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# MITSUI & CO., LTD.

## Other Items Subject to Measures for Electronic Provision for the 105th Ordinary General Meeting of Shareholders (Items Excluded From Paper-Based Documents)

### Business Report

Current Status of the Company, etc. _____	1
Subscription Rights to Shares, etc. _____	9
Details of Independent Auditor _____	10
Necessary Systems to Ensure Appropriate Operations and Status of Operations of the Systems _____	11

### Consolidated Financial Statements

Consolidated Statements of Changes in Equity _____	17
Consolidated Statements of Comprehensive Income [Supplementary Information] (Unaudited) _____	18
Segment Information [Supplementary Information] (Unaudited) _____	19
Notes to Consolidated Financial Statements _____	21

### Non-Consolidated Financial Statements

Statements of Changes in Equity _____	51
Notes to Non-Consolidated Financial Statements _____	53

## Reference

Equity Securities Held [Supplementary Information]	62
Appointment Standards for Directors and Audit & Supervisory Board Members and Criteria of Independence for External Members	74

## Current Status of the Company, etc.

### 1. Principal group business (As of March 31, 2024)

Mitsui & Co., Ltd. (the “Company”, “Mitsui” or “we”) and its consolidated subsidiaries have businesses in areas including Mineral & Metal Resources, Energy, Machinery & Infrastructure, Chemicals, Iron & Steel Products, Lifestyle, and Innovation & Corporate Development. The Company engage in a diverse range of business activities including the trading of commodities, manufacturing, transportation, and financing, making full use of our global network of offices and information outreach. Furthermore, the Company and its consolidated subsidiaries are engaged in a wide range of initiatives that include the development of natural resources and infrastructure projects, business investments related to the environment, new technologies, next-generation fuels and wellness, and value creation that leverages digital tools.

### 2. Principal group offices (As of March 31, 2024)

The Company has 10 domestic offices and branches in Japan in addition to its head office and 114 overseas offices, branches and trading affiliates. The principal entities are as follows:

■ Head Office	Chiyoda-ku, Tokyo
■ Domestic Offices	Hokkaido Office (Sapporo), Tohoku Office (Sendai), Chubu Office (Nagoya), Hokuriku Office (Toyama), Kansai Office (Osaka), Shikoku Office (Takamatsu), Chugoku Office (Hiroshima), Kyushu Office (Fukuoka)
■ Overseas: Trading Affiliates	MITSUI & CO. (U.S.A.), INC. MITSUI & CO. EUROPE PLC (United Kingdom) MITSUI & CO. (ASIA PACIFIC) PTE. LTD. (Singapore)

Note: For information regarding the status of important subsidiaries and equity accounted investees, as well as the number of consolidated subsidiaries, including overseas offices, and equity accounted investees, see “Principal Subsidiaries” on pages 51-52 of Notice of the 105th Ordinary General Meeting of Shareholders.

### 3. Shares of Mitsui & Co., Ltd. (As of March 31, 2024)

■ Number of shares authorized:	2,500,000,000 shares
■ Number of shares issued:	1,513,589,168 shares (including 8,957,500 shares of treasury stock)
■ Number of shareholders:	317,422 shareholders

Note 1: During FY March 2024, the Company purchased (i) 14,666,900 of its own shares from April 1, 2023 to July 7, 2023, at a total amount of 69,999,906,144 yen through market purchases, via auction market on the Tokyo Stock Exchange, as resolved at Board of Directors meeting held on November 1, 2022 and February 3, 2023, and (ii) 9,098,800 of its treasury stocks at a total amount of 49,999,966,818 yen through market purchases on the Tokyo Stock Exchange, as resolved at the meeting of the Board of Directors held on October 31, 2023.

Note 2: The number of shares issued decreased by 31,297,500 shares as a result of having cancelled (i) 22,198,700 shares of treasury stock as of August 31, 2023, as resolved at the meetings of the Board of Directors held on November 1, 2022 and February 3, 2023, and (ii) 9,098,800 shares of treasury stock as of February 15, 2024, as resolved at the meeting of the Board of Directors held on October 31, 2023.

