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Securities Code: 9302

Date issued: June 2, 2023

Start date of measures for electronic provision: May 26, 2023

To our shareholders:

Hirobumi Koga,  
Representative Director, President & CEO  
**MITSUI-SOKO HOLDINGS Co., Ltd.**  
20-1, Nishi-Shimbashi 3-chome, Minato-ku, Tokyo

## Notice of Convening the 175th Ordinary General Meeting of Shareholders

MITSUI-SOKO HOLDINGS Co., Ltd. (the “Company”) is pleased to announce the convening of the 175th Ordinary General Meeting of Shareholders of the Company.

If you do not plan to attend the meeting, you may exercise your voting rights in advance by postal mail (in writing) or via the internet. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 17:00 on June 22, 2023 (Thursday).

In convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and has posted the information on each of the following websites.

The Company’s website:

<https://www.mitsui-soko.com/ir/shareholders/> (in Japanese)

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(Please access the TSE website above, enter “MITSUI-SOKO HOLDING” in “Issue name (company name)” or “9302” in “Code” and click “Search.” Next, click “Basic information” and “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

Website for posted informational materials for the general meeting of shareholders:

<https://d.sokai.jp/9302/teiji/> (in Japanese)

**1. Date and time:** June 23, 2023 (Friday) at 10:00

(Reception opening time: 9:00)

**2. Venue:** MSC Center Building, 22-23, Kaigan 3-chome, Minato-ku, Tokyo

### **3. Agenda Items of the Meeting**

#### **Items to be reported:**

1. Business Report and Consolidated Financial Statements for the 175th fiscal year (from April 1, 2022 to March 31, 2023), as well as audit reports of the accounting auditor and the Audit & Supervisory Board on the Consolidated Financial Statements
2. Report on the Non-Consolidated Financial Statements for the 175th fiscal year (from April 1, 2022 to March 31, 2023)

#### **Items to be resolved:**

**Agenda Item 1:** Election of Ten (10) Directors

**Agenda Item 2:** Election of One (1) Audit & Supervisory Board Member

**Agenda Item 3:** Election of One (1) Substitute Audit & Supervisory Board Member

- In the event that voting rights are exercised both in writing (by postal mail) and by the internet, the votes made by the internet shall be treated as effective.  
In the event that multiple votes are cast by the internet, the last vote shall be treated as effective.
- If you do not indicate your approval or disapproval to an agenda item on the returned Exercise of Voting Rights Form, we will treat it as if you indicated your approval.

### **Other Instructions related to Matters subject to Measures for Electronic Provision of Information**

- Among the matters subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 15 paragraph (2) of the Articles of Incorporation of the Company, the following items are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents.
  - (i) Notes to the Consolidated Financial Statements; and
  - (ii) Notes to the Non-Consolidated Financial StatementsThese items are included in the Consolidated Financial Statements and the Non-Consolidated Financial Statements audited at the time of the preparation of the accounting audit report by the accounting auditor and the audit report by Audit & Supervisory Board Members.
- In the event of any corrections to matters subject to measures for electronic provision, a notification to that effect, and the corrected and pre-corrected versions of these matters will be made available on the aforementioned website of the Company, the TSE website, and the website for posted informational materials for the general meeting of shareholders.

### **Requests to Shareholders**

- If attending the meeting in person, please present the Exercise of Voting Rights Form at the reception desk.  
We also request that you bring this document with you.
- Please be advised that the Company's officers and staff members at the General Meeting of Shareholders will be wearing light attire without neckties.
- Please be advised that the proceedings of this General Meeting of Shareholders will be filmed and subsequently streamed on demand on the Company's website.
- The operation of this General Meeting of Shareholders may be subject to alterations due to such factors as risk of spreading infectious disease. If any alterations occur, we will be posting updates on the Company's website (<https://www.mitsui-soko.com/ir/shareholders/>), so please check before attending.

## **Instructions for Exercise of Voting Rights**

Voting rights at the Company's General Meeting of Shareholders are shareholders' important right.

Please exercise your voting rights after reviewing the Reference Documents for the General Meeting of Shareholders.

You may exercise your voting rights by one of the following three methods.

(1) Attending the General Meeting of Shareholders

Please exercise your voting rights by submitting the enclosed Exercise of Voting Rights Form to the reception desk at the meeting.

Date and time:

Friday, June 23, 2023 at 10:00 (Reception opening time: 9:00)

(2) Exercising voting rights in writing (by postal mail)

Please indicate your approval or disapproval on each agenda item in the Exercise of Voting Rights Form and return it to the Company.

Deadline for exercise of voting rights in writing (by postal mail):

To be received no later than 17:00, Thursday, June 22, 2023

(3) Exercising voting rights by the internet, etc.

Please indicate your approval or disapproval on each agenda item following the instructions on the next page.

Deadline for exercise of voting rights by the internet, etc.:

To be completed no later than 17:00, Thursday, June 22, 2023

## **How to Fill Out Your Exercise of Voting Rights Form**

Please indicate whether you approve or disapprove each agenda item.

Agenda Item 1:

- To mark your approval for all candidates >> Circle "Approve."
- To mark your disapproval for all candidates >> Circle "Disapprove."
- To mark your disapproval for certain candidates >> Circle "Approve" and write the number(s) of the candidate(s) you wish to disapprove.

Agenda Items 2 and 3:

- To mark your approval >> Circle "Approve."
- To mark your disapproval >> Circle "Disapprove."

## **Instructions for the Exercise of Voting Rights by the Internet, etc.**

### **Scanning the QR Code “Smart Vote”**

You can simply log in to the website for exercise of voting rights without entering your voting code and password.

1. Please scan QR Code provided at the bottom right of Exercise of Voting Rights Form.  
\* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.
2. Please follow the instructions that appear on the screen to input approval or disapproval to each agenda item.

### **Please note that exercising voting rights by using “Smart Vote” method is available only once.**

If you need to make a correction to the content of your vote after you have exercised your voting rights, please access the website for personal computer and log in by entering your voting code and password printed on the Exercise of Voting Rights Form, and exercise your voting rights again.

\* You can access the website for personal computer by scanning the QR Code again.

### **Entering the voting code and password**

Website for exercise of voting rights: <https://www.web54.net>

1. Please access the website for exercise of voting rights.  
Click “Proceed to the next.”
2. Please enter the voting code given on Exercise of Voting Rights Form.  
Enter the voting code.  
Click “Login.”
3. Please enter the password given on Exercise of Voting Rights Form.  
Enter the initial password.  
Enter a new password that you will actually use.  
Click “Register.”
4. Please follow the instructions that appear on the screen to input approval or disapproval to each agenda item.

For enquiries on operations of your personal computer or smartphone for the exercise of voting rights by the internet, please contact the following:

Sumitomo Mitsui Trust Bank Limited, Securities Web Support Helpline 0120-652-031 (Toll free) (Open: 9:00 - 21:00)
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Institutional investors may use the Platform for Electronic Exercise of Votes for institutional investors administered by ICJ, Inc.

## Reference Documents for the General Meeting of Shareholders

### Agenda Item 1: Election of Ten (10) Directors

The term of all of the nine (9) Directors currently in office (Hirobumi Koga, Nobuo Nakayama, Hiroshi Kino, Takeshi Gohara, Yuji Itoi, Tomoaki Kiriyama, Taizaburo Nakano, Takashi Hirai and Maoko Kikuchi) will expire at the close of this General Meeting of Shareholders.

Therefore, the Company proposes to increase the number of Directors by one (1) and to appoint ten (10) Directors in order to further strengthen the management structure and enhance corporate governance.

The candidates for Directors are as follows.

#### [Reference] Candidate List

Candidate No.	Name		Current Position	Attendance at Board of Directors meetings	Tenure as Director	
1	Hirobumi Koga	(Age 64)	Reelection	Representative Director President & CEO	16/16 100%	9 years
2	Nobuo Nakayama	(Age 72)	Reelection	Representative Director Senior Managing Director	16/16 100%	8 years
3	Hiroshi Kino	(Age 61)	Reelection	Executive Managing Director	16/16 100%	2 years
4	Takeshi Gohara	(Age 58)	Reelection	Executive Managing Director	16/16 100%	6 years
5	Yuji Itoi	(Age 65)	Reelection	Directors Senior Executive Officer	13/13 100%	1 year
6	Tomoaki Kiriyama	(Age 56)	Reelection	Directors Senior Executive Officer	13/13 100%	1 year
7	Taizaburo Nakano	(Age 76)	Reelection Outside Independent	Outside Director	16/16 100%	5 years
8	Takashi Hirai	(Age 58)	Reelection Outside Independent	Outside Director	16/16 100%	4 years
9	Maoko Kikuchi	(Age 57)	Reelection Outside Independent	Outside Director	16/16 100%	3 years
10	Takashi Tsukioka	(Age 72)	New election Outside Independent	—	—	—

Reelection Candidate for Director to be reelected

New election Candidate for Director to be newly elected

Outside Candidate for outside Director

Independent Independent director as stipulated by the Tokyo Stock Exchange

\* The “Company” as indicated in column “Career summary” refers to MITSUI-SOKO HOLDINGS Co., Ltd. (the corporate name before the change on October 1, 2014 was MITSUI-SOKO Co., Ltd.)

Candidate No.	Name (Date of birth)	Career summary	Number of shares of the Company held
1	Hirobumi Koga (August 15, 1958)  Reelection  Responsibilities CEO, Chairman of the Board of Directors of the Group	Apr. 1981      Joined The Mitsui Bank, Limited (currently Sumitomo Mitsui Banking Corporation) Apr. 2013      Managing Executive Officer of Sumitomo Mitsui Banking Corporation May 2014      Joined the Company June 2014      Director of the Company Jan. 2016      Senior Vice President and Director of MITSUI-SOKO TRANSPORT Co., Ltd. June 2016      Executive Managing Director of the Company June 2017      Representative Director, President & CEO of the Company (to the present)  Representative Director and Chairman of MITSUI-SOKO EXPRESS Co., Ltd. (to the present) Apr. 2022      Chairman of MITSUI-SOKO TRANSPORT Co., Ltd. (to the present)  (Significant concurrent positions) Representative Director and Chairman of MITSUI-SOKO EXPRESS Co., Ltd. Chairman of MITSUI-SOKO TRANSPORT Co., Ltd.	9,226
(Reasons for nomination) Mr. Hirobumi Koga has extensive experience and wide-ranging knowledge as an operator of a business entity, and has demonstrated his leadership as the Group’s top management. He has the experience and skills suited to director of the Company, and we have nominated him again as a candidate for director.			
2	Nobuo Nakayama (September 1, 1950)  Reelection  Responsibilities In charge of Finance Headquarters, Chief Financial Officer	Apr. 1975      Joined The Mitsui Bank, Limited (currently Sumitomo Mitsui Banking Corporation) Apr. 2007      Joined the Company June 2015      Executive Managing Director of the Company Jan. 2016      Auditor of MITSUI-SOKO EXPRESS Co., Ltd. Auditor of MITSUI-SOKO TRANSPORT Co., Ltd. (to the present) Apr. 2016      Director of MITSUI-SOKO LOGISTICS Co., Ltd. June 2017      Representative Director and Senior Managing Director of the Company (to the present) Apr. 2018      Director of MITSUI-SOKO Co., Ltd. (to the present) Director of MITSUI-SOKO Supply Chain Solutions, Inc. (to the present)  (Significant concurrent positions) Director of MITSUI-SOKO Co., Ltd. Director of MITSUI-SOKO Supply Chain Solutions, Inc. Auditor of MITSUI-SOKO TRANSPORT Co., Ltd.	7,359
(Reasons for nomination) Since joining the Company, Mr. Nobuo Nakayama has been involved in the Group management in a wide range of areas, including the Overseas Business Headquarters, Risk Management Headquarters, Finance and Accounting Headquarters and Real Estate Headquarters. He has the experience and skills suited to director of the Company, and we have nominated him again as a candidate for director.			

