

Translation of report filed with the Tokyo Stock Exchange on July 21, 2006

Allotment of Stock Options for a Stock-Linked Compensation Plan for Directors and Executive Officers

Mitsubishi Corporation has announced that at a meeting held today the Company's Board of Directors established the terms regarding the distribution of stock acquisition rights to directors and executive officers of the Company pursuant to Article 236-1, Article 238-1 and -2 and Article 240-1 of the Company Law of Japan, as well as a resolution concerning the solicitation of subscribers to said stock acquisition rights. The stock acquisition rights are being distributed to provide further incentive and motivation to improve the Company's performance and further align directors' and executive officers' interests with those of shareholders.

1. Name of the Stock Acquisition Rights

Mitsubishi Corporation, 2006 Stock Acquisition Rights (*Shinkabu-Yoyaku-ken*) for a Stock-linked Compensation Plan.

2. Total Number of Stock Acquisition Rights

1,660 (912 for directors, 748 for executive officers)

The above total is the number of stock acquisition rights to be allotted. Where there is a decrease in the total number of stock acquisition rights to be allotted, such as when there are no subscriptions for some of the rights, the total number of stock acquisition rights to be issued shall be the total number of stock acquisition rights allotted.

3. Class and Number of Shares to Be Issued for the Purpose of Issuing Stock Acquisition Rights

The class of share to be issued upon the exercise of stock acquisition rights shall be the Company's common stock, and the number of shares to be issued per stock acquisition right (hereinafter the "Number of Shares Granted") shall be 100.

However, if the Company conducts a stock split (including a free distribution of the Company's common stock; the same definition applies to stock splits described below) or consolidation of its common stock after the Allotment Date, the Number of Shares Granted shall be adjusted in accordance with the following formula. Fractional shares arising out of the adjustment shall be discarded.

Adjusted Number of Shares Granted = Original Number of Shares Granted x stock split or stock consolidation ratio

In the case of a stock split, the Adjusted Number of Shares Granted shall apply from the day after the record date of the said stock split. Whereas, in the case of a stock consolidation, the Adjusted Number of Shares Granted shall apply from day the stock consolidation becomes effective. Provided, however, that in cases where the Company conducts a stock split conditional on approval at a General Meeting of Shareholders of the Company of a proposal to reduce retained earnings and increase common stock and paid-in capital, the record date for the stock split shall be the day prior to the day on which said shareholders' meeting closes. In this case, the Adjusted Number of Shares Granted shall retroactively apply from the day after the day the applicable shareholders' meeting closes and the day following the applicable record date.

In addition to the above items, when for unavoidable reasons it is necessary to adjust the Number of Shares Granted after the Allotment Date, the Company reserves the right to adjust the Number of Shares Granted within reasonable limits.

Moreover, when the Number of Shares Granted is adjusted, the Company shall notify or report the pertinent details to persons holding stock acquisition rights listed in the original register of stock acquisition rights (hereinafter "Stock Acquisition Rights Holder") no later than the day prior to the day the Adjusted Number of Shares Granted becomes effective. Provided, however, that in cases where the Company cannot issue such a report or notice by the day before the said application date, it will do so immediately thereafter.

4. Total Amount to Be Invested Upon Exercise of Stock Acquisition Rights

The total amount to be invested upon exercise of each stock acquisition right shall be determined by multiplying the price paid per share that can be granted due to the exercise of stock acquisition rights, which shall be ¥1, by the Number of Shares Granted.

5. Exercise Period for Stock Acquisition Rights

August 11, 2006 to June 27, 2036

6. Increases in Common Stock and Additional Paid-in Capital for Shares Issued Due to the Exercise of Stock Acquisition Rights

- (1) If shares are issued due to the exercise of stock acquisition rights, common stock shall increase by half the limit for increase in common stock calculated pursuant to Article 40-1 of the Japanese generally accepted accounting principles. Any amount less than one yen shall be rounded up to the nearest yen.
- (2) If shares are issued due to the exercise of stock acquisition rights, additional paid-in capital shall increase by the amount remaining after deducting the increase in common stock prescribed in (1) from the limit for increase in common stock in (1).

7. Restrictions on the Acquisition of Stock Acquisition Rights Due to Transfer

Approval is required by resolution of the Company's Board of Directors for the acquisition of stock acquisition rights by transfer of ownership.

