



May 15, 2019

Dear Sirs:

Company name: Mitsui Matsushima Holdings Co., Ltd.
 Representative: Tsuneo Amano, Representative
 Director and President
 (Stock Code 1518, 1st Section of the
 Tokyo Stock Exchange and Fukuoka
 Stock Exchange)
 Contact: Yoshitaka Wada, Executive Officer and in
 charge of Accounting Department
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Notice Concerning Booking of Extraordinary Loss and Differences Between Forecast of FY2018 Full-Year Consolidated Earnings and Actual Results

We would like to inform you that Mitsui Matsushima Holdings Co., Ltd. (“the Company”) posted an extraordinary loss for FY2018 as indicated below. We would also like to inform you of the differences between our forecast of FY2018 (April 1, 2018 through March 31, 2019) full-year consolidated earnings, which was announced on November 9, 2018, and the FY2018 actual results announced today as indicated below.

1. Booking of extraordinary loss (impairment loss regarding goodwill and investment securities)

As already announced in the “Notice of Revision of Earnings Forecast” on November 9, 2018, the Company reviewed the business revenue/expenditure plan on the development of underground coal mines of PT Gerbang Daya Mandiri (“GDM Coal Mine”) in Indonesia, and carefully investigated the recoverable value. As a result, the Company posted an impairment loss of 1,692 million yen regarding goodwill and investment securities.

Nevertheless, it will continue to develop GDM Coal Mine in a bid to satisfy stable, near-term demand for coal.

With respect to the development of GDM Coal Mine for the future, please refer to the “Notice Concerning Development of GDM Coal Mine in Indonesia” published today.

2. Differences between our forecast of FY2018 full-year consolidated earnings and actual results

(April 1, 2018 through March 31, 2019)

	Net sales	Operating profit	Ordinary profit	Net profit attributable to owners of parent	Net profit per share
Previously announced forecast (A)	Million yen 76,000	Million yen 4,800	Million yen 5,400	Million yen 1,700	Yen, Sen 130.30
Actual results (B)	75,702	5,201	5,910	2,240	171.98
Change (B-A)	(297)	401	510	540	
Change (%)	(0.4)	8.4	9.4	31.8	
(Reference) Results of the previous fiscal year (FY2017)	66,322	1,531	2,100	1,520	116.36

3. Reason for occurrence of differences

FY2018 full-year net sales were more or less in line with the Company's forecast. Operating profit and ordinary profit exceeded the initial forecasts thanks to lower-than-expected production costs in the Coal Production Business of the Energy Business Division and other factors.

Although the Company posted an impairment loss of 1,692 million yen regarding goodwill and investment securities in FY2018 as described in "1. Booking of extraordinary loss (impairment loss regarding goodwill and investment securities)" above, it had factored in the booking of the impairment loss at the time of the previous forecast. Accordingly, net profit attributable to owners of parent was above its initial forecast.