



# Presentation of Financial Results for the Third Quarter Ended December 2023

**Mitsui Matsushima Holdings Co., Ltd.**

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# **3Q FY2023 Financial Results**

# Consolidated Income Statement

## Income statement

- Net sales increased as a result of the conversion of MOS into a subsidiary
- Profit decreased due to a fall in coal prices

(Million yen)

	FY2022 3Q	FY2023 3Q	Y-o-y change	Main factors behind changes
Net sales	56,086	57,207	+1,121	• Conversion of MOS into a subsidiary (Consumer Goods Business)
Operating profit (before amortization of goodwill)*	24,488 (25,061)	21,170 (21,812)	-3,317 (-3,249)	• Fall in coal prices (Coal Production Business)
Ordinary profit	25,835	22,237	-3,597	
<b>Net profit attributable to owners of parent</b>	<b>18,037</b>	<b>15,532</b>	<b>-2,504</b>	

\* 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 the Consumer Goods Business and the Industrial Products Business.  
 ✓ MOS Co., Ltd. (Consumer Goods Business) was consolidated (1Q FY2023)
- 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	FY2022 3Q	FY2023 3Q	Y-o-y change	Business	FY2022 3Q	FY2023 3Q	Y-o-y change
Consumer Goods and Services	21,023	26,740	+5,716	Consumer Goods and Services (before amortization of goodwill)	2,262 (2,835)	2,867 (3,508)	+604 (+672)
Energy	33,999	29,545	-4,454	Energy	23,014	19,600	-3,414
Other	1,152	1,029	-122	Other	131	142	+10
Adjustments	-89	-107	-18	Adjustments	-920	-1,439	-518
<b>Total</b>	<b>56,086</b>	<b>57,207</b>	<b>+1,121</b>	<b>Total (before amortization of goodwill)</b>	<b>24,488 (25,061)</b>	<b>21,170 (21,812)</b>	<b>-3,317 (-3,249)</b>

\* "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.

# Breakdown of the Energy Business Division

- Coal Production Business

Net sales and segment profit: Both net sales and profit decreased due to a fall in coal prices.

## Net sales

Business	FY2022 3Q	FY2023 3Q	Y-o-y change
Coal Production Business	33,556	29,181	-4,375
Sales volume	830,000 tons	810,000 tons	-20,000 tons
Coal Sales Business	174	123	-50
Sales volume	2,260,000 tons	1,720,000 tons	-540,000 tons
Renewable Energy Business	268	240	-28
<b>Total</b>	<b>33,999</b>	<b>29,545</b>	<b>-4,454</b>

## Segment profit

(Million yen)

Business	FY2022 3Q	FY2023 3Q	Y-o-y change
Coal Production Business	22,768	19,410	-3,357
Coal Sales Business	102	66	-35
Renewable Energy Business	144	122	-21
<b>Total</b>	<b>23,014</b>	<b>19,600</b>	<b>-3,414</b>

## Major indicators

		FY2022 3Q	FY2023 3Q	Change
Coal Production Business (Jan.–Sep. results)	Sales volume: Thermal coal	700,000 tons	690,000 tons	-10,000 tons
	Sales volume: Semi-soft coking coal	140,000 tons	120,000 tons	-20,000 tons
	Average coal price: Thermal coal	US\$ 316.2	US\$ 270.9	-US\$ 45.3
	Average coal price: Semi-soft coking coal	US\$ 279.3	US\$ 205.6	-US\$ 73.7
	Exchange rate: A\$/US\$ (average rate)	US\$ 0.70	US\$ 0.67	Weaker A\$ against US\$: -0.03
	Exchange rate: A\$/¥ (average rate)	90.5 yen	92.4 yen	Yen depreciation: +1.9 yen

# Consolidated Balance Sheet

## Balance sheet

March 31, 2023

December 31, 2023

(Million yen)

	Amount	Ratio (%)	Amount	Ratio (%)	change	Major factors behind changes
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Current assets	63,237	66.6	69,855	67.4	+6,617	Trade receivable: +1,620; Inventories: +4,906
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Fixed asset	31,788	33.5	33,857	32.7	+2,069	Property, plant and equipment: +2,097
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<b>Total assets</b>	<b>95,025</b>	<b>100.0</b>	<b>103,712</b>	<b>100.0</b>	<b>+8,687</b>	
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Current liabilities	26,330	27.7	23,887	23.0	-2,442	Short-term borrowings payable: -2,980
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Fixed liabilities	12,093	12.7	11,466	11.1	-626	Long-term borrowings: -910
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<b>Total liabilities</b>	<b>38,423</b>	<b>40.4</b>	<b>35,354</b>	<b>34.1</b>	<b>-3,069</b>	
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<b>Total net assets</b>	<b>56,602</b>	<b>59.6</b>	<b>68,358</b>	<b>65.9</b>	<b>+11,756</b>	Net profit attributable to owners of parent: +15,532 FY2022: Year-end dividend (240 yen per share) -3,135 FY2023: Interim dividend (40 yen per share) -503 Capital surplus (acquisition of additional shares of MOS): -1,678 Acquisition of own shares: -2,168
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<b>Total liabilities and net assets</b>	<b>95,025</b>	<b>100.0</b>	<b>103,712</b>	<b>100.0</b>	<b>+8,687</b>	
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## Other indicators

