
Business Performance in FY2023 And Outlook for FY2024

2024/4/30
Mitsui O.S.K. Lines, Ltd.



Contents

1. FY2023 Full-year Results [Consolidated]	P3-7
2. FY2024 Full-year Forecast [Consolidated]	P8-12
3. Management Plan BLUE ACTION 2035 FY2023 Progress Report	P13-18
(Reference) BLUE ACTION 2035 Initiatives	P19
[Supplement #1-6]	P20-25

Note 1: Fiscal Year = from April 1 to March 31

Q1 = April to June

Q2 = July to September

Q3 = October to December

Q4 = January to March

Note 2: Amounts are rounded down to the nearest 100 million yen.

(In the calculation of changes from the same period of the previous fiscal year and year-on-year, there may be differences from the Financial Highlights, which are rounded down to the nearest 1 million yen.)

Note 3: Net income/loss = Profit/loss attributable to owners of parent

Disclaimer:

The performance forecasts and management indicators stated in this material are based on the best available information. Forecasts, by their nature, are not certain, so the information should be used as a guidance only, and any decisions concerning investments to be made under your own judgement and volition with the knowledge that actual performance may differ from the forecasts.

1 FY2023 Full-year Results [Consolidated]

*as of January 31, 2024

(¥ billion)	FY2023 Result					FY2022 Result			FY2023 Previous Forecast*	
	Q1	Q2	Q3	Q4	Full-year	Full-year	YoY		Full-year	Variance
Revenue	385.1	404.9	428.5	409.2	1,627.9	1,611.9	+15.9	+1%	1,615.0	+12.9
Operating profit/loss	24.4	24.8	30.8	23.0	103.1	108.7	-5.5	-5%	93.0	+10.1
Business profit/loss (*1)	58.1	47.2	39.2	50.4	195.0	777.1	-582.0	-75%	172.0	+23.0
Ordinary profit/loss	90.3	64.1	42.7	61.7	258.9	811.5	-552.6	-68%	225.0	+33.9
Income/loss before income taxes	109.6	68.3	60.2	57.2	295.4	819.1	-523.7	-64%	270.0	+25.4
Net income/loss	91.1	59.6	52.8	58.0	261.6	796.0	-534.4	-67%	235.0	+26.6

Exchange rate (*2) ¥134.86/\$ ¥142.56/\$ ¥149.15/\$ ¥147.13/\$ ¥143.43/\$ ¥134.67/\$ +¥8.76/\$ +7% ¥141.89/\$ +¥1.54/\$

Bunker price (all grades) (*2,3) \$575/MT \$643/MT \$638/MT \$625/MT \$621/MT \$745/MT -\$125/MT -17% - -

(*1) Operating profit/loss + Equity in earnings of affiliated companies

(*2) Average for the period

(*3) Purchase price

1 FY2023 Full-year Results [By segment]

		Upper		Revenue (*1)							
		Lower		Ordinary profit/loss							
		FY2023 Result					FY2022 Result(*6)			FY2023 Previous Forecast*	
		Q1	Q2	Q3	Q4	Full-year	Full-year	YoY		Full-year	Variance
(¥ billion)											
Dry Bulk Business	Dry Bulk Carriers	95.4	94.4	107.3	98.3	395.5	429.6	-34.0	-8%	386.0	+9.5
	(excluding Thermal Power Fuel Carriers)	26.3	5.8	4.9	0.0	37.2	57.6	-20.4	-35%	35.0	+2.2
Energy Business	Thermal Power Fuel Carriers, Tankers,	101.6	113.2	116.1	106.7	437.8	388.7	+49.1	+13%	430.0	+7.8
	Wind Power, Offshore, Liquefied Gas(LNG Carriers, etc.)	19.4	18.2	21.1	8.0	66.9	39.5	+27.3	+69%	60.0	+6.9
Product Transport Business (*2)	Containerships, Car Carriers, Terminal & Logistics	147.2	151.9	161.3	158.2	618.7	626.6	-7.8	-1%	629.0	-10.2
		40.4	31.1	13.6	40.2	125.5	703.6	-578.0	-82%	114.0	+11.5
	Containerships (*3)	13.6	14.4	14.2	14.0	56.3	53.0	+3.3	+6%	57.0	-0.6
		23.8	9.5	-3.3	21.4	51.5	620.1	-568.6	-92%	42.0	+9.5
Wellbeing & Lifestyle Business(*4)	Real Property, Ferry & Coastal RoRo Ships, Cruise	25.2	26.9	26.8	25.6	104.6	99.4	+5.2	+5%	103.0	+1.6
		2.3	2.6	3.2	0.8	9.0	6.7	+2.3	+35%	9.0	0.0
	Real Property Business	9.7	10.1	10.2	10.6	40.8	39.5	+1.2	+3%	40.0	+0.8
		2.4	2.1	2.6	1.4	8.6	8.1	+0.5	+6%	8.0	+0.6
Associated businesses(*5)	Tug boats, Trading, etc.	10.9	12.3	11.1	14.7	49.1	47.7	+1.4	+3%	46.0	+3.1
		0.5	0.6	0.9	0.7	2.9	2.6	+0.3	+12%	2.5	+0.4
Others		4.5	5.9	5.8	5.4	21.8	19.8	+2.0	+10%	21.0	+0.8
		1.5	1.1	1.4	0.2	4.3	1.8	+2.5	+141%	4.0	+0.3
Adjustment		-	-	-	-	-	-	-	-	-	-
		-0.2	4.5	-2.6	11.3	12.9	- 0.4	+13.3	+3,325%	0.5	+12.4
Consolidated		385.1	404.9	428.5	409.2	1,627.9	1,611.9	+15.9	+1%	1,615.0	+12.9
		90.3	64.1	42.7	61.7	258.9	811.5	-552.6	-68%	225.0	+33.9

(*1) Revenues from external customers.

(*2) With the establishment of Wellbeing & Lifestyle Business in FY2023, "Ferries & Coastal RoRo Ships Business" have been excluded from Product Transport Business.