Note 3: At Board of Directors meeting held on May 1, 2024, the Company resolved to conduct a share split and to amend the Articles of Incorporation in conjunction with the share split. In accordance with the share split, the Company’s Articles of Incorporation will be amended and the number of shares authorized will be changed to 5,000,000,000 shares, effective July 1, 2024, by resolution of the Board of Directors in accordance with the provisions of Article 184, Paragraph 2 of the Companies Act of Japan.

#### 4. Principal shareholders (As of March 31, 2024)

Name of Shareholder	Investment in the Company	
	Number of shares (thousands)	Investment ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	243,426	16.17
BNYM AS AGT / CLTS 10 PERCENT	137,862	9.16
Custody Bank of Japan, Ltd. (trust account)	86,223	5.73
JP MORGAN CHASE BANK 385632	35,475	2.35
Nippon Life Insurance Company	35,070	2.33
STATE STREET BANK WEST CLIENT – TREATY 505234	24,704	1.64
Barclays Securities Japan Limited	20,000	1.32
JP MORGAN CHASE BANK 385781	19,983	1.32
NATSCUMCO	16,476	1.09
SSBTC CLIENT OMNIBUS ACCOUNT	16,196	1.07

Note 1: The number of shares is rounded down to the nearest thousand.

Note 2: The Company holds 8,957,500 shares of treasury stock as of March 31, 2024. The investment ratios are calculated excluding treasury stock and rounded down to two decimal places.

#### 5. Shares of Mitsui & Co., Ltd. delivered to Directors and Audit & Supervisory Board Members as consideration for execution of duties during FY March 2024

	Number of shares	Number of persons eligible for delivery
Directors (Excluding External Directors)	112,365	9
External Directors	0	0
Audit & Supervisory Board Members	0	0

Note 1: The information regarding the stock-based remuneration is described on pages 56-60 of the “Notice of the 105th Ordinary General Meeting of Shareholders”.

Note 2: The above-listed 112,365 shares include 15,665 shares that were granted to one of the current Directors after vesting based on tenure-linked restricted stock units granted as consideration for the performance of duties as a managing officer.

#### 6. Group employees

(Persons)

Operating Segment	Total Number of Company and Consolidated Subsidiary Employees		Total Number of Company Employees	
	As of March 31, 2023	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024
Mineral & Metal Resources	619	631	284	292
Energy	1,093	1,212	459	465
Machinery & Infrastructure	17,174	13,363	809	779
Chemicals	7,286	7,346	766	758
Iron & Steel Products	1,262	1,667	256	244
Lifestyle	8,772	18,159	841	811
Innovation & Corporate Development	7,425	7,974	492	493
(Other)	3,180	3,250	1,542	1,577
Total (Compared with FY March 2023)	<b>46,811</b>	<b>53,602</b> <b>(+6,791)</b>	<b>5,449</b>	<b>5,419</b> <b>(-30)</b>

Note: The above employee figures do not include contract employee, temporary staff, or part-time staff.

**7. Principal sources of borrowings (As of March 31, 2024)**

(Mn JPY)

Source of Borrowings	Amount Borrowed by the Company
MITSUI & CO. FINANCIAL SERVICES (AUSTRALIA) LTD.	578,413
Sumitomo Mitsui Banking Corporation	327,911
MUFG Bank, Ltd.	282,544
Japan Bank for International Cooperation	278,198
Nippon Life Insurance Company	222,000
Meiji Yasuda Life Insurance Company	216,000
Sumitomo Mitsui Trust Bank, Limited	166,269
TAIJU LIFE INSURANCE COMPANY LIMITED	147,000

Note: Amounts are rounded down to the nearest 1.0 million yen.

