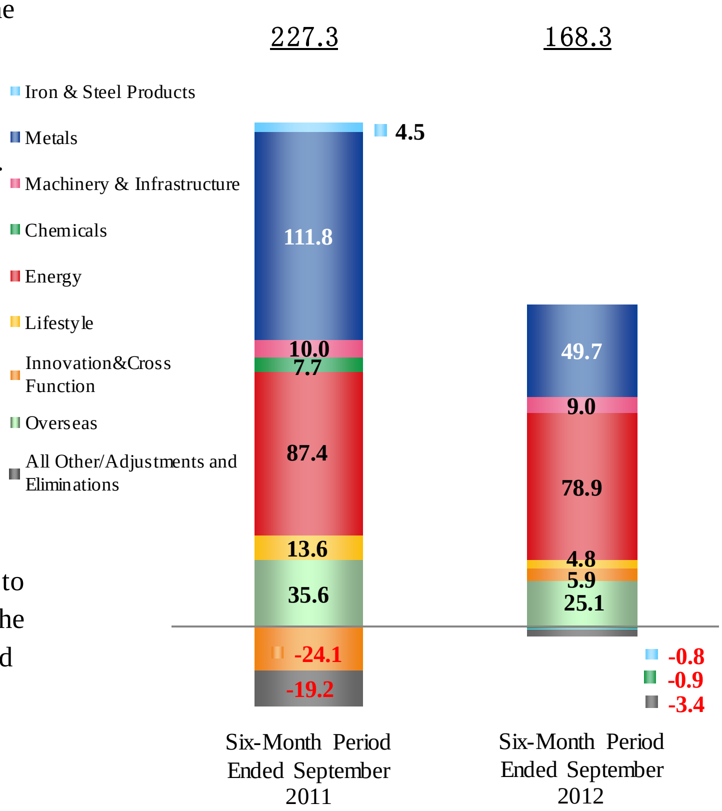
Net Income attributable to Noncontrolling Interests

Net income attributable to noncontrolling interests for the six-month period ended September 30, 2012 was ¥11.7 billion, a decline of ¥7.5 billion from ¥19.2 billion for the corresponding six-month period of the previous year.

Net Income attributable to Mitsui & Co., Ltd.

As a result, net income attributable to Mitsui & Co., Ltd. for the six-month period ended September 30, 2012 was ¥168.3 billion, a decline of ¥59.0 billion from ¥227.3 billion for the corresponding six-month period of the previous year.

Net Income attributable to Mitsui & Co., Ltd. by Operating Segment (Billions of Yen)



2) Operating Results by Operating Segment

Effective April 1, 2012, we changed our reportable operating segments. In accordance with this change, the operating segment information for the six-month period ended September 30, 2011 has been restated to conform to the current year presentation. In addition, starting from the six-month period ended September 30, 2012, we changed the headquarters' cost allocation system from partial allocation to full allocation to the operating segments. The impact of this change to operating income (loss) and net income (loss) attributable to Mitsui & Co., Ltd. for each operating segment for the six-month period ended September 30, 2012 was as follows:

(Billions of yen)	Impact on Operating Income (Loss)	Impact on Net income (Loss) attributable to Mitsui & Co., Ltd.
Iron & Steel Products	(1.0)	(0.7)
Mineral & Metal Resources	(5.4)	(4.0)
Machinery & Infrastructure	(3.7)	(2.8)
Chemicals	(2.3)	(1.7)
Energy	(5.1)	(3.8)
Lifestyle	(3.8)	(2.8)
Innovation & Cross Function	(2.0)	(1.5)
Americas	0	0
Europe, the Middle East and Africa	0	0
Asia Pacific	0	0
All Other/Adjustments and Eliminations	23.4	17.4
Consolidated total	0	0

Iron & Steel Products Segment

Gross profit for the six-month period ended September 30, 2012 was ¥18.1 billion, a decline of ¥4.3 billion from ¥22.4 billion for the corresponding six-month period of the previous year. The main cause of the decline was weaker demand and lower prices in emerging markets including Asia and sluggish domestic sales.

Operating income for the six-month period ended September 30, 2012 was ¥0.2 billion, a decline of ¥5.4 billion from ¥5.6 billion for the corresponding six-month period of the previous year.

Equity in earnings of associated companies for the six-month period ended September 30, 2012 was ¥1.1 billion, a decline of ¥0.6 billion from ¥1.7 billion for the corresponding six-month period of the previous year.

Net loss attributable to Mitsui & Co., Ltd. for the six-month period ended September 30, 2012 was ¥0.8 billion, a decline of ¥5.3 billion from net income of ¥4.5 billion for the corresponding six-month period of the previous year. In addition to the above-mentioned factors, for the six-month period ended September 30, 2012, this segment recorded an impairment loss of ¥4.3 billion on listed securities in Nippon Steel Corporation reflecting the decline in share price.

Mineral & Metal Resources Segment

Gross profit for the six-month period ended September 30, 2012 was ¥75.5 billion, a decline of ¥34.6 billion from ¥110.1 billion for the corresponding six-month period of the previous year. The main factor behind the decline was the decrease in iron ore prices.

The majority of contract prices applied for products sold during the corresponding six-month period of the previous year was based on a daily average of spot reference prices during the six-month period starting from December 1, 2010 through May 31, 2011.

However, reflecting the transition to a more diversified sales contract portfolio starting from the three-month period ended December 31, 2011, the majority of contract prices applied for products sold during the six-month period ended September 30, 2012 was based on pricing that reflects current spot reference prices, such as a daily average of spot reference prices for the current quarter of the shipment month and a daily

Iron Ore (Fine) CFR North China (Fe 62%)

average of spot reference prices for the shipment month.
Mitsui Iron Ore Development Pty. Ltd. reported a decline of ¥21.0 billion in gross profit reflecting the decline in iron ore prices, which was partially offset by the positive effect of increases in sales volume led by both the effect of incremental capacity and the reversal effect of unseasonably wet weather for the corresponding six-month period of the previous year. Mitsui-Itochu Iron Pty. Ltd. also recorded a decline of ¥11.3 billion due to the decline in iron ore prices.
Operating income for the six-month period ended September 30, 2012 was ¥57.7 billion, a decline of ¥41.5 billion from ¥99.2 billion for the corresponding six-month period of the previous year. In addition to a decline in gross profit, selling, general and administrative expenses increased.
Equity in earnings of associated companies for the six-month period ended September 30, 2012 was ¥35.3 billion, a decline of ¥47.4 billion from ¥82.7 billion for the corresponding six-month period of the previous year. Major factors were as follows:

- Valepar S.A. posted earnings of ¥17.9 billion, a decline of ¥26.0 billion from ¥43.9 billion for the corresponding six-month period of the previous year, mainly due to a decline in iron ore prices and the negative effect of foreign exchange.
- Earnings at Robe River Mining Co. Pty. Ltd. were ¥16.1 billion, a decline of ¥8.7 billion from ¥24.8 billion for the corresponding six-month period of the previous year, due to the decline in iron ore prices, which was partially offset by the positive effect of an increase in sales volume led by both the effect of incremental capacity and the reversal effect of unseasonably wet weather for the corresponding six-month period of the previous year.
- Compañía Minera Doña Inés de Collahuasi SCM recorded earnings of ¥2.9 billion, a decline of ¥6.0 billion from ¥8.9 billion for the corresponding six-month period of the previous year mainly due to a decline in sales volume.

Net income attributable to Mitsui & Co., Ltd. for the six-month period ended September 30, 2012 was ¥49.7 billion, a decline of ¥62.1 billion from ¥111.8 billion for the corresponding six-month period of the previous year.

Machinery & Infrastructure Segment

Gross profit for the six-month period ended September 30, 2012 was ¥46.7 billion, an increase of ¥3.0 billion from ¥43.7 billion for the corresponding six-month period of the previous year.

- The Infrastructure Projects Business Unit reported a decline of ¥0.8 billion in gross profit.
- The Motor Vehicles & Construction Machinery Business Unit reported an increase of ¥1.2 billion in gross profit. Mining and construction machinery-related businesses in Americas achieved a solid performance.
- The Marine & Aerospace Business Unit reported an increase of ¥2.7 billion in gross profit due to a reversal effect of a loss allowance for vessels under construction recorded in the corresponding six-month period of the previous year.

Operating loss for the six-month period ended September 30, 2012 was ¥7.2 billion, a deterioration of ¥2.1 billion from ¥5.1 billion for the corresponding six-month period of the previous year. Despite the increase in gross profit, selling, general and administrative expenses increased.
Equity in earnings of associated companies for the six-month period ended September 30, 2012 was ¥13.8 billion, a decline of ¥9.0 billion from ¥22.8 billion for the corresponding six-month period of the previous year.

