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Business Strategy

Possessing a large number of warehouses in Japan and overseas as well as a comprehensive lineup of logistics functions that cater to land, sea, and air, we are developing services in a variety of areas. To lead to top-line growth by mobilizing the Group's collective strength, Group companies are promoting their strategies that leverage each company's strengths.

Business Overview

The Mitsui-Soko Group consists of MITSUI-SOKO HOLDINGS Co., Ltd., 72 consolidated subsidiaries, and 5 affiliates. The Group operates a logistics business, providing clients with various logistics services in an organic and efficient manner, and a real estate business centered on building leases. (As of March 31, 2024)

Logistics Business

The logistics business is composed of warehousing and port transportation, airfreight forwarding, 3PL/LLP, and land transportation. We have a large number of warehouses in Japan and overseas and a comprehensive lineup of logistics functions that cater to land, sea, and air forwarding. By combining these various warehousing locations and logistics functions, we optimize our customers' supply chains. We handle cargo from various industries, including raw materials, pharmaceuticals, and home appliances, and offer a wide range of flexible logistics services from upstream to downstream in procurement, production, and sales logistics. As a result, we have built a stable revenue base that does not rely on specific fields or areas.

Mitsui-Soko Group's Major Logistics Areas

Industry	Value Chain	Raw materials/Materials/Parts			Finished goods			Distribution	
		Procurement logistics	Production logistics	Sales logistics	Procurement logistics	Production logistics	Sales logistics	Procurement logistics	Sales logistics
Healthcare									
Automotive									
Home appliances									
Precision equipment/Machinery									
Consumer goods									
Housing/Interior									
Food & beverage									
Apparel									
Paper/Pulp									
Chemicals									

Real Estate Business

Our real estate business operates and manages office buildings as well as rental condominiums. For assets that are no longer suitable for logistics use due to changes in the surrounding environment, we are taking profitability into consideration and converting them into real estate business. With a business management policy that ensures long-term, stable profits, the real estate business is working to secure quality tenants and maintain high occupancy rates by carrying out renewal work in response to aging deterioration, and value-enhancement work to meet the needs of the times.

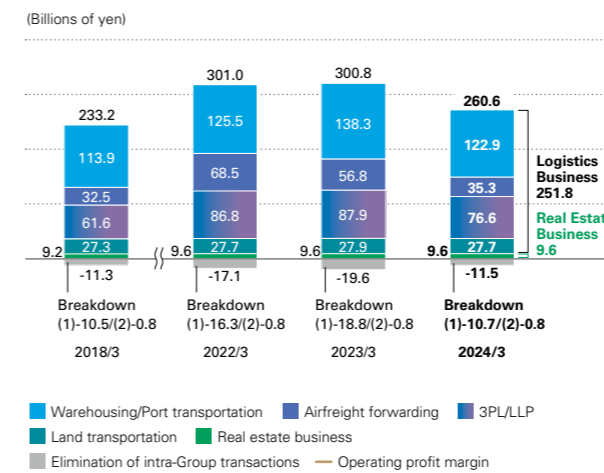
Logistics Business				Real Estate Business
Logistics/ Port Transportation	Airfreight Forwarding	3PL/LLP	Land Transportation	Real Estate Business
MITSUI-SOKO	MITSUI-SOKO EXPRESS	MITSUI-SOKO LOGISTICS MITSUI-SOKO Supply Chain Solutions	MITSUI-SOKO TRANSPORT	MITSUI-SOKO HOLDINGS

Business Portfolio

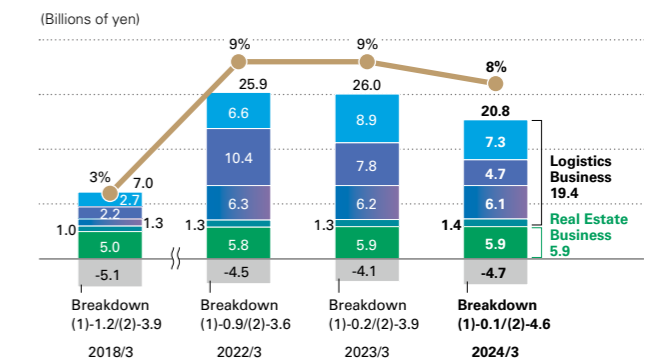
Aiming to grow as a comprehensive logistics company capable of providing various logistics services, the Group has worked to expand our business areas through M&A and to strengthen our business portfolio.

We now have a well-balanced business portfolio composed of our real estate business to secure stable revenue, our stock-type business from warehouse operations in our logistics business, and our flow-type business from our transportation business. Regarding our logistics business, in addition to increasing profit levels in each segment driven by our measures to strengthen profitability that have been ongoing since the previous Medium-term Management Plan, we are increasing Group-wide profitability by providing services using the Group's collective strengths.

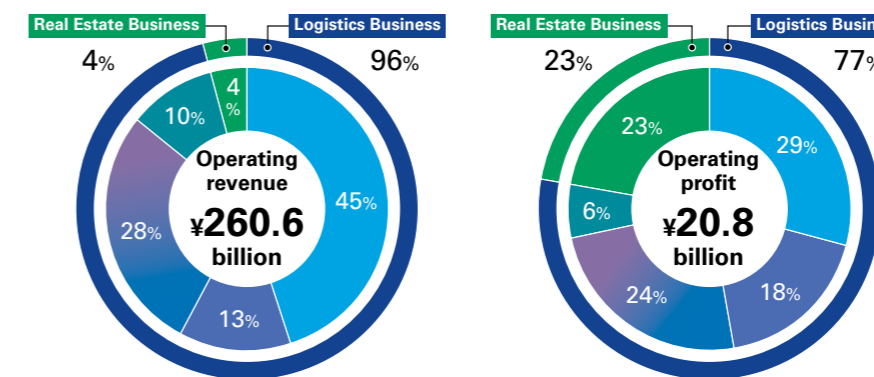
Operating Revenue by Business Segment



Operating Profit by Business Segment and Operating Profit Margin



Highlights for the Fiscal Year Ended March 31, 2024



In the logistics business, both operating revenue and operating profit decreased, as operating revenue fell to ¥251,817 million (declining by ¥40,205 million from the previous fiscal year) and operating profit fell to ¥19,422 million (declining ¥4,500 million from the previous fiscal year) due mainly to the impact of lower unit costs for marine freight rates and airfares. Due to stagnant cargo movement in international transportation, marine freight rates declined in warehousing and port transportation, while cargo movement slowed against the backdrop of inventory adjustments. The decline in revenue and profit is also due to the disappearance of the urgent demand for transportation services caused by the disruptions in overseas supply chains that occurred last year. Regarding airfreight forwarding, in addition to slowed cargo movement, revenue and profit declined due to a drop in marine freight rates (including the elimination of special factors in the previous fiscal year). In terms of 3PL and LLP, although revenue declined due to the decrease in freight rates for imported cargo, 3PL service transactions trended strongly overall, and profits were flat due to the promotion of streamlining through the introduction of material handling equipment. In land transportation, we maintained steady profit levels despite decreased revenue due to reductions in leased vehicle expenses from higher loading rates and the optimization of collection fees.

