

**Financial Report for  
the Six Months ended  
September 30, 2015**

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**Supplementary Materials**



**Value Beyond Logistics  
Mitsui-Soko Group**

**November 9, 2015**



## (1) Company Profile

Company name:	MITSUI-SOKO HOLDINGS Co., Ltd.
Representative:	Kei Fujioka, President
Head office:	20-1, Nishi-shimbashi 3-chome, Minato-ku, Tokyo, Japan
Established:	October 11, 1909
Capital:	¥11.1 billion
Number of shares issued:	124,415,013
Number of subsidiaries (consolidated):	28 domestic and 42 overseas (As of September 30, 2015)
Number of employees (consolidated):	6,272 (As of September 30, 2015)
Businesses (consolidated):	Warehouse, Port terminal, Global flow, Global express, Logistics systems, BPO, Supply Chain Solution, Real estate
Offices (consolidated):	(Domestic) Tokyo, Yokohama, Nagoya, Yokkaichi, Osaka, Kobe, Kitakyushu, Fukuoka (Overseas) U.S.A., Brazil, U.K., Belgium, Czech Republic, Turkey, U.A.E., Singapore, Malaysia, Thailand, Indonesia, Vietnam, India, South Africa, Hong Kong, China, Taiwan, South Korea
Assets (consolidated):	¥ 276,325 million (As of September 30, 2015)



## (2) Outline of Mitsui-Soko Group

Domestic consolidated subsidiaries: 28, Overseas consolidated subsidiaries: 42,  
Equity-method affiliates: 6, Unconsolidated subsidiaries: 2, Non-equity-method affiliates: 3

Warehouse business/ Port terminal business	Core business company: Mitsui-Soko Co., Ltd.	Global express business	Core business company: Mitsui-Soko Express Co., Ltd.
Consolidated subsidiaries	Mitsui-Soko Kyushu Co., Ltd., IM Express Co., Ltd., Sanso K.K., Toko Maruraku Transportation Co., Ltd., Sanso Kouun Co., Ltd., Sanko Trucking Co., Ltd., Sanei K.K., Mitsunori Corporation, Mitsui Warehouse Terminal Service Co., Ltd., Sanyu Service Co., Ltd., Kobe Sunso Koun Co., Ltd., Sun Transport Co., Ltd., MK Services Co., Ltd., Seiyu Koun Co., Ltd., Hakata Sanso-Butsuryu Co., Ltd.	Consolidated subsidiaries	MSE China (Guangzhou) Co., Ltd., MSE Express America, Inc., MSE Express Do Brasil Participacoes Ltda., MSE Express (Thailand) Co., Ltd. N.V. MSE Europe S.A., MS Express South Africa (Pty) Ltd. MSE Europe Freight Forwarding and Logistic Limited
		Equity-method affiliates	MSE China (Beijing) Co.,Ltd., PT. Puninar MSE Indonesia, MSE Forwarders India Pvt. Ltd.
Global flow business	Core business company: Mitsui-Soko International Pte. Ltd.	Logistics systems business	Core business company: Mitsui-Soko Logistics Co., Ltd.
Consolidated subsidiaries	Mitsui-Soko International Japan Co., Ltd., Mitsui-Soko North East Asia Co., Ltd., Mitsui-Soko (China) Investment Co., Ltd., Mitex Logistics (Shanghai) Co.,Ltd., MSC Trading(Shanghai) Co.,Ltd., Shanghai MITS Commerce & Trade Co., Ltd., Mitex Shenzhen Logistics Co.,Ltd., Nantong Sinavico International Logistics Co., Ltd., Mitex International(Hong Kong)Ltd., Mitex Multimodal Express Ltd., Noble Business International Ltd., Mitsui-Soko(Taiwan)Co.,Ltd., Mitsui-Soko(Korea)Co.,Ltd., Mitsui-Soko(Singapore)Pte.Ltd., Mitsui-Soko Southeast Asia Pte.Ltd., Mitsui-Soko(Thailand)Co.,Ltd., Mitsui-Soko(Chiangmai) Co.,Ltd., Mits Logistics(Thailand)Co.,Ltd., Mits Transport (Thailand)Co.,Ltd., Mitsui-Soko(Malaysia)Sdn.Bhd., Mitsui-Soko Agencies(Malaysia)Sdn.Bhd., Integrated Mits Sdn.Bhd., PT Mitsui-Soko Indonesia, Mitsui-Soko(Philippines),Inc., Mitsui-Soko(U.S.A.)Inc., Mitsui-Soko(Europe)s.r.o., PST CLC,a.s., Prime Cargo A/S, Prime Cargo (H.K.) Limited Prime Cargo Shanghai Ltd., PC KH ApS Steamline A/S, Prime Cargo Poland North Star Logistics Company Limited	Consolidated subsidiaries	Hokkaimitsui-Soko Logistics Co., Ltd., MS Logitech Service Co., Ltd., Co-next Inc.
		BPO business	Core business company: Mitsui-Soko Business Trust Co., Ltd.
		Consolidated subsidiaries	Mitsui-Soko Business Partners Co., Ltd.
		Supply chain solution business	Core business company: Mitsui-Soko Supply Chain solutions Co., Ltd.
		Consolidated subsidiaries	Logistics Operation Service Co., Ltd., MS Supply Chain Solutions (Thailand) Ltd., MS Supply Chain Solutions (Malaysia) Sdn.Bhd.
		Corporate/ Real estate business	Holding company : Mitsui-Soko Holdings Co., Ltd.
		Consolidated subsidiaries	Mitsui-Soko Bizport Co., Ltd.
Equity-method affiliates	Shanghai Jinjiang Mitsui-Soko International Logistics Co., Ltd., JV Sunrise Logistics Co., Ltd., AW Rostamani Logistics LLC.	Unconsolidated subsidiaries	Non-equity-method affiliates Sanko Foods Co., Ltd. etc. American Terminal Service Co., Ltd. etc.