- The Infrastructure Projects Business Unit reported a decline of ¥9.2 billion. Overseas power producers reported equity in earnings of ¥1.8 billion in total, a decline of ¥7.6 billion from ¥9.4 billion for the corresponding six-month period of the previous year. Mark-to-market valuation gains and losses, such as those on long-term power derivative contracts and long-term fuel purchase contracts, declined by ¥7.0 billion to a loss of ¥4.5 billion from a gain of ¥2.5 billion for the corresponding six-month period of the previous year. The major cause of the decline was a reversal of valuation gains at Paiton 3 due to the application of the lease accounting as a result of the commencement of commercial operation, and the reversal effect of valuation gains due to a rise in gas prices in the United Kingdom for the corresponding six-month period of the previous year.

- The Motor Vehicles & Construction Machinery Business Unit reported an increase of ¥1.5 billion. Automotive-related businesses in North America reported an increase.
- The Marine & Aerospace Business Unit reported a decline of ¥1.3 billion, reflecting a reversal effect of the gain on sales of an FPSO (Floating Production, Storage and Offloading vessel) at an FPSO leasing business recorded in the corresponding six-month period of the previous year.

Net income attributable to Mitsui & Co., Ltd. for the six-month period ended September 30, 2012 was ¥9.0 billion, a decline of ¥1.0 billion from ¥10.0 billion for the corresponding six-month period of the previous year.

Chemicals Segment

Gross profit for the six-month period ended September 30, 2012 was ¥33.1 billion, a decline of ¥1.4 billion from ¥34.5 billion for the corresponding six-month period of the previous year. This was mainly due to underperforming trading activities of fertilizer resources and materials, despite the increase in ammonia prices at P.T. Kaltim Pasifik Amoniak (Indonesia).
Operating income for the six-month period ended September 30, 2012 was ¥3.1 billion, a decline of ¥3.5 billion from operating income of ¥6.6 billion for the corresponding six-month period of the previous year. In addition to the decline in gross profit, selling, general and administrative expenses increased.
Equity in earnings of associated companies for the six-month period ended September 30, 2012 was ¥4.0 billion, an increase of ¥2.1 billion from ¥1.9 billion for the corresponding six-month period of the previous year. Compañía Minera Miski Mayo S.R.L. (Peru), in which Mitsui Bussan Fertilizer Resources B.V. (Netherland) invests, contributed to the increase due to higher sales volume and phosphate ore prices.
Net loss attributable to Mitsui & Co., Ltd. for the six-month period ended September 30, 2012 was ¥0.9 billion, a deterioration of ¥8.6 billion from net income of ¥7.7 billion for the corresponding six-month period of the previous year.
In addition to the above-mentioned factors, the following factors also affected results:

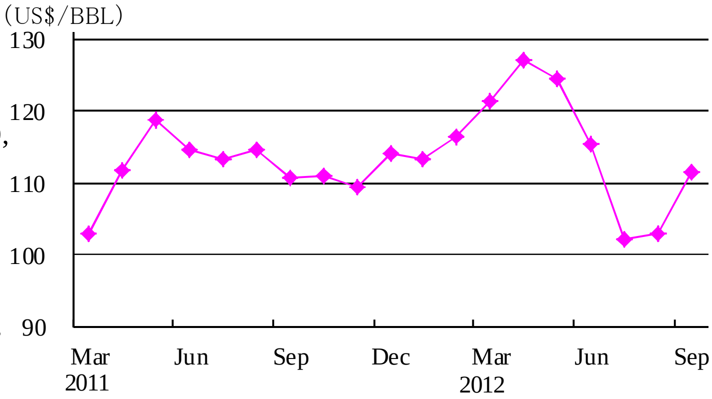
- For the corresponding six-month period of the previous year, Shark Bay Salt Pty. Ltd. recorded a gain of ¥5.8 billion in other income-net as consideration for releasing a part of the mining lease area to support the progress of an LNG project in the vicinity of the salt field, which was partly offset by its impairment loss of goodwill.
- For the six-month period ended September 30, 2012, this segment recorded an impairment loss of ¥3.0 billion on listed securities in Mitsui Chemicals Inc. reflecting the decline in share price.

Energy Segment

The weighted average crude oil prices applied to our operating results for the six-month period ended September 30, 2012 and 2011 were estimated to be US$117 and US$104 per barrel, respectively.
Gross profit for the six-month period ended September 30, 2012 was ¥97.5 billion, a decline of ¥11.0 billion from ¥108.5 billion for the corresponding six-month period of the previous year, primarily due to the following factors:

- Mitsui Oil Exploration Co., Ltd. reported an increase of ¥11.0 billion due to increase in production volume, and Mitsui E&P Middle East B. V. reported an increase of ¥4.4 billion due to increases in both oil

Crude Oil Price (JCC: Japan Crude Cocktail)



prices and production volume. Mitsui E&P Texas LP, which acquired a working interest in the Eagle Ford shale project during the three-month period ended December 31, 2011, and was consolidated with a three-month time lag, recorded a gross profit of ¥4.3 billion.

- Mitsui Coal Holdings Pty. Ltd. reported a decline of ¥12.8 billion due to lower coal prices.
- A decline in gross profit of ¥6.8 billion in petroleum trading activities was recorded at Mitsui due to deterioration of market conditions.
- Mitsui E&P USA LLC reported a decline of ¥6.6 billion due to an increase in depreciation costs as well as a decline in gas prices in the United States, despite an increase in production volume.

Operating income for the six-month period ended September 30, 2012 was ¥70.3 billion, a decline of ¥16.1 billion from ¥86.4 billion for the corresponding six-month period of the previous year. In addition to a decline in gross profit, selling, general and administrative expenses increased.

Equity in earnings of associated companies for the six-month period ended September 30, 2012 was ¥22.8 billion, a decline of ¥2.0 billion from ¥24.8 billion for the corresponding six-month period of the previous year.

Net income attributable to Mitsui & Co., Ltd. for the six-month period ended September 30, 2012 was ¥78.9 billion, a decline of ¥8.5 billion from ¥87.4 billion for the corresponding six-month period of the previous year. In addition to the above-mentioned factors, the following factors also affected results:

- Dividends from six LNG projects (Abu Dhabi, Oman, Qatargas 1 and 3, Equatorial Guinea and Sakhalin II) were ¥37.2 billion in total, an increase of ¥9.0 billion from the corresponding six-month period of the previous year, due mainly to an increase in dividends received from the Sakhalin II project.
- Reversal of deferred tax liabilities on undistributed retained earnings of associated companies at the time of profit distribution increased by approximately ¥3.0 billion from the corresponding six-month period of the previous year.
- For the six-month period ended September 30, 2012, exploration expenses of ¥13.6 billion were recorded in other income-net, including those recorded by Mitsui E&P Mozambique Area 1 Limited (United Kingdom). For the corresponding six-month period of the previous year, exploration expenses totaled ¥9.2 billion including those recorded by Mitsui E&P Australia Pty Limited (Australia).

Lifestyle Segment

Gross profit for the six-month period ended September 30, 2012 was ¥53.5 billion, a decline of ¥7.5 billion from ¥61.0 billion for the corresponding six-month period of the previous year.

- The Food Resources Business Unit reported a decline of ¥5.6 billion. Multigrain AG recorded a decline of ¥3.2 billion, reflecting a drop in the soybean harvest affected by the drought in Brazil.
- The Food Products & Services Business Unit recorded a decline of ¥2.8 billion, reflecting the reversal effect of ¥4.6 billion mark-to-market valuation gains on commodity derivative contracts related to coffee for the corresponding six-month period of the previous year.
- The Consumer Service Business Unit reported an increase of ¥0.9 billion.

Operating loss for the six-month period ended September 30, 2012 was ¥1.8 billion, a decline of ¥12.7 billion from operating income of ¥10.9 billion for the corresponding six-month period of the previous year. In addition to the decline in gross profit, selling, general and administrative expenses increased.

Equity in earnings of associated companies for the six-month period ended September 30, 2012 was ¥5.5 billion, an increase of ¥1.9 billion from ¥3.6 billion for the corresponding six-month period of the previous year.

- This segment recorded a ¥2.9 billion impairment loss on listed securities in Mitsui Sugar Co., Ltd. for the six-month period ended September 30, 2012, reflecting the decline in share price.
- IHH Healthcare Bhd., in which MBK Healthcare Partners Limited invested during the three-month period ended June 30, 2011, recorded an increase of ¥2.0 billion. MBK Healthcare Partners Limited recognizes equity earnings of IHH Healthcare Bhd. with a three-month time lag.

