

H1 FY2024

Financial Results Briefing

MITSUI-SOKO HOLDINGS Co., Ltd. (Securities code : 9302)

November 15, 2023



**MITSUI-SOKO
GROUP**

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H1 FY2024 (6 months) Results

Decrease in operating revenue and profit due to a reactionary drop in special factors in FY2023 and lower ocean and air freight rates

Improvement of the operational efficiency in response to soaring labor and fuel costs

Operating Revenue	¥131.9 billion	YoY	-16.1%
Operating Profit	¥11.8 billion	YoY	-13.4%

FY2024 (Full-year) Forecast

**Steady progress in line with the earnings forecast announced on August 2, 2023
(Earnings forecast remained unchanged)**

Trends in cargo handling volume and in upfront DX investment expenses have not been changed as planned at the time of the forecast announcement

Operating Revenue	¥273.0 billion	YoY	-9.3%
Operating Profit	¥21.5 billion	YoY	-17.2%

Shareholder Returns

**Performance-linked dividend policy targeting a payout ratio of 30%
(Dividend forecast remained unchanged)**

Interim dividend	67 yen (Actual)		
Year-end dividend	75 yen (Forecast)	vs. Initial Forecast	+8 yen (Announced in Aug. 2023)
Annual dividend	142 yen (Forecast)	Expected Payout Ratio	30.0%

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- Decrease in operating revenue and profit mainly due to a reactionary drop in special factors in FY2023 and lower ocean and air freight rates
- Secured profitability due to improvement of the operational efficiency and appropriate collection fees in response to increase in cost of sales
- Decrease in net income for H1 FY2024 due to a reactionary decline in extraordinary gains in the previous fiscal year

(Unit: 100 mil. yen)

Total Consolidated	H1 FY2023 (6 months)	H1 FY2024 (6 months)	Change	Change	
Operating Revenue	1,573	1,319	-254	-16.1%	
Operating Profit	136	118	-18	-13.4%	
[Operating Profit Margin	8.7%	9.0%	+0.3pt	—]
Ordinary Profit	144	122	-22	-15.5%	
Profit attributed to owners of parent	92	72	-20	-21.7%	

Business Results by Segment

(Unit: 100 mil. yen)

Segment	H1 FY2023 (6 months)	H1 FY2024 (6 months)	Change	Change
Operating Revenue	1,573	1,319	-254	-16.1%
Logistics business	1,530	1,276	-254	-16.6%
Warehousing/Port transportation	727	620	-107	-14.6%
Airfreight forwarding(FWD)	299	193	-106	-35.7%
3PL/LLP	470	386	-84	-17.9%
Land transportation	141	139	-2	-1.2%
Elimination of intra-group transactions	-107	-62	+45	—
Real estate business	47	47	-0	-0.1%
Eliminate/Corporate	-4	-4	-0	—
Operating Profit	136	118	-18	-13.4%
Logistics business	125	112	-13	-10.2%
Warehousing/Port transportation	48	40	-8	-17.3%
Airfreight forwarding(FWD)	40	34	-6	-14.8%
3PL/LLP	33	32	-1	-3.7%
Land transportation	6	8	+2	+39.1%
Consolidation adjustment, etc.	-2	-2	+0	—
Real estate business	28	28	-0	-0.4%
Eliminate/Corporate	-17	-22	-5	—

- In addition to decrease in operating revenue due to lower ocean freight rates, cargo movements slowed down in H1 FY2024 as a result of inventory adjustments
- Decrease in operating revenue and profit due to the absence of emergency transportation in H1 FY2024, mainly overseas, caused by supply chain disruptions that had occurred in H1 FY2023

- Decrease in operating revenue due to the decline in freight rates per unit for ocean and air transportation of home appliances and precision equipment from producing countries to Japan

- Despite of a decrease in operating revenue and profit due to lower air freight rates (including the absence of "special factors" in H1 FY2023), flexible procurement was implemented in situations where freight costs were falling

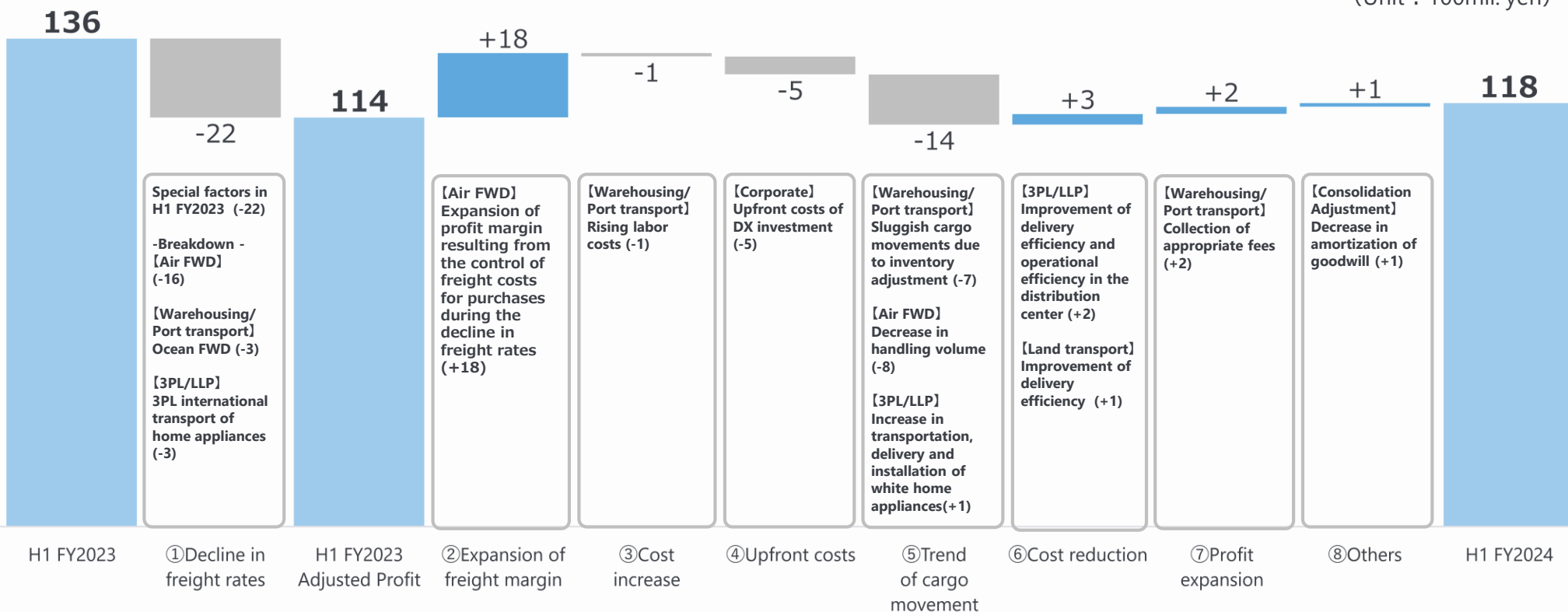
- Increase in operating profit due to the reduction of vehicle hiring costs as a result of improvement of the loading efficiency

- Increase in upfront system-related expenses associated with DX investments

Main Changes in Operating Profit

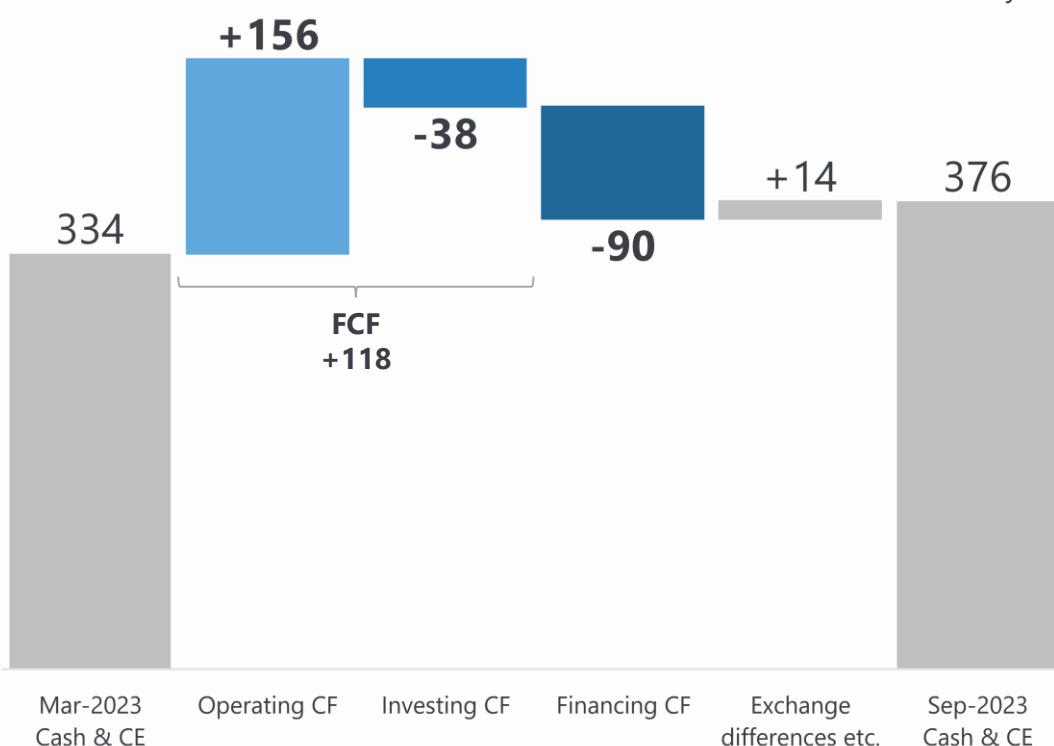
- Profit margins temporarily expanded due to the control of freight costs for purchases in situations where ocean and air freight rates were falling.
- Cargo movement remained sluggish as a result of firm-level inventory adjustments
- Enhanced profitability even in a difficult business environment by improving truck loading rates for domestic transportation and delivery operations, more efficiently operating in the distribution center, and collecting appropriate fees.