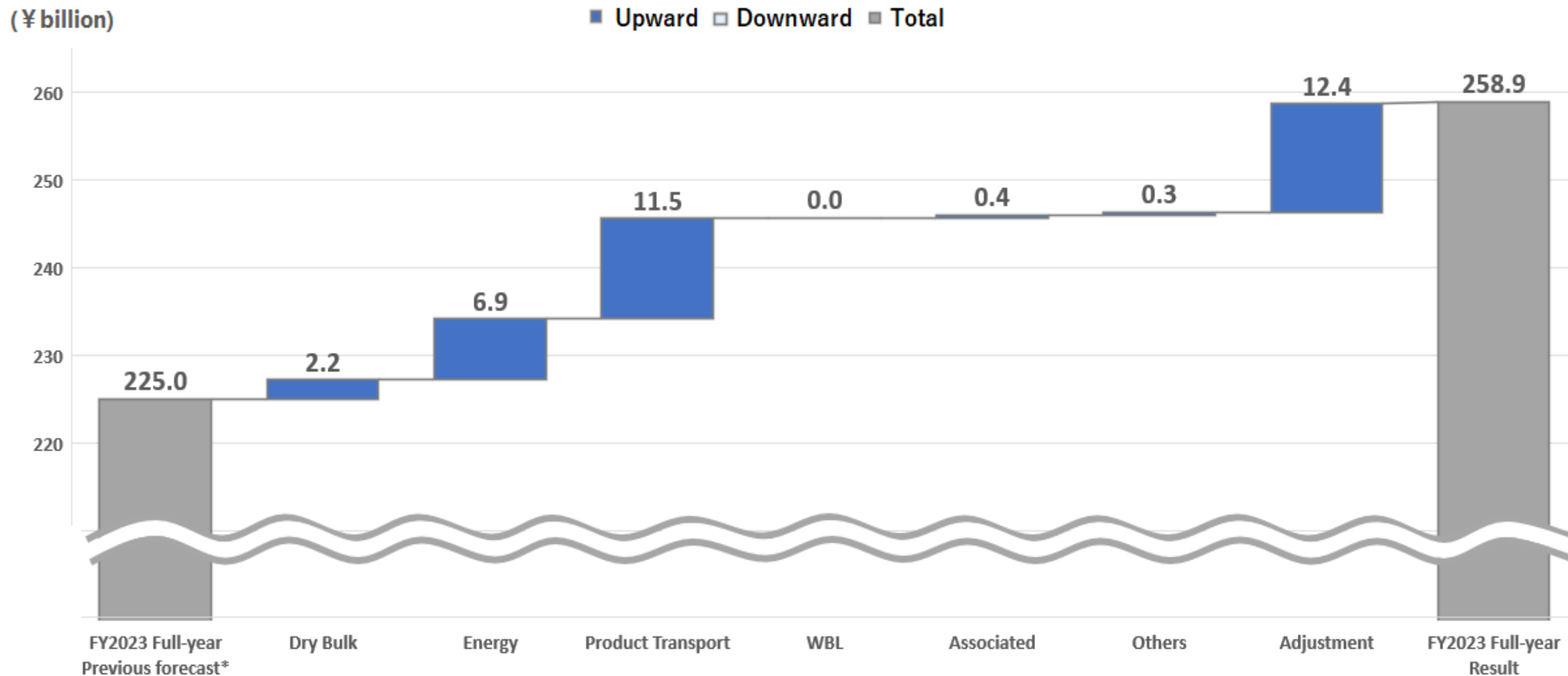
(*3) Since fiscal year 2022, "Terminal & Logistics Business" have been excluded from "Containerships Business."

(*4) In fiscal year 2023, Wellbeing & Lifestyle Business has been established which includes "Real Property Business", "Ferries & Coastal RoRo Ships Business", and "Cruise Business."

(*5) With the establishment of Wellbeing & Lifestyle Business in FY2023, "Cruise Business" has been excluded from Associated businesses.

(*6) The result of same period last year have been revised to apply to the latest segment.

FY2023 Full-year Results Analysis [By segment] in ordinary profit/loss



* as of January 31, 2024

[Overall]

- ◆ **Revenue:** An increase of 15.9 billion yen year-on-year mainly due to the contribution of the energy business, despite a decrease in dry bulk business.
- ◆ **Business profit / Ordinary profit / Income before income taxes / Net income:** -¥582.0 billion / -¥552.6 billion / -¥523.7 / -¥534.4 billion year-on-year.
- ◆ **Major reasons for the change in profit:** Decreased sharply year-on-year due to drops in freight rates in the containerships business. Excluding the containerships business, revenue and profit increased year-on-year supported by the strong performance in the car carrier business and energy business, including the chemical tanker, as well as the strong US dollar.
(Exchange rate for FY2023 : ¥143.43/US\$ FY2022 : ¥134.67/US\$)

[By Segment] [Ordinary profits for FY2023 (year-on-year comparison)]

Dry Bulk Business [¥37.2 billion (-¥20.4 billion)]

There were profit contributions through long-term contracts (Capesize, wood chip, and multipurpose vessels) and the reversal of allowance for doubtful accounts recorded in the past. However, profits decreased year-on-year because of the less favorable market than the previous year, with pessimistic speculation in the Chinese economy kept market rates to lack buoyancy, although the supply and demand balance tightened due to the restrictions on ship passages through the drought-hit Panama Canal and the rerouting of ships to avoid the Suez Canal.

Energy Business [¥66.9 billion (+¥27.3 billion)]

■ Tankers/Offshore

- **Tankers:** In addition to the profit contribution of long-term contracts, the very large crude carriers (VLCCs), product tankers, and chemical tankers enjoyed favorable market conditions due to the tight supply and demand balance caused by a shift in trade patterns in response to sanctions against Russia and changes in shipping routes due to the avoidance of the Suez Canal. As a result, the profit increased year-on-year.
- **Offshore:** The FPSO business reported a year-on-year increase in profit through the contribution of new projects operations in addition to the existing long-term charter contracts.

■ Liquefied Gas Transport

- **LNG Carriers:** Posted a year-on-year profit increase by securing stable profit through new and existing long-term charter.
- **LNG infrastructure:** The FSRU business reported a year-on-year decline in profit as temporary costs associated the redeployment of an existing vessel.
The LNG-to-powership business reported stable profit.

Outline of FY2023 Full-year Results (II) [Consolidated]

Product Transport Business [¥125.5 billion (-¥578.0 billion)]

■ **Containerships** [¥51.5 billion (-¥568.6 billion)]

- **ONE:** North America liftings improved significantly, however freight rates remained low in the face of increased supply due to new vessel deliveries and the delayed recovery of consumption in Europe. Profit decreased sharply year-on-year although market rates improved partly in Q4 due to the changes in shipping routes caused by the avoidance of the Suez Canal.

■ **Car Carriers:** Although congestions at some ports and waitings caused by the Panama Canal drought negatively affected the transportation volumes, shipping demand for completed cars held firm, resulting in a year-on-year increase in profit.

■ **Terminal & Logistics:** In the terminal business, container handling volumes decreased due to sluggish cargo movements at overseas terminals, despite firm cargo movements at domestic terminals. In the logistics business, UTOC contributed to profits, but air and sea freight rates weakened. As a result, the terminal & logistics business posted lower profits year-on-year.

Wellbeing & Lifestyle Business [¥9.0 billion (+¥2.3 billion)]

■ **Real Property Business** [¥8.6 billion (+¥0.5 billion)]

- **DAIBIRU:** Posted a year-on-year increase in profit thanks to the operation of newly acquired Otemon Tower and higher property occupancy rates, despite the increased costs associated with new property acquisitions and the rebuilding of properties.

■ **Ferries and Coastal RoRo Ships:** Although there was a decline in cargo transportation volume, the depreciation period was changed and passenger transportation sharply increased, mainly thanks to the entry into service of new LNG-fueled ferries, resulting in a year-on-year increase in profit.

■ **Cruise:** Achieved improved profitability due to continued recovery in travelling demand following the easing of COVID-19 restrictions.