Candidate No.	Name (Date of birth)	Career summary	Number of shares of the Company held
3	Hiroshi Kino (October 9, 1961)  Reelection  Responsibilities In charge of personnel, human resources and real estate business	<p>Apr. 1984      Joined the Company</p> <p>Apr. 2014      Executive Officer of the Company</p> <p>Oct. 2014      Senior Executive Officer of MITSUI-SOKO Co., Ltd.</p> <p>Apr. 2015      Director, Senior Executive Officer of MITSUI-SOKO Co., Ltd.</p> <p>Apr. 2016      Representative Director and President of MITSUI-SOKO BUSINESS TRUST Co., Ltd.</p> <p>Apr. 2017      Senior Executive Managing Director of MITSUI-SOKO Co., Ltd.</p> <p>June 2017      Director of the Company</p> <p>                    Representative Director and President of MITSUI-SOKO Co., Ltd.</p> <p>June 2019      Representative Director and President of MITSUI-SOKO Co., Ltd.</p> <p>Apr. 2021      Senior Executive Officer of the Company</p> <p>                    Director of MITSUI-SOKO LOGISTICS Co., Ltd. (to the present)</p> <p>                    Auditor of MITSUI-SOKO EXPRESS Co., Ltd.</p> <p>June 2021      Executive Managing Director of the Company (to the present)</p> <p>(Significant concurrent positions)</p> <p>Director of MITSUI-SOKO LOGISTICS Co., Ltd.</p>	3,765
(Reasons for nomination) Mr. Hiroshi Kino has been involved in the Group management in a wide range of areas, including serving as the person responsible for the Sales Headquarters, Human Resources Headquarters, IT Systems Headquarters and as representative director and president of operating subsidiaries. He has the experience and skills suited to director of the Company, and we have again nominated him as a candidate for director.			
4	Takeshi Gohara (September 18, 1964)  Reelection  Responsibilities In charge of legal and general affairs, risk management, and responsible for compliance	<p>Apr. 1987      Joined the Company</p> <p>                    Representative Director and Senior Executive</p> <p>Apr. 2013      Managing Director of MITSUI-SOKO EXPRESS Co., Ltd.</p> <p>June 2017      Director, Senior Executive Officer of the Company</p> <p>                    Director of MITSUI-SOKO LOGISTICS Co., Ltd.</p> <p>                    Director of MITSUI-SOKO Supply Chain Solutions, Inc.</p> <p>Apr. 2018      Director of MITSUI-SOKO Co., Ltd.</p> <p>Apr. 2022      Director of MITSUI-SOKO LOGISTICS Co., Ltd. (to the present)</p> <p>                    Auditor of MITSUI-SOKO EXPRESS Co., Ltd. (to the present)</p> <p>June 2022      Executive Managing Director of the Company (to the present)</p> <p>(Significant concurrent positions)</p> <p>Director of MITSUI-SOKO LOGISTICS Co., Ltd.</p> <p>Auditor of MITSUI-SOKO EXPRESS Co., Ltd.</p>	4,603
(Reasons for nomination) Mr. Takeshi Gohara has been involved in the Group management in a wide range of areas, including at the Management and Planning Headquarters, Strategic Sales Headquarters, Development Administration Headquarters, and Air Cargo Business Headquarters, as well as an officer of operating subsidiaries. He has the experience and skills suited to director of the Company, and we have nominated him again as a candidate for director.			



Candidate No.	Name (Date of birth)	Career summary	Number of shares of the Company held
5	Yuji Itoi (March 25, 1958)  Reelection  Responsibilities In charge of information systems	Apr. 1981    Joined IBM Japan, Ltd. May 2009    Joined Oracle Corporation Japan Aug. 2012    Joined the Company Apr. 2013    General Manager of Information Systems Business Division of the Company Apr. 2016    Executive Officer of the Company Apr. 2022    Senior Executive Officer of the Company June 2022    Director, Senior Executive Officer of the Company (to the present) (Significant concurrent positions) —	2,645
	(Reasons for nomination) Mr. Yuji Itoi has rich working experience in the IT and digital industry and expert knowledge. He has been involved in the Group management in a wide range of areas as the chief in charge of Group-wide Information Systems Division. He has the experience and skills suited to director of the Company, and we have nominated him again as a candidate for director.		
6	Tomoaki Kiriyaama (December 20, 1966)  Reelection  Responsibilities In charge of strategic sales and development administration	Apr. 1990    Joined the Company Apr. 2013    General Manager of Business Development Division of the Company Apr. 2018    Executive Officer of the Company Apr. 2022    Senior Executive Officer of the Company Director of MITSUI-SOKO Co., Ltd. (to the present) Director of MITSUI-SOKO Supply Chain Solutions, Inc. (to the present) June 2022    Director, Senior Executive Officer of the Company (to the present) (Significant concurrent positions) Director of MITSUI-SOKO Co., Ltd. Director of MITSUI-SOKO Supply Chain Solutions, Inc.	7,364
	(Reasons for nomination) Mr. Tomoaki Kiriyaama has wide-ranging, expert knowledge and experience related to logistics operations such as P&M (pharmaceutical and medical equipment, etc.), and has been involved in the Group management in a wide range of areas, as the chief in charge of Group-wide Strategic Sales Headquarters and Development Administration Headquarters. He has the experience and skills suited to director of the Company, and we have nominated him again as a candidate for director.		

Candidate No.	Name (Date of birth)	Career summary	Number of shares of the Company held
7	<p>Taizaburo Nakano (March 11, 1947)</p> <p>Reelection Outside Independent</p> <p>Responsibilities —</p>	<p>Apr. 1969      Joined The Mitsubishi Bank, Limited (currently MUFG Bank, Ltd.)</p> <p>June 1973      Joined Tokyo Coca-Cola Bottling Co., Ltd. (currently Coca-Cola Bottlers Japan Inc.)</p> <p>Dec. 1991      Director of the above company</p> <p>Mar. 1996      Managing Director of the above company</p> <p>Mar. 2000      Senior Managing Director of the above company</p> <p>Mar. 2003      Representative Director &amp; Vice President of the above company</p> <p>Jan. 2009      Director, Vice President and Executive Officer of the above company</p> <p>Nov. 2013      Representative Director, President &amp; CEO of TIEUP Co., Ltd. (to the present)</p> <p>June 2018      Outside Director of the Company (to the present)</p> <p>(Significant concurrent positions) Representative Director, President &amp; CEO of TIEUP Co., Ltd.</p>	—
<p>(Reasons for nomination and overview of expected roles)</p> <p>Mr. Taizaburo Nakano has served as a director at a beverage company for many years, and has rich experience as a corporate manager. Based on his experience and, in particular, in light of the supervision, advice, etc. he has provided the Group's management policy from the perspective of a manager, the Company expects him to continue serving in the same capacity. Therefore, we have nominated him again as a candidate for outside director. In addition, if he is elected, the Company plans for him to be involved in selecting candidates for the Company's officers and determining remuneration, etc. of officers from an objective and neutral standpoint as a member of the Nomination and Remuneration Committee.</p>			

Candidate No.	Name (Date of birth)	Career summary	Number of shares of the Company held
8	<p style="text-align: center;">Takashi Hirai (February 24, 1965)</p> <p style="text-align: center;">Reelection Outside Independent</p> <p style="text-align: center;">Responsibilities —</p>	<p>Apr. 1989      Joined Bain &amp; Company Japan, Inc.</p> <p>July 1997      Joined Dell Japan Inc.</p> <p>Mar. 2000      Director &amp; Chief Marketing Officer of Crayfish Co., Ltd.</p> <p>Apr. 2001      Head of Corporate Planning Division/Officer of Starbucks Coffee Japan, Ltd.</p> <p>Sept. 2003      Executive Officer and Senior Partner of Roland Berger Ltd.</p> <p>Sept. 2014      Visiting Professor of Graduate School of Business Administration, Keio University</p> <p>Apr. 2015      Visiting Professor of Waseda Business School (Graduate School of Business and Finance), Waseda University (to the present)</p> <p>Mar. 2017      Professor of Graduate School of Business Sciences of MBA Program in International Business, University of Tsukuba (to the present)</p> <p>June 2017      Outside Director of KITO CORPORATION</p> <p>June 2019      Outside Director of the Company (to the present)</p> <p>(Significant concurrent positions)</p> <p>Professor of Graduate School of Business Sciences of MBA Program in International Business, University of Tsukuba</p> <p>Visiting Professor of Waseda Business School (Graduate School of Business and Finance), Waseda University</p>	1,994
<p>(Reasons for nomination and overview of expected roles)</p> <p>Mr. Takashi Hirai has experience of practical business operations at various companies and consulting in a wide range of industries. He is currently conducting research on corporate strategies and business strategies in different graduate schools. Based on his rich experience and insight, in particular, in light of the supervision, advice, etc. he has provided regarding the Group's business strategies from the perspective of a professional, the Company expects him to continue serving in the same capacity. Therefore, we have nominated him again as a candidate for outside director. In addition, if he is elected, the Company plans for him to be involved in selecting candidates for the Company's officers and determining remuneration, etc. of officers from an objective and neutral standpoint as a member of the Nomination and Remuneration Committee.</p>			

Candidate No.	Name (Date of birth)	Career summary	Number of shares of the Company held
9	<p data-bbox="359 533 513 593">Maoko Kikuchi (July 14, 1965)</p> <p data-bbox="379 629 493 719">Reelection Outside Independent</p> <p data-bbox="359 757 513 786">Responsibilities —</p>	<p data-bbox="614 275 1235 320">Apr. 1992    Joined Public Prosecutors Office of Ministry of Justice as a Public Prosecutor</p> <p data-bbox="614 331 1235 376">Aug. 1997    Joined Paul Hastings LLP, Los Angeles Office</p> <p data-bbox="614 387 1235 432">Mar. 1999    Registered as an attorney at law in Japan and in New York State, U.S.</p> <p data-bbox="614 443 1235 510">                  Joined Nagashima &amp; Ohno (currently Nagashima Ohno &amp; Tsunematsu)</p> <p data-bbox="614 521 1235 566">Apr. 2004    Joined General Secretariat, Fair Trade Commission</p> <p data-bbox="614 577 1235 645">May 2006    Executive Officer and CCO of Vodafone K.K. (currently SoftBank Corp.)</p> <p data-bbox="614 656 1235 701">Apr. 2014    Executive Officer of Microsoft Japan Co., Ltd.</p> <p data-bbox="614 712 1235 757">June 2016    Standing Outside Audit &amp; Supervisory Board Member of the Company</p> <p data-bbox="614 768 1235 813">                  Auditor of MITSUI-SOKO Co., Ltd.</p> <p data-bbox="614 824 1235 869">                  Auditor of MITSUI-SOKO Supply Chain Solutions, Inc.</p> <p data-bbox="614 880 1235 947">June 2020    Outside Director of the Company (to the present)</p> <p data-bbox="614 958 1235 1025">                  Outside Audit &amp; Supervisory Board Member of KADOKAWA CORPORATION</p> <p data-bbox="614 1037 1235 1104">July 2020    Outside Director of Hitachi Construction Machinery Co., Ltd. (to the present)</p> <p data-bbox="614 1115 1235 1160">(Significant concurrent positions)</p> <p data-bbox="614 1171 1235 1216">Outside Director of Hitachi Construction Machinery Co., Ltd.</p>	800
<p data-bbox="272 1093 834 1122">(Reasons for nomination and overview of expected roles)</p> <p data-bbox="272 1126 1449 1368">Ms. Maoko Kikuchi is licensed to practice law in Japan and the U.S. State of New York, and has been engaged in corporate legal affairs while working at the Public Prosecutor's Office and the Fair Trade Commission. Furthermore, she has rich experience and insight gained as a standing outside audit &amp; supervisory board member of the Company. Based on the valuable advice she has provided regarding the Group's overall business activities utilizing her experience and insight, the Company expects her to continue serving in the same capacity. Therefore, we have nominated her again as a candidate for outside director. In addition, if she is elected, the Company plans for her to be involved in selecting candidates for the Company's officers and determining remuneration, etc. of officers from an objective and neutral standpoint as a member of the Nomination and Remuneration Committee.</p>			

Candidate No.	Name (Date of birth)	Career summary	Number of shares of the Company held
10	Takashi Tsukioka May 15, 1951  New election Outside Independent  Responsibilities —	Apr. 1975      Joined Idemitsu Kosan Co. Ltd. June 2009      Director of the above company June 2010      Managing Director & Managing Executive Officer of the above company Apr. 2011      Managing Director of the above company June 2012      Executive Vice President & Representative Director of the above company June 2013      Representative Director & Chief Executive Officer of the above company Apr. 2018      Chairman & Representative Director of the above company June 2020      Special Advisor of the above company June 2021      Outside Director of Mizuho Financial Group, Inc. (to the present) July 2022      Honorary Advisor of Idemitsu Kosan Co., Ltd. (to the present) (Significant concurrent positions) Outside Director of Mizuho Financial Group, Inc. Honorary Advisor of Idemitsu Kosan Co., Ltd.	—
(Reasons for nomination and overview of expected roles) Mr. Takashi Tsukioka has extensive experience as a corporate manager, having served for many years as a director, and as president and chairman, of an energy company. Based on his experience and wide-ranging knowledge, the Company expects him to supervise and provide advice on corporate management, ESG, human resource development and human resources for the Group. Therefore, we have nominated him as a candidate for outside director. In addition, if he is elected, the Company plans for him to be involved in selecting candidates for the Company's officers and determining remuneration, etc. of officers from an objective and neutral standpoint as a member of the Nomination and Remuneration Committee.			