(Unit : 100mil. yen)



- Operating cash flow (CF) resulted in a net cash inflow of ¥15.6 billion, mainly due to net income and collection of accounts receivable
- Implementation of investment in maintenance and renewal of logistics facilities, in software based on DX strategy, and in a partner company engaged in the commercialization of trunk route transportation services using self-driving trucks

(Unit : 100mil.yen)



Major Breakdown of Cash Flows

• Operating CF	:	+156
Profit before income taxes	:	+123
Depreciation/Amortization of goodwill	:	+49
Decrease (increase) in trade receivables/trade payables	:	+14
Income taxes paid	:	-44
• Investing CF	:	-38
Capital investment	:	-25
Software investment	:	-17
Payment of investment in capital	:	-5
(Subtotal) Free cash-flow	:	+118
• Financing CF	:	-90
Change in borrowings and bonds (Net)	:	-27
Dividends paid	:	-29
• Total of Change in Cash and cash equivalents	:	+42

- Improved both equity ratio and D/E ratio due to steady accumulation of net income

(Unit: 100 mil. yen)

Total Consolidated	Balance as of Mar. 31, 2023	Balance as of Sep. 30, 2023	Change
Total Assets	2,587	2,648	+61
Cash and deposits	345	385	+40
Trade receivables	323	307	-16
Tangible and Intangible assets	1,493	1,495	+2
Interest-bearing debt (including Lease obligations)	926	894	-32
Borrowings and Bonds	851	825	-26
Lease obligations	76	69	-7
Equity Capital	933	1,019	+86
Equity ratio	36.1%	38.5%	+2.4
D/E ratio	0.99	0.88	-0.11

• Investment in maintenance and renewal of existing facilities, increase in intangible assets due to software investment based on DX strategy

• Reasons for the change in equity capital:
Net Income (+¥7.1bln),
Dividends (-¥2.9bln),
Exchange differences (+¥3.0bln),
Unrealized gains on securities (+¥1.3bln)

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- **Steady progress in line with the earnings forecast announced on August 2, 2023 (Earnings forecast remained unchanged)**
- **Steady progress in cargo handling volume, upfront DX investment expenses, and the launch of new bases as planned at the time of the August earnings forecast announcement.**

(Unit: 100 mil. yen)

Total Consolidated	FY2023 Actual ('22.4-'23.3)	FY2024 Forecast ('23.4-'24.3)	Change	Change
Operating Revenue	3,008	2,730	-278	-9.3%
Operating Profit	260	215	-45	-17.2%
Ordinary Profit	265	207	-58	-22.0%
Profit attributed to owners of parent	156	118	-38	-24.4%

Business Results Forecast by Segment

(Unit: 100 mil. yen)

Segment	FY2023 Actual (‘22.4-‘23.3)	FY2024 Forecast (‘23.4-‘24.3)	Change	Change
Operating Revenue	3,008	2,730	-278	-9.3%
Logistics business	2,920	2,640	-280	-9.6%
Warehousing/Port transportation	1,383	1,320	-63	-4.5%
Airfreight forwarding(FWD)	568	400	-168	-29.6%
3PL/LLP	879	780	-99	-11.2%
Land transportation	279	290	+11	+3.9%
Elimination of intra-group transactions	-189	-150	+39	—
Real estate business	96	96	-0	-0.3%
Eliminate/Corporate	-8	-6	+2	—
Operating Profit	260	215	-45	-17.2%
Logistics business	239	211	-28	-11.8%
Warehousing/Port transportation	89	83	-6	-6.5%
Airfreight forwarding(FWD)	78	52	-26	-33.6%
3PL/LLP	62	62	+0	+0.6%
Land transportation	13	15	+2	+19.5%
Consolidation adjustment, etc.	-3	-1	+2	—
Real estate business	59	57	-2	-3.5%
Eliminate/Corporate	-38	-53	-15	—

- Expectation of a decrease in operating revenue due to the decline in freight rates per unit for ocean and air transportation of home appliances and precision equipment from producing countries to Japan

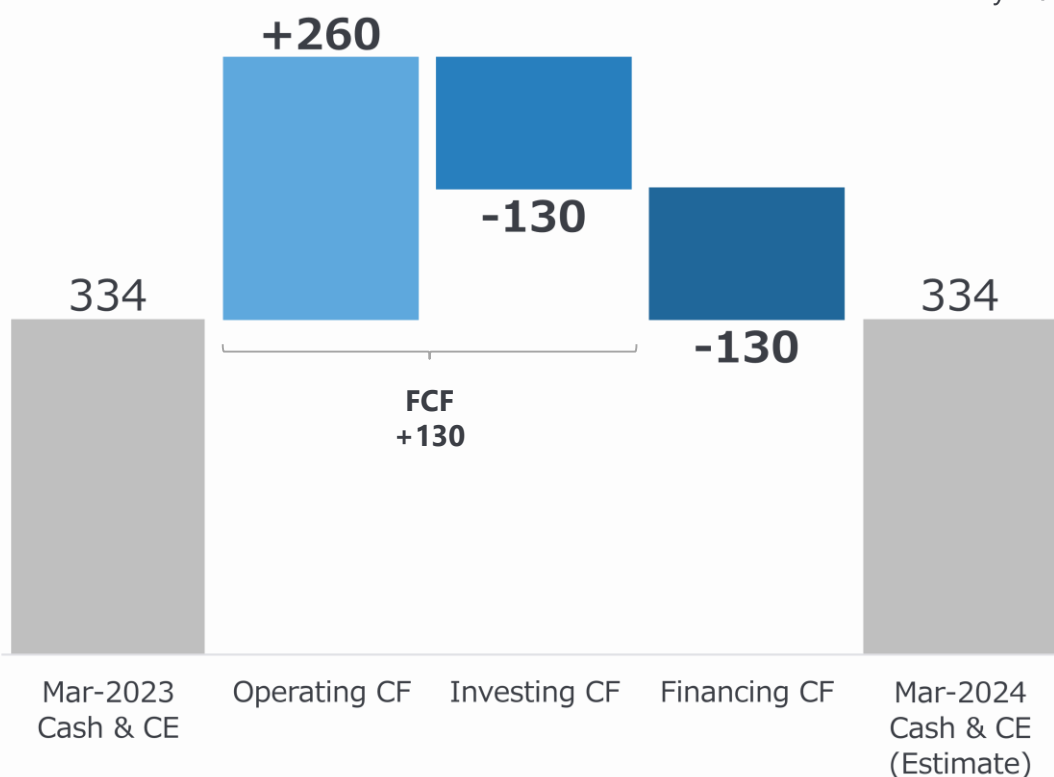
- Expectation of a decrease in operating revenue and profit due to lower air freight rates (including the absence of "special factors" in FY2023)

- Continuing efforts to increase in operating profit due to the reduction of vehicle hiring costs as a result of improvement of the loading efficiency

- Increase in upfront system-related expenses associated with DX investments

- Operating cash flow (CF) expects to be a net cash inflow of ¥26.0 billion
- In addition to DX investment and investment in maintenance and renewal of logistics facilities, part of construction costs of the MITSUI-SOKO Hakozaeki Building to renovate it into a multi-tenant office is planned to be paid.

(Unit : 100mil. yen)



Major Breakdown of Cash Flows (Forecast)

• Operating CF	: +260
Depreciation/Amortization of goodwill	: +100
• Investing CF	: -130
Capital investment	: -85
Software investment	: -45
Payment of investment in capital	: -5
(Subtotal) Free cash-flow	: +130
• Financing CF	: -130
Change in borrowings and bonds (Net)	: -65
Dividends paid	: -45
• Total of Change in Cash and Cash Equivalents	: ±0

- Expectation of remaining in D/E ratio less than 1.0x
- Secure investment capacity in preparation for the execution of strategic investments

(Unit: 100 mil. yen)

Total Consolidated	Balance as of Mar. 31, 2023 (Actual)	Balance as of Mar. 31, 2024 (Forecast)	Change
Total Assets	2,587	2,650	+63
Cash and deposits	345	345	+0
Trade receivables	323	300	-23
Tangible and Intangible assets	1,493	1,535	+42
Interest-bearing debt (including Lease obligations)	926	860	-66
Borrowings and Bonds	851	785	-66
Lease obligations	76	75	-1
Equity Capital	933	1,045	+112
Equity ratio	36.1%	39.4%	+3.3
D/E ratio	0.99	0.82	-0.17

- Expectation of an increase in intangible assets due to software investment based on the DX strategy
- Expectation of an increase in tangible assets due to partial payment for construction costs of the Hakozaiki Building to renovate it into a multi-tenant office

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- **Aiming to improve corporate value, the Company implements management with an awareness of capital cost and stock price. The ROE target of our current Medium-term plan is 12%.**
- **Dialogues with shareholders are held as needed. Based on the status of dialogue, the Company has enhanced the disclosure of business performance from the current fiscal year.**

Action to Implement Management That Is Conscious of Capital Cost

- The Group has positioned ROE as one of the important management indicators in engaging in corporate management that is conscious of capital cost.
- In our present Medium-term Management Plan 2022, the Company has set a target of ROE exceeding 12%, which exceeds the cost of equity calculated by CAPM in the Company.
- In terms of recent performance, the Company has exceeded its targets and will continue to strive to maintain a high level of capital efficiency. (See page 34 of Appendix for Changes in ROE results.)

Action to Implement Management That Is Conscious of Stock Price

- The Board of Directors regularly holds discussions on PBR and considers and implements measures aimed at obtaining appropriate external evaluation.
- While the Company worked to strengthen investor relations activities by revising the Company's website and conducting interviews with investors continuously, it has introduced a share-based remuneration plan for the purpose of management that is conscious of capital efficiency.
- Going forward, the Company will aim to further increase its stock value through expanded disclosure with an eye to sustainability and active dialogue with its shareholders.

Implementation Status of Dialogue, etc. with Shareholders and Investors

- The implementation status of dialogue in H1 FY2024 is as follows:
 - Financial Results Briefings: two (2) times for a total of 100 companies (YoY +12)
 - Individual IR interviews: A total of 55 interviews (YoY +19)
 - (Institutional investor engagement for this year will be conducted in H2 FY2024)
- (Ref.) The implementation status of dialogue in FY2023 :
 - Financial Results Briefings: four (4) times for a total of 191 companies
 - Individual IR interviews: A total of 74 interviews
 - Institutional investors engagement: 11 companies
- Officer in charge of IR provides feedback to the Board of Directors on the implementation status of dialogue and valuable opinions received during the dialogue in order to improve corporate value.
- Based on the most recent dialogue, the Company has enhanced the disclosure of the breakdown of the performance of the logistics business, which is particularly in demand by investors, from the current fiscal year.