Associated Businesses [¥2.9 billion (+¥0.3 billion)]

The tugboat business posted higher profits year-on-year, mainly due to the revision of service fees. The trading business posted lower profits year-on-year due to the deterioration of the business environment. As a result, associated businesses reported a year-on-year increase in profit.

[Dividend]

A year-end dividend forecast has now been raised by ¥20 to ¥110 per share, with the interim dividend of ¥110, making the annual total dividend ¥220 per share. (30% dividend payout ratio)

2 FY2024 Full-year Forecast [Consolidated]

(¥ billion)	FY2024 Forecast			FY2023 Result			YoY	
	1st Half	2nd Half	Full-year	1st Half	2nd Half	Full-year		Variance
Revenue	953.0	847.0	1,800.0	790.1	837.8	1,627.9	+172.0	+11%
Operating profit/loss	77.0	75.0	152.0	49.3	53.8	103.1	+48.8	+47%
Business profit/loss (*1)	131.0	105.0	236.0	105.3	89.6	195.0	+40.9	+21%
Ordinary profit/loss	130.0	100.0	230.0	154.5	104.4	258.9	-28.9	-11%
Net income/loss	127.0	88.0	215.0	150.7	110.8	261.6	-46.6	-18%

Exchange rate (*2)	¥141.65/\$	¥140.00/\$	¥140.83/\$	¥138.71/\$	¥148.14/\$	¥143.43/\$	-¥2.60/\$	-2%
Bunker price(VLSFO) (*2,3)	\$660/MT	\$660/MT	\$660/MT	\$615/MT	\$652/MT	\$633/MT	+\$27/MT	+4%
Bunker price(all grades) (*2,3)	-	-	-	\$610/MT	\$631/MT	\$621/MT	-	-

(*1) Operating profit/loss + Equity in earnings of affiliated companies

(*2) Average for the period

(*3) Purchase prices

(cf)Sensitivity against Full-year forecast (Ordinary income)

At of the beginning of FY2024

FX Rate: ±¥ 2.4 bn/¥1/US\$

Bunker Price: ±¥ 0.03 bn/\$1/MT

(VLSFO)

2 FY2024 Full-year Forecast [By segment]

		Upper	Revenue(*1)						
		Lower	Ordinary profit/loss						
(¥ billion)		FY2024 Forecast			FY2023 Result			YoY	
		1st Half	2nd Half	Full-year	1st Half	2nd Half	Full-year		Variance
Dry Bulk Business	Dry Bulk Carriers	266.0	222.0	488.0	189.8	205.6	395.5	+92.4	+23%
	(excluding Thermal Power Fuel Carriers)	11.0	9.0	20.0	32.1	5.0	37.2	-17.2	-46%
Energy Business	Thermal Power Fuel Carriers, Tankers, Wind Power, Offshore, Liquefied Gas(LNG Carriers, etc.)	288.0	219.0	507.0	214.9	222.8	437.8	+69.1	+16%
		39.0	38.0	77.0	37.6	29.2	66.9	+10.0	+15%
Product Transport Business (*2)	Containerships, Car Carriers, Terminal & Logistics	303.0	305.0	608.0	299.2	319.5	618.7	-10.7	-2%
		81.0	54.0	135.0	71.6	53.9	125.5	+9.4	+8%
	Containerships (*3)	29.0	27.0	56.0	28.0	28.2	56.3	-0.3	-1%
		41.0	14.0	55.0	33.3	18.1	51.5	+3.4	+7%
Wellbeing & Lifestyle Business(*4)	Real Property, Ferry & Coastal RoRo Ships, Cruises	56.0	59.0	115.0	52.2	52.4	104.6	+10.3	+10%
		4.0	2.0	6.0	4.9	4.0	9.0	-3.0	-34%
	Real Property Business	22.0	23.0	45.0	19.9	20.8	40.8	+4.1	+10%
		4.0	3.5	7.5	4.5	4.0	8.6	-1.1	-13%
Associated businesses(*5)	Tug boats, Trading, etc.	25.0	27.0	52.0	23.3	25.8	49.1	+2.8	+6%
		0.5	0.5	1.0	1.2	1.7	2.9	-1.9	-66%
Others		15.0	15.0	30.0	10.5	11.3	21.8	+8.1	+38%
		2.5	2.5	5.0	2.6	1.6	4.3	+0.6	+15%
Adjustment		-	-	-	-	-	-	-	-
		-8.0	-6.0	-14.0	4.2	8.7	12.9	-26.9	-208%
Consolidated		953.0	847.0	1,800.0	790.1	837.8	1,627.9	+172.0	+11%
		130.0	100.0	230.0	154.5	104.4	258.9	-28.9	-11%

(*1) Revenues from external customers.

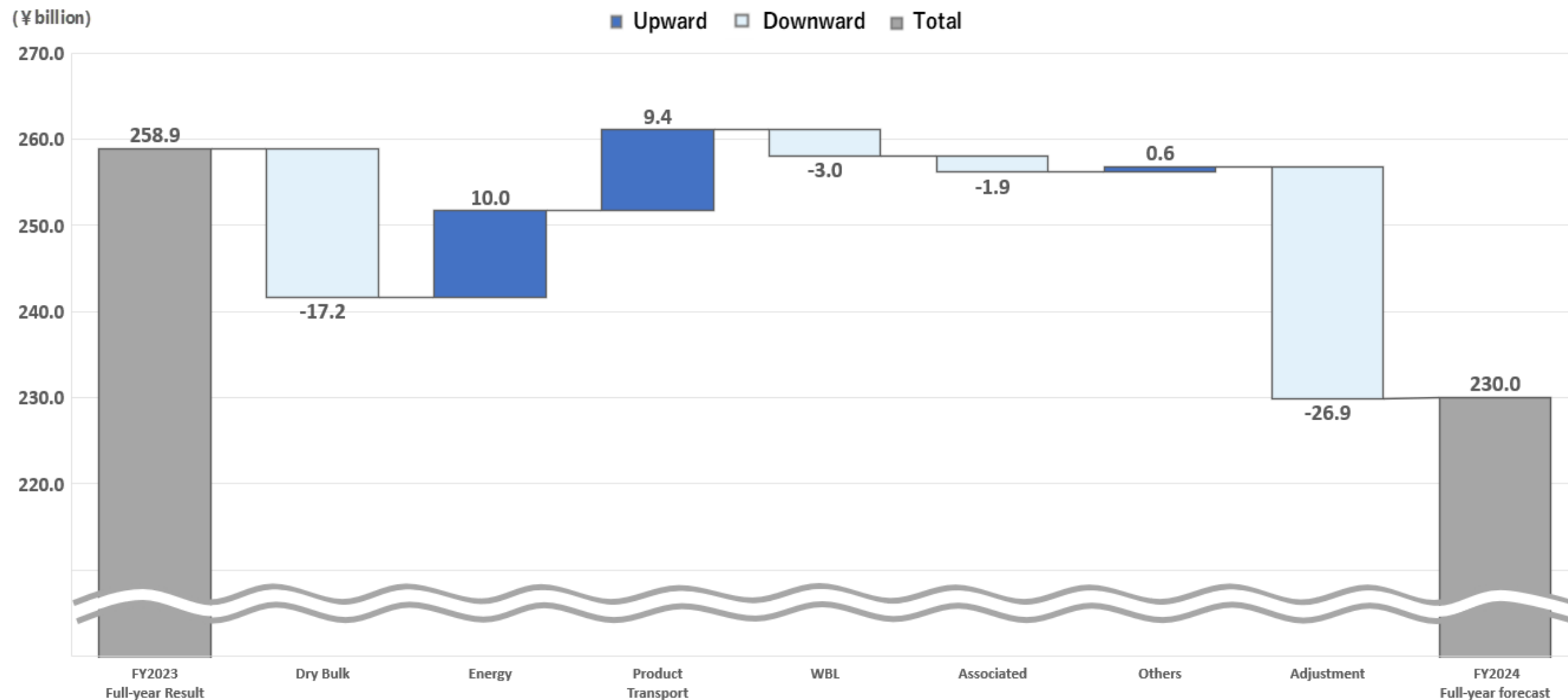
(*2) With the establishment of Wellbeing & Lifestyle Business in FY2023, "Ferries & Coastal RoRo Ships Business" have been excluded from Product Transport Business.

