

MITSUI & CO LTD
Form 6-K
February 05, 2004

Table of Contents

FORM 6-K
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report of Foreign Private Issuer

Consolidated Financial Results for the Third Quarter Ended December 31, 2003

**Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934**

For the month of February 5, 2004

Commission File Number 09929

Mitsui & Co., Ltd.

(Translation of registrant's name into English)

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

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): _____

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): _____

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's home country), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- _____

TABLE OF CONTENTS

SIGNATURES

Consolidated Financial Results for the Third Quarter Ended December 31, 2003

Statements of Consolidated Income

Statements of Consolidated Income

Condensed Consolidated Balance Sheets

Operating Segment Information

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 5, 2004

MITSUI & CO., LTD.

By: /s/ Tasuku Kondo

Name: Tasuku Kondo
Title: Executive Director
Senior Executive Managing Officer
Chief Financial Officer

Table of Contents**Consolidated Financial Results for the Third Quarter Ended December 31, 2003**

(Accounting Principles Generally Accepted in the United States of America)

(Unaudited)

Mitsui & Co., Ltd. and Subsidiaries

(Web Site : <http://www.mitsui.co.jp>)

President and Chief Executive Officer, Shoei Utsuda

Investor Relations Contacts : Yuji Takagi, General Manager, Corporate Communications Division TEL (03) 3285-7533

Financial Highlights for the Third Quarter Ended December 31, 2003

(from April 1, 2003 to December 31, 2003)

| | | | | | (Reference) |
|--|--|---|---|-----------------------|---|
| | | | | (Millions of Yen) | (Millions of Yen) |
| | Three-month period ended December 31, 2003 | Nine-month period ended December 31, 2003 | Nine-month period ended December 31, 2002 | Increase/(Decrease) | Forecast for the fiscal year ending March 31, 2004 (based on the previous release on November 7, 2003) |
| Total Trading Transactions | 3,039,543 | 8,989,483 | 8,255,223 | 734,260 | 12,200,000 |
| Revenue | 154,695 | 448,287 | 416,661 | 31,626 | |
| Gross Trading Profit | | | | | |
| Income from Continuing Operations before Income Taxes, Minority Interests and Equity in Earnings | 29,952 | 68,703 | 42,897 | 25,806 | |
| Net Income | 26,042 | 51,864 | 36,790 | 15,074 | 65,000 |
| | | | December 31, 2003 | March 31, 2003 | Increase/(Decrease) |
| Total Assets | | | 6,686,983 | 6,540,520 | 146,463 |
| Shareholders' Equity | | | 933,455 | 862,147 | 71,308 |
| Shareholders' Equity Ratio | | | 14.0% | 13.2% | 0.8pt |
| Net Interest-bearing Debt (after deduction of cash and cash equivalents) | | | 2,648,424 | 2,619,271 | 29,153 |
| Debt to Equity Ratio (net) | | | 2.84 | 3.04 | 0.20pt |
| Current Ratio | | | 128.6% | 126.7% | 1.9pt |

- Notes:
- In accordance with Statement of Financial Accounting Standards (SFAS) No.144, Accounting for the Impairment or Disposal of Long-Lived Assets, the figures for the nine-month period ended December 31, 2002 relating to discontinued operations have been reclassified.
 - Effective April 1, 2003, Mitsui & Co., Ltd. and its subsidiaries (the companies) adopted SFAS No.143, Accounting for Asset Retirement Obligations, and the cumulative effect adjustment upon the adoption is separately presented on a net-of-tax basis in the Statements of Consolidated Income.
 - Total trading transactions is a voluntary disclosure and represents the gross transaction volume or the nominal aggregate value of the sales contracts in which the companies act as principal and transactions in which the companies serve as agent.

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Total trading transactions is not meant to represent sales or revenues in accordance with U.S. GAAP.

The companies have included the information concerning total trading transactions because it is used by similar Japanese trading companies as an industry benchmark, and the companies believe it is a useful supplement to results of operations data as a measure of the companies' performance compared to other similar Japanese trading companies. Total trading transactions is included in the measure of segment profit and loss reviewed by the chief operating decision maker.

4. In consideration of a consensus relating to the presentation of gains and losses on derivative instruments held for trading purposes by the Emerging Issues Task Force under U.S.GAAP, all gains and losses on forward contracts held by certain foreign subsidiaries for trading purposes for crude oil and oil products, which are also derivatives, are shown net in total trading transactions effective April 1, 2003. In relation to this change, the figures for the nine-month period ended December 31, 2002 have been restated.