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Medium-Term Management Plan 2022 Be the First-Call Company "Going on the Offensive by Deepening"

Growth Strategy

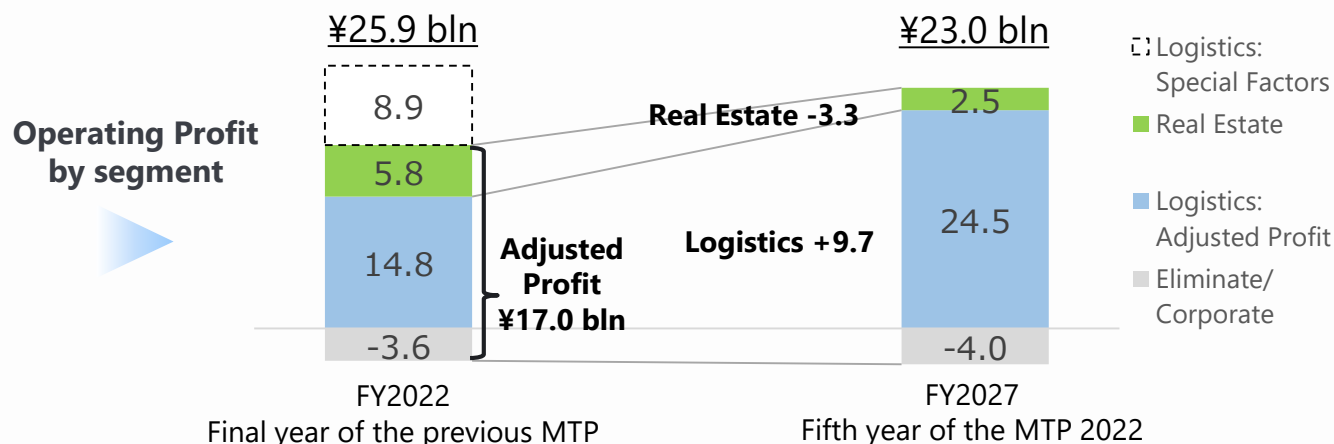
- ✓ **Top-line Growth by Mobilizing the Group's Collective Strength** Focus Areas : Mobility • Healthcare • B2B2C
 《 Enhancement of integrated solution service • Expansion of sustainability-oriented business • Deep digging in the inter-industry 》
- ✓ **Reinforcement of Operational Competitiveness**
 《 Company-wide penetration of standardization • Improvement of operational quality • Lower cost of operations 》
- ✓ **Building Management Foundation to Support the Deepening** 《 DX • Co-creation • Business Assets • ESG 》

Financial Strategy

- ✓ Investments in a total of **¥130 billion**
 - Strategic investments such as DX investment and new capital investment (logistics/real estate), and investment in growing areas such as M&A: **¥100 billion**
 - Normal investment (maintaining existing facilities/renewal investment): **¥30 billion**
- ✓ Strengthening shareholder returns based on a payout ratio of **30%**
- ✓ Procurement and operation based on the optimal D/E ratio of **1.0x**
- ✓ Setting a target of ROE of over **12%**, aiming to maintain a high level of capital efficiency

Numerical Targets of Medium-Term Management Plan(MTP) (FY2027)

Operating Revenue	¥350 billion
Operating Profit	¥23 billion
Operating CF	¥30 billion



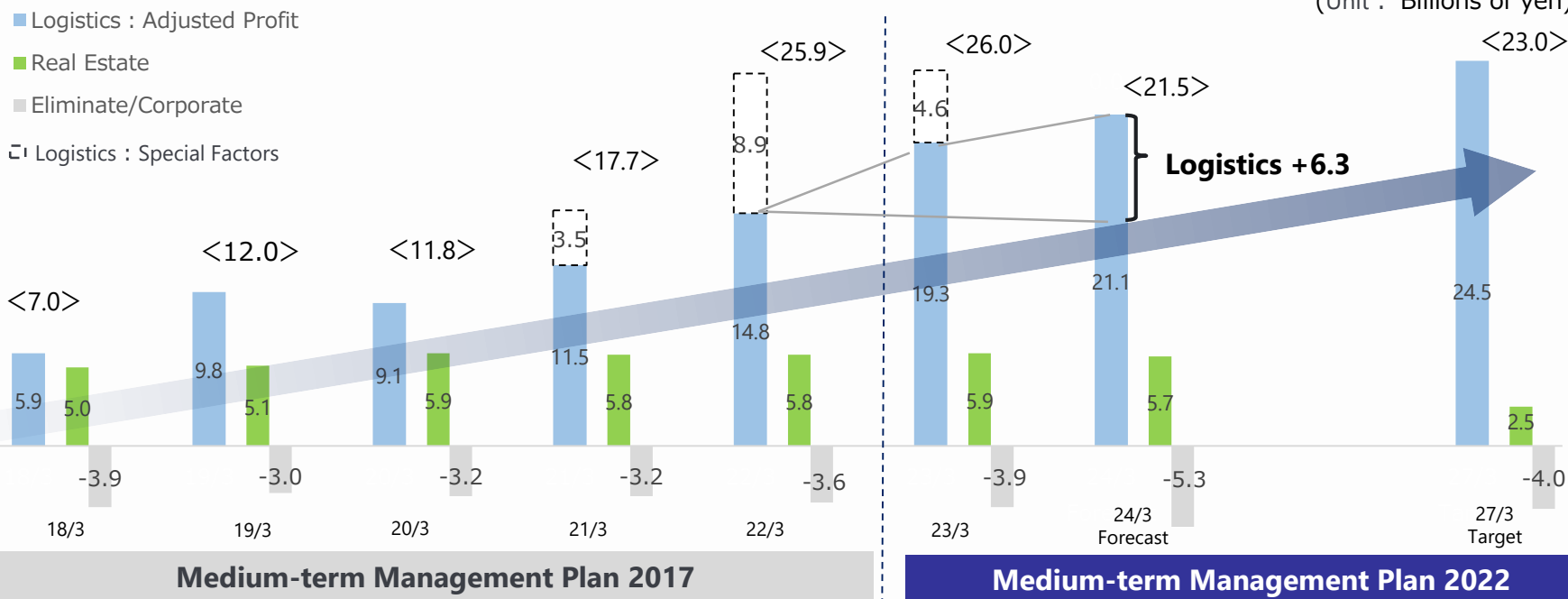
Progress of Medium-Term Management Plan 2022

Trends in Operating Profit

✓ Adjusted profit in logistics business remains robust toward achieving numerical targets of the Medium-Term Management Plan 2022

<Trends in Operating Profit>

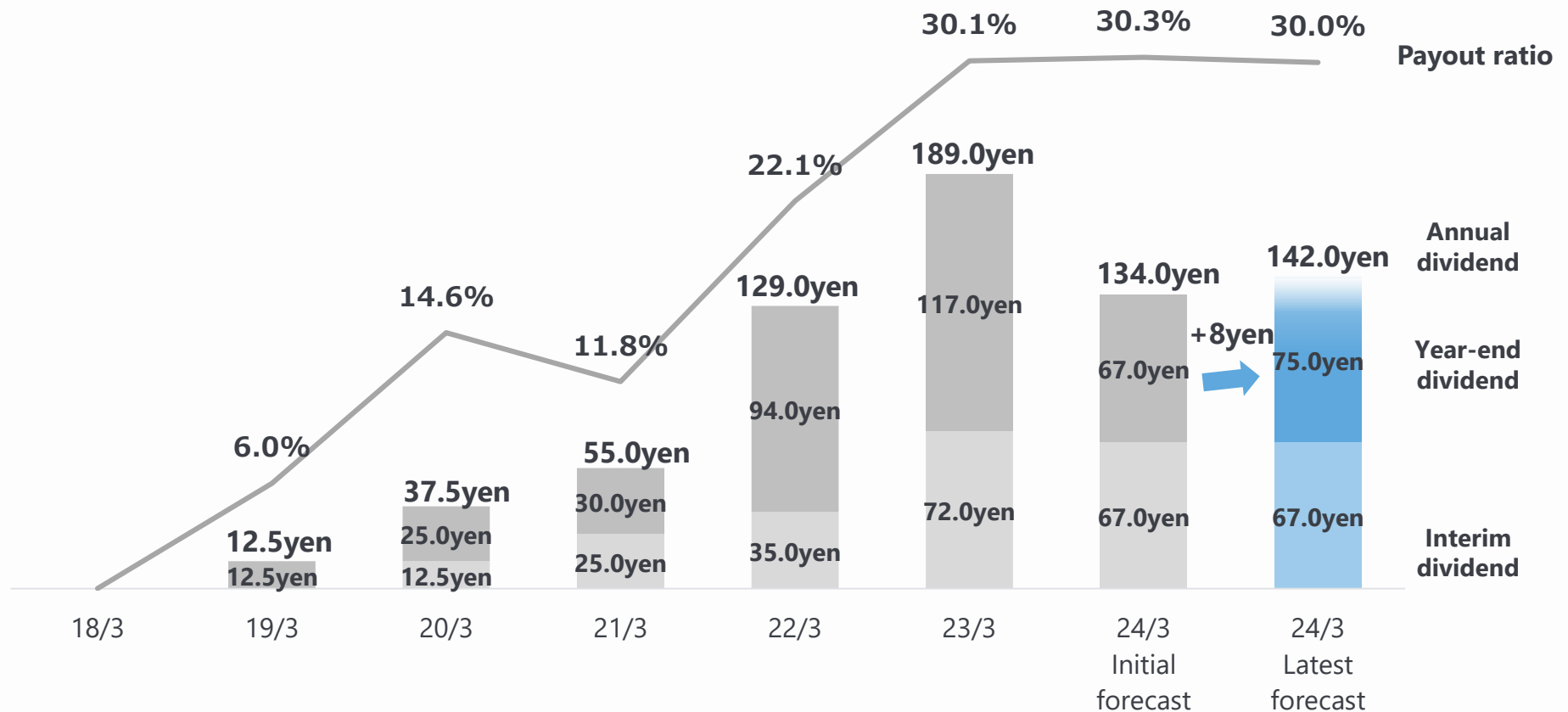
(Unit : Billions of yen)



Unit : Billions of yen

	18/3	19/3	20/3	21/3	22/3	23/3	24/3	27/3
Logistics : Adjusted Profit	5.9	9.8	9.1	11.5	14.8	19.3	21.1	24.5
Real Estate	5.0	5.1	5.9	5.8	5.8	5.9	5.7	2.5
Eliminate/Corporate	-3.9	-3.0	-3.2	-3.2	-3.6	-3.9	-5.3	-4.0
Adjusted Profit	7.0	12.0	11.8	14.2	17.0	21.4	21.5	23.0
Logistics : Special Factors	-	-	-	3.5	8.9	4.6	-	-
Total Consolidated	7.0	12.0	11.8	17.7	25.9	26.0	21.5	23.0

- Flexible dividends linked to our performance based on an annual dividend payout ratio of 30%
- Reflection of year-end dividend forecast due to the performance revised upward
(increased by 8 yen compared with the initial forecast)



① Co-creation for top-line growth

Invests in T2 Inc., which aims to commercialize trunk line transportation services using self-driving trucks

- Co-creation to build a new platform using automated driving technology
- Bringing together the expertise of both companies, we will promote the strengthening of logistics networks and the creation of new logistics services.

T2 vehicle under development



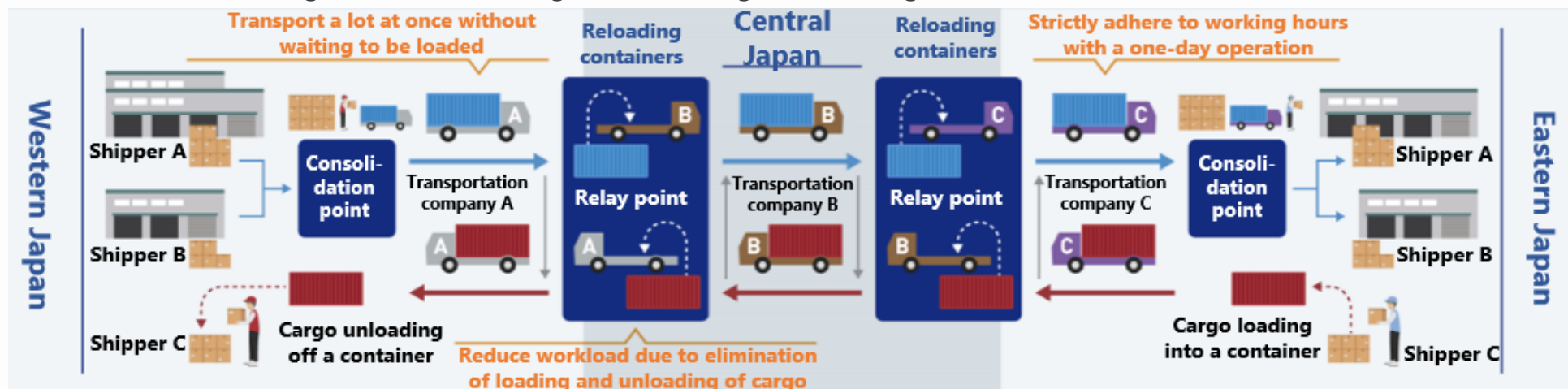
T2 Inc. Company Profile

Established in 2022 by Mitsui & Co., Ltd. and Preferred Networks, Inc.