In the real estate business, there were no major changes in vacancy rates or rent levels for office properties, with operating revenue totaling ¥9,592 million (declining ¥36 million from the previous fiscal year), and operating profit totaling ¥5,942 million (increasing ¥33 million from the previous fiscal year), both mostly unchanged.

MITSUI-SOKO Co., Ltd.

Operating revenue ratio

45%

Logistics/Port Transportation

Airfreight Forwarding

3PL/LLP

Land Transportation

Real Estate Business

Domestic Logistics

For more details on business areas, please visit:
<https://www.mitsui-soko.com/en/company/group/msc>

Hiroshi Torii

President
MITSUI-SOKO Co., Ltd.

MITSUI-SOKO is composed of three business divisions: domestic warehousing, overseas warehousing, and port transportation, which are the founding businesses of our Group. By proposing integrated solutions based on a high-quality and diverse menu, we will continue to provide logistics services that delight customers.

Business Details	
Main products handled	Food and raw materials, chemicals, pharmaceuticals and medical devices, artworks and valuables
Region	Japan
Major clients	General trading companies, food manufacturers, chemical manufacturers, machinery manufacturers, pharmaceutical and medical device manufacturers

In the domestic logistics business division, we provide a wide range of supply chain services that include warehouse storage, cargo handling, transportation, and a variety of other distribution services. We have over 100 years of experience in the fields of warehousing and cargo handling business and own warehouse facilities across the country. From customs clearance services to customer delivery, we customize suitable services for each customer's requirements and the commodities we handle.

Strengths and Environmental Awareness		
Strengths	<ul style="list-style-type: none"> ▶ Asset-type distribution network that utilizes multifunctional logistics facilities and nationwide base network ▶ Professional knowledge and experience in warehouse storage, cargo handling, and import/export customs clearance services applicable to various cargo types and business industries ▶ Diverse and high-quality client base 	<p>Our strengths lie in the Company's history of having been in the warehousing business for more than 100 years and our expertise from having provided logistics services to customers in a wide range of industries. We possess deep knowledge of import/export services and storage and cargo handling expertise based on the characteristics of various types of cargo. In recent years, we have accumulated storage and delivery know-how with professional expertise in, for example, the healthcare area and highly functional materials.</p>
Environmental awareness	<p>Opportunities and Risks (External environment)</p> <ul style="list-style-type: none"> • Growing storage needs caused by uncertainties in world affairs and disruptions in distribution networks • Growing logistics needs that require advanced expertise, such as strict regulations and temperature control • New entrants from different industries due to the progression of equipment industrialization <p>Challenges (Internal environment)</p> <ul style="list-style-type: none"> • Strengthening of revenue base in port warehousing • Increase in the pace of growth in inland warehousing 	<p>Due to distribution network disruptions, there are opportunities for business expansion owing to the need for storage as a BCP measure and the optimization of SCM logistics that starts from warehouses. Logistics needs that require advanced expertise, such as strict regulations and temperature control, are also increasing. In the meantime, responding to the industrialization of logistics equipment due to technological advances, such as AI and robotics, has become an issue.</p>

Main Logistics Areas										Main Services
Industries	Value Chain	Raw materials/Materials/Parts			Finished goods			Distribution		
		Procurement logistics	Production logistics	Sales logistics	Procurement logistics	Production logistics	Sales logistics	Procurement logistics	Sales logistics	
Healthcare										<ul style="list-style-type: none"> • Storage and cargo handling • Sea cargoes • Import/export services • 3PL • Trunk room goods (artworks and valuables) • BPO services • Equipment transportation • Land transportation • Distribution processing
Automotive										
Home appliances										
Precision equipment/Machinery										
Consumer goods										
Food & beverage										
Apparel										
Paper/Pulp										
Chemicals										

We handle various cargo, and provide storage/cargo handling services as well as import/export services, etc., according to cargo characteristics. For healthcare, in pharmaceuticals, medical devices, and investigational new drugs, we have obtained various approvals, including in the drug manufacturing and wholesale businesses, enabling us to provide a one-stop procurement, production, and sales logistics service.

Medium-term Management Plan 2022

Goal: Realization of complex logistics services that start from warehouses

Basic Strategy 1

Securing of stable revenues by leveraging warehouse assets

- Secure stable revenues by realizing SCM logistics, such as consolidated cargo transport to overseas local subsidiaries and door-to-door integrated transportation services, starting from port warehousing
- Expand our handling in the automotive and electronic components fields by providing SCM logistics in collaboration with Group companies
- Maintenance and renewal of aging facilities toward the realization of sustainable logistics

Basic Strategy 2

Creation of growth opportunities by developing highly functional services that start from warehouses

- Establish ourselves in the healthcare area as a "one-stop logistics player," handling everything from international logistics to storage and delivery
- Use our nationwide logistics facilities and logistics expertise in a wide range of industries to create high-value-added growth businesses such as EC logistics and SustainaLink

Basic Strategy 3

Realization of overwhelming field capabilities

- Harmonization of services and establishment of a culture of continuous improvement by turning logistics know-how into explicit knowledge through defining procedures and standardization
- Through the introduction of IT systems, work to accumulate logistics technologies and streamline services, while building a service system that contributes fully to understanding customer needs and implementing SCM logistics

Initiatives up to '24/3

- Visualizing CO₂ emissions of individual automobile parts in international logistics on a per-part basis
- Real logistics proposals driven by CO₂ emission calculations using SustainaLink
- Acquisition of new customers in the healthcare area through in-Group collaboration
- Acquisition of new projects in the luxury brand field

Future Initiatives

- Acquire new customers through coordination with the MSH Strategic Sales Division and the Supply Chain Sustainability Sales Division
- Launch operations for new shippers in the luxury brand field
- Maintenance and renewal of existing facilities

- Visualizing current manuals to transition to more appropriate procedures
- Visualizing work instructions by standardizing work processes at model offices

- Standardize the support provided and burden placed on different regions through the shift to paperless operations
- Horizontal expansion of initiatives at model offices
- Standardize workloads through DX

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MITSUI-SOKO Co., Ltd.