(*3) Since fiscal year 2022, "Terminal & Logistics Business" have been excluded from "Containerships Business."

(*4) In fiscal year 2023, Wellbeing & Lifestyle Business has been established which includes "Real Property Business", "Ferries & Coastal RoRo Ships Business", and "Cruise Business."

(*5) With the establishment of Wellbeing & Lifestyle Business in FY2023, "Cruise Business" has been excluded from Associated businesses.

2 FY2024 Full-year Forecast Analysis [By segment] in ordinary profit/loss



[Overall]

- ◆ **Business profit / Ordinary profit / Income before income taxes / Net income:** +¥40.9 billion / -¥28.9 billion / -¥50.4 billion / -¥46.6 billion year-on-year.
- ◆ **Key points:** Amid concerns over China's economic recovery and stagnation in the global economy due to inflation and interest rate hikes, the energy business and product transport business are expected to perform strongly. However, we anticipate reporting a year-on-year decline in profit because profits from the dry bulk business and wellbeing & lifestyle business are expected to decline. (Exchange rate and VLSFO bunker price assumptions : ¥140.83/US\$, \$660/MT)

[By Segment] [FY2024 forecast for ordinary profit (year-on-year comparison)]

Dry Bulk Business [¥20.0 billion (-¥17.2 billion)]

In addition to profit contributions through long-term contracts (Capesize, wood chip, and multipurpose vessels), the market recovery trend from the second half of FY2023 is expected to continue in the first half of FY2024. However, profit is expected to decline year-on-year primarily due to the absence of the reversal of allowance for doubtful accounts recorded in FY2023.

Energy Business [¥77.0 billion (+¥10.0 billion)]

- **Tankers:** Expecting increase in profit year-on-year assuming favorable freight rates due to a shift in trade patterns continuing from the previous year and strong cargo movements for the very large crude oil carriers (VLCCs), product tankers, chemical tankers, and LPG/ammonia ships in addition to contributions of long-term contracts.
- **Offshore:** Existing long-term charter contracts in the FPSO business will continue contributing to stable profits.
- **LNG carriers:** New projects in addition to existing long-term charter contracts will contribute to stable profits.
- **LNG infrastructure:** The FSRU business and the LNG-to-powership business will contribute to stable profit.

Key Points of FY2024 Full-year Forecast (II) [Consolidated]

Product Transport Business [¥135.0 billion (+¥9.4 billion)]

■ **Containerships** [¥55.0 billion (+¥3.4 billion)]

- **ONE:** Freight rates are assumed to ease with a flood of new vessel deliveries. However, we expect to secure a certain profit level due to the changes in shipping routes caused by the avoidance of the Suez Canal.

■ **Car Carriers:** Although many new vessels will be delivered in the second half of FY2024, we expect to secure the same profit level year-on-year through long-term contracts and firm shipping demand for completed cars.

■ **Terminal & Logistics:** Firm handling volume is expected for the domestic terminal business, while weak market conditions will continue for the logistics business.

Wellbeing & Lifestyle Business [¥6.0 billion (-¥3.0 billion)]

■ **Real Property Business** [¥7.5 billion (-¥1.1 billion)]

- **DAIBIRU:** Although stable profit will be secured thanks to the operation of newly acquired property and higher property occupancy rates, we expect a year-on-year decrease in profit due to a reduction in rent and one-time expenses related to the removal of major tenants of existing buildings.

■ **Ferries and Coastal RoRo Ships:** We expect a year-on-year increase in profit due to the strong performance of the passenger transportation business.

■ **Cruise:** Revenue is expected to increase due to the recovery in traveling demand, but profit and loss are expected to deteriorate due to one-time expenses associated with MITSUI OCEAN FUJI's new entry into service.

Associated Businesses [¥1.0 billion (-¥1.9 billion)]

The tugboat business will likely report a decline in profit due to a decrease in the number of operations.

[Dividend]

Planning an interim dividend of ¥100 per share and a year-end dividend of ¥80 per share, making the annual total dividend ¥180 per share in total. (30% dividend payout ratio and a minimum dividend of ¥150 per share is planned to be kept even if the actual business performance deviate from the outlook)

3. Management Plan BLUE ACTION 2035 FY2023 Progress Report

1. Core KPIs
2. Rebalancing Plan
3. Phase 1 Investment Progress
4. Phase 1 Cash Allocation
5. Phase 1 Shareholder Return Policy
6. FY2024 Action Plan

3

Core KPIs

FY2023 has gotten off to a smooth start, with the chemical tanker business and car carrier business performing well.

					No changes from BA2035		
KPI		FY2022 Actual	FY2023 Actual	FY2024 Forecast	Phase 1 FY2025	Phase 2 FY2030	Phase 3 FY2035
Financial KPI	Profit before tax (unit: JPY)	819.1 bil	295.4 bil	245.0 bil	240.0 bil	340.0 bil	400.0 bil
	Net Gearing Ratio* ¹	1.01	0.88	0.9	0.9~1.0		
	ROE	49.8%	12.2%	9%	9~10%		
Non-Financial KPI	Environment GHG emission intensity reduction rate (Compared to 2019)	▲5.0%	TBA	-	-	-	▲45%
	Safety 4 Zero* ²	Unachieved (One fatal accident)	Unachieved (One fatal accident)		Achieve		
	Human Capital Percentage of female employees in managerial positions (Office workers, non-consolidated)	9.2%	11.3%	-	15%	[Rest bt the end of Phase 1]	
	Percentage of MGKP* ³ incumbents (Female/Non-HQ/Under 40s)	4.7%/18.3%/9.5%	5.5%/20.1%/14.8%	-	8%/30%/15%		
	DX Conversion rate to value creation and safety work (cumulative)	-	5.0%	8%	10%	20%	30%

*1 The amount of interest-bearing liabilities is assumed to include off-balance assets (approx. 900 billion yen) such as charter hire liabilities that should be factored-in after IFRS is adopted.