- (Business)
- Development of automated driving systems
 - Trunk line transportation services using Level 4 self-driving trucks
 - Businesses that offer services related to trunk line transportation and others

Participates in carrying out proof experiment of main line broadcast transport service "SLOC" beyond the boundaries of business type

- Co-creation with several companies to realize a transportation service using swap body container which can desorb carrier (container) part loading with cargo
- Not only to enhance the Group's transportation capacity, but also to promote resolution of social issues such as reduction of "drivers' load waiting" to wait for loading and unloading time for cargo

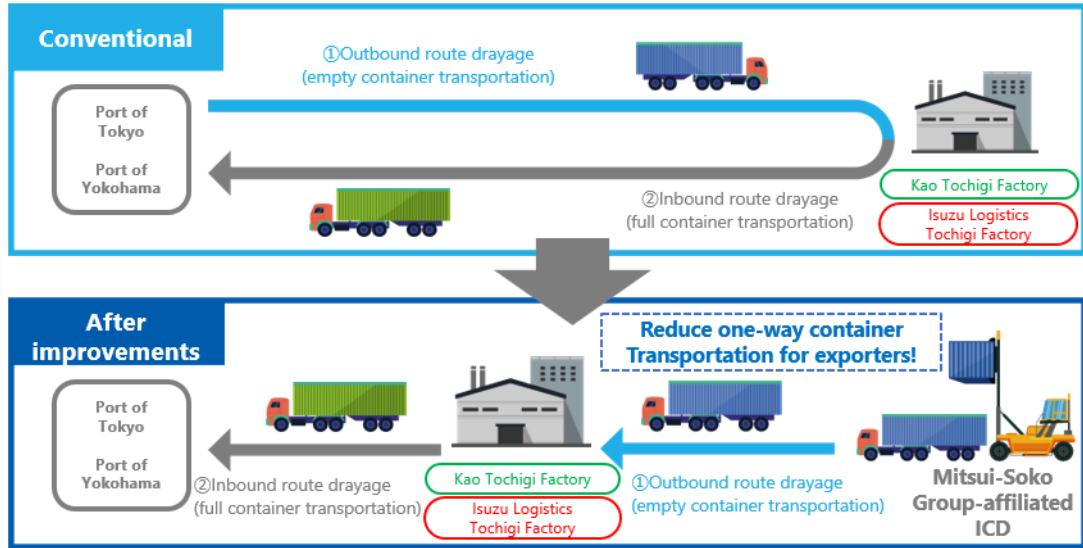


① Co-creation for top-line growth

Contributing to more efficient forwarding and reduced environmental impact by utilizing the Inland Container Depot co-created by three companies

- Designed an efficient container transportation scheme utilizing affiliated ICD in collaboration with Kao Corporation and Isuzu Logistics Co., Ltd., which brings about improving transportation efficiency and reducing environmental impact
 - Reduction of total transportation distance by 60,000 km per year
 - Reduction of drivers' hours of duty by 33% compared to the conventional transportation scheme
 - Reduction of CO2 emissions by 42% per year compared to conventional transportation scheme

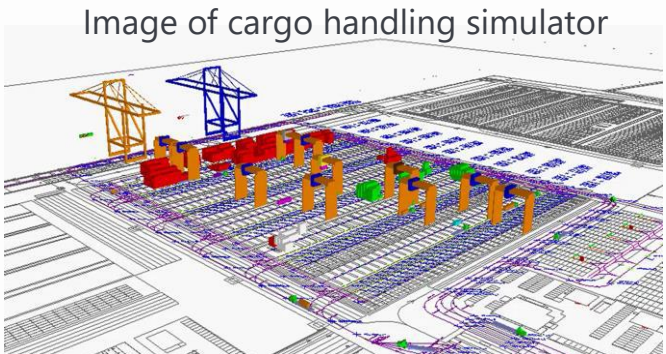
Joint Transportation Flow



- 2023 Received Special Award at 24th Logistics Environment Awards

Entrusted with development of technology to improve terminal operations efficiency by the Ministry of Land, Infrastructure, Transport and Tourism

- MITSUI-SOKO Co., Ltd., Hitachi, Ltd., and MITSUI E&S Co., Ltd. have been entrusted by the Ministry of Land, Infrastructure, Transport and Tourism to develop technologies to improve the efficiency of terminal operations by AI-based planning for container placement and cargo handling procedures at ports and harbors.
- The three companies plan to continue this Technology Development until 2025, after which they will promote practical application and introduction support, mainly for ports in Japan.



② Expansion of Sustainability-oriented Business

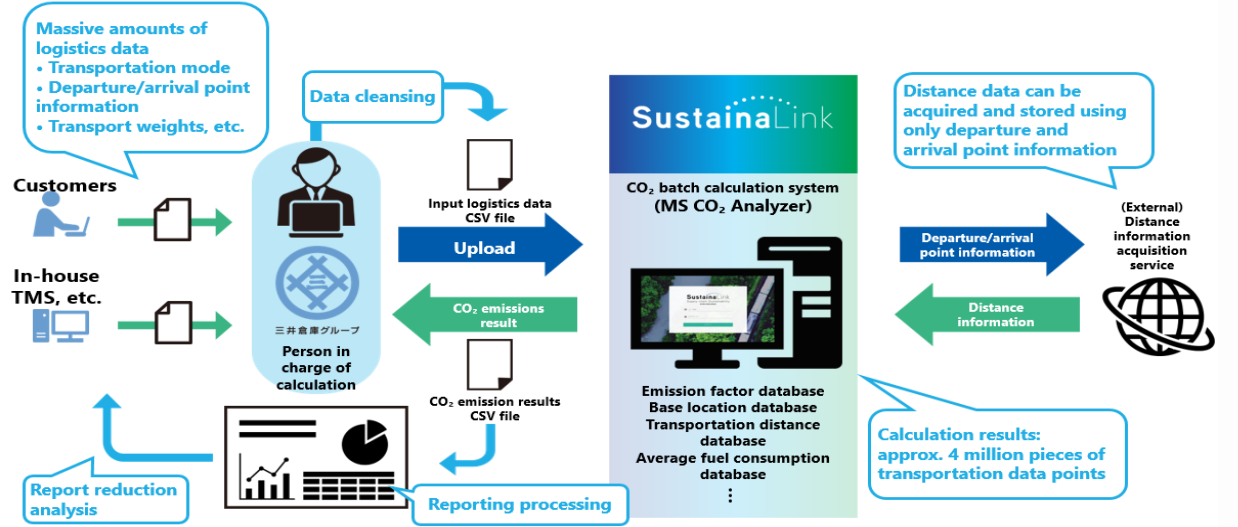
Our CO2 emissions calculation systems received the Advanced Technology Award at the 24th Logistics Environment Awards.

- Developing and providing two types of visualization services as the SustainaLink's service menus: MS CO2 Navigator, which enables simple calculations, and MS CO2 Analyzer, which enables more detailed calculations.
- Having been evaluated as advanced technologies that contribute to reducing environmental impact, these two CO2 visualization systems received the Advanced Technology Award.

MS CO2 Navigator



MS CO2 Analyzer



Received ISO 14083:2023 as the first Japanese-affiliated logistics company

- MS CO2 Analyzer (Bulk calculation and analysis service) completed the compliance with ISO for quantifying GHG calculations in batches the CO2 emissions from multiple/multimodal transportation modes as the first Japanese-affiliated logistics company and obtained a validity evaluation from a third-party evaluation organization that covered this standard.
- The amount of analyzed data had reached approximately 4 million pieces of transportation data points as of the end of October 2023.



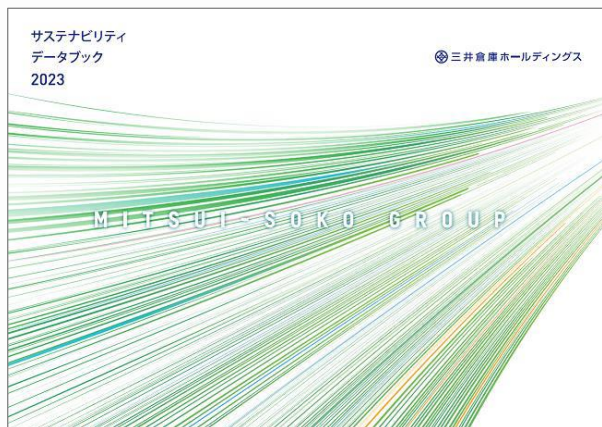
③ Expansion of disclosure information

Promoting enhanced disclosure of financial and non-financial information for dialogue with investors

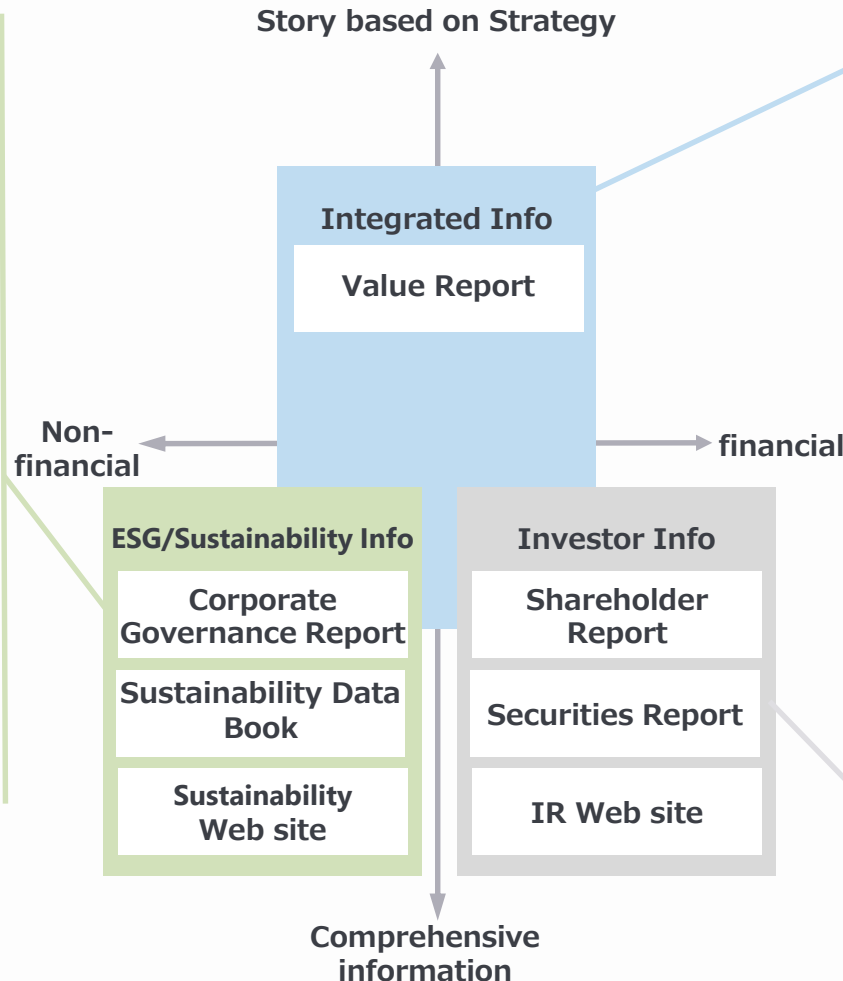
Sustainability Data Book 2023

Published on September 29, 2023

Newly published with the aim of aggregating and disclosing information on the Group's sustainability policy, approach, promotion system, initiatives, performance, etc.