Table of Contents

5. The companies changed their policy concerning which items are treated as cash equivalents on April 1, 2003, and decided to include certain short-term investment securities which are readily convertible to known amounts of cash and present no significant risk of changes in value in cash equivalents. In relation to this change, amounts presented for the year ended March 31, 2003 have been restated.

A Cautionary Note on Forward-Looking Statements:

This report contains statements (including figures) regarding Mitsui & Co., Ltd. (Mitsui) s corporate strategies, objectives, and views of future developments that are forward-looking in nature and are not simply reiterations of historical facts. These statements are presented to inform stakeholders of the views of Mitsui s management but should not be relied on solely in making investment and other decisions. You should be aware that a number of important risk factors could lead to outcomes that differ materially from those presented in such forward-looking statements. These include, but are not limited to, (i) change in economic conditions that may lead to unforeseen developments in markets for products handled by Mitsui, (ii) fluctuations in currency exchange rates that may cause unexpected deterioration in the value of transactions, (iii) adverse political developments that may create unavoidable delays or postponement of transactions and projects, (iv) changes in laws, regulations, or policies in any of the countries where Mitsui conducts its operations that may affect Mitsui s ability to fulfill its commitments, and (v) significant changes in the competitive environment. In the course of its operations, Mitsui adopts measures to control these and other types of risks, but this does not constitute a guarantee that such measures will be effective.

Table of Contents

Statements of Consolidated Income
(for the three-month period ended December 31, 2003 and 2002)
(Unaudited)

(Millions of Yen)

| | Three-month period ended | Three-month period ended | Comparison with previous period Increase/(Decrease) | |
|---|-----------------------------|-----------------------------|---|-------|
| | December 31, 2003 | December 31, 2002 | Amount | % |
| Revenue | 154,695 | 141,987 | 12,708 | 9.0 |
| Gross Trading Profit | | | | |
| Total trading transactions: | | | | |
| Three-month period ended December 31, 2003 | ¥3,039,543 million | | | |
| Three-month period ended December 31, 2002 | ¥2,796,153 million | | | |
| Expenses and Other: | | | | |
| Selling, general and administrative | 119,392 | 109,072 | 10,320 | |
| Provision for doubtful receivables | 437 | 4,593 | (4,156) | |
| Interest (income) expense net | (1,077) | 1,011 | (2,088) | |
| Dividend income | (4,143) | (2,125) | (2,018) | |
| Gain on sales of securities net | (2,701) | (5,182) | 2,481 | |
| Loss on the write-down of securities | 1,091 | 20,559 | (19,468) | |
| (Gain) loss on disposal or sale of property and equipment net | (453) | 243 | (696) | |
| Impairment loss of long-lived assets | 3,997 | 1,799 | 2,198 | |
| Other expense net | 8,200 | 3,549 | 4,651 | |
| Total | 124,743 | 133,519 | (8,776) | |
| Income from Continuing Operations before Income Taxes, Minority Interests and Equity in Earnings | 29,952 | 8,468 | 21,484 | 253.7 |
| Income Taxes | 15,563 | 5,258 | 10,305 | |
| Income from Continuing Operations before Minority Interests and Equity in Earnings | 14,389 | 3,210 | 11,179 | 348.3 |
| Minority Interests in Earnings of Subsidiaries | (1,370) | (911) | (459) | |
| Equity in Earnings of Associated Companies Net (After Income Tax Effect) | 13,023 | 9,186 | 3,837 | |
| Income from Continuing Operations | 26,042 | 11,485 | 14,557 | 126.7 |
| Loss from Discontinued Operations Net (After Income Tax Effect) | | 516 | (516) | |
| Net Income | ¥ 26,042 | ¥ 12,001 | ¥ 14,041 | 117.0 |
| Summary of Changes in Equity from Nonowner Sources (Comprehensive Income (Loss)): | | | | |
| Net Income | ¥ 26,042 | ¥ 12,001 | ¥ 14,041 | |
| Other comprehensive income (Loss) (After Income Tax Effect): | | | | |
| Unrealized holding losses on available-for-sale securities | (1,527) | (18,149) | 16,622 | |

