

## Notice Regarding Transfer of Shares in Consolidated Subsidiaries

Mitsubishi Corporation (MC) hereby announces that its shares (70% of all outstanding stock) held in its consolidated subsidiary Alpac Forest Products Inc. (AFPI) and its shares (100% of all outstanding stock) held in Alpac Pulp Sales Inc. (APSI) will be transferred to Hokuetsu Kishu Paper Co., Ltd. (Hokuetsu Kishu). The decision was made at the company's Board of Directors meeting on February 20, 2015.

### 1. Reasons for Share Transfer

AFPI manufactures pulp from a broad area covering 6.4 million hectares of high-quality forest granted by the provincial government of Alberta, Canada. Originally, MC partnered with Oji Holdings Corporation and established AFPI in March 1998, to provide a stable supply of pulp and paper raw materials to paper companies in Japan. However, the demand structure has been changing in recent years, with most sales destinations now concentrated in North America which has ultimately become a difficult situation for MC to exert its synergy effect. In line with the New Strategic Direction, MC's corporate strategy released in 2013, MC has since been accelerating divestments of its assets. In that context, with consideration of the business environment surrounding AFPI, as well as the direction of AFPI's business, MC has assessed that a transfer of AFPI shares to Hokuetsu Kishu, where trends reveal an expansion in its upstream activities, would be the most appropriate decision. Likewise, shares held in APSI, which undertakes sales activities for pulp produced by AFPI, will also be transferred to Hokuetsu Kishu for the aforementioned reasons.

### 2. Outlines of Subsidiaries to be transferred

#### ■ Alpac Forest Products Inc.

|   |  |   |  |               |
|---|--|---|--|---------------|
| (1)                                       | Company Name   | Alpac Forest Products Inc.  |  |               |
| (2)                                       | Head Office  | Boyle, Alberta, Canada  |  |               |
| (3)                                       | Representative   | Osamu Terao, Chairman, President, CEO & CFO   |  |               |
| (4)                                       | Main Business  | Pulp manufacturing  |  |               |
| (5)                                       | Capital  | CAD 285 million   |  |               |
| (6)                                       | Date Established   | March 1998  |  |               |
| (7)                                       | Main Shareholders and Share Ownership Ratio  | Mitsubishi Corporation, 70%; Oji Holdings Corporation, 30%  |  |               |
| (8)                                       | Relationship Between Listed Company and Subsidiary   | Capital   | Listed company holds 70% of voting rights in subsidiary.   |               |
|   |  | Personnel   | Listed company has dispatched one executive director and three non-executive directors to serve at subsidiary. |               |
|   |  | Business Transactions   | Listed company purchases and sells pulp manufactured by subsidiary.  |               |
|   |  |   |  |               |
| (9)                                       | Subsidiary's consolidated business performance and consolidated financial status for the three most recent years (IFRS). | Unit: 1,000 Canadian Dollars (CAD)<br>(Reference: 1 CAD = 95.9 yen, as of February 18, 2015)<br>* In keeping with IFRS requirements, notation for consolidated ordinary income is not included. |  |               |
| Accounting Period (For Fiscal Year Ended) |  | December 2011   | December 2012  | December 2013 |
| Consolidated Net Assets                   |  | 520,388   | 537,263  | 518,936       |
| Consolidated Total Assets                 |  | 894,102   | 888,516  | 866,279       |

|   |         |         |         |
|---|---------|---------|---------|
| Consolidated Net Assets Per Share (CAD) | 27.39   | 28.28   | 27.31   |
| Consolidated Sales                      | 368,053 | 368,317 | 367,520 |
| Operating Profit                        | 34,171  | 26,749  | 32,774  |
| Consolidated Net Income                 | 22,034  | 17,620  | 20,779  |
| Consolidated Net Income Per Share (CAD) | 1.16    | 0.93    | 1.09    |
| Dividend Per Share (CAD)                | 1.43    | 0       | 2.09    |

Note: Operating profit as recorded in the company's financial statements (IFRS).

■ Alpac Pulp Sales Inc.

