



Presentation of Financial Results for the Third Quarter Ended December 2022

Mitsui Matsushima Holdings Co., Ltd.

In commemoration of the 110th anniversary of its founding, the Company changed its corporate logo as shown above, effective January 25, 2023.

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3Q FY2022
Financial Results Report

Consolidated Income Statement

Income Statement

(Million yen)

	FY2021 3Q	FY2022 3Q	Year-on- year change	Main factors behind changes
Net sales	33,740	56,086	+22,345	<ul style="list-style-type: none"> • Conversion of Nippon Katan into a subsidiary (Power-Related Materials Business) • A rise in coal prices in the Coal Production Business
Operating profit (before amortization of goodwill)*	4,887 [5,389]	24,488 [25,061]	+19,601 [+19,672]	<ul style="list-style-type: none"> • A rise in coal prices in the Coal Production Business
Ordinary profit	5,224	25,835	+20,610	
Quarterly net profit attributable to owners of the parent	3,101	18,037	+14,935	

*Operating profit before amortization of goodwill is operating profit excluding the amortization of goodwill that arises from business acquisitions.

Consolidated Segment Information

- The Consumer Goods and Services Business segment comprises Beverage and Food Packages, Apparel, Electronic Parts, Office Equipment, Pets, Housing-Related Materials, Power-Related Materials, and Nursing Care Businesses.
✓ Nippon Katan Co., Ltd. (Power-Related Materials Business) was consolidated (1Q FY2022)
- The Energy Business segment comprises the Coal Production Business (Note), the Coal Sales Business, and the Renewable Energy Business.

(Note) The fiscal year end of the Coal Production Business is December 31, and the financial figures for January to September are used.

Net sales				Segment profit				(Million yen)
Business	FY2021 3Q	FY2022 3Q	Year-on- year change	Business	FY2021 3Q	FY2022 3Q	Year-on- year change	
Consumer Goods and Services	20,040	21,023	+982	Consumer Goods and Services (before amortization of goodwill)	2,111 [2,613]	2,262 [2,835]	+150 [+221]	
Energy	12,708	33,999	+21,291	Energy	3,288	23,014	+19,726	
Other	1,041	1,152	+110	Other	120	131	+10	
Adjustments	(50)	(89)	(39)	Adjustments	(633)	(920)	(286)	
Total	33,740	56,086	+22,345	Total (before amortization of goodwill)	4,887 [5,389]	24,488 [25,061]	+19,601 [+19,672]	

*Other represents business segments not included in reporting segments and includes the Real Estate Business, the Stevedore and Warehouse Business, etc.

*Adjustments in segment profit include companywide expenses not allocated to each reporting segment. In addition, results for 3Q FY2021 include a special factor and a tax return (192 million yen) for size-based business tax.

Breakdown of the Energy Business Division

- Coal Production Business
Net sales and profit: Both rose owing to a rise in coal prices

Net sales

Business	FY2021 3Q	FY2022 3Q	Year-on- year change
Coal Production Business	12,293 1,080,000 tons	33,556 830,000 tons	+21,262 (250,000 tons)
Coal Sales Business	175 2,520,000 tons	174 2,260,000 tons	(0) (260,000 tons)
Renewable Energy Business	239	268	+29
Adjustments	(0)	(0)	(0)
Total	12,708	33,999	+21,291

Segment profit

(Million yen)

Business	FY2021 3Q	FY2022 3Q	Year-on- year change
Coal Production Business	3,063	22,768	+19,704
Coal Sales Business	102	102	(0)
Renewable Energy Business	121	144	+22
Adjustments	–	–	–
Total	3,288	23,014	+19,726

Major index

	FY2021 3Q	FY2022 3Q	Change
Coal Production Business (Jan.–Sep. results)	Sales volume: Thermal coal	930,000 tons	700,000 tons (240,000 tons)
	Sales volume: Semi-soft coking coal	150,000 tons	140,000 tons (10,000 tons)
	Average coal price: Thermal coal	US\$ 103.6	US\$ 316.2 US\$ +212.5
	Average coal price: Semi-soft coking coal	US\$ 105.9	US\$ 279.3 US\$ +173.4
	Exchange rate: A\$/US\$ (average rate)	US\$ 0.76	US\$ 0.70 Weaker A\$ against US\$ (0.06)
	Exchange rate: A\$/¥ (average rate)	82.4 yen	90.5 yen Yen depreciation +8.2 yen

