



Leading Edge Logistics Solutions

The MSC Group provides a diverse range of logistics services

**Financial Report
for the Six Months
Ended
September 30, 2008**

November 10, 2008
MITSUI-SOKO CO., LTD.



<input type="checkbox"/> Explanation of Results			
<input type="checkbox"/> Summary of the Financial Report for the Six Months ended September 30, 2008	1	...	3
<input type="checkbox"/> Detailed Forecast for FY2009 (Year Ending March 31, 2009)	4	...	5
<input type="checkbox"/> Medium-term Plan 2007	6	...	8
<input type="checkbox"/> Supplementary Materials (Attachment)	1	...	11



Results for the Six Months ended September 30, 2008

(1) Performance Overview

MITSUI-SOKO

(Millions of yen)

	1st Half ended Sept. 30, 2007	1st Half ended Sept. 30, 2008	Amount of change	Percentage of change
Net Revenue	51,861	52,070	+209	+0.4%
Operating income	3,033	3,271	+238	+7.8%
Ordinary income	2,817	2,774	(43)	(1.5)%
Net income	1,272	1,165	(107)	(8.4)%
Operating profit margin	5.85%	6.28%	+0.43%	—
Cash flows from operating activities	5,059	4,407	(652)	(12.9)%
Cash flows from investing activities	(2,534)	(25,701)	(23,167)	—
Cash flows from financing activities	3,260	30,322	+27,062	—
	Mar. 31, 2008	Sept. 30, 2008	Amount of change	Percentage of change
Shareholders' equity	53,577	53,535	(42)	(0.1)%
Total assets	139,458	170,859	+31,401	+22.5%
Shareholders' equity ratio	38.42%	31.33%	(7.09)%	—
D/E ratio	1.07	1.65	+0.58	—



Results for the Six Months ended September 30, 2008

(2) Non-operating Income (Expenses) and Extraordinary Gains (Losses)

MITSUI-SOKO

(Millions of yen)

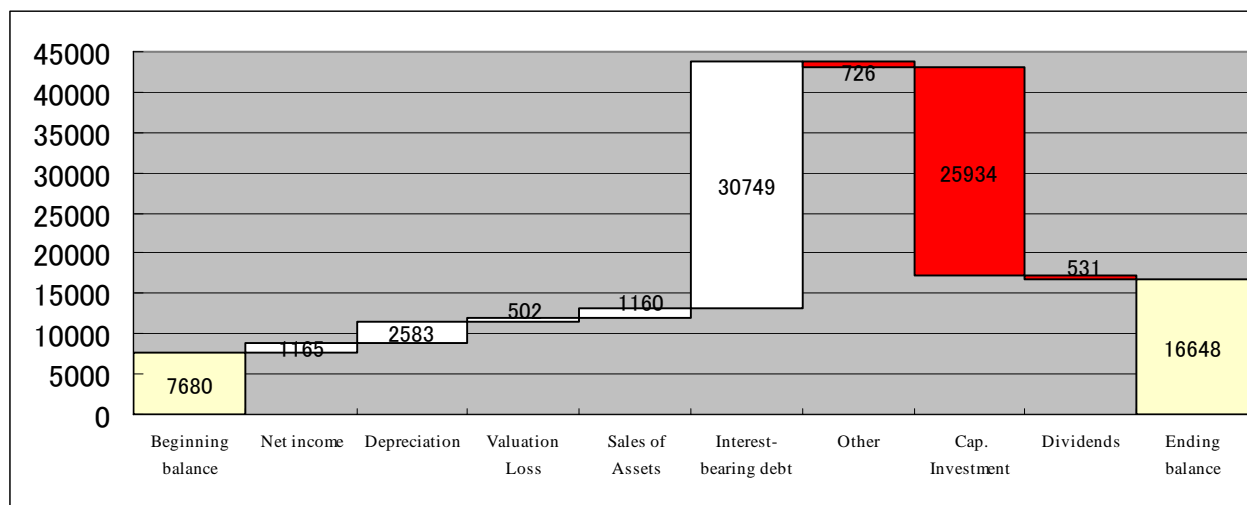
		1st Half ended Sept.2007	1st Half ended Sept.2008	Amount of change	Percentage of change
Non-operating income (expenses)	Financial balance	(206)	(319)	(113)	(54.9)%
	Other	(10)	(178)	(168)	-
Ordinary income		2,817	2,774	(43)	(1.5)%
Extraordinary gains	Gain on sales of assets	268	211	(57)	-
	Other	1	-	(1)	-
Extraordinary losses	Unrealized loss on investment securities	20	461	+441	-
	Disposal of fixed assets	174	55	(119)	-
	Other	211	169	(42)	-
Net income		1,272	1,165	(107)	(8.4)%

- Financing balance: Increase of interest expense due to rise in the outstanding interest-bearing debt (¥97 million)
- Disposal of fixed assets: Loss on removal of existing facilities in accordance with redeployment.



