

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities Code: 9302

June 2, 2022

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 174th Ordinary General Meeting of Shareholders**

MITSUI-SOKO HOLDINGS Co., Ltd. (the “Company”) is pleased to announce the convening of the 174th Ordinary General Meeting of Shareholders of the Company.

The Company requests that shareholders exercise their voting rights by postal mail (in writing) or via the internet to the best of their ability and refrain from attending on the day of the General Meeting of Shareholders regardless of physical condition from the perspective of preventing the spread of the novel coronavirus disease (COVID-19).

After reviewing the Reference Documents for the General Meeting of Shareholders hereinafter described, please exercise your voting rights by 17:00 on June 22, 2022 (Wednesday).

**1. Date and Time:** June 23, 2022 (Thursday) 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 174th fiscal year (from April 1, 2021 to March 31, 2022), as well as audit reports of Accounting Auditors and the Audit & Supervisory Board on the Consolidated Financial Statements
2. Report on the Non-Consolidated Financial Statements for the 174th fiscal year (from April 1, 2021 to March 31, 2022)

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

- Agenda Item 1:** Partial Amendment to the Articles of Incorporation
- Agenda Item 2:** Election of Nine (9) Directors
- Agenda Item 3:** Election of One (1) Substitute Audit & Supervisory Board Member
- Agenda Item 4:** Introduction of Share-Based Remuneration Plan for Directors

## **Requests to Shareholders**

- For this year's General Meeting of Shareholders, as part of our continued efforts to control the spread of COVID-19, we will have significantly fewer chairs as was done at last year's meeting because we will need to space them out at the venue. As a result, it is possible that not everyone who comes to the meeting will be able to enter the venue. We appreciate your understanding. Furthermore, we plan to make part of the General Meeting of Shareholders available for viewing on demand on the Company's website after the meeting.
- We will conduct temperature checks at the venue reception and people who are found to have a fever, appear unwell, or are not wearing a mask may be refused entry and asked to leave.
- The items to be reported (including the audit report) and detailed explanations of the proposals will be omitted at this General Meeting of Shareholders to shorten the meeting's duration, from the perspective of preventing the spread of infection. We ask shareholders to look over the notice of convocation prior to the meeting.
- Please be advised that the Company's officers and staff members at the General Meeting of Shareholders will be wearing light attire without neckties.
- We may revise the measures outlined above depending on the situation regarding the spread of the virus and announcements by the government or other institutions ahead of the meeting. We would therefore ask that you check for information regarding this on the Company's website ([https://msh.mitsui-soko.com/ir/stock/stockholders\\_meeting/](https://msh.mitsui-soko.com/ir/stock/stockholders_meeting/)).

## **Regarding Internet Disclosure**

Pursuant to the provisions of applicable laws and regulations and Article 15 of the Articles of Incorporation of the Company, among the documents to be provided in this notice, the documents below are posted on the Company's website and are thus omitted from this notice of convocation.

- (i) Notes to the Consolidated Financial Statements; and
- (ii) Notes to the Non-Consolidated Financial Statements

These 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 that any revision occurs with respect to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, and/or Non-Consolidated Financial Statements, items after revisions will be available on our website.

Company's website [https://msh.mitsui-soko.com/ir/stock/stockholders\\_meeting/](https://msh.mitsui-soko.com/ir/stock/stockholders_meeting/)

## **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 hereinafter described.

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:

Thursday, June 23, 2022 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 enclosed 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, Wednesday, June 22, 2022

(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, Wednesday, June 22, 2022

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

Please indicate whether you approve or disapprove each agenda item.

Agenda Items 1, 3 and 4:

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

Agenda Item 2:

- 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.

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.

## **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)
---

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: Partial Amendment to the Articles of Incorporation

#### 1. Reasons for the proposal

Since the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation due to the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.

- (1) Since the Company will be obliged to stipulate in its Articles of Incorporation that it will take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format, Article 15 paragraph 1 of the proposed amendments will be newly established.
- (2) Among the items provided in electronic format with regard to the information that constitutes the content of reference documents for the general meeting of shareholders, etc., to enable the Company to limit the scope of items that are to be issued on paper to shareholders who request their issuance on paper to the scope stipulated by the Ministry of Justice Order, Article 15 paragraph 2 of the proposed amendment will be newly established.
- (3) If the system for providing informational materials for the general meeting of shareholders in electronic format is introduced, since the provisions for Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc. will no longer be required, Article 15 of the current Articles of Incorporation will be deleted.
- (4) A supplementary provision will be established regarding the enforcement of the newly established and deleted provisions. This supplementary provision will be deleted after its expiry date has passed.

#### 2. Particulars of amendment

The particulars of amendment are as follows:

(The underlined indicate the changes.)

Current Articles of Incorporation	Proposed Amendment
<p><u>Article 15. (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u></p> <p><u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or presented in the reference documents for the general meeting of shareholders, business report, financial statements and consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u></p> <p style="text-align: center;">(Newly established)</p>	<p style="text-align: center;">(Deleted)</p> <p><u>Article 15. (Measures, etc. for Providing Information in Electronic Format)</u></p> <p><u>1. When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u></p>

Current Articles of Incorporation	Proposed Amendment
<p>(Newly established)</p> <p>(Newly established)</p>	<p><u>2. Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p> <p>(Supplementary Provisions)</p> <p><u>Article 1</u></p> <p><u>1. The deletion of Article 15 of the pre-amended Articles of Incorporation and the establishment of the new Article 15 in the amended Articles of Incorporation shall be effective from September 1, 2022, which is the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u></p> <p><u>2. Notwithstanding the provision of the preceding paragraph, Article 15 of the pre-amended Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u></p> <p><u>3. These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></p>

**Agenda Item 2:** Election of Nine (9) Directors

The term of all of the nine (9) Directors currently in office (Makoto Tawaraguchi, Hirobumi Koga, Nobuo Nakayama, Ryoji Ogawa, Hiroshi Kino, Takeshi Gohara, Taizaburo Nakano, Takashi Hirai and Maoko Kikuchi) will expire at the close of this General Meeting of Shareholders. Accordingly, the Company proposes the election of nine (9) Directors.