Consolidated Balance Sheet

Balance sheet

	End of March 2022		End of December 2022		Change	Major factors behind changes
	Amount	Ratio (%)	Amount	Ratio (%)		
Current assets	38,884	57.3	57,161	64.8	+18,277	Cash and deposits: +11,415; Trade receivables: +5,406; Inventory assets: +1,695
Fixed assets	28,953	42.7	31,076	35.2	+2,122	Tangible fixed assets: +1,100, Intangible fixed assets: +835
Total assets	67,837	100.0	88,238	100.0	+20,400	
Current liabilities	19,387	28.6	24,415	27.7	+5,028	Short-term borrowings, etc.: +3,398; Income taxes payable: +2,817; Advances received: (1,769)
Fixed liabilities	12,913	19.0	12,359	14.0	(554)	
Total liabilities	32,300	47.6	36,774	41.7	+4,474	
Total net assets	35,537	52.4	51,463	58.3	+15,926	Net profit attributable to owners of parent: +18,037; FY2021: Dividend (80 yen per share) (1,045) FY2022: Interim dividend (80 yen per share) (1,045)
Total liabilities and net assets	67,837	100.0	88,238	100.0	+20,400	

Other indicators

	End of March 2022	End of December 2022	Change
Cash and deposits (including long-term deposits)	21,589	33,008	+11,418
Debt	11,828	13,793	+1,965
Net cash and deposits	9,761	19,214	+9,453
Shareholders' equity ratio (%)	52.2	58.2	+6.0
Debt/equity ratio (times)	0.37	0.30	(0.07)

Consolidated Balance Sheet (End of December 2022)

(Billion yen)

Balance sheet

Current assets 57.1

• Cash and deposits	32.9
• Accounts receivable	13.8
• Inventory assets	8.5

Fixed assets 31.1

• Tangible fixed assets	14.1
[Buildings]	[3.1]
[Land]	[7.9]
[Leases and other]	[2.9]
• Intangible fixed assets	11.5
[Goodwill]	[11.2]
• Securities	3.6

Total assets: 88.2

Current liabilities 24.4

• Accounts payable	6.3
• Debt	7.3

Fixed liabilities 12.3

• Debt	6.4
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Net assets 51.5

Shareholders'
equity ratio
58.2%

Debt/equity ratio
0.30 times

Total liabilities and net assets 88.2

FY2022
Revisions to Consolidated Earnings
and Dividend Forecasts

Revisions to Our FY2022 Consolidated Earnings Forecasts

- In view of the recent trends in financial results, the Company has revised upward its previous FY2022 consolidated earnings forecasts announced on November 11, 2022.
- We expect to substantially outperform the all-time highs set for operating profit, ordinary profit and net profit attributable to owners of the parent since the founding of the Company.

Consolidated earnings forecasts

					(Million yen)
	FY2021 Results	FY2022 2nd revision to forecasts (Disclosed Nov. 11, 2022)	FY2022 3rd revision to forecasts (Disclosed Feb. 10, 2023)	Compared to forecast disclosed Nov. 11	Year-on-year change
Net sales	46,592	77,000	78,000	+1,000	+31,408
Operating profit (before amortization of goodwill)	8,417 [9,091]	31,000 [31,727]	35,000 [35,727]	+4,000 [+4,000]	+26,583 [+26,636]
Ordinary profit	8,595	31,000	35,000	+4,000	+26,405
Net profit attributable to owners of parent	5,396	18,000	21,000	+3,000	+15,604
Dividend per share	80 yen	270 yen	320 yen	+50 yen	+240 yen

* The FY2022 per-share dividend forecast of 320 yen consists of an ordinary dividend for common shares of 80 yen and a commemorative dividend of 240 yen.

* The forecast above was prepared based on information available as of the date of this publication. Actual results may differ due to various factors going forward. If a revision to the earnings forecast becomes necessary, the Company will disclose the revised figures promptly.

* After the announcement of a revision of earnings forecasts on August 5, 2022, the Company announced the second revision to forecasts on November 11, 2022, in view of the trends in financial results and its outlook.