Overview of Consolidated Flows

(Millions of yen)



		1st Half ended Sept.30 2007	1st Half ended Sept.30, 2008	Amount of change	Percentage of change
Cash flows from operating activities		5,059	4,407	(652)	(12.9)%
Cause	Depreciation expenses	2,663	2,583	(80)	(3.0)%
Cash flows from investing activities		(2,534)	(25,701)	(23,167)	—
Cause	Capital investment	2,133	25,933	+23,800	—
Cash flows form financing activities		3,260	30,322	+27,062	—
Cause	Interest-bearing debt	54,716	88,211	+33,495	+61.2%

- Operating CF: Decreased by ¥652 million owing to increase in corporate income taxes paid and AP paid
- Investment CF: ¥25,701 million was paid due to acquisition of some office buildings in Tokyo; rebuilding constructions of Fukagawa No.2 and Atsugi warehouse; establishment of distribution center at Tatsumi; and large-scale repair constructions of some leased buildings.
- Interest-bearing debt: Balance of interest-bearing debt as of March 31, 2008 = ¥57,438 million



Detailed Forecast for Fiscal 2009

(1) Overview of Performance Forecasts

MITSUI-SOKO

(Millions of yen)

	FY2008 (Apr.2007-Mar.2008)	FY2009 Forecast (Apr.2008-Mar.2009)	Amount of change	Percentage of change
Net revenue	104,370	106,000	+1,630	+1.6%
Operating income	6,659	7,300	+641	+9.6%
Ordinary income	5,873	5,900	+27	+0.5%
Net income	1,787	3,300	+1,513	+84.7%
Operating profit margin	6.38%	6.89%	+0.51%	—

Cash flows from operating activities	8,179	8,000	(179)	(2.2)%
Cash flows from investing activities	(13,599)	(35,000)	(21,401)	—
Cash flows from financing activities	4,324	31,000	+26,676	—

Shareholders' equity	53,577	55,800	+2,223	+4.1%
Total assets	139,458	169,900	+30,442	+21.8%
Shareholders' equity ratio	38.4%	32.8%	(5.6)%	—

[Note regarding forward-looking statements]

This report includes forward-looking statements about Mitsui-Soko's future targets, plan/strategies and forecasts/prospects that are not historical facts. They reflect assumptions and beliefs adopted in light of information currently available. We caution that a number of uncertain factors could cause actual results to differ materially from those discussed in the forward-looking statements. The factors that could affect performance include, but are not limited to: (1) economic trends in the business area, (2) intensified competition, (3) fluctuation of foreign exchange and other changes in the environment overseas, and (4) changes in regulations, such as the tax system.



Overview of Consolidated Cash Flows

(Millions of yen)

		FY2008 (Apr.2007-Mar.2008)	FY2009 (Apr.2008-Mar.2009)			Amount of change year-on-year	Percentage of change year-on-year
			1st Half	2nd Half Forecast	Total Forecast		
Cash flows form operating activities		8,179	4,407	3,593	8,000	(179)	(2.2)%
Cause	Depreciation expense	5,414	2,583	3,017	5,600	+186	+3.4%
Cash flows from investing activities		(13,599)	(25,701)	(9,299)	(35,000)	(21,401)	—
Cause	Capital investment	12,507	25,933	9,067	35,000	+22,493	—
Cash flows from financing activities		4,324	30,322	678	31,000	+26,676	—
Cause	Interest-bearing debt	57,438	88,211	89,000	89,000	+31,562	+54.9%

- Operating CF: ¥8,000 million, almost equal to the previous year is expected
- Capital investment: Roughly ¥35,000 million expects from ¥33,000 million in new investments and ¥2,000 million in maintenance and repair of existing facilities.
- Financing CF: ¥31,000 million net cash in-flow is expected due to increase of interest bearing debt liabilities by ¥31,562 million.
- Interest-bearing debt: An increase of ¥31,562 million to ¥89,000 million is anticipated.



Medium-term Plan 2007

(1) New Facilities under Construction

Large capital investment projects currently under construction



■ Misato Logistics Center (New)

- Lot: 28,710 sq. m.
- Facilities: Four-story building;
about 71,610 sq. m. in floor space
- Completion: April 2008
- Use: Distribution center for leasing



■ Atsugi Office (Rebuilding of one of the warehouses)

- Lot: 14,520 sq. m. (whole area)
- Facilities: Five-story building;
about 16,500 sq. m. in floor space (currently 7,920 sq. m)
- Completion: August 2008
- Use: Distribution center



■ MSC Fukagawa Building No.2 (Redevelopment)

- Lot: 7,260 sq. m.
- Facilities: Six-story building;
about 23,000 sq. m. in floor space (currently 3,300 sq. m);
quake-absorbent structure
- Completion: December 2008
- Use: Multipurpose complex building



■ Tatsumi Office (New)

- Lot: 10,560 sq. m.
- Facilities :Six-story building; about 31,600 sq. m.;
quake-absorbent structure
- Completion: January 2009
- Use: Distribution center, Records center