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 63) Reelection	Representative Director President & CEO	16/16 100%	8 years
2	Nobuo Nakayama	(Age 71) Reelection	Representative Director Senior Managing Director	16/16 100%	7 years
3	Hiroshi Kino	(Age 60) Reelection	Executive Managing Director	13/13 100%	1 year
4	Takeshi Gohara	(Age 57) Reelection	Director Senior Executive Officer	16/16 100%	5 years
5	Yuji Itoi	(Age 64) New election	Senior Executive Officer	—	—
6	Tomoaki Kiriya	(Age 55) New election	Senior Executive Officer	—	—
7	Taizaburo Nakano	(Age 75) Reelection Outside Independent	Outside Director	16/16 100%	4 years
8	Takashi Hirai	(Age 57) Reelection Outside Independent	Outside Director	16/16 100%	3 years
9	Maoko Kikuchi	(Age 56) Reelection Outside Independent	Outside Director	16/16 100%	2 years

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	<p>Hirobumi Koga (August 15, 1958)</p> <p>Reelection</p> <p>Responsibilities CEO of the Group</p>	<p>Apr. 1981    Joined The Mitsui Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>Apr. 2013    Managing Executive Officer of Sumitomo Mitsui Banking Corporation</p> <p>May 2014    Joined the Company</p> <p>June 2014    Director of the Company</p> <p>Jan. 2016    Senior Vice President and Director of MITSUI-SOKO TRANSPORT Co., Ltd.</p> <p>June 2016    Executive Managing Director of the Company</p> <p>June 2017    Representative Director, President &amp; CEO of the Company (to the present)</p> <p>                 Representative Director and Chairman of MITSUI-SOKO EXPRESS Co., Ltd. (to the present)</p> <p>Apr. 2022    Chairman of MITSUI-SOKO TRANSPORT Co., Ltd. (to the present)</p> <p>(Significant concurrent positions)</p> <p>Representative Director and Chairman of MITSUI-SOKO EXPRESS Co., Ltd.</p> <p>Chairman of MITSUI-SOKO TRANSPORT Co., Ltd.</p>	5,801
<p>(Reasons for nomination)</p> <p>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.</p>			



Candidate No.	Name (Date of birth)	Career summary	Number of shares of the Company held
2	<p data-bbox="336 421 539 479">Nobuo Nakayama (September 1, 1950)</p> <p data-bbox="384 517 491 539">Reelection</p> <p data-bbox="288 577 587 703">Responsibilities In charge of Finance Headquarters, Chief Financial Officer</p>	<p data-bbox="612 264 1241 322">Apr. 1975    Joined The Mitsui Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p data-bbox="612 331 975 353">Apr. 2007    Joined the Company</p> <p data-bbox="612 362 1225 385">June 2015    Executive Managing Director of the Company</p> <p data-bbox="612 394 1241 488">Jan. 2016    Auditor of MITSUI-SOKO EXPRESS Co., Ltd. Auditor of MITSUI-SOKO TRANSPORT Co., Ltd. (to the present)</p> <p data-bbox="612 497 1225 555">Apr. 2016    Director of MITSUI-SOKO LOGISTICS Co., Ltd.</p> <p data-bbox="612 564 1225 622">June 2017    Representative Director and Senior Managing Director of the Company (to the present)</p> <p data-bbox="612 631 1209 757">Apr. 2018    Director of MITSUI-SOKO Co., Ltd. (to the present) Director of MITSUI-SOKO Supply Chain Solutions, Inc. (to the present)</p> <p data-bbox="612 766 975 891">(Significant concurrent positions) Director of MITSUI-SOKO Co., Ltd. Director of MITSUI-SOKO Supply Chain Solutions, Inc. Auditor of MITSUI-SOKO TRANSPORT Co., Ltd.</p>	4,633
<p data-bbox="277 898 528 920">(Reasons for nomination)</p> <p data-bbox="277 929 1433 1048">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.</p>			

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>	1,953
(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>Apr. 2013      Representative Director and Senior Executive Managing Director of MITSUI-SOKO EXPRESS Co., Ltd.</p> <p>June 2017      Director, Senior Executive Officer of the Company (to the present)</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>(Significant concurrent positions)</p> <p>Director of MITSUI-SOKO LOGISTICS Co., Ltd.</p> <p>Auditor of MITSUI-SOKO EXPRESS Co., Ltd.</p>	2,819
(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	<p data-bbox="347 286 523 376">Yuji Itoi (March 25, 1958)</p> <p data-bbox="368 416 502 439">New election</p> <p data-bbox="316 479 555 568">Responsibilities In charge of information systems</p>	<p data-bbox="611 264 715 286">Apr. 1981</p> <p data-bbox="611 297 715 320">May 2009</p> <p data-bbox="611 331 715 353">Aug. 2012</p> <p data-bbox="611 365 715 387">Apr. 2013</p> <p data-bbox="611 398 715 421">Apr. 2016</p> <p data-bbox="611 432 715 454">Apr. 2022</p> <p data-bbox="611 465 715 488">-</p>	<p data-bbox="770 264 1002 286">Joined IBM Japan, Ltd.</p> <p data-bbox="770 297 1090 320">Joined Oracle Corporation Japan</p> <p data-bbox="770 331 978 353">Joined the Company</p> <p data-bbox="770 365 1177 421">General Manager of Information Systems Business Division, of the Company</p> <p data-bbox="770 432 1106 454">Executive Officer of the Company</p> <p data-bbox="770 465 1209 521">Senior Executive Officer of the Company (to the present)</p> <p data-bbox="611 533 938 555">(Significant concurrent positions)</p>	1,234
<p data-bbox="276 602 531 624">(Reasons for nomination)</p> <p data-bbox="276 636 1433 750">Mr. Yuji Itoi has rich working experience in the IT and digital industry and expert knowledge based on that experience. He has been involved in the Group management in a wide range of areas, including Group-wide introduction of IT solutions. He has the experience and skills suited to director of the Company, and we have nominated him as a candidate for director.</p>				

Candidate No.	Name (Date of birth)	Career summary	Number of shares of the Company held
6	<p data-bbox="331 349 544 412">Tomoaki Kiriya (December 20, 1966)</p> <p data-bbox="368 450 507 472">New election</p> <p data-bbox="288 510 587 600">Responsibilities In charge of strategic sales and development administration</p>	<p data-bbox="612 264 1209 589">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 (to                   the present)                   Director of MITSUI-SOKO Co., Ltd. (to the                   present)                   Director of MITSUI-SOKO Supply Chain                   Solutions, Inc. (to the present)</p> <p data-bbox="612 595 975 685">(Significant concurrent positions) Director of MITSUI-SOKO Co., Ltd. Director of MITSUI-SOKO Supply Chain Solutions, Inc.</p>	5,972
<p data-bbox="276 696 528 719">(Reasons for nomination)</p> <p data-bbox="276 725 1441 882">Mr. Tomoaki Kiriya has wide-ranging, expert knowledge and experience related to logistics operations such as P&amp;M (pharmaceutical and medical equipment, etc.), and has been involved in the Group management in a wide range of areas, such as achieving the expansion and growth of P&amp;M logistics in the Development Administration Headquarters and the Strategic Sales Headquarters. He has the experience and skills suited to director of the Company, and we have nominated him as a candidate for director.</p>			