Revised Dividend Forecast and Dividend Policy

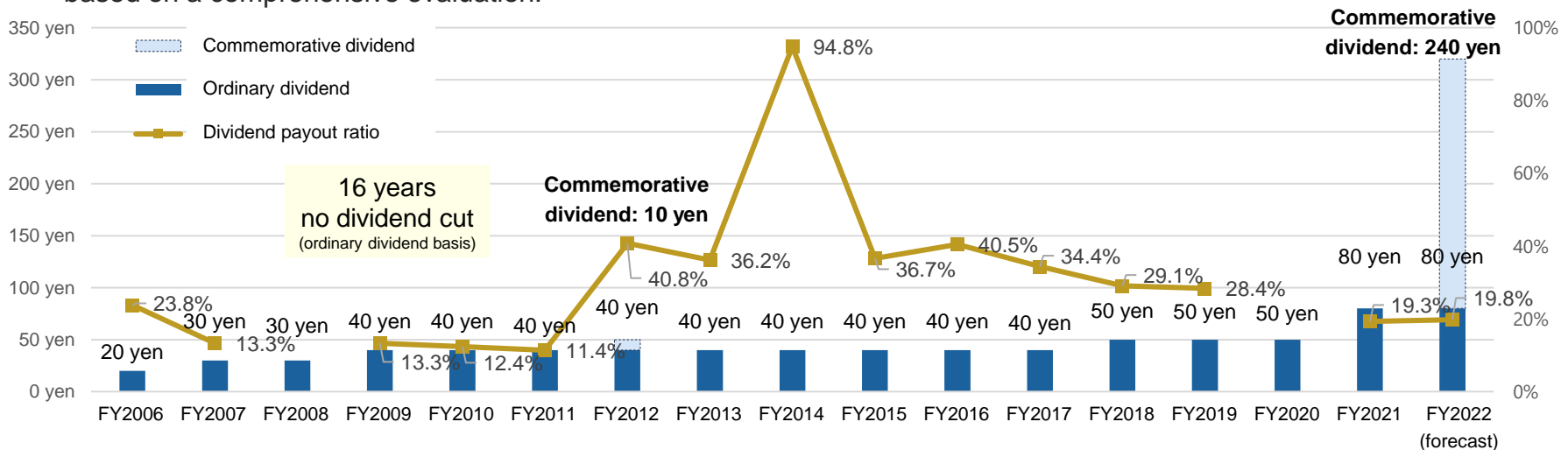
Revised the dividend forecast and implemented the interim dividend payout

- The previously revised (2nd revision) FY2022 (annual) dividend forecast of 270 yen (announced on November 11, 2022) was once again **revised upward 50 yen to 320 yen**. (This consists of an ordinary dividend per share of 80 yen and a commemorative dividend per share of 240 yen to celebrate the 110th anniversary of the Company's founding and all-time high profit.)
- In the past 16 fiscal years, the Company has never instituted a dividend cut (on an ordinary dividend basis). **Going forward, the Company continues to aim to pay out a dividend on an annual basis that does not drop below 80 yen.**

End of 2Q	Year end	Total
80 yen (Ordinary dividend: 40 yen; Commemorative dividend: 40 yen)	240 yen (Ordinary dividend: 40 yen; Commemorative dividend: 200 yen)	320 yen (Ordinary dividend: 80 yen; Commemorative dividend: 240 yen)

Dividend policy

- The midterm management plan aims for a dividend payout ratio of around 30%. However, this will ultimately be decided based on a comprehensive evaluation.



* Based on the effective date of October 1, 2016, the Company implemented a 1-for-10 reverse stock split. To this end, the per-share dividend is calculated based on the assumption that this reverse stock split has been executed.

* The dividend payout ratio was not calculated for FY2008 and FY2020 as the Company posted a net loss in both years.

FY2022 Consolidated Segment Earnings Forecast

- Consumer Goods and Services Business Division: Mainly due to some shipment delays in electronic parts to or beyond the next fiscal year, sales and profit forecasts were revised downward in contrast to the forecast disclosed on November 11.
- Energy Business Division: Owing to a rise in coal sales volume and prices, sales and profit forecasts were revised upward in contrast to the forecast disclosed on November 11.