### (3) Quarterly Performance by segments

#### Net Revenue and Operating Income of FY2015 and FY2016

(Millions of yen)

		FY2015			FY2016				
		1st Half Actual	2nd Half Forecast	Total			1st Half Actual	2nd Half Forecast	Total
					1Q	2Q			
Net Revenue	Warehouse	24,245	25,268	49,514	12,689	12,418	25,107	25,000	50,000
	Port terminal	7,358	7,456	14,815	3,570	3,603	7,174	7,500	14,500
	Global flow	15,924	16,666	32,591	7,849	12,054	19,903	35,000	55,000
	Global express	11,120	18,309	29,430	5,379	5,782	11,162	11,000	22,000
	Logistics systems	16,624	16,985	33,610	8,247	8,591	16,838	16,500	33,500
	BPO	3,547	3,331	6,879	1,815	1,863	3,679	4,000	7,500
	SCS	—	—	—	6,193	6,298	12,491	12,000	24,500
	Transport network	—	—	—	—	—	—	6,000	6,000
	Real estate	5,398	5,079	10,477	2,355	2,379	4,735	5,000	9,500
	Elimination and /or corporate	(3,071)	(3,761)	(6,832)	(1,657)	(1,692)	(3,349)	(9,000)	(12,500)
	Total	81,148	89,337	170,486	46,443	51,299	97,743	113,000	210,000
Operating Income	Warehouse	468	481	950	353	354	707	650	1,350
	Port terminal	183	274	457	13	47	60	450	550
	Global flow	283	373	657	27	122	150	1,300	1,450
	Global express	1,097	2,242	3,339	387	452	839	1,000	1,800
	Logistics systems	117	247	364	384	207	592	900	1,500
	BPO	(109)	(315)	(425)	(121)	(141)	(262)	400	200
	SCS	—	—	—	(23)	82	58	400	450
	Transport network	—	—	—	—	—	—	250	250
	Real estate	3,081	2,790	5,872	1,193	1,191	2,385	2,300	4,700
	Joint company expenses	(2,572)	(2,531)	(5,103)	(1,535)	(1,616)	(3,152)	(3,750)	(6,950)
	Total	2,549	3,562	6,112	681	699	1,380	3,900	5,300

\*Transport network is a new segment which is going to be consolidated from December, 2015.



## (4) Business Volume in the Logistics Sector

Consolidated basis		1st Half ended Sept. 30, 2014				1st Half ended Sept. 30, 2015			
		Mitsui-Soko& Mitsui-Soko Kyushyu	Domestic subsidiaries	Overseas subsidiaries	Consolidated Total	Mitsui-Soko& Mitsui-Soko Kyushyu	Domestic subsidiaries	Overseas subsidiaries	Consolidated Total
Storage in warehouse	Average storage balance (in thousands of tons)	505	29	338	872	525	33	384	941
	Rate of goods turnover	29.9%	30.6%	60.2%	41.7%	27.1%	29.2%	47.0%	35.4%
	Storage area (in thousands of square meters)	685	31	444	1,161	711	32	579	1,322
Handling in warehouse	Incoming (in thousands of tons)	915	54	1,219	2,189	859	57	1,058	1,975
	Outgoing (in thousands of tons)	886	53	1,211	2,150	842	57	1,152	2,050
Work at container terminal	Volume handled (in thousands of tons)	14,122	2,022	—	16,144	13,575	1,987	—	15,563
Domestic transport	Volume transported (in thousands of tons)	5,920	217	—	6,137	5,563	276	—	5,839
International transport	Volume transported (in thousands of tons)	677	24	141	843	698	24	115	836
Distribution & processing	Sales proceeds (in millions of yen )	200	—	132	332	178	—	192	370

