

Brief Notes on the Financial Settlement for First Quarter of Fiscal Term Ending March 2009

August 7, 2008

Exchange on which the company is listed: Tokyo Stock Exchange

Name of the Listed Company: Mitsui Mining Co., Ltd.
 Code number: 3315 URL: <http://www.mitsui-mining.co.jp>
 Representative: (Title) Representative Director and Chief Executive Officer (Name) Kiyooki Ogura
 Staff responsible for inquiries: (Title) General Manager, Secretarial and Public Relations Department of General Affairs Division (Name) Minoru Sasaki TEL 03-5560-1311
 Scheduled date of submission of quarterly report: August 14, 2008

(Rounding down to the nearest million yen)

1. Consolidated Performance of First Quarter of Fiscal Term Ending March 2009 (from April 1 to June 30, 2008)

(1) Consolidated Business Results (accumulated)

(The percentage shows the percentage change from the first quarter in the previous term.)

	Sales turnover		Operating profit		Ordinary income		Quarterly net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First quarter of fiscal term ending March 2009	47,523	-	9,022	-	8,078	-	8,570	-
First quarter of fiscal term ending March 2008	40,727	△6.3	1,216	-	730	-	455	244.7

	Net income for the quarter per share		Net income for the quarter per share after adjustment for mixed shares	
	Yen	Sen	Yen	Sen
First quarter of fiscal term ending March 2009	37.23		20.23	
First quarter of fiscal term ending March 2008	1.98		1.07	

(2) Consolidated Financial Position

	Total assets	Net assets	Ratio of net worth equity capital	Net assets per share	
	Million yen	Million yen	%	Yen	Sen
First quarter of fiscal term ending March 2009	151,187	47,191	31.2	87.46	
Fiscal term ending March 2008	140,538	39,460	28.0	51.34	

(Reference) Equity capital: First quarter of fiscal term ending March 2009 47,134 million yen
 Fiscal term ending March 2008 39,393 million yen

(Note) Because net assets per share are information on common shares, they are obtained by subtracting the amount of outstanding shares (27,000 million yen) with preferred rights to claim for distribution of residual assets to common shares from the amount of net assets at the term end.

2. Dividend

(Record date)	Dividend per share									
	End of first quarter		End of second quarter		End of third quarter		Term end		Annual	
	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen
Fiscal term ending March 2008	-		0.00		-		2.00		2.00	
Fiscal term ending March 2009	-		-		-		-		-	
Fiscal term ending March 2009 (forecast)	-		0.00		-		2.00		2.00	

(Note) Revision of dividend forecast for the quarter None

* The dividend above is that for common shares. Refer to "Dividend for Classified Shares" on Page 3 for dividend for types of shares (unlisted) with different relation of right from that of common shares our company issue.

3. Outlook for Consolidated Performance for the Term Ending March 2009 (from April 1, 2008, to March 31, 2009)

(The percentage shows the percentage change from the previous term for total year and the second quarter of previous term for the second quarter.)

	Sales turnover		Operating profit		Ordinary income		Net income for current term		Net income for current term per share	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	Sen
Consolidated total for second quarter	108,000	-	11,500	-	10,000	-	10,000	-		43.44
Total year	229,000	22.2	18,000	60.1	15,000	62.4	14,500	75.7		53.05

(Note) Revision of outlook for consolidated performance of the quarter Yes

4. Others

(1) Transfer of important subsidiaries during the term None
New: how many? (Company name) Exclusion: how many? (Company name)

(2) Application of special accounting for simple accounting and production of the consolidated quarterly financial statements Yes

(Note) For details, refer to 4. Others in Qualitative Information / Financial Statements, etc. on Page 5.

(3) Changes in principles, procedures, and display method of accounting related to the production of consolidated quarterly financial statements (matters listed in the changes of important matters that are basics for the production of the quarterly statements)

① Change in accordance with revision of accounting standards Yes

② Changes other than ① None

(Note) For details, refer to 4. Others in Qualitative Information / Financial Statements, etc. on Page 5.

