

To whom it may concern

Mitsui & Co., Ltd.

Conclusion of a definitive agreement on transferring of a part of the iron & steel products business of the Mitsui & Co. group to NIPPON STEEL & SUMIKIN BUSSAN CORPORATION and additional acquisition of the shares in NIPPON STEEL & SUMIKIN BUSSAN CORPORATION

Mitsui & Co., Ltd. ("Mitsui"; Head Office: Tokyo; President and CEO: Tatsuo Yasunaga) has agreed with NIPPON STEEL & SUMIKIN BUSSAN CORPORATION ("NSSB"; Head Office: Tokyo; President: Kenji Hiwatari), on transferring a part of the iron and steel products business of the Mitsui & Co. group to NSSB (the "Business Transfer"), and Mitsui's additional acquisition of shares in NSSB for the purpose of strengthening the capital relationship (the "Share Acquisition"; the "Transaction" together with the Business Transfer).

The Transaction is subject to fulfilment of necessary procedures and other requirements in accordance with the competition law of some Asian countries including Japan.

I. Background of the Transaction

Changes in the domestic and overseas business environment surrounding the steel industry have been accelerating, and it is expected that competition will be increasingly severe. In such situation, the intention of Mitsui, which has been considering strengthening its earnings base through reorganization of its business toward further growth of steel business, matched the steel products business policy of NSSB, which aims at further growth and development of its steel business as the core trading company in the NIPPON STEEL & SUMITOMO METAL CORPORATION group. Mitsui and NSSB started discussion last March on the Transaction and have entered into an agreement, as stated above. By the Transaction, a part of the iron and steel products business of the Mitsui & Co. group will be transferred to NSSB, and Mitsui will acquire additional shares in NSSB with the aim of making NSSB an equity-method associated company and strengthening the capital relationship of the two companies and deepening their collaborative relationship. Both companies will pursue enhancement of corporate value through consummating the Transaction with the aim of expanding their respective business bases, strengthening their sales forces, and enhancing business efficiency by effective use of management resources.

II. Purpose of the Transaction

Mitsui aims to realize the following respective items by deepening its collaborative relationship with NSSB through the Transaction.

1. Strengthening earnings base in steel business

Mitsui and NSSB will pursue constructing a firm earnings base by combining the sales network, manufacturing and processing bases, sales force, and customer base of both companies, as well as the products and services that each has strength in, and maximizing synergistic effects through mutual complementarity, thus enhancing business competitiveness.

2. New business development by exercising comprehensive business engineering capabilities

Mitsui and NSSB will pursue the creation and realization of new business opportunities by making the best use of the business assets and comprehensive business engineering capabilities of Mitsui, combining their respective

proprietary sales force and business competitiveness, and providing a total solution satisfying the needs of various customers around the world.

3. Further enhancement of customer satisfaction

Mitsui and NSSB will pursue providing customers with better services by mutually utilizing the knowledge, comprehensive strength, and value chain in steel business developed over many years by both companies.

III. Method of the Transaction and related matters

1. The Business Transfer

A) Business subject to the Business Transfer

Part of the business in regard to sale and purchase of the iron and steel products conducted by the Mitsui & Co. group in Japan and abroad.

B) Operating result for the last financial year

The sales for the business subject to Business Transfer for the year ending at the end of March 2017 approximately amounts to 370 billion yen, provided, however, that there is the possibility that it would be changeable partially by the effective date of the Business Transfer due to depending on the acceptance of existing customers. Also, the ordinary profit is not mentioned here because it is difficult to allocate the expense for the business subject to Business Transfer and calculate it precisely.

C) Item and its amount for the assets and liabilities for the Business Transfer

Based on the actual record for the year ending at the end of March 2017, the total amount for the assets and liabilities of the business subject to Business Transfer are (i) current assets: approximate 100 billion yen and (ii) current liabilities: approximate 40 billion yen respectively. However, there is the possibility that it would be changeable partially by the effective date of the Business Transfer.

D) Transfer price and its payment method

The transfer price is approximately 60 billion yen and its payment method is by cash. However, there is the possibility that it would be changeable by the effective date of the Business Transfer.