Logistics/Port Transportation | Airfreight Forwarding | 3PL/LLP | Land Transportation | Real Estate Business

Overseas Logistics

For more details on business areas, please visit: <https://www.mitsui-soko.com/en/company/group/msc>

Business Details	
Main products handled	Chemicals, food raw materials, consumer goods
Region	Northeast Asia, Southeast Asia, Europe, Americas, Middle East
Major clients	Chemical manufacturers, machinery manufacturers, consumer goods manufacturers, general trading companies

In the overseas logistics business division, we are providing the same high-quality logistics services as in Japan, such as storage/cargo handling, transportation, and a variety of other distribution services, to support the supply chains of our customers who are expanding globally. We will provide optimal solutions that match the local conditions of each country and contribute to our customers' global business based on the overseas network that we have developed in 14 countries and regions around the world since our establishment in the United States in 1971.

Strengths and Environmental Awareness

Strengths	<ul style="list-style-type: none"> ▶ Global network of approximately 100 business sites in 14 countries and regions ▶ Flexibility in adapting to local laws and regulations and adapting to regional characteristics ▶ Excellent client portfolio that mainly consists of major Japanese companies 	Having been in the overseas logistics business for more than 50 years, we provide the same high-quality logistics services as in Japan by using our global network that has been expanded to countries around the world and our responsiveness backed by experience.
Environmental awareness	<p>Opportunities and Risks (External environment)</p> <ul style="list-style-type: none"> • Impact on the global supply chain due to uncertainties in world affairs • Changes in each country's national policies, regulations, and logistics conditions • Increase in business needs toward domestic demand in each country due to an increasing world population • Normalization of increase in labor costs <p>Challenges (Internal environment)</p> <ul style="list-style-type: none"> • Cargo portfolio "biased toward raw materials, resources, etc." • Provision of logistics services limited to individual functions, such as storage and transportation 	In overseas logistics, transformational needs are being anticipated in global supply chains due to the destabilizing effects of global affairs and the increased intensity and frequency of natural disasters. At the present time, the main focus is on logistics services for individual functions, such as storage and transportation, but we recognize the need to evolve into SCM logistics going forward.

Main Logistics Areas

Industries	Value Chain	Raw materials/Materials/Parts			Finished goods			Distribution		Main Services
		Procurement logistics	Production logistics	Sales logistics	Procurement logistics	Production logistics	Sales logistics	Procurement logistics	Sales logistics	
Automotive										<ul style="list-style-type: none"> • Storage/cargo handling • Sea cargoes • Import/export services • 3PL • Equipment transportation • Land transportation • Distribution processing
Home appliances										
Precision equipment/Machinery										
Consumer goods										
Food & beverage										
Paper/Pulp										
Chemicals										

Handling large amounts of raw materials and materials, we are developing storage/cargo handling as well as import/export services at our overseas bases. We also handle yard operations for home appliances and consumer goods, and specialize in transporting equipment such as large machinery.

Medium-term Management Plan 2022

Goal Rebuild each base's network while providing logistics network services worldwide

	Basic Strategy 1	Basic Strategy 2	Basic Strategy 3
Basic Strategies	<p>Strengthen revenue base by expanding distribution services for existing customers</p> <ul style="list-style-type: none"> • Expand our service range to integrated logistics and SCM logistics through the promotion of proposal-based sales that efficiently combine the Group's logistics functions • Develop new logistics menus that incorporate elements that anticipate customer needs, such as DX and sustainability, to acquire inter-industry services from existing customers, implement horizontal expansion to new customers, and strengthen our revenue base 	<p>Realization of SCM logistics focusing on automotive and electronic components</p> <ul style="list-style-type: none"> • Designate automotive and electronic components fields as important areas for SCM logistics sales, since this is where there is a need for supply chain transformations and where Japanese companies are actively expanding overseas • Expand business through approaches tailored to the characteristics of each area 	<p>Rebuilding of IT systems base</p> <ul style="list-style-type: none"> • Continue to promote service standardization and efficiency as well as operation cost reductions at each site • Review the functions of existing systems and build systems that contribute to the provision of high-value-added logistics services to customers
Initiatives up to '24/3	<ul style="list-style-type: none"> • Accelerating in-Group collaboration and contracting operations in new sectors • Expanding transactions through SustainaLink logistics proposals including CO₂ emission calculations and BCP response • United States: Acquiring new NVO/FWD customers through collaboration with Japan and enhancing service between El Paso and the West Coast to build an east-west logistics network • Europe: Newly establishing a Rotterdam branch office and generating new business • Asia: Carrying out a modal shift using local ports and continuing to support our customers' SCM by responding to disruptions in marine transport 		<ul style="list-style-type: none"> • Promoting labor-saving using IT and optimizing personnel allocation • Evaluating system rebuilding to streamline operations and improve service quality by integrating different operating systems
Future Initiatives	<ul style="list-style-type: none"> • Accelerate joint Group sales initiatives and acquire pre- and post-operations with NVO as the starting point • Promote high-value-added proposal sales driven by the key words of sustainability and SCM • Promote overseas local demand logistics initiatives to prepare for economic downturns and strengthen our system to handle transactions with non-Japanese companies 	<ul style="list-style-type: none"> • Expand transactions by opening a branch office in Slovakia • Provide container collection services for highly specialized cargo including fixed-temperature, low-temperature, and hazardous goods 	<ul style="list-style-type: none"> • Continue to evaluate systems integration • Streamline through higher frontline cost awareness by visualizing the use of frontline systems and through the standardization of operations

MITSUI-SOKO Co., Ltd.

Logistics/
Port Transportation

Airfreight Forwarding

3PL/LLP

Land Transportation

Real Estate Business



Port Transportation



For more details on business areas, please visit:
<https://www.mitsui-soko.com/en/company/group/msc>

Business Details

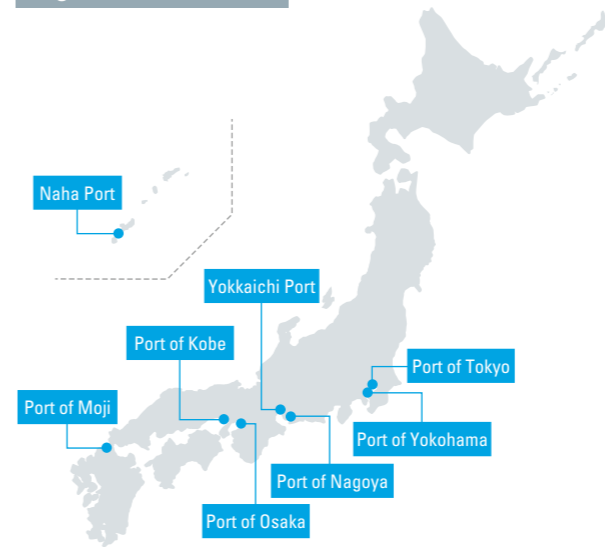
Main products handled	Operation of container terminals, conventional shipping, shipping agency services
Region	Tokyo, Yokohama, Nagoya, Yokkaichi, Osaka, Kobe, Moji, Naha
Major clients	Shipping companies

The port transportation business is one of the Mitsui-Soko Group's founding businesses, and manages container terminal operations, which play a vital role in connecting sea and inland logistics, and wharf operations in major domestic ports. We also provide a wide range of services, including cargo handling operations for conventional and roll-on/roll-off ships, collection of import/export cargo, and shipping agency services, such as arranging shipping arrival/departure applications and issuing bills of lading, serving as an important form of infrastructure that supports people's lives and livelihoods.

