

Notice on Recording Extraordinary Loss (Non-consolidated)

TOKYO—Mitsui O.S.K. Lines, Ltd. (the "Company") hereby announces that it recorded an extraordinary loss on its Non-consolidated Financial Statements for fiscal year (FY) 2018 (April 1, 2018 – March 31, 2019) as below.

1. Recording of extraordinary loss (early termination fee)

As a result of the integration of the Company's containership business into Ocean Network Express Pte. Ltd. (ONE, in which the Company holds a 31% stake) in April 2018, the company is expected to cancel the terminal service agreement, which was concluded between the Company and terminal operator, TraPac, LLC (a consolidated subsidiary in which the Company holds a 51% indirect ownership), and pay an early termination fee of ¥6.1 billion to TraPac. In preparation for this loss, the Company recorded ¥6.1 billion in extraordinary loss on its Non-consolidated Financial Statements as an allowance related to the restructuring of its containership business.

Meanwhile, TraPac is included in the Company's overseas terminal business, which the Company plans to transfer to ONE. ONE's vessels have already been calling the container terminal operated by TraPac.

2. Impact on the Company's financial results

The Company recorded ¥6.1 billion in extraordinary loss for FY2018 on its Non-consolidated Financial Statements. On the Consolidated Financial Statements, however, this loss is eliminated and profit attributable to non-controlling interests is recorded. As a result, the profit attributable to owners of parent is reduced by ¥3.0 billion.

[REFERENCE PURPOSE ONLY]

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