Story based on Strategy



Value Report 2023

Published on September 29, 2023

Published for the purpose of disclosing the Group's philosophy system, business models and operations, and the management strategy with a focus on ESG.



Financial Results Briefing Materials

- Disclosure of operating revenue and profit by business type in the logistics segment from Q1 FY2024 (See page 27-28.)

*English edition will soon be published.

④ Initiative to enhance the recognition of our brand

Started broadcasting of “Mitsui-Soko Group presents “Stories “Connecting” to the Future” by the Tokyo FM radio station

- Started providing a radio program on TOKYO FM in October 2023 with the aim of increasing our recognition as a comprehensive logistics company

Broadcast station : TOKYO FM (Frequency of 80.0 MHz)

Broadcast time : Every Sunday AM10:55~11:00

Broadcast area : Kanto region (Tokyo and the six surrounding prefectures)



New release of web page and video introducing the Group

- Released in October 2023 with the aim of introducing the services and history of the MITSUI-SOKO Group in a short time

【 MITSUI-SOKO Group in 3 Minutes 】

<https://www.mitsui-soko.com/company/whymitsui/>

【 MITSUI-SOKO Group's Logistics Business in 90 Seconds 】

https://www.youtube.com/watch?v=qQEoU9_QRH4



Empower society, encourage progress



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Trends in Quarterly Business Performance



Total Consolidated	Year-ago Quarter					Most Recent Quarter		(Unit: 100 mil. yen, rounded off to the nearest integer)	
	FY2023					FY2024		YoY	QoQ
	Q1	Q2	Q3	Q4	Full-year	Q1	Q2	vs. Q2 FY2023	vs. Q1 FY2024
Operating Revenue	786	787	771	665	3,008	660	659	-16.3%	-0.2%
Logistics business	766	764	748	642	2,920	640	636	-16.7%	-0.6%
Warehousing/Port transportation	366	361	349	307	1,383	307	313	-13.1%	+2.1%
Airfreight forwarding(FWD)	156	143	154	114	568	105	88	-38.5%	-15.7%
3PL/LLP	228	242	219	190	879	190	196	-19.1%	+3.0%
Land transportation	69	72	73	65	279	69	70	-2.3%	+0.8%
Elimination of intra-group transactions	-54	-53	-48	-34	-188	-31	-31	-41.6%	+1.6%
Real estate business	22	25	25	25	96	22	25	-0.3%	+13.9%
Eliminate/Corporate	-2	-2	-2	-2	-8	-2	-2	-0.5%	+0.9%
Operating Profit	68	69	77	46	260	62	57	-17.5%	-7.7%
Logistics business	63	62	71	43	239	59	53	-14.6%	-10.4%
Warehousing/Port transportation	24	24	25	16	89	20	20	-16.9%	+1.3%
Airfreight forwarding(FWD)	23	17	24	15	78	20	13	-21.5%	-33.8%
3PL/LLP	15	18	18	10	62	15	17	-8.8%	+7.8%
Land transportation	2	3	5	2	13	4	3	+4.4%	-24.5%
Consolidation adjustment, etc.	-1	-0	-1	-0	-2	-1	-0	-25.1%	-56.7%
Real estate business	13	16	16	15	59	13	15	-1.9%	+18.7%
Eliminate/Corporate	-8	-9	-10	-12	-39	-11	-12	+30.1%	+9.7%
Ordinary Profit	71	73	77	44	265	65	57	-22.3%	-12.8%
Profit attributed to owners of parent	48	44	40	24	156	38	34	-22.6%	-10.0%

• The total and the sum of the breakdown, the cumulative total and each quarter in the table may not match as the amount of each item is rounded to the nearest unit.

Trends in Annual Business Performance

(Unit: 100 mil. yen, rounded off to the nearest integer)

Total Consolidated	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024 (Forecast)
Operating Revenue	2,255	2,332	2,419	2,411	2,536	3,010	3,008	2,730
Logistics business	2,168	2,248	2,334	2,320	2,446	2,922	2,920	2,640
Warehousing/Port transportation	1,164	1,139	1,174	1,143	1,152	1,255	1,383	1,320
Airfreight forwarding(FWD)	228	325	329	304	375	685	568	400
3PL/LLP	587	616	653	678	747	868	879	780
Land transportation	271	273	278	276	274	277	279	290
Elimination of intra-group transactions	-82	-105	-100	-82	-101	-163	-188	-150
Real estate business	94	92	92	98	96	96	96	96
Eliminate/Corporate	-7	-8	-7	-7	-7	-8	-8	-6
Operating Profit	58	70	120	118	177	259	260	215
Logistics business	45	59	98	91	150	237	239	211
Warehousing/Port transportation	20	27	42	37	51	66	89	83
Airfreight forwarding(FWD)	23	22	26	23	49	104	78	52
3PL/LLP	17	13	31	30	46	63	62	62
Land transportation	12	10	12	12	15	13	13	15
Consolidation adjustment, etc.	-27	-12	-12	-11	-11	-9	-2	-1
Real estate business	50	50	51	59	58	58	59	57
Eliminate/Corporate	-37	-39	-30	-32	-32	-36	-39	-53
Ordinary Profit	37	65	111	105	172	256	265	207
Profit attributed to owners of parent	-234	44	52	64	115	145	156	118

• The total and the sum of the breakdown, the cumulative total in the table may not match as the amount of each item is rounded to the nearest unit.

(Unit: 100 mil. yen)

Total Consolidated	H1 FY2023	H1 FY2024	Change
Operating Revenue	1,573	1,319	-254
Operating Profit	137	118	-19
Non-operating Profit (Loss)	8	4	-4
Financial Profit/Loss	-1	1	+2
Others	9	3	-6
Ordinary Profit	144	122	-22
Extraordinary Gains	5	1	-4
Extraordinary Losses	—	—	—
Profit attributed to owners of parent	92	72	-20

- Interest expense at almost the same level as H1 FY2023, while interest and dividend income increased (+¥0.1 bln), resulting in improvement in the financial balance

- Decrease in foreign exchange gains and equity in earnings of affiliates

- Record +¥0.5 bln as extraordinary gains due to the redemption of a part of retirement benefit trust assets overfunded in H1 FY2023

- Record +¥0.1 bln as extraordinary gain on reversal of asset retirement obligations due to acquisition of an existing logistics facility (land interest) in H1 FY2024

(Unit: 100 mil. yen)

Total Consolidated	FY2023 Actual	FY2024 Forecast	Change
Operating Revenue	3,008	2,730	-278
Operating Profit	260	215	-45
Non-operating Profit (Loss)	6	-8	-14
Financial Profit/Loss	-2	-2	+0
Others	8	-7	-15
Ordinary Profit	265	207	-58
Extraordinary Gains	5	1	-4
Extraordinary Losses	—	—	—
Profit attributed to owners of parent	156	118	-38

- Elimination of positive impact of foreign exchange rates fluctuations (-¥0.3 bln)
- Decrease in equity in earnings of affiliates (-¥0.3 bln), etc.

- Expectation of no extraordinary gains or losses after Q2 FY2024

Contents

- Executive Summary
- H1 FY2024 Financial Results
- FY2024 Results Forecast
- Endeavor to Enhance Corporate Value
- Progress of Medium-term management plan 2022
- Appendix.1 Detailed Financial Data
- ▶ **Appendix.2 Company Profile**
 - Mitsui-Soko Group's PURPOSE
 - History/Major Services/Business Model/Revenue Structure(Logistics Business/Real estate business)
 - Market Environment/Competitors
 - Core Competence
 - Main External Evaluation(ESG/Investment Index)