Net income attributable to Mitsui & Co., Ltd. for the six-month period ended September 30, 2012 was ¥4.8 billion, a decline of ¥8.8 billion from ¥13.6 billion for the corresponding six-month period of the previous year. In addition to the above-mentioned factors, the following factors also affected results:

- MBK Healthcare Partners Limited recorded a ¥5.5 billion gain related to equity dilution in IHH Healthcare Bhd. The relevant gain includes a ¥5.3 billion gain due to the dilution of MBK Healthcare Partners Limited's stake in IHH Healthcare Bhd. from 26.63% to 20.48% reflecting the issuance of new shares by IHH Healthcare Bhd. upon its initial public offering on the Bursa Malaysia and Singapore Exchange in July 2012.
- For the corresponding six-month period of the previous year, this segment recorded a ¥3.6 billion remeasurement gain due to the reclassification of Multigrain AG.

Innovation & Cross Function Segment

Gross profit for the six-month period ended September 30, 2012 was ¥28.4 billion, an increase of ¥2.6 billion from ¥25.8 billion for the corresponding six-month period of the previous year.

- The IT Business Unit reported a decline of ¥0.3 billion.
- The Financial & New Business Unit reported an increase of ¥1.1 billion. Mitsui & Co. Commodity Risk Management Ltd. (United Kingdom) posted a decline due to underperforming derivatives trading. Gross profits corresponding to foreign exchange losses of ¥5.2 billion and ¥0.4 billion related to the commodity derivatives trading business at Mitsui posted in other expenses-net were included in gross profit for the six-month period ended September 30, 2012 and for the corresponding six-month period of the previous year, respectively.
- The Transportation Logistics Business Unit reported an increase of ¥1.8 billion, mainly attributable to the gross profit of Portek International Private Limited (Singapore), which was newly acquired during the three-month period ended September 30, 2011.

Operating loss for the six-month period ended September 30, 2012 was ¥8.9 billion, a deterioration of ¥0.2 billion from ¥8.7 billion for the corresponding six-month period of the previous year.

Equity in earnings of associated companies for the six-month period ended September 30, 2012 was ¥9.5 billion, an increase of ¥28.6 billion from equity in losses of ¥19.1 billion for the corresponding six-month period of the previous year. Reflecting the decline in share price, this segment recorded impairment losses on listed securities in an amount of ¥14.8 billion in TPV Technology Limited, ¥6.7 billion in Moshi Moshi Hotline, Inc. and ¥6.0 billion in Nihon Unisys, Ltd., for the six-month period ended September 30, 2011.

Net income attributable to Mitsui & Co., Ltd. for the six-month period ended September 30, 2012 was ¥5.9 billion, an increase of ¥30.0 billion from net loss of ¥24.1 billion for the corresponding six-month period of the previous year. In addition to the above-mentioned factors, there were the following factors:

- For the six-month period ended September 30, 2012, this segment reported a gain on sales of securities of ¥4.8 billion through the partial sales of its shares in Nihon Unisys, Ltd.
- For the corresponding six-month period of the previous year, this segment recorded a ¥4.0 billion impairment loss on shares in Formosa Epitaxy Incorporation, an LED epitaxy and chip manufacturer in Taiwan.
- For the six-month period ended September 30, 2012 and for the corresponding six-month period of the previous year, foreign exchange losses of ¥5.2 billion and ¥0.4 billion, respectively, were posted in other expense-net in relation to the commodity derivatives trading business at Mitsui.

Americas Segment

Gross profit for the six-month period ended September 30, 2012 was ¥33.9 billion, a decline of ¥4.7 billion from ¥38.6 billion for the corresponding six-month period of the previous year. Novus International, Inc. reported a decline of ¥4.8 billion due to a decline in sales price despite the increase in sales volume of methionine, as well as a write-down on inventories of feed additives other than methionine.

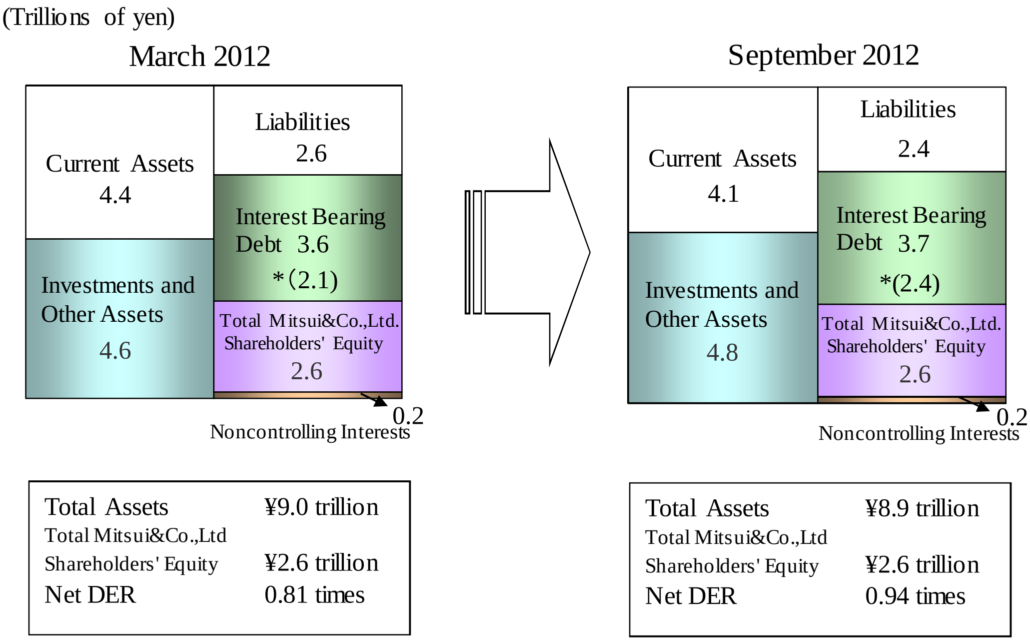
Operating income for the six-month period ended September 30, 2012 was ¥8.1 billion, a decline of ¥5.6 billion from ¥13.7 billion for the corresponding six-month period of the previous year. In addition to the decline in gross profit, this segment reported an increase in the provision for doubtful receivables.
Equity in earnings of associated companies for the six-month period ended September 30, 2012 was ¥2.0 billion, a decline of ¥0.5 billion from ¥2.5 billion for the corresponding six-month period of the previous year.
Net income attributable to Mitsui & Co., Ltd. for the six-month period ended September 30, 2012 was ¥8.8 billion, a decline of ¥1.5 billion from ¥10.3 billion for the corresponding six-month period of the previous year.

Europe, the Middle East and Africa Segment
Gross profit for the six-month period ended September 30, 2012 was ¥7.3 billion, a decline of ¥1.5 billion from ¥8.8 billion for the corresponding six-month period of the previous year.
Operating loss for the six-month period ended September 30, 2012 was ¥1.9 billion, a deterioration of ¥1.1 billion from ¥0.8 billion for the corresponding six-month period of the previous year.
Equity in earnings of associated companies for the six-month period ended September 30, 2012 was ¥0.2 billion, a decline of ¥0.3 billion from ¥0.5 billion for the corresponding six-month period of the previous year.
Net profit attributable to Mitsui & Co., Ltd. for the six-month period ended September 30, 2012 was ¥0.5 billion, the same amount as the corresponding six-month period of the previous year.

Asia Pacific Segment
Gross profit for the six-month period ended September 30, 2012 was ¥5.2 billion, a decline of ¥1.0 billion from ¥6.2 billion for the corresponding six-month period of the previous year.
Operating loss for the six-month period ended September 30, 2012 was ¥2.4 billion, a deterioration of ¥0.8 billion from ¥1.6 billion for the corresponding six-month period of the previous year.
Equity in earnings of associated companies for the six-month period ended September 30, 2012 was ¥3.1 billion, an increase of ¥0.6 billion from ¥2.5 billion for the corresponding six-month period of the previous year.
Net income attributable to Mitsui & Co., Ltd. for the six-month period ended September 30, 2012 was ¥16.8 billion, a decline of ¥9.0 billion from ¥25.8 billion for the corresponding six-month period of the previous year. In addition to the above-mentioned factors, this segment recorded earnings from the segment's minority interest in Mitsui Iron Ore Development Pty. Ltd., Mitsui-Itochu Iron Pty. Ltd. and Mitsui Coal Holdings Pty. Ltd., which were lower due to declines in the prices of iron ore and coal.