Strengths and Environmental Awareness

Strengths	<ul style="list-style-type: none"> Licensed container terminal operator at major domestic ports Know-how in standardizing and consolidating operations cultivated in terminal and agency operations Strategic container sales capabilities mainly targeted at Japan, China, and nearby coastal regions 	Operating container terminal facilities at major ports in Japan, we bring together a wide variety of cargo handling equipment, advanced systems, and many years of accumulated know-how in developing streamlined operations that integrate sequences of operations.
Environmental awareness	<p>Opportunities and Risks (External environment)</p> <ul style="list-style-type: none"> Relative decline of Japanese ports due to expansion of port capacity in neighboring countries such as China Worsening shortage of domestic dockworkers Strengthening of environmental regulations through the Carbon Neutral Port (CNP) concept, etc. Progress of digitalization through the establishment of a comprehensive information system <p>Challenges (Internal environment)</p> <ul style="list-style-type: none"> Strengthening of facility and equipment management Streamlining of container terminal operation methods Business area expansion 	The volume of container handling is recovering. On one side, there is an urgent need to improve and review container terminal operation methods due to the aging of facilities and cargo handling equipment. In addition, our challenge is to develop and foster new core business by strengthening cooperation with Group companies.

Logistics Business Sites



Container terminal operations

In the container terminal facilities of each domestic port, we utilize advanced systems to efficiently provide a series of operations, such as loading and unloading of container cargo onto and off ships, container loading and unloading, and inventory management.

Conventional shipping services

For heavy cargoes such as large vehicles or construction equipment that cannot fit in a container, we offer crating proposals that take into account the cargo's characteristics and stowage planning for conventional ships and perform high-quality cargo handling operations based on many years of accumulated experience.

Shipping agency services

As a contact point in Japan for mainly overseas shipping companies, we undertake documentation-related services for ship port arrival and departure applications and issuances of bills of lading. Also, we conduct safe and stable container collection services.

Medium-term Management Plan 2022

Goal

Expansion of business by integrating container terminal operations ("hard" aspect) and know-how ("soft" aspect), including peripheral services

Basic Strategy 1

Establishment of operational foundation for container terminals that generate stable profits

- Efforts to collect appropriate fees and improve revenues by putting into effect low-cost operations
- Build bases that capitalize on the characteristics of each port by analyzing and verifying modes and appropriate scales of operation
- Expansion of peripheral services that will utilize our facilities through the sharing of information between bases and horizontal expansion of measures

Basic Strategy 2

Commercialization of services by clarifying and improving business know-how

- Collaborate with administrative bodies and different industries through active participation in demonstration projects, etc.
- Develop streamlining tools for shipping companies and port administrators using operational know-how
- Consulting for container terminal operations

Basic Strategy 3

Expansion of service areas utilizing port functions, development of new bases

- Attract non-container shipping services by means of collaboration within the Group, etc.
- Develop new services related to contributing to the SDGs and acquire work
- Expansion of our Okinawa business and entry into wharf operations at new regional ports

Basic Strategies

Initiatives up to '24/3

- Creating new routes for existing shipping companies and attracting new shipping companies to expand into Japan
- Implementing low-cost operations by enhancing support for the management and operations of affiliates
- Creating new hubs and using existing hubs to handle hazardous goods through cooperation with tank container operators

- Contracting research and development operations from the Ministry of Land, Infrastructure, Transport and Tourism related to "optimizing container warehousing plans using AI" jointly with Hitachi, Ltd. and MITSUI E&S Co., Ltd (with the Company providing the operational know-how and testing sites and accumulating and providing the necessary data for technological development)

- Strengthening sales by concluding cargo booking agency contracts with conventional shipping companies
- Expanding the volume of goods handled using the services of existing conventional shipping companies
- Building a transport service network in Okinawa Prefecture based in Naha Port to shift from goods entering and leaving to goods being imported and exported, and to provide warehousing

Future Initiatives

- Continue to create new routes for existing shipping companies and to attract new shipping companies to expand into Japan
- Update terminal operating systems (TOS)

- Continue "optimizing container warehousing plans using AI" contracted by the Ministry of Land, Infrastructure, Transport and Tourism
- Establish unique services by digitizing and standardizing container logistics procedures

- Continue attracting non-container ships
- Develop new transportation services to reduce CO₂ emissions using inland vessels and barges

MITSUI-SOKO EXPRESS Co., Ltd.

Operating revenue ratio **13%**

Logistics/Port Transportation | Airfreight Forwarding | 3PL/LLP | Land Transportation | Real Estate Business

Airfreight Forwarding

For more details on business areas, please visit: <https://www.mitsui-soko.com/en/company/group/mse>



Hisanari Ichiryu
President
MITSUI-SOKO EXPRESS Co., Ltd.

In a drastically changing business environment surrounding customers, MITSUI-SOKO EXPRESS provides sustainable, high-quality logistics services through timely proposals that meet customer needs. We are aiming to remain a first-choice forwarding company and have our customers say, "Let's use MSE again next time."

Business Details

Main products handled	Automotive parts, chemicals, pharmaceuticals, electronic components
Regions	Japan, Northeast Asia, Southeast Asia, South Asia, Europe, Americas, Africa, Middle East
Major clients	Automobile manufacturers, automotive components manufacturers, chemical manufacturers, consumer goods manufacturers, general trading companies, pharmaceutical manufacturers

MITSUI-SOKO EXPRESS was formed as a joint venture between MITSUI-SOKO HOLDINGS and Toyota Motor Corporation in July 2012. We handle a wide range of products and services, such as automotive components, chemicals, pharmaceuticals, apparel, and household relocation services. By leveraging our advanced and specialized knowledge and experience in international transportation, we provide high-quality, comprehensive forwarding services by combining the knowledge and experience with our global network of bases.