- (Notes)
- There is no special conflict of interest between each candidate and the Company.
  - The number of shares of the Company held by each candidate is stated including such shares held through the MITSUI-SOKO GROUP Officer Shareholding Association.
  - Mr. Taizaburo Nakano, Mr. Takashi Hirai, Ms. Maoko Kikuchi, and Mr. Takashi Tsukioka are candidates for outside directors.
  - Mr. Taizaburo Nakano was elected as our outside director at the 170th Ordinary General Meeting of Shareholders held on June 27, 2018, and his tenure will have been five (5) years at the close of this General Meeting of Shareholders.
  - Mr. Takashi Hirai was elected as our outside director at the 171st Ordinary General Meeting of Shareholders held on June 26, 2019, and his tenure will have been four (4) years at the close of this General Meeting of Shareholders.
  - Ms. Maoko Kikuchi was elected as our outside director at the 172nd Ordinary General Meeting of Shareholders held on June 24, 2020, and her tenure will have been three (3) years at the close of this General Meeting of Shareholders. Including her time as outside audit & supervisory board member, the total length of service will have been seven (7) years.
  - Mr. Taizaburo Nakano, Mr. Takashi Hirai and Ms. Maoko Kikuchi are currently the Company's outside directors, and in accordance with the Articles of Incorporation of the Company and the provisions of paragraph (1), Article 427 of the Companies Act, the Company has entered into a contract with each of them for limitation of liability for damages to be incurred by the Company pursuant to paragraph (1), Article 423 of the Companies Act. The liability for damages under the contract is either up to the limitation of ¥15 million or the minimum liability amount as set out in paragraph (1), Article 425 of the Companies Act, whichever is the higher. The contract will be renewed if their proposed reelections are approved.  
If the election of Mr. Takashi Tsukioka is approved, the Company plans to enter into a new contract with him for limitation of liability for damages in the same manner.
  - Some officers of KADOKAWA CORPORATION, where Ms. Maoko Kikuchi served as an Outside Audit & Supervisory Board Member from June 2020 to June 2022, was indicted by the Tokyo District Public Prosecutor's Office from September to October 2022 on suspicion of bribery in connection to a contract signed in June 2019. This contract was entered into prior to the appointment of Ms. Kikuchi as Outside Audit & Supervisory Board Member, and Ms. Kikuchi had already retired from her position at the time this fact came to light. She fulfilled her responsibilities at meetings of the Board of Directors, etc., by providing advice and reminders from the viewpoint of compliance with laws and regulations, etc. on a daily basis.

9. Mizuho Financial Group, Inc., where Mr. Takashi Tsukioka has served as an Outside Director since June 2021, received a business improvement order from the Financial Services Agency in November 2021 in connection with a series of system failures at its subsidiary Mizuho Bank, Ltd. that occurred between February and September 2021. This incident occurred before Mr. Tsukioka became an Outside Director. After this incident was came to light, Mr. Tsukioka served as a member of the System Failure Special Investigative Committee established by Mizuho Financial Group, Inc. and provided opinions and recommendations regarding preventive measures. At the Board of Directors' meetings, he fulfilled his responsibilities by reporting on the contents of the Committee's inspections, etc., and by taking measures to strengthen the supervisory function of the Committee.
10. The Company has entered into a directors and officers liability insurance policy with an insurance company as provided for in paragraph (1), Article 430-3 of the Companies Act, with directors, audit & supervisory board members, and executive officers of the Company and all its subsidiaries included as the insureds. The policy covers damages, litigation expenses, etc. incurred by the insured from claims for damages arising from acts (including nonfeasance) carried out through duties as an officer of the Company, and the insurance premiums for the insured are fully borne by the Company. If each candidate assumes the office as director, he/she will be included as an insured in this policy. In addition, the Company plans to renew the policy with the same details during the insureds' terms of office.
11. The Company has filed notification that Mr. Taizaburo Nakano, Mr. Takashi Hirai and Ms. Maoko Kikuchi are independent directors under the rules of the Tokyo Stock Exchange. If their reelections are approved, they will remain independent directors.

Mr. Takashi Tsukioka satisfies the requirements for an independent director, and if his election is approved, the Company intends to submit a notification to the Tokyo Stock Exchange on his designation as an independent director.

**Agenda Item 2:** Election of One (1) Audit & Supervisory Board Member

Of the current four (4) Audit & Supervisory Board Members, the term of Osamu Sudoh will expire at the close of this General Meeting of Shareholders.

Accordingly, we propose the election of one (1) Audit & Supervisory Board Member. The Audit & Supervisory Board has given its consent to this agenda item.

The candidate for Audit & Supervisory Board Member is as follows.

Name (Date of birth)	Career summary	Number of shares of the Company held
<p>Hidetaka Miyake April 15, 1972</p> <p>New election Outside Independent</p>	<p>Apr. 2000      Joined Public Prosecutors Office of Ministry of Justice as a Public Prosecutor</p> <p>June 2004      Registered as an attorney at law Joined Ashurst LLP, Tokyo Office (currently Ashurst Horitsu Jimusho Gaikokuho Kyodo Jigyo)</p> <p>Jan. 2010      Joined the Securities and Exchange Surveillance Commission, Financial Services Agency</p> <p>July 2013      Joined Ernst &amp; Young ShinNihon LLC</p> <p>Apr. 2017      Joined Anderson Mori &amp; Tomotsune LPC (currently Anderson Mori &amp; Tomotsune)</p> <p>Jan. 2020      Partner of the above law office (to the present)</p> <p>(Significant concurrent positions) Partner of Anderson Mori &amp; Tomotsune</p>	<p>—</p>
<p>(Reasons for nomination)</p> <p>Mr. Hidetaka Miyake has wide-ranging knowledge as an attorney and extensive experience at the Public Prosecutors Office, the Securities and Exchange Surveillance Commission of the Financial Services Agency, and an auditing firm. The Company expects him to play an active role in improving the soundness, transparency and compliance of the governance of the Group through auditing from the perspective of law, risk management, and other areas. Therefore, we have nominated him as a candidate for outside audit &amp; supervisory board member.</p>		

- (Notes)
1. There is no special conflict of interest between Mr. Hidetaka Miyake and the Company.
  2. Mr. Hidetaka Miyake is a candidate for outside audit & supervisory board member.
  3. Although Mr. Hidetaka Miyake has not been involved in corporate management, the Company judges he will appropriately fulfill his duties as outside audit & supervisory board member as stated in the reasons for nomination.
  4. If Mr. Hidetaka Miyake assumes the office of outside audit & supervisory board member, and in accordance with the Articles of Incorporation of the Company and the provisions of paragraph (1), Article 427 of the Companies Act, the Company is expected to enter into a contract with him for limitation of liability for damages to be incurred by the Company pursuant to paragraph (1), Article 423 of the Companies Act. The liability for damages under the contract is either up to the limitation of ¥10 million or the minimum liability amount as set out in paragraph (1), Article 425 of the Companies Act, whichever is the higher.
  5. The Company has entered into a directors and officers liability insurance policy with an insurance company as provided for in paragraph (1), Article 430-3 of the Companies Act, with directors, audit & supervisory board members, and executive officers of the Company and all its subsidiaries included as the insureds. The policy covers damages, litigation expenses, etc. incurred by the insured from claims for damages arising from acts (including nonfeasance) carried out through duties as an officer of the Company, and the insurance premiums for the insured are fully borne by the Company. If Mr. Hidetaka Miyake assumes the office as audit & supervisory board member, he will be included as an insured in this policy. In addition, the Company plans to renew the policy with the same details during the insureds' terms of office.
  6. Mr. Hidetaka Miyake satisfies the requirements for an independent audit & supervisory board member, and if his election is approved, the Company intends to submit a notification to the Tokyo Stock Exchange on his designation as an independent audit & supervisory board member.

**Agenda Item 3:** Election of One (1) Substitute Audit & Supervisory Board Member

The Company requests approval for the election of one (1) substitute Audit & Supervisory Board Member to be ready to fill a vacant position should the number of Audit & Supervisory Board Members fall below the number required by laws and regulations. The Audit & Supervisory Board has given its consent to this agenda item.

The candidate for Substitute Audit & Supervisory Board Member is as follows.

\* The “Company” as indicated in column “Career summary” refers to MITSUI-SOKO HOLDINGS Co., Ltd. (the corporate name before the change on October 1, 2014 was MITSUI-SOKO Co., Ltd.)

Name (Date of birth)	Career summary	Number of shares of the Company held
<p style="text-align: center;">Junko Kai (September 29, 1967)</p> <p style="text-align: center;">Reelection Outside Independent</p>	<p>Apr. 1992 Registered as an attorney at law (Daini Tokyo Bar Association)</p> <p>Dec. 2002 Partner of HAMANI, TAKAHASHI, &amp; KAI LAW OFFICE (to the present)</p> <p>Mar. 2007 Lecturer of Criminal Defense at Legal Training and Research Institute</p> <p>Apr. 2010 Conciliation Committee Member of Tokyo Family Court</p> <p>July 2010 Reserve Committee Member of Disciplinary Committee, The Japanese Institute of Certified Public Accountants</p> <p>Oct. 2010 Examiner of National Bar Examination (Code of Criminal Procedure)</p> <p>Examiner of National Preliminary Bar Examination (Code of Criminal Procedure)</p> <p>June 2014 Committee Member of Pension Special Account Public Procurement Committee of Ministry of Health, Labour and Welfare (to the present)</p> <p>Oct. 2015 Special Member of Central Construction Work Disputes Committee of Ministry of Land, Infrastructure, Transport and Tourism (to the present)</p> <p>Feb. 2016 Committee Member of Disciplinary Committee of Daini Tokyo Bar Association</p> <p>June 2017 Substitute Audit &amp; Supervisory Board Member of Idemitsu Kosan Co., Ltd. (to the present)</p> <p>June 2019 Outside Director of NARITA INTERNATIONAL AIRPORT CORPORATION (to the present)</p> <p>June 2020 Substitute Audit &amp; Supervisory Board Member of the Company (to the present)</p> <p>June 2021 Outside Audit &amp; Supervisory Board Member of JSR Corporation (to the present)</p> <p>Mar. 2022 Outside Director of THK CO., LTD. (to the present)</p> <p>(Significant concurrent positions)</p> <p>Partner of HAMANI, TAKAHASHI, &amp; KAI LAW OFFICE</p> <p>Outside Director of NARITA INTERNATIONAL AIRPORT CORPORATION</p> <p>Outside Audit &amp; Supervisory Board Member of JSR Corporation</p> <p>Outside Director of THK CO., LTD.</p>	—
<p>(Reasons for nomination)</p> <p>Ms. Junko Kai possesses wide-ranging knowledge as a lawyer. Accordingly, we expect that she will work to improve the soundness of the Group’s governance and raise transparency and compliance through audits, Therefore, we have nominated her as a candidate for substitute outside audit &amp; supervisory board member.</p>		

- (Notes)
1. There is no special conflict of interest between Ms. Junko Kai and the Company.
  2. Ms. Junko Kai is a candidate for substitute outside audit & supervisory board member.
  3. Although Ms. Junko Kai has not been involved in corporate management other than having acted as outside officer, the Company judges she will appropriately fulfill her duties as outside audit & supervisory board member as stated in the reasons for nomination.



4. If Ms. Junko Kai assumes the office of outside audit & supervisory board member, and in accordance with the Articles of Incorporation of the Company and the provisions of paragraph (1), Article 427 of the Companies Act, the Company is expected to enter into a contract with her for limitation of liability for damages to be incurred by the Company pursuant to paragraph (1), Article 423 of the Companies Act. The liability for damages under the contract is either up to the limitation of ¥10 million or the minimum liability amount as set out in paragraph (1), Article 425 of the Companies Act, whichever is the higher.
5. The Company has entered into a directors and officers liability insurance policy with an insurance company as provided for in paragraph (1), Article 430-3 of the Companies Act, with directors, audit & supervisory board members, and executive officers of the Company and all its subsidiaries included as the insureds. The policy covers damages, litigation expenses, etc. incurred by the insured from claims for damages arising from acts (including nonfeasance) carried out through duties as an officer of the Company, and the insurance premiums for the insured are fully borne by the Company. If Ms. Junko Kai assumes the office as audit & supervisory board member, she will be included as an insured in this policy. In addition, the Company plans to renew the policy with the same details during the insureds' terms of office.
6. Ms. Junko Kai satisfies the requirements for an independent audit & supervisory board member, and if she assumes the office of outside audit & supervisory board member, the Company intends to again submit a notification to the Tokyo Stock Exchange on her designation as an independent audit & supervisory board member.

**Reference**

**Skills Matrix of Directors and Audit & Supervisory Board Members**

After the approval of Agenda Item 1 and Agenda Item 2, the management structure will be as follows.