March 31, 2023

December 31, 2023

change

Cash and deposits (including long-term deposits)	39,501	38,773	-728
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Debt	12,660	8,770	-3,890
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Net cash and deposits	26,840	30,002	+3,162
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Shareholders' equity ratio (%)	58.7	63.0	+4.3
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Debt/equity ratio (times)	0.25	0.16	-0.09
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**FY2023 Consolidated  
Earnings Forecast and  
Dividend Forecast (Revised)**



# Revised FY2023 Consolidated Earnings Forecast

- In light of the recent trend of earnings, the Company has revised its previous FY2023 consolidated earnings forecast announced on November 10, 2023 as shown below.
- Net sales and profit at all levels are **expected to exceed the previous forecast (disclosed on November 10)** mainly due to the conversion of Japan Chain Holdings, Inc. into a subsidiary and an increase in coal sales volume in the Coal Production Business.

## Consolidated earnings forecast

(Million yen)

	FY2022 Results	FY2023 Revised Forecast (Disclosed on November 10, 2023)	FY2023 Re-revised Forecast (Disclosed on February 9, 2024)	Change from Forecast Disclosed on November 10	Y-o-y change
Net sales	80,015	70,000	77,000	+7,000	-3,015
Operating profit (Operating profit before amortization of goodwill)	35,789 (36,553)	21,000 (21,859)	24,000 (24,878)	+3,000 (+3,019)	-11,789 (-11,675)
Ordinary profit	35,933	22,000	25,000	+3,000	-10,933
<b>Net profit attributable to owners of parent</b>	<b>22,977</b>	<b>12,000</b>	<b>14,000</b>	<b>+2,000</b>	<b>-8,977</b>
Dividend per share	<sup>*2</sup> 320 yen	80 yen	100 yen	+20 yen	-220 yen

\*1 The earnings forecast reflects in extraordinary losses an estimated amount of approximately 3 billion yen for additional costs related to the termination of the Liddell Coal Mine. (Refer to P16)

\*2 The FY2022 per-share dividend of 320 yen consists of an ordinary dividend for common shares of 80 yen and a commemorative dividend of 240 yen.

\*3 The forecast above is based on information available as of the date of this publication. Actual results may vary due to various future factors.

If a revision of the forecast of financial results becomes necessary, the Company will disclose the revised figures promptly.

# FY2023 Consolidated Segment Earnings Forecast

- Consumer Goods and Services Business Division: Both net sales and profit are expected to increase compared to forecasts disclosed on November 10 mainly due to the conversion of Japan Chain Holdings, Inc. into a subsidiary.
- Energy Business Division: Both net sales and profit are expected to increase compared to forecasts disclosed on November 10 mainly due to an increase in coal sales volume in the Coal Production Business.

## Net sales

## Segment profit

(Million yen)

Business	FY2022 Results	FY2023 Revised Forecast	FY2023 Re-revised Forecast	Change from Forecast Disclosed on November 10	Business	FY2022 Results	FY2023 Revised Forecast	FY2023 Re-revised Forecast	Change from Forecast Disclosed on November 10
		(Disclosed on November 10)	(Disclosed on February 9)				(Disclosed on November 10)	(Disclosed on February 9)	
Consumer Goods and Services	29,504	37,000	41,000	+4,000	Consumer Goods and Services (before amortization of goodwill)	3,718 (4,482)	3,900 (4,759)	4,600 (5,478)	+700 (+719)
Energy	49,068	32,000	35,000	+3,000	Energy	33,922	19,200	21,500	+2,300
Other – Adjustments	1,443	1,000	1,000	–	Other – Adjustments	-1,852	-2,100	-2,100	–
<b>Total</b>	<b>80,015</b>	<b>70,000</b>	<b>77,000</b>	<b>+7,000</b>	<b>Total (before amortization of goodwill)</b>	<b>35,789 (36,553)</b>	<b>21,000 (21,859)</b>	<b>24,000 (24,878)</b>	<b>+3,000 (+3,019)</b>

\* “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.