Net sales

Business	FY2021 Results	FY2022 2nd revision to forecasts (Disclosed Nov. 11, 2022)	FY2022 3rd revision to forecasts (Disclosed Feb. 10, 2023)	Compared to forecast disclosed Nov. 11
Consumer Goods and Services	26,972	29,200	28,200	(1,000)
Energy	18,282	46,500	48,500	+2,000
Other businesses and adjustments	1,338	1,300	1,300	—
Total	46,592	77,000	78,000	+1,000

Segment profit

(Million yen)

Business	FY2021 Results	FY2022 2nd revision to forecasts (Disclosed Nov. 11, 2022)	FY2022 3rd revision to forecasts (Disclosed Feb. 10, 2023)	Compared to forecast disclosed Nov. 11
Consumer Goods and Services (before amortization of goodwill)	2,959 [3,633]	3,200 [3,927]	3,100 [3,827]	(100) [(100)]
Energy	6,333	29,400	33,700	+4,300
Other businesses and adjustments	(876)	(1,600)	(1,800)	(200)
Total (before amortization of goodwill)	8,417 [9,091]	31,000 [31,727]	35,000 [35,727]	+4,000 [+4,000]

*Other represents business segments not included in reporting segments and includes the Real Estate Business, the Stevedore and Warehouse Business, etc.

*Adjustments in segment profit include companywide expenses not allocated to each reporting segment. In addition, results for 3Q FY2021 include a special factor and a tax return (192 million yen) for size-based business tax.

Breakdown of Earnings Forecast for the Energy Business Division (1)

- Coal Production Business: Sales and profit are expected to increase compared to the forecast disclosed on November 11 due to higher coal sales volume and prices.

Net sales

Business	FY2021 Results	FY2022 2nd revision to forecasts (Disclosed Nov. 11, 2022)	FY2022 3rd revision to forecasts (Disclosed Feb. 10, 2023)	Compared to forecast disclosed Nov. 11
Coal Production Business	17,758	46,000	48,000	+2,000
Sales volume	1,360,000 tons	1,000,000 tons	1,060,000 tons	+60,000 tons
Coal Sales Business	217	200	200	–
Sales volume	3,170,000 tons	2,880,000 tons	2,840,000 tons	(40,000 tons)
Renewable Energy Business	307	300	300	–
Adjustments	(0)	–	–	–
Total	18,282	46,500	48,500	+2,000

Segment profit

(Million yen)

Business	FY2021 Results	FY2022 2nd revision to forecasts (Disclosed Nov. 11, 2022)	FY2022 3rd revision to forecasts (Disclosed Feb. 10, 2023)	Compared to forecast disclosed Nov. 11
Coal Production Business	6,032	29,200	33,500	+4,300
Coal Sales Business	151	100	100	–
Renewable Energy Business	150	100	100	–
Adjustments	–	–	–	–
Total	6,333	29,400	33,700	+4,300

Breakdown of Earnings Forecast for the Energy Business Division (2)

Major index

		FY2021 Results	FY2022 2nd revision to forecasts (Disclosed Nov. 11, 2022)	FY2022 3rd revision to forecasts (Disclosed Feb. 10, 2023)	Compared to forecast disclosed Nov. 11
Coal Production (Jan. to Dec. results)	Sales volume (Thermal coal)	1,190,000 tons	830,000 tons	890,000 tons	+60,000 tons
	Sales volume (Semi-soft coking coal)	180,000 tons	170,000 tons	170,000 tons	+00,000 tons
	Average coal price: Thermal coal (Jan. to Dec. average)	US\$ 116.7	US\$344.1	US\$346.1	US\$ +2.0
	Average coal price: Semi-soft coking coal (Jan. to Dec. average)	US\$ 125.1	US\$252.2	US\$263.3	US\$ +11.1
	Exchange rate: A\$/US\$ (average rate)	US\$ 0.75	US\$0.71	US\$0.69	Weaker A\$ against US\$ (0.02)
	Exchange rate: A\$/¥ (average rate)	82.5 yen	91 yen	91 yen	Yen depreciation+0 yen

* Sales volume is for the Company's share (32.5%)