			Corporate management	Sales/marketing	Global business
Hirobumi Koga	Representative Director President & CEO	CEO of the Group Chairman of the Board of Directors	○	○	○
Nobuo Nakayama	Representative Director Senior Managing Director	In charge of finance, accounting	○		○
Hiroshi Kino	Executive Managing Director	In charge of personnel, human resources and real estate business	○		
Takeshi Gohara	Executive Managing Director	In charge of legal and general affairs, risk management	○	○	
Yuji Itoi	Director Senior Executive Officer	In charge of information systems			
Tomoaki Kiriyaama	Director Senior Executive Officer	In charge of strategic sales and development administration		○	
Taizaburo Nakano	Outside Director		○	○	○
Takashi Hirai	Outside Director			○	○
Maoko Kikuchi	Outside Director				○
Takashi Tsukioka	Outside Director		○		
Yukio Ishida	Senior Standing Audit & Supervisory Board Member		○	○	
Norio Miyashita	Standing Audit & Supervisory Board Member		○		
Motohide Ozawa	Outside Audit & Supervisory Board Member				
Hidetaka Miyake	Outside Audit & Supervisory Board Member				

	DX/IT	Operation	ESG	Financial accounting/Finance	Human resources development/personnel	Law/risk management
Hirobumi Koga			○	○	○	○
Nobuo Nakayama			○	○		○
Hiroshi Kino	○	○			○	
Takeshi Gohara		○				○
Yuji Itoi	○					
Tomoaki Kiriyama		○				
Taizaburo Nakano						
Takashi Hirai	○					
Maoko Kikuchi			○			○
Takashi Tsukioka			○		○	
Yukio Ishida						
Norio Miyashita				○		
Motohide Ozawa				○		
Hidetaka Miyake						○

(Notes) 1. The table is not indicative of all the expertise and experience possessed by the Directors and Audit & Supervisory Board Members.

2. The total number of directors is ten (10), with four (4) independent outside directors (40.0% of the board) and one (1) female director (10.0% of the board).

The Company aims to achieve top-line growth by mobilizing the Group's collective strength, while reinforcing operational competitiveness and building management foundation to support the deepening. To realize these, we have nominated Directors and Audit & Supervisory Board Members to ensure a good overall balance of knowledge, experience and skill, while achieving both diversity and appropriate scale.

(Attached documents)

## **Business Report**

(From April 1, 2022 to March 31, 2023)

### **1. Business progress and achievement of the corporate group**

#### **(1) Business activities and results**

During the fiscal year under review, the Japanese economy continued to resume economic and social activity, despite the protracted situation in Ukraine, rising prices, and other limiting factors. In the environment of the logistics industry, the effects of supply chain disruptions, as evidenced by shortages in the supply of sea and air transportation space and steep rises in freight rates, began to subside.

In this economic environment, the Group launched a new five-year plan, "Medium-Term Management Plan 2022," from the fiscal year under review, with the pillars of its growth strategy being Top-line Growth by Mobilizing the Group's Collective Strength, Reinforcement of Operational Competitiveness, and Building Management Foundations to Support the Deepening. The Group has been expanding new and existing businesses in a well-balanced manner by accurately grasping customer needs.

The operating situation of MITSUI-SOKO HOLDINGS Co., Ltd. (the "Company") and its group companies included an increase in handling for forwarding operations due to the securing of flexible space amid the lingering effects of supply chain disruptions. In addition, there was an increase in handling for overseas logistics operations due to proposals to streamline logistics operations from overseas to domestic in response to changing customer needs. As a result, consolidated operating revenue amounted to ¥300,836 million, down ¥185 million, or 0.1%, year on year, consolidated operating profit was ¥25,961 million, up ¥22 million, or 0.1%, consolidated ordinary profit was ¥26,533 million, up ¥980 million, or 3.8%, and profit attributable to owners of parent was ¥15,617 million, up ¥1,113 million, or 7.7%, setting a new record-high profit for the third year in a row.

## **Logistics Business**

### **Operating revenue**

¥292,022 million

(Down ¥190 million year on year)

### **Operating profit**

¥23,923 million

(Up ¥188 million year on year)

In addition to an increase in handling for forwarding operations due to the securing of flexible space amid the lingering effects of supply chain disruptions, there was an increase in handling for overseas logistics operations due to proposals to streamline logistics operations from overseas to domestic in response to changing customer needs. There were also contributions from proposals for alternative transportation routes that contribute to BCP measures and logistics solutions to reduce environmental impact. Furthermore, handling volume increased as a result of the year-round operation of a newly built warehouse exclusively for healthcare logistics and a logistics center for consumer electronics retailers and e-commerce. As a result, operating revenue amounted to ¥292,022 million, down ¥190 million, or 0.1%, year on year, and operating profit was ¥23,923 million, up ¥188 million, or 0.8%.

## **Real Estate Business**

### **Operating revenue**

¥9,629 million

(UP ¥54 million year on year)

### **Operating profit**

¥5,908 million

(Up ¥110 million year on year)

Operating revenue amounted to ¥9,629 million, up ¥54 million, or 0.6%, year on year, and operating profit was ¥5,908 million, up ¥110 million, or 1.9%, both of which are nearly unchanged from the level as the previous fiscal year.

Consolidated operating revenue by business segment of the corporate group

(Millions of yen)

Business segment	The fiscal year under review (From April 1, 2022 to March 31, 2023)
Logistics	292,022
Real estate	9,629
Total	301,651
Adjustment(s)*	(815)
Amount recorded in the Consolidated Financial Statements	300,836

\* The amount stated as adjustment consists of an amount of intersegment revenue or transfers.

**(2) Financing activities**

During the fiscal year under review, the Group procured ¥1,997 million in long-term borrowings from financial institutions to meet its financing requirements.

**(3) Capital investments**

- (i) During the fiscal year under review, capital investment including investment in intangible assets amounted to ¥5,745 million on a payment basis.
- (ii) Changes in major facilities arising during the fiscal year under review are as follows:
  - 1. Major facilities completed or acquired  
Not applicable
  - 2. Decrease in major facilities  
Not applicable
  - 3. Major facilities under construction as at the end of the period  
Not applicable

#### (4) Changes in assets and operating results

##### (i) Status of the corporate group

Category	172nd fiscal year (From April 1, 2019 to March 31, 2020)	173rd fiscal year (From April 1, 2020 to March 31, 2021)	174th fiscal year (From April 1, 2021 to March 31, 2022)	175th fiscal year (From April 1, 2022 to March 31, 2023)
Operating revenue (Millions of yen)	241,080	253,559	301,022	300,836
Operating profit (Millions of yen)	11,808	17,661	25,939	25,961
Ordinary profit (Millions of yen)	10,531	17,240	25,553	26,533
Profit attributable to owners of parent (Millions of yen)	6,395	11,549	14,503	15,617
Basic earnings per share (Yen)	257.50	465.01	583.98	628.08
Total assets (Millions of yen)	239,309	238,371	258,297	258,679
Net assets (Millions of yen)	54,842	68,529	88,631	104,078

##### (ii) Status of the Company

Category	172nd fiscal year (From April 1, 2019 to March 31, 2020)	173rd fiscal year (From April 1, 2020 to March 31, 2021)	174th fiscal year (From April 1, 2021 to March 31, 2022)	175th fiscal year (From April 1, 2022 to March 31, 2023)
Operating revenue (Millions of yen)	17,903	18,661	20,917	21,556
Operating profit (Millions of yen)	4,446	5,087	6,861	6,820
Ordinary profit (Millions of yen)	3,949	4,673	6,097	6,592
Profit attributable to owners of parent (Millions of yen)	945	7,758	5,644	7,119
Basic earnings per share (Yen)	38.08	312.38	227.25	286.33
Total assets (Millions of yen)	185,510	180,624	180,406	176,477
Net assets (Millions of yen)	35,559	40,327	44,230	47,900

## (5) Issues to be addressed

Having recognized a need to review its raison d'être as a corporate group in order to achieve a further leap forward and sustainable growth under a rapidly changing business environment, the Group formulated a new "Group Philosophy (Purpose, Vision, Values) in May 2022, and is formulating a five-year plan, the "Medium-Term Management Plan 2022," beginning in the fiscal year ended March 31, 2023 and ending in the fiscal year ending March 31, 2027.

### Group Philosophy

Going forward, this Group Philosophy will be positioned as the highest management concept. By promoting the new medium-term management plan that we have formulated under this philosophy, we will work to increase corporate value over the medium to long term and build a sustainable society, thereby meeting the expectations of our stakeholders and society.

### Purpose (meaning of our existence)

"Empower society, encourage progress"

### Vision (what we want to become in the medium- to long-term span)

"The co-creative logistics solutions partner. For everyday, emergency, and always will be"

### Values (corporate values and action guidelines)

PRIDE	Responsibility and pride in empowering our society
CHALLENGE	Strive to create and execute sustainable proposals for both our customers and society
GEMBA	Our frontline: The base of potential, power, and progress
RESPECT	Embrace diverse ideas, co-create new value

### Medium-Term Management Plan 2022

In our previous Medium-term Management Plan 2017, we positioned the first three years as a reversal period, focusing on strengthening our business profitability and rebuilding our financial base. In the last two years of the plan, we primarily worked on the three key areas for sustainable growth: Construction of Overwhelming Field Capabilities, Establishment of End-to-end Integrated Solution Services, and ESG Management.

As a result, we successfully achieved all of our numerical targets, attained the reversal of our business, and laid the foundation for sustainable growth in the future.

Under the new Medium-term Management Plan 2022, we aim to achieve further growth by deepening our efforts to date. As the first-call company that can be trusted by our customers, we will go on the offensive with aggressive investment, focusing on the three pillars of our growth strategy: Top-line Growth by Mobilizing the Group's Collective Strength, Reinforcement of Operational Competitiveness, and Building Management Foundations to Support the Deepening.

### Growth Strategy

#### (i) Top-line Growth by Mobilizing the Group's Collective Strength

We will promote a deepening of our integrated solution services, which is our unique business model, expanding our sustainability-oriented business with our competitive abilities to make and execute proposals, and digging deeper into our inter-industry operations by making the most of the Group's broad customer base and various logistics features.

#### (ii) Reinforcement of Operational Competitiveness

By deepening our efforts toward thorough standardization, we will realize our "overwhelming field capabilities" that combine the power of people with the power of technology. We also aim to secure a competitive advantage by improving the quality of our operations, and furthermore, to improve profitability by lowering the cost of operations.



(iii) Building Management Foundation to Support the Deepening

We will strengthen our management base in the following four aspects:

DX	Transformation of business models and reform of corporate culture
Co-creation	Creation of mechanisms to generate innovation and the strengthening of alliances with various platformers
Business Assets	Development of new office buildings and logistics facilities, enhancement of the asset value of existing facilities, and the improvement of the work environment
ESG	Reinforcement of efforts to realize a decarbonized society, an expansion of investment in human capital, and the enhancement of governance

Financial Strategy

In the Medium-term Management Plan 2017, we restrained investment and reduced interest-bearing debt in order to rebuild our financial base. In the Medium-term Management Plan 2022, we aim to achieve both proactive investment and enhanced shareholder returns based on the financial base and profitability established in the previous medium-term management plan.

- Make an investment of ¥130 billion in total.
  - ¥100 billion for strategic investment in growth areas, such as DX investment, investment in new equipment (physical distribution/real estate), and M&A
  - ¥30 billion for ordinary investment (investment in maintenance/renewal of existing facilities)
- Strengthen shareholder returns based on a payout ratio of 30%.
- Procure and operate based on the optimal debt-to-equity ratio of 1.0
- Set a target of return of equity (ROE) of over 12%, aiming to maintain a high level of capital efficiency.

Numerical Targets (End of March 31, 2027)

Operating revenue	¥350.0 billion
Operating profit	¥23.0 billion
Operating cash flow	¥30.0 billion

**(6) Significant subsidiaries**

Company name	Address	Share capital	Ownership ratio (%)	Major operations
MITSUI-SOKO Co., Ltd.	Minato-ku, Tokyo	¥5,000 million	100.0	Warehousing and port transportation
Mitsui-Soko Kyushu Co., Ltd.	Fukuoka-shi	¥200 million	100.0	Warehousing and port transportation
Mitsui-Soko Business Partners Co., Ltd.	Minato-ku, Tokyo	¥100 million	100.0	Warehousing
Mitex Logistics (Shanghai) Co., Ltd.	Shanghai, China	RMB34,210,000	100.0	Overseas logistics services
Mitsui-Soko (U.S.A.) Inc.	California, U.S.	US\$20 million	100.0	Overseas logistics services
PST CLC Mitsui-Soko, a.s.	Prague, Czech Republic	CZK80,010,000	100.0	Overseas logistics services
MITSUI-SOKO EXPRESS Co., Ltd.	Minato-ku, Tokyo	¥400 million	64.2	Airfreight forwarding
MSE Express America, Inc.	Illinois, U.S.	US\$200,000	64.2	Airfreight forwarding
MSE Express (Thailand) Co., Ltd.	Samut Prakan, Thailand	THB10,000,000	32.5	Airfreight forwarding
MITSUI-SOKO LOGISTICS Co., Ltd.	Chuo-ku, Tokyo	¥400 million	100.0	Third Party Logistics
MITSUI-SOKO Supply Chain Solutions, Inc.	Minato-ku, Tokyo	¥1,550 million	66.0	Supply chain management support
Logistics Operation Service Co., Ltd.	Shinagawa-ku, Tokyo	¥30 million	66.0	Supply chain management support
MS Supply Chain Solutions (Thailand) Ltd.	Bangkok, Thailand	THB12,240,000	66.0	Supply chain management support
MS Supply Chain Solutions (Malaysia) Sdn. Bhd.	Selangor, Malaysia	MYR160,930,000	66.0	Supply chain management support
MITSUI-SOKO TRANSPORT Co., Ltd.	Osaka-shi	¥100 million	100.0	Land transportation oversight
Marukyo Logistics Co., Ltd. (Osaka)	Higashi Osaka-shi, Osaka	¥16 million	100.0	Land transportation
Marukyo Logistics Co., Ltd. (Ehime)	Toon-shi, Ehime	¥15 million	100.0	Land transportation

- (Notes)
1. Ownership ratios have been rounded to the first decimal place.
  2. Ownership ratios include investments made indirectly through the Company's subsidiaries.
  3. The Company's ratio of voting rights with respect to each of the companies is equivalent to the ownership ratio.
  4. Share capital is stated in currencies of renminbi (RMB), United States dollar (US\$), Czech koruna (CZK), Thai baht (THB), and Malaysian ringgit (MYR).