(4) Outstanding shares (common shares)

① Number of outstanding shares at the end of the term (including treasury shares)

First quarter for fiscal term ending March 2009 230,716,213 shares March 2008 230,716,213 shares

② Number of treasury shares at the end of the term

First quarter for fiscal term ending March 2009 499,933 shares March 2008 496,891 shares

③ Average number of shares (Quarter consolidated accumulated period)

First quarter for fiscal term ending March 2009 230,218,652 shares March 2008 230,233,275 shares

* Explanation about proper use of performance outlook and other special notes:

1. The consolidated performance outlook our company announced in May 15, 2008, is revised for the consolidated second quarter and the total year. For details, refer to the Notice on Revision of Performance Outlook our company announced today.

2. Descriptions on future issues including performance outlook in this document are based on currently available information and certain prepositions regarded reasonable and thus may differ significantly from actual results for a variety of reasons. For details, refer to 3. Qualitative Information on Consolidated Performance Outlook in "Qualitative Information / Financial Statements, etc." on Page 5.

3. From this consolidated fiscal term, the Accounting Standards for Quarterly Financial Statements (Corporate Accounting Standards 12) and the Application Guidelines of Accounting Standards for Quarterly Financial Statements (Corporate Accounting Standards Application Standards 14) are used. The quarterly consolidated financial statements are produced in accordance with the Rules of Quarterly Consolidated Financial Statements.

4. Basics of calculation of net income per share for current term

(1) Amount not belonging to common shares

Regarding Class C preferred shares our company issues, the limit of acquisition of own shares with a one-year period in which shares can be obtained is resolved for all the outstanding shares at our regular shareholders' meeting on June 27, 2008. We are yet to determine the number of own shares we will obtain by March 31, 2009, the record date of Class C preferred shares. The preferred dividend of Class C preferred shares is calculated using the predetermined formula based on the guidelines of each preferred shares. However, because the base value for the calculation is yet to be determined, the expected amount of dividend that is excluded from the expected current net income for the calculation of expected net profit of current term per share is the same amount (392 million yen) as that of fiscal term ending March 2008.

(2) The average number of shares

Regarding Class B preferred shares we issue, the acquisition right with common shares as consideration arises on October 1, 2008. Nippon Steel Corporation and Sumitomo Corporation, Class B preferred shareholders, expressed their intention to execute all the right immediately. Against the backdrop, the average number of shares, the denominator of the calculation of the expected net income per share, is calculated in reflection of the number of common shares that is expected to increase because of the execution of the right with an assumption that it is executed on October 1, 2008.

Number of outstanding shares as of April 1, 2008 230,716,213 shares

Expected increase of shares on October 1, 2008 71,633,236 shares

Average number of shares 266,434,703 shares

Average number of own shares 499,341 shares

Average number of shares, a base for calculation of expected net income per share 265,935,362 shares (denominator)

Dividend for Classified Shares

Per share dividend amount of classified stocks whose relation of right is different from that of common share is as follows:

(Record date)	Dividend per share							
	End of first quarter		End of second quarter		End of third quarter	Term end	Annual	
	Yen	Sen	Yen	Sen	Yen	Sen	Yen	Sen
Class B preferred shares								
March 2008	-		-		-		4.52	
March 2009	-		-		-		-	
March 2009 (forecast)	-		-		-		-	
Class C preferred shares								
March 2008	-		-		-		5.77	
March 2009	-		-		-		-	
March 2009 (forecast)	-		-		-		5.77	

(Note 1) Revision of dividend forecast for the quarter: Yes

(Note 2) Regarding Class B preferred shares we issue, the acquisition right with common shares as consideration arises on October 1, 2008. Nippon Steel Corporation and Sumitomo Corporation, Class B preferred shareholders, expressed their intention to execute all the right immediately. Against the backdrop, dividend amount per share for the term ending March 2009 is not listed here with an assumption that the right is executed on October 1, 2008.