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	Takashi Hirai (February 24, 1965)  Reelection Outside Independent  Responsibilities —	<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 (to the present)</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> <p>Outside Director of KITO CORPORATION</p>	1,563
<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	Maoko Kikuchi (July 14, 1965)  Reelection Outside Independent  Responsibilities —	<p>Apr. 1992      Joined Public Prosecutors Office of Ministry of Justice as a Public Prosecutor</p> <p>Aug. 1997      Joined Paul Hastings LLP, Los Angeles Office</p> <p>Mar. 1999      Registered as an attorney at law Registered as an attorney at law in New York State, U.S. Joined Nagashima &amp; Ohno (currently Nagashima Ohno &amp; Tsunematsu)</p> <p>Apr. 2004      Joined General Secretariat, Fair Trade Commission</p> <p>May 2006      Executive Officer and CCO of Vodafone K.K. (currently SoftBank Corp.)</p> <p>Apr. 2014      Executive Officer of Microsoft Japan Co., Ltd.</p> <p>June 2016      Standing Outside Audit &amp; Supervisory Board Member of the Company Auditor of MITSUI-SOKO Co., Ltd. Auditor of MITSUI-SOKO Supply Chain Solutions, Inc.</p> <p>June 2020      Outside Director of the Company (to the present) Outside Audit &amp; Supervisory Board Member of KADOKAWA CORPORATION</p> <p>July 2020      Outside Director of Hitachi Construction Machinery Co., Ltd. (to the present)</p> <p>(Significant concurrent positions) Outside Director of Hitachi Construction Machinery Co., Ltd.</p>	800
<p>(Reasons for nomination and overview of expected roles)</p> <p>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>			

- Notes:
1. There is no special conflict of interest between each candidate and the Company.
  2. 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.
  3. Mr. Taizaburo Nakano, Mr. Takashi Hirai and Ms. Maoko Kikuchi are candidates for outside directors.
  4. 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 four (4) years at the conclusion of this general meeting.
  5. 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 three (3) years at the conclusion of this general meeting.
  6. 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 two (2) years at the conclusion of this general meeting. Including her time as outside audit & supervisory board member, the total length of service will have been six (6) years.
  7. 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.
  8. 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.

9. 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.



**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>Junko Kai (September 29, 1967)</p> <p>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>	-

(Reasons for nomination)

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 & supervisory board member.

- (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 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 2, the management structure will be as follows.

			Corporate management	Sales/ marketing	Global business
Hirobumi Koga	Representative Director, President & CEO	CEO of the Group	•	•	•
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 Kiriyama	Director Senior Executive Officer	In charge of strategic sales and development administration		•	
Taizaburo Nakano	Outside Director		•	•	•
Takashi Hirai	Outside Director			•	•
Maoko Kikuchi	Outside Director				•
Yukio Ishida	Senior Standing Audit & Supervisory Board Member		•	•	
Norio Miyashita	Standing Audit & Supervisory Board Member		•		
Osamu Sudoh	Outside Audit & Supervisory Board Member				
Motohide Ozawa	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			•			•
Yukio Ishida						
Norio Miyashita				•		
Osamu Sudoh						•
Motohide Ozawa				•		

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

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.

#### **Agenda Item 4:** Introduction of Share-Based Remuneration Plan for Directors

The remuneration amount for directors of the Company was approved to be not more than ¥40 million per month (excluding employee salaries of directors who concurrently serve as employees) at the 158th Ordinary General Meeting of Shareholders held on June 29, 2006. Separate from the above remuneration limit, the Company requests approval to pay remuneration to grant restricted shares to directors (excluding outside directors; “Eligible Directors”) as described below in order to have Eligible Directors share the benefits and risks of share price fluctuations with the shareholders and increase the motivation of the Eligible Directors to increase the share price and improve corporate value.

The Company proposes that the total amount of monetary remuneration to be paid to grant restricted shares to Eligible Directors based on this agenda item shall be not more than ¥48 million per year, as an amount considered appropriate, taking into consideration the above objectives. In addition, the specific allocation to each Eligible Director shall be decided by the Nomination and Remuneration Committee through deliberations based on a comprehensive consideration of various matters including the level of contribution by the Eligible Director.

Furthermore, since the maximum number of restricted shares to be allotted in each fiscal year as set forth in 2. below represents 0.5% or less of the total number of issued shares (even if the maximum number of restricted shares were issued over a ten (10)-year period, they would represent 5% or less of the total number of issued shares) and the dilution rate is insignificant, the Company believes that the content of the allotment is reasonable.

Subject to the approval of this agenda item, the Company decided at the Board of Directors meeting held on April 25, 2022 to change part of the policy for determining the details of remuneration for individual directors presented on page 36 of the Business Report to be consistent with the approved content. An overview of this is as follows.

- The Company shall provide restricted shares as share-based remuneration to Eligible Directors in an amount equivalent to 10% of the position-based standard amount (an amount that serves as a basis for calculating remuneration of individual directors produced by multiplying the reference value, which is set as the remuneration amount of its full-time directors, by a set coefficient determined on the basis of a director’s position and other such metrics).
- For the share-based remuneration of Eligible Directors, the total amount of the share-based remuneration determined by the Company is provided at a certain time each year.

In addition, there are currently nine (9) directors (including three (3) outside directors), and this will remain the same if Agenda Item 2 is approved.

#### Specific content and maximum number of restricted shares for Eligible Directors

##### 1. Allotment of and payment for restricted shares

The Company shall provide monetary remuneration claims to Eligible Directors as remuneration, etc. in relation to the restricted shares within the range of the above annual amount in accordance with the resolution of its Board of Directors, and each Eligible Director shall receive the allotted restricted shares by providing all the monetary remuneration claims in the form of contribution in kind.

The amount to be paid for the restricted shares is determined by the Board of Directors on the basis of the closing price of common shares of the Company on the Tokyo Stock Exchange on the business day before the date of each resolution of the Board of Directors concerning the issuance or disposal of the shares (if no trading is made on that day, the closing price on the trading day immediately before that day) within the scope which will not be particularly favorable to Eligible Directors who receive the restricted shares.

In addition, the above monetary remuneration claims shall be paid on the condition that the Eligible Director agrees to the above contribution in kind and enters into a restricted share allotment agreement including the content set forth in 3. below.

##### 2. Total number of restricted shares

The maximum total number of restricted shares to be allotted in each fiscal year to Eligible Directors shall be 120,000 shares.

However, if the Company performs a share split of the Company's common shares (including allotment of shares without contribution) or a consolidation of such shares with the effective date of the date of resolution of this agenda item or later, or in any similar event that would make it necessary to adjust the total number of restricted shares to be allotted, the Company may rationally adjust the total number of restricted shares to be allotted.