Market information

(US\$/Mt)		2020				2021				2022			
		Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.
Results													
Thermal coal	Apr. contract	94.75	68.75			109.97				375.00			
	Oct. contract	72.75			N/A				N/A				395
	GCI	67.6	55.3	51.5	67.4	88.7	109.0	167.5	183.9	262.8	376.8	420.8	379.5
Coking coal	Heavy coking coal	147-148	136	110	116	122	117	203	371	395	526	287	279
	Semi-soft coking coal	100-104	95-104	82-86	87-91	91-92	93-94	149	218	275	368	237	230
Exchange rate	US\$/A\$	US\$0.78				US\$0.75				US\$0.69			
	¥/A\$	85.0 yen				82.5 yen				91.1 yen			

* Effective April 2017, the method of calculating the price of coking coal was changed to a spot-linked method.

* The coal prices in the table above are benchmark prices and index prices, which are used as the basis for transaction prices, and do not represent the Company's actual transactions.

Latest Important Topics

Trends Related to the Extension of the Mining Area at the Liddell Coal Mine in Australia

Status of the mining area extension

- The Company applied for environmental permits to extend the mining area to adjacent areas in which it already owns 32.5% of the interests after the termination of the existing mining area in FY2023. On October 28, 2022, **the state government's independent planning commission denied the permits at the second level. (There are a total of three levels.)**
- The deadline for a request for a legal reexamination of the proceedings was the end of January 2023, but the joint venture partner Glencore has not requested a reexamination.
- The Company is in talks with Glencore, its joint venture partner, on its response going forward, but it believes the feasibility of the mining area extension has declined considerably.

Impact on the existing mining area, etc.

- **There will be no direct impact on the existing mining area from the above decision.**
- Mining in the existing area is scheduled to be terminated in FY2023. However, the sales volume at the Liddell coal mine is expected to be **around 3 million tons in FY2022 and approximately 1.5 to 2 million tons in FY2023.**

New Business through M&A

MOS MOS Co., Ltd. (<http://www.marubeni-os.com/>)

* Currently, it is Marubeni Office Supply Co., Ltd. Upon the completion of the acquisition of its shares by the Company on February 15, 2023, the trade name of the company will be changed to MOS Co., Ltd.

Outline

- The Company is to acquire shares of the company (50.1%) on February 15, 2023.
- Founded in 1962, it has earned a top position in the industry due to its large market share in the processing and sale of thermosensitive cash register paper rolls, its main business.
- Strengths of MOS:
 - (1) A good and strong relationship with major paper manufacturers, the suppliers of thermosensitive paper
 - (2) High technological capabilities and production capacity, enable it to respond swiftly to large orders or orders for small-lot, high-variety production
 - (3) A high degree of trust within the industry that is supported by its track record of many years

Thermosensitive paper rolls



Thermosensitive paper changes color when exposed to heat and has lower maintenance costs as it does not need ink. It is used widely, as shown on the right:

Examples of uses of thermosensitive paper

(1) Register and POS paper rolls

Receipts at supermarkets, department stores, gas stations, etc.



(2) Paper rolls for handheld terminal devices

Inventory control slips, receipts, etc., for utility metering and the manufacturing and retail business



(3) Paper rolls for kitchen order systems

After customer orders are inputted into the system, orders are printed in the kitchen.

(4) Paper rolls for ticket machines (meal tickets and other tickets)

Meal tickets, various admission tickets (amusement parks, etc.)

(5) Paper rolls for queue machines

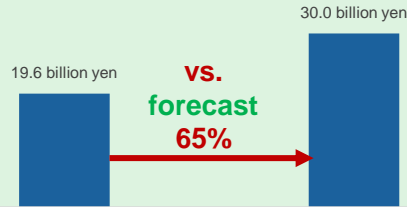
Queue machines for visitors at hospitals, government offices, and financial institutions

Improving Equity Value

- The Company **has been implementing a management strategy based on the assumption that it would not achieve coal production revenue in and after FY2024**. In line with the midterm management plan through to the end of FY2023, the Company continues to aim to **strengthen its profit base through new M&A investments**.
- Cash and deposits are expected to increase in and after FY2022. Reflecting this, the Company **plans, as a priority, the distribution of cash and deposits into new business investments. At the same time**, it aims to fully take into consideration **its dividends and acquisitions of treasury stock** while aiming to **maximize its earnings per share**.