(Note 3) The expected amount of dividend per share of Class C preferred shares is calculated using the predetermined formula based on the guidelines of the preferred shares. However, because the base value for the calculation is yet to be determined, the expected amount of dividend is the same as that of the term ending March 2008.

Qualitative Information / Financial Statements, etc.

1. Qualitative Information on Consolidated Business Performance

Concern over economic downswing rose in the first quarter of this fiscal term, as exports were sluggish and corporate profit declined due to the impact of rising resource prices and sluggish US economy due to the subprime housing loan problem.

Given these circumstances, the Mitsui Mining group exerted our full-scale efforts to promote the concentration of management resources in major business segments and the further enhancement of competitiveness.

As a result, our group posted sales turnover of 47.523 billion yen in this quarter mainly because of good business performance of the coke-related business despite the impact of withdrawal from the petroleum-related business and sales of consolidated subsidiaries. We also posted operating profit of 9.022 billion yen, ordinary income of 8.078 billion yen and quarterly net income of 8.570 billion yen. This is mainly because of high profit of coke-related business by using coking coal we acquired before their price increase as well as good coke market. Another cause is a decrease in selling and general administrative expenses as goodwill depreciation completed in the last consolidated term.

(Business performance by business segment)

Coal chain related business: The sales turnover of the coal- and coke-related business was 42 billion 950 million yen and the operating profit was 10 billion 58 million yen because of robust coke market and use of coking coal we obtained before its price rose.

Comprehensive engineering business unit: The sales turnover was 3 billion 2 million yen and the operating profit was 67 million yen because of sluggish shipments of powder equipment.

The sales turnover of other business segments was 1 billion 569 million yen with the operating loss of 486 million yen, partly because of the sales of some consolidated subsidiaries concentrate on the latter half of the term.

2. Qualitative Information on Consolidated Fiscal Conditions

The total assets as of the end of the first consolidated accounting quarter increased to 151 billion 187 million yen from 10 billion 649 million yen at the end of the previous consolidated fiscal year. It is mainly because of an increase in cash and cash equivalents thanks to good coke business performance and the book value of materials and products increased in accordance with the coking coke price increase.

The liabilities of the quarter were 103 billion 996 million yen, an increase of 2 billion 918 million yen from the end of the previous fiscal year, partly because of an increase in accounts payable due to a price increase of coking coal despite a decrease due to repayment of borrowings.

The net assets of the quarter was 47 billion 191 million yen, an increase of 7 billion 730 million yen from the end of previous consolidated fiscal year, partly because of an increase in accumulated earnings thanks to good business performance.

The ratio of net worth equity capital at the end of the quarter was 31.2 percent, an improvement of 3.2 points from the end of the previous consolidated fiscal year.

3. Qualitative Information on Expected Consolidated Performance

The profit of the coke-related business during the first quarter of this term is expected to improve more than originally expected as the market continues to be robust. As a result, we revised the business performance forecast of the second quarter and the total year.

For details, please refer to the Notice on Revision of Business Performance Forecast that was announced today.

4. Others

- (1) There was transfer of important subsidiaries during the quarter (transfer of special subsidiaries that involves changes in the scope of consolidation).
N/A

- (2) Application of simple accounting and accounting unique to the production of consolidated quarterly financial statements
 - ① Simple accounting
The estimated amount of bad loans in general debts is calculated based on the loan loss ratio at the end of the previous consolidated year because the ratio at the end of the first quarter of this fiscal year does not differ significantly from that at the end of the last fiscal year.
 - ② Accounting unique to production of quarterly financial statements
N/A