## 8. Status of Directors, Officers and Audit & Supervisory Board Members

### 1. Managing Officers (As of April 1, 2024) \* Serves concurrently as Director

Title		Name	Principal Position(s) / Areas Overseen
*	President and Chief Executive Officer	Kenichi Hori	CEO (Chief Executive Officer)
*	Executive Vice President	Yoshiaki Takemasu	CHRO (Chief Human Resources Officer); CCO (Chief Compliance Officer); Corporate Staff Units (Secretariat, Human Resources & General Affairs Division, Logistics Strategy Division); BCM (Business Continuity Plan Management); Japan Bloc; Europe Bloc; Middle East and Africa Bloc; CIS Bloc
	Executive Vice President	Sayu Ueno	COO (Chief Operating Officer) of Americas Business Unit
*	Senior Executive Managing Officer	Kazumasa Nakai	Nutrition & Agriculture Business Unit; Food Business Unit; Retail Business Unit; Wellness Business Unit; Americas Business Unit
*	Senior Executive Managing Officer	Tetsuya Shigeta	CFO (Chief Financial Officer); Corporate Staff Units (CFO Planning & Administrative Division, Global Controller Division, Finance Division, Risk Management Division, Investor Relations Division, Financial Management & Advisory Division I, II, III and IV)
*	Senior Executive Managing Officer	Makoto Sato	CSO (Chief Strategy Officer); Corporate Staff Units (Corporate Planning & Strategy Division, Investment Administrative Division, Corporate Communications Division, Corporate Sustainability Division)
*	Senior Executive Managing Officer	Toru Matsui	CDIO (Chief Digital Information Officer); Integrated Digital Strategy Division; Energy Business Unit I; Energy Business Unit II; Basic Materials Business Unit; Performance Materials Business Unit; IT & Communication Business Unit
*	Senior Executive Managing Officer	Tetsuya Daikoku	Energy Solutions Business Unit; Infrastructure Projects Business Unit; Mobility Business Unit I; Mobility Business Unit II; Asia Pacific Business Unit
	Senior Executive Managing Officer	Yoshiki Hirabayashi	General Manager of Human Resources & General Affairs Division
	Senior Executive Managing Officer	Yuki Kodera	President of Mitsui & Co. (Brasil) S.A.
	Senior Executive Managing Officer	Takashi Furutani	COO (Chief Operating Officer) of Asia Pacific Business Unit
	Executive Managing Officer	Yuichi Takano	General Counsel; Corporate Staff Units (Audit & Supervisory Board Member Division, Strategic & Administrative Legal Division, Business Legal Division)
	Executive Managing Officer	Tetsuya Fukuda	Iron & Steel Products Business Unit; Mineral & Metal Resources Business Unit; Corporate Development Business Unit; East Asia Bloc; Mitsui & Co. Korea Ltd.
	Executive Managing Officer	Shinichi Kikuchihara	President & CEO of P.T. Mitsui Indonesia
	Executive Managing Officer	Yuji Mano	General Manager of Integrated Digital Strategy Division
	Executive Managing Officer	Yoichiro Endo	COO (Chief Operating Officer) of Wellness Business Unit
	Executive Managing Officer	Hiroshi Kakiuchi	President of Mitsui & Co. (Thailand) Ltd.
	Executive Managing Officer	Kiyoshi Mori	Deputy Chief Strategy Officer (Energy Business Unit I; Energy Business Unit II)
	Executive Managing Officer	Atsushi Kawase	General Manager of Internal Auditing Division