Increase / Decrease Consolidated basis		1st Half ended Sept., 2014	Details of increase/decrease					1st Half ended Sept., 2015
			Mitsui-Soko& Mitsui-Soko Kyushyu	Domestic subsidiaries	Overseas subsidiaries	Total increase/ decrease	Ratio of increase/ decrease	
Storage in warehouse	Average storage balance (in thousands of tons)	872	+20	+3	+46	+69	+7.9%	941
	Rate of goods turnover	41.7%	(2.8)%	(1.5)%	(13.2)%	(6.3)%	—	35.4%
	Storage area (in thousands of square meters)	1,161	+25	+1	+134	+161	+13.8%	1,322
Handling in warehouse	Incoming (in thousands of tons)	2,189	(56)	+3	(161)	(214)	(9.8)%	1,975
	Outgoing (in thousands of tons)	2,150	(44)	+4	(59)	(100)	(4.6)%	2,050
Work at container terminal	Volume handled (in thousands of tons)	16,144	(546)	(34)	—	(581)	(3.6)%	15,563
Domestic transport	Volume transported (in thousands of tons)	6,137	(357)	+59	—	(298)	(4.8)%	5,839
International transport	Volume transported (in thousands of tons)	843	+20	(1)	(26)	(7)	(0.8)%	836
Distribution & processing	Sales proceeds (in millions of yen)	332	(22)	—	+60	+38	+11.5%	370

\* International transport includes NVO and air transport



## (5) Business Volume in the Logistics Sector by Segments

	Warehouse				Port terminal operations		Global flow/ Global express/ BPO							
Storage & handling in warehouse	(1,000 tons)						(1,000 tons)							
		Incoming	Outgoing	Av. Balance	Turnover			Global flow						
	1st Half FY2016	884	865	495	29.5%			Global flow						
	1st Half FY2015	967	924	441	36.0%			Global flow						
	Incoming	Outgoing	Av. Balance	Turnover			Global flow							
1st Half FY2016/1st Half FY2015	(84)	(58)	+54	(6.5)			Global flow							
	(8.6)%	(6.3)%	+12.3%	—			Global flow							
							Global flow							
							Global flow							
Transportation	(1,000tons)				(No. of containers)		Global flow				Global express (tons)			
			Overland				Japan IN/OUT		Overseas IN/OUT		Air cargo			
	1st Half FY2016		3,881		1st Half FY2016		26,226		618,093		209,305		23,528	
	1st Half FY2015		3,971		1st Half FY2015		32,849		568,166		262,835		24,344	
		Overland				Japan IN/OUT		Overseas IN/OUT		Air cargo				
1st Half FY2016/1st Half FY2015		(91)		1st Half FY2016/1st Half FY2015		(6,623)		1st Half FY2016/1st Half FY2015		+49,927		(53,530)		△816
		(2.3)%				(20.2)%				+8.8%		(20.4)%		(3.4)%
Port terminal operations	(1,000 tons)				(TEU)		FY2016: year ending March 31, 2016 FY2015: year ended March 31, 2015							
			Import		Terminal									
	1st Half FY2016		490		1st Half FY2016							496,138		
	1st Half FY2015		488		1st Half FY2015							515,949		
		Import		Terminal										
1st Half FY2016/1st Half FY2015		2		1st Half FY2016/1st Half FY2015		(19,811)								
		+0.4%				(3.8)%								
Others	Customs (number of cases)				Agency (TEU)		BPO (1,000 boxes)		(1,000 orders)					
			Import		Booking Handling		No.of boxes (end balance)		File management	Dispatch	Order entry			
	1st Half FY2016		32,294		1st Half FY2016		63,987		5,164		583,172	2,679	1,815	
	1st Half FY2015		38,534		1st Half FY2015		64,227		4,381		528,373	3,342	2,062	
		Import		Booking Handling		No.of boxes (end balance)		File management	Dispatch	Order entry				
1st Half FY2016/1st Half FY2015		(6,240)		1st Half FY2016/1st Half FY2015		(240)		1st Half FY2016/1st Half FY2015		+783		+54,799	(663)	(247)
		(16.2)%				(0.4)%				+17.9%		+10.4%	(19.8)%	(12.0)%