### 3. Details of restricted share allotment agreement

For the allotment of restricted shares, the restricted share allotment agreement that is concluded between the Company and Eligible Directors in accordance with the resolution of the Board of Directors shall include the following terms:

#### (1) Description of transfer restrictions

An Eligible Director shall not transfer, establish the right of pledge on or the right to assign by way of security, give during life, bequeath, or otherwise dispose of the restricted shares allotted to the Eligible Director (the "Allotted Shares") in any way to a third party for a period of 50 years that starts from the day the Allotted Shares related to the restricted share allotment agreement are received (the "Restricted Period") (the restriction shall be hereinafter referred to as the "Transfer Restrictions").

#### (2) Acquisition of restricted shares without contribution

In the event that an Eligible Director resigns or retires from the position of director or executive officer of the Company or the Company's subsidiaries by the day before the date of the first ordinary general meeting of shareholders since the commencement date of the Restricted Period, the Company shall acquire, by rights, the Allotted Shares without contribution, unless there is a reason that the Board of Directors deems justifiable.

Moreover, of the Allotted Shares, if there are any shares on which the Transfer Restrictions have not been lifted at the time of expiration of the Restricted Period stated in (1) above in accordance with the provision for reasons for the lifting of the Transfer Restrictions set forth in (3) below, the Company shall acquire, by rights, the Allotted Shares without contribution.

#### (3) Lifting of Transfer Restrictions

The Company shall lift the Transfer Restrictions on all the Allotted Shares upon expiration of the Restricted Period (however, if an Eligible Director resigns or retires from the position of director or executive officer of the Company or the Company's subsidiaries due the expiration of their term of office, reaching the mandatory retirement age or other reason that the Board of Directors deems justifiable or resigns or retires due to death, the time immediately after the resignation or retirement), on the condition that an Eligible Director remained in the position of director or executive officer of the Company or the Company's subsidiaries until the date of the first ordinary general meeting of shareholders since the commencement date of the Restricted Period.

In addition, in the event that the Eligible Director resigns or retires from the position of director or executive officer of the Company or the Company's subsidiaries by the day before the date of the first ordinary general meeting of shareholders since the commencement date of the Restricted Period due to any reason that the Board of Directors deems justifiable, the number of the Allotted Shares on which the Transfer Restrictions are to be lifted and the timing of lifting the Transfer Restrictions shall be reasonably adjusted as needed.

#### (4) Treatment during reorganization, etc.

If, during the Restricted Period, an agenda item relating to an organizational restructuring, etc. is approved by a general meeting of shareholders (or the Board of Directors in cases where approval by a general meeting of shareholders is not required with respect to said organizational restructuring, etc.), the Company shall, prior to the effective date of said organizational restructuring, etc., lift the Transfer Restrictions on a number of the Allotted Shares as rationally determined by resolution of the Board of Directors and taking into account the period from the commencement date of the Restricted Period until the date of approval for said organizational restructuring, etc. Such organizational restructuring, etc. shall refer to the following matters: a merger agreement whereby the Company is a disappearing entity; and a share exchange

agreement, a share transfer plan or other type of reorganization whereby the Company becomes a wholly owned subsidiary of another company.

In any of the above cases, the Company shall acquire, by rights, without contribution the Allotted Shares on which the Transfer Restrictions have not been lifted as of the time immediately after the Transfer Restrictions are lifted in accordance with the above provision.

(Reference)

After the conclusion of this General Meeting of Shareholders, the Company plans to allot the same kind of restricted shares as those above to executive officers of the Company and to directors and executive officers of the Company's subsidiaries determined by the Board of Directors. However, even in such case, the total number of restricted shares to be allotted in each fiscal year shall not exceed 120,000 shares.

(Attached documents)

**Business Report**  
(From April 1, 2021 to March 31, 2022)

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

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

During the fiscal year under review, the Japanese economy saw a gradual trend towards normalization of social and economic activity with the indices of industrial production showing signs of recovery, despite the protracted impact of COVID-19. Meanwhile, in the environment of the logistics industry, it remained difficult to see an end to the global disruption that has enveloped supply chains, despite a recovering trend in imports and exports from the previous fiscal year.

In this economic environment, in the fiscal year under review, which was the final fiscal year of the “Medium-Term Management Plan 2017” the Group worked to achieve sustainable growth through the construction of overwhelming field capabilities and the construction of end-to-end integrated solution service, and responded to customers’ needs to review their supply chains. Through these efforts, the Group achieved significant growth in its earnings, despite the uncertain environment.

The operating situation of MITSUI-SOKO HOLDINGS Co., Ltd. (the “Company”) and its group companies included an increase in container handling volume in the freight forwarding and port transportation businesses associated with the recovery in imports and exports. In addition, there was an increase in handling volume driven by a shift from sea transportation to air transportation against the backdrop of a shortage of marine containers, and an increase in the handling volume of air cargo, overseas storage, and transportation services involved in the procurement of components and so forth for maintaining customers’ production. As a result, consolidated operating revenue amounted to ¥301,022 million, up ¥47,462 million, or 18.7%, year on year, consolidated operating profit was ¥25,939 million, up ¥8,278 million, or 46.9%, consolidated ordinary profit was ¥25,553 million, up ¥8,312 million, or 48.2%, and profit attributable to owners of parent was ¥14,503 million, up ¥2,954 million, or 25.6%, setting a new record-high profit for the second year in a row.



## **Logistics Business**

### **Operating revenue**

¥292,213 million

(Up ¥47,568 million year on year)

### **Operating profit**

¥23,734 million

(Up ¥8,749 million year on year)

In addition to an increase in container handling volume in the freight forwarding and port transportation businesses associated with the recovery in imports and exports, there was also a shift from sea transportation to air transportation and a steep rise in airfares associated with supply chain disruption including a shortage of marine containers, an increase in handling volume for air cargo, overseas storage, and transportation services involved in the procurement of components for maintaining customers' production. Moreover, in areas the Company is focusing on, the Company saw the start of new projects in the solution-type logistics services and the start of new operations in healthcare logistics. Furthermore, handling volumes in home appliance-related logistics also increased due to the demand related to the Tokyo Olympics and Paralympics Games. As a result, operating revenue amounted to ¥292,213 million, up ¥47,568 million, or 19.4%, year on year, and operating profit was ¥23,734 million, up ¥8,749 million, or 58.4%.