*2 4 Zero = Zero for serious marine incidents, oil pollution, fatal accidents and serious cargo damage

*3 MOL Group Key Positions, designated as equivalent to General Manager in Head Office, to be appointed and managed centrally across the group

3

Rebalancing Plan

The assets of stable revenue business and non-shipping business were increased to realize the business portfolio aimed for FY2035.

	FY2022 Actual	FY2023 Actual	FY2035 Plan	No Changes from BA2035											
Total Assets (unit: JPY)	4.7 ^{tn}	5.1 ^{tn}	7.5 ^{tn}												
(Asset ratio)															
Market Driven Business : Stable Revenue Business	50 : 50	45 : 55	40 : 60												
(Reference)															
Shipping : Non-Shipping	75 : 25	70 : 30	60 : 40												
				<table><tr><th>Field</th><th>Our Business</th><th>Correlation with Shipping market</th></tr><tr><td rowspan="3">Shipping</td><td>Containership, Car Carrier</td><td rowspan="3">Market Driven Business (Highly correlated) = High volatility</td></tr><tr><td>Dry Bulk, Tanker</td></tr><tr><td>Liquefied Gas Carrier</td></tr><tr><td>Non-Shipping</td><td>Offshore Business, Offshore Wind Power, Alternative Fuel Business, Logistics, Real Property, Ferries, Cruises</td><td>Stable Revenue Business (Low correlation) = Low volatility</td></tr></table>	Field	Our Business	Correlation with Shipping market	Shipping	Containership, Car Carrier	Market Driven Business (Highly correlated) = High volatility	Dry Bulk, Tanker	Liquefied Gas Carrier	Non-Shipping	Offshore Business, Offshore Wind Power, Alternative Fuel Business, Logistics, Real Property, Ferries, Cruises	Stable Revenue Business (Low correlation) = Low volatility
Field	Our Business	Correlation with Shipping market													
Shipping	Containership, Car Carrier	Market Driven Business (Highly correlated) = High volatility													
	Dry Bulk, Tanker														
	Liquefied Gas Carrier														
Non-Shipping	Offshore Business, Offshore Wind Power, Alternative Fuel Business, Logistics, Real Property, Ferries, Cruises	Stable Revenue Business (Low correlation) = Low volatility													

3 Phase 1 Investment Progress

Decisions have been made to invest over one trillion yen, mainly in Energy Business and Wellbeing Lifestyle Business.

Investment Progress Amount by Business Units (On a cash-out basis. M&A, including deals led by regional organizations.)

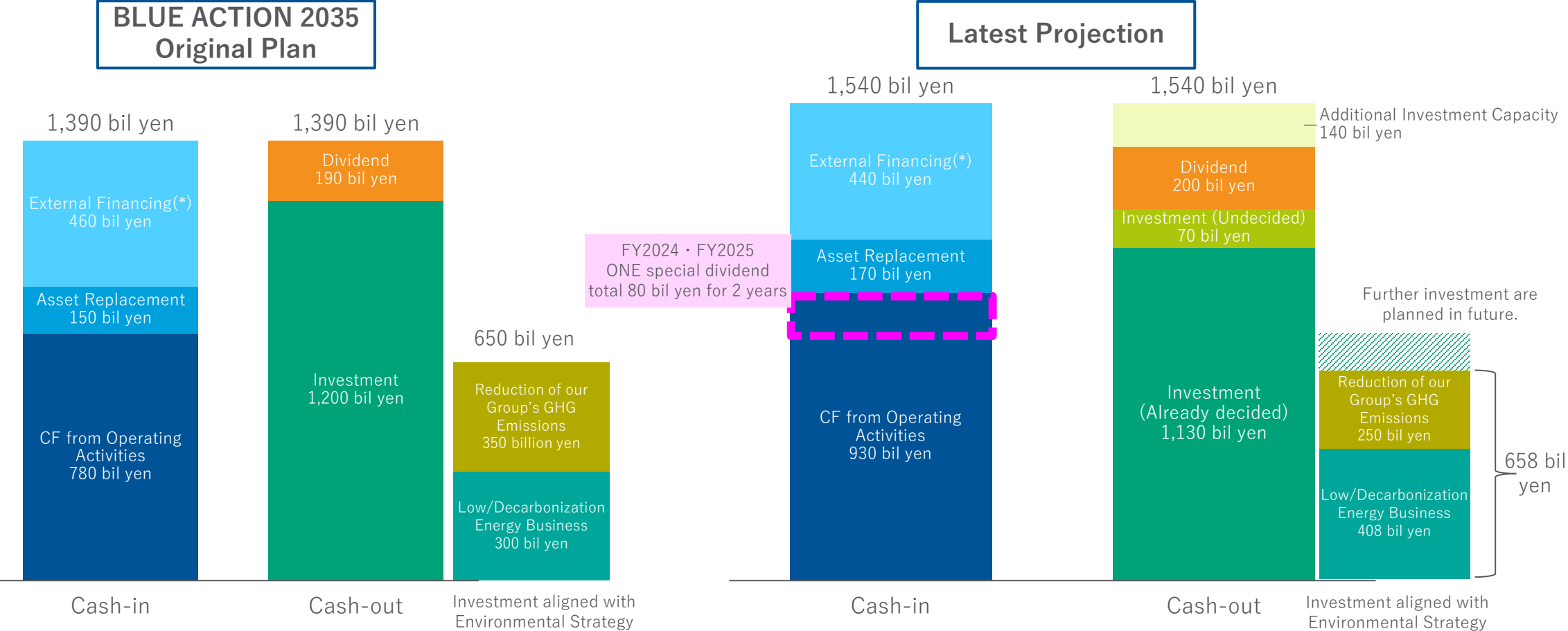
(Unit: billions of yen)	Market Driven Business	Stable Revenue Business	Total	Investment aligned with Environmental Strategy	Original Plan	Main Projects implemented in FY2023
Dry Bulk Business	57.0	41.0	98.0	(70.0)	110.0	Additional new building order for dry bulk carriers
Energy Business	125.0	532.0	657.0	(468.0)	530.0	Subsidiarization of Fairfield (Chemical tanker) and Hokutaku (Wind turbine maintenance) Establishment of "MOL Switch", CVC in the energy field Additional new building order for LNG Carrier • LPG Carrier • FSRU
Product Transportation Business	110.0	32.0	142.0	(99.0)	280.0	Additional new building order for car carriers Additional share acquisition of Nippon Concept (International logistics)
Wellbeing Lifestyle Business	-	210.0	210.0	(21.0)	275.0	Participation in the redevelopment of the south exit of Sapporo Station Acquisition of Toranomon Mitsui Building Acquisition of equity in office buildings in Melbourne and Hanoi
Others	-	-	23.0	-	5.0	Development of the integrated data platform "MOL Pearl" Renovation of the head office
Total	292.0	801.0	1130.0	(658.0)	1,200.0	

* Not including reinvestment by equity method affiliates and cash-in from sales & lease back transaction

* Includes investments which have been already decided (approx. 540 billion yen)

3 Phase 1 Cash Allocation

Improvement of operating CF due to the upward swing in FY2023 profit and special dividends from ONE generated additional investment capacity of 140 bil yen.