## (6) List of Cargo Volume in Warehouse

### 1.Storage balance

	Mar.31,2010	Mar.31,2011	Mar.31,2012	Mar.31,2013	Mar.31,2014	Mar.31,2015
Tons (1,000 tons)	438	439	484	483	476	511
Amount (Millions of yen)	228,350	262,441	304,725	282,292	320,031	346,649
	Sep.30,2010	Sep.30,2011	Sep.30,2012	Sep.30,2013	Sep.30,2014	Sep.30,2015
Tons (1,000 tons)	457	477	504	492	505	529
Amount (Millions of yen)	250,396	282,765	320,464	296,404	361,539	373,872

### 2.Change in monthly balance (April 1, 2015-September 30, 2015)

	30-Apr	31-May	30-Jun	31-Jul	31-Aug	30-Sep
Tons (1,000 tons)	504	517	526	533	540	529
Amount (Millions of yen)	336,874	342,348	361,142	368,028	369,081	373,872

### 3.Receiving volume

		FY2012	FY2013	FY2014	FY2015	FY2016
Tons (1,000 tons)	Apr-Sep	907	898	883	915	859
	Oct-Mar	890	883	859	869	—
	Total	1,797	1,781	1,742	1,784	—
Amount (Millions of yen)	Apr-Sep	362,276	378,674	530,752	619,969	616,863
	Oct-Mar	393,745	413,928	576,764	610,729	—
	Total	756,021	792,602	1,107,516	1,230,698	—

### 4.Turnover rate

		FY2012	FY2013	FY2014	FY2015	FY2016
Tons	Apr-Sep	32.0%	29.7%	29.9%	29.9%	26.9%
	Oct-Mar	30.8%	30.2%	29.8%	28.0%	—
	Total	31.4%	30.0%	29.9%	29.0%	—
Amount	Apr-Sep	21.2%	19.6%	29.0%	28.6%	28.0%
	Oct-Mar	21.4%	23.0%	29.1%	29.5%	—
	Total	21.3%	21.3%	29.1%	29.1%	—

### 5.Monthly turnover rate (April 1, 2015-September 30, 2015)

	30-Apr	31-May	30-Jun	31-Jul	31-Aug	30-Sep
Tons	27.7%	25.3%	28.7%	28.6%	25.2%	25.9%
Amount	29.4%	26.7%	31.2%	29.0%	24.7%	27.2%

### 6.Warehouse floor space (Storage area)

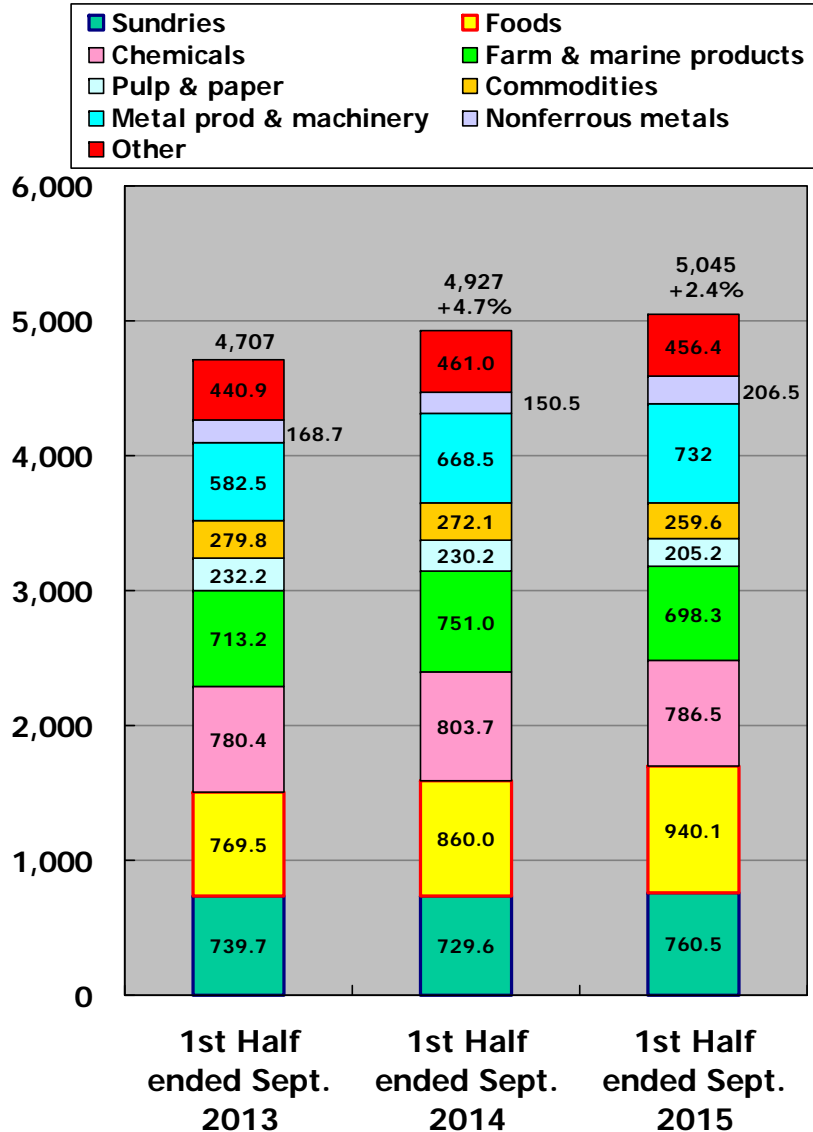
	Mar.31,2011	Mar.31,2012	Mar.31,2013	Mar.31,2014	Mar.31,2015	Sep.30,2015
Area (1,000 sq. meters)	637	646	674	683	685	711