## (7) Principal lines of business

The Group consists of the Company, 77 subsidiaries, and nine associates. The Group's principal businesses are a logistics business and a real estate business, of which its logistics business provides clients with various logistics services in an organic and efficient manner through operations that include warehousing and cargo handling, port-related work, inland transport and international transport. Meanwhile, the Group's real estate business is centered on building leases.

The Group's respective operations are as follows:

Business segment	Description of business
Logistics	Business of providing various logistics services such as warehousing, port transportation, overseas logistics services, multimodal forwarding, airfreight forwarding, third-party logistics (3PL), supply chain management support, and land transportation.
Real estate	Business of leasing buildings owned by the Group, other such structures and land.

## (8) Major facilities, etc.

### (i) The Company

Office name (Location)	Business segment and description	Facilities	Book value (Millions of yen)
Hakozaki Building, etc. (Chuo-ku, Tokyo, etc.)	Real estate	Lease buildings	33,795
Tokyo Port Office I and 18 other offices in the Kanto region	Logistics Business (Warehousing, cargo handling, port-related work, transport)	Logistics facilities	24,253
Kinjo Office and eight other offices in the Chubu region	Logistics Business (Warehousing, cargo handling, port-related work, transport)	Logistics facilities	3,917
Onohama Office and 11 other offices in the Kansai region	Logistics Business (Warehousing, cargo handling, port-related work, transport)	Logistics facilities	14,020
Ibaraki Record Center and five other offices	Logistics Business (Warehousing and cargo handling)	Logistics facilities	5,073
Wakasu Warehouse and one other office	Logistics Business (3PL)	Logistics facilities	2,888

(Note) Certain lease buildings and logistics facilities are primarily leased to subsidiaries.

### (ii) Domestic subsidiaries

Company name	Office name (Location)	Business segment	Facilities	Book value (Millions of yen)
MITSUI-SOKO Co., Ltd.	Kanto P&M Center Office B (Kazo-shi, Saitama), etc.	Logistics Business	Logistics facilities	9,132
MITSUI-SOKO LOGISTICS Co., Ltd.	Fukuoka Office (Higashi-ku, Fukuoka-shi), etc.	Logistics Business	Logistics facilities	13,071
Marukyo Logistics Co., Ltd. (Osaka)	Atsugi Warehouse (Aiko-gun, Kanagawa), etc.	Logistics Business	Logistics facilities	6,719
Marukyo Logistics Co., Ltd. (Ehime)	Matsuyama Warehouse I (Matsuyama-shi, Ehime), etc.	Logistics Business	Logistics facilities	4,253

(iii) Overseas subsidiaries

Company name	Office name (Location)	Business segment	Facilities	Book value (Millions of yen)
Mitsui-Soko (U.S.A.) Inc.	Seattle Warehouse (Washington, U.S.), etc.	Logistics Business	Logistics facilities	4,240
PT. Mitsui-Soko Indonesia	Ngoro Industrial Park (NIP) Warehouse (East Java, Indonesia), etc.	Logistics Business	Logistics facilities	4,978

(9) Employees

(i) The Group has 8,057 employees (decrease of 115 employees from the previous fiscal year-end) as follows:

Business segment	Number of employees
Logistics	7,856
Real estate	16
Administrative headquarters	185

(Note) The number of employees shown with respect to the administrative headquarters is calculated as the number of employees of the Company (excluding seconded employees) minus the number of employees associated with the real estate business.

(ii) The status of the Company's employees is as follows:

Number of employees	Increase/decrease from the previous fiscal year-end	Average age	Average years of service
201 (686)	Increase of 28 (increase of 4)	42.4 years old	13.2 years

(Notes) 1. Figures indicate the number of employees, with the number of seconded employees shown in parenthesis.  
2. Figures for average age and average years of service have been calculated to include seconded employees.

(10) Major creditors

Creditor	Balance of borrowings
	Millions of yen
Sumitomo Mitsui Banking Corporation	19,684
Sumitomo Mitsui Trust Bank, Limited	14,532
The Norinchukin Bank	6,464
Development Bank of Japan Inc.	5,340
TAIJU LIFE INSURANCE COMPANY LIMITED	2,705

## 2. Shares of the Company

- (1) Total number of authorized shares 80,000,000 shares
- (2) Total number of issued shares 24,874,994 shares (excluding 46,808 treasury shares)
- (3) Number of shareholders 13,937
- (4) Major shareholders (top 10 shareholders)

Name of shareholder	Number of shares held	Shareholding ratio
	Thousands of shares	%
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,742	11.02
Custody Bank of Japan, Ltd. (Trust Account)	2,546	10.23
TAIJU LIFE INSURANCE COMPANY LIMITED	1,569	6.30
Mitsui Sumitomo Insurance Company, Limited	1,401	5.63
Sumitomo Mitsui Banking Corporation	696	2.80
MITSUI-SOKO Group Employees' Shareholding Society	519	2.08
TAKENAKA CORPORATION	496	1.99
Sumitomo Mitsui Trust Bank, Limited	437	1.75
JPMorgan Securities Japan Co., Ltd.	337	1.35
STATE STREET BANK AND TRUST COMPANY 505223	318	1.28

(Note) The shareholding ratio is calculated after deducting treasury shares (46,808 shares).

### (5) Shares issued to corporate officers as compensation for the execution of their duties during the fiscal year under review

The Company resolved at a Board of Directors' meeting held on June 23, 2022 to issue new common shares as share-based remuneration to directors (excluding outside directors) and executive officers of the Company and its subsidiaries, and issued 38,800 common shares on July 20, 2022. New shares issued as share-based remuneration are subject to transfer restrictions.

The restricted shares issued to the Company's officers during the fiscal year under review are as follows.

	Number of shares	Recipients
Directors (excluding outside directors)	10,500	6
Outside directors	—	—
Audit & supervisory board members	—	—

## 3. Share acquisition rights, etc. of the Company

Not applicable

## 4. Corporate officers

### (1) Names and other details of directors and audit & supervisory board members

Name	Position	Responsibilities in the Company and significant concurrent positions outside the Company
Hirobumi Koga	Representative Director President & CEO	CEO, Chairman of the Board of Directors of the Group Representative Director and Chairman of MITSUI-SOKO EXPRESS Co., Ltd. Chairman of MITSUI-SOKO TRANSPORT Co., Ltd.
Nobuo Nakayama	Representative Director and Senior Managing Director	In charge of finance, accounting, and Chief Financial Officer Director of MITSUI-SOKO Co., Ltd. Director of MITSUI-SOKO Supply Chain Solutions, Inc. Auditor of MITSUI-SOKO TRANSPORT Co., Ltd.
Hiroshi Kino	Executive Managing Director	In charge of personnel, human resources and real estate business Director of MITSUI-SOKO LOGISTICS Co., Ltd.
Takeshi Gohara	Executive Managing Director	In charge of legal and general affairs, risk management, and responsible for compliance Director of MITSUI-SOKO LOGISTICS Co., Ltd. Auditor of MITSUI-SOKO EXPRESS Co., Ltd.
Yuji Itoi	Director, Senior Executive Officer	In charge of information systems
Tomoaki Kiriyaama	Director, Senior Executive Officer	In charge of strategic sales and development administration Director of MITSUI-SOKO Co., Ltd. Director of MITSUI-SOKO Supply Chain Solutions, Inc.
Taizaburo Nakano	Outside Director	Representative Director and President of TIEUP Co., Ltd.
Takashi Hirai	Outside Director	Professor of Graduate School, University of Tsukuba Visiting Professor of Graduate School, Waseda University
Maoko Kikuchi	Outside Director	Outside Director of Hitachi Construction Machinery Co., Ltd.
Yukio Ishida	Senior Standing Audit & Supervisory Board Member	Auditor of MITSUI-SOKO Co., Ltd.
Norio Miyashita	Standing Audit & Supervisory Board Member	Auditor of MITSUI-SOKO LOGISTICS Co., Ltd. Auditor of MITSUI-SOKO Supply Chain Solutions, Inc.
Osamu Sudoh	Outside Audit & Supervisory Board Member	Partner of Sudoh & Partners Outside Audit & Supervisory Board Member of Keikyū Corporation Outside Audit & Supervisory Board Member of PRONEXUS Inc.
Motohide Ozawa	Outside Audit & Supervisory Board Member	—

- (Notes)
- At the end of the 174th Ordinary General Meeting of Shareholders, held on June 23, 2022, Directors Makoto Tawaraguchi and Ryoji Ogawa retired, having reached the end of their terms of office.
  - At the 174th Ordinary General Meeting of Shareholders, held on June 23, 2022, Yuji Itoi and Tomoaki Kiriyaama were newly elected as Directors, and both were appointed on the same day.
  - Outside Audit & Supervisory Board Member Mr. Motohide Ozawa is licensed as a certified public accountant and possesses considerable knowledge of finance and accounting.
  - During the fiscal year under review, the assigned areas of responsibility of the Directors were changed as follows.

Name	Before the changes	After the changes	Date of the changes
Hirobumi Koga	CEO of the Group	CEO, Chairman of the Board of Directors of the Group	June 23, 2022
  - The Company filed an independent officers notification with the Tokyo Stock Exchange designating Outside Directors Mr. Taizaburo Nakano, Mr. Takashi Hirai, and Ms. Maoko Kikuchi as independent directors, and designating Outside Audit & Supervisory Board Members Mr. Osamu Sudoh and Mr. Motohide Ozawa as independent audit & supervisory board members.

## **(2) Outline of directors and officers liability insurance policy**

### **(i) Scope of insureds**

Directors, audit & supervisory board members, and executive officers of the Company and all its subsidiaries

### **(ii) Summary of policy**

The policy covers damages and litigation expenses borne by the insured due to claims for damages resulting from actions (including nonfeasance) of the insured in the execution of duties as an officer of the Company, etc. mentioned in (i). However, the Company has taken measures to ensure that the appropriateness of the execution of duties by officers, etc. is not impaired by exempting from compensation criminal acts such as bribery and damage caused by officers, etc. themselves in case they intentionally commit illegal acts. The full amount of the insurance premiums is borne by the Company.

## **(3) Amount of remuneration for directors and audit & supervisory board members**

### **(i) Policy for determining the details of remuneration for officers**

By resolution of its Board of Directors, the Company has adopted its policy for determining details of remuneration for individual directors.

The Board of Directors deems that details of remuneration, etc. on an individual basis for the fiscal year align with the policy, upon such details having been decided by the Nomination and Remuneration Committee. The policy for determining the details of remuneration for individual directors is as follows:

1. Determining amounts of monetary remuneration not linked to performance indicators with respect to the Company and determining calculation methods thereof. The Company enlists the following method in calculating remuneration for its individual directors. Upon having set the remuneration amount of its full-time directors as a reference value, the Company then calculates a position-based standard amount that serves as a basis for calculating remuneration of individual directors, produced by multiplying the reference value by a set coefficient determined on the basis of a director's position and other such metrics. The position-based standard amount consists of a fixed portion and a variable portion, which in turn consists of a performance-linked evaluation portion and an individual evaluation-linked portion. The fixed portion of the position-based standard amount constitutes the amount of monetary remuneration not linked to performance indicators.
2. Description of performance indicators associated with performance-linked remuneration and determining methods for calculating amounts and quantities thereof

The Company designates consolidated operating profit as an indicator for the performance-linked evaluation portion of monetary remuneration for motivating recipients to increase corporate value by improving business performance. The Company also uses as an indicator consolidated profit before income taxes, which reflects results of investments and loans. On the basis of these indicators, the Company enlists a table stipulated by its rules on officer remuneration in coming up with scores based on ratios of current fiscal year targets relative to current fiscal year results, and based on ratios of previous fiscal year results relative to current fiscal year results. The Company then applies these scores to the performance-linked evaluation portion of remuneration for the subsequent fiscal year. For the individual evaluation-linked portion of remuneration, the Company comes up with scores based on ratios of current fiscal year targets relative to current fiscal year job performance of each director, and based on ratios of previous fiscal year results relative to current fiscal year job performance of each director. The Company then applies these scores to the individual evaluation-linked portion of remuneration for the subsequent fiscal year. Meanwhile, remuneration for individual outside directors is equal to the position-based standard amount without the variable portion.