- (3) Changes in principles, procedures, and display method of accounting related to the production of quarterly consolidated financial statements
 - ① Application of the Accounting Standards for Quarterly Financial Statements, etc.
From this consolidated fiscal year, the Accounting Standards for Quarterly Financial Statements (Corporate Accounting Standards 12, March 14, 2007) and the Application Guidelines of Accounting Standards for Quarterly Financial Statements (Corporate Accounting Standards Application Standards 14, March 14, 2007) are used. The consolidated quarterly financial statements are produced in accordance with the Rules of Quarterly Consolidated Financial Statements.
 - ② Changes in Valuation Standards and Valuation Method of Important Assets
Inventory Assets
Although inventory assets possessed for ordinary selling were mainly valued based on the cost accounting method based on the total average method, it is valued based on the cost accounting method by the total average method (writing-down based on decreased profitability for the balance sheet value) in accordance with the application of the Accounting for Inventory Valuation (Corporate Accounting Standards 9, July 5, 2006) from this quarter.
These changes hardly affect the operating profit, ordinary income and the quarterly income before income taxes and others.
 - ③ Application of the Immediate Accounting of Foreign Subsidiaries for Production of Consolidated Financial Statements
The Immediate Accounting of Foreign Subsidiaries for Production of Consolidated Financial Statements (Business Handling Report 18, May 17, 2006) is applied from this consolidated quarter. This change does not affect the operating profit, ordinary income and the quarterly income before income taxes and others.

5. Consolidated Quarterly Financial Statements

(1) Consolidated quarterly balance sheet

(Unit: Million yen)

	First quarter end (June 30, 2008)	Summarized balance sheet of previous fiscal year (March 31, 2008)
Assets		
Current assets		
Cash and cash equivalents	12,281	6,132
Notes receivable and accounts receivable	14,847	17,646
Goods and products	10,448	9,294
Product in process	3,160	1,808
Raw materials and stored goods	15,098	7,806
Others	6,434	6,625
Allowance for doubtful accounts	△256	△266
Total current assets	62,014	49,047
Fixed assets		
Tangible current assets		
Machinery, equipment and vehicles	58,022	60,272
Accumulated depreciation	△30,843	△32,140
Machinery, equipment and vehicles (net base)	27,179	28,132
Land	44,301	45,017
Others	23,360	24,351
Accumulated depreciation	△14,321	△15,023
Others (net base)	9,039	9,328
Total tangible current assets	80,520	82,478
Intangible fixed assets		
Others	443	469
Total intangible fixed assets	443	469
Investment and other assets		
Others	8,428	8,771
Allowance for bad debts	△219	△229
Total investment and other assets	8,208	8,542
Total fixed assets	89,172	91,490
Total assets	151,187	140,538

(Unit: Million yen)

	First quarter end (June 30, 2008)	Summarized balance sheet of previous fiscal year (March 31, 2008)
Liabilities		
Current liabilities		
Notes payable and accounts payable	26,671	19,618
Short term loans payable	10,453	12,103
Accrued taxes	164	417
Allowance for bonuses	583	1,110
Allowance for losses through liquidation of affiliated companies	963	1,536
Others	7,837	7,767
Total current liabilities	46,673	42,554
Fixed liabilities		
Bonds payable	208	416
Long term loans payable	48,394	49,205
Allowance for employee retirement benefits	5,364	5,490
Allowance for retirement benefits for directors	177	212
Allowance for environmental development	2,703	2,703
Others	475	495
Total fixed liabilities	57,322	58,523
Total liabilities	103,996	101,077
Net assets		
Shareholders' equity		
Capital	7,000	7,000
Surplus capital	6,846	6,846
Surplus profit	33,574	26,038
Treasury shares	△88	△87
Total shareholders' equity	47,332	39,797
Difference from evaluation and conversion		
Evaluation differences for other securities	26	17
Hedge profit and loss carried over	△7	△106
Account for adjustment of foreign exchange conversion	△217	△314
Total difference from evaluation and conversion	△198	△403
Minority shareholders' equity	56	66
Total net assets	47,191	39,460
Total of liabilities and net assets	151,187	140,538