8. Provisions for the Acquisition of Stock Acquisition Rights

The Company can acquire free of charge stock acquisition rights on the date separately specified by the Board of Directors in respect of items (1) to (5) below, if approved by the Company's General Meeting of Shareholders (or a resolution of the Company's Board of Directors where shareholder approval is not required.)

- (1) Proposal for approval of a merger agreement under which the Company is to be dissolved.
- (2) Proposal for approval of a separation agreement or separation plan under which the Company is to be separated.
- (3) Proposal for approval of a share exchange agreement or share transfer plan under which the Company is to become a wholly owned subsidiary.
- (4) Proposal for approval to change the Company's Articles of Incorporation to establish provisions concerning the requirement for the Company's approval with regard to the acquisition of all outstanding shares through a transfer.
- (5) Proposal for approval to change the Company's Articles of Incorporation to establish provisions concerning the requirement for the Company's approval with regard to the acquisition through a transfer of shares issued upon the exercise of these stock acquisition rights or concerning the acquisition by the Company of all shares issued upon the exercise of stock acquisition rights by resolution of the Company's shareholder meeting.

9. Policy for Determining Details of Cancellation of Stock Acquisition Rights in an

Organizational Reform and Granting of Stock Acquisition Rights of Restructured Company

Where the Company conducts a merger (only where the Company is to be dissolved due to the merger), an absorption-type corporate divestiture, an establishment-type corporate divestiture, a share exchange or share transfer (hereinafter generally “Organizational Restructuring”), the Company shall grant stock acquisition rights of the companies listed in Article 236, Paragraph 1-8 of the Company Law of Japan (hereinafter “Restructured Company”), in each respective case, to Stock Acquisition Rights Holders with stock acquisition rights remaining (hereinafter “Remaining Stock Acquisition Rights”) when the Organizational Restructuring takes effect based on the following conditions. In this case, the Remaining Stock Acquisition Rights shall be cancelled and the Restructured Company shall issue new stock acquisition rights. Provided, however, that this shall be limited to cases whereby the granting of stock acquisition rights of the Restructured Company in accordance with the conditions below is specified in the merger agreement, new company merger agreement, absorption-type corporate divestiture agreement, the establishment-type corporate divestiture plan, share exchange agreement or share transfer plan.

(1) Number of stock acquisition rights of the Restructured Company to be granted

The same number of stock acquisition rights as the Remaining Stock Acquisition Rights held by the Stock Acquisition Rights Holder.

(2) Class of share of the Restructured Company to be issued for the purpose of issuing stock acquisition rights

The Restructured Company’s common stock.

(3) The number of shares of the Restructured Company to be issued for the purpose of issuing stock acquisition rights

Determined according to 3. above based on consideration of the terms for the Organizational Restructuring and other factors.

(4) Total amount to be invested upon exercise of stock acquisition rights

The total amount to be invested upon exercise of each stock acquisition right to be granted shall be the amount resulting from multiplying the amount to be paid after restructuring, as specified below, by the number of shares of the Restructured Company to be issued for the purpose of said issuing of stock acquisition rights, as determined in accordance with (3) above. The amount to be paid after restructuring shall be ¥1 per share of the Restructured Company that can be granted due to the exercise of each stock acquisition right that is to be granted.

(5) Exercise period

The exercise period shall start at the beginning of the period for exercising stock acquisition rights specified in 5. above or the date on which the Organizational Restructuring takes effect, whichever is later, and end on the last day of the period for exercising stock acquisition rights specified in 5. above.

- (6) Increases in common stock and additional paid-in capital for shares issued due to the exercise of stock acquisition rights

Determined according to 6. above.

- (7) Restrictions on the acquisition of stock acquisition rights due to transfer

Approval is required by resolution of the Restructured Company's Board of Directors for the acquisition of stock acquisition rights by transfer of ownership.

- (8) Provisions for the acquisition of stock acquisition rights

Determined according to 8. above.

- (9) Other conditions for the exercise of stock acquisition rights

Determined according to 11. below.

10. Fractional Shares Arising From the Exercise of Stock Acquisition Rights

Fractions of shares to be granted to Stock Acquisition Rights Holders that have exercised Stock Acquisition Rights shall be discarded.