(3) Financial Condition and Cash Flows
1) Assets, Liabilities and Shareholders' Equity
Total assets as of September 30, 2012 were ¥8,919.2 billion, a decline of ¥92.6 billion from ¥9,011.8 billion as of March 31, 2012.
Total current assets as of September 30, 2012 were ¥4,135.5 billion, a decline of ¥290.8 billion from ¥4,426.3 billion as of March 31, 2012. Trade receivables decreased by ¥203.4 billion, including declines at the petroleum trading business in the Energy as well as the Iron & Steel Products and Chemicals segments mainly attributable to the decline in sales volume. Cash and cash equivalents declined by ¥136.5 billion. Meanwhile, inventories increased by ¥46.5 billion due to a seasonal inventory increase in Multigrain AG and higher inventory levels of precious metals.
Total current liabilities as of September 30, 2012 increased by ¥124.7 billion to ¥2,748.7 billion from ¥2,624.0 billion as of March 31, 2012. Trade payables declined by ¥81.2 billion mainly at the petroleum trading business in the Energy and the Chemicals Segment corresponding to the decline in trade receivables. Meanwhile, short-term debt increased by ¥132.9 billion at Mitsui and its subsidiaries.

Furthermore, current maturities of long-term debt increased by ¥136.5 billion mainly at Multigrain AG and Mitsui.
As a result, working capital, or current assets less current liabilities, as of September 30, 2012 totaled ¥1,386.8 billion, a decline of ¥415.5 billion from ¥1,802.3 billion as of March 31, 2012.



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

The sum of "total investments and non-current receivables," "net property and equipment," "intangible assets, less accumulated amortization," "deferred tax assets-non-current," and "other assets" as of September 30, 2012 totaled ¥4,783.7 billion, an increase of ¥198.2 billion from ¥4,585.5 billion as of March 31, 2012, mainly due to the following factors:
Total of investments and non-current receivables as of September 30, 2012 was ¥3,343.7 billion, an increase of ¥152.0 billion from ¥3,191.7 billion as of March 31, 2012.
Within this category, investments in and advances to associated companies as of September 30, 2012 was ¥1,856.3 billion, an increase of ¥147.2 billion from ¥1,709.1 billion as of March 31, 2012. Major factors included an increase of ¥85.9 billion due to an acquisition of 16.95% stake in Inversiones Mineras Acrux SpA (Chile), a joint venture with Corporación Nacional del Cobre de Chile ("Codelco"); an increase of ¥85.7 billion due to an additional investment in Japan Australia LNG (MIMI) Pty. Ltd. (Australia) to acquire working interests in the Browse LNG project; an increase of ¥10.7 billion due to investments in and loans to FPSO (Floating Production, Storage and Offloading vessel) leasing businesses for Brazilian deepwater oil exploration; and increase of ¥9.8 billion due to an acquisition of a 49.9% stake in National Plant and Equipment Pty Ltd., an Australian mining equipment rental company. Furthermore, there were net increases in equity earnings of ¥47.7 billion (net of ¥49.6 billion in dividends received from associated companies) as well as a decline of ¥92.4 billion resulting from a foreign exchange translation adjustment of foreign investments due to the appreciation of the Japanese yen. There was a decline in preferred shares of Valepar S.A. of ¥15.4 billion resulting from a foreign exchange translation adjustment due to exchange appreciation of the Japanese yen and redemption of the preferred shares.
Other investments as of September 30, 2012 were ¥703.4 billion, a decline of ¥89.1 billion from ¥792.5 billion as of March 31, 2012. The decline by collection is mainly due to a decrease of ¥17.2 billion in investment in Sakhalin Energy Investment Company Ltd. due to capital redemption (in addition, a ¥3.6 billion decline due to a foreign exchange translation loss). Furthermore, there was a ¥52.8 billion net decline

in unrealized holding gains on available-for-sale securities, such as those of INPEX Corporation, reflecting a drop in stock markets, and a decline of ¥15.8 billion due to the recognition of impairment in investments.
Non-current receivables, less unearned interest as of September 30, 2012 totaled ¥546.2 billion, an increase of ¥92.0 billion from ¥454.2 billion as of March 31, 2012. Major components included an increase of the loan to Codelco's subsidiary for ¥146.7 billion (excluding a foreign exchange translation loss of ¥1.9 billion); a decline of ¥12.2 billion mainly due to a collection of loan to Grace Ocean Private Limited, a ship-owning company; and a decline of ¥7.7 billion (excluding a foreign exchange translation loss of ¥4.2 billion) at PT. Bussan Auto Finance (Indonesia).
Net property and equipment as of September 30, 2012 totaled ¥1,309.9 billion, an increase of ¥54.0 billion from ¥1,255.9 billion as of March 31, 2012. Major components included an increase of ¥42.6 billion (including a foreign exchange translation loss of ¥9.3 billion) at the Marcellus and Eagle Ford shale gas/oil projects in the United States and an increase of ¥20.3 billion (including a foreign exchange translation loss of ¥11.8 billion) at iron ore mining projects in Australia.

Long-term debt less current maturities as of September 30, 2012 was ¥2,790.3 billion, a decline of ¥107.9 billion from ¥2,898.2 billion as of March 31, 2012. This was mainly due to a reclassification to current maturities at Mitsui, Multigrain AG and Mitsui & Co. (U.S.A.), Inc.
Total Mitsui & Co., Ltd. shareholders' equity as of September 30, 2012 was ¥2,603.3 billion, a decline of ¥38.0 billion from ¥2,641.3 billion as of March 31, 2012. The major component of the decline was a net decline of ¥114.0 billion in foreign currency translation adjustments mainly due to depreciation of the Brazilian real, US dollar and Australian dollar against the Japanese yen, and a net decline of ¥37.9 billion in unrealized holding gains on available-for-sale securities. Meanwhile, retained earnings increased by ¥117.2 billion.
As a result, the equity-to-asset ratio as of September 30, 2012 was 29.2%, down 0.1% from 29.3% as of March 31, 2012. Net interest-bearing debt, or interest-bearing debt less cash and cash equivalents and time deposits as of September 30, 2012 was ¥2,439.6 billion, an increase of ¥296.8 billion from ¥2,142.8 billion as of March 31, 2012. The net debt-to-equity ratio (DER) as of September 30, 2012 was 0.94 times, 0.13 points higher compared to 0.81 times as of March 31, 2012.

	Billions of Yen			
	As of March 31, 2012		As of September 30, 2012	
Short-term debt	¥	307.1	¥	440
Long-term debt	¥	3,270.9	¥	3,299.5
Interest bearing debt	¥	3,578.0	¥	3,739.5
Less cash and cash equivalents and time deposits	¥	(1,435.2)	¥	(1,299.9)
Net interest bearing debt	¥	2,142.8	¥	2,439.6
Total Mitsui & Co., Ltd. Shareholders' equity	¥	2,641.3	¥	2,603.3
Net DER (times)		0.81		0.94

2) Cash Flows

Cash Flows from Operating Activities

Net cash provided by operating activities for the six-month period ended September 30, 2012 was ¥227.1 billion, an increase of ¥135.6 billion from ¥91.5 billion for the corresponding six-month period of the previous year. Major components of net cash provided by operating activities were our operating income of ¥134.3 billion, dividend income of ¥86.2 billion, including dividends received from associated companies, and net cash inflow of ¥6.8 billion from a decline in working capital, or changes in operating assets and

liabilities.
Compared with the corresponding six-month period of the previous year, while operating income declined by ¥60.4 billion and dividend income declined by ¥4.5 billion, net cash flow from increases and decreases in working capital improved by ¥194.8 billion.

Cash Flows from Investing Activities

Net cash used in investing activities for the six-month period ended September 30, 2012 was ¥522.7 billion, an increase of ¥290.7 billion from ¥232.0 billion for the corresponding six-month period of the previous year. The net cash used in investing activities consisted of:

- Net outflows of cash that corresponded to investments in and advances to associated companies (net of sales of investments in and collection of advances to associated companies) were ¥193.7 billion. The major cash outflows were an acquisition of 16.95% stake in Inversiones Mineras Acrux SpA for ¥85.9 billion; an additional investment in Japan Australia LNG (MIMI) Pty. Ltd. for ¥85.7 billion; and investments in and loans to FPSO leasing businesses for Brazilian deepwater oil exploration for ¥10.7 billion; and an acquisition of a 49.9% stake in National Plant and Equipment Pty Ltd. for ¥9.8 billion. The major cash inflows was the partial sales of its shares in Nihon Unisys, Ltd. for ¥11.4 billion.
- Net inflows of cash that corresponded to other investments (net of sales and redemption of other investments) were ¥11.0 billion. Cash inflows mainly consisted of a ¥17.2 billion capital redemption from Sakhalin Energy Investment Company Ltd.
- Net outflows of cash that corresponded to long-term loan receivables (net of collection) were ¥136.4 billion. Increases in long-term loan mainly consisted of the loan to Codelco’s subsidiary for ¥146.7 billion. The major cash inflows was a collection of loan for ¥11.1 billion from Grace Ocean Private Limited, a ship-owning company.
- Net outflows of cash relating to purchases of property leased to others and property and equipment (net of sales of those assets) were ¥201.5 billion. Major expenditures included:
  - Marcellus and Eagle Ford shale gas/oil projects in the United States for ¥64.5 billion;
  - Oil and gas projects other than the shale gas/oil projects for a total of ¥44.0 billion;
  - Iron ore mining projects in Australia for ¥42.0 billion;
  - Leased rolling stock for ¥14.8 billion; and
  - Coal mining projects in Australia for ¥11.5 billion.