(2) Consolidated Quarterly Profit and Loss Statement
(First quarter consolidated accumulated period)

(Unit: Million yen)

	First quarter consolidated accumulated period (from April 1 to June 30, 2008)
Sales turnover	47,523
Cost of sales	36,157
Gross profit from sales	11,365
Selling, general and administrative expenses	2,342
Operating profit	9,022
Non-operating profit	
Interest received	60
Derivatives valuation profit	45
Others	36
Total non-operating profit	142
Non-operating expense	
Interest paid	495
Exchange	291
Others	300
Total non-operating expense	1,086
Current profit	8,078
Extraordinary profits	
Gain on sale of shares of affiliated companies	1,302
Others	87
Total extraordinary profits	1,390
Extraordinary loss	
Loss of sale of fixed assets	24
Others	4
Total extraordinary loss	29
Quarterly income before income taxes and others	9,439
Corporate tax, municipal tax and business tax	100
Adjustment for corporate and other taxes	776
Total corporate and other taxes	877
Minority shareholders' interest	△8
Quarterly net income	8,570

From this consolidated fiscal years, the Accounting Standards for Quarterly Financial Statements (Corporate Accounting Standards 12) and the Application Guidelines of Accounting Standards for Quarterly Financial Statements (Corporate Accounting Standards Application Standards 14) are used. The consolidated quarterly financial statements are produced in accordance with the Rules of Quarterly Consolidated Financial Statements.

(3) Note on Premise of going concern
N/A

(4) Segment information
[Segment information by business category]
First quarter consolidated accumulated period (from April 1 to June 30, 2008)

	Coal chain-related business (million yen)	Comprehensive engineering business (million yen)	Other businesses (million yen)	Total (million yen)	Elimination of whole company (million yen)	Consolidated (million yen)
Sales turnover						
(1) Sales turnover from external customers	42,950	3,002	1,569	47,523	-	47,523
(2) Internal sales turnover or transfer between segments	16	152	86	255	(255)	-
Total	42,967	3,154	1,656	47,778	(255)	47,523
Operating profit	10,058	67	(486)	9,638	(616)	9,022

(5) Note on significant change in the amount of capital stock
N/A

[Reference]

Financial Statements for Previous First Quarter

(1) (Summary) Consolidated Quarterly Profit and Loss Statement

Quarterly consolidated accumulated period of the previous term (April 1 to June 30, 2007)

(Unit: Million yen)

Account Item	Previous first quarter (First quarter of Fiscal Year ending March 2008)
	Amount
I Sales turnover	40,727
II Cost of sales	36,579
Gross profit from sales	4,147
III Selling, general and administrative expenses	2,931
Operating profit	1,216
IV Non-operating profit	183
Interest and dividends received	76
Others	106
V Non-operating expense	668
Interest paid	541
Others	127
Current profit	730
VI Extraordinary profits	281
VII Extraordinary loss	276
Quarterly income before income taxes and others	736
Corporate tax, municipal tax and business tax	200
Adjustment for corporate and other taxes	87
Minority shareholders' interest	7
Quarterly net income	455

(2) Segment Information

[Segment information by business category]

Quarterly consolidated accumulated period of the previous term (April 1 to June 30, 2007)

(Unit: Million yen)

	Coal chain-related business	Petroleum- related business	Compre- hensive engineering business	Other businesses	Total	Elimination of whole company	Consoli- dated
Sales turnover							
(1) Sales turnover from external customers	23,333	10,381	4,390	2,622	40,727	-	40,727
(2) Internal sales turnover or transfer between segments	22	282	127	95	527	(527)	-
Total	23,355	10,663	4,517	2,717	41,254	(527)	40,727
Operating expense	21,149	10,633	4,225	2,931	38,940	571	39,511
Operating profit	2,205	30	291	(213)	2,314	(1,098)	1,216