11. Other Conditions for the Exercise of Stock Acquisition Rights

- (1) A Stock Acquisition Rights Holder may exercise his/her stock acquisition rights during the 10-year period starting on the day after losing his/her position (hereinafter "Start of Exercise Date") as either a director (including an executive officer in a company with committees) or executive officer of the Company within the period in 5. above.

- (2) Regardless of (1) above, a Stock Acquisition Rights Holder may exercise his/her stock acquisition rights in cases specified in (a) and (b) below, so long as this is done within the period prescribed in each case. Provided, however, that (b) shall exclude cases where stock acquisition rights of the Restructured Company are granted to Stock Acquisition Rights Holders in accordance with 9. above.

- (a) A Stock Acquisition Rights Holder may exercise his/her stock acquisition rights beginning on July 1, 2031 in the event that the Start of Exercise Date has not occurred by June 30, 2031.

- (b) In the event that a General Meeting of Shareholders approves (or a resolution of the Company's Board of Directors is passed where shareholder approval is not required for) a proposal for approval of a merger agreement under which the Company is to be

dissolved, or a proposal for approval of a share exchange agreement or share transfer plan under which the Company is to become a wholly owned subsidiary.

A period of 15 days beginning on the day following the particular approval date

- (3) In the event that a Stock Acquisition Rights Holder relinquishes his/her stock acquisition rights, such stock acquisition rights cannot be exercised.

12. Amount to Be Paid for Stock Acquisition Rights

No payment is necessary for the stock acquisition rights.

13. Allotment Date for the Stock Acquisition Rights

August 10, 2006

14. Method for Requesting Exercise of and Paying for Stock Acquisition Rights

- (1) When exercising stock acquisition rights, the Stock Acquisition Rights Holder shall complete the necessary items on the Form for Requesting the Exercise of Stock Acquisition Rights, the style of which the Company will determine, and submit it to the place of exercise specified in 15. below after signing and affixing his/her registered seal.
- (2) When submitting the Form for Requesting the Exercise of Stock Acquisition Rights in (1), the Stock Acquisition Rights Holder should also transfer cash, in the amount of the total amount calculated by multiplying the amount to be invested upon exercise of each stock acquisition right by the number of stock acquisition rights to which the exercise relates (hereinafter "Payment Amount"), to the bank account designated by the Company (hereinafter "Designated Bank Account") as the paying agent specified in 16. below by the time and date specified by the Company.

15. Place of Exercise of Stock Acquisition Rights

Corporate Administration Dept., Mitsubishi Corporation

16. Paying Agent When Exercising Stock Acquisition Rights

The Mitsubishi UFJ Trust and Banking Corporation

17. Date the Exercise of Stock Acquisition Rights Becomes Effective

- (1) The exercise of stock acquisition rights shall become effective on the date written on the Form for Requesting the Exercise of Stock Acquisition Rights in 14. above. Provided, however, that when the Form for Requesting the Exercise of Stock

Acquisition Rights is received at the place of exercise and/or the Payment Amount specified in 14. (2) above is received at the paying agent and deposited into the Designated Bank Account later than the date written on the Form for Requesting the Exercise of Stock Acquisition Rights, the exercise of stock acquisition rights shall be effective when the Form for Requesting the Exercise of Stock Acquisition Rights is received at the paying agent and the Payment Amount is deposited into the Designated Bank Account.

- (2) The Company shall deliver share certificates immediately upon the completion of the exercise procedures, but will not provide certificates for shares constituting less than one unit (*tangen*).

18. Changes to These Provisions and Other Matters

When it is necessary to reword these provisions or take other related measures, the Company may make changes to these provisions using a method it deems appropriate with regards to the handling of such matters, according to the regulations of the Company Law of Japan and intent of the stock acquisition rights. Such changes shall be considered as part of these provisions.

19. Announcement of Issue Terms

The Company shall place a copy of the issue terms of stock acquisition rights at the head office of the Company and permit viewing of the Stock Acquisition Rights Holders during the agent's business hours.

20. All Other Matters Relating to These Stock Acquisition Rights Shall Be Left to the Discretion of the Representative Directors

Notes:

1. Date of resolution of the Board of Directors of the Company for proposal to the Ordinary General Meeting of Shareholders: May 18, 2006
2. Date of resolution of the Ordinary General Meeting of Shareholders of the Company: June 27, 2006