Free cash flow, or the sum of net cash provided by operating activities and net cash used in investing activities, for the six-month period ended September 30, 2012 was a net outflow of ¥295.6 billion.

Cash Flows from Financing Activities

For the six-month period ended September 30, 2012, net cash provided by financing activities was ¥179.4 billion, an increase of ¥88.8 billion from net cash provided by financing activities of ¥90.6 billion for the corresponding six-month period of the previous year. The cash outflows from payments of cash dividends were ¥51.1 billion. The net cash inflow from the borrowing of short-term debt was ¥152.7 billion and the net cash inflow from the borrowing of long-term debt was ¥78.7 billion.

In addition to the changes discussed above, there was a decline in cash and cash equivalents of ¥20.4 billion due to foreign exchange translation; as a result, cash and cash equivalents as of September 30, 2012 totaled ¥1,294.6 billion, a decline of ¥136.5 billion from ¥1,431.1 billion as of March 31, 2012.

2. Management Policy

(1) Result and Forecast for Investment and Loan Plan

To realize our Long-term Management Vision "Dynamic Evolution as a 21st Century Global Business Enabler" announced in March 2009, we are accelerating our move and building a strong earnings base that would enable us to grow continuously and stably. The investment and loan plan–our plan focusing on the acquisition of high-quality assets as well as enhancing the competitiveness of and recycling our existing assets—is one important element to accomplish this.

During the six-month period ended September 30, 2012, we executed investments and loans in an amount of ¥600 billion and we collected ¥90 billion through the recycling of our existing assets and investments. In August 2012, we agreed with Corporación Nacional del Cobre de Chile ("Codelco") to jointly own the 29.5% shares of Anglo American Sur S.A. ("Anglo Sur") and to provide a loan to Codelco; and accordingly investment and loan of US$ 3 billion (approximately ¥233 billion) was executed. Since this transaction was not included in our original annual investment and loan plan for this fiscal year, the amount of investments and loans for the Metals business area will be significantly greater than the plan. Since other business areas including Energy are expecting to execute investments and loans that were not included in the original plan as well, we anticipate the total amount of investments and loans for this fiscal year to largely exceed the planned investment and loan amount of ¥800 billion. Resulting from this one-time cash outflow due to the execution of a large-scale, high-quality project that is in line with our strategy to strengthen our earnings base, a large deficit in our free cash flow is predicted, but we will maintain our efforts to improve the quality of our portfolio by further reinforcing our investment discipline and enhancing recycling of assets, and will continue to work on initiatives to achieve a continuous and stable trend of positive free cash flow. Due to the cash outflow connected to the above-mentioned large-scale investment and loan project, net DER rose to 0.94 times as of September 30, 2012 and is forecasted to be on the rise as described above, despite our expectation of about 0.7 times level.

Business Area	Plan Mar/2013	Result Mar/2013 2Q (¥billion)	Major Projects
Metals	200	300	CODELCO(copper mine), Australian iron ore expansion, Caserones copper development
Machinery & Infrastructure	200	50	Mining equipment rental business, Rolling stock lease, FPSO lease
Chemicals	50	10	
Energy	250	205	Browse LNG (capital increase in JAL-MIMI), Shale gas/oil, Expansion of oil & gas and coal
Lifestyle	50	20	
Innovation & Cross Function	50	15	
Gross Investments & Loans	800	600	
Divestiture	▲160	▲90	SakhalinII capital redemption, Nihon Unisys shares, Loan collection of commercial vessel business, T-GAIA shares, Redemption of preferred shares of Valepar
Net Cash Outflow	640	510	

Details by each business area are as follows:

In Metals, to strengthen the earnings base by acquiring high quality upstream assets and enhancing the competitiveness of existing assets, we have continued on with proactive investments. Investments of ¥42.0 billion were made in connection with the further growth of the Australian iron ore projects. With the above mentioned loan to Codelco and the cash outflow for the joint investment to Anglo Sur, the investments and loans amount of the Metals business area is expected to significantly exceed the original plan of ¥200 billion.

In Machinery & Infrastructure, we expanded the rolling stock leasing business in Brazil and Europe, made investments in the mining equipment rental business in Australia, and invested in a gas distribution business in Mexico. In the field of marine energy, investment was made in the construction of FPSO for the Pre-Salt Oil Field off Brazil. In the same area, operation of the Ultra-Deepwater Drillship commenced. We will continue on with the expansion of our earnings base through participation in large projects including IPP businesses as well as the field of marine energy.

In Chemicals, due to the challenging environment, the pace of investment remained low. On the other hand, start-ups of past investments have been progressing as planned such as joint ventures with The Dow Chemical Company.

In Energy, equity share output of oil and gas increased steadily through the ¥64.5 billion investment in the two shale gas projects in the United States and the ¥44.0 billion investment to projects other than shale gas, including expansion of the Thailand project owned by Mitsui Oil Exploration Co., Ltd. and projects in Australia owned by Mitsui E&P Australia Pty Limited. This business area also invested ¥85.7 billion for the acquisition of the working interest of the Browse LNG Project in Australia. In addition, it announced the acquisition of interests of an oil and gas concession in the UK North Sea from BP p.l.c., in an effort to further enhance the competitiveness of its portfolio. ¥11.5 billion is invested for the further growth of the coal business in Australia, and the investments and loans amount for this business area for the current fiscal year are expected to exceed the original plan of ¥250 billion. On the other hand, divestitures are being carried out, including the capital redemption of ¥17.2 billion from Sakhalin Energy Investment Company Ltd.

In Lifestyle, we agreed to a 10% participation in Sodrugestvo Group S.A., the largest oilseed crusher in Russia that possesses grain export facilities to promote the global grain strategy and strengthen other food resources businesses. We also participated in the building development project in Singapore in aiming to strengthen the business in consumer goods and services market in the emerging countries, and acquired senior living businesses in the United States where the operating environment is relatively stable.

In Innovation & Cross Function, steady progress of past investments and optimization of our portfolio is being pursued. The IT business unit sold the entire 5.3% share it holds in T-Gaia Corporation, and transferred 18.9% of the 27.8% shares in Nihon Unisys, Ltd. to Dai Nippon Printing Co., Ltd.

(2) <u>Forecasts for the Year Ending March 31, 2013</u>

1) Revised forecasts for the year ending March 31, 2013

We assume foreign exchange rates for the six-month period ending March 31, 2013 (2nd half) will be ¥80/US$, ¥80/AU$ and ¥40/BRL, while average foreign exchange rates for the six-month period ended September 30, 2012 (1st half) were ¥78.97/US$, ¥80.77/AU$ and ¥39.21/BRL. Also, we assume the annual average crude oil price applicable to our financial results for the year ending March 31, 2013 will be US$111/barrel, down US$2 from US$113/barrel applied for the original forecast, based on the assumption that the crude oil price (JCC) will be maintained at US$100/barrel throughout the six-month period ending March 31, 2013.

Gross profit for the year ending March 31, 2013 is expected to be ¥780.0 billion, a decline of ¥90.0 billion from the original forecast, due to declines in prices of iron ore and coal and economic slowdown. Equity in earnings of associated companies is expected to be ¥190.0 billion, mainly due to declines in price of iron ore and sales volume of copper.

As a result, net income attributable to Mitsui & Co., Ltd. for the year ending March 31, 2013 is expected to be ¥310.0 billion, a decline of ¥90.0 billion compared with the original forecast.