2. The Share Acquisition

Mitsui will make NSSB an equity-method associated company by additionally acquiring shares in NSSB and raising the ratio of its voting rights up to 20.04% from 11.01%. In regard to the method of the Share Acquisition, a combination of a third-party allotment and acquisitions from existing shareholders via counterparty transactions outside of the stock market and transactions in the stock market is contemplated. As per the third-party allotment, the number of shares allocated to Mitsui will be 1.35 million shares and its price will be 6,006 yen per share. The price is based on the simple monthly average of NSSB's closing share price declared by Tokyo Stock Exchange for last 1 month from 29th August to 28th September in 2017.

3. Schedule

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| (1) 29 th September, 2017 | Execution of a definitive agreement |
| (2) 1 st April, 2018 (target) | Effective date of the Business Transfer |
| (3) 2 nd April, 2018 (target) | Effective date of the Share Acquisition |

The acquisitions from existing shareholders via counterparty transactions outside of the stock market and

transactions in the stock market will be executed after the fulfilment of necessary procedures and other requirements in accordance with the competition law of some Asian countries, including Japan.

IV. Prospects

This transaction is not expected to have any significant impact on Mitsui's consolidated financial results of the fiscal year ending March 2018. Mitsui will announce immediately as and when necessary to revise on the forecast for next fiscal year onward.

(Reference Material) Overview of NSSB (As of the end of March, 2017, except for special notes)

Trade Name	NIPPON STEEL & SUMIKIN BUSSAN CORPORATION		
Head Office Location	5-27, Akasaka 8-chome, Minato-ku, Tokyo		
Name and Title of the Representative	Kenji Hiwatari, President and Representative Director		
Description of Business Activities	1. Steel 2. Industrial Supply and Infrastructure 3. Textiles 4. Foodstuffs		
Capital	12.3 billion yen		
Date of Establishment	August 2, 1977		
Number of Outstanding Shares	309,578 hundred		
Date of Fiscal Year End	March 31		
Number of Employees	Non-Consolidated: 1,488 Consolidated: 8,273		
Main Banks	Sumitomo Mitsui Banking Corporation The Bank of Tokyo-Mitsubishi UFJ, Ltd Sumitomo Mitsui Trust Bank, Limited		
Sales Bases	Domestic: Total of 31 Overseas: 18 Countries, 35 Cities (As of March 31, 2017)		
Consolidated Companies	Consolidated Subsidiaries: 95 Equity-method Associated Companies: 29 Total: 124		
Main Shareholders and Ownership Percentage (As of March 31, 2017)	Nippon Steel & Sumitomo Metal Corporation 35.99% Mitsui & Co., Ltd. 10.93%* The Master Trust Bank of Japan, Ltd. 3.64% Japan Trustee Services Bank, Ltd.(Trust) 3.36% Japan Trustee Services Bank, Ltd.(Trust9) 2.15%		
Relationship between Party Company			
Capital Ties*	As of March 31, 2017, Mitsui held 33,831 hundred shares, representing 10.93% of NSSB's outstanding shares		
Personnel Ties	A director of NSSB is a former employee of Mitsui		
Business Ties	Mitsui has a business relationship with NSSB, and makes sales to and purchases from NSSB.		
Status Applicable to the Related Parties	N/A		
(JPY in billion)	Nippon Steel & Sumikin Bussan Corporation (Consolidated)		
Fiscal Year	March, 2015	March, 2016	March, 2017
Consolidated Net Assets	183.7	190.3	206.2
Consolidated Total Assets	692.9	660.7	673.1
Consolidated Net Assets per	5,394.28	5,612.63	6,143.38

share (yen)			
Consolidated Sales	2,104.6	1,930.8	1,841.4
Consolidated Net Income	17.4	17.3	18.2
Consolidated Net Income per Share (yen)	563.89	560.55	589.96
Dividend per share (yen)**	12.00	15.00	112.50

*The shareholding percentage includes “share less than one unit”, and therefore differs from the voting right ratio.

**The dividend per share for the fiscal year ended March 2017 is 112.50 yen, which is an aggregate of 7.50 yen for the interim dividend and 105.00 yen for the final dividend. Effective October 1, 2016, a reverse stock split of 1:10 was performed. Subsequently, taking that into account, the interim dividend translates to 75.00 yen and the aggregated final dividend 180.00 yen.

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Notice:

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