## **Real Estate Business**

### **Operating revenue**

¥9,574 million

(Down ¥46 million year on year)

### **Operating profit**

¥5,798 million

(Down ¥34 million year on year)

Operating revenue amounted to ¥9,574 million, down ¥46 million, or 0.5%, year on year, and operating profit was ¥5,798 million, down ¥34 million, or 0.6%, 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, 2021 to March 31, 2022)
Logistics	292,213
Real estate	9,574
Total	301,788
Adjustment(s)*	(765)
Amount recorded in the Consolidated Financial Statements	301,022

\* 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 ¥3,501 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 ¥7,262 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  
Logistics: Kanto P&M Center Building B (Kazo-shi, completed in June 2021)
  - 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	171st fiscal year (from April 1, 2018 to March 31, 2019)	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)
Operating revenue (Millions of yen)	241,852	241,080	253,559	301,022
Operating profit (Millions of yen)	11,986	11,808	17,661	25,939
Ordinary profit (Millions of yen)	11,087	10,531	17,240	25,553
Profit attributable to owners of parent (Millions of yen)	5,190	6,395	11,549	14,503
Basic earnings per share (Yen)	208.99	257.50	465.01	583.98
Total assets (Millions of yen)	252,078	239,309	238,371	258,297
Net assets (Millions of yen)	52,243	54,842	68,529	88,631

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

Category	171st fiscal year (from April 1, 2018 to March 31, 2019)	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)
Operating revenue (Millions of yen)	20,002	17,903	18,661	20,917
Operating profit (Millions of yen)	6,623	4,446	5,087	6,861
Ordinary profit (Millions of yen)	5,957	3,949	4,673	6,097
Profit attributable to owners of parent (Millions of yen)	5,465	945	7,758	5,644
Basic earnings per share (Yen)	220.08	38.08	312.38	227.25
Total assets (Millions of yen)	189,753	185,510	180,624	180,406
Net assets (Millions of yen)	36,030	35,559	40,327	44,230

## (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, as well as a five-year plan, the "Medium-term Management Plan 2022," starting in the fiscal year ending 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.
- 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	¥1,000 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
PST CLC, 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), Czech koruna (CZK), United States dollar (US\$), Thai baht (THB), and Malaysian ringgit (MYR).

## (7) Principal lines of business

The Group consists of the Company, 80 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	35,306
Tokyo Port Office I and 19 other offices in the Kanto region	Logistics Business (Warehousing, cargo handling, port-related work, transport)	Logistics facilities	24,752
Kinjo Office and eight other offices in the Chubu region	Logistics Business (Warehousing, cargo handling, port-related work, transport)	Logistics facilities	4,064
Onohama Office and 11 other offices in the Kansai region	Logistics Business (Warehousing, cargo handling, port-related work, transport)	Logistics facilities	14,237
Ibaraki Record Center and five other offices	Logistics Business (Warehousing and cargo handling)	Logistics facilities	5,193
Wakasu Warehouse and one other office	Logistics Business (3PL)	Logistics facilities	2,945

(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	9,656
MITSUI-SOKO LOGISTICS Co., Ltd.	Fukuoka Office (Higashi-ku, Fukuoka-shi), etc.	Logistics	Logistics facilities	11,778
Marukyo Logistics Co., Ltd. (Osaka)	Atsugi Warehouse (Aiko-gun, Kanagawa), etc.	Logistics	Logistics facilities	6,659
Marukyo Logistics Co., Ltd. (Ehime)	Matsuyama Warehouse I (Matsuyama-shi, Ehime), etc.	Logistics	Logistics facilities	4,378

(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	3,808
PT. MITSUI-SOKO INDONESIA	Ngoro Industrial Park (NIP) Warehouse (East Java, Indonesia), etc.	Logistics Business	Logistics facilities	4,863

**(9) Employees**

(i) The Group has 8,172 employees as follows:

Business segment	Number of employees
Logistics	7,999
Real estate	12
Administrative headquarters	161

(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
173 (682)	Increase of 16 (increase of 27)	42.3 years old	14.2 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	21,019
Sumitomo Mitsui Trust Bank, Limited	14,982
Development Bank of Japan Inc.	7,019
The Norinchukin Bank	6,689
TAIJU LIFE INSURANCE COMPANY LIMITED	3,525

## 2. Shares of the Company

- (1) **Total number of authorized shares** 80,000,000 shares
- (2) **Total number of issued shares** 24,836,318 shares (excluding 46,684 treasury shares)
- (3) **Number of shareholders** 7,586
- (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)	3,218	12.95
Custody Bank of Japan, Ltd. (Trust Account)	2,703	10.88
TAIJU LIFE INSURANCE COMPANY LIMITED	1,569	6.31
Mitsui Sumitomo Insurance Company, Limited	1,401	5.64
Sumitomo Mitsui Banking Corporation	696	2.80
MITSUI-SOKO Group Employees' Shareholding Society	540	2.17
TAKENAKA CORPORATION	496	2.00
Sumitomo Mitsui Trust Bank, Limited	437	1.76
THE BANK OF NEW YORK MELLON 140044	362	1.46
The Iyo Bank, Ltd.	325	1.31

(Note)The shareholding ratio is calculated after deducting treasury shares (46,684 shares).

## 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
Makoto Tawaraguchi	Chairman and Director	Chairman of the Board of Directors Chairman and Director of MITSUI-SOKO Co., Ltd.
Hirobumi Koga	Representative Director, President & CEO	CEO of the Group Representative Director and Chairman of MITSUI-SOKO EXPRESS Co., Ltd.
Nobuo Nakayama	Representative Director and Senior Managing Director	In charge of finance, accounting and real estate business, 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.
Ryoji Ogawa	Executive Managing Director	In charge of legal and general affairs, risk management, and responsible for compliance Director of MITSUI-SOKO LOGISTICS Co., Ltd. Senior Vice President and Director of MITSUI-SOKO TRANSPORT Co., Ltd.
Hiroshi Kino	Executive Managing Director	In charge of personnel, human resources, and IT system administration Director of MITSUI-SOKO LOGISTICS Co., Ltd. Auditor of MITSUI-SOKO EXPRESS Co., Ltd.
Takeshi Gohara	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 Outside Director of KITO CORPORATION
Maoko Kikuchi	Outside Director	Outside Director of Hitachi Construction Machinery Co., Ltd. Outside Audit & Supervisory Board Member of KADOKAWA CORPORATION
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 BANDAI NAMCO Holdings Inc. 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 173rd Ordinary General Meeting of Shareholders, held on June 24, 2021, Director Yukio Ishida retired, having reached the end of his term of office, and Audit & Supervisory Board Member Shinichiro Sasao resigned.
  - At the 173rd Ordinary General Meeting of Shareholders, held on June 24, 2021, Hiroshi Kino was newly elected as a Director and Yukio Ishida as an Audit & Supervisory Board Member, 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.

4. The assigned areas of responsibility and significant concurrent positions of the Directors on April 1, 2022 were changed as follows.