[Assumption]	1st Half of Mar-13 Actual	2nd Half of Mar-13 Revised Forecast	Mar-13 Revised Forecast	Mar-13 Original Forecast
Exchange rate (JPY/USD)	78.97	80.00	79.49	80.00
Crude oil (JCC)	$114/bbl	$100/bbl	$107/bbl	$110/bbl
Consolidated oil price	$117/bbl	$105/bbl	$111/bbl	$113/bbl

(Billions of yen)

	Mar-13 Revised	Mar-13 Original	Change	Description of Increase/Decrease
Gross profit	780.0	870.0	-90.0	Decline in prices of iron ore and coal, as well as economic slowdown
SG & A expenses	-525.0	-530.0	5.0	
Provision for doubtful receivables	-15.0	-10.0	-5.0	
Operating income	240.0	330.0	-90.0	
(Other expenses)				
Interest expenses	-5.0	-10.0	5.0	Commitment fee related to the loan to Codelco
Dividend income	75.0	70.0	5.0	
Gain on sales of securities, PPE and other gains-net	-10.0	-10.0	0.0	
Income before income taxes and equity in earnings	300.0	380.0	-80.0	
Income taxes	-160.0	-185.0	25.0	
Income before equity in earnings	140.0	195.0	-55.0	
Equity in earnings of associated companies	190.0	225.0	-35.0	Decline in iron ore prices and production volume at Collahuasi
Net income before attribution of noncontrolling interests	330.0	420.0	-90.0	
Net income attributable to noncontrolling interests	-20.0	-20.0	0.0	
Net income attributable to Mitsui & Co., Ltd.	310.0	400.0	-90.0	

The forecast for annual operating results by operating segment compared to the original forecast is described as follows:

(Billions of yen)	Year ending March 31, 2013 Revised Forecast	Year ending March 31, 2013 Original Forecast	Change
Iron & Steel Products	3.0	9.0	(6.0)
Mineral & Metal Resources	100.0	135.0	(35.0)
Machinery & Infrastructure	17.0	22.0	(5.0)
Chemicals	2.0	10.0	(8.0)
Energy	130.0	140.0	(10.0)
Lifestyle	13.0	13.0	0.0
Innovation & Cross Function	9.0	9.0	0.0
Americas	17.0	15.0	2.0
Europe, the Middle East and Africa	0.0	3.0	(3.0)
Asia Pacific	27.0	34.0	(7.0)
All Other/Adjustments and Eliminations	(8.0)	10.0	(18.0)
Consolidated total	310.0	400.0	(90.0)

- The projected net income attributable to Mitsui & Co., Ltd. from the Iron & Steel Products Segment for the year ending March 31, 2013 is ¥3.0 billion, a decline of ¥6.0 billion from the original forecast. We considered the sluggish steel market conditions reflecting the economic slowdown as well as the impairment losses on securities recognized in the six-month period ended September 30, 2012.
- The projected net income attributable to Mitsui & Co., Ltd. from the Mineral & Metal Resources Segment is ¥100.0 billion, a decline of ¥35.0 billion from the original forecast. The primary reasons for the decline are a decrease in iron ore prices and production volume at Compañía Minera Doña Inés de Collahuasi. Meanwhile, we took into consideration the positive impact of the deferred commitment fee related to the loan to Codelco; a gain on reclassification of Vale Nouvelle-Calédonie S.A.S. in which SUMIC Nickel Netherlands B.V. is expected to reduce its ownership interest; and an increase in sales volume of iron ore.
- Projected net income attributable to Mitsui & Co., Ltd. from the Machinery & Infrastructure Segment is ¥17.0 billion, a decline of ¥5.0 billion from the original forecast. Motorcycle-related businesses in Indonesia and the gas distribution business in Brazil which is affected by the weaker Brazilian real are expected to post declines in profits. Meanwhile, mining and construction machinery-related businesses in the emerging economies are expected to record a solid performance.
- Projected net income attributable to Mitsui & Co., Ltd. from the Chemicals Segment is ¥2.0 billion, a decline of ¥8.0 billion from the original forecast, reflecting sluggish market conditions and underperforming trading activities.
- Projected net income attributable to Mitsui & Co., Ltd. from the Energy Segment is ¥130.0 billion, a decline of ¥10.0 billion from the original forecast. The main cause of the decline is the decrease in coal prices.
- Projected net income attributable to Mitsui & Co., Ltd. from the Lifestyle Segment is ¥13.0 billion, the same level as originally forecasted. We counted certain gains on sales of securities, while a deterioration in earnings of Multigrain A.G. reflecting the drought in Brazil and the impairment loss on investment in listed associated company were recorded in the six-month period ended September 30, 2012.
- The projected net income attributable to Mitsui & Co., Ltd. from the Innovation & Cross Function Segment is ¥9.0 billion, the same level as originally forecasted. We expect earnings growth for IT related affiliates and gains on sales of securities and a profit decline for Mitsui & Co. Commodity Risk Management Ltd. due to the underperforming commodity derivatives trading.
- Projected net income attributable to Mitsui & Co., Ltd. from the Americas Segment is ¥17.0 billion, an increase of ¥2.0 billion from the original forecast, due to a solid performance of subsidiaries especially in the chemicals and steel area. Projected net income attributable to Mitsui & Co., Ltd. from the Europe, the Middle East and Africa Segment is ¥0.0 billion, a decline of ¥3.0 billion from the original forecast, reflecting the downturn in the economies in these regions. Projected net income attributable to Mitsui & Co., Ltd. from the Asia Pacific Segment is ¥27.0 billion, a decline of ¥7.0 billion from the original forecast, due to declines in this segment’s portion of net incomes of subsidiaries of the Mineral & Metal Resources and Energy segments, reflecting a decline in commodity prices.
- Projected net loss attributable to Mitsui & Co., Ltd. from All Other/Adjustments and Eliminations Segment is ¥8.0 billion, a deterioration of ¥18.0 billion from the original forecast. Adjustments and Eliminations are expected to include impairment losses on securities and income taxes which are not allocated to each operating segment.

2) Key commodity prices and other parameters for the year ending March 31, 2013

The table below shows assumptions for key commodity prices and other parameters for the projected net income attributable to Mitsui & Co., Ltd. for the year ending March 31, 2013. Effects of price movements for each commodity on annual net income attributable to Mitsui & Co., Ltd. are included in the table.

March 2012 (Original Forecast) (Announced in May 2012)	Impact on Net Income attributable to Mitsui & Co., Ltd. for the Year ending March 31, 2013 (Announced in May 2012)			March 2013 (Revised Forecast) (Announced in November 2012)	March 2013	
					1st Half (Result)	2nd Half (Assumption)
110	Commodity	Crude Oil/JCC	¥1.2 bn (US$1/bbl)	107	114	100
113		Consolidated Oil Price(*1)		111	117	105
(*2)		Iron Ore	¥1.9 bn (US$1/ton)	(*2)	124.5(*3)	(*2)
7,625		Copper	(*4)	7,794	8,087(*5)	7,500(*6)
8.5		Nickel	¥1.8 bn (US$1/lb)	8.0	8.4(*5)	7.5(*6)
80	Forex (*7)	USD	¥1.6 bn (¥1/USD)	79.49	78.97	80
85		AUD	¥1.9 bn (¥1/AUD)	80.39	80.77	80
45		BRL	¥0.8 bn (¥1/BRL)	39.61	39.21	40

(*1) the oil price trend is reflected in net income with a 0-6 month time lag. We assume the annual average price applicable to our financial results as the Consolidated Oil Price based on the estimation: 6 month time lag, 12%; 3 month time lag, 62%; no time lag, 26%.
(*2) We refrain from disclosing the iron ore price assumptions.
(*3) Average of representative reference prices (Fine, 62% Fe CFR North China) during April 2012 to September 2012
(*4) We refrain from disclosing the copper price sensitivity to net income.
(*5) Average of LME cash settlement price during January 2012 to June 2012 (Copper: US$/MT, Nickel: US$/lb)
(*6) Price assumption for October 2012 to December 2012 (Copper: US$/MT, Nickel: US$/lb)
(*7) Impact of currency fluctuation on net income of overseas subsidiaries and associated companies (denomination in functional currency) against the Japanese yen

(3) Shareholder Return Policy

In order to increase corporate value and maximize shareholder value, we have sought to maintain an optimal balance between (a) meeting investment demand in areas that are our core strengths and growth largely through re-investments of our retained earnings, and (b) directly providing returns to shareholders by paying out cash dividends based on a target dividend payout ratio of consolidated net income.

For the two-year period of the Medium-term Management Plan to March 2014, while we principally aim for a steady increase in dividends through improvements in corporate performance, we will also consider more flexible compensation to the shareholders, provided that sufficient retained earnings for future business development is secured. Considering the strengthening of our financial standings that has been accomplished through the execution of our previous Medium-term Management Plan, we have set our minimum target dividend payout ratio at 25%. For the year ending March 31, 2013, we have decided to set the dividend payout ratio at 25%.

Since the establishment of our Medium-term Management Plan to March 2014, the level of uncertainty for the global economy has risen significantly, as the financial crisis in Europe affected the global commercial trade and flow of capital, causing the growth rates of the emerging economies to moderate. We also anticipate our free cash flow to show a large deficit caused by the execution of large-scale investments and loans including the provision of loan to Codelco and the cash outflow in connection with the joint possession of Anglo American Sur S.A. shares with Codelco. Considering these factors and reviewing our dividend payout policy, as we have announced at the beginning of this fiscal year, for the year ending March 31, 2013, we plan to pay the annual dividend based on the dividend payout ratio of 25%.