Title	Name	Principal Position(s) / Areas Overseen
Executive Managing Officer	Takeshi Akutsu	Chief Representative of Japan Bloc (General Manager of Osaka Office)
Executive Managing Officer	Kenichiro Yamaguchi	COO (Chief Operating Officer) of Energy Business Unit II
Managing Officer	Masato Sugahara	Chair & CEO of Mitsui & Co. (Australia) Ltd.
Managing Officer	Yoshiyuki Enomoto	Country Chair in India
Managing Officer	Makoto Takasugi	COO (Chief Operating Officer) of Iron & Steel Products Business Unit
Managing Officer	Isao Kohiyama	COO (Chief Operating Officer) of IT & Communication Business Unit
Managing Officer	Tetsu Watanabe	COO (Chief Operating Officer) of Nutrition & Agriculture Business Unit
Managing Officer	Toru Iijima	COO (Chief Operating Officer) of Energy Business Unit I
Managing Officer	Koichi Wakana	COO (Chief Operating Officer) of Infrastructure Projects Business Unit
Managing Officer	Makoto Tanaka	General Manager of Finance Division
Managing Officer	Masaya Inamuro	COO (Chief Operating Officer) of Mineral & Metal Resources Business Unit
Managing Officer	Daisuke Ishida	COO (Chief Operating Officer) of Corporate Development Business Unit
Managing Officer	Hidemi Takani	President & CEO of Mitsui Global Strategic Studies Institute
Managing Officer	Masao Kurihara	General Manager of Global Controller Division
Managing Officer	Junji Fukuoka	COO (Chief Operating Officer) of Basic Materials Business Unit
Managing Officer	Masaya Tokutani	Chief Representative of East Asia Bloc
Managing Officer	Yukinobu Nakano	Chief Representative of Europe Bloc
Managing Officer	Maroshi Tokoyoda	COO (Chief Operating Officer) of Mobility Business Unit I
Managing Officer	Takuya Shirai	COO (Chief Operating Officer) of Mobility Business Unit II
Managing Officer	Chisato Onda (Eiki)	General Manager of Corporate Sustainability Division
Managing Officer	Taichi Nagino	General Manager of Financial Management & Advisory Division III
Managing Officer	Kazuki Shimizu	General Manager of Investment Administrative Division
Managing Officer	Tetsuya Koide	Deputy COO (Chief Operating Officer) of Americas Business Unit
Managing Officer	Masahiko Kurahashi	Director of PT CT Corpora (located in Jakarta)
Managing Officer	Yutaka Sano	COO (Chief Operating Officer) of Food Business Unit
Managing Officer	Teruya Mogi	COO (Chief Operating Officer) of Performance Materials Business Unit
Managing Officer	Naoharu Asaumi	COO (Chief Operating Officer) of Retail Business Unit
Managing Officer	Yasuhiro Uchida	COO (Chief Operating Officer) of Energy Solutions Business Unit

## 2. External Directors and External Audit & Supervisory Board Members

### (1) External Directors

The following is a summary of the activities of External Directors and the duties they performed in relation to the roles expected of External Directors.

<p>Samuel Walsh (Director since June 2017)</p>	<p>Mr. Walsh participated in all 13 Board of Directors meetings held during the fiscal year ended March 31, 2024. He makes proposals and suggestions from a broad-minded standpoint based on his global expertise, excellent management skills, and abundant business management experience cultivated through his long years working in upper management within the automobile industry and as chief executive officer of an international natural resources company, making significant contributions to active discussions at the Board of Directors meetings, and to improving the effectiveness of said meetings. In the fiscal year ended March 31, 2024, he served as a member of the Governance Committee (attending all five such meetings), and actively provided his opinions with the aim of creating a more effective governance system.</p>
<p>Takeshi Uchiyamada (Director since June 2019)</p>	<p>Mr. Uchiyamada participated in all 13 Board of Directors meetings held during the fiscal year ended March 31, 2024. He has long been involved in research and development on environmental and safety technologies at Toyota Motor Corporation that could realize a mobility society responding to the needs of the times, as well as in the development of products demanded by consumers, and has exercised his excellent managerial skills as an executive officer of Toyota Motor Corporation. At the Board of Directors meetings, he makes many proposals and suggestions from a broad-minded standpoint based on his management experience at a global company and his in-depth knowledge of society in general, and makes significant contributions to active discussions at the Board of Directors meetings, and to improving the effectiveness of said meetings. In the fiscal year ended March 31, 2024, he served as the chair of the Nomination Committee (attending all four such meetings) and exercised strong leadership in enhancing the transparency and effectiveness of the procedures for the appointment of executives.</p>
<p>Masako Egawa (Director since June 2020)</p>	<p>Ms. Egawa participated in all 13 Board of Directors meetings held during the fiscal year ended March 31, 2024. She has made significant contributions to active discussions at the Board of Directors meetings, and to improving effectiveness of such meetings, based on her deep insight in finance and corporate management gained through her experience of management as a director of the University of Tokyo and the chancellor of Seikei Gakuen, her many years of experience working at global financial institutions, and her research on management of Japanese companies and corporate governance. In the fiscal year ended March 31, 2024, she served as a member of the Governance Committee (attending all five such meetings) and actively provided her opinions with the aim of creating a more effective governance system. In addition, as a member of the Remuneration Committee (attending all seven such meetings), she contributed to the discussions related to the executive remuneration system.</p>