(*) External financing includes cash inflows from chartering and lease arrangements.

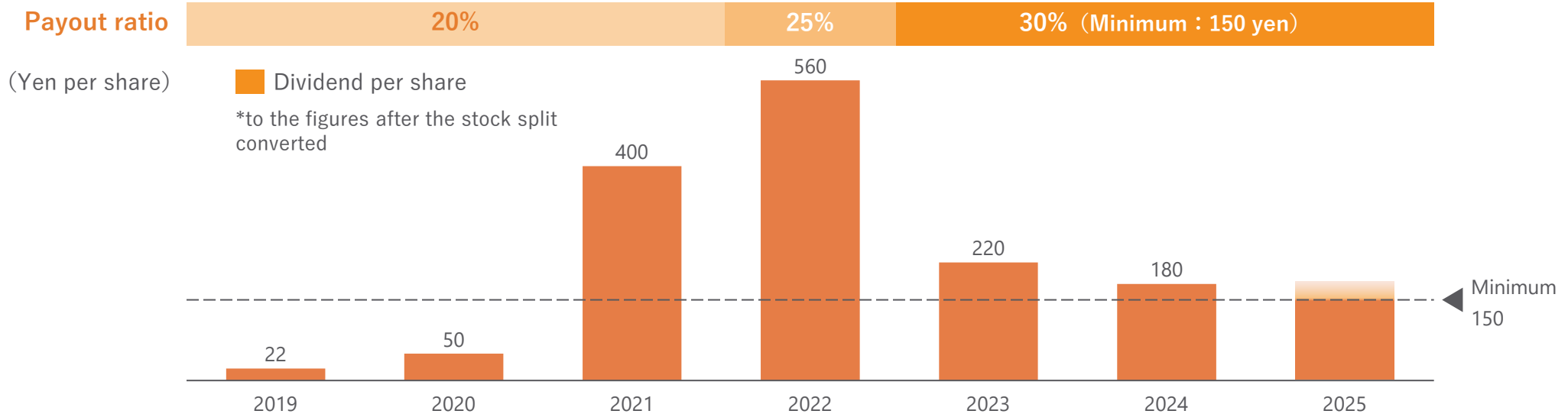
3 Phase 1 Shareholder Return Policy

The current shareholder return policy is maintained and expect a dividend of 180 yen per share for FY2024.

Policy in Phase 1 of BLUE ACTION 2035

- Payout ratio: 30%
- Minimum dividend: 150 yen per share
- Potential share buybacks subject to business environment

No Changes
from BA2035



Ideas behind return policy

- Promote active investments with accumulated profits, which will lead to profit expansion and corporate value increase
- Increase payout ratio to 30% and return the outcome of growth to shareholders
- Introduce minimum dividend to prevent underpayments even if lower shipping market cycles occur
- When profits exceed original expectations, capital controls such as additional shareholder return may be implemented with 9~10% of ROE target in mind

Portfolio Strategy

Dry Bulk Business

- Exploring business opportunities in new trade flows (such as reduced iron transportation) in the steel supply chain

Energy Business

- A new division specialized for carbon solutions to promote the development of ammonia, hydrogen, and CO2 related businesses
- PMI for Fairfield (Chemical tanker) and Hokutaku (Wind turbine maintenance), which we acquired as subsidiaries in FY2023

Product Transportation Business

- Implementation of cross-border M&A in Logistics business
- Execution of ONE's medium-term management plan "ONE 2030"

Wellbeing Lifestyle Business

- Launch of the new cruise ship MITSUI OCEAN FUJI's service (from December 2024)

Regional Strategy

- Execution of M&A and new business development focused on non-shipping businesses, led by regional organizations

Initiatives to Sustainability Issues



- Investigation and preparation towards the Task Force on Nature-related Financial Disclosures (TNFD)
- Mass production of the rigid sail wind propulsion system (Wind Challenger)



- Restructuring of the safety assurance organization and system for enhancing "safety quality assurance", "business safety support", and "ship management" functions



- HR system reform for head office in line with the basic principles of "Human Capital Vision"
- Execution of the right people in the right place across the group using the talent management system



- Centralized management of management-related data, and advanced management control through visualization and simulation
- Digitalization of ship-shore operations with the improvement of onboard communication environment



- Strengthening of strategic planning and risk management with Advisory Board, a new support function to CEO
- Introduction of Deliberation on Sustainability to the Board of Directors, strengthening the board's involvement in sustainability strategy

(Reference) BLUE ACTION 2035 Initiatives

Strategies / Materiality	Actions (Press Release)
 <p>Portfolio</p>	<ul style="list-style-type: none"> • Mitsui O.S.K. Lines Enters Strategic Investment Agreement with Delfin (2023-6-9) • Mitsui O.S.K. Lines, Ltd. (MOL) makes strategic investment in Ascension Clean Energy (2023-6-15) • MOL Cruises Announces its new cruise line brand name "MITSUI OCEAN CRUISESSM", ship name "MITSUI OCEAN FUJISM" and an Around-the-World Cruise. - To realize wellbeing originated in Japan - (2023-10-12) • Daibiru Acquires Equity Interest in Central Hanoi Office Building- Following Projects in U.S. and Australia, Pursuing Overseas Investment Utilizing MOL Group Network - (2023-12-18) • MOL Forms Capital Alliance with Hokutaku, Japan's largest Wind Turbine Maintenance Company (2024-1-10)
 <p>Region</p>	<ul style="list-style-type: none"> • MOL Chemical Tankers Completes Acquisition of Fairfield Chemical Carriers – Now Has World-leading Fleet of Multi-segregated Chemical Tankers with Stainless Steel Tanks (2024-3-4) • MOL to Invest in Novastar Ventures, One of Africa's Largest Venture Capital Firms Expanding Business in Africa, Addressing Social Issues (2024-4-8) • MOL and Gaz System enter into agreement on FSRU project in Gdańsk Poland Contribute to the Energy Security of Poland from 2027-2028 (2024-4-8)
 <p>Environment</p>	<ul style="list-style-type: none"> • MOL, PETRONAS and MISC Set the Stage for the Development of Liquefied CO₂ Carriers (2023-9-25) • MOL to Become World's 1st Shipping Company to Issue Blue Bonds (2023-12-15) • MOL decided to expand its fleet with 5 New LNG-fueled Capesize Bulklers (2023-12-19) • LNG-fueled Car Carrier CERULEAN ACE Delivered~ MOL Moves Steadily toward Goal of 90 LNG/Methanol-fueled Vessels by 2030 ~ (2024-3-13) • MOL's Climate-related Disclosure Earns High Marks from Government Pension Fund Domestic Equity Managers - Strong Evaluations from 4 Institutions (2024-3-28)
    <p>Safety Human Capital Digital Transformation (DX) Governance</p>	<ul style="list-style-type: none"> • MOL's First Female Captain Takes Command of Car Carrier (2023-6-7) • MOL Aims for Full-scale Introduction of Starlink Satellite Communication, Targeting More Than 200 Ocean-going (2023-10-16) • MOL Establishes 'MOL Group Safety Vision'- Targeting the world's highest level of safety - (2024-1-22) • MOL Magsaysay Maritime Academy in Philippines Holds 1st Commencement Exercises Ceremony -Aiming to Ensure World's Highest Level of Safety and Quality by Training and Securing Highly Skilled (2024-2-20) • Notice Concerning Revision of Executive Remuneration System Increasing Linkage between Management Plan and Remuneration System (2024-3-29)