3. Description of non-monetary remuneration, etc. and determining methods for calculating amounts and quantities thereof

The Company has established a non-monetary remuneration scheme to provide restricted shares based on payment of monetary remuneration claims equivalent to 10% of the position-based standard amount, in order to share the benefits and risks of share price fluctuations with the shareholders and increase motivation to increase the share price and improve corporate value.

4. Determining ratios with respect to the amount of monetary remuneration not linked to the performance indicators, the amount of performance-linked remuneration and the amount of remuneration for individual directors in the form of non-monetary remuneration

The fixed portion and the variable portion of monetary remuneration are determined on the basis of a ratio of 7:3.

Due to volatility of the variable portion, the remuneration scheme is set up such that the variable portion theoretically ranges from a low of 70% (7:0) of the position-based standard amount to a high of 130% (7:6) of the position-based standard amount.

In addition, the scheme is designed to provide monetary remuneration claims equivalent to 10% of the position-based standard amount, subject to payment into restricted shares, which are non-monetary remuneration.

5. Determining the timing and conditions for granting remuneration to directors

Monetary remuneration for each director constitutes a fixed monthly payment consisting of the sum total of the fixed portion and the variable portion during the director's term of office.

Non-monetary remuneration for each director is to be provided at a fixed time in the total amount of share-based remuneration determined by the Company.

6. In case where decisions on details of remuneration for individual directors are fully or partially assigned to directors and other third parties

- A. Names of the persons to whom decisions are assigned, or such person's position and responsibilities at said corporation

The Company's Board of Directors assigns decisions on details of remuneration for individual director(s) to the Nomination and Remuneration Committee. Details on the organization, membership, and overview of the Nomination and Remuneration Committee are as follows.

Organization name: Nomination and Remuneration Committee

Committee members: Three outside directors, the President & CEO and the Chairman

Committee chair: Outside director appointed upon having been mutually elected by committee members

- B. Authority delegated

- (a) Determination on standard remuneration amounts for each of the respective positions
- (b) Determination on amounts of remuneration for individual directors
- (c) Design of scheme of remuneration for individual directors and reporting in response to the President's inquiries regarding calculation methods



C. Measures to ensure that parties assuming authority properly exercise such delegated authority

The Nomination and Remuneration Committee enlists a resolution method that entails initially having its committee members sufficiently engage in deliberation and discussion regarding proposals submitted by the President, then subsequently forming a resolution through approval by a majority vote of the committee members, with the outside director serving as committee chair making the final decision on approval should the vote end in a tie.

7. Method for determining details on remuneration for individual directors

Decisions on remuneration for individual directors are assigned to the Nomination and Remuneration Committee per resolution of the Board of Directors, from the perspective of ensuring objectivity and transparency of the decision-making process. The Nomination and Remuneration Committee determines reference values that form the basis of the position-based standard amount, upon having comprehensively taken into account factors that include employee salaries, the previous year's remuneration, and prevailing remuneration levels of other companies, etc. Remuneration amounts are then determined upon subsequent discussion of proposed remuneration amounts submitted separately by the Representative Director, President & CEO.

8. Important matters regarding decision on remuneration for individual directors

Within its rules on officer remuneration, the Company stipulates policy for determining amounts of officer remuneration and methods for calculating such remuneration, underpinned by its aim of seeking to increase corporate value by ensuring commitment to officer performance. In addition, the Board of Directors may partially reduce remuneration of a director in the event of situations that include subpar performance on a prolonged basis or a sharp decline in performance, in which case the President is to consult with the Nomination and Remuneration Committee and receive a report from it.

(ii) Total amount of remuneration paid for the fiscal year

Officer category	Total amount of remuneration (Millions of yen)	Total amount of remuneration by type (Millions of yen)			Number of eligible officers (Persons)
		Fixed portion	Variable portion	Non-monetary remuneration	
Directors	384	239	123	21	11
Audit & supervisory board members	83	83	-	-	4
(Of which, the portion for outside officers {outside directors and outside audit & supervisory board members})	(47)	(47)	-	-	(5)

- (Notes) 1. Figures stated for number of eligible officers constitute total numbers of individuals.  
2. The following table states results and targets with respect to indicators associated with performance-linked remuneration of the fiscal year under review, and also states results of the previous fiscal year.

Performance indicators	Results (Fiscal year ended March 31, 2022)	Targets (Fiscal year ended March 31, 2022)	Results for the previous fiscal year (Fiscal year ended March 31, 2021)
Operating profit (consolidated)	¥25,939 million	¥13,169 million	¥17,661 million
Profit before income taxes (consolidated)	¥25,553 million	¥12,476 million	¥19,040 million

3. The amount of monetary remuneration for directors shall be not more than ¥40 million monthly, per resolution of the Ordinary General Meeting of Shareholders held on June 29, 2006 (not including the employee portion of salaries of directors concurrently serving as employees). There were ten directors at the conclusion of the 174th Ordinary General Meeting of Shareholders (of which, one was an outside director).  
4. The amount of monetary remuneration for audit & supervisory board members shall be not more than ¥8 million monthly, per resolution of the Ordinary General Meeting of Shareholders held on June 24, 2016. There were five audit

- & supervisory board members at the conclusion of the 174th Ordinary General Meeting of Shareholders (of which, three were outside audit & supervisory board members).
5. For restricted share remuneration (non-monetary compensation), a resolution was adopted at the Ordinary General Meeting of Shareholders held on June 23, 2022 that the annual amount shall not exceed ¥48 million (however, this amount is set separately from 3. above) and the maximum total number of restricted shares to be allotted in each fiscal year shall be 120,000 shares. The number of directors (excluding outside directors) as of the conclusion of the said Ordinary General Meeting of Shareholders was six. The Company will cancel the transfer restrictions on all of the restricted shares upon the expiration of the restriction period (or at the time immediately following the director's retirement or resignation, provided that they retire or resign from the position of director or executive officer of the Company or any of its subsidiaries due to the expiration of their term of office, retirement age, or any other reason deemed justifiable by the Board of Directors, or if they retire or resign due to death), provided that the director has continuously held the position of either director or executive officer of the Company or its subsidiaries from the commencement date of the restriction period until the first ordinary general meeting of shareholders to be held after the commencement date of the restriction period. In addition, if a director resigns or retires from the position of director or executive officer of the Company or any of its subsidiaries on or after the commencement date of the transfer restriction period and before the day preceding the first ordinary general meeting of shareholders, the Company shall, unless there is a reason deemed justifiable by the Board of Directors, naturally acquire the shares with transfer restriction granted to the director without compensation.
  6. The amount of non-monetary remuneration is the amount expensed in the current fiscal year as restricted share remuneration. The distribution status of such share-based remuneration is described in 2. Shares of the Company (5) Shares issued to corporate officers as compensation for the execution of their duties during the fiscal year under review.
  7. The Board of Directors assigns decisions on remuneration for individual directors to the Nomination and Remuneration Committee. Such decisions have been assigned to the Nomination and Remuneration Committee because the Company deems the committee well suited to the task of ensuring objectivity and transparency of the decision-making process. The Nomination and Remuneration Committee consists of four members: Outside Director Mr. Taizaburo Nakano (committee chair), Outside Director Mr. Takashi Hirai, Outside Director Ms. Maoko Kikuchi, and Representative Director, President & CEO Mr. Hirobumi Koga.
  8. The audit & supervisory board members are subject to fixed remuneration determined for each audit & supervisory board member through discussions among the audit & supervisory board members.

**(4) Outside directors and outside audit & supervisory board members**

- (i) Relationship between the Company and corporations at which the outside director or audit & supervisory board member holds significant concurrent positions

Position	Name	Relationship between the Company and corporations at which the outside director or audit & supervisory board member holds significant concurrent positions
Outside Director	Taizaburo Nakano	There are no special interests between the Company and TIEUP Co., Ltd., at which Outside Director Mr. Taizaburo Nakano holds a significant concurrent position.
Outside Director	Takashi Hirai	There are no special interests between the Company and the University of Tsukuba or Waseda University, at which Outside Director Mr. Takashi Hirai holds significant concurrent positions.
Outside Director	Maoko Kikuchi	There are no special interests between the Company and Hitachi Construction Machinery Co., Ltd., at which Outside Director Ms. Maoko Kikuchi holds a significant concurrent position.
Outside Audit & Supervisory Board Member	Osamu Sudoh	There are no special interests between the Company and Sudoh & Partners or Keikyu Corporation, at which Outside Audit & Supervisory Board Member Mr. Osamu Sudoh holds significant concurrent positions. In addition, the Company has a business relationship with PRONEXUS Inc. where Mr. Osamu Sudoh serves, but annual transaction amounts account for less than 1% of consolidated operating revenue with respect to both PRONEXUS Inc. and the Company, and does not affect his independence as an outside director.

- (ii) Major activities during the fiscal year

Category	Name	Status of attendance, status of remarks, and the outline of duties performed relating to the roles expected of outside directors
Outside Director	Taizaburo Nakano	Mr. Taizaburo Nakano has attended all 16 meetings of the Board of Directors held during the fiscal year under review. He has been actively furnishing his opinions primarily based on his rich experience and insight as a corporate manager, and has otherwise been properly fulfilling his role of ensuring appropriateness and adequacy of decision-making largely by providing supervision, advice, etc. particularly with respect to the Group's management policy from the perspective of a manager. Moreover, as chair of the Nomination and Remuneration Committee, he leads the supervision function in the processes of selecting officer candidates for the Company and determining executive remuneration, etc. from an objective and neutral standpoint.

Category	Name	Status of attendance, status of remarks, and the outline of duties performed relating to the roles expected of outside directors
	Takashi Hirai	Mr. Takashi Hirai has attended all 16 meetings of the Board of Directors held during the fiscal year under review. He has been actively furnishing his opinions primarily based on his rich experience and insight as a consultant and academic expert, and has otherwise been properly fulfilling his role of ensuring appropriateness and adequacy of decision-making largely by providing supervision, advice, etc. particularly with respect to the Group's business strategies from the perspective of a professional. Moreover, as a member of the Nomination and Remuneration Committee, he provides appropriate and necessary comments in the selection of officer candidates for the Company and in deliberations on officer remuneration, etc. from an objective and neutral standpoint.
	Maoko Kikuchi	Ms. Maoko Kikuchi has attended all 16 meetings of the Board of Directors held during the fiscal year under review. She has been actively furnishing her opinions based on her work with the Public Prosecutor's Office and Fair Trade Commission, her experience engaging in corporate legal affairs of global companies serving as an attorney at law in Japan and the United States, and her achievements serving as a standing outside audit & supervisory board member of the Company. She has furthermore been properly fulfilling her role of ensuring appropriateness and adequacy of decision-making largely by extensively providing supervision, advice, etc. particularly regarding the Group's overall business. Moreover, as a member of the Nomination and Remuneration Committee, she provides appropriate and necessary comments in the selection of officer candidates for the Company and in deliberations on officer remuneration, etc. from an objective and neutral standpoint.
Outside Audit & Supervisory Board Member	Osamu Sudoh	Mr. Osamu Sudoh has attended all 16 meetings of the Board of Directors held during the fiscal year under review and all 16 meetings of the Audit & Supervisory Board. He has been making remarks as necessary primarily from his professional standpoint as an attorney at law.
	Motohide Ozawa	Mr. Motohide Ozawa has attended all 16 meetings of the Board of Directors held during the fiscal year under review and all 16 meetings of the Audit & Supervisory Board. He has been making remarks as necessary primarily from his professional standpoint as a certified public accountant.

(iii) Limited liability agreement

The Company has established provisions in its Articles of Incorporation regarding contracts limiting liability for damages under Article 423, paragraph (1) of the Companies Act pertaining to outside directors and outside audit & supervisory board members. (Article 26, paragraph (2) and Article 34, paragraph (2) of the Articles of Incorporation)

The following provides an overview regarding content of the limited liability agreements that the Company has entered into with all three of its outside directors and all two of its outside audit & supervisory board members pursuant to provisions of the Articles of incorporation.

1. Limited liability agreement with outside directors

Regarding the liabilities under Article 423, paragraph (1) of the Companies Act, upon entering into this agreement, if an outside director has performed his/her duties in good faith and without gross negligence, such outside director shall be liable for damages in the amount up to ¥15 million or the minimum liability amount stipulated in Article 425, paragraph (1) of the Companies Act, whichever is the higher.

