



June 25, 2024

Company name: MITSUI E&S Co., Ltd.
Name of representative: Takeyuki Takahashi, President,
Representative Director, and CEO
(Securities code: 7003, TSE Prime Market)
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Announcement of Acquisition and Cancellation of Class A Preferred Shares (Progress of Disclosure Matters)

MITSUI E&S Co., Ltd. (hereafter “MITSUI E&S”) hereby announces that it resolved at a meeting of the Board of Directors held on June 25, 2024, to acquire all of the Class A Preferred Shares issued by MITSUI E&S for cash consideration in accordance with Article 12-6 of the Articles of Incorporation (Acquisition Clause for cash consideration), and to cancel the shares on condition of the acquisition in accordance with Article 178 of the Companies Act.

1. Details of Acquisition of Class A Preferred Shares

(1)	Class of shares to be acquired	Class A Preferred Shares
(2)	Total number of shares to be acquired	18,000,000 shares
(3)	Consideration for acquisition	Cash
(4)	Acquisition price per share	510.792 yen (Note)
(5)	Total amount of acquisition price of shares	9,194,256,000 yen
(6)	Acquisition date (Scheduled)	July 10, 2024
(7)	Party from which shares are to be acquired	SMBCCP Investment Limited Partnership 1

(Note) The above acquisition price per share is calculated by adding the amount equivalent to accrued dividends per diem (the amount equivalent to the preferred stock dividend calculated in accordance with Article 12-5 of the Articles of Incorporation) to the amount paid per share (500yen) at the time of issuance.

2. Details of Cancellation of Class A Preferred Shares

(1)	Class of shares to be cancelled	Class A Preferred Shares
(2)	Total number of shares to be cancelled	18,000,000 shares
(3)	Effective date of cancellation (Scheduled)	July 10, 2024

This cancellation of the Class A Preferred Shares is subject to the condition that MITSUI E&S acquires the Class A Preferred Shares in accordance with the above [1].

3. Reason for Acquisition and Cancellation of Class A Preferred Shares

On June 30, 2022, MITSUI E&S issued a total of 9 billion yen of Class A preferred shares for the purpose of improving its financial soundness and growth investment. The Group's profitability and financial soundness have steadily improved as a result of the completion of the “Mitsui E&S Group Business Revival Plan”. Besides, the partial sale of MODEC shares resolved on May 14, 2024, has provided the financial basis for growing investment. With these backgrounds, MITSUI E&S decided to execute the acquisition and the cancellation of the Class A Preferred Shares for the purpose of increasing the shareholder returns instead of paying the preferred stock dividend.

4. Future outlook

The impact of the acquisition and cancellation of the Class A Preferred Shares on MITSUI E&S's and its consolidated performance is immaterial.