PURPOSE

Meaning of Our Existence

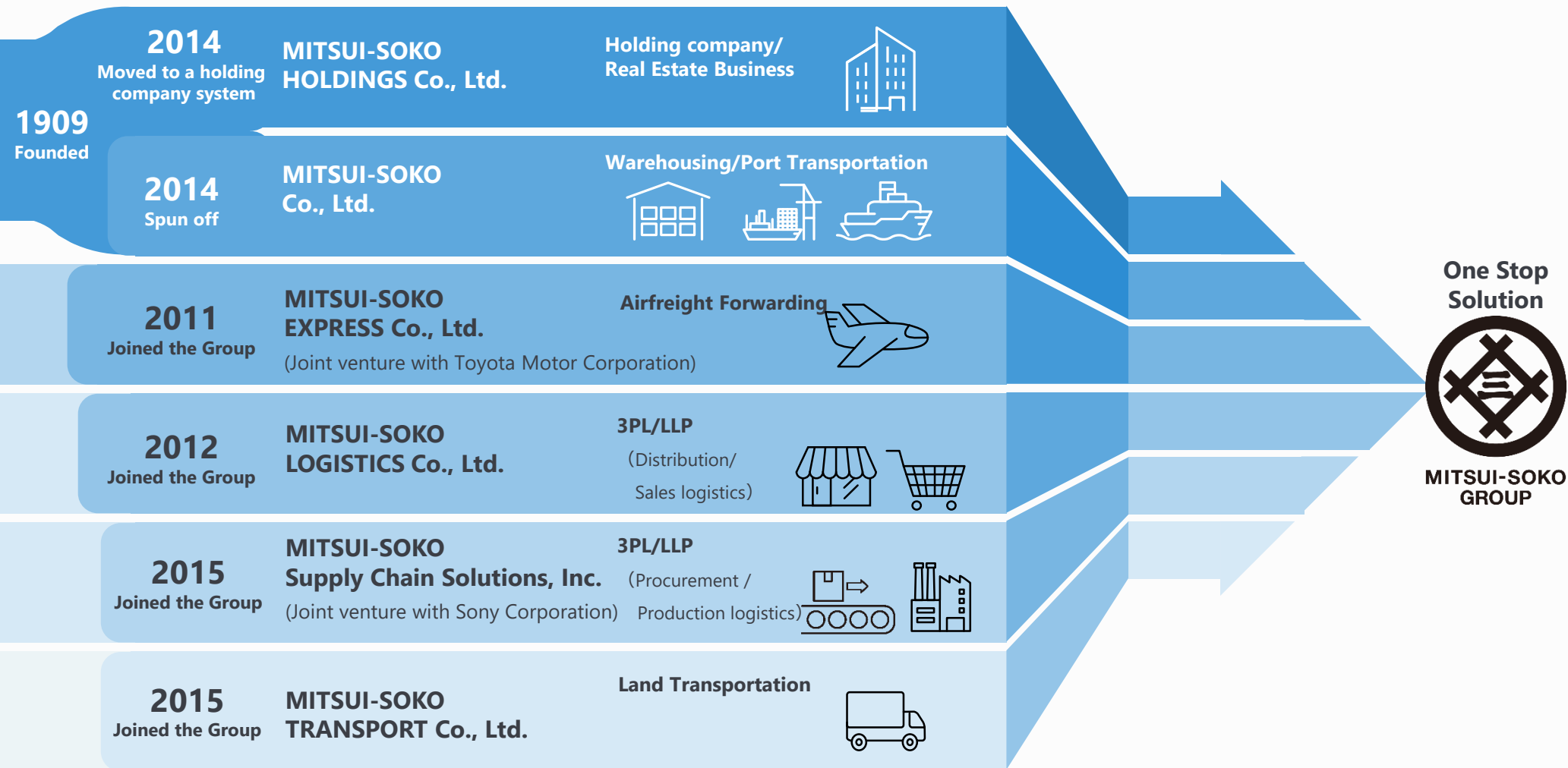


Empower society, encourage progress

We believe that the role played by logistics goes beyond simply receiving and transporting goods. It is a significant pipeline that connects everything, such as people with people, industries with industries, as well as countries with countries, and plays an important role as infrastructure that forms the very foundation of modern society. And atop the solid foundation built by logistics are people's day-to-day lives, the workings of economic activity, and society's continued evolution as it repeatedly replaces the old with the new. Empower society, encourage progress—it is for this very purpose that the Mitsui-Soko Group exists. In the more than 100 years since our founding, we have expanded our business of logistics to meet the needs of the times and have been inextricably linked to the evolution of society. In the coming era of rapid change, the role played by logistics will be gaining in its importance. To move the world in a better direction and help to realize a mindful and sustainable society, we are today working with an eye toward the logistics of the future.



- After expanding business areas from warehousing business through M&A, the MITSUI-SOKO Group has realized a comprehensive lineup of logistics services

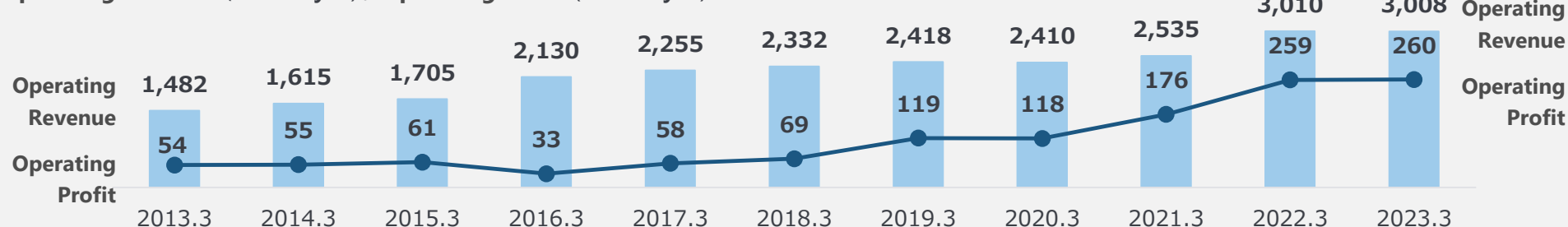


2013.3~2017.3 Business expansion through M&A and capital investment

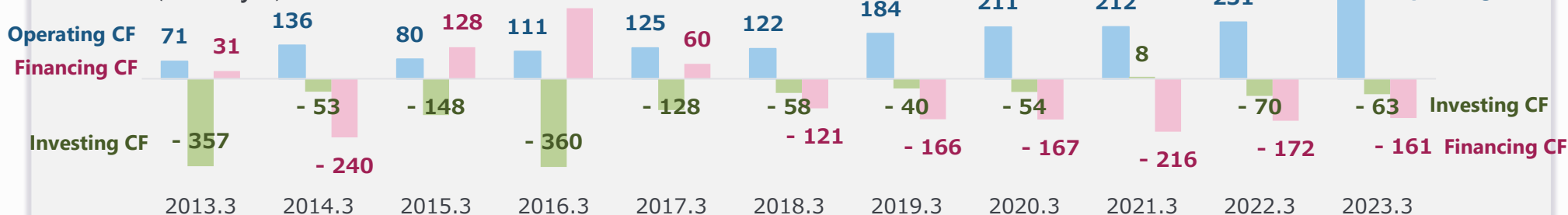
2018.3~2022.3 From Rebuilding financial foundation to Sustainable Growth

2023.3~ Going on the Offensive by Deepening

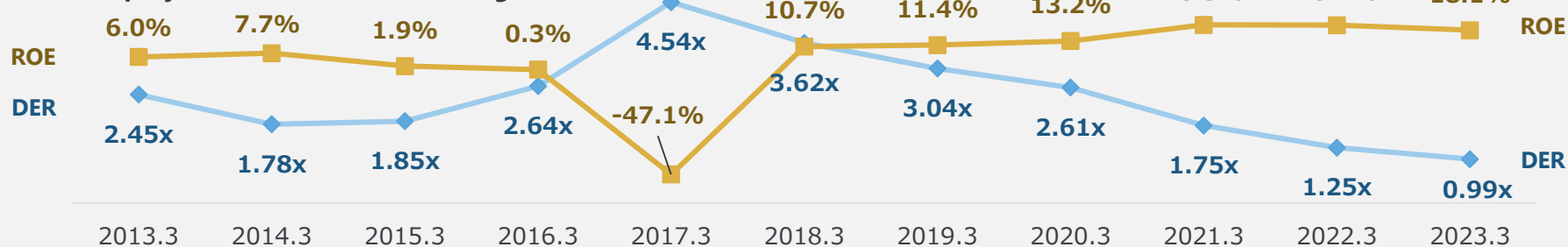
Operating Revenue (100mil. yen) / Operating Profit (100mil. yen)



Cash Flow (100mil. yen)

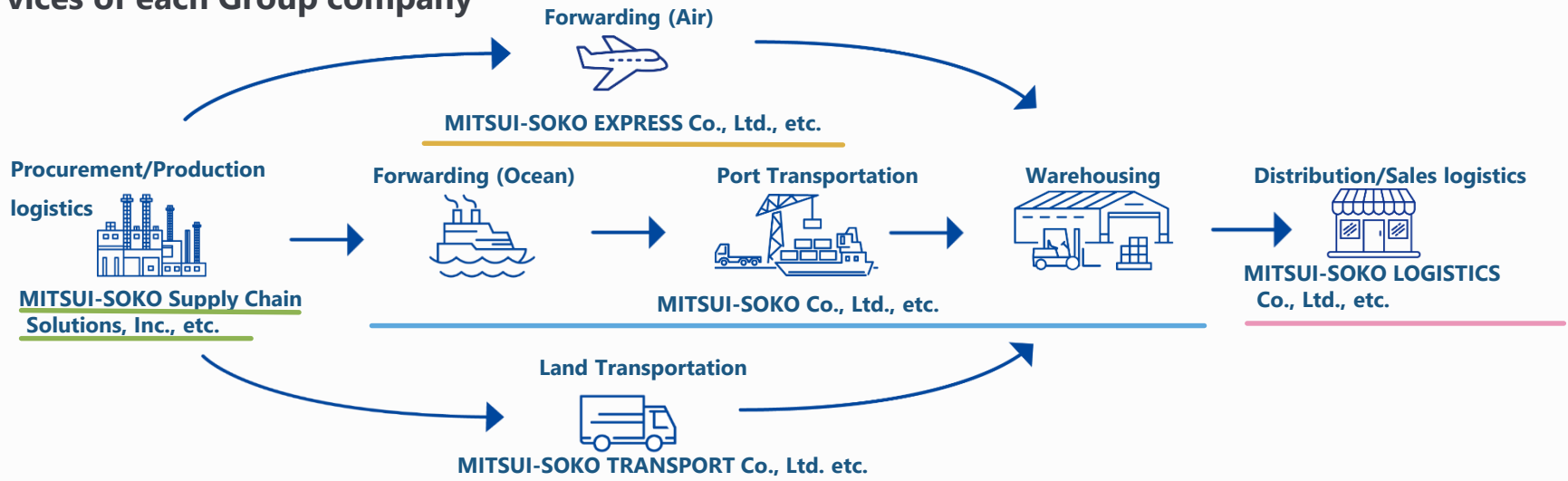


Return on Equity (ROE) (%) / Financial leverage (DER) (times)



- Provide comprehensive end-to-end logistics services from upstream to downstream