1. FY2023 (Result)

(US\$/day)

Size	FY2023						
	1st Half			2nd Half			Full-year
Market for vessels operated by MOL and MOL Drybulk	Apr-Sep, 2023			Oct, 2023 - Mar, 2024			Average
	Apr-Jun	Jul-Sep		Oct-Dec	Jan-Mar		
Capesize	15,600	13,400	14,500	29,000	24,200	26,600	20,600
Panamax	12,200	11,900	12,000	16,300	15,400	15,900	14,000
Handymax	10,400	8,900	9,600	14,300	12,900	13,600	11,600
Handysize	10,800	10,000	10,400	13,100	12,000	12,600	11,500

2. FY2024 (Result/Forecast)

(US\$/day)

Size	FY2024						
	1st Half			2nd Half			Full-year
Market for vessels operated by MOL and MOL Drybulk	Apr-Sep, 2024			Oct, 2024 - Mar, 2025			Average
	Apr-Jun	Jul-Sep		Oct-Dec	Jan-Mar		
Capesize	23,000	25,000	24,000	25,000	15,000	20,000	22,000
Panamax	17,000	17,000	17,000	14,000	14,000	14,000	15,500
Handymax	13,500	13,500	13,500	12,500	12,500	12,500	13,000
Handysize	13,500	13,500	13,500	11,500	11,500	11,500	12,500

Notes:

- 1) The general market results are shown in black.
- 2) The forecasts are shown in blue. These are referential charter rates for estimating P/L of free vessels that operates on spot and short-term contracts (contract period of less than two years). In case rates have already been agreed, however, such agreed rates are reflected on P/L estimation of the relevant voyages shown on the previous sections.
- 3) The following Baltic Exchange Index is used for each vessel type.
Capesize = 5TC Average, Panamax = 5TC Average, Handymax = 10TC Average, Handysize = 7TC Average.

1. FY2023 (Result)

(US\$/day)

Vessel Type	Trade	FY2023						
		1st Half			2nd Half			Full-year
Market for vessels operated by MOL and its overseas subsidiaries		Jan-Jun, 2023			Jul-Dec, 2023			Average
		Jan-Mar	Apr-Jun		Jul-Sep	Oct-Dec		
Crude Oil Tanker	Arabian Gulf - Far East	47,000	38,800	42,900	20,500	38,100	29,300	36,100
Product Tanker (MR)	Main 5 Trades	29,200	26,400	27,800	23,900	25,900	24,900	26,300
LPG Tanker (VLGC)	Arabian Gulf - Japan	68,400	77,700	73,000	106,600	113,900	110,200	91,600

2. FY2024 (Result/Forecast)

(US\$/day)

Vessel Type	Trade	FY2024						
		1st Half			2nd Half			Full-year
Market for vessels operated by MOL and its overseas subsidiaries		Jan-Jun, 2024			Jul-Dec, 2024			Average
		Jan-Mar	Apr-Jun		Jul-Sep	Oct-Dec		
Crude Oil Tanker	Arabian Gulf - Far East	44,700	35,000	39,900			52,500	46,200
Product Tanker (MR)	Main 5 Trades	38,000						
LPG Tanker (VLGC)	Arabian Gulf - Japan	47,100						

Note 1: The general market results are shown in black.

Note 2: The forecasts are shown in blue. These are referential rate for estimating P/L of free vessels that operates on spot contracts (contract period of less than two years).

In case rates have already been agreed, however, such agreed rates are reflected on P/L estimation of the relevant voyages shown on the previous sections.

Note 3: VLCC Market is for Arabian Gulf - China trade.

Note 4: Product Tanker market is simple average of main 5 trades: Europe - US, US - Europe, Singapore - Australia, South Korea - Singapore, and India - Japan.

Note 5: The market is shown on Calendar year basis (Jan-Dec), as they are operated by our overseas subsidiaries. Their fiscal year ends in Dec. and thus their P/L are consolidated three months later.

1. FY2022 (Result)

(Jan 1, 1998=1,000)

Trade	FY2022						
	1st Half Apr-Sep, 2022			2nd Half Oct, 2022 - Mar, 2023			Full-year Average
	Apr-Jun	Jul-Sep		Oct-Dec	Jan-Mar		
U.S. West Coast	2,502	2,331	2,416	1,079	781	930	1,673
U.S. East Coast	2,796	2,844	2,820	1,746	1,161	1,453	2,137
Europe	5,060	4,738	4,899	2,497	1,411	1,954	3,427
South America	1,989	2,164	2,077	979	605	792	1,434

2. FY2023 (Result)

(Jan 1, 1998=1,000)

Trade	FY2023						
	1st Half Apr-Sep, 2023			2nd Half Oct, 2023 - Mar, 2024			Full-year Average
	Apr-Jun	Jul-Sep		Oct-Dec	Jan-Mar		
U.S. West Coast	707	733	720	725	978	851	786
U.S. East Coast	886	870	878	839	1,160	999	939
Europe	1,154	1,059	1,107	985	1,980	1,482	1,295
South America	698	688	693	633	693	663	678

*China Containerized Freight Index

1. FY2023 (Result)

(1,000 units)