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| | | | |
|--|----------|-----------|----------|
| Foreign currency translation and other adjustments | 136 | (1,819) | 1,955 |
| Changes in equity from nonowner sources | ¥ 24,651 | ¥ (7,967) | ¥ 32,618 |

- 3 -

Table of Contents

Statements of Consolidated Income
(for the nine-month period ended December 31, 2003 and 2002)
(Unaudited)

(Millions of Yen)

| | Nine-month period ended December 31, 2003 | Nine-month period ended December 31, 2002 | Comparison with previous period Increase/(Decrease) | |
|---|--|--|---|-------------|
| | | | Amount | % |
| Revenue | 448,287 | 416,661 | 31,626 | 7.6 |
| Gross Trading Profit | | | | |
| Total trading transactions: | | | | |
| Nine-month period ended December 31, 2003 | ¥8,989,483 million | | | |
| Nine-month period ended December 31, 2002 | ¥8,255,223 million | | | |
| Expenses and Other : | | | | |
| Selling, general and administrative | 359,169 | 329,833 | 29,336 | |
| Provision for doubtful receivables | 4,045 | 10,856 | (6,811) | |
| Interest expense, net of interest income | 513 | 4,252 | (3,739) | |
| Dividend income | (14,980) | (12,286) | (2,694) | |
| Gain on sales of securities net | (13,764) | (13,998) | 234 | |
| Loss on the write-down of securities | 7,652 | 31,489 | (23,837) | |
| Loss on disposal or sale of property and equipment net | 192 | 1,227 | (1,035) | |
| Impairment loss of long-lived assets | 16,902 | 15,039 | 1,863 | |
| Other expense net | 19,855 | 7,352 | 12,503 | |
| Total | 379,584 | 373,764 | 5,820 | |
| Income from Continuing Operations before Income Taxes, Minority Interests and Equity in Earnings | 68,703 | 42,897 | 25,806 | 60.2 |
| Income Taxes | 37,726 | 20,548 | 17,178 | |
| Income from Continuing Operations before Minority Interests and Equity in Earnings | 30,977 | 22,349 | 8,628 | 38.6 |
| Minority Interests in Earnings of Subsidiaries | (4,946) | (3,238) | (1,708) | |
| Equity in Earnings of Associated Companies Net (After Income Tax Effect) | 29,119 | 20,998 | 8,121 | |
| Income from Continuing Operations | 55,150 | 40,109 | 15,041 | 37.5 |
| Loss from Discontinued Operations Net (After Income Tax Effect) | (1,001) | (3,319) | 2,318 | |
| Cumulative Effect of Change in Accounting Principle (After Income Tax Effect) | (2,285) | | (2,285) | |
| Net Income | ¥ 51,864 | ¥ 36,790 | ¥ 15,074 | 41.0 |
| Summary of Changes in Equity from Nonowner Sources (Comprehensive Income (Loss)): | | | | |
| Net income | ¥ 51,864 | ¥ 36,790 | ¥ 15,074 | |

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| | | | |
|--|----------|------------|----------|
| Other comprehensive income (Loss) (After Income Tax Effect): | | | |
| Unrealized holding losses on available-for-sale securities | 41,453 | (36,100) | 77,553 |
| Foreign currency translation and other adjustments | (9,145) | (37,354) | 28,209 |
| Changes in equity from nonowner sources | ¥ 84,172 | ¥ (36,664) | ¥120,836 |

- 4 -

Table of Contents**Condensed Consolidated Balance Sheets**
(Unaudited)

(Millions of Yen)