(The amount composed of Mitsui-Soko Co., Ltd., Mitsui-Soko Kyushu Co., Ltd., Mitsui-Soko Business Trust Co., Ltd.)

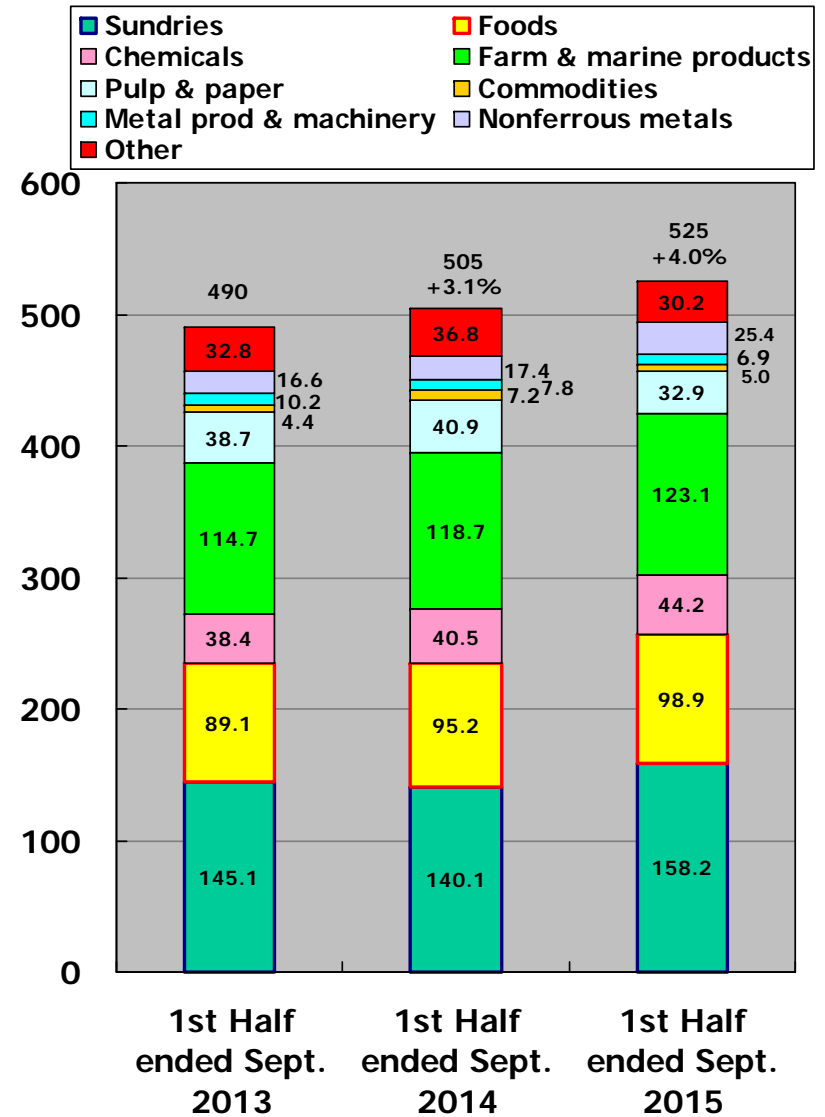


## (7) Handling Volume (Average Storage Balance, Tons)

21 main companies in Japan (1,000 Tons)



Mitsui-Soko & Mitsui-Soko Kyushu (1,000 Tons)



\*Statistics for 21 main companies in Japan are based on figures up to Aug. 2015.