• FY2022: Expenses increased temporarily mainly due to the payment of special grants from the Company to the employees of subsidiaries and special sponsorship of a ladies professional golf tournament.

• FY2023: Expenses have increased temporarily mainly due to special sponsorship of a ladies professional golf tournament, M&A expenses, and advertising expenses.

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

(Million yen)

- Coal Production Business: Both net sales and profit are expected to increase compared to forecasts disclosed on November 10 mainly due to an increase in coal sales volume.

## Net sales

Business	FY2022 Results	FY2023 Revised Forecast (Disclosed on November 10)	FY2023 Re-revised Forecast (Disclosed on February 9)	
Coal Production Business Sales volume	48,493 1,100,000 tons	31,600 870,000 tons	34,600 890,000 tons	+3,000 +20,000 tons
Coal Sales Business Sales volume	244 3,060,000 tons	100 1,760,000 tons	100 1,890,000 tons	– +130,000 tons
Renewable Energy Business	330	300	300	–
<b>Total</b>	<b>49,068</b>	<b>32,000</b>	<b>35,000</b>	<b>+3,000</b>

## Segment profit

Business	FY2022 Results	FY2023 Revised Forecast (Disclosed on November 10)	FY2023 Re-revised Forecast (Disclosed on February 9)	
Coal Production Business	33,607	19,100	21,400	+2,300
Coal Sales Business	148	0	0	–
Renewable Energy Business	166	100	100	–
<b>Total</b>	<b>33,922</b>	<b>19,200</b>	<b>21,500</b>	<b>+2,300</b>

# Breakdown of Earnings Forecast for the Energy Business Division ②

## Major indicators

### Coal Production (Jan.-Dec. results)

\* Sales volume is for Mitsui Matsushima's share (32.5%)

	FY2022 Results	FY2023 Revised Forecast (Disclosed on November 10)	FY2023 Re-revised Forecast (Disclosed on February 9)	Change from Forecast Disclosed on November 10
Sales volume (Thermal coal)	930,000 tons	710,000 tons	730,000 tons	+20,000 tons
Sales volume (Semi-soft coking coal)	180,000 tons	160,000 tons	160,000 tons	–
Average coal price: Thermal coal (Jan. to Dec. average)	US\$ 344.0	US\$ 258	US\$ 260	+US\$ 2
Average coal price: Semi-soft coking coal (Jan. to Dec. average)	US\$ 263.3	US\$ 190	US\$ 200	+US\$ 10
Exchange rate: A\$/US\$ (average rate)	US\$ 0.69	US\$ 0.68	US\$ 0.67	Weaker A\$ against US\$: -0.01
Exchange rate: A\$/¥ (average rate)	91.1 yen	91.5 yen	93.3 yen	Yen depreciation: +1.8 yen

## Market information

(US\$/Mt)		2020				2021				2022				2023		
		Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.
		Results														
Thermal coal	Apr. contract	94.75	68.75			109.97				375.00				199.95		
	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	247.8	160.7	147.8
Coking coal	Heavy coking coal	147-148	136	110	116	122	117	203	371	395	526	287	279	315	283	240
	Semi-soft coking coal	100-104	95-104	82-86	87-91	91-92	93-94	149	218	275	368	237	230	268	N/A	162.7
Foreign exchange	US\$/A\$	US\$0.78				US\$0.75				US\$0.69				US\$0.67		
	Yen/A\$	85.0 yen				82.5 yen				91.1 yen				92.4 yen		

