



December 10, 2021

Corporate Name: Mitsui O.S.K. Lines, Ltd.
Representative: Representative Director, President and
Chief Executive Officer
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Notice Regarding Succession of Medium-and Small-Sized Bulk Carrier Business, Wood Chip Carrier Business and Panamax Business (Excluding Services for Steel Manufacturers and Domestic Electric Power Companies) by MOL's Wholly-Owned Subsidiary through Company Split (Simplified Absorption-Type Company Split)

TOKYO—Mitsui O.S.K. Lines, Ltd. (the Company; President & CEO: Takeshi Hashimoto) hereby announces that a meeting of its Board of Directors held on December 10, 2021 resolved that the Company will have MOL Drybulk Ltd. (MOL Drybulk), a wholly-owned subsidiary of the Company, succeed its medium-and small-sized bulk carrier business, wood chip carrier business and panamax business (excluding services for steel manufacturers and domestic electric power companies) through a simplified absorption-type company split effective as of April 1, 2022 (the Company Split). Details are as follows. The Company made timely disclosure of its policy of reorganization within MOL Group with respect to dry bulk business and its plan to transfer the business in April 2022 in a press release entitled "MOL announces the integration of the Dry Bulk business, Wood Chip Carrier business, and Mitsui O.S.K. Kinkai, Ltd., and the establishment of a new Company" issued on December 11, 2020, and this Company Split marks the implementation of this policy.

Since the Company Split is a simplified absorption-type company split in which the Company will have its wholly-owned subsidiary succeed the business, some items and details have been partially omitted in the disclosure.

1. Purpose of the Company Split

The purpose of the Company Split is to enhance the competitiveness of MOL Group in the dry bulk transportation market by increasing the value provided to customers and further improving the quality of transportation by mobilizing all the resources of the MOL Group's dry bulk transportation business.

2. Overview of the Company Split

(1) Schedule of the Company Split

December 10, 2021	Meeting of the Board of Directors to resolve the absorption-type company split
December 10, 2021	Conclusion of the absorption-type company split agreement
April 1, 2022	Scheduled date of the split (effective date)

(Note) For the Company, the Company Split qualifies as a simplified absorption-type company split

as set forth in Article 784, Paragraph 2 of the Companies Act, and for MOL Drybulk, the Company Split qualifies as a short-form absorption-type company split as set forth in Article 796, Paragraph 1 of the Companies Act. Therefore, the Company and MOL Drybulk will carry out the Company Split without obtaining approval at their respective shareholders' meetings.

(2) Method of the Company Split

The Company Split is an absorption-type company split, in which the Company will be the splitting company and MOL Drybulk will be the successor company.

(3) Allocation related to the Company Split

Since the Company Split will take place between the Company and a wholly-owned subsidiary of the Company, there will be no payment of compensation to the Company from MOL Drybulk as a result of the Company Split.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights in connection with the Company Split

There will be no change in the handling of stock acquisition rights issued by the Company, and the Company has not issued any bonds with stock acquisition rights.

(5) Decrease in capital as result of the Company Split

There will be no decrease in the capital of the Company due to the Company Split.

(6) Rights and obligations to be succeeded by the successor company

In connection with the Company Split, MOL Drybulk will succeed such assets and rights and obligations of the Company relating to the medium-and small-sized bulk carrier business, wood chip carrier business and panamax business (excluding services for steel manufacturers and domestic electric power companies) as of the effective date of the Company Split to the extent set forth in the absorption-type company split agreement. There are no employment contracts to be succeeded nor rights and obligations arising from such contracts.

(7) Prospect of fulfillment of debt obligations

The Company, which is the splitting company, and MOL Drybulk, which is the successor company, foresee no issues pertaining to the performance of debt obligations.

3. Overview of the companies participating in the Company Split

(As of September 30, 2021)

(1) Trade name	Mitsui O.S.K. Lines, Ltd. (Splitting company)	MOL Drybulk Ltd. (Successor company)
(2) Head office location	2-1-1 Toranomon, Minato-ku, Tokyo	2-1-1 Toranomon, Minato-ku, Tokyo
(3) Representative	Takeshi Hashimoto, Representative Director, President and Chief Executive Officer	Kazuhiko Kikuchi, Representative Director, President and Chief Executive Officer
(4) Business activities	Marine transportation business Business related to ocean resources development and offshore facilities installation and operations Shipping agency business Ship brokering business Warehousing business, etc.	Marine transportation business Shipping agency business Ship brokering business Warehousing business, etc.
(5) Capital	65,400 million yen	660 million yen
(6) Date of establishment	December 28, 1942	March 1, 1972
(7) Number of issued shares	120,628,611 shares	1,320,000 shares
(8) Fiscal year-end	March 31	March 31

(9) Major shareholders and their ownership percentages	The Master Trust Bank of Japan Ltd. (Trust Account) 14.93% Custody Bank of Japan, Ltd. (Trust Account) 7.74% Sumitomo Mitsui Banking Corporation 2.50% Mitsui Sumitomo Insurance Company, Limited 2.35% MSIP CLIENT SECURITIES 1.61%	Mitsui O.S.K. Lines, Ltd. 100%
(10) Financial position and operating results of the immediately preceding fiscal year (ended March 31, 2021)		
Net assets	699,150 million yen (consolidated)	8,951 million yen (non-consolidated)
Total assets	2,095,559 million yen (consolidated)	12,853 million yen (non-consolidated)
Net assets per share	4,830.12 yen (consolidated)	6,846.93 yen (non-consolidated)
Revenue	991,426 million yen (consolidated)	20,416 million yen (non-consolidated)
Operating profit (loss)	-5,303 million yen (consolidated)	34 million yen (non-consolidated)
Ordinary profit	133,604 million yen (consolidated)	115 million yen (non-consolidated)
Profit attributable to owners of parent/Net profit	90,052 million yen (consolidated)	38 million yen (non-consolidated)
Earnings per share	752.98 yen (consolidated)	28.86 yen (non-consolidated)

4. Outline of the business division to be split

(1) Details of businesses to be split

Medium-and small-sized bulk carrier business, wood chip carrier business and panamax business (excluding services for steel manufacturers and domestic electric power companies)

(2) Operating results of the division to be split (fiscal year ended March 31, 2021)

Revenue 84,670 million yen
Gross operating income 3,415 million yen

(3) Items and amounts of the assets and liabilities to be split (As of September 30, 2021)

Assets		Liabilities	
Item	Book value	Item	Book value
Current assets	21,947 million yen	Current liabilities	14,889 million yen
Non-current assets	860 million yen	Non-current liabilities	1,671 million yen
Total	22,807 million yen	Total	16,560 million yen

5. Status of the Company and MOL Drybulk after the Company Split

There is no change in the name, address, title or name of the representative person, business description, capital amount, and fiscal year end of the Company and MOL Drybulk respectively after the Company Split.

6. Future outlook

Because MOL Drybulk is a wholly owned subsidiary of the Company, the impact of the Company Split on the consolidated performance of the Company will be immaterial.