<p>Fujiyo Ishiguro (Director since June 2023)</p>	<p>Ms. Ishiguro participated in all nine Board of Directors meetings held since she took her position during the fiscal year ended March 31, 2024. She has made significant contributions to active discussions at the Board of Directors meetings, and to improving effectiveness of such meetings, based on her profound insights about business management through her experience as an external director of listed companies, in addition to her advanced knowledge of business management and the IT/DX sector gained through her many years of experience as an IT entrepreneur. In the fiscal year ended March 31, 2024, she served as a member of the Nomination Committee (attending all four such meetings) and contributed to the discussions with the aim of enhancing the transparency and effectiveness of the procedures for the appointment of executives.</p>
<p>Sarah L. Casanova (Director since June 2023)</p>	<p>Ms. Casanova participated in all nine Board of Directors meetings held since she took her position during the fiscal year ended March 31, 2024. She amassed extensive knowledge of the international consumer business through her experience working for McDonald's in North America, the CIS, and Southeast Asia. She served as Chief Executive Officer of McDonald's Company (Japan) from 2013 to 2019 and demonstrated her excellent management acumen by realizing a dramatic improvement in the company's performance as well as growth strategies. At the Board of Directors meetings, she makes many proposals and suggestions from a broad-minded standpoint based on her deep knowledge in the consumer business and business management experience at the global company, and makes significant contributions to active discussions at the Board of Directors meetings, and to improving the effectiveness of said meetings. In the fiscal year ended March 31, 2024, she served as a member of the Governance Committee (attending all four such meetings held since she assumed the position of Director in June 2023) and actively provided her opinions with the aim of creating a more effective governance system.</p>
<p>Jessica Tan Soon Neo (Director since June 2023)</p>	<p>Ms. Tan participated in all nine Board of Directors meetings held since she took her position during the fiscal year ended March 31, 2024. She has made significant contributions to active discussions at the Board of Directors meetings, and to improving effectiveness of such meetings, based on her profound knowledge of business management through her role as an external director of listed companies in Singapore, in addition to her knowledge of the IT/DX sector gained through her experience working for IBM and Microsoft. In parallel with her business career, she was elected as a Member of Parliament of Singapore in 2006 and is currently serving as the Deputy Speaker of the Parliament of Singapore, making a wide range of contributions to the public interest. In the fiscal year ended March 31, 2024, as a member of the Remuneration Committee (attending all four such meetings held since she assumed the position of Director in June 2023), she contributed to the discussions related to the executive remuneration system.</p>

## (2) External Audit & Supervisory Board Members

The following is a summary of activities of External Audit & Supervisory Board Members.