Name	Before the changes	After the changes
Hirobumi Koga	CEO of the Group Representative Director and Chairman of MITSUI-SOKO EXPRESS Co., Ltd.	CEO of the Group Representative Director and Chairman of MITSUI-SOKO EXPRESS Co., Ltd. Chairman of MITSUI-SOKO TRANSPORT Co., Ltd.
Nobuo Nakayama	In charge of finance, accounting and real estate business, 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.	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.
Ryoji Ogawa	In charge of legal and general affairs, risk management, and responsible for compliance Director of MITSUI-SOKO LOGISTICS Co., Ltd. Senior Vice President and Director of MITSUI-SOKO TRANSPORT Co., Ltd.	Special mission given by the president
Hiroshi Kino	In charge of personnel, human resources, and IT system administration Director of MITSUI-SOKO LOGISTICS Co., Ltd. Auditor of MITSUI-SOKO EXPRESS Co., Ltd.	In charge of personnel, human resources and real estate business Director of MITSUI-SOKO LOGISTICS Co., Ltd.
Takeshi Gohara	In charge of strategic sales and development administration Director of MITSUI-SOKO Co., Ltd. Director of MITSUI-SOKO Supply Chain Solutions, Inc.	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.

5. 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:

- 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 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. 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 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.

Given that the remuneration consists of monetary remuneration only, the Company does not make payment of non-monetary remuneration.

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

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.

5. 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.

6. 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.

7. 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	
Directors	334	221	113	10
Audit & supervisory board members	78	78	–	5
(Of which, the portion for outside officers {outside directors and outside audit & supervisory board members})	(45)	(45)	–	(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, 2021)	Targets (Fiscal year ended March 31, 2021)	Results for the previous fiscal year (Fiscal year ended March 31, 2020)
Operating profit (consolidated)	¥17,661 million	¥8,477 million	¥11,808 million
Profit before income taxes (consolidated)	¥19,040 million	¥7,868 million	¥10,973 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 173rd 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 173rd Ordinary General Meeting of Shareholders (of which, three were outside audit & supervisory board members).

5. 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 five members: Outside Director Mr. Taizaburo Nakano (committee chair), Outside Director Mr. Takashi Hirai, Outside Director Ms. Maoko Kikuchi, Chairman and Director Mr. Makoto Tawaraguchi, and Representative Director, President & CEO Mr. Hirobumi Koga.
6. 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) Significant concurrent positions as persons who execute business at other corporations, etc. and relationships between the Company and such other corporations, etc.
- Outside Director Mr. Taizaburo Nakano serves as Representative Director and President of TIEUP Co., Ltd. There are no special interests between TIEUP Co., Ltd. and the Company.
- (ii) Significant concurrent positions as outside officers at other organizations and relationships between the Company and such other organizations
- Whereas Outside Director Mr. Takashi Hirai serves concurrently as professor of Graduate School of University of Tsukuba, visiting professor of Graduate School of Waseda University, and outside director of KITO CORPORATION, there are no special interests between the respective concurrent employers and the Company.
  - Whereas Outside Director Ms. Maoko Kikuchi serves concurrently as outside director of Hitachi Construction Machinery Co., Ltd. and outside audit & supervisory board member of KADOKAWA, there are no special interests between the respective concurrent employers and the Company.
  - Whereas Outside Audit & Supervisory Board Member Mr. Osamu Sudoh serves concurrently as partner of Sudoh & Partners, outside audit & supervisory board member of BANDAI NAMCO Holdings Inc., and outside audit & supervisory board member of Keikyu Corporation, there are no special interests between the respective concurrent employers and the Company. In addition, the Company has a business relationship with PRONEXUS Inc. where he serves concurrently as outside audit & supervisory board member, but annual transaction amounts account for less than 1% of consolidated operating revenue with respect to both PRONEXUS Inc. and the Company.



(iii) 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.
	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.

Category	Name	Status of attendance, status of remarks, and the outline of duties performed relating to the roles expected of outside directors
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.

(iv) 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.	66	–
Consolidated subsidiaries	28	–
Total	94	–

- (Notes)
1. Of the Company's significant subsidiaries, MSE Express America, Inc. is 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.
  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 after seven years have elapsed upon reappointment. The Audit & Supervisory Board shall consider numerous accounting auditors in the hiring process and accordingly select an accounting auditor 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.

## 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 ending March 31, 2023 to the fiscal year ending March 31, 2027), the Company's basic policy on distribution of funds is to achieve both proactive investment and enhanced 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 ¥94.00 per share for a consolidated dividend payout ratio of around 30% on the second-half earnings, combined with the interim dividend (¥35.00 per share) for an annual dividend of ¥129.00 per share.