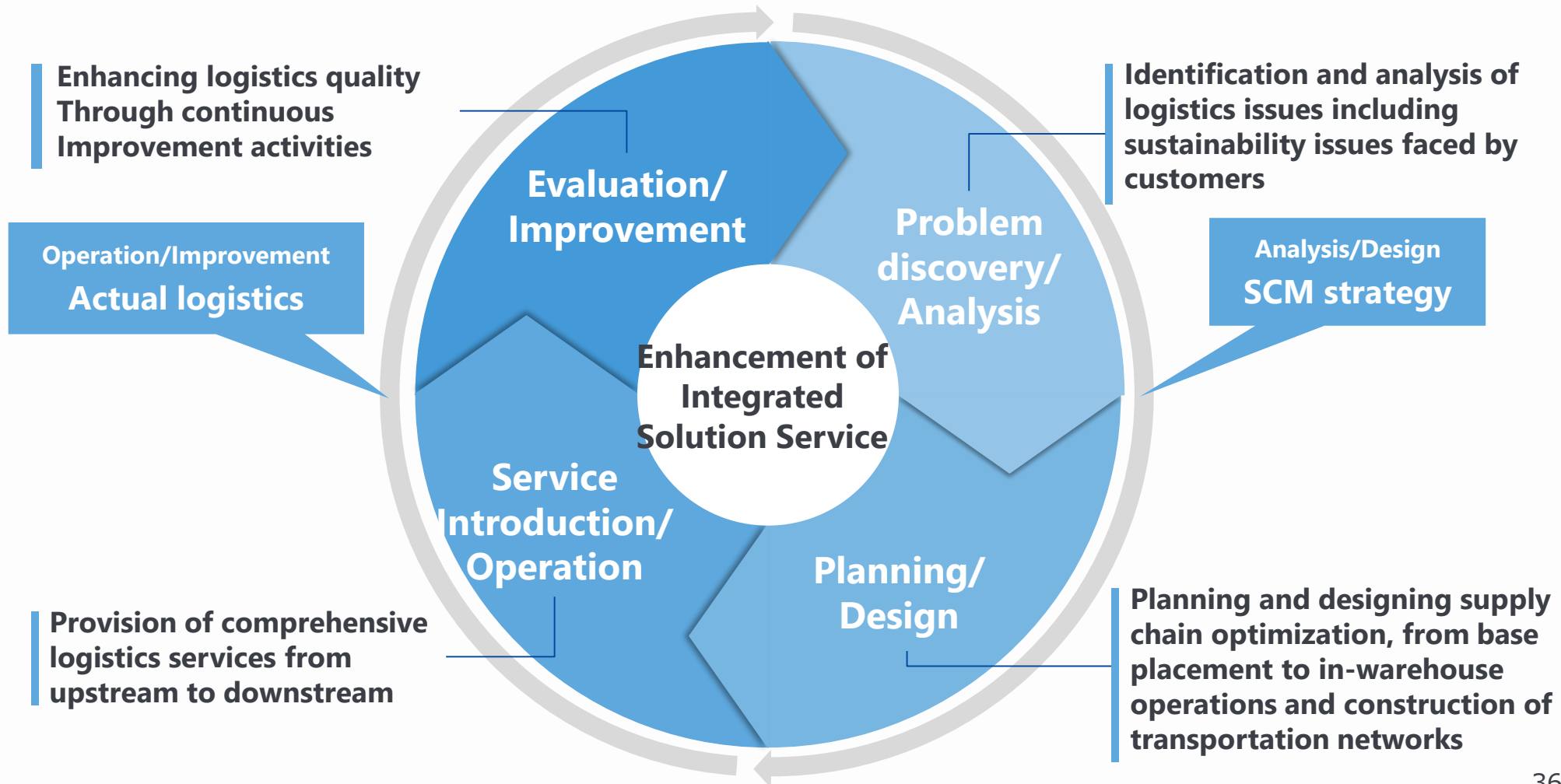
Major Services of each Group company



Major Logistics Area of the Mitsui-Soko Group

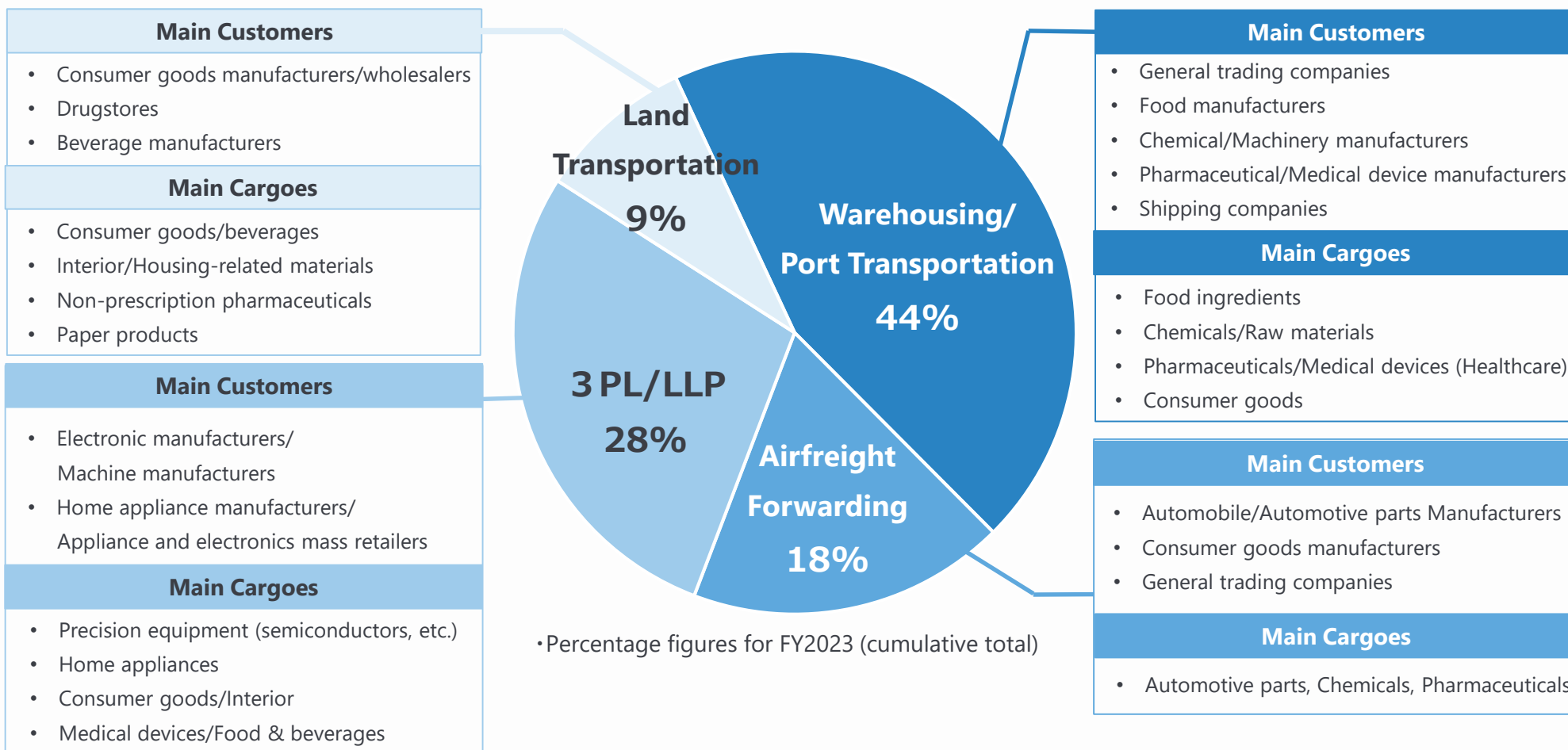
Industry	Value Chain	Raw materials/Materials/Parts			Finished goods			Distribution	
		Procurement logistics	Production logistics	Sales logistics	Procurement logistics	Production logistics	Sales logistics	Procurement logistics	Sales logistics
Healthcare									
Automotive									
Home appliances									
Precision equipment & machinery									
Consumer goods									
Interior/Furniture									
Food & beverages									
Clothing									
Paper/Pulp									
Chemicals									

- Providing integrated solution services that realize optimal logistics across the entire supply chain for our customers



- Providing logistics services to customers by combining a variety of services
- Stable revenue structure with diversified business categories and customer portfolio that are not dependent on a specific field.

Revenue composition and Major Customers by Business Category in Logistics Business



- **Monetizing and managing land that is no longer suitable for logistics use due to changes in the surrounding environment as office/apartment buildings**

Property List by Use

Use	Area	Property name	Floor area
Rental office buildings	Tokyo	MITSUI-SOKO Hakozaki Building	135,608 m ²
		MSC Center Building	32,507 m ²
		MSC Onarimon Building	10,516 m ²
		MSC Fukagawa Building	14,199 m ²
		MSC Fukagawa Building No. 2	22,046 m ²
Total		Five Buildings	214,876 m ²

Use	Area	Property name	Rental units
Rental apartment buildings	Tokyo	Hakozaki River & Tower	99
		Park Axis Onarimon	52
	Osaka	Port Villa Utsubo Park	108
Total		Three Buildings	259

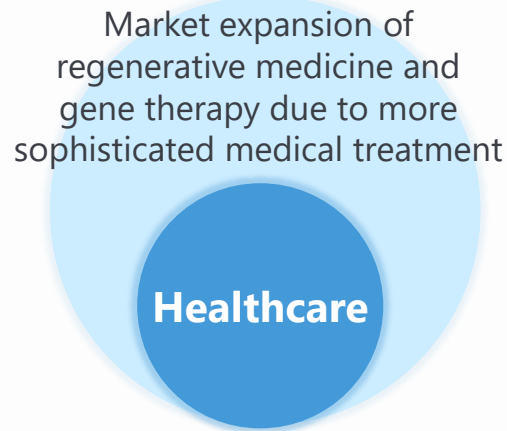
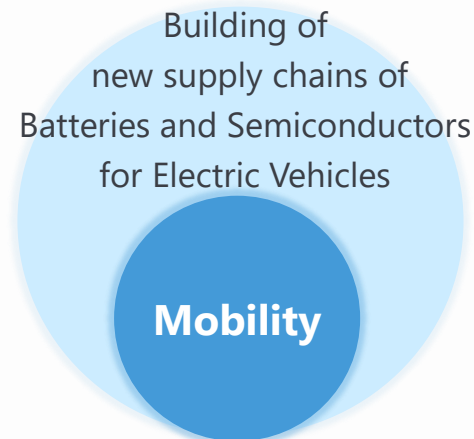
(ref.) Introduction website of our real estate business (only available in Japanese)
 URL <https://www.mitsui-soko.com/company/overview/realestate/>

Customers' situation: Facing rapid changes in business due to rapid environmental changes

Customers' issues : Establishment of logistics has not kept up with business changes

✓ **The Mitsui-Soko Group, providing optimal logistics solutions, resolves customer issues.**

Industries especially with drastic environmental changes : the Group's focus domain