<p>Kimitaka Mori (Audit &amp; Supervisory Board Member since June 2017)</p>	<p>Mr. Mori participated in all 13 Board of Directors meetings and 18 of 19 Audit &amp; Supervisory Board meetings held during the fiscal year ended March 31, 2024. He offered advice and expressed opinions based on his knowledge and experience gained as a certified public accountant. In the fiscal year ended March 31, 2024, as the chair of the Remuneration Committee (attending all seven such meetings), he exercised strong leadership in discussions related to the executive remuneration system.</p>
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Yuko Tamai (Audit & Supervisory Board Member since June 2022)	Ms. Tamai participated in all 13 Board of Directors meetings and all 19 Audit & Supervisory Board meetings held during the fiscal year ended March 31, 2024. She offered advice and expressed opinions based on her knowledge and experience gained as an attorney at law. In the fiscal year ended March 31, 2024, as a member of the Governance Committee (attending all five such meetings), she actively provided opinions that contribute to developing more effective and objective governance.
Makoto Hayashi (Audit & Supervisory Board Member since June 2023)	Mr. Hayashi participated in eight of nine Board of Directors meetings and 12 of 13 Audit & Supervisory Board meetings held since he took his position during the fiscal year ended March 31, 2024. He offered advice and expressed opinions based on his advanced insight into governance and risk management cultivated through his many years of experience as a public prosecutor. In the fiscal year ended March 31, 2024, as a member of the Nomination Committee (attending three of four such meetings), he contributed to the discussions with the aim of enhancing the transparency and effectiveness of the procedures for the appointment of executives.

(Reference)

Member composition of the Company's Audit & Supervisory Board after the Ordinary General Meeting of Shareholders on June 19, 2024 (intended)

	Name	Age		Position in the Company	Term of office for Audit & Supervisory Board Member	Governance Committee	Nomination Committee	Remuneration Committee
1	Kimiro Shiotani	63	Incumbent	Full-time Audit & Supervisory Board Member	5 years			
2	Hirotsu Fujiwara	63	Incumbent	Full-time Audit & Supervisory Board Member	1 year			
3	Kimitaka Mori	66	Incumbent External Independent	Audit & Supervisory Board Member	7 years			○
4	Yuko Tamai	58	Incumbent External Independent	Audit & Supervisory Board Member	2 years	○		
5	Makoto Hayashi	66	Incumbent External Independent	Audit & Supervisory Board Member	1 year		○	

Note: "Independent" indicates that the person meets the independence criteria of the Tokyo Stock Exchange and the Company.

## Subscription Rights to Shares, etc.

### Overview of the Subscription Rights to Shares, etc. Granted to and Held by Officers, etc. of the Company as Compensation for Execution of Duties as of March 31, 2024

#### (1) Subscription Rights to Shares Held by Directors, Audit & Supervisory Board Members, and Managing Officers

Year of issuance (Date of resolution of issuance)	Number of subscription rights to shares	Class and number of shares to be issued	Issue price	Amount of assets to be contributed upon exercise	Exercise period
FY March 2015 (July 4, 2014)	39	3,900 shares of common stock	Issued without contribution	1yen per share	From July 28, 2017 to July 27, 2044
FY March 2016 (July 8, 2015)	41	4,100 shares of common stock	Issued without contribution	1yen per share	From July 28, 2018 to July 27, 2045
FY March 2017 (July 13, 2016)	53	5,300 shares of common stock	Issued without contribution	1yen per share	From July 29, 2019 to July 28, 2046
FY March 2018 (July 5, 2017)	525	52,500 shares of common stock	Issued without contribution	1yen per share	From July 20, 2020 to July 19, 2047
FY March 2019 (July 4, 2018)	656	65,600 shares of common stock	Issued without contribution	1yen per share	From July 25, 2021 to July 24, 2048
FY March 2022 (May 13, 2021)	90	9,000 shares of common stock	Issued without contribution	1yen per share	From May 31, 2024 to May 30, 2051

#### (2) Breakdown

Year of issuance (Date of resolution of issuance)	Directors (excluding External Directors)		Audit & Supervisory Board Members		Managing Officers	
	Number of subscription rights to shares	Number of holders	Number of subscription rights to shares	Number of holders	Number of subscription rights to shares	Number of holders
FY March 2015 (July 4, 2014)	39	1	–	–	–	–
FY March 2016 (July 8, 2015)	41	1	–	–	–	–
FY March 2017 (July 13, 2016)	53	1	–	–	–	–
FY March 2018 (July 5, 2017)	481	2	–	–	44	1
FY March 2019 (July 4, 2018)	440	3	–	–	216	6
FY March 2022 (May 13, 2021)	90	1	–	–	–	–

Note 1: Stock-based compensation stock option with stock price conditions for Officers have been abolished pursuant to a resolution of the Ordinary General Meeting of Shareholders held on June 20, 2019.