As to the dividend for the year ending March 31, 2013, reflecting the previously mentioned downward revision that we have made on our forecasts for the year ending March 31, 2013, we have decided to pay an interim dividend of ¥22 per share, a ¥5 per share decrease from the corresponding six-month period of the previous year. For the year ending March 31, 2013, we currently envisage an annual dividend of ¥43 per share (including the interim dividend of ¥22 per share), a ¥12 per share decrease from the year ended March 31, 2012, based on our revised forecast of annual consolidated net income attributable to Mitsui & Co., Ltd. of ¥310.0 billion and the dividend payout ratio of 25%.

We will continue to review the shareholder return policy taking into consideration the business environment, future investing activity trends, free cash flow and interest-bearing debt levels, and return on equity.

3. Other Information

Notice:

This flash report contains forward-looking statements about Mitsui and its consolidated subsidiaries. These forward-looking statements are based on Mitsui's current assumptions, expectations and beliefs in light of the information currently possessed by it and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause Mitsui's actual consolidated financial position, consolidated operating results or consolidated cash flows to be materially different from any future consolidated financial position, consolidated operating results or consolidated cash flows expressed or implied by these forward-looking statements.

These risks, uncertainties and other factors include, among others, (1) economic downturns worldwide or at specific regions, (2) fluctuations in commodity prices, (3) fluctuations in exchange rates, (4) credit risks from clients with which Mitsui and its consolidated subsidiaries have business transactions or financial dealings and/or from various projects, (5) declines in the values of assets for which Mitsui and its consolidated subsidiaries act as lessors, (6) changes in the financing environment, (7) declines in market value of equity and/or debt securities, (8) changes in evaluation in connection to the establishment of valuation allowances, (9) inability to successfully restructure or eliminate subsidiaries or associated companies as planned, (10) unsuccessful joint ventures and strategic investments, (11) risks of resource related businesses not developing in line with assumed costs and schedules and uncertainty in reserves and performance of third party operators, (12) loss of opportunities to enter new business areas due to limitations on business resources, (13) environmental laws and regulations, (14) changes in laws and regulations or unilateral changes in contractual terms by governmental entities, (15) employee misconduct, (16) failure to maintain adequate internal control over financial reporting, and (17) climate change and natural disaster. For further information on the above, please refer to Mitsui's Annual Securities Report.

Forward-looking statements may be included in Mitsui's Annual Securities Report and Quarterly Securities Reports or in its other disclosure documents, press releases or website disclosures. Mitsui undertakes no obligation to publicly update or revise any forward-looking statements.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of Yen)

Assets	March 31, 2012	September 30, 2012
Current Assets:		
Cash and cash equivalents	¥ 1,431,112	¥ 1,294,574
Time deposits	4,130	5,312
Marketable securities	1,087	998
Trade receivables:		
Notes and loans, less unearned interest	322,585	272,001
Accounts	1,616,191	1,484,922
Associated companies	116,885	91,385
Allowance for doubtful receivables	(17,860)	(13,905)
Inventories	515,758	562,288
Advance payments to suppliers	129,987	143,069
Deferred tax assets—current	37,513	33,864
Derivative assets	53,664	56,903
Other current assets	215,271	204,074
Total current assets	4,426,323	4,135,485
Investments and Non-current Receivables:		
Investments in and advances to associated companies	1,709,082	1,856,343
Other investments	792,492	703,352
Non-current receivables, less unearned interest	454,191	546,192
Allowance for doubtful receivables	(36,840)	(34,082)
Property leased to others—at cost, less accumulated depreciation	272,746	271,896
Total investments and non-current receivables	3,191,671	3,343,701
Property and Equipment—at Cost:		
Land, land improvements and timberlands	202,834	204,020
Buildings, including leasehold improvements	401,451	410,399
Equipment and fixtures	1,306,754	1,373,675
Mineral rights	158,967	152,627
Vessels	42,539	39,549
Projects in progress	152,789	180,572
Total	2,265,334	2,360,842
Accumulated depreciation	(1,009,451)	(1,050,949)
Net property and equipment	1,255,883	1,309,893
Intangible Assets, less Accumulated Amortization	110,307	102,360
Deferred Tax Assets—Non-current	15,626	15,888
Other Assets	12,013	11,916
Total	¥ 9,011,823	¥ 8,919,243

(Millions of Yen)

Liabilities and Equity	March 31, 2012	September 30, 2012
Current Liabilities:		
Short-term debt	¥ 307,132	¥ 440,009
Current maturities of long-term debt	372,657	509,171
Trade payables:		
Notes and acceptances	53,308	46,378
Accounts	1,342,343	1,280,493
Associated companies	110,289	97,825
Accrued expenses:		
Income taxes	73,111	63,026
Interest	16,619	14,577
Other	93,266	71,126
Advances from customers	106,787	109,019
Derivative liabilities	65,262	47,890
Other current liabilities	83,256	69,218
Total current liabilities	2,624,030	2,748,732
Long-term Debt, less Current Maturities	2,898,218	2,790,301
Accrued Pension Costs and Liability for Severance Indemnities	55,799	55,274
Deferred Tax Liabilities—Non-current	283,614	232,561
Other Long-Term Liabilities	289,352	267,589
Equity:		
Common stock	341,482	341,482
Capital surplus	430,491	429,280
Retained earnings:		
Appropriated for legal reserve	65,500	69,284
Unappropriated	2,192,494	2,305,948
Accumulated other comprehensive income (loss):		
Unrealized holding gains and losses on available-for-sale securities	90,476	52,599
Foreign currency translation adjustments	(380,457)	(494,511)
Defined benefit pension plans	(68,163)	(66,470)
Net unrealized gains and losses on derivatives	(24,302)	(28,129)
Total accumulated other comprehensive loss	(382,446)	(536,511)
Treasury stock, at cost	(6,203)	(6,205)
Total Mitsui & Co., Ltd. shareholders' equity	2,641,318	2,603,278
Noncontrolling interests	219,492	221,508
Total equity	2,860,810	2,824,786
Total	¥ 9,011,823	¥ 8,919,243

(2) Statements of Consolidated Income and Comprehensive Income (Loss)

Statements of Consolidated Income

(Millions of Yen)

	Six-month period ended September 30, 2011	Six-month period ended September 30, 2012
Revenues :		
Sales of products	¥2,383,790	¥2,117,701
Sales of services	180,238	185,434
Other sales	65,002	62,763
Total revenues	2,629,030	2,365,898
Total Trading Transactions : Six-month period ended September 30, 2011, ¥ 5,233,587 million Six-month period ended September 30, 2012, ¥ 4,992,679 million		
Cost of Revenues :		
Cost of products sold	(2,078,032)	(1,866,548)
Cost of services sold	(68,044)	(76,850)
Cost of other sales	(29,028)	(29,526)
Total cost of revenues	(2,175,104)	(1,972,924)
Gross Profit	453,926	392,974
Other Expenses (Income) :		
Selling, general and administrative	254,345	251,480
Provision for doubtful receivables	4,906	7,219
Interest expense - net	2,408	6,263
Dividend income	(38,947)	(46,386)
Gain on sales of securities - net	(11,928)	(15,664)
Loss on write-down of securities	15,377	18,361
Gain on disposal or sales of property and equipment - net	(1,391)	(1,516)
Impairment loss of long-lived assets	2,117	224
Impairment loss of goodwill	1,860	-
Other (income) expenses - net	(6,461)	12,691
Total other expenses (income)	222,286	232,672
Income before Income Taxes and Equity in Earnings	231,640	160,302
Income Taxes	109,136	77,625
Income before Equity in Earnings	122,504	82,677
Equity in Earnings of Associated Companies - Net	123,994	97,338
Net Income before Attribution of Noncontrolling Interests	246,498	180,015
Net Income Attributable to Noncontrolling Interests	(19,237)	(11,678)
Net Income Attributable to Mitsui & Co., Ltd.	¥ 227,261	¥ 168,337

Statements of Consolidated Comprehensive Income (Loss)

(Millions of Yen)

	Six-month period ended September 30, 2011	Six-month period ended September 30, 2012
Net Income before Attribution of Noncontrolling Interests	¥ 246,498	¥ 180,015
Other Comprehensive Income (Loss) (after income tax effect):		
Unrealized holding losses on available-for-sale securities	(47,626)	(41,079)
Foreign currency translation adjustments	(220,179)	(120,210)
Defined benefit pension plans	2,155	1,680
Net unrealized losses on derivatives	(9,273)	(3,885)
Total Other Comprehensive Loss (after income tax effect)	(274,923)	(163,494)
Comprehensive (Loss) Income before Attribution of Noncontrolling Interests	(28,425)	16,521
Comprehensive Income Attributable to Noncontrolling Interests	(4,321)	(2,372)
Comprehensive (Loss) Income Attributable to Mitsui & Co., Ltd.	¥ (32,746)	¥ 14,149