2. Limited liability agreement with audit & supervisory board members

Regarding the liabilities under Article 423, paragraph (1) of the Companies Act, upon entering into this agreement, if an outside audit & supervisory board member has performed his/her duties in good faith and without gross negligence, such outside audit & supervisory board member shall be liable for damages in the amount up to ¥10 million or the minimum liability amount stipulated in Article 425, paragraph (1) of the Companies Act, whichever is the higher.

## 5. Accounting auditor

(1) Name KPMG AZSA LLC

### (2) Amount of remuneration for accounting auditor for the fiscal year

Category	Audit fees (Millions of yen)	Non-audit fees (Millions of yen)
MITSUI-SOKO HOLDINGS Co., Ltd.	76	—
Consolidated subsidiaries	29	—
Total	105	—

- (Notes)
1. Of the Company's significant subsidiaries, Mitsui-Soko (U.S.A.) Inc. and MSE Express America, Inc. are subject to audits (limited to those specified by the Companies Act or the Financial Instruments and Exchange Act, or foreign laws and regulations equivalent to such laws) conducted by a certified public accountant or audit firm (including those who hold equivalent qualifications of the relevant country overseas) other than the Company's accounting auditor.
  2. The Company's audit fees serve as compensation for audits pursuant to the Companies Act and the Financial Instruments and Exchange Act. In addition to the above, additional remuneration of ¥6 million was paid in the fiscal year under review for the audit of the previous fiscal year.
  3. Reasons for Audit & Supervisory Board's approval of accounting auditor fees  
The Audit & Supervisory Board has furnished its agreement with respect to the amount of remuneration for the accounting auditor upon having deemed such remuneration appropriate after careful examination of matters that include the audit plan for the fiscal year under review as explained by the accounting auditor in terms of details, such as the number of days required for the audit and staff allocations, specifics of the audit estimate on which the remuneration is based, and other such factors.

### (3) Description of non-audit services

Not applicable

### (4) Policy on decisions of dismissal or non-reappointment of accounting auditor

- (i) The Audit & Supervisory Board shall dismiss the accounting auditor in the event that the Audit & Supervisory Board deems the accounting auditor would be unable to properly perform its duties under a situation where any of the reasons for dismissal stipulated in the items of Article 340, paragraph (1) of the Companies Act becomes applicable to the accounting auditor.
- (ii) In the event that the Audit & Supervisory Board deems it inappropriate to have the accounting auditor perform the accounting audit due to specific factors such as the accounting auditor's audit quality, quality control, independence, or overall capabilities, even if reasons for dismissal stipulated in the aforementioned provisions do not apply, the Audit & Supervisory Board shall determine content of a proposal regarding non-reappointment of the accounting auditor, which is to be submitted by the Board of Directors to the general meeting of shareholders based on what has been determined by the Audit & Supervisory Board.
- (iii) Subsequent to appointment of the accounting auditor, the Audit & Supervisory Board shall implement procedures for a fresh election of an accounting auditor as necessary from the perspective of strengthening corporate governance every seven years after appointment or reappointment. The Audit & Supervisory Board shall consider numerous candidates for accounting auditors in the hiring process and implement procedures to determine the content of proposals for "Separate Resolutions" as stipulated in Article 338, paragraph (2) of the Companies Act, following a fair and appropriate screening process aligned with evaluation criteria established by the Audit & Supervisory Board. The Audit & Supervisory Board may reelect the currently serving accounting auditor or otherwise select a new accounting auditor, in which case the Audit & Supervisory Board shall determine content of a proposal regarding election of the accounting auditor selected based on such screening process, which is to be submitted by the Board of Directors to the general meeting of shareholders based on what has been determined by the Audit & Supervisory Board. As the fiscal year under review marks the seventh year since the Company selected KPMG AZSA LLC as its accounting auditor, the Company once again implemented the procedures for selecting an accounting

auditor for the next fiscal year based on the above policy, and as a result, decided to reappoint KPMG AZSA LLC.

## 6. System to ensure the properness of operations

The following provides an overview of matters that involve making decisions regarding the system for ensuring that the execution of duties by the directors conforms to applicable laws and regulations and the Articles of Incorporation, and other systems for ensuring the properness of corporate operations.

### (i) System to ensure that execution of duties by directors and employees of the Group companies conforms to laws and regulations and the Articles of Incorporation of such companies

Each of the Group companies has established its corporate code of conduct which serves as a code of conduct for its directors and employees regarding matters that include compliance with laws, regulations, articles of incorporation, and social norms, shunning involvement with antisocial forces, respect for human rights, initiatives to protect the environment, and information management.

The Company's Risk Management Division seeks to raise compliance awareness of the overall Group by providing oversight on a Group-wide basis and carrying out enlightenment and educational activities centered on the Risk Management Division. In addition, the Risk Management Division performs audits regarding the status of compliance within the Group. It periodically reports on such initiatives to the Compliance Committee, Board of Directors, and the audit & supervisory board members. In seeking to promptly detect and take remedial action with respect to questionable behavior from the perspective of compliance, the Company has established the Group-wide Mitsui-Soko Group Compliance Hotline, which serves as a direct means for employees of the Group to provide information. The contact point is outsourced to an external provider to provide a system that separates information that can identify whistleblowers and protect whistleblowers' personal information, preventing their identification, while ensuring that whistleblowers are not subject to disadvantageous treatment.

### (ii) Retention and management of information regarding the execution of duties by directors of the Group companies

Each of the Group companies records and retains in documents and electromagnetic media (the "Documentation") information on the execution of duties by its directors in accordance with applicable laws and regulations, and internal rules. Directors and audit & supervisory board members of each Group company are able to regularly access such Documentation.

### (iii) Regulations and other systems for the management of risk of loss in the Group companies

The Company has established the Risk Management Committee within the Company, which consists of risk managers from the Company and major Group companies. The committee deliberates on the status of risk management for the Group as a whole and stipulates matters to be addressed and policies.

The departments of the Group companies in charge of risk management draw up rules and guidelines, conduct training programs, and prepare and distribute manuals about individual risks, such as those related to compliance, human rights, the environment, natural disasters, quality, finance, accounting, and information security. Meanwhile, the Company's Risk Management Division promotes Group-wide risk assessments and responses.

### (iv) System to ensure efficient execution of duties by directors of the Group companies

The Company's Board of Directors draws up the Group's basic guidelines for business over the medium to long term, and the Company centrally handles operations that include the Group's budgetary control, financing, and cash management. Based on those guidelines, the Group companies (the operating companies) that handle business operations in respective fields of business engage in such business operations with their sights set on achieving self-sustaining growth encompassing operations of Group companies under their control. The operating companies periodically provide the Company with reports on matters that include their progress and achievements in that regard so that the Company is able to verify the status of their accomplishments.

### (v) System to ensure the properness of operations by the Group

The Group fulfills its responsibility as a member of society, which involves remaining in compliance with the Group's corporate code of conduct while setting its sights on meeting its objectives.



The Company grants directors and executive officers of the Group companies authority and responsibility for legal compliance and risk management, and furthermore directs people in charge of the respective executive headquarters to develop in-house rules and systems to ensure the properness of operations by the Group. Meanwhile, the Company's Risk Management Division promotes such initiatives on a Group-wide basis and furthermore performs audits of the Group companies. The Company maintains a basic framework for business operations suited to the Group's objectives by centrally managing aspects of operations that include financial affairs, capital, branding, intellectual property, human resources, information assets, and real estate.

**(vi) System for reporting to the Company on matters related to execution of duties by subsidiaries' directors, executive officers, employees and others**

The Company establishes policies on Group governance to articulate responsibilities and authority to be assumed by each company within the Group. Important matters of the Group companies must be approved by or reported to the Company's Board of Directors. In addition, the Group companies periodically furnish the Company with reports on the status of their respective business progress for discussion by the Board of Directors and other meeting forums of the Company.

**(vii) System to ensure reliability of financial reporting**

In seeking to develop a system to ensure reliability of its financial reporting, the Company accordingly engages in tasks that include preparing basic documents pertaining to risk analysis and control of major operations, drawing up appropriate procedures, and taking measures to prevent errors. In addition, the Group companies periodically take initiative in checking the status of implementing such procedures and measures, and accordingly correct any deficiencies that have been detected. Meanwhile, the Risk Management Division performs audits on a Group-wide basis and confirms results of such checking and corrections.

**(viii) System concerning employees appointed to assist audit & supervisory board members upon request, ensuring independence of such employees from directors, and ensuring effectiveness of instructions provided to such employees**

The Company appoints dedicated employees (assistants to audit & supervisory board members) who are independent of directors to assist in duties of audit & supervisory board members as necessary. The audit & supervisory board members and the Audit & Supervisory Board maintain the right to lead and instruct such assistants, and accordingly make decisions in a manner that involves respecting outcomes of discussions that have been carried out between directors in charge of personnel and audit & supervisory board members regarding appointment, dismissal, and personnel evaluations of such assistants.

**(ix) System for having directors and employees of the Group companies report to the audit & supervisory board members**

The directors, executive officers, and employees of the Group companies are to report to the audit & supervisory board members of relevant companies or the Company, regarding statutory matters, matters that may significantly affect relevant companies and the Group, results of internal audits, and the status and details of whistleblowing to the Compliance Hotline. Those reporting to the audit & supervisory board members are not to be given disadvantageous treatment due to making such reports.

**(x) System for covering costs incurred by audit & supervisory board members in carrying out their duties and for otherwise ensuring effective audits by audit & supervisory board members**

The Company is to assume costs incurred when the Audit & Supervisory Board or audit & supervisory board members seek assistance particularly in the form of investigations and advice from outside experts in order to perform an audit, so long as such costs are reasonable. The audit & supervisory board members are to draw up preliminary annual audit plans to the extent possible, and are to notify respective companies and departments subject to audit of such plans. Meanwhile, companies and departments which become subject to audit are to cooperate with the audit & supervisory board members to ensure that the proposed audits are performed effectively. On the basis of audit results, the Company's audit & supervisory board members are to exchange opinions in a timely manner with the Group companies'

representative directors, audit & supervisory board members, accounting auditor, internal audit departments and other relevant departments.

## 7. Overview of operational status of system to ensure the properness of operations

The overall operational status of the system to ensure the properness of operations is as follows.

### (i) Overall system to ensure the properness of operations

In seeking to ensure that operations of the overall Group are carried out properly, the Company has established in-house rules encompassing the Group corporate code of conduct, drawn up the Group governance policy that articulates roles and responsibilities of its holding company and operating companies, and shares such policy within the Group.

In addition, the Company's Risk Management Division performs internal audits of the Group companies and effectively engages in monitoring aligned with Group management.

### (ii) Compliance system

To devise ways to strengthen the legal compliance system, the Compliance Committee convenes every quarter. The Company strives to improve its legal compliance system, which includes focusing on compliance-related training programs to raise awareness of compliance issues at Group companies, investigating the status of legal compliance in an ongoing, comprehensive manner in part by conducting annual compliance awareness surveys, verifying the results of compliance activities, and building a system to help prevent compliance violations for the next year.

Meanwhile, in seeking to prevent and quickly detect instances of legal noncompliance, malpractice, and other violations, the Company has drawn up rules for handling whistleblowing and set up the Mitsui-Soko Group Compliance Hotline for Group employees and others. By outsourcing the contact point to an external provider, the Company is protecting whistleblowers' personal information and enhancing the internal reporting system.

### (iii) Risk management system

The Company has developed systems necessary for crisis management, which involves establishing Risk Management Regulations that define basic matters pertaining to the recognition and control of risks inherent in the Group's business activities, and striving to improve and strengthen risk management by holding meetings of the Risk Management Committee on a quarterly basis.

### (iv) Execution of duties by directors

Having established Regulations of the Board of Directors along with basic regulations regarding administrative authority of the President & CEO and executive directors, the Company ensures that its directors fully comply with laws and regulations and the Articles of Incorporation. In addition, the Company has been strengthening the supervisory function by electing multiple outside directors and arranging opportunities for the outside directors to actively speak out through the Board of Directors and other such forums.

All of the Company's officers develop a shared awareness of the Group's managerial issues and other challenges through discussions at meetings of the Company's Board of Directors, which generally meets 16 times per year in accordance with the relevant annual plan. Moreover, the Company strengthens the supervisory function with respect to the Group companies by requiring that important matters in the Group companies be subject to Board of Directors' approval or reporting.

### (v) Execution of duties by audit & supervisory board members

The audit & supervisory board members, including several outside audit & supervisory board members, confirm the maintenance and operating status of internal controls through their respective attendance at meetings of the Board of Directors, as well as through attendance of the standing audit & supervisory board members at meetings of the Management Council, and important meetings of other forums that include the Compliance Committee and the Risk Management Committee. In addition, the audit & supervisory board members engage in tasks that include periodically exchanging information with the accounting auditor and forums such as the Company's Risk Management Division, which is in charge of internal control functions, monitoring the Group's overall internal control system, as well as raising issues and making recommendations from the perspective of the audit & supervisory board members.