| | December 31, 2003 | March 31, 2003 | Increase/ (Decrease) |
|---|----------------------|-------------------|-------------------------|
| ASSETS | | | |
| Current Assets: | | | |
| Cash and marketable securities | ¥ 649,390 | ¥ 797,002 | ¥(147,612) |
| Trade receivables, less allowance for doubtful receivables | 2,378,358 | 2,231,374 | 146,984 |
| Inventories | 493,703 | 488,672 | 5,031 |
| Other current assets | 384,700 | 314,696 | 70,004 |
| Total current assets | 3,906,151 | 3,831,744 | 74,407 |
| Investments and Non-current Receivables: | | | |
| Investments in and advances to associated companies and other investments | 1,256,843 | 1,109,574 | 147,269 |
| Non-current receivables, less allowance for doubtful receivables, and property leased to others | 669,142 | 775,192 | (106,050) |
| Total investments and other non-current receivables | 1,925,985 | 1,884,766 | 41,219 |
| Property and Equipment, less Accumulated Depreciation | 578,342 | 570,927 | 7,415 |
| Other Assets | 276,505 | 253,083 | 23,422 |
| Total | ¥6,686,983 | ¥6,540,520 | ¥ 146,463 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | |
| Current Liabilities: | | | |
| Short-term debt and current maturities of long-term debt | ¥ 914,186 | ¥1,107,944 | ¥(193,758) |
| Trade payables | 1,750,259 | 1,618,781 | 131,478 |
| Other current liabilities | 372,818 | 298,605 | 74,213 |
| Total current liabilities | 3,037,263 | 3,025,330 | 11,933 |
| Long-term Debt, less Current Maturities | 2,543,097 | 2,500,470 | 42,627 |
| Other Liabilities | 96,240 | 84,607 | 11,633 |
| Minority Interests | 76,928 | 67,966 | 8,962 |
| Shareholders' Equity: | | | |
| Common stock | 192,487 | 192,487 | |
| Capital surplus | 287,761 | 287,756 | 5 |
| Retained earnings: | | | |
| Appropriated for legal reserve | 36,572 | 36,382 | 190 |
| Unappropriated | 533,059 | 494,038 | 39,021 |
| Accumulated other comprehensive income (loss): | | | |
| Unrealized holding gains and losses on available-for-sale securities | 44,858 | 3,405 | 41,453 |
| Foreign currency translation adjustments and other | (159,688) | (150,543) | (9,145) |

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| | | | |
|--|------------|------------|-----------|
| Total accumulated other comprehensive loss | (114,830) | (147,138) | 32,308 |
| Treasury stock, at cost | (1,594) | (1,378) | (216) |
| Total shareholders equity | 933,455 | 862,147 | 71,308 |
| Total | ¥6,686,983 | ¥6,540,520 | ¥ 146,463 |

- 5 -

Table of Contents**Operating Segment Information
(Unaudited)**

Three-month period ended December 31, 2003 (from October 1, 2003 to December 31, 2003)
(Millions of Yen)

| | Metal Products & Minerals | Machinery, Electronics & Information | Chemical | Energy | Consumer Products & Services | Domestic Branches and Offices | Americas | Europe | Other Overseas Areas | Corporate and Eliminations | Consolidated Total |
|---|---------------------------------|---|----------|---------|------------------------------------|--|----------|---------|----------------------------|----------------------------------|-----------------------|
| Total Trading Transactions | 505,388 | 605,969 | 402,812 | 342,049 | 599,627 | 431,097 | 296,003 | 154,607 | 350,333 | (648,342) | 3,039,543 |
| Revenue-Gross | | | | | | | | | | | |
| Trading Profit | 18,385 | 30,600 | 24,271 | 14,067 | 32,021 | 9,382 | 8,891 | 4,720 | 5,364 | 6,994 | 154,695 |
| Operating Income (Loss) | 7,515 | 6,470 | 10,923 | 6,289 | 8,149 | 1,775 | 1,753 | 693 | (1,016) | (7,685) | 34,866 |
| Net Income (Loss) | 5,471 | 3,165 | 3,406 | 8,384 | 6,142 | 2,050 | (1,432) | 230 | 1,849 | (3,223) | 26,042 |
| Total Assets at December 31, 2003 | 1,064,828 | 1,262,794 | 531,240 | 549,294 | 947,324 | 510,723 | 371,052 | 238,997 | 223,752 | 986,979 | 6,686,983 |

Three-month period ended December 31, 2002 (from October 1, 2002 to December 31, 2002)
(Millions of Yen)