Strengths and Environmental Awareness

Strengths	<ul style="list-style-type: none"> High-quality, comprehensive forwarding services cultivated in the automotive and electronic component industries Flexible and speedy response capability in the event of emergency transportation Optimal logistics design and construction capabilities using the functions and air cargo of Mitsui-Soko Group companies 	<p>Our strengths lie in the high quality of logistics that have supported Toyota's logistics, and our ability to respond steadily to customer needs even during the supply chain disruptions caused by COVID-19. Also, by possessing bases all over the world, we can work in tandem with the functions of Mitsui-Soko Group companies in providing global SCM logistics.</p>
Environmental awareness	<p>Opportunities and Risks (External environment)</p> <ul style="list-style-type: none"> Impact on global supply chain caused by uncertainties in world affairs Intensification of competition, normalization of price competition in the air cargo market Changes in market conditions in automotive and electronic component industries <p>Challenges (Internal environment)</p> <ul style="list-style-type: none"> Response to changes in airline market Response to changes in automotive industry 	<p>In addition to the difficulty of forecasting demand in an uncertain global situation, air transportation is a business that is highly susceptible to economic fluctuations. Furthermore, with regard to the automotive industry, which accounts for most of our logistics services, changes in the structure of the industry, such as the shift to EVs, are expected in the years to come.</p>

Main Logistics Areas

Industries	Value Chain	Raw materials/Materials/Parts			Finished goods			Distribution		Main Services
		Procurement logistics	Production logistics	Sales logistics	Procurement logistics	Production logistics	Sales logistics	Procurement logistics	Sales logistics	
Healthcare										<ul style="list-style-type: none"> Air transportation Import/export business Hazardous goods transport Transportation of cold storage products Relocating households overseas
Automotive										
Precision equipment/Machinery										
Consumer goods										
Apparel										
Chemicals										

Mainly providing air transportation services, we handle large volumes of automotive cargo. For consumer goods we provide some EC logistics services, and for apparel we handle select shops and branded products. We also provide transportation services for cargo that require specialist know-how, such as hazardous goods or cold storage products, the regulations for which differ for each country, airline company, and item.

Medium-term Management Plan 2022

Goal To remain a first-choice forwarding company that works closely with customers and aims for efficient and sustainable growth

	Basic Strategy 1	Basic Strategy 2	Basic Strategy 3
Basic Strategies	<p>Expand revenue by increasing cargo collection volumes in existing businesses</p> <ul style="list-style-type: none"> Secure orders for the transportation of key components of EVs that requires legal compliance by leveraging achievements in our specialist area of hazardous goods transportation Improve profitability by grasping changes in industry trends, conducting proposals in anticipation of customer needs, and promoting the overseas expansion of the services we provide in Japan 	<p>Nurturing new customers to improve the customer portfolio</p> <ul style="list-style-type: none"> Acquire inter-industry sales by deepening cooperation within the Mitsui-Soko Group Strengthen sales expansion to customer groups that requires expertise in functional chemicals (e.g., semiconductor materials), pharmaceuticals, etc. Development of services that anticipate measures oriented toward sustainability and industry trends 	<p>Strengthen resource management to respond to fluctuations in demand</p> <ul style="list-style-type: none"> Build a system that can adapt to changes in situation, such as sudden mass transportation projects with short delivery times, and improve operational efficiency Enhance human resource development
Initiatives up to '24/3	<ul style="list-style-type: none"> Expanding our scope of operations with an eye on the transition to EV Forming internal working groups, gauging industry trends and customer needs, continuously studying relevant laws and regulations, and receiving orders for EV-related products Strengthening our business foundation to enhance sales by expanding yard operations in Japan and through additional investment in the northern region of China 	<ul style="list-style-type: none"> Acquiring new customers through Group collaboration Building an international shipping platform between Japan and the U.S. for regenerative medical products through co-creation with external parties and receiving orders for new projects Making proposals to reduce CO₂ emissions and logistics costs through changes to shipping routes and the use of cold-storage packaging materials developed by the Company 	<ul style="list-style-type: none"> Achieving stable service operations through our intra-base support system to handle fluctuations in business volume Providing educational programs to our management in Japan and overseas using our "dojo" training system to improve the safety and quality of operations
Future Initiatives	<ul style="list-style-type: none"> Strengthening relationships with mega-suppliers and general trading companies Through collaboration both in Japan and overseas, expand the scope of our operations to provide one-stop services not limited to transportation but also including pre- and post- processes 	<ul style="list-style-type: none"> Further promoting Group collaboration By establishing new, dedicated sales divisions, we are accelerating new customer development in the semiconductors and pharmaceuticals fields Developing new cold-storage packaging that is highly effective in reducing our environmental burden, collaborating with carriers to introduce sustainable aviation fuel, and making proposals to clients 	<ul style="list-style-type: none"> Streamlining operations using DX to further improve the accuracy of personnel allocation and to promote greater productivity in providing intra-base support Strengthening the development of future overseas management by improving management capabilities using the knowledge gained at the "dojo" on the front lines and by updating our overseas training system

MITSUI-SOKO LOGISTICS CO., LTD.



Logistics/Port Transportation | Airfreight Forwarding | **3PL/LLP** | Land Transportation | Real Estate Business

3PL/LLP (Distribution/Sales logistics)

For more details on business areas, please visit: <https://www.mitsui-soko.com/en/company/group/msl>



Teruo Ishikawa
President & Chief Executive Officer
MITSUI-SOKO LOGISTICS Co., Ltd.

In addition to logistics technologies cultivated so far, MITSUI-SOKO LOGISTICS will continue to evolve and grow based on its track record in mechanization, systemization, and DX. We are always brainstorming and adapting to customer wishes through our originality.

Business Details

Main products handled	Home appliances, consumer goods, interiors, medical devices, food & beverage
Region	Japan
Major clients	Home appliance mass retailers and manufacturers

Having started out as a company providing the logistics functions for home appliance manufacturers, MITSUI-SOKO LOGISTICS focuses on providing 3PL for home appliance mass retailers and manufacturers, as well as handling a wide variety of other products, such as apparel, miscellaneous goods, food, and commercial coffee systems. We are also strengthening technical service businesses, such as in delivery, construction, and installation, as well as in repair, maintenance, and inspection for home appliances and furniture to provide logistics solutions that resolve customer issues.

Strengths and Environmental Awareness

Strengths	<ul style="list-style-type: none"> ▶ Extensive nationwide logistics network in the home appliance field ▶ Provision of high-value-added solution services (business analysis, operation design, robotics, package solutions) 	<p>We provide “consumer electronics retail center management” and “consumer electronics manufacturer logistics” based on our outstanding logistics technology cultivated during our days as a logistics function company for consumer electronics manufacturers. In addition, we provide “technical logistics” including delivery, installation, construction, maintenance, and repair of coffee machines and other products. Our strength lies in our ability to combine these menus and propose solutions that resolve our customers’ needs and issues.</p>
Environmental awareness	<p>Opportunities and Risks (External environment)</p> <ul style="list-style-type: none"> • Market changes in home appliance industry • Changes in business customs and logistics characteristics due to e-commerce expansion • New entrants from different industries due to the progression of equipment industrialization <p>Challenges (Internal environment)</p> <ul style="list-style-type: none"> • High degree of dependence on home appliance logistics • Further strengthening of human resources in response to increased demand 	<p>Home appliance logistics account for the majority of the Company’s logistics services and are therefore affected by the market conditions in the home appliance industry. One trend is home appliance mass retailers expanding services beyond their current store operations by, for example, handling products other than home appliances and developing e-commerce.</p>