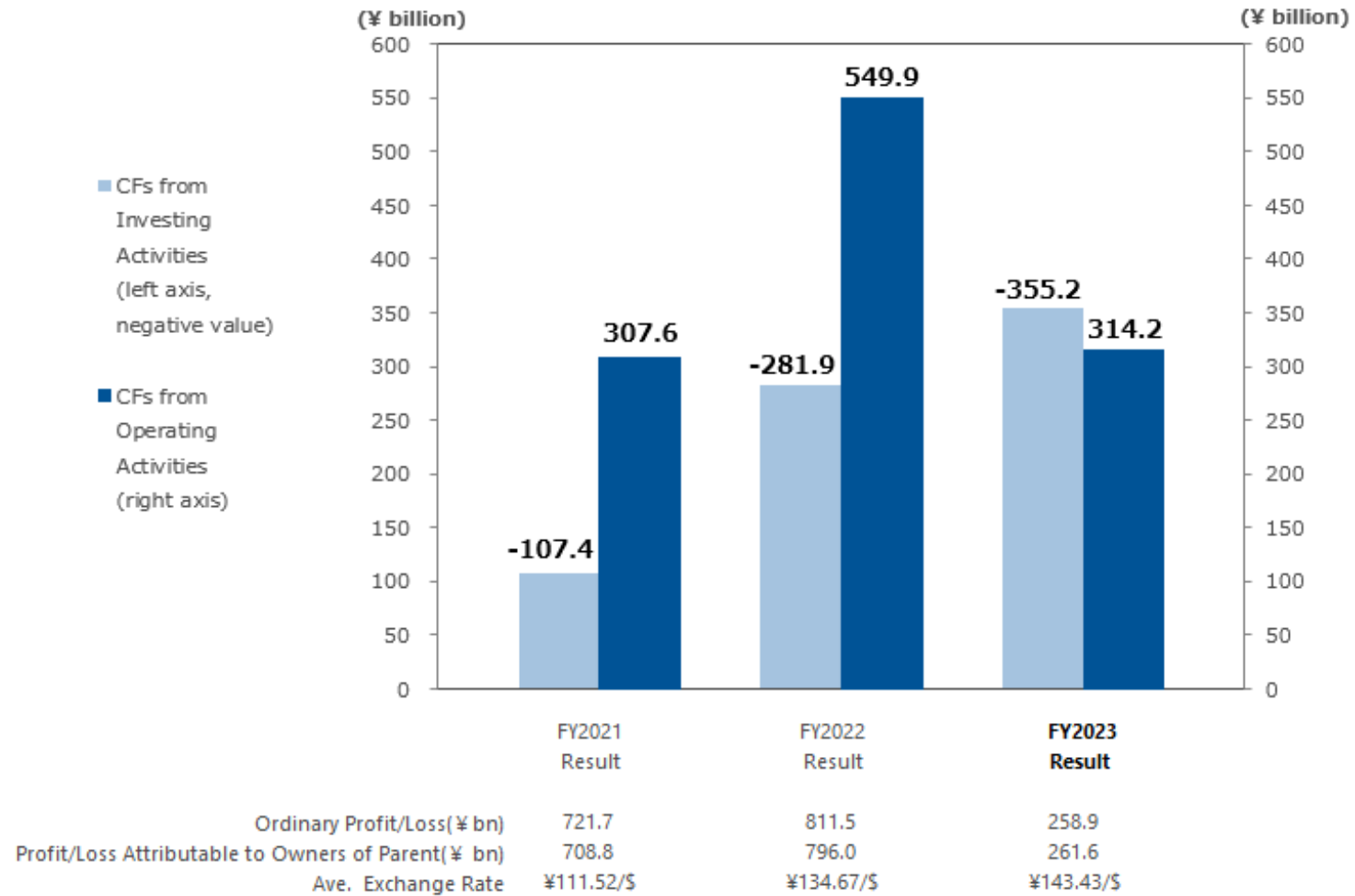
(Percentage of voyage completion basis /including voyage charter)	FY2023						
	1st Half			2nd Half		Total	
	Q1	Q2		Q3	Q4		
Total (Includes Intra-European trade)	814	815	1628	813	757	1570	3199

2. FY2024 (Forecast)

(1,000 units)

(Percentage of voyage completion basis /including voyage charter)	FY2024		
	1st Half	2nd Half	Total
Total (Includes Intra-European trade)	1530	1503	3033

*The forecasts are shown in blue.



Note1: Free Cash Flows (FCFs) = CFs from Operating Activities – CFs from Investing Activities

Note2: CFs from Investing Activities are "net" figures. (Gross Investments – Sales of Assets, etc)

Fleet Composition and Real Properties

[Supplement #6]

Number of ships			31-Mar, 2023	31-Mar, 2024	31-Mar, 2025 (Forecast)	
Dry Bulk Business	Capesize		80	78	83	
	Small and medium-sized bulkers	Panamax	31	33	41	
		Handymax	49	50	57	
		Handysize	35	33	36	
		(Sub total)	115	116	134	
	Wood chip carriers		45	44	44	
	Multi-purpose ships		36	36	36	
(Sub total)		276	274	297		
		(Market Exposure)	(61)	(58)	(51)	
Energy Business	Tankers	Crude oil tankers	36	35	35	
		Product tankers	14	14	19	
		Chemical tankers	86	115	113	
		Methanol tankers	22	22	22	
	(Sub total)		158	186	189	
			(Market Exposure)	(76)	(121)	(118)
	Liquefied gas carriers	LNG carriers	94	97	104	
		Ethane carriers	6	6	6	
		LNG Bunkering vessels	2	3	3	
		LNG-to-Powertship	1	1	1	
		FSU/FSRU	4	5	5	
		LPG/Ammonia ships	16	20	21	
		Others	2	1	1	
	(Sub total)		125	133	141	
			(Market Exposure)	(4)	(11)	(9)
	FPSO		9	11	11	
	Subsea Support vessels		3	3	3	
	Cargo Transfer vessels		2	2	2	
	Steaming coal carriers		34	35	34	
	Crew Transfer vessels		1	1	1	
Service Operation vessels		1	1	1		
Coastal ships (excl. Coastal RoRo ships)		30	29	31		
Product Transport Business	Car carriers		96	95	100	
	Containerships		40	34	30	
Wellbeing & Lifestyle Business and Others	Ferries & Coastal RoRo ships		16	14	16	
	Cruise ships		2	2	2	
Associated Businesses and Others	Tugboats		50	51	51	
	Cable Layer Vessels		2	2	2	
Total			845	873	911	

Number of buildings and area owned by DAIBIRU

Number of properties (buildings)

	31-Mar, 2023	31-Mar, 2024
Osaka	12	13
Tokyo	16	18
Sapporo	3	0
Overseas	3	4
Total	34	35

Vacancy rate(%)

	31-Mar, 2024
Osaka	2.0
Tokyo	0.3

Gross floor area(Km²)

	31-Mar, 2023	31-Mar, 2024
Osaka	368	375
Tokyo	223	259
Sapporo	24	0
Overseas	75	86
Total	690	720

Note : The number and area of the above properties are office and commercial properties (including partially owned properties), excluding residential properties.
The total floor area includes only DAIBIRU's share area.

Note 1: Prior to the FY2023 Q2 Financial Highlights, we had been reporting the number of ships including our consolidated subsidiaries. However, to more accurately represent the size of our company's business, the Energy segment primarily includes equity-method affiliated companies' fleets based on the ship types and the extent of our involvement in procurement, construction, and financing from the FY2023 Q3 Financial Highlights. Furthermore, we have revised the grouping of ship types to align with our business segments. (The number of ships as of Mar.31, 2023, has also been adjusted in accordance with the new standards.)

Note 2: Partial ownership of a ship is counted as one ship.

Note 3: "Market Exposure" = Vessels operating under contracts less than two years, which are owned or mid/long-term chartered vessels.

Note 4: Only the containerships that MOL group owns or is involved in chartering among ONE's fleet is on the list. Please refer to ONE's disclosure materials for their fleet composition.

Note 5: Wellbeing & Lifestyle Business is established in FY2023. Ferries & Coastal RoRo ships and Cruise ships into this new business.