Meanwhile, the annual dividend for the next fiscal year has been provisionally set at ¥144.00 per share, consisting of an interim dividend of ¥72.00 per share and a year-end dividend of ¥72.00 per share based on the above dividend policy.

~~~~~  
(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, 2022)

(Millions of yen)

| Account                                                  | Amount         | Account                                                      | Amount         |
|----------------------------------------------------------|----------------|--------------------------------------------------------------|----------------|
| Assets                                                   |                | Liabilities                                                  |                |
| <b>Current assets</b>                                    | <b>77,354</b>  | <b>Current liabilities</b>                                   | <b>65,441</b>  |
| Cash and deposits                                        | 23,109         | Trade notes and accounts payable                             | 22,604         |
| Trade notes and accounts receivable, and contract assets | 41,155         | Short-term borrowings                                        | 2,049          |
| Inventories                                              | 2,045          | Current portion of long-term borrowings                      | 9,630          |
| Other                                                    | 11,112         | Lease liabilities                                            | 1,223          |
| Allowance for doubtful accounts                          | (67)           | Income taxes payable                                         | 4,631          |
| <b>Non-current assets</b>                                | <b>180,942</b> | Provision for bonuses                                        | 3,863          |
| <b>Property, plant and equipment</b>                     | <b>139,493</b> | Other                                                        | 21,440         |
| Buildings and structures                                 | 73,609         | <b>Non-current liabilities</b>                               | <b>104,224</b> |
| Machinery, equipment and vehicles                        | 5,721          | Bonds payable                                                | 25,000         |
| Land                                                     | 56,496         | Long-term borrowings                                         | 57,317         |
| Construction in progress                                 | 43             | Lease liabilities                                            | 4,174          |
| Other                                                    | 3,623          | Deferred tax liabilities                                     | 4,780          |
| <b>Intangible assets</b>                                 | <b>8,700</b>   | Retirement benefit liability                                 | 6,562          |
| Goodwill                                                 | 1,917          | Other                                                        | 6,388          |
| Other                                                    | 6,783          | <b>Total liabilities</b>                                     | <b>169,666</b> |
| <b>Investments and other assets</b>                      | <b>32,748</b>  | Net assets                                                   |                |
| Investment securities                                    | 9,883          | <b>Shareholders' equity</b>                                  | <b>69,298</b>  |
| Long-term loans receivable                               | 331            | <b>Share capital</b>                                         | <b>11,100</b>  |
| Deferred tax assets                                      | 4,818          | <b>Capital surplus</b>                                       | <b>5,548</b>   |
| Retirement benefit asset                                 | 5,329          | <b>Retained earnings</b>                                     | <b>52,752</b>  |
| Other                                                    | 12,988         | <b>Treasury shares</b>                                       | <b>(103)</b>   |
| Allowance for doubtful accounts                          | (603)          | <b>Accumulated other comprehensive income</b>                | <b>10,159</b>  |
|                                                          |                | <b>Valuation difference on available-for-sale securities</b> | <b>3,568</b>   |
|                                                          |                | <b>Deferred gains or losses on hedges</b>                    | <b>2</b>       |
|                                                          |                | <b>Foreign currency translation adjustment</b>               | <b>4,665</b>   |
|                                                          |                | <b>Remeasurements of defined benefit plans</b>               | <b>1,924</b>   |
|                                                          |                | <b>Non-controlling interests</b>                             | <b>9,172</b>   |
|                                                          |                | <b>Total net assets</b>                                      | <b>88,631</b>  |
| <b>Total assets</b>                                      | <b>258,297</b> | <b>Total liabilities and net assets</b>                      | <b>258,297</b> |

## Consolidated Statement of Income (From April 1, 2021 to March 31, 2022)

(Millions of yen)

| Account                                                       | Amount    |                |
|---------------------------------------------------------------|-----------|----------------|
|                                                               | Breakdown | Total          |
| <b>Operating revenue</b>                                      |           |                |
| Warehousing fee income                                        | 35,037    |                |
| Stevedoring income                                            | 31,603    |                |
| Port terminal fee income                                      | 17,019    |                |
| Transportation income                                         | 164,367   |                |
| Real estate income                                            | 8,808     |                |
| Other                                                         | 44,185    | <b>301,022</b> |
| <b>Operating costs</b>                                        |           |                |
| Direct operation expenses                                     | 155,892   |                |
| Rent expenses                                                 | 19,794    |                |
| Depreciation                                                  | 7,449     |                |
| Salaries and allowances                                       | 36,967    |                |
| Other                                                         | 36,640    | <b>256,743</b> |
| <b>Operating gross profit</b>                                 |           | <b>44,278</b>  |
| <b>Selling, general and administrative expenses</b>           |           | <b>18,338</b>  |
| <b>Operating profit</b>                                       |           | <b>25,939</b>  |
| <b>Non-operating income</b>                                   |           |                |
| Interest and dividend income                                  | 433       |                |
| Share of profit of entities accounted for using equity method | 271       |                |
| Other                                                         | 611       | <b>1,316</b>   |
| <b>Non-operating expenses</b>                                 |           |                |
| Interest expenses                                             | 859       |                |
| Commission expenses                                           | 56        |                |
| Foreign exchange losses                                       | 263       |                |
| Loss on retirement of non-current assets                      | 135       |                |
| Other                                                         | 388       | <b>1,702</b>   |
| <b>Ordinary profit</b>                                        |           | <b>25,553</b>  |
| <b>Profit before income taxes</b>                             |           | <b>25,553</b>  |
| Income taxes - current                                        | 7,921     |                |
| Income taxes - deferred                                       | (484)     | <b>7,437</b>   |
| <b>Profit</b>                                                 |           | <b>18,115</b>  |
| <b>Profit attributable to non-controlling interests</b>       |           | <b>3,611</b>   |
| <b>Profit attributable to owners of parent</b>                |           | <b>14,503</b>  |

## Consolidated Statement of Comprehensive Income (From April 1, 2021 to March 31, 2022)

(Millions of yen)

| Account                                                                           | Amount    |               |
|-----------------------------------------------------------------------------------|-----------|---------------|
|                                                                                   | Breakdown | Total         |
| <b>Profit</b>                                                                     |           | <b>18,115</b> |
| Valuation difference on available-for-sale securities                             | (284)     |               |
| Deferred gains or losses on hedges                                                | 2         |               |
| Foreign currency translation adjustment                                           | 3,454     |               |
| Remeasurements of defined benefit plans, net of tax                               | 564       |               |
| Share of other comprehensive income of entities accounted for using equity method | 614       |               |
| <b>Other comprehensive income</b>                                                 |           | <b>4,351</b>  |
| <b>Comprehensive income</b>                                                       |           | <b>22,467</b> |
| Comprehensive income attributable to:                                             |           |               |
| Owners of parent                                                                  | 18,410    |               |
| Non-controlling interests                                                         | 4,057     |               |

## Consolidated Statement of Changes in Equity (From April 1, 2021 to March 31, 2022)

(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           | 39,898            | (103)           | 56,444                     | 3,852                                                 | 0                                  | 1,036                                   | 1,364                                   | 6,253                                        | 5,831                     | 68,529           |
| Cumulative effects of changes in accounting policies |                      |                 | (35)              |                 | (35)                       |                                                       |                                    |                                         |                                         |                                              |                           | (35)             |
| Restated balance                                     | 11,100               | 5,548           | 39,863            | (103)           | 56,408                     | 3,852                                                 | 0                                  | 1,036                                   | 1,364                                   | 6,253                                        | 5,831                     | 68,493           |
| Changes during period                                |                      |                 |                   |                 |                            |                                                       |                                    |                                         |                                         |                                              |                           |                  |
| Dividends of surplus                                 |                      |                 | (1,614)           |                 | (1,614)                    |                                                       |                                    |                                         |                                         |                                              |                           | (1,614)          |
| Profit attributable to owners of parent              |                      |                 | 14,503            |                 | 14,503                     |                                                       |                                    |                                         |                                         |                                              |                           | 14,503           |
| Purchase of treasury shares                          |                      |                 |                   | (0)             | (0)                        |                                                       |                                    |                                         |                                         |                                              |                           | (0)              |