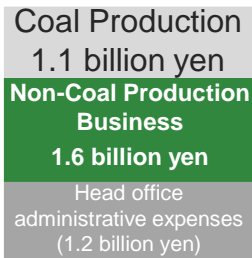
Progress with the Midterm Management Plan FY2022 Forecast

Cumulative investment amount



Investment results as of the end of February 2023 (estimate)

FY2019 – FY2023 Investment (at the time when the midterm management plan was formulated)



FY2017

Midterm Management Plan Based on the time when the midterm management plan was formulated

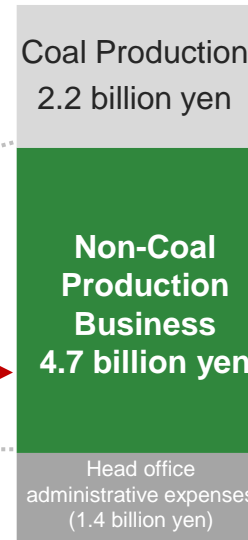
FY2019



FY2022 (forecast)

Midterm Management Plan

Plan achievement 76%



FY2023 (forecast at the time when the midterm management plan was formulated)

Consolidated operating profit 5.5 billion yen

Even if the Company assumes zero operating profit at the Coal Production Business...

Non-Coal Production Business only
Consolidated operating profit 3.3 billion yen (FY2023)

* Forecast figures for FY2022 are based on current estimates.

* The figures shown above do not include the financial results of MOS Co., Ltd. (currently Marubeni Office Supply Co., Ltd., whose shares will be acquired by the Company on February 15, 2023).

Reference Materials

Overview of the Consumer Goods and Services Business

Focusing on realizing a decarbonized society, we plan to execute the reshuffling of our business portfolio by actively implementing M&A, taking into account the following investment policies:

**Stable
revenues**

Niche market

**Easy to
understand**

Group companies that joined through M&A



Nippon Straw joined the group in February 2014
Manufactures and sells straws
Has approximately 65% of Japan's telescopic straw market



Hanabishi joined the group in October 2015
Sells custom-made suits
A pioneer in custom-made suits, highly praised by consumers



Clean Surface Technology joined the group in February 2017
Manufactures and sells mask blanks
Japan's first specialized manufacturer in mask blanks, it has a blue-chip customer base.



Meiko Shokai joined the group in April 2019
Manufactures and sells shredders
Has approximately 75% of the domestic office shredder market



KMT joined the group in April 2020
Handles the planning and sales of pet food
Boasts brand strength in the market for premium, healthy pet foods



Sansei Denshi joined the group in April 2020
Manufactures and sells crystal device manufacturing equipment
The only company in Japan capable of building in-line systems that handle processes from assembly to inspections



Systech Kyowa joined the group in February 2021
Manufactures and sells housing-related materials
Conducts integrated production within the group and maintains a high share of specific products



Nippon Katan joined the group in May 2022
Manufactures and sells mounting hardware for power lines
A specialized manufacturer that boasts a leading market share in Japan

Trends in the Coal Market

Coal market information

(US\$/Mt) Trends in the Global Coal Index, Australia Newcastle Port Load, Standard-Quality Thermal Coal Index