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

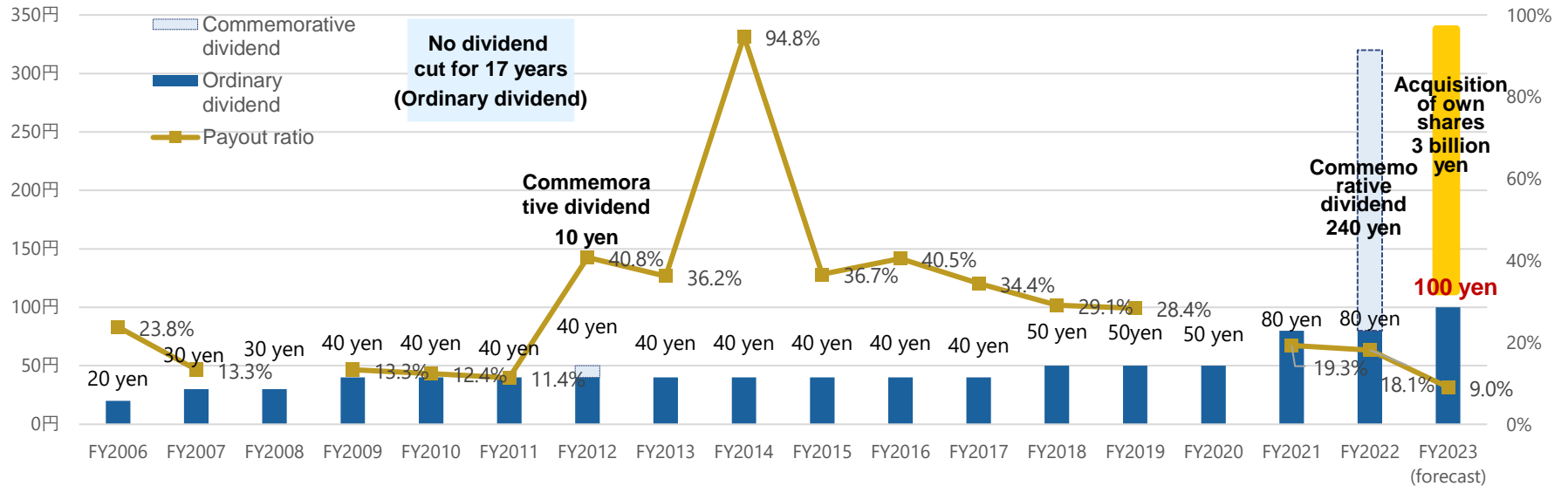
\* The coal prices in the table above are benchmark prices and index prices, which are used as the basis for transaction prices, and do not represent the Company's actual transactions.

# Revised FY2023 Dividend Forecast

## Revised dividend forecast

- The initial FY2023 (annual) dividend forecast of 80 yen per share was **revised upward 20 yen to 100 yen**.  
(An ordinary dividend per share of 100 yen; interim: 40 yen, year-end: 60 yen)
- The Company has not cut dividends for the past 17 years (ordinary dividend).

## Dividend trend



\* Since a 10-to-1 share consolidation was conducted effective October 1, 2016, the dividend per share was calculated based on the assumption that the share consolidation was conducted.

\* The payout ratio was not calculated for FY2008 and FY2020 due to negative net profit.

\* In addition to paying the ordinary dividend, the Company is acquiring its own shares (subject to an upper limit of 3 billion yen) with a view to achieving a total shareholder return ratio of around 30% for FY2023.

# Latest Topics

# Acquisition of Equity Interest in Saunders & Associates, LLC by Sansei Denshi Co., Ltd.

- Sansei Denshi Co., Ltd., a Mitsui Matsushima Group company, **acquired a 50.1% equity interest in Saunders & Associates, LLC** through Sansei America, Inc., a newly established company in the U.S. (the seller holds a put option for the remaining stake)

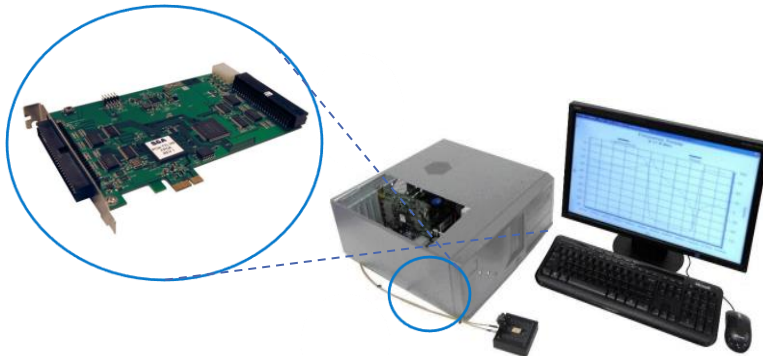
## Outline

- Acquired 50.1% equity interest on January 31, 2024
- Established in 1973. A unique company that mainly engages in the manufacture and sale of measurement devices for quartz crystal devices
- Saunders & Associates, LLC's measurement devices are used in manufacturing processes for quartz crystal devices, and are **essential for the manufacture of quartz crystal devices**, including forming part of the standard specification for acceptance inspections within the industry
- The strengths of its network analyzers (measurement devices for crystal oscillators) are their high precision, ease of use, and the fact that they are offered in a package with peripheral software and jigs. **They are used by quartz crystal devices manufacturers not just in Japan, but around the world, including China, Taiwan, and the U.S. and Europe.**

## Mainstay products

### ① Network analyzers

Devices that measure the frequency characteristics of crystal oscillators, etc.



### ② Temperature test systems

Devices that connect to network analyzers and measure changes in characteristics based on fluctuations in the temperature of crystal oscillators, etc.