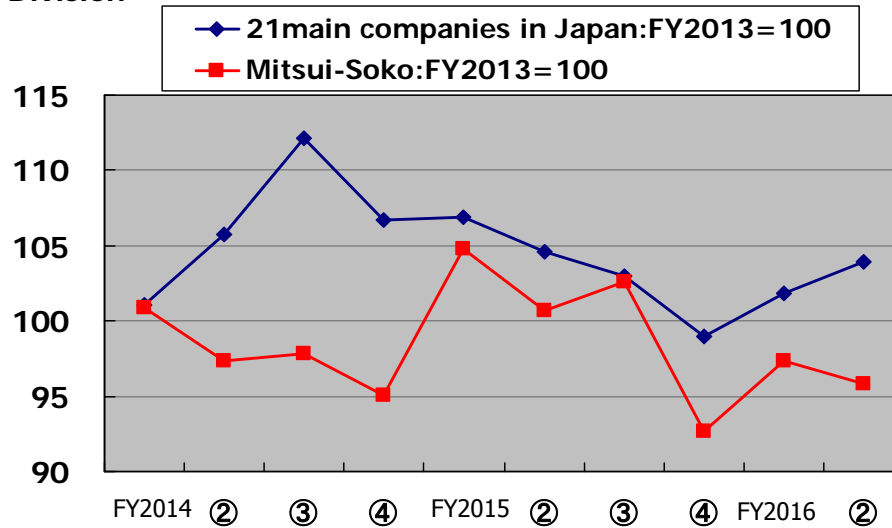




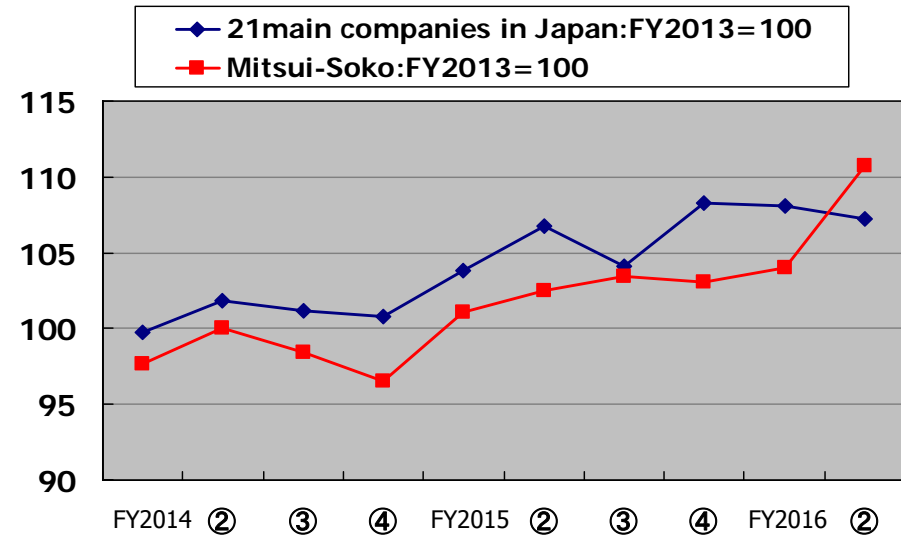
## (8) Quarterly Business Volume

### Warehouse Division

#### Receiving Cargo Volume

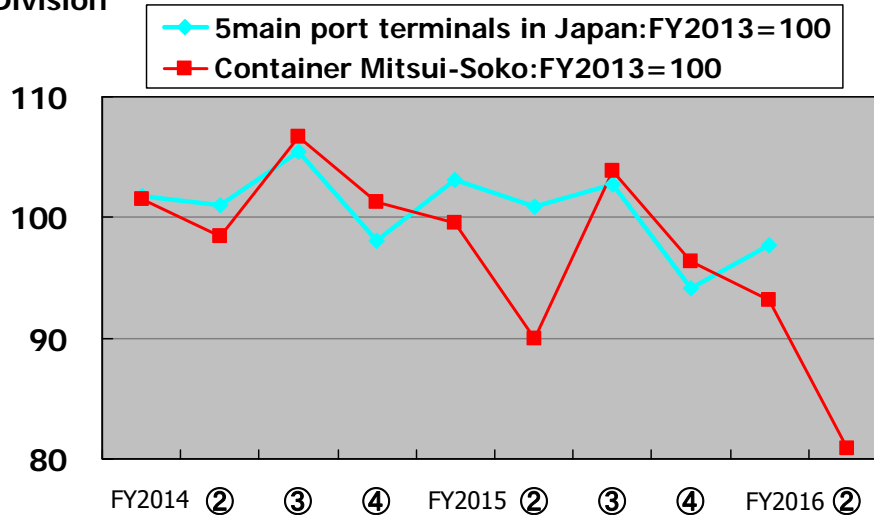


#### Storage Volume



### Port Terminal Division

#### Container Handling Volume



\*Statistics for 21 main companies in Japan are based on figures up to Aug., 2015.

\*Statistics for 5 main port terminals in Japan are based on figures up to June 2015.



## (9) Consolidated Balance Sheet

(Millions of yen)

	Mar. 31, 2015	Sep. 30, 2015	Change	Main factors for change	
Current assets	Cash & deposits	23,796	21,537	(2,258)	
	Notes & accounts receivable	25,282	32,325	+7,043	
	Deferred income taxes	1,110	1,075	(35)	
	Other current assets	8,055	10,060	+2,004	
	Allowance for doubtful accounts	(98)	(88)	+10	
Non-current assets	Buildings & structures, net	63,438	69,810	+6,372	
	Machinery & delivery equipment, net	3,716	4,604	+888	
	Land	50,666	50,803	+137	
	Construction in progress	7,642	6,293	(1,349)	
	Other PP&E, net	2,510	2,685	+174	
	Goodwill	21,100	38,242	+17,141	Newly consolidated MSCS
	Other Intangibles, net	6,260	7,594	+1,333	
	Investment securities	16,976	15,451	(1,524)	
	Long-term loans	415	456	+40	