| Net changes in items other than shareholders' equity |                      |                 |                   |                 |                            | (284)                                                 | 2                                  | 3,628                                   | 560                                     | 3,906                                        | 3,341                     | 7,247            |
| Total changes during period                          | -                    | -               | 12,889            | (0)             | 12,889                     | (284)                                                 | 2                                  | 3,628                                   | 560                                     | 3,906                                        | 3,341                     | 20,137           |
| Balance at end of period                             | 11,100               | 5,548           | 52,752            | (103)           | 69,298                     | 3,568                                                 | 2                                  | 4,665                                   | 1,924                                   | 10,159                                       | 9,172                     | 88,631           |

(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, 2022)**

(Millions of yen)

| Account                                               | Amount         | Account                                                       | Amount         |
|-------------------------------------------------------|----------------|---------------------------------------------------------------|----------------|
| Assets                                                |                | Liabilities                                                   |                |
| <b>Current assets</b>                                 | <b>10,040</b>  | <b>Current liabilities</b>                                    | <b>51,114</b>  |
| Cash and deposits                                     | 2,414          | Trade accounts payable                                        | 114            |
| Trade accounts receivable                             | 337            | Short-term borrowings                                         | 40,617         |
| Prepaid expenses                                      | 385            | Current portion of long-term borrowings                       | 7,105          |
| Income taxes refund receivable                        | 1,866          | Accounts payable - other                                      | 1,205          |
| Short-term loans receivable                           | 4,089          | Advances received                                             | 412            |
| Other                                                 | 946            | Deposits received                                             | 110            |
| <b>Non-current assets</b>                             | <b>170,365</b> | Provision for bonuses                                         | 1,080          |
| <b>Property, plant and equipment</b>                  | <b>85,648</b>  | Other                                                         | 468            |
| Buildings                                             | 46,407         | <b>Non-current liabilities</b>                                | <b>85,061</b>  |
| Structures                                            | 781            | Bonds payable                                                 | 25,000         |
| Machinery and equipment                               | 810            | Long-term borrowings                                          | 54,305         |
| Vehicles                                              | 11             | Deferred tax liabilities                                      | 3,214          |
| Tools, furniture and fixtures                         | 884            | Provision for retirement benefits                             | 49             |
| Land                                                  | 36,752         | Other                                                         | 2,491          |
| <b>Intangible assets</b>                              | <b>6,147</b>   | <b>Total liabilities</b>                                      | <b>136,176</b> |
| Leasehold interests in land                           | 2,212          | Net assets                                                    |                |
| Software                                              | 3,924          | <b>Shareholders' equity</b>                                   | <b>41,280</b>  |
| Other                                                 | 10             | <b>Share capital</b>                                          | <b>11,100</b>  |
| <b>Investments and other assets</b>                   | <b>78,569</b>  | <b>Capital surplus</b>                                        | <b>5,563</b>   |
| Investment securities                                 | 7,490          | Legal capital surplus                                         | 5,563          |
| Shares of subsidiaries and associates                 | 46,814         | <b>Retained earnings</b>                                      | <b>24,719</b>  |
| Investments in capital of subsidiaries and associates | 7,234          | Legal retained earnings                                       | 2,562          |
| Long-term loans receivable                            | 12,822         | Other retained earnings                                       |                |
| Prepaid pension costs                                 | 2,520          | Reserve for tax purpose reduction entry of non-current assets | 7,593          |
| Other                                                 | 1,856          | Retained earnings brought forward                             | 14,564         |
| Allowance for doubtful accounts                       | (170)          | <b>Treasury shares</b>                                        | <b>(103)</b>   |
|                                                       |                | <b>Valuation and translation adjustments</b>                  | <b>2,950</b>   |
|                                                       |                | <b>Valuation difference on available-for-sale securities</b>  | <b>2,950</b>   |
|                                                       |                | <b>Total net assets</b>                                       | <b>44,230</b>  |
| <b>Total assets</b>                                   | <b>180,406</b> | <b>Total liabilities and net assets</b>                       | <b>180,406</b> |

**Non-consolidated Statement of Income** (From April 1, 2021 to March 31, 2022)

(Millions of yen)

| Account                                             | Amount    |               |
|-----------------------------------------------------|-----------|---------------|
|                                                     | Breakdown | Total         |
| <b>Operating revenue</b>                            |           |               |
| Group operating income                              | 6,876     |               |
| Dividends from subsidiaries and associates          | 4,625     |               |
| Real estate income                                  | 9,244     |               |
| Other                                               | 171       | <b>20,917</b> |
| <b>Operating costs</b>                              |           |               |
| Rent expenses                                       | 812       |               |
| Depreciation                                        | 3,581     |               |
| Salaries and allowances                             | 158       |               |
| Taxes and dues                                      | 1,417     |               |
| Other                                               | 1,600     | <b>7,569</b>  |
| <b>Operating gross profit</b>                       |           | <b>13,348</b> |
| <b>Selling, general and administrative expenses</b> |           | <b>6,487</b>  |
| <b>Operating profit</b>                             |           | <b>6,861</b>  |
| <b>Non-operating income</b>                         |           |               |
| Interest and dividend income                        | 424       |               |
| Other                                               | 136       | <b>560</b>    |
| <b>Non-operating expenses</b>                       |           |               |
| Interest expenses                                   | 735       |               |
| Loss on retirement of non-current assets            | 114       |               |
| Other                                               | 474       | <b>1,324</b>  |
| <b>Ordinary profit</b>                              |           | <b>6,097</b>  |
| <b>Profit before income taxes</b>                   |           | <b>6,097</b>  |
| Income taxes - current                              | 400       |               |
| Income taxes - deferred                             | 52        | <b>453</b>    |
| <b>Profit</b>                                       |           | <b>5,644</b>  |

## Non-consolidated Statement of Changes in Equity (From April 1, 2021 to March 31, 2022)

(Millions of yen)

|                                                                           | Shareholders' equity |                       |                         |                                                               |                                   |                 |                            | Valuation and translation adjustments                 | Total net assets |
|---------------------------------------------------------------------------|----------------------|-----------------------|-------------------------|---------------------------------------------------------------|-----------------------------------|-----------------|----------------------------|-------------------------------------------------------|------------------|
|                                                                           | Share capital        | Capital surplus       | Retained earnings       |                                                               |                                   | Treasury shares | Total shareholders' equity | Valuation difference on available-for-sale securities |                  |
|                                                                           |                      | Legal capital surplus | Legal 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                   | 7,676                                                         | 10,451                            | (103)           | 37,250                     | 3,076                                                 | 40,327           |
| Changes during period                                                     |                      |                       |                         |                                                               |                                   |                 |                            |                                                       |                  |
| Dividends of surplus                                                      |                      |                       |                         |                                                               | (1,614)                           |                 | (1,614)                    |                                                       | (1,614)          |
| Reversal of reserve for tax purpose reduction entry of non-current assets |                      |                       |                         | (83)                                                          | 83                                |                 | —                          |                                                       | —                |
| Profit                                                                    |                      |                       |                         |                                                               | 5,644                             |                 | 5,644                      |                                                       | 5,644            |
| Purchase of treasury shares                                               |                      |                       |                         |                                                               |                                   | (0)             | (0)                        |                                                       | (0)              |
| Net changes in items other than shareholders' equity                      |                      |                       |                         |                                                               |                                   |                 |                            | (125)                                                 | (125)            |
| Total changes during period                                               | —                    | —                     | —                       | (83)                                                          | 4,113                             | (0)             | 4,029                      | (125)                                                 | 3,903            |
| Balance at end of period                                                  | 11,100               | 5,563                 | 2,562                   | 7,593                                                         | 14,564                            | (103)           | 41,280                     | 2,950                                                 | 44,230           |

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