October 31, 2022

To whom it may concern:

Corporate Name: Mitsui O.S.K. Lines, Ltd. Representative: Takeshi Hashimoto, President Security Code: 9104 Listings: Tokyo Stock Exchange Prime Market Contact: Sanae Sonoda, General Manager, Corporate Communication Division (Tel: +81 3 3587-6224)

## Notice of Change to Consolidated Subsidiary Company (Share Transfer) and Recording of Extraordinary Profit and Loss

TOKYO—Mitsui O.S.K. Lines, Ltd. (President & CEO: Takeshi Hashimoto) hereby make an announcement as provided below due to the fact that we have come to a decision to transfer the shares in INTERNATIONAL TRANSPORTATION INC. (hereinafter referred to as "ITI"), which is our consolidated subsidiary company, through the resolution of our Board of Directors dated October 31, 2022 (hereinafter referred to as "Share Transfer").

Upon the Share Transfer, ITI will no longer be our consolidated subsidiary company.

1. Reason for change (Share Transfer)

TraPac, LLC, which is 100% subsidiary company of ITI, has been operating a container terminal business in California, U.S.A. Since we transferred our container shipping businesses to Ocean Network Express, Pte, Ltd., which is an affiliated company accounted for by using the equity method, in 2018, we had been reviewing our business portfolio strategy of container terminal businesses, and came to a decision to transfer the shares in ITI, which is a holding company of TraPac, LLC.

(1) Name	INTERNATIONAL TRANSPORTATION INC.	
(2) Location	630 West Harry Bridges Blvd., Wilmington, CA 90744, U.S.A.	
(3) Name (and title) of	Osamu Sakurada (Chairman)	
representative person		
(4) Contents of business	Holding company for operating container terminal business	

2. Overview of subsidiary company to be changed

(5) Amount of stated capital	US\$104,562,811				
(6) Date of establishment	December 16, 1993				
(7) Large shareholder and	Mitsui O.S.K. Lines, Ltd. 100%				
shareholding ratio					
(8) Relationship between	Capital relationship		We own 100% of shares in the		
listed company and			company in question.		
company in question	Personal relationship		We have dispatched 3 part-time		
	-		officers to the company in question.		
	Transactional		There is no matte	r falling under this	
	relationship		category.		
(9) Financial position and operating results in the past 3 years (consolidated basis)					
(upper row: US\$; lower row:	million JPY)				
Fiscal year	Fiscal year ended	Fi	scal year ended	Fiscal year ended	
	December 2019	D	ecember 2020	December 2021	
Net assets	270,624,674		205,485,430	228,866,569	
	(38,859)		(29,506)	(32,863)	
Total assets	451,453,081		351,386,806	302,669,319	
	(64,824)		(50,456)	(43,460)	
Net assets per share	270,624		205,485	228,866	
	(39)		(30)	(33)	
Revenues	393,167,701		419,010,307	521,463,530	
	(56,455)		(60,166)	(74,877)	
Operating profit	51,318,568		5,206,534	65,545,409	
	(7,369)		(748)	(9,412)	
Ordinary profit	60,282,881		20,786,756	83,150,139	
	(8,656)		(2,985)	(11,940)	
Net profit	43,483,581		14,860,756	61,381,139	
	(6,244)		(2,134)	(8,814)	
Net profit per share	43,483		14,860	61,381	
	(6)		(2)	(9)	
Dividend per share	-		80,000	38,000	
			(11)	(5)	

\* For conversion to JPY, we use our internal exchange rate (US = JPY143.59) based on recent exchange trend.

## 3. Overview of recipients and transfer prices

The recipients of Share Transfer are two companies (hereinafter, one of such companies shall be referred to as "Recipient 1" and the other company shall be referred to as "Recipient 2"), and we are planning to enter into share transfer agreements with Recipient 1 and Recipient 2 respectively (hereinafter, the Share Transfer to Recipient 1 shall be referred to as "Share Transfer 1" and the Share Transfer to Recipient 2 shall be referred to as "Share Transfer 2").

With respect to Share Transfer 1 to Recipient 1 (which is a large investment fund mainly engaged in infrastructure investment), the transfer price is scheduled to be approximately US\$950 million (JPY136.4 billion), but we will refrain from disclosing the overview of Recipient 1 due to the confidential obligation under the share transfer agreement.

With respect to Share Transfer 2 to Recipient 2, we will refrain from disclosing the overview of Recipient 2 and the transfer price at this time due to the fact that the internal approval of Recipient 2 has not been obtained yet.

\* For conversion to JPY, we use our internal exchange rate (US = JPY143.59) based on recent exchange trend.

(1) Number of shares owned before	1,000 shares
transfer	(Number of voting rights: 1,000 units)
	(Voting right holding ratio: 100%)
(2) Number of shares transferred (*)	1,000 shares
	(Number of voting rights: 1,000 units)
(3) Number of shares owned after	0 shares
transfer	(Number of voting rights: 0 units)
	(Voting right holding ratio: 0%)

4. Number of transferring shares and status of owned shares before and after transfer

\* The figures provided above provide the sum of number of transferring shares to be transferred to Recipient 1 and Recipient 2. The number of transferring shares to each recipient is as provided below.

Recipient 1	490 shares
	(Number of voting rights: 490 units)
	(Voting right holding ratio: 49%)
Recipient 2	510 shares
	(Number of voting rights: 510 units)
	(Voting right holding ratio: 51%)

## 5. Schedule

(1) Execution date of share transfer agreement (Share	November 1, 2022 (scheduled date)
Transfer 1)	
(2) Execution date of share transfer agreement (Share	November 16, 2022 (scheduled
Transfer 2)	date)
(3) Implementation date of Share Transfer 1	January 2023 (*scheduled date)
(4) Implementation date of Share Transfer 2 (Date of	February 2023 (*scheduled date)
change to consolidated subsidiary company)	

\* Due to the fact that the Share Transfer will be implemented after the recipients' internal approvals and the approvals of competent government authorities under relevant laws and regulations are obtained, if there is any change or delay in such approvals, the schedule above may change.

- 6. Recording of extraordinary profit and loss
  - (1) Share Transfer 1

Due to Share Transfer 1, the profit of approximately JPY74.8 billion gained from sale of shares in affiliated company is scheduled to be recorded as extraordinary profit on a non-consolidated basis in the fiscal year ending March 2023. Due to the fact that our control over ITI as our consolidated subsidiary company will continue even after the implementation of Share Transfer 1 until the implementation of Share Transfer 2, our consolidated performance (profit and loss) for the fiscal year ending March 2023 will not be affected.

(2) Share Transfer 2

With respect to Share Transfer 2, although the transfer price of Share Transfer 2 will be fixed upon internal approval of Recipient 2, based on our estimate, an extraordinary loss of approximately JPY34.3 billion incurred from sale of shares in affiliated company is scheduled to be recorded on a non-consolidated basis in the fiscal year ending March 2023, and an extraordinary profit of approximately JPY12.6 billion accrued from sale of shares in affiliated company is also scheduled to be recorded on a consolidated basis in the fiscal year ending March 2023.

(Note) The profits and losses provided above have already been incorporated in "3. Forecast for the Fiscal Year Ending March 31, 2023 of Financial Highlights: The Second Quarter Ended September 30, 2022" announced as of the date of this notice.

## [REFERENCE PURPOSE ONLY]

This document has been translated from the Japanese original for reference purposes only.

In case of any discrepancy or inconsistency between this document and the Japanese original, the latter shall prevail.