

March 27, 2002

To whom it may concern

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Notice with regard to Agreement on Basic Conditions for
Consolidation of Steel Products Operations

It is hereby notified that Nissho Iwai Corporation (Hdqrs.: Minato-ku, Tokyo; President: Shiro Yasutake) and Mitsubishi Corporation (Hdqrs.: Chiyoda-ku, Tokyo; President: Mikio Sasaki) today have reached agreement on the basic conditions for the consolidation of both steel products operations.

Outline of the basic conditions as follows;

March 27, 2002

Mitsubishi Corporation
Nissho Iwai Corporation

Agreement Reached on Basic Conditions for Consolidation of Steel Products Operations

Mitsubishi Corporation (Hdqrs.: Chiyoda-ku, Tokyo; President: Mikio Sasaki) and Nissho Iwai Corporation (Hdqrs.: Minato-ku, Tokyo; President: Shiro Yasutake) today announced that they have reached agreement on the basic conditions for the consolidation of their steel products operations. The agreement comes after an extensive review of their business portfolios since January 2001.

The two companies hope to sign a definitive agreement by the end of April 2002 and will make preparations toward the establishment of a joint venture company on October 1, 2002.

Basic Conditions:

1. Shareholding

Mitsubishi Corp.	60%
Nissho Iwai Corp.	40%

2. Chairman and president of the new company (Schedule)

(Scheduled date of establishment: October 1, 2002)

Chairman : Norio Okada

Executive Vice President, Group COO, Metals Group
Mitsubishi Corporation

President : Masashi Mizutani

Senior Managing Executive Officer, President of Metals Company
Nissho Iwai Corporation

3. Capital of the joint venture company (Schedule as of October 1, 2002)

¥150.0 billion

Capital contribution:	Mitsubishi Corp.	¥90.0 billion
	Nissho Iwai Corp.	¥60.0 billion

Profile of the Joint Venture:

The new company is expected to have total assets of approximately ¥1 trillion, consolidated annual trading transactions approximating ¥2.08 trillion, gross profit of approximately ¥97.0 billion, and ordinary income of nearly ¥20.0 billion. The number of employees transferred to the new company will be about 750.

The new company will restructure and consolidate a number of operations, resulting in reduced interest expenses with lower inventory, lower fixed expenses and logistics costs as well as trimmed workforces.

These synergetic effects of cost reduction will lift gross profit of the new company to ¥100.0 billion and ordinary income to about ¥30.0 billion after 3 years.

The new company's headquarters will be located in Minato-ku, Tokyo, Japan.

For further information, please contact:

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