

July 7, 2022

To All Concerned:

Company name: Mitsui & Co., Ltd.
Representative: President and CEO, Kenichi Hori
(Code No.: 8031)
Head Office: 2-1, Otemachi 1-chome, Chiyoda-ku, Tokyo

Notice Concerning the Issuance of New Shares under the Remuneration System of Tenure-Linked Restricted Stock

According to the resolution of the Board of Directors on July 7, 2022 of Mitsui & Co., Ltd. (the "Company", Head Office: Tokyo, President and CEO: Kenichi Hori), the Company hereby announce an issuance of new shares under the remuneration system of tenure-linked restricted stock. The details are as follows.

Details

1. Summary of new share issue

(1)	Pay-in date	July 29, 2022
(2)	Type and number of shares issued	Ordinary shares in Mitsui & Co., Ltd., 111,000 shares
(3)	Issue price	3,181 yen per share
(4)	Total value of issue	353,091,000 yen
(5)	Categories and numbers of persons eligible for allocations, numbers of shares allocated	Directors (excluding external director) 9 persons, 111,000 shares
(6)	Other details	This share issue is subject to the Securities Registration Statement taking effect as stipulated in the Financial Instruments and Exchange Act.

Note: The number of new shares issued is equivalent to 0.007 % of the total number of shares issued by the Company prior to the time of the new share issue.

2. Purpose of and Reasons for the Issuance

At the 100th Ordinary General Meeting of Shareholders held on June 20, 2019, the Company introduced the stock performance-linked restricted stock-based remuneration plan in which the number of shares that Directors can hold (number of shares after evaluation) changes based on a comparison between the Company's stock price growth rate and the growth rate of the Tokyo Stock Price Index (TOPIX). However, it was resolved at the 103rd Ordinary General Meeting of Shareholders held on June 22, 2022 to abolish the stock performance-linked condition and replace it with a tenure-linked restricted stock-based remuneration (hereinafter referred to as the "System".) in order to function as a medium- to long-term incentive to maximize the value of our shares at absolute value, rather than as a comparison with other indicators. The System is intended to give the Directors (hereinafter referred to as the "Eligible Directors"), which are directors excluding outside directors, a heightened awareness of the need to improve the Company's corporate value from medium to long term perspective.

With the approval of 100th Ordinary General Meeting of Shareholders held on June 20, 2019, the System gives for the provision of an entitlement to monetary remuneration not exceeding ¥500 million per year to Eligible Directors, as monetary remuneration to be used as a subscription asset for the acquisition of restricted stock under the System (hereinafter referred to as the "Monetary Remuneration").

Based on the purpose of the System, the performance of the Company, the scope of professional responsibilities of each Eligible Director and various other factors, it has been decided to provide an entitlement to Monetary Remuneration totaling 353,091,000 yen, and to issue 111,000 shares. The new shares under the System will be issued to 9 Eligible Directors on payment of the full amount of the Monetary Remuneration entitlement as assets subscribed in kind.

Outline, etc., of the System

The maximum limit for the total amount of the entitlement to receive monetary remuneration that will be paid to Eligible Directors under the System will be ¥500 million per year. The specific time for, and amount of, payments to Eligible Directors would be decided by the Board of Directors on the basis of deliberations by the Remuneration Committee, which is chaired by an External (Independent) Member and functions as an advisory body for the Board of Directors.

The total number of ordinary shares that would be newly issued or disposed of by the Company under the System would be no more than 500,000 per year (however, this number may be changed within reasonable limits if the Company's ordinary shares are affected by a stock split (including a free allotment of new ordinary shares in the Company) or a reverse stock split, or if other circumstances arise that require adjustments to the total number of the Company's ordinary shares that are issued or disposed of as restricted shares). The paid-in amount per Share will be decided by the Board of Directors based on the average daily closing price for the Company's ordinary shares on the Tokyo Stock Exchange (excluding days on which there is no closing price, the price will be rounded up to the nearest whole yen) in the three months immediately prior to the month containing the date on which the Board of Directors made a resolution concerning the issuance or disposal of the shares (hereinafter referred to as the "date of the Board of Directors' resolution"), and within a range that is not especially advantageous to Eligible Directors.

The issuance of Shares is conditional on the entry into, between the Company and Eligible Directors of allocation agreements for the granting of the Shares (hereinafter referred to as the "Allocation Agreements"). To ensure that Eligible Directors would not be able to transfer, pawn, or otherwise dispose of the Shares during the period of transfer restriction stipulated in Item 3.(1) below, the Shares will be managed in dedicated accounts established with a securities company nominated by the Company.

3. Outline of the Allocation Agreement

(1) Restriction on Transfer

Eligible Directors will be unable to transfer, pawn, or otherwise dispose of the Shares (hereinafter referred to as "Restriction on Disposal") for a period of 30 years from the pay-in date (July 29, 2022) (hereinafter referred to as the "Transfer Restriction Period").

(2) Lifting of Restriction on Disposal

Irrespective of the provisions of (1) above, the Restriction on Disposal will be lifted if an Eligible Director retires as a director or managing officer of the Company before the end of the Restriction on Transfer Period.

(3) Grounds for Acquisition without Compensation (Claw-back clause)

The Company will acquire all or part of the Shares during the Restriction on Transfer Period if an Eligible Director engages in actions that contravene laws and regulations, or on other grounds as stipulated in the Allocation Agreement.

(4) Procedures in the Event of Organizational Restructuring, etc.

Irrespective of the provisions of (1) above, the Company would make reasonable adjustments to the number of Shares to be acquired without compensation or the time when the Restriction on Disposal will be lifted, by resolution of the Board of Directors, if the Company enters into a merger agreement resulting in the absorption of the Company, or a share swap agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, or otherwise undertakes organizational restructuring, etc., during the Restriction on Transfer Period,

pursuant to a resolution of a General Meeting of Shareholders (or a resolution of the Board of Directors in the case of a matter for which a resolution of a General Meeting of Shareholders is not required).

4. Basis for and Specific Content of Issue Price Calculations

Restricted shares will be issued in exchange for the subscription of assets in the form of the entitlement to monetary compensation provided under the System in the fiscal year ending March 2023. To prevent arbitrariness, the issue price per share was set at 3,181 yen, which is the average daily closing price of the Company's ordinary shares of the Tokyo Stock Exchange in the three months prior to the month in which the date of the Board of Directors' resolution (July 7, 2022) falls. The Board of Directors believes that this price is reasonable and not especially favorable to Eligible Directors.

In addition, the Company will grant Managing Officers who are not serving as Directors a post-delivery restricted stock remuneration (Restricted Stock Unit) instead of the existing performance-linked restricted stock remuneration based on a resolution of the Board of Directors.

For further information, please contact:

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Notice:

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