## **8. Basic policy regarding control of company**

With regard to its basic policy to address matters where each shareholder owns a quantity of shares that would result in such shareholder having control over decisions concerning the Company's management policy, the Company believes that decisions on whether to permit a party to seek ownership of such a volume of shares should ultimately be left to the judgment of its shareholders. Accordingly, at this point in time the Company does not intend to adopt so-called takeover defense measures such as defensive measures that would entail preemptive issuance of new share acquisition rights.

The Company must prevent the possibility of unfavorable outcomes potentially incurred by its many shareholders and other investors in the event of an attempt to take over the Company by a party deemed inappropriate with respect to ensuring and increasing the Company's corporate value and common interests of the Company and its shareholders. As such, the Company's Board of Directors takes appropriate measures to prevent such situations, given the Company's responsibility entrusted to it by its shareholders. Should such a situation occur, the Company's Corporate Value Improvement Committee (consisting of the Company's outside directors and outside audit & supervisory board members) will enlist its independent standpoint in carefully investigating and considering how such proposed purchase or takeover proposal could potentially affect the Company's corporate value and the common interests of the Company and its shareholders, based on factors such as the purchaser's business, future business plans, and past investment behavior. Based on such findings, the Board of Directors will sufficiently discuss the matter and render its conclusion as to the best solution with respect to its shareholders from the perspective of corporate value and the common interests of the Company and its shareholders.

## 9. Policy on decisions on dividends and other appropriation of surplus

Under the Medium-term Management Plan 2022 (from the fiscal year ended March 31, 2023 to the fiscal year ending March 31, 2027), the Company's basic policy on distribution of funds is to achieve both active investment and strengthening of shareholder returns. For dividends, we have decided on a policy of implementing flexible dividends linked to performance, with a consolidated dividend payout ratio of 30% as our standard.

Pursuant to this policy, for the dividend for the fiscal year under review, we have decided to pay a year-end dividend of ¥117 per share for a consolidated dividend payout ratio of around 30% for the full year, combined with the interim dividend (¥72 per share) for an annual dividend of ¥189 per share.

Meanwhile, the annual dividend for the next fiscal year has been provisionally set at ¥134 per share, consisting of an interim dividend of ¥67 per share and a year-end dividend of ¥67 per share based on the above dividend policy.

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(Note) Monetary amounts and numbers of shares presented in the Business Report have been rounded down to the nearest stated unit.

## Consolidated Balance Sheet (As of March 31, 2023)

(Millions of yen)

Accounts	Amount	Accounts	Amount
Assets		Liabilities	
<b>Current assets</b>	<b>76,515</b>	<b>Current liabilities</b>	<b>54,227</b>
Cash and deposits	34,480	Trade notes and accounts payable	16,893
Trade notes and accounts receivable, and contract assets	32,291	Short-term borrowings	706
Inventories	1,999	Current portion of long-term borrowings	8,461
Other	7,796	Lease liabilities	1,703
Allowance for doubtful accounts	(52)	Income taxes payable	2,696
<b>Non-current assets</b>	<b>182,163</b>	Provision for bonuses	3,884
<b>Property, plant and equipment</b>	<b>138,730</b>	Other	19,881
Buildings and structures	71,462	<b>Non-current liabilities</b>	<b>100,373</b>
Machinery, equipment and vehicles	6,704	Bonds payable	25,000
Land	56,724	Long-term borrowings	50,900
Construction in progress	75	Lease liabilities	5,848
Other	3,763	Deferred tax liabilities	5,668
<b>Intangible assets</b>	<b>10,521</b>	Retirement benefit liability	6,467
Goodwill	1,670	Other	6,488
Other	8,851	<b>Total liabilities</b>	<b>154,601</b>
<b>Investments and other assets</b>	<b>32,911</b>	Net assets	
Investment securities	11,068	<b>Shareholders' equity</b>	<b>80,900</b>
Long-term loans receivable	169	<b>Share capital</b>	<b>11,156</b>
Deferred tax assets	4,580	<b>Capital surplus</b>	<b>5,603</b>
Retirement benefit asset	4,034	<b>Retained earnings</b>	<b>64,244</b>
Other	13,667	<b>Treasury shares</b>	<b>(103)</b>
Allowance for doubtful accounts	(609)	<b>Accumulated other comprehensive income</b>	<b>12,385</b>
		<b>Valuation difference on available-for-sale securities</b>	<b>4,295</b>
		<b>Deferred gains or losses on hedges</b>	<b>(0)</b>
		<b>Foreign currency translation adjustment</b>	<b>6,560</b>
		<b>Remeasurements of defined benefit plans</b>	<b>1,528</b>
		<b>Non-controlling interests</b>	<b>10,792</b>
		<b>Total net assets</b>	<b>104,078</b>
<b>Total assets</b>	<b>258,679</b>	<b>Total liabilities and net assets</b>	<b>258,679</b>

## Consolidated Statement of Income (From April 1, 2022 to March 31, 2023)

(Millions of yen)

Accounts	Amount	
	Breakdown	Total
<b>Operating revenue</b>		
Warehousing fee income	38,005	
Stevedoring income	33,510	
Port terminal fee income	17,736	
Transportation income	156,156	
Real estate income	8,813	
Other	46,614	<b>300,836</b>
<b>Operating costs</b>		
Direct operation expenses	148,292	
Rent expenses	20,234	
Depreciation	8,004	
Salaries and allowances	38,082	
Other	41,528	<b>256,142</b>
<b>Operating gross profit</b>		<b>44,694</b>
<b>Selling, general and administrative expenses</b>		<b>18,732</b>
<b>Operating profit</b>		<b>25,961</b>
<b>Non-operating income</b>		
Interest and dividend income	642	
Foreign exchange gains	294	
Share of profit of entities accounted for using equity method	366	
Other	704	<b>2,007</b>
<b>Non-operating expenses</b>		
Interest expenses	871	
Commission expenses	73	
Loss on retirement of non-current assets	80	
Other	410	<b>1,436</b>
<b>Ordinary profit</b>		<b>26,533</b>
<b>Extraordinary profit</b>		
Gain on return of securities to retirement benefit trust	496	496
<b>Profit before income taxes</b>		<b>27,029</b>
Income taxes - current	7,379	
Income taxes - deferred	930	<b>8,310</b>
<b>Profit</b>		<b>18,719</b>
<b>Profit attributable to non-controlling interests</b>		<b>3,102</b>
<b>Profit attributable to owners of parent</b>		<b>15,617</b>

**Consolidated Statement of Comprehensive Income** (Reference Information)(From April 1, 2022 to March 31, 2023)

(Millions of yen)

Accounts	Amount	
	Breakdown	Total
<b>Profit</b>		<b>18,719</b>
Valuation difference on available-for-sale securities	727	
Deferred gains or losses on hedges	(2)	
Foreign currency translation adjustment	2,178	
Remeasurements of defined benefit plans, net of tax	(369)	
Share of other comprehensive income of entities accounted for using equity method	68	
<b>Other comprehensive income</b>		<b>2,602</b>
<b>Comprehensive income</b>		<b>21,321</b>
Comprehensive income attributable to:		
Owners of parent	17,842	
Non-controlling interests	3,479	

**Consolidated Statement of Changes in Equity** (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income					Non-Controlling Interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	11,100	5,548	52,752	(103)	69,298	3,568	2	4,665	1,924	10,159	9,172	88,631
Changes during period												
Issuance of new shares	55	55			110							110
Dividends of surplus			(4,125)		(4,125)							(4,125)
Profit attributable to owners of parent			15,617		15,617							15,617
Purchase of treasury shares				(0)	(0)							(0)
Net changes in items other than shareholders' equity						727	(2)	1,895	(395)	2,225	1,619	3,845
Total changes during period	55	55	11,491	(0)	11,602	727	(2)	1,895	(395)	2,225	1,619	15,447
Balance at end of period	11,156	5,603	64,244	(103)	80,900	4,295	(0)	6,560	1,528	12,385	10,792	104,078

(Note) Monetary amounts presented in the consolidated financial statements have been rounded down to the nearest stated unit.



**Non-consolidated Balance Sheet (As of March 31, 2023)**

(Millions of yen)

Accounts	Amount	Accounts	Amount
Assets		Liabilities	
<b>Current assets</b>	<b>11,113</b>	<b>Current liabilities</b>	<b>50,804</b>
Cash and deposits	5,909	Trade accounts payable	157
Trade accounts receivable	422	Short-term borrowings	39,582
Prepaid expenses	511	Current portion of long-term borrowings	7,919
Income taxes refund receivable	204	Accounts payable - other	1,155
Short-term loans receivable	3,237	Advances received	372
Other	827	Deposits received	114
<b>Non-current assets</b>	<b>165,363</b>	Provision for bonuses	1,060
<b>Property, plant and equipment</b>	<b>83,108</b>	Other	441
Buildings	44,010	<b>Non-current liabilities</b>	<b>77,772</b>
Structures	705	Bonds payable	25,000
Machinery and equipment	722	Long-term borrowings	46,386
Vehicles	16	Deferred tax liabilities	3,896
Tools, furniture and fixtures	868	Provision for retirement benefits	49
Land	36,752	Other	2,439
Construction in progress	32	<b>Total liabilities</b>	<b>128,577</b>
<b>Intangible assets</b>	<b>8,195</b>	Net assets	
Leasehold interests in land	2,212	<b>Shareholders' equity</b>	<b>44,385</b>
Software	5,971	<b>Share capital</b>	<b>11,156</b>
Other	11	<b>Capital surplus</b>	<b>5,618</b>
<b>Investments and other assets</b>	<b>74,059</b>	Legal capital surplus	5,618
Investment securities	8,315	<b>Retained earnings</b>	<b>27,714</b>
Shares of subsidiaries and associates	46,223	Legal retained earnings	2,562
Investments in capital of subsidiaries and associates	5,727	Other retained earnings	
Long-term loans receivable	10,347	Reserve for tax purpose reduction entry of non-current assets	7,511
Prepaid pension costs	1,809	Retained earnings brought forward	17,639
Other	1,805	<b>Treasury shares</b>	<b>(103)</b>
Allowance for doubtful accounts	(170)	<b>Valuation and translation adjustments</b>	<b>3,515</b>
		<b>Valuation difference on available-for-sale securities</b>	<b>3,515</b>
		<b>Total net assets</b>	<b>47,900</b>
<b>Total assets</b>	<b>176,477</b>	<b>Total liabilities and net assets</b>	<b>176,477</b>

**Non-consolidated Statement of Income**(From April 1, 2022 to March 31, 2023)

(Millions of yen)

Accounts	Amount	
	Breakdown	Total
<b>Operating revenue</b>		
Group operating income	7,191	
Dividends from subsidiaries and associates	4,781	
Real estate income	9,276	
Other	306	<b>21,556</b>
<b>Operating costs</b>		
Rent expenses	811	
Depreciation	3,458	
Salaries and allowances	189	
Taxes and dues	1,435	
Other	1,688	<b>7,583</b>
<b>Operating gross profit</b>		<b>13,973</b>
<b>Selling, general and administrative expenses</b>		<b>7,153</b>
<b>Operating profit</b>		<b>6,820</b>
<b>Non-operating income</b>		
Interest and dividend income	474	
Rental income from buildings	75	
Other	133	<b>683</b>
<b>Non-operating expenses</b>		
Interest expenses	701	
Loss on retirement of non-current assets	63	
Other	146	<b>911</b>
<b>Ordinary profit</b>		<b>6,592</b>
<b>Extraordinary profit</b>		
Gain on return of securities to retirement benefit trust	496	
Gain on sale of shares of subsidiaries and associates	1,082	<b>1,578</b>
<b>Profit before income taxes</b>		<b>8,170</b>
Income taxes - current	630	
Income taxes - deferred	419	<b>1,050</b>
<b>Profit</b>		<b>7,119</b>

## Non-consolidated Statement of Changes in Equity (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity							Valuation and translation adjustments	Total net assets
	Share capital	Capital surplus	Retained earnings			Treasury shares	Shareholders' equity Total	Valuation difference on available-for-sale securities	
		Legal capital surplus	Legal retained earnings	Other retained earnings					
				Reserve for tax purpose reduction entry of non-current assets	Retained earnings brought forward				
Balance at beginning of period	11,100	5,563	2,562	7,593	14,564	(103)	41,280	2,950	44,230
Changes during period									
Issuance of new shares	55	55					110		110
Dividends of surplus					(4,125)		(4,125)		(4,125)
Reversal of reserve for tax purpose reduction entry of non-current assets				(81)	81		—		—
Profit					7,119		7,119		7,119
Purchase of treasury shares						(0)	(0)		(0)
Net changes in items other than shareholders' equity								565	565
Total changes during period	55	55	—	(81)	3,075	(0)	3,104	565	3,669
Balance at end of period	11,156	5,618	2,562	7,511	17,639	(103)	44,385	3,515	47,900

(Note) Monetary amounts presented in the non-consolidated financial statements have been rounded down to the nearest stated unit.