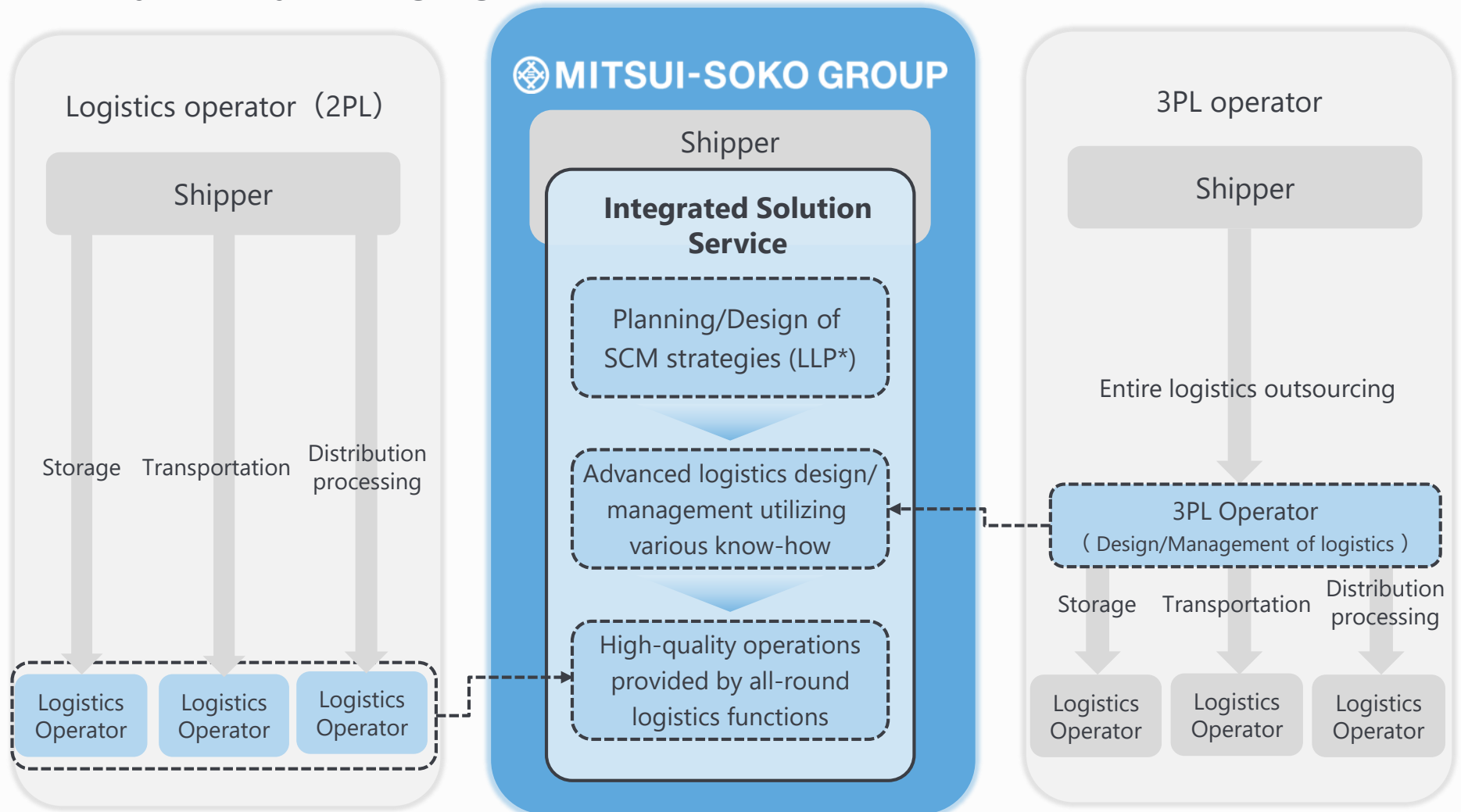


Our strength

- Our specialist knowledge in logistics relating to parts of automobiles and electrical appliances due to its Toyota and Sony lineage
- Know-how to support the building of supply chains based on the manufacturer's perspective
- Providing high value-added logistics services from manufacturing to sales by having established a system in accordance with GMP* and obtaining business licenses (pharmaceutical manufacturing license, etc.) in-house under the Pharmaceutical and Medical Devices Act
- Know-how in logistics design to optimize logistics operations for both stores and e-commerce
- Our experience in technical logistics, including operating home appliance distribution centers, the delivery, installation, and maintenance of home appliances

*Good manufacturing practice: standards for the manufacture and quality control of pharmaceuticals, etc.

- **Differentiation strategy by realizing optimization of not only logistics but also overall supply chain by working together with shippers**

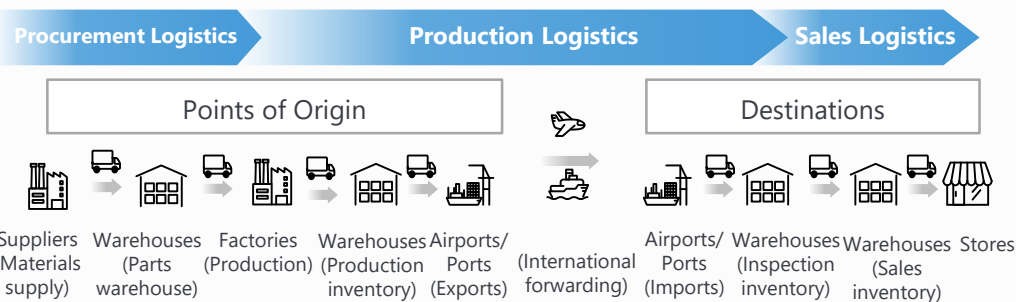


*LLP (Lead Logistics Provider/Partner) : Supporting customers' supply chain management(SCM) and logistics not only at the operational and management level, but also at the planning and strategic level

- Response to social changes and customer needs by leveraging the Group's collective strength and advanced logistics know-how

1 Full Range of Logistics Functions

- Comprehensive lineup of land, sea, and air logistics functions
- Covering the entire supply chain from procurement and production processes to sales, a system capable of providing diversified customer needs



2 Global Network

- Boasting of global network with about 280 offices in Japan and about 400 offices all over the world and the operational floor area of about 2.32 million square meters
- Expanding overseas business to 20 countries, mainly in Asia, and now growing about 24% of the operating revenue

North/South America	Europe, Africa, Middle East	South Asia, Southeast Asia
Number of business sites 16	Number of business sites 30	Number of business sites 38
Operational floor area 40,905m ²	Operational floor area 57,666m ²	Operational floor area 369,070m ²
Employees 118	Employees 470	Employees 1,985
Northeast Asia	Japan	Total
Number of business sites 52	Number of business sites 281	Number of business sites 417
Operational floor area 138,113m ²	Operational floor area 1,662,165m ²	Operational floor area 2,267,920m ²
Employees 528	Employees 4,956	Employees 8,057

The figures are as of March 31, 2023.

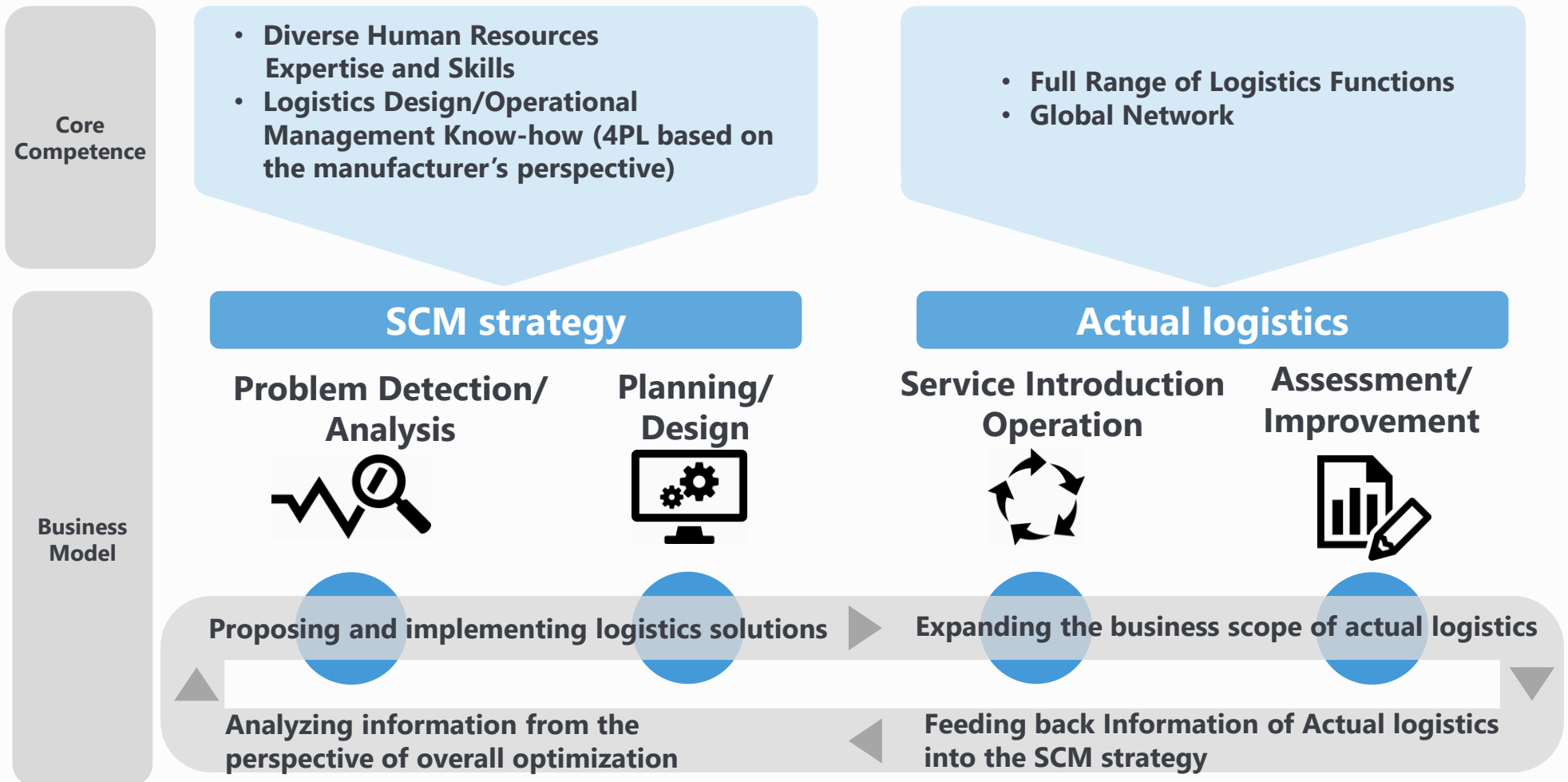
3 Diverse Human Resources (Expertise/Skills)

- Expertise and skills in a wide range of cargo handling, from raw materials to finished products, from confidential information to pharmaceutical devices and investigational drugs
- Diversified expertise and skills from different backgrounds and cultures that joined the Group through M&A

4 Logistics Design and Operation Know-how

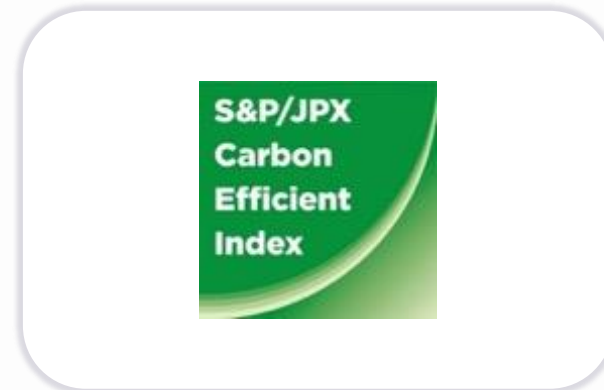
- SCM strategy and logistics design know-how cultivated through 4PL from manufacturers' perspectives
- High-quality and high-efficiency operations that have supported the logistics of the Toyota and the Sony Group for many years

- Our core competence supporting a virtuous cycle of expanding the business scope

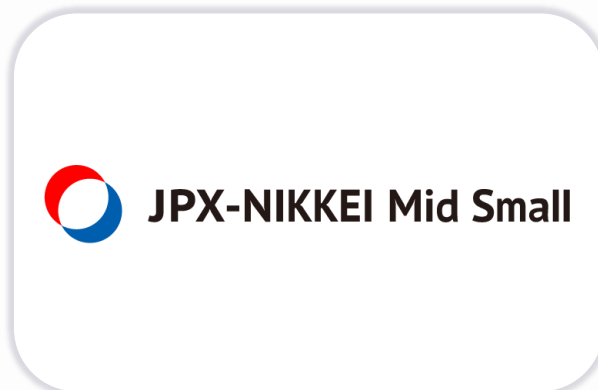


- **Obtaining a variety of external evaluations and being selected as a constituent of the Investment Index**

ESG



Investment Index



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Empower society, encourage progress

MITSUI-SOKO GROUP

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- Various IR materials and Video distribution of financial results briefings
 - WEB : <https://www.mitsui-soko.com/en/ir/>

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