

April 28, 2017

**Mitsui O.S.K. Lines, Ltd. Announces Changes in Number of Shares Constituting One Unit, Consolidation of Shares, and Partial Amendment to Articles of Incorporation**

TOKYO—Mitsui O.S.K. Lines, Ltd. (the Company; President & CEO: Junichiro Ikeda) today announced that at the Board of Directors meeting held today, the Company resolved to propose a change in the number of shares constituting one unit, consolidation of shares, and a partial amendment to its Articles of Incorporation at the Annual General Meeting of Shareholders (hereinafter referred to “the Shareholders’ Meeting) scheduled to be held on June 27, 2017.

1. Change in number of shares constituting one unit

(1) Reasons for change

Following the guidelines issued by Japanese Stock Exchanges in their “Action Plan for Consolidating Trading Units” with the aim of unifying the trading units of common shares at 100 shares, the Company decided to change the number of shares constituting one unit of stock, which will be the Company’s share trading unit, effective October 1, 2017.

(2) Details of change

The number of shares constituting one unit will be changed from 1,000 shares to 100 shares.

(3) Date of change

October 1, 2017

(4) Conditions

The change in shares constituting one unit is subject to the approval and resolution of the agendas pertaining to “2. Consolidation of shares” and “3. Partial amendment in Articles of Incorporation,” as explained below, at the Shareholders’ Meeting scheduled to be held on June 27, 2017.

2. Consolidation of shares

(1) Objectives of consolidation

Upon changing the number of shares constituting one unit from 1,000 shares to 100 shares as stated above in “1. Change in number of shares constituting one unit,” the Company decided to consolidate every 10 shares into one share to maintain the price level per share trading unit even after the change in the number of shares constituting one unit.

(2) Particulars of consolidation

(i) Class of shares to be consolidated

Common shares

(ii) Consolidation ratio

On October 1, 2017, every 10 shares held by shareholders listed or recorded on the final register of shareholders of September 30, 2017 (effectively September 29, 2017), will be consolidated into one share.

(iii) Number of shares to be consolidated

Outstanding shares before consolidation (as of March 31, 2017)	Common shares	1,206,286,115 shares
Number of shares reduced through consolidation <sup>(Note)</sup>	Common shares	1,085,657,504 shares
Outstanding shares after consolidation <sup>(Note)</sup>	Common shares	120,628,611 shares

(Note) “Number of shares reduced through consolidation” and “Outstanding shares after consolidation” are theoretical values calculated by multiplying “Outstanding shares before consolidation” by the consolidation ratio.

(iv) Total number of authorized shares after consolidation of shares

Subject to the effect of consolidation, the total number of authorized shares will be changed to 315,400,000 shares (before consolidation: 3,154,000,000 shares).

(v) Impact of share consolidation, etc.

Though the total number of shares issued by the Company will be reduced to one tenth, the asset value of the Company’s shares will not be changed except by other factors such as price changes in the stock market, since net assets, etc., of the Company will not be changed, which means that net asset value per share will increase tenfold after the consolidation of shares.

(3) Treatment of cases of a fraction constituting less than one share

In case a fraction constituting less than one share arises as a result of share consolidation, the Company will liquidate all such fractional shares in a lump based on the provisions in Articles 235 of the Companies Act, and the proceeds from the sale will be distributed to shareholders who hold fractional shares, in accordance with the percentages of said fractions.

(4) Number of shareholders reduced through consolidation

Shareholder composition as of March 31, 2017, is as follows:

	Number of shareholders (percentage of total)	Number of shares (percentage of total)
Total	96,892 persons (100.0%)	1,206,286,115 shares (100.0%)
Fewer than 10 shares	1,887 persons (1.95%)	7,430 shares (0.0%)
10 or more shares	95,005 persons (98.05%)	1,206,278,685 shares (100.0%)

(5) Conditions for share consolidation

Subject to the approval and resolution pertaining to share consolidation and to the resolution pursuant to “3. Partial amendment of Articles of Incorporation” at the Shareholders’ Meeting, the consolidation of shares will be effected on October 1, 2017.

3. Partial amendment of Articles of Incorporation

(1) Objectives of amendment

- (i) The Company will change the number of shares constituting one unit of its common stock from 1,000 shares, which is defined in Article 8 of the current Articles of Incorporation, to 100 shares, following the guidelines issued by Japanese Stock Exchanges in their “Action Plan for Consolidating Trading Units” as stated above in “1. Change in number of shares constituting one unit”. And in consideration of a decrease in the total number of shares issued resulting from consolidation, described above in “2. Consolidation of shares,” the Company will change the total number of issuable shares, which is defined in Article 6 of the current Articles of Incorporation, from 3,154,000,000 shares to 315,400,000 shares (dividing the current total number of issuable shares by the consolidation ratio).