| | Metal Products & Minerals | Machinery, Electronics & Information | Chemical | Energy | Consumer Products & Services | Domestic Branches and Offices | Americas | Europe | Other Overseas Areas | Corporate and Eliminations | Consolidated Total |
|---|------------------------------------|---|----------|---------|------------------------------------|--|----------|---------|----------------------------|----------------------------------|-----------------------|
| Total Trading Transactions | 452,693 | 538,883 | 365,091 | 311,052 | 569,881 | 433,926 | 319,808 | 127,162 | 284,279 | (606,622) | 2,796,153 |
| Revenue-Gross | | | | | | | | | | | |
| Trading Profit | 18,346 | 25,865 | 14,982 | 15,649 | 30,875 | 9,372 | 10,942 | 4,833 | 5,108 | 6,015 | 141,987 |
| Operating Income (Loss) | 8,103 | 1,791 | 3,485 | 9,023 | 8,357 | 1,523 | 1,625 | 386 | (974) | (4,997) | 28,322 |
| Net Income (Loss) | 4,817 | 5,363 | (1,478) | 6,946 | 2,637 | (95) | 1,002 | 205 | 1,346 | (8,742) | 12,001 |
| Total Assets at December 31, 2002 | 902,294 | 1,256,601 | 489,187 | 474,894 | 866,973 | 540,583 | 408,641 | 219,164 | 195,141 | 1,104,490 | 6,457,968 |

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Nine-month period ended December 31, 2003 (from April 1, 2003 to December 31, 2003)

(Millions of Yen)

| | Metal Products & Minerals | Machinery, Electronics & Information | Chemical | Energy | Consumer Products & Services | Domestic Branches and Offices | Americas | Europe | Other Overseas Areas | Corporate and Eliminations | Consolidated Total |
|----------------------------|---------------------------------|---|-----------|---------|------------------------------------|-------------------------------------|----------|---------|----------------------------|----------------------------------|-----------------------|
| Total Trading Transactions | 1,509,814 | 1,884,809 | 1,205,238 | 994,618 | 1,700,759 | 1,280,374 | 947,885 | 480,756 | 1,036,338 | (2,051,108) | 8,989,483 |
| Revenue-Gross | | | | | | | | | | | |
| Trading Profit | 55,571 | 93,897 | 63,546 | 38,915 | 86,729 | 29,139 | 29,796 | 13,841 | 16,958 | 19,895 | 448,287 |
| Operating Income (Loss) | 21,467 | 17,211 | 25,016 | 15,294 | 17,349 | 6,060 | 6,218 | 1,672 | (1,793) | (23,421) | 85,073 |
| Net Income (Loss) | 15,359 | 12,228 | 9,014 | 18,585 | 11,369 | 8,419 | (1,544) | 674 | 5,842 | (28,082) | 51,864 |

Nine-month period ended December 31, 2002 (from April 1, 2002 to December 31, 2002)

(Millions of Yen)

| | Metal Products & Minerals | Machinery, Electronics & Information | Chemical | Energy | Consumer Products & Services | Domestic Branches and Offices | Americas | Europe | Other Overseas Areas | Corporate and Eliminations | Consolidated Total |
|----------------------------|---------------------------------|---|-----------|---------|------------------------------------|-------------------------------------|----------|---------|----------------------------|----------------------------------|-----------------------|
| Total Trading Transactions | 1,385,852 | 1,656,021 | 1,041,196 | 825,092 | 1,654,523 | 1,290,598 | 923,624 | 408,087 | 966,009 | (1,895,779) | 8,255,223 |
| Revenue-Gross | | | | | | | | | | | |
| Trading Profit | 52,804 | 80,269 | 42,915 | 43,013 | 81,314 | 30,221 | 33,284 | 16,068 | 16,713 | 20,060 | 416,661 |
| Operating Income (Loss) | 20,554 | 2,309 | 9,488 | 22,832 | 18,156 | 3,618 | 7,187 | 2,695 | (2,090) | (8,777) | 75,972 |
| Net Income (Loss) | 12,056 | (3,360) | (3,068) | 20,090 | 6,859 | 3,415 | 3,353 | 1,576 | 4,469 | (8,600) | 36,790 |

- Notes:
1. In accordance with SFAS No.144, the figures of Consolidated Total for the three-month period ended December 31, 2002 and for the nine-month period ended December 31, 2002 have been reclassified to conform to the current period presentation. The reclassifications to Loss from Discontinued Operations-Net (After Income Tax Effect) are included in Corporate and Eliminations.
 2. Operating Income (Loss) reflects the companies a) Revenue Gross Trading Profit, b) Selling, general and administrative expenses, and c) Provision for doubtful receivables.
 3. All gains and losses on forward contracts held by certain foreign subsidiaries for trading purposes for crude oil and oil products, which are also derivatives, are shown net in Total Trading Transactions effective April 1, 2003. In relation to this change, the figures for the three-month period ended December 31, 2002 and for the nine-month period ended December 31, 2002 have been restated.