Main Logistics Areas

Industries	Value Chain	Raw materials/Materials/Parts			Finished goods			Distribution		Main Services
		Procurement logistics	Production logistics	Sales logistics	Procurement logistics	Production logistics	Sales logistics	Procurement logistics	Sales logistics	
Home appliances										<ul style="list-style-type: none"> • 3PL • LLP • Storage/ cargo handling • BPO • Technical logistics (home delivery installation, repair, etc.)
Consumer goods										
Housing/Interior										
Food & beverage										

We mainly handle home appliances and provide a one-stop logistics service connecting home appliance manufacturers and mass retailers. We are responsible for the downstream logistics areas and, in addition to providing LLP services from logistics strategy planning to operation, also provide technical logistics services, such as home delivery installation and repair for home appliances. For apparel, we operate e-commerce mall logistics, and for housing and interiors, we also provide services such as furniture installation.

Medium-term Management Plan 2022

Goal Assist our customers through our outstanding logistics technologies

Basic Strategies

Basic Strategy 1	Basic Strategy 2	Basic Strategy 3	Basic Strategy 4
Deepen and stabilize the home appliance logistics business	Pursue new business development and solutions businesses	Promotion of mechanization, systemization, and DX	Initiatives for sustainability and development of comfortable working environments
<ul style="list-style-type: none"> • Aim to become a platformer for the home appliance logistics business by expanding the handling of furniture and daily necessities related to living, including home appliance products, and strengthen the logistics functions in the EC field related to these products • Address labor shortages and the improvement of working environments by optimizing the days of operation at centers and frequency of deliveries 	<ul style="list-style-type: none"> • Propose logistics strategies that optimize customers’ whole supply chains, establish a competitive advantage by combining logistics menus, such as technical logistics, to promote the acquisition of new businesses and the expansion of existing ones • Consideration of the construction of our own warehouse for the purpose of co-creation with our customers and nurturing the next generation of logistics talent 	<ul style="list-style-type: none"> • Robust promotion of mechanization, systemization, and DX to help address labor shortages, improve the quality of work, and reduce workloads associated with cargo handling • Operational reforms through redefinition and standardization of operations • Actively adopt new technologies and new systems that are always evolving, such as the introduction of AGVs*1, packing machines, and sorting machines <p><small>*1 Automated Guided Vehicle: Unmanned transport vehicles/robots.</small></p>	<ul style="list-style-type: none"> • Reduce CO₂ emissions throughout the supply chain by promoting LED lighting, introducing environment-friendly packing materials, and joint delivery • Reduce truck waiting times through the introduction of a berth reservation system and create comfortable working environments by streamlining operations utilizing DX
<ul style="list-style-type: none"> • Expanding business with new home appliance manufacturer customers • Gateway center (GWC)*2 business expansion <p><small>*2 Joint logistics platform that provides cargo handling and storage of home appliance manufacturer inventory at home appliance mass retailer logistics centers</small></p>	<ul style="list-style-type: none"> • Receiving orders for consulting projects from existing customers • Receiving orders for LLP services from new customers (home centers, supermarkets, etc.) 	<ul style="list-style-type: none"> • Introducing a transportation and delivery management system • Rollout of bases with AGV and DAS*3 <p><small>*3 Digital assort system: automatic sorting system using digital technology</small></p>	<ul style="list-style-type: none"> • Verification experiments using the SLOC trunk relay transport service • Investing in companies aiming to commercialize logistics with self-driving trucks using self-driving technology • Reducing electricity use and CO₂ emissions through the transition to LED lighting
<ul style="list-style-type: none"> • Reducing shipping base costs by revising delivery days 	<ul style="list-style-type: none"> • Carrying out operations for consulting projects for existing customers • Strengthening LLP solution sales 	<ul style="list-style-type: none"> • Introducing sorting robots and automated packaging machines that can accommodate different sized goods • Expanding bases with AGV and DAS • Introducing BI tools and CRM*4 tools • Promoting paperless operations <p><small>*4 Customer relationship management</small></p>	<ul style="list-style-type: none"> • Considering the installation of solar panels at the Company’s warehouses • Expanding sales channels into the circular economy field • Renovating break rooms to improve employee engagement

Future Initiatives

MITSUI-SOKO Supply Chain Solutions, Inc.

Operating revenue ratio **28%**

Logistics/Port Transportation | Airfreight Forwarding | 3PL/LLP | Land Transportation | Real Estate Business

3PL/LLP (Procurement/Production Logistics)



For more details on business areas, please visit: <https://www.mitsui-soko.com/en/company/group/mssc>



Takayuki Sekitori
President
MITSUI-SOKO Supply Chain Solutions, Inc.

We consider and execute projects together with our customers and society based on a deep understanding of their needs, allowing us to grow together. These relationships and processes that we have cultivated are also reflected in the vision represented in our company name, "supply chains and solutions."

Business Details	
Main products handled	Precision equipment, home appliances
Region	Japan, Southeast Asia
Major clients	Electrical manufacturers, machinery manufacturers

MITSUI-SOKO Supply Chain Solutions, Inc. was established in April 2015 as a joint venture with Sony Corporation. Operating a logistics network in Japan, Thailand, and Malaysia, we provide a wide range of services such as procurement logistics, factory logistics, sales logistics, and repair parts logistics. By combining these logistics functions, we support the optimization of our customers' supply chains.

Strengths and Environmental Awareness

Strengths	<ul style="list-style-type: none"> ▶ Knowledge, experience, and human resources that play roles in global supply chains ▶ On-site capabilities and improvement capabilities cultivated through manufacturer logistics ▶ Supply chain proposal capabilities from being well-versed in both planning and actual logistics based on the manufacturer's perspective 	In addition to wide-ranging services in actual logistics, including services overseas, our strength lies in our ability to propose logistics plans that contribute to our customers' business strategies. Leveraging the experience and knowledge gained in supporting Sony's logistics, we provide end-to-end logistics services by means of our ability to build and execute total supply chains that can respond globally and from the upstream to the downstream.
Environmental awareness	<p>Opportunities and Risks (External environment)</p> <ul style="list-style-type: none"> • Impact from the uncertainty of the international situation on global supply chains • Growing need for outsourcing of logistics by environment change acceleration in each industry • Changes in market conditions and the environment of the electronics industry <p>Challenges (Internal environment)</p> <ul style="list-style-type: none"> • Ability to respond to market changes in the electronics industry • Acquisition and expansion of new business 	Due to the uncertain global situation and dramatic changes in the environment, such as with COVID-19, the electronics industry is also reviewing its products, production areas, and supply chains at an accelerated pace. Our logistics services are also greatly influenced by those of our customers, so we need to further strengthen our ability to respond to market changes in the electronics industry, as well as acquire and expand new businesses.