|   |  |                                     |  |               |
|---|--|-------------------------------------|--|---------------|
| (1)                                       | Company Name   | Alpac Pulp Sales Inc.               |  |               |
| (2)                                       | Head Office  | Vancouver, British Columbia, Canada |  |               |
| (3)                                       | Representative   | Nobuyuki Watanabe, President        |  |               |
| (4)                                       | Main Business  | Pulp sales                          |  |               |
| (5)                                       | Capital  | CAD 3.5 million                     |  |               |
| (6)                                       | Date Established   | November 2002                       |  |               |
| (7)                                       | Major Shareholders and Share Ownership Ratio   | Mitsubishi Corporation, 100%        |  |               |
| (8)                                       | Relationship Between Listed Company and Subsidiary   | Capital                             | Listed company holds 100% of voting rights in subsidiary.  |               |
|   |  | Personnel                           | Listed company has dispatched two executive directors and one non-executive director to serve at subsidiary. |               |
|   |  | Business Transactions               | Listed company purchases pulp from subsidiary.   |               |
| (9)                                       | Subsidiary's consolidated business performance and consolidated financial status for the three most recent years (IFRS). Unit: 1000 Canadian Dollars<br>(Reference: 1 CAD = 95.9 yen, as of February 18, 2015)<br>* In keeping with IFRS requirements, notation for ordinary income is not included. |                                     |  |               |
| Accounting Period (For Fiscal Year Ended) |  | December 2011                       | December 2012  | December 2013 |
| Net Assets                                |  | 43,453                              | 33,196   | 34,725        |
| Total Assets                              |  | 71,833                              | 68,101   | 73,523        |
| Net Assets Per Share (CAD)                |  | 24.83                               | 18.97  | 19.84         |
| Sales                                     |  | 405,112                             | 393,728  | 420,192       |
| Net Income                                |  | 2,590                               | 2,332  | 3,861         |
| Net Income Per Share (CAD)                |  | 1.48                                | 1.33   | 2.21          |
| Dividend Per Share (CAD)                  |  | 7.32                                | 7.19   | 1.33          |

3. Outline of Purchaser (as of March 31, 2014)

|     |                  |  |  |  |
|-----|------------------|--|--|--|
| (1) | Company Name     | Hokuetsu Kishu Paper Co., Ltd.   |  |  |
| (2) | Head Office      | 3-5-1 Nishizao, Nagaoka-shi, Niigata, Japan                              |  |  |
| (3) | Representative   | Sekio Kishimoto, President and CEO                                       |  |  |
| (4) | Main Business    | Manufacture, processing and sale of paper, cardboard and other products. |  |  |
| (5) | Capital          | 42,020 million yen   |  |  |
| (6) | Date Established | April 27, 1907   |  |  |
| (7) | Consolidated Net | 161,247 million yen  |  |  |

|      |  |   |   |
|------|--|---|---|
|      | Assets   |   |   |
| (8)  | Consolidated Total Assets                          | 350,769 million yen   |   |
| (9)  | Major Shareholders and Share Ownership Ration      | Mitsubishi Corporation, 17.50%; The Master Trust Bank of Japan, Ltd. (Account in Trust), 7.44%; Japan Trustee Services Bank, Ltd. (Account in Trust) , 3.85% (as of September 30, 2014) |   |
| (10) | Releationship Between Listed Company and Purchaser | Capital   | Listed company holds 19.39% of voting rights in purchaser (as of September 30, 2014).                       |
|      |  | Personnel   | Listed company has dispatched two employees to serve at purchasing company.                                 |
|      |  | Business Transactions   | Listed company sells raw materials to purchasing company and buys and sells products of purchasing company. |
|      |  | Status of Related Parties   | As a major shareholder of the purchaser, listed company is considered a related party.                      |

#### 4. Details regarding value of shares and number of shares held before and after transfer

##### ■ Alpac Forest Products Inc.

|     |                                       |  |
|-----|---------------------------------------|--|
| (1) | Number of Shares Held Before Transfer | 13,300,000<br>(Total Number of Voting Rights: 13,300,000)<br>(Voting Rights Ratio: 70.0%)                                |
| (2) | Number of Shares To Be Transferred    | 13,300,000<br>(Total Number of Voting Rights: 13,300,000)  |
| (3) | Value of Shares To Be Transferred     | The value of the shares planned for transfer is under negotiation. Disclosure will be made following the final decision. |
| (4) | Number of Shares Held After Transfer  | 0<br>(Total Number of Voting Rights: 0)<br>(Voting Rights Ratio: 0%)   |

##### ■ Alpac Pulp Sales Inc.

|     |                                       |  |
|-----|---------------------------------------|--|
| (1) | Number of Shares Held Before Transfer | 1,750,001<br>(Total Number of Voting Rights: 1,750,001)<br>(Voting Rights Ratio: 100.0%)                                 |
| (2) | Number of Shares To Be Transferred    | 1,750,001<br>(Total Number of Voting Rights: 1,750,001)  |
| (3) | Value of Shares To Be Transferred     | The value of the shares planned for transfer is under negotiation. Disclosure will be made following the final decision. |
| (4) | Number of Shares Held After Transfer  | 0<br>(Total Number of Voting Rights: 0)<br>(Voting Rights Ratio: 0%)   |

5. Schedule

|     |   |   |
|-----|---|---|
| (1) | Date of Meeting for the Board of Directors    | February 20, 2015                                     |
| (2) | Date of Execution of Share Transfer Agreement | Disclosure will be made following the final decision. |
| (3) | Date of Transfer of Shares                    | Disclosure will be made following the final decision. |

6. Business Outlook

The current transaction is expected to have negligible impact on MC's consolidated performance.