# Toward Termination of Liddell Coal Mine in Australia

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## Status of Liddell Coal Mine in Australia

- Operational structure: Joint venture between local unit Mitsui Matsushima Australia Pty. Ltd. (32.5%) and Glencore (67.5%)
- **All raw coal mining and production** in mining areas currently approved by the state government were discontinued in **July 2023**. The application for environmental permits to extend the mining area to adjacent areas was rejected by the local authority in October 2022.
- **The Company plans to discontinue also the Coal Sales Business in FY2023.**
- Toward the termination of the coal mine, sales (for 100% of interest) are expected to **decline to about 2,700,000 tons** in FY2023, compared to about 3,300,000 tons in FY2022.
- In response to the indication from the Liddell Joint Venture of additional costs related to the termination of the Liddell Coal Mine, **the Company has reflected an estimated amount of approximately 3 billion yen for such costs in the consolidated earnings forecast.**



# Reference Materials

# Outline of the Consumer Goods and Services Business

## Investment policy

In anticipation of a decarbonized society, we have restructured the business portfolio through active M&A based on the following investment policy:

### Stable revenues

### Niche market

### Easy to understand

## Consumer Goods Business

### Nippon Straw



- Joined in February 2014
- Manufacture and sales of straws
- Approx. 70% share of the Japanese telescopic straw market



### Hanabishi

- Joined in October 2015
- Sales of custom-made suits
- A pioneer in custom-made suits, highly praised by customers



### Meiko Shokai

- Joined in April 2019
- Manufacture and sales of shredders
- No. 1 market share in the Japanese office shredder market



### KMT

- Joined in April 2020
- Planning and sales of pet food
- Brand strength in the healthy premium pet food market



### Systech Kyowa

- Joined in February 2021
- Manufacture and sales of housing-related materials
- Integrated production within the group, interior door-related materials with high market shares

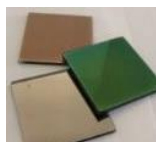


### MOS

- Joined in February 2023
- Processing and sales of thermosensitive cash register paper rolls
- No. 1 market share in the industry

## Industrial Products Business

### CST



- Joined in February 2017
- Manufacture and sales of mask blanks
- Japan's first specialized manufacturer of mask blanks with a blue-chip customer base



### Sansei Denshi

- Joined in April 2020
- Manufacture and sales of crystal device manufacturing equipment
- The only manufacturer in Japan capable of building in-line systems that handle processes from assembly to inspection



### Nippon Katan

- Joined in May 2022
- Manufacture and sales of mounting hardware for power lines
- A specialized manufacturer that boasts a leading market share in Japan

### Plus One Techno



- Joined in August 2023
- Manufacture and sale of measuring equipment
- No. 1 market share in pipe-feeder type automatic measuring equipment



### Japan Chain Holdings

- Joined in December 2023
- Manufacture and sales of industrial roller chains and conveyer chains
- Strong presence in industrial chain markets in Japan and the U.S.

\* Businesses within the Consumer Goods and Services Business Division have been grouped into the two segments shown above, starting from the financial reporting for the first quarter of FY2023.

# Trend in the Coal Market

(US\$/Mt)

Trend in the Global Coal Index, Australia Newcastle Port Load, Standard-Quality Thermal Coal



# HANABISHI Notice of Thank-you Gifts Sent to People Paying Hometown Taxes (*Furusato Nozei*)



**HANABISHI**  
THE TAILOR OF JAPAN SINCE 1935



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

Please visit the **Satofull, Rakuten Furusato Tax Payment, or Hanabishi** website for how to apply and other information



[https://www.satofull.jp/products/detail.php?product\\_id=1357994](https://www.satofull.jp/products/detail.php?product_id=1357994)



<https://item.rakuten.co.jp/f023043-yomogita/1357994/>



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

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



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.



The RKB × Mitsui Matsushima Ladies tournament winner Chisato Iwai (in tournament winner jacket made by HANABISHI)

\* Valid for two years after sending

As thank-you gifts sent to people paying hometown taxes to Omuta City, Fukuoka Prefecture, we offer Mitsui Minato Club meal tickets and wedding ceremony and banquet complementary tickets.



Please enjoy superb French cuisine produced by Grand Chef Sakai of French cuisine at the guest house of Mitsui, boasting a heritage of over 100 years.

\* Applications are accepted through Furusato Choice, Rakuten Furusato Nozei, Furunavi, etc.

For more information, search for [三井港倶楽部 ふるさと納税](#)

Executive Chef Hatae of Mitsui Minato Club and  
Grand Chef Sakai of French cuisine

**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.**