(3) Statements of Consolidated Cash Flows

(Millions of Yen)

	Six-month period ended September 30, 2011	Six-month period ended September 30, 2012
Operating Activities:		
Net income before attribution of noncontrolling interests	¥ 246,498	¥ 180,015
Adjustments to reconcile net income before attribution of noncontrolling interests to net cash provided by operating activities:		
Depreciation and amortization	69,532	88,203
Pension and severance costs, less payments	6,319	5,417
Provision for doubtful receivables	4,906	7,219
Gain on sales of securities - net	(11,928)	(15,664)
Loss on write-down of securities	15,377	18,361
Gain on disposal or sales of property and equipment - net	(1,391)	(1,516)
Impairment loss of long-lived assets	2,117	224
Impairment loss of goodwill	1,860	-
Deferred income taxes	18,463	(4,486)
Equity in earnings of associated companies, less dividends received	(72,259)	(57,494)
Changes in operating assets and liabilities:		
(Increase) decrease in trade receivables	(3,347)	167,662
Increase in inventories	(65,274)	(66,237)
Decrease in trade payables	(40,883)	(72,800)
Payment for the settlement of the oil spill incident in the Gulf of Mexico	(86,105)	-
Other - net	7,630	(21,816)
Net cash provided by operating activities	91,515	227,088
Investing Activities:		
Net increase in time deposits	(533)	(2,070)
Net increase in investments in and advances to associated companies	(60,135)	(193,659)
Net (increase) decrease in other investments	(14,534)	10,959
Net decrease (increase) in long-term loan receivables	976	(136,398)
Net increase in property leased to others and property and equipment	(157,760)	(201,524)
Net cash used in investing activities	(231,986)	(522,692)
Financing Activities:		
Net increase in short-term debt	32,848	152,665
Net increase in long-term debt	109,387	78,714
Transactions with noncontrolling interest shareholders	(2,372)	(820)
Purchases of treasury stock - net	(7)	(2)
Payments of cash dividends	(49,286)	(51,111)
Net cash provided by financing activities	90,570	179,446
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(47,338)	(20,380)
Net Decrease in Cash and Cash Equivalents	(97,239)	(136,538)
Cash and Cash Equivalents at Beginning of Period	1,441,059	1,431,112
Cash and Cash Equivalents at End of Period	¥ 1,343,820	¥ 1,294,574

(4) Assumption for Going Concern : None

(5) Significant Changes in Shareholders' Equity : None

(6) Operating Segment Information

Six-month period ended September 30, 2011 (from April 1, 2011 to September 30, 2011) (As restated)

(Millions of Yen)

	Iron & Steel Products	Mineral & Metal Resources	Machinery & Infrastructure	Chemicals	Energy	Lifestyle	Innovation & Cross Function
Revenues	95,244	300,419	140,961	479,597	796,299	373,063	79,892
Gross Profit	22,363	110,068	43,707	34,543	108,546	60,969	25,764
Operating Income (Loss)	5,612	99,177	(5,079)	6,603	86,413	10,936	(8,670)
Equity in Earnings (Losses) of Associated Companies -Net	1,660	82,696	22,847	1,888	24,798	3,568	(19,085)
Net Income (Loss) Attributable to Mitsui & Co., Ltd.	4,544	111,756	10,044	7,661	87,399	13,574	(24,100)
Total Assets at September 30, 2011	482,541	1,008,802	1,248,572	647,743	1,439,005	1,203,729	608,907

	Americas	Europe, the Middle East and Africa	Asia Pacific	Total	All Other	Adjustments and Eliminations	Consolidated Total
Revenues	265,036	63,424	33,856	2,627,791	1,241	(2)	2,629,030
Gross Profit	38,612	8,804	6,190	459,566	202	(5,842)	453,926
Operating Income (Loss)	13,662	(812)	(1,602)	206,240	(2,818)	(8,747)	194,675
Equity in Earnings (Losses) of Associated Companies -Net	2,475	477	2,504	123,828	-	166	123,994
Net Income (Loss) Attributable to Mitsui & Co., Ltd.	10,345	(516)	25,827	246,534	1,693	(20,966)	227,261
Total Assets at September 30, 2011	411,230	97,995	236,318	7,384,842	2,818,768	(1,791,933)	8,411,677

Six-month period ended September 30, 2012 (from April 1, 2012 to September 30, 2012)

(Millions of Yen)

	Iron & Steel Products	Mineral & Metal Resources	Machinery & Infrastructure	Chemicals	Energy	Lifestyle	Innovation & Cross Function
Revenues	83,636	256,771	164,636	337,508	701,010	389,512	82,444
Gross Profit	18,065	75,547	46,727	33,070	97,505	53,520	28,437
Operating Income (Loss)	225	57,700	(7,176)	3,089	70,259	(1,807)	(8,892)
Equity in Earnings of Associated Companies -Net	1,094	35,281	13,830	4,008	22,767	5,499	9,506
Net Income (Loss) Attributable to Mitsui & Co., Ltd.	(790)	49,682	8,960	(931)	78,863	4,849	5,949
Total Assets at September 30, 2012	487,606	1,278,862	1,232,961	630,162	1,675,961	1,243,210	578,287

	Americas	Europe, the Middle East and Africa	Asia Pacific	Total	All Other	Adjustments and Eliminations	Consolidated Total
Revenues	271,941	48,226	29,255	2,364,939	959	0	2,365,898
Gross Profit	33,872	7,265	5,204	399,212	450	(6,688)	392,974
Operating Income (Loss)	8,069	(1,930)	(2,354)	117,183	(2,306)	19,398	134,275
Equity in Earnings of Associated Companies -Net	2,020	191	3,071	97,267	-	71	97,338
Net Income (Loss) Attributable to Mitsui & Co., Ltd.	8,806	(501)	16,805	171,692	508	(3,863)	168,337
Total Assets at September 30, 2012	415,271	88,895	252,459	7,883,674	3,492,563	(2,456,994)	8,919,243

Notes:1. "All Other" includes business activities which primarily provide services, such as financing services and operations services to external customers and/or to the companies and associated companies. Total assets of "All Other" at September 30, 2011 and 2012 consisted primarily of cash and cash equivalents and time deposits related to financing activities, and assets of certain subsidiaries related to the above services.

2. Transfers between operating segments are made at cost plus a markup.

3. Net Income (Loss) Attributable to Mitsui & Co., Ltd. of "Adjustments and Eliminations" includes income and expense items that are not allocated to specific reportable operating segments, and eliminations of intersegment transactions.

4. During the three-month period ended June 30, 2012, the companies changed the headquarters' cost allocation system from partial allocation to full allocation to the operating segments in order to make business judgments which reflect the current cost structure. The effect of this change was a decrease in the Operating Income (Loss) and the Net Income (Loss) Attributable to Mitsui & Co., Ltd. for the six-month period ended September 30, 2012 as follows:

(Millions of Yen)

	Iron & Steel Products	Mineral & Metal Resources	Machinery & Infrastructure	Chemicals	Energy	Lifestyle	Innovation & Cross Function
Operating Income (Loss)	(980)	(5,429)	(3,732)	(2,292)	(5,141)	(3,800)	(1,980)
Net Income (Loss) Attributable to Mitsui & Co., Ltd.	(730)	(4,045)	(2,780)	(1,707)	(3,830)	(2,831)	(1,475)

5. During the three-month period ended June 30, 2012, “Foods & Retail” Segment and the Consumer Service Business Unit that were included in the “Consumer Service & IT” Segment were aggregated into the “Lifestyle” Segment for the purpose of strengthening initiatives in our business geared towards consumer products and the service market in Japan and the emerging economies' consumers that are expected to expand. Additionally, the “Logistics & Financial Business” Segment and the IT Business Unit that were included in the “Consumer Service & IT” Segment were aggregated into the “Innovation & Cross Function” Segment. This new segment provides the functions of financing, logistics and IT & process development for the purpose of reinforcing the entire companies' earnings base. This segment will also pursue the creation of new businesses with its sights set on the next generation.
In accordance with this change, the operating segment information for the six-month period ended September 30, 2011, has been restated to conform to the current period presentation.

6. During the three-month period ended June 30, 2012, “Machinery & Infrastructure Project” Segment changed its name to “Machinery & Infrastructu

7. Operating Income (Loss) reflects the companies' a) Gross Profit, b) Selling, general and administrative expenses, and c) Provision for doubtful receivables as presented in the Statements of Consolidated Income.