Summary of Coal Contracts

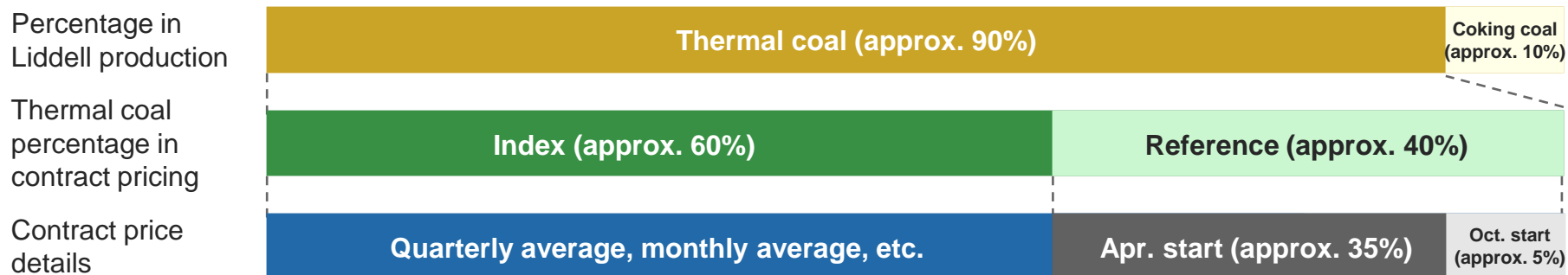
Method of determining a contract price

Contract type	Reference price	Global coal index price
Timing of determination	Semi-annually in Apr. and Oct. only	Daily
Contract method	A contract price is determined according to the quality of coal in reference to prices determined bilaterally among Japanese electric power companies and certain coal majors as a benchmark (reference).	It is common to use a monthly/quarterly average (over three months) of the index price primarily prior to loading, rather than the index price at the time of a contract, as the contract price.

Reference: Ministry of Economy, Trade and Industry, "Coal Market Study Group Report Reference Materials" published in Apr. 2018

Liddell Coal Mine in Australia: Overview of the format of thermal coal contracts (2021 results)

- (Delivery quantity) In terms of the contract term, long-term contracts (one year or longer) account for roughly 90% for both thermal coal and coking coal contracts.
- (Price) For thermal coal, fixed-price (one-year) contracts based on reference prices and index prices account for about 40% and 60%, respectively. Prices based on monthly or quarterly averages are used for contracts when adopting index prices.



*When reference prices for October start contracts are not determined, they will be based on index prices.

Special Sponsorship of a Ladies Professional Golf Tournament



- On January 25, 2023, the Company celebrated the 110th anniversary of its founding. To commemorate the anniversary, the Company will be a special sponsor of a ladies professional golf tournament officially recognized by the Japan Ladies Professional Golfers' Association as outlined below.
- The Company is actively undertaking M&A activities focusing on business succession in order to realize the transformation of its business structure to respond to the advent of a carbon-free society. We expect that this sponsorship will be a good opportunity to increase the name recognition of the Group to enable the further expansion of our business.

Outline of the tournament

1. Tournament name: RKB×Mitsui Matsushima Ladies
2. Date: May 12, 2023 (Friday) to May 14, 2023 (Sunday)
3. Venue: Wajiro Course, Fukuoka Country Club (Fukuoka City, Fukuoka Prefecture)
4. Organizer: RKB Mainichi Broadcasting Corporation
5. Special sponsor: Mitsui Matsushima Holdings Co., Ltd. (the Company)
6. Official recognition: Japan Ladies Professional Golfers' Association

Television broadcast (scheduled)

- ◇ First day (elimination)
May 12, 2023 (Friday)
[From 25:55] RKB
 - ◇ Second day (elimination)
May 13, 2023 (Saturday)
[From 14:30] Broadcast in Kyushu and Okinawa via seven TBS network stations including RKB
[From 15:00] TBS, MBS, CBC, HBC, RCC
 - ◇ Third day (final)
May 14, 2023 (Sunday)
[From 15:30] National broadcast via the TBS network
- * TV commercials for the Group will be broadcast during the programs listed above.





HANABISHI
THE TAILOR OF JAPAN SINCE 1935



Hanabishi, a tailoring company founded in 1935, provides custom-made suit tailoring tickets as a thank-you gift to people paying hometown taxes for Yomogita-mura, Aomori Prefecture, the location of Hanabishi's manufacturing base.

Please visit the Satofull website or the Hanabishi website for how to apply and other information.



https://www.satofull.jp/products/detail.php?product_id=1357994

Website of HANABISHI Co., Ltd.

<https://www.hanabishi-housei.co.jp/furusato/>

The tailoring tickets will be for both men's and women's suits. The tickets can be used for the tailoring of suits, jackets, and pants.



Tailoring tickets for a contribution of 100,000 yen
Equivalent to 30,000 yen

Can also be used in conjunction with shareholder perks

Can be used at 18 stores located nationwide



Valid for two years after sending

These materials contain forward-looking statements that are in no way guarantees of future performance. Future performance is affected by risks and uncertainties. Future performance may vary due to changing assumptions and conditions in the business environment. These materials should not be relied on as the sole source of information and should be used with discretion. Mitsui Matsushima Holdings Co., Ltd. is in no way responsible for any damage caused as a result of relying on or using these materials.