	Deferred income taxes	810	1,144	+334	
	Assets for retirement benefits	4,757	4,623	(133)	
	Other investments	8,996	9,944	+947	
Allowance for doubtful accounts	(223)	(238)	(14)		
Current liabilities	Notes & accounts payable	13,698	16,392	+2,693	
	Short-term borrowings & current portion of long-term debt	27,572	37,577	+10,004	Increase of short-term borrowings
	Accrued income taxes	1,463	785	(678)	
	Accrued bonus	2,051	2,825	+774	
	Other current liabilities	13,855	14,963	+1,108	
Non-current liabilities	Bonds	57,000	47,000	(10,000)	
	Long-term borrowings	40,508	68,190	+27,682	
	Deferred income taxes	7,349	7,349	+0	
	Liability for retirement benefits	4,345	6,089	+1,744	
	Other noncurrent liabilities	4,387	5,703	+1,316	
Common stock	11,100	11,100	—		
Capital surplus	5,563	5,563	—		
Retained earnings	39,919	37,751	(2,167)		
Treasury stock, at cost	(101)	(101)	—		
Unrealized gains on available-for-sale securities	6,351	5,663	(688)		
Foreign currency translation adjustments	4,173	3,750	(423)		
Remeasurements of defined benefit plans	1,237	1,153	(83)		
Minority interests	4,735	4,565	(170)		
<b>Total liabilities and net assets</b>	<b>245,213</b>	<b>276,325</b>	<b>+31,112</b>		



## (10) Consolidated Income Statement

(Millions of yen)