■ Acquisition of Buildings



■ Ikebukuro

- Location: Nishi-ikebukuro, Toyoshima-ku, Tokyo
- Lot: 1,650 sq. m.
- Facilities: Nine-story building; about 10,560 sq.m in floor space



■ Akasaka

- Location: Nagata-cho, Chiyoda-ku, Tokyo
- Lot: 660 sq. m.
- Facilities: Nine-story building; about 4,950 sq.m in floor space



■ Ginza

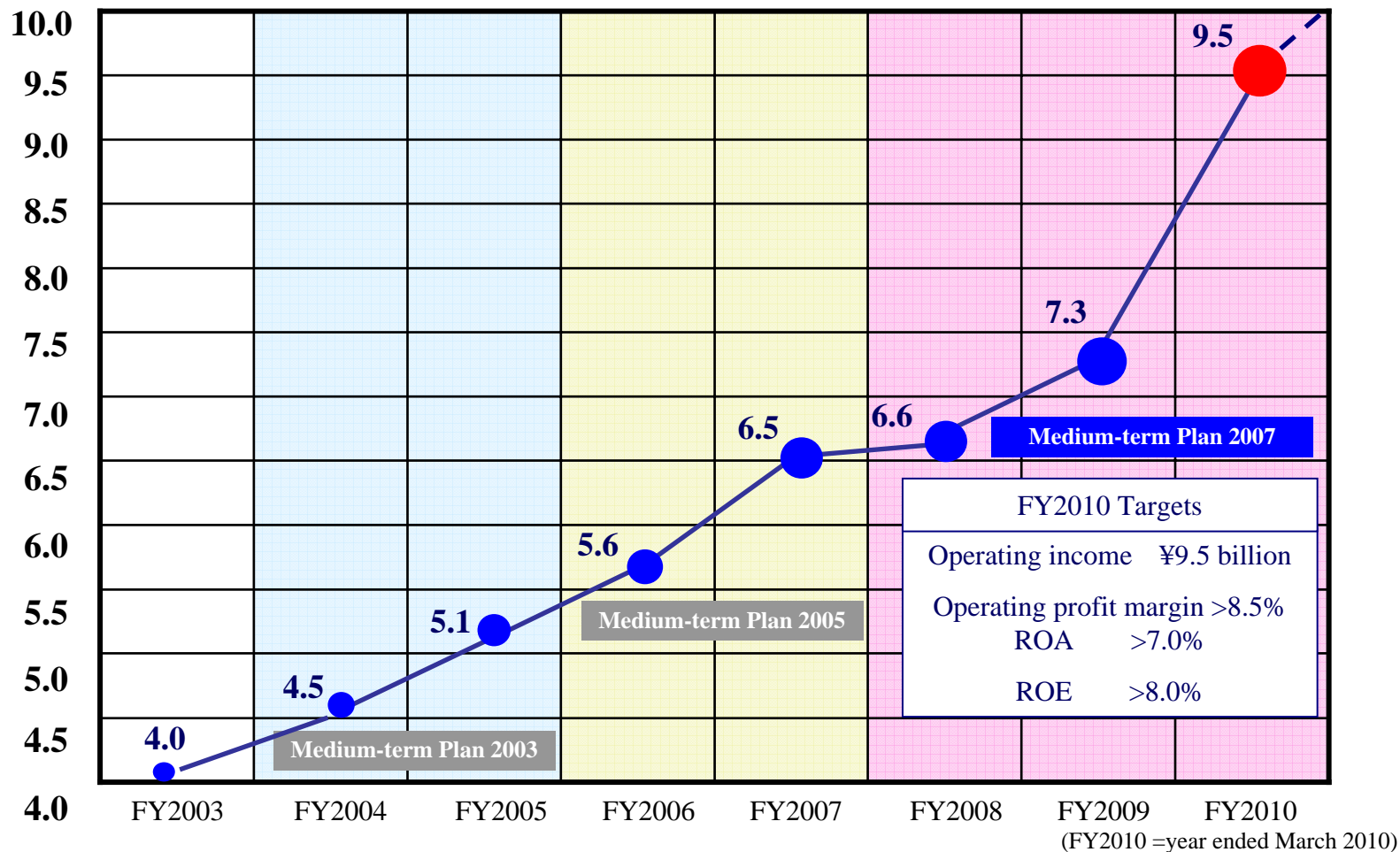
- Location: Ginza, Chuo-ku, Tokyo
- Lot: 330 sq. m.
- Facilities: Eight-story building; about 2,475 sq.m in floor space



Medium-term Plan 2007

(3) Management Targets

Operating income (Billions of yen)



Capital investment	5.1	5.5	6.2	10.1	18.9	12.5	35.0	8.0
Operating CF	8.1	6.9	8.8	7.3	7.6	8.1	8.0	10.0
Interest-bearing debt	38.5	31.9	29.2	33.2	50.4	57.4	89.0	83.0