Main Logistics Areas

Industries	Value Chain	Raw materials/Materials/Parts			Finished goods			Distribution		Main Services
		Procurement logistics	Production logistics	Sales logistics	Procurement logistics	Production logistics	Sales logistics	Procurement logistics	Sales logistics	
Home appliances					■	■	■			<ul style="list-style-type: none"> • 3PL • LLP • Storage/cargo handling • Import/export services • International transportation • Moving/office relocations
Precision equipment/Machinery		■	■	■						

We are responsible for supply chain logistics mainly for manufacturers of precision equipment, machinery, and home appliances. We provide global LLP services from the manufacturer's perspective, from logistics planning that contributes to our customers' business strategies to actual logistics, such as factory logistics and sales logistics.

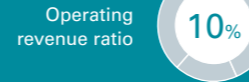
Medium-term Management Plan 2022

Goal The pursuit of supply chains and solutions, as represented in our Company name

	Basic Strategy 1	Basic Strategy 2	Basic Strategy 3
Basic Strategies	<p>Response to change: Expansion and deepening of existing businesses</p> <ul style="list-style-type: none"> • As a supply chain partner of the Sony Group, one of our major clients, promote both global logistics planning and high-quality actual logistics operation services that align with customer needs • Contribute to building optimal total supply chains in coordination with logistics DX initiatives 	<p>Expansion and growth of new business: Unique new business development</p> <ul style="list-style-type: none"> • Armed with our strength to construct a total supply chain from a global manufacturer's perspective with a wealth of experience and know-how, develop a sales strategy that emphasizes "selection and concentration" • Promote growth and expansion through new customer development and new business acquisition 	<p>Strengthen foundation: Continuous evolution of human resources and operational quality</p> <ul style="list-style-type: none"> • To form a high level of expertise and planning ability, enhance talent recruitment and implement systemic training programs, and promote the creation of comfortable working environments • Persistent improvement and enhancement of our service quality by thoroughly implementing quality improvement activities and PDCA cycle management methods
Initiatives up to '24/3	<ul style="list-style-type: none"> • Acquiring services through logistics planning and strengthening actual logistics coordination 	<ul style="list-style-type: none"> • Expanding our handling of home appliances in Thailand and Malaysia using our experiences and knowledge in handling manufacturer logistics, one of our strengths, and in the electronics area • Expanding the provision of services to build and improve logistics together with our customers as a partner by combining SCM improvements and actual logistics operations 	<ul style="list-style-type: none"> • Continuously implementing various engagement policies starting with training to promote male employees taking childcare leave • Reducing the waiting and work time of our drivers and employees by acquiring results in loading and unloading cargo and automatically measuring work time by introducing systems through co-creation with our customers • Continuing quality improvement projects at each of our frontline offices
Future Initiatives	<ul style="list-style-type: none"> • Strengthen relationships of trust by incorporating more BPO services 	<ul style="list-style-type: none"> • Accelerate the acquisition of new customers with LLP proposals by strengthening our business development system • Build a new warehouse in Malaysia to respond to increased volume in the mobility field, one of our focus areas 	<ul style="list-style-type: none"> • Accelerate project activities to improve base costs and quality • Promote human resource development and networking within the Group with an eye on the next generation of employees • Continue engagement improvement policies

• Expand semiconductor storage bases in Kyushu, respond to the existing increase in the volume of materials, and capture new demand

MITSUI-SOKO TRANSPORT Co., Ltd



Logistics/Port Transportation | Airfreight Forwarding | 3PL/LLP | **Land Transportation** | Real Estate Business

Land Transportation

For more details on business areas, please visit: <https://www.mitsui-soko.com/en/company/group/mst>



Atsushi Shigemura
President
MITSUI-SOKO
TRANSPORT Co., Ltd

To achieve the numerical targets in our Medium-term Management Plan 2022, we are focusing on responding to changes in social conditions and the management environment and strengthening our specialist services. We aim to build high-quality logistics services in Japan by organically connecting the core transportation functions of Marukyo Transportation Group and the diverse logistics functions of the Mitsui-Soko Group.

Business Details

Main products handled	Consumer goods, beverages, interior/housing materials, non-prescription pharmaceuticals, paper products
Region	Japan
Major clients	Consumer goods manufacturers and wholesalers, drugstores, beverage manufacturers

MITSUI-SOKO TRANSPORT Co., Ltd. operates and manages a transport network that has at its core Marukyo Logistics, providing logistics services centered on its transportation business. Marukyo Logistics, which owns approximately 1,000 vehicles and uses 2,000 chartered trucks, provides highly efficient logistics by developing high-volume/long-distance hauling, fine-tuned regional joint delivery services, and asset-type 3PL.

Strengths and Environmental Awareness

Strengths	<ul style="list-style-type: none"> ▶ Asset-type operation owning approx. 1,000 vehicles and using about 2,000 leased vehicles at 60 locations nationwide ▶ Completely in-house delivery network and joint delivery system covering the Chugoku and Shikoku areas ▶ Low-cost operation 	Leveraging our nationwide transportation network, especially in the Kansai, Chugoku, and Shikoku regions, we provide a one-stop logistics service that meets the needs of our customers. We achieve this by having developed business extensively, and combining asset-type 3PL, joint delivery, independent transportation and delivery, trunk route transportation, and other services.
Environmental awareness	<p>Opportunities and Risks (External environment)</p> <ul style="list-style-type: none"> • Tighter regulations stemming from 2024 problem and environmental concerns • Soaring fuel costs and increased labor costs due to shortage of drivers • Growing need for combined deliveries/joint logistics <p>Challenges (Internal environment)</p> <ul style="list-style-type: none"> • Responding to labor shortages • Contributing to ESG management 	The transportation industry is facing a difficult business environment due to a shortage of truck drivers and an aging labor force, as well as expected increases in costs due to the recent surge in fuel prices. We believe that joint delivery is a service that contributes to social demands for sustainability and customer cost reductions, and that demand will increase in the years to come.

Main Logistics Areas

Industries	Value Chain	Raw materials/Materials/Parts			Finished goods			Distribution		Main Services
		Procurement logistics	Production logistics	Sales logistics	Procurement logistics	Production logistics	Sales logistics	Procurement logistics	Sales logistics	
Healthcare										<ul style="list-style-type: none"> • Land transportation • 3PL • Storage/cargo handling
Home appliances										
Precision equipment/Machinery										
Consumer goods										
Housing/Interior										
Food & beverage										
Paper/Pulp										

Mainly providing land transportation services, we are responsible for sales distribution from upstream to downstream. With regard to beverages, we also transport ingredients and concentrates between bases, while in the case of daily consumer goods, we provide a service that integrates not only transportation, but also storage services.