Meanwhile, the supplementary provisions that shall define the effective date of the consolidation will be established with the changes in Article 6 and Article 8 of the current Articles of Incorporation. Deletion of the supplementary provisions after the effective date of the consolidation will also be stipulated.

- (ii) The assumptions for the Company’s new business, including environmental and emission-free business to be developed by strategic allocation of management resources in the new management plan “Rolling Plan 2017,” will be added to the main purpose of the Company business in Article 2 of the current Articles of Incorporation. This is aimed at reaching a consensus of management strategies and Articles of Incorporation, and effectively communicating the Company’s business domains to its shareholders and other stakeholders.

- (iii) Article 14 of the current Articles of Incorporation, which limits the venues for the Shareholders' Meeting, will be eliminated to expand the choices of places to hold the Shareholders' Meeting, in preparation for unforeseen accidents including natural disasters such as earthquakes.
- (iv) Other than the above, any necessary amendments such as changes in article numbers resulting from the above-mentioned changes will be made.

(2) Details of amendment

Details of the amendments to the Articles of Incorporation are as follows.

Current Articles of Incorporation and proposals for amendments (changes are underlined)

Current Articles of Incorporation	Proposals for amendment
Article 2. The main purpose of the Company is to engage in the following businesses:	Article 2. (unchanged)
(1) ~ (11) (Provisions; text omitted)	(1) ~ (11) (unchanged)
(Newly established)	(12) <u>Management of schools for education and training of marine technical specialists;</u>
(12) Purchase and sale, lease and brokerage of vessels, transportation equipment and cargo handling equipment.	(13) Purchase and sale, lease and brokerage of vessels, <u>equipment and machinery, and architecture, execution and superintendence of construction works</u>
(Newly established)	(14) <u>Sale of natural gas and other fuels</u>
(13) ~ (19) (Provisions; text omitted)	(15) ~ (21) (unchanged)
(Newly established)	(22) <u>Use and trade of renewable energies</u>
(Newly established)	(23) <u>Sale and derivative transactions of greenhouse gas emission rights, and brokerage of these businesses</u>
(20) ~ (21) (Provisions; text omitted)	(24) ~ (25) (unchanged)
Article 6. The total number of issuable shares by the Company shall be three billion one hundred and fifty four million (3,154,000,000).	Article 6. The total number of issuable shares by the Company shall be <u>three hundred fifteen million and four hundred thousand (315,400,000)</u> .
Article 8. The number of shares constituting the minimum trading unit ( <i>tan-gen</i> ) of shares of the Company shall be one thousand (1,000).	Article 8. The number of shares constituting the minimum trading unit ( <i>tan-gen</i> ) of shares of the Company shall be <u>one hundred (100)</u> .

Article 14. A general meeting of shareholders may be held in Chiyoda-ku or Minato-ku, in the City of Tokyo, as well as in the seat of the registered office of the Company.	(Deleted)
(15) ~ (37) (Provisions; text omitted)	(14) ~ (36) (unchanged)
(Newly established)	<u>Supplementary Provision</u> <u>The effective date of changes in Article 6 and Article 8 of the Articles of Incorporation shall be the date when the effect of the said consolidation of shares pursuant to the proposals at the Annual General Shareholders' Meeting held on June 27, 2017, comes in effect. Meanwhile, the supplementary provision shall be deleted after the effective date of consolidation of said shares.</u>

#### 4. Schedule

- |                                |  |
|--------------------------------|--|
| (1) Friday, April 28, 2017     | Resolution of Board of Directors Meeting   |
| (2) Tuesday, June 27, 2017     | Annual General Shareholders' Meeting is held.<br>The effective date of changes in Articles 2 and 14 in the above mentioned "3. Partial amendment of Articles of Incorporation"   |
| (3) Friday, September 15, 2017 | Public announcement of consolidation of shares   |
| (4) Sunday, October 1, 2017    | Changes in shares constituting one unit and effective date of consolidation of shares.<br>Effective date of changes in Article 6 and Article 8 in the above mentioned "3. Partial amendment of Articles of Incorporation." |

#### (Note)

The above change in the number of shares constituting one unit and consolidation of shares will come into effect on October 1, 2017. In relation to the transfer procedures to be followed after share trading, however, the trading unit on the Tokyo Stock Exchange will be changed from 1,000 shares to 100 shares on September 27, 2017.

[REFERENCE PURPOSE ONLY]

This document has been translated from the Japanese original for reference purposes only.

In case of any discrepancy or inconsistency between this document and the Japanese original, the latter shall prevail.