

September 22, 2017
Mitsubishi Corporation

Mitsubishi Corporation Subsidiary (Hernic Ferrochrome Proprietary Limited)
Commences Business Rescue Proceedings

Mitsubishi Corporation (MC) hereby announces that a consolidated subsidiary, Hernic Ferrochrome (Pty) Ltd (Hernic), has been placed in business rescue in terms of the provisions of the Companies Act (Act No. 71 of 2008) of South Africa & Regulations thereto following a resolution adopted by Hernic's Board of Directors at their meeting on September 21, 2017.

1. Since March 2000, when MC first became a shareholder of Hernic, Hernic has taken various initiatives with a view to maximizing its corporate value as a ferrochrome producer. Hernic has, however, continued to suffer financial hardship as a result of, inter alia, market challenges.

The decision by Hernic's Board of Directors to file to initiate the business rescue proceedings followed a comprehensive assessment by Hernic's Board of Directors of financial alternatives. The aim of business rescue in South Africa is to restructure the affairs of a company that is financially distressed.

2. The business rescue practitioners whose appointment is expected to be formalized shortly will manage the business and business rescue proceedings of Hernic going forward.

MC does not expect this development to have any material impact on its consolidated earnings for the period ending March 2018.

Reference Information

1. About Mitsubishi Corporation :

- (1) Head Office : 3-1, Marunouchi 2-Chome, Chiyoda-Ku, Tokyo 100-8086, Japan
- (2) Main Business : MC is a global integrated business enterprise that develops and operates business across virtually every industry including industrial finance, energy, metals, machinery, chemicals, foods, and environmental business. MC's current activities extend from natural resources development to investment in retail business, infrastructure, financial products and manufacturing of industrial goods.
- (3) Equity : 204 billion yen
- (4) Representative : Takehiko Kakiuchi, President and Chief Executive Officer
- (5) Established : July 1954

2. About Herculite Ferrochrome (Pty) Ltd :

- (1) Head Office : R/E of Ptn 103 De Kroon 444 JQ, Brits 0250, South Africa
- (2) Main Business : Mining and sale of chrome ore / Production and sale of ferrochrome
- (3) Equity : 147.5 million rand (as at June 2017)
- (4) Representative(s) : Willem Reyneke & Johan Swanepoel, Joint Acting Chief Executive Officers
- (5) Established : May 1995
- (6) Shareholders :
 - Mitsubishi Corporation (through its wholly owned subsidiary): 53.8%
 - The Industrial Development Corporation of South Africa Limited: 15.7%
 - ELG Haniel GmbH: 4.5%
 - Mmakau Mining Proprietary Limited: 10.0%
 - The Herculite Ferrochrome Tirisano Employee Share Trust: 8.5%
 - The Herculite Ferrochrome Tshwaranang Community Umbrella Trust: 7.5%