		Six months ended Sept., 2014	Six months ended Sept., 2015	Change	Main factors for change
Net revenue	Storage services	9,808	11,342	+1,533	
	Warehouse handling services	6,712	10,443	+3,730	
	Port terminal services	10,386	10,242	(144)	
	Transportation services	30,596	39,841	+9,244	Contribution of Mitsui-Soko and Mitsui-Soko Supply Chain Solutions
	Real estate	5,098	4,413	(685)	
	Other	18,545	21,461	+2,915	
	Total	81,148	97,743	+16,594	
Cost of sales	Direct operation expenses	39,062	47,762	+8,699	Cost increase along with revenue increase
	Lease and rental	7,009	7,518	+508	
	Depreciation expenses	2,889	3,060	+170	
	Salaries & benefits	10,539	12,978	+2,439	
	Other	11,923	14,877	+2,954	
	Total	71,424	86,197	+14,772	
Gross profit		9,724	11,545	+1,821	
SG&A	Depreciation expenses	578	627	+49	
	Remuneration salaries & benefits	2,377	3,751	+1,373	
	Amortization of goodwill	906	1,368	+461	
	Other	3,310	4,416	+1,105	
	Total	7,174	10,164	+2,990	
Operating income		2,549	1,380	(1,168)	
Nonoperating income	Interest and dividends	208	484	+275	
	Foreign exchange gain	283	—	(283)	
	Equity in earnings of nonconsolidated subsidiaries and affiliates	45	49	+3	
	Other	269	225	(44)	
Nonoperating expenses	Interest expenses	565	658	+93	
	Foreign exchange loss	—	1,798	+1,798	
	Other	485	970	+484	
Ordinary income		2,306	(1,286)	(3,593)	
Extraordinary gains	Gain on sales of investment securities	0	822	+821	
Extraordinary losses	Purchase-related expenses	—	307	+307	
	Unrealized loss of securities	—	79	+79	
	Loss on disposal of assets	120	46	(73)	
	Other	12	15	+2	
	Total	133	448	+315	
Income before income taxes		2,174	(912)	(3,087)	
Income taxes - current		717	1,079	+361	
Income taxes - deferred		285	207	(78)	
Minority interests		200	(652)	(853)	
Net income		970	(1,546)	(2,517)	



## (11) Consolidated Cash Flows

(Millions of yen)

	Six months ended Sept., 2014	Six months ended Sept., 2015	Change	Main factors for change	
Operating activities	Income before income taxes	2,174	(912)	(3,087)	
	Depreciation expenses	3,468	3,688	+219	
	Amortization of goodwill	906	1,368	+461	
	Change in allowance for doubtful accounts	(16)	(31)	(14)	
	Change in accrued bonus	153	89	(64)	
	Change in accrued pension and severance costs	94	91	(2)	
	Interest and dividend income	(208)	(484)	(275)	
	Interest expense	565	658	+93	
	Foreign exchange gain(loss)	(283)	1,798	+2,081	
	Equity in earnings of associated companies	(45)	(49)	(3)	
	Gain(loss) on sales of PP&E	(23)	(14)	+8	
	Gain(loss) on sales of securities	(0)	(822)	(821)	
	Gain(loss) on disposal of PP&E	33	42	+9	
	Unrealized gain(loss) on investment securities	—	79	+79	
	Change in trade receivables	250	293	+42	
	Change in trade payables	(1,407)	(2,293)	(886)	
	Other, net	(1,853)	(1,384)	+469	
Income taxes paid	(880)	(1,945)	(1,064)		
Cash flows from operating activities	2,927	171	(2,755)		
Investing activities	Payments for purchases of investment securities	(298)	(3)	+295	
	Proceeds from sales of investment securities	0	1,268	+1,267	
	Payments for purchases of non-current assets	(5,420)	(9,151)	(3,730)	
	Proceeds from sales of non-current assets	30	30	—	
	Payments for loans extended	(56)	(54)	+2	
	Proceeds from loans collected	31	138	+107	
	Purchase of investments in subsidiaries resulting in change of scope of consolidation	—	(13,885)	(13,885)	Acquisition of shares of MSCS & Prime Cargo
	Proceeds from investments in subsidiaries resulting in change of scope of consolidation	400	—	(400)	
	Payments for transfer of business	—	(7,577)	(7,577)	Related to MSCSM
	Other, net	(52)	(329)	(277)	
Cash flows from investing activities	(5,364)	(29,563)	(24,199)		
Financing activities	Proceeds from short-term borrowings	41,802	101,999	+60,197	
	Payments for short-term borrowings	(41,470)	(94,991)	(53,521)	
	Proceeds from long-term borrowings	13,602	34,843	+21,241	
	Payments for long-term borrowings	(7,634)	(7,296)	+337	
	Corporate bonds redeemed	(6,000)	(7,000)	(1,000)	
	Dividends paid	(558)	(620)	(62)	
	Other, net	(212)	(224)	(11)	
	Cash flows from financing activities	(471)	26,708	+27,180	
Translation adjustments on cash and cash equivalents	(683)	(33)	+650		
Net increase(decrease) in cash and cash equivalents	(3,592)	(2,716)	+876		
Cash and cash equivalents at the beginning of the term	15,943	22,717	+6,774		
Cash and cash equivalents at the end of the term	12,350	20,001	+7,650		