

5 February, 2018

For Immediate Release  
To Whom It May Concern

Mitsui & Co., Ltd.

**Takeover Offer to Acquire AWE Limited, an Oil and Gas Company in Australia**

Mitsui & Co., Ltd. (“Mitsui”, Head Office: Tokyo, President and CEO: Tatsuo Yasunaga) is pleased to announce that it has entered into a takeover bid implementation deed (“BID”) with AWE Limited (“AWE”), under which Mitsui has agreed to make a recommended takeover offer of A\$0.95 cash per share for all of the issued shares of AWE (the “Offer”). The Offer is unanimously recommended by the AWE Board in the absence of a superior offer and subject to an Independent Expert concluding that the Offer is fair and reasonable to AWE shareholders. Subject to these two qualifications, each AWE director intends to accept the Offer for all AWE Shares they hold or otherwise control.

1. Objective of the Offer

Mitsui has decided to make this Offer as acquiring AWE’s portfolio of interests is consistent with Mitsui’s ongoing strategy to invest in good quality oil and gas assets in Australia and obtaining an operational platform to expand more broadly in the Australian gas sector.

2. Outline of the Offer

(1) AWE Overview

① Company Name	AWE Limited
② Registered Office	Level 12, Suite 1201, 100 Pacific Highway North Sydney NSW 2060
③ Representative	David Biggs, CEO and Managing Director
④ Main Business	Energy company focused on oil and gas
⑤ Capital	A\$772,172 thousand
⑥ Establishment	1997
⑦ Major Shareholders and Ownership	AWE’s substantial shareholders as at 2 February 2018 are as follows: <ul style="list-style-type: none"><li>• Ellerston Capital Limited and its associates (15.05%);</li><li>• Commonwealth Bank of Australia (6.94%);</li><li>• Spheria Asset Management Pty Limited (6.18%); and</li><li>• Norges Bank (6.16%).</li></ul>

⑧ Relationship with Mitsui and AWE (As of 2 February, 2018)		
Capital Relationship	None	
Personnel Relationship	None	
Business Relationship	Mitsui and AWE have had a long-standing and strong relationship for over 15 years, built through their current joint venture partnerships in the Casino joint venture in Victoria, current joint interest in Petroleum Exploration Permit 55768 and past joint venture partnerships in the Bass Gas project in Victoria and the Tui project in New Zealand.	
⑨ Financial Highlights (Consolidated Base)		
	2016 (A\$ '000)	2017 (A\$ '000)
Revenue	204,146	105,013
Profit for the Year	(363,021)	(217,526)
Total Assets	751,767	445,056
Total Equity	435,681	208,745

(2) Schedule of the Offer

Mitsui will make the Offer with the following anticipated timeline, subject to market conditions and the receipt of valid acceptances.

Early to mid February 2018 : Dispatch of Offer Document

Mid to late March 2018 : Close of the Offer (unless extended)

(3) Offer Price

A\$0.95 per AWE share

The Offer Price values AWE's equity at A\$602.1 million.

(4) Number of Target Shares in the Offer

Target Shares : Ordinary Shares - 625,253,903 Shares (as of 30 January, 2018)

Note 1) There are also 8,486,352 Cash Share Rights, which under the terms of the BID, will vest and convert to Shares, allowing the former holders of the Cash Share Rights to also participate in the Offer.

(5) Change in the Shareholding of Mitsui in AWE by the Offer

The Number of Shares before the Offer 0

Estimated Number of Shares after the Offer 633,740,255 Shares (100%)

Note 2) While the intention is to acquire all of the 633,740,255 Shares following completion of the Offer (taking into account shares issued on conversion of the Cash Share Rights), this is subject to the level of acceptances ultimately received. The Offer is subject to the 50.1% minimum acceptance condition. If Mitsui receives sufficient acceptances under the Offer, its current intention is to arrange for AWE to be removed from the official list of the Australian Securities Exchange.

(6) Estimated Total Amount

Approximately A\$602.1 Million in maximum (Approximately ¥51.2 Billion)

3. Outlook

The details of financial impacts will be reviewed once it becomes clear after the completion of the Offer, but we believe the impact to the FY March 2018 should be limited.

**For further information, please contact:**

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Notice:

This announcement contains forward-looking statements. These forward-looking statements are based on Mitsui's current assumptions, expectations and beliefs in light of the information currently possessed by it and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause Mitsui's actual results, financial position or cash flows to be materially different from any future results, financial position or cash flows expressed or implied by these forward-looking statements. These risks, uncertainties and other factors referred to above include, but are not limited to, those contained in Mitsui's latest Annual Securities Report and Quarterly Securities Report, and Mitsui undertakes no obligation to publicly update or revise any forward-looking statements. This announcement is published in order to publicly announce specific facts stated above, and does not constitute a solicitation of investments or any similar act inside or outside of Japan, regarding the shares, bonds or other securities issued by us.