

April 24, 2007

**Mitsui divests certain Australian upstream oil & gas assets**

Mitsui & Co., Ltd. (“Mitsui”) announced today that its Australian subsidiary, Wandoo Petroleum Pty Limited (“WPP”), has entered into sales agreements with ARC Energy Limited (“ARC”) in which WPP will divest its entire Australian upstream oil & gas portfolio to ARC. WPP is a joint venture company held by Mitsui, Mitsui Oil Exploration Co., and International Petroleum Exploration Co., all of Japan, through an investment company Wandoo Oil Development Co. (“WODCO”). The terms of the sales agreements are summarized below:

Seller	WPP (refer to item #1 below)
Buyer	ARC (refer to item #2 below)
Sale Assets	all of WPP’s upstream oil & gas assets (refer to item #3 below)
Consideration	315 million U.S. dollars (*1)
Effective Date	January 1 <sup>st</sup> , 2007
Completion Date	late May 2007
Conditions precedent	Government approvals and confirmation of waiver/exercise of existing pre-emptive rights(*2)

\*1 Adjustments for cash flow movements between the effective date and the completion date shall be made to the consideration.

\*2 Several of permits are subject to pre-emptive rights by the respective joint venture parties. In the event the rights are exercised, the related assets will not be included in the sale to ARC and the buyer of those permits will change as a result.

This divestment is in line with Mitsui’s corporate strategy to review its business portfolio to create shareholder value, and was approved by all of WODCO’s shareholders. The sale proceeds will be redirected to other investment opportunities as part of a continuous and efficient recycling of company resources. Mitsui’s proceeds from this deal will be determined and informed at a later stage.

Mitsui continues to view Oceania as one of its core oil and gas exploration and production business regions. Through its wholly owned subsidiary, Mitsui E&P Australia Pty Ltd., Mitsui’s current equity production rate from the Enfield oil field and the Casino gas field is around 25,000 to 30,000 barrels of oil equivalent per day. Mitsui also has interests in the Tui oil project, the Vincent oil project, and the Kupe gas project, all set to commence production in the near future. Mitsui will

continue to select and invest in attractive opportunities and continue expanding its portfolio in the Oceana region.

### 1: WPP Shareholding

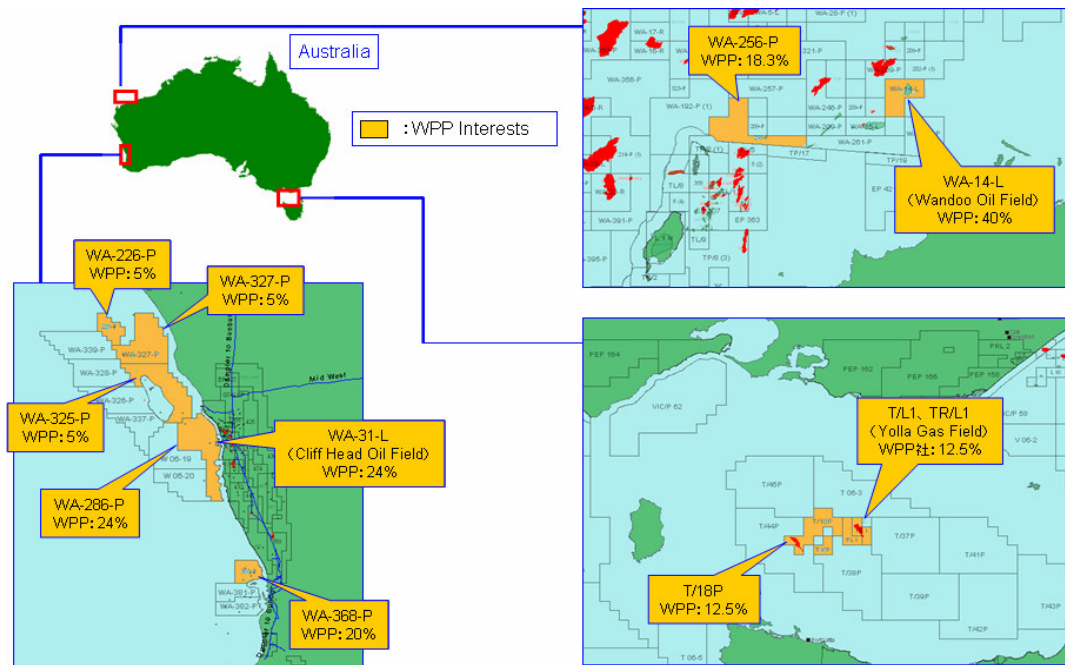
Shareholding of WPP		% Shared held
	Wandoo Oil Development Co.	95%
	Mitsui & Co. (Australia) Ltd.	5%

Shareholding of Wandoo Oil Development Co.		% Shared held
	Mitsui & Co. Ltd.	55%
	Mitsui Oil Exploration Co.	30%
	International Petroleum Exploration Co.	15%

### 2: Brief Summary of ARC

Registered Company Name	ARC Energy Limited
Registered Address	Perth, Australia
Revenue (Consolidated; FY June 2006)	115.4 Million AUD
Profit (Consolidated; FY June 2006)	15.5 Million AUD
Total Assets (Consolidated; end June 2006)	214.3 Million AUD

### 3: Map of the Sale Assets



Notice: This press release includes forward-looking statements about Mitsui. These forward looking statements are based on the current assumptions and beliefs of Mitsui in light of the information currently available to it, and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause Mitsui's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. The risks, uncertainties and other factors referred to above include, but are not limited to, those contained in Mitsui's latest annual report on Form 20-F, which has been filed with the U.S. Securities and Exchange Commission. This press release is published in order to publicly announce specific facts stated above, and does not constitute a solicitation of investments or any similar act inside or outside of Japan, regarding the shares, bonds or other securities issued by us.

**For inquiries on this matter, please contact:**

Mitsui & Co., Ltd.

Investor Relations Division

Telephone: +81-3-3285-7910

Facsimile: +81-3-3285-9819

E-Mail: [infoTKADZ@mitsui.com](mailto:infoTKADZ@mitsui.com)

Mitsui & Co., Ltd.

Corporate Communications Division

Telephone: +81-3-3285-7596

Facsimile: +81-3-3285-9819