Medium-term Management Plan 2022

Goal

Provide new value to our customers by integrating base logistics and transportation network logistics

Basic Strategies

	Basic Strategy 1	Basic Strategy 2	Basic Strategy 3
	<p>Expansion of transportation network in western Japan</p> <ul style="list-style-type: none"> • Focusing on products destined for drugstores, build a transportation network across western Japan by enhancing and extending the joint delivery network, which is a strength of this business, in the Chugoku and Kyushu areas 	<p>Improvements in income and expenditure through visualization of joint delivery operations</p> <ul style="list-style-type: none"> • In joint delivery operations, where it is difficult to ascertain the actual costs for each customer due to the mixed loading of products from multiple customers, improve income and expenditure by promoting the visualization of services carried out for each customer and thoroughly managing income and expenditure 	<p>Improving service quality and reinforcing transportation safety management system</p> <ul style="list-style-type: none"> • Improve working quality through the standardization of services via DX promotion and the development of human resources who are capable of improving KPI management and frontline services • Increase employee engagement through ongoing work-style reforms • Strengthen transportation safety management system by leading Group-wide initiatives, including the unification of transportation safety standards
Initiatives up to '24/3	<ul style="list-style-type: none"> • Expanding logistics center operations in line with store expansion by our drugstore customers • Attracting vendor hubs to the logistics centers of our drugstore customers and realizing shared warehousing 	<ul style="list-style-type: none"> • Optimization of collection fees • Introducing a framework to manage budgets on an individual base level and visualizing revenue 	<ul style="list-style-type: none"> • Enhancing efficient worker allocation based on KPI analysis at the Marukyo Ehime location • Ensuring safe transportation management systems, including our response to the 2024 problem (reducing total hours spent working) and collaborating with the Safety Subcommittee of the Sustainability Committee • Researching the introduction of voice-driven picking systems and machine-operated pallet rack systems
Future Initiatives	<ul style="list-style-type: none"> • Establish a vendor center in the Chugoku and Shikoku regions for our beverage wholesaler and drugstore customers 	<ul style="list-style-type: none"> • Continue to optimize collection fees • Identify unprofitable transportation services through management accounting on an individual base level and make fundamental improvements to revenue 	<ul style="list-style-type: none"> • Horizontal development of warehouse operations streamlining based on KPI analysis • Further strengthen operations management systems • Evaluate the introduction of tools to streamline warehouse operations • Trial introduction of RPA aimed at streamlining performance management • Apply heat-shielding paint to the roofs of two facilities as a measure to combat extreme heat and improve work environments and expand the measure to other facilities

MITSUI-SOKO HOLDINGS Co., Ltd.



- Logistics/Port Transportation
- Airfreight Forwarding
- 3PL/LLP
- Land Transportation
- Real Estate Business**



Holding Company and the Real Estate Business



For more details on business areas, please visit: <https://www.mitsui-soko.com/en/>



Hirobumi Koga

President & CEO
MITSUI-SOKO HOLDINGS Co., Ltd.

As a holding company with the two important roles of providing Group management functions and running the real estate business, MITSUI-SOKO HOLDINGS Co., Ltd. will steadily implement the strategies laid out in our Medium-term Management Plan 2022. Aiming to be a co-creative logistics solutions partner, we will work to realize the medium- to long-term sustainable growth of the Mitsui-Soko Group.

Business Details

Group Management Strategy Formulation and Management

Under our PURPOSE of “Empower society, encourage progress,” we will implement management strategies including sustainability and DX promotion, as well as medium-term management plans, to enhance the Group’s corporate value and achieve sustainable growth for society and our customers. Under Medium-term Management Plan 2022, the three growth strategy pillars—Top-line Growth by Mobilizing the Group’s Collective Strength, Reinforcement of Operational Competitiveness, and Building Management Foundations to Support the Deepening—will steadily take effect, in order to realize the Group’s VISION of becoming “The co-creative logistics solutions partner. For every day, emergency, and always will be.”

Real Estate Business

Our real estate business operates and manages office buildings, including the MSH Nihonbashi Hakozaki Building, MSC Center Building, and MSC Onarimon Building, as well as rental condominiums. Each building has many tenant companies and produces stable revenue, but to further enhance corporate value through effective use of owned assets, we will promote corporate real estate measures, provide management and operational support for the Group’s logistics real estate, and focus on capital investment with market competitiveness in mind.

Major Properties under Management

Purpose	Region	Name	Total floor area
Office	Tokyo	MSH Nihonbashi Hakozaki Building	135,887m ²
		MSC Center Building	32,507m ²
		MSC Onarimon Building	10,516m ²
		MSC Fukagawa Building	14,199m ²
		MSC Fukagawa Building No.2	22,046m ²
Total		Five properties	215,155m ²

Purpose	Region	Name	Rental units
Residence	Tokyo	Hakozaki River & Tower	99 units
		Park Axis Onarimon	52 units
	Osaka	Port Villa Utsubo Park	108 units
Total		Three properties	259 units

Medium-term Management Plan 2022

Goal

Strengthening our business revenue platform with an awareness of tenant mix by promoting the transition to multi-tenant buildings in our owned real estate

Basic Strategy 1

Promotion of corporate real estate measures

Basic Strategies

- From the standpoint of the effective use of our owned assets, we will broadly consider new investments in our real estate business
- Through construction to increase the value of our MSH Nihonbashi Hakozaki Building (“the building”), we will transition to a multi-tenant office building and strengthen the revenue base of our real estate business
- We will transform the building into an environment-friendly office building to promote productivity and contribute to achieving sustainability for our tenants

Basic Strategy 2

Management and support of the Group’s logistics real estate

- Broadly consider investment in logistics facilities, including reshuffling our asset portfolio
- Manage high-value-added logistics facilities, such as designing those capable of handling cutting-edge medical products in the healthcare field, in addition to handling maintenance and renewal of aging facilities
- Evaluate energy-saving measures including converting to LED lighting, upgrading climate control equipment, and installing solar power generation equipment to build sustainable logistics facilities, including reducing CO₂ emissions

Initiatives up to '24/3

- In the MSH Nihonbashi Hakozaki Building, one of our main office buildings, we extended a contract with our main tenant company by concluding a multi-year fixed-term lease that started in May 2024 for 10 floors of the building

Future Initiatives

- Promote leasing at the MSH Nihonbashi Hakozaki Building, aiming for full occupancy by the final year of the Medium-term Management Plan
- Consolidate the offices of our Group companies at the MSH Nihonbashi Hakozaki Building
- Carry out leasing at the MSC Onarimon Building and the MSC Center Building

Illustration of Multi-Tenant MSH Nihonbashi Hakozaki Building