Note 2: The holding status for Managing Officers who concurrently serve as Directors is listed in the Directors field.

Note 3: The class and total number of shares to be issued upon exercise of subscription rights to shares as of March 31, 2024 (including those held by retirees) was 371,800 shares of common stock.

[Details of Stock Price Conditions]

1. Holders of subscription rights to shares may no longer exercise the subscription rights to shares after a period of ten years has elapsed from the day after the holders lose their positions as Directors, and/or Managing Officers, and/or Audit & Supervisory Board Members of the Company.
2. When the **Company's share price growth rate**\*<sup>1</sup> is equal to or exceeds the **TOPIX (Tokyo Stock Price Index) growth rate**\*<sup>2</sup>, all subscription rights to shares granted may be exercised.
3. When the Company's share price growth rate falls below the TOPIX growth rate, **only part of the subscription rights to shares granted**\*<sup>3</sup> may be exercised.

\*1 The Company's share price growth rate shall be calculated by the formula below based on the Company's share price growth rate for the period of three years from the allotment date to the first date of the exercise period.

A: The average closing price for the Company's common stock on the Tokyo Stock Exchange on each day for the three months immediately before the month in which the first date of the exercise period of the subscription rights to shares falls

B: The total amount of dividends per common stock of the Company for the period from the allotment date to the first date of the exercise period of the subscription rights to shares

C: The average closing price for the Company's common stock on the Tokyo Stock Exchange on each day for the three months immediately before the month on which the allotment date falls

**The Company's stock price growth rate = (A + B) / C**

\*2 The TOPIX growth rate shall be calculated by the formula below based on the TOPIX growth rate for the period of three years from the allotment date to the first date of the exercise period.

D: The average closing share price for TOPIX on the Tokyo Stock Exchange on each day for the three months immediately before the month in which the first date of the exercise period of the subscription rights to shares falls

E: The average closing share price for TOPIX on the Tokyo Stock Exchange on each day for the three months immediately before the month on which the allotment date falls

**TOPIX growth rate = D / E**

\*3 **Number of exercisable subscription rights to shares = Number of subscription rights to shares granted × (the Company's share price growth rate / TOPIX growth rate)**

## Details of Independent Auditor

### 1. Name of Independent Auditor

Deloitte Touche Tohmatsu LLC

### 2. Remuneration Paid to Independent Auditor

The remuneration paid by the Company and its consolidated subsidiaries to the Independent Auditor relating to FY March 2024 is as follows.

(Mn JPY)

Classification	Audit Fees	Non-Audit Fees
The Company	835	23
Consolidated subsidiaries	849	13
Total	1,684	36

Note 1: The Company has not drawn any distinction between the remuneration for the audit services pursuant to the Companies Act of Japan and the Financial Instruments and Exchange Act of Japan in the agreement with the Independent Auditor.

Note 2: Based upon the Practical Guidelines for Cooperation with Independent Auditors released by the Japan Audit & Supervisory Board Members Association, having obtained necessary materials and received reports from Directors, related departments, and the Independent Auditor, and having reviewed the auditing plans, the status of execution of duties by the Independent Auditor, the grounds for calculation of remuneration estimates and other matters in the previous fiscal year, the Audit & Supervisory Board gives consent to remunerations for the Independent Auditor in accordance with Article 399, Paragraphs 1 and 2 of the Companies Act of Japan.

Note 3: Some subsidiaries are subject to audits performed by certified public accountants and audit corporations (including those who have equivalent qualifications in foreign countries) other than the Company's Independent Auditor.

### **3. Non-Audit Services**

The Company has engaged its Independent Auditor to provide “tax-related services”, etc., being services falling outside the scope of Article 2, Paragraph 1 of the Certified Public Accountants Act (non-audit services).

### **4. Policy for Decisions on Dismissal or Non-Reappointment of Independent Auditor**

The Company has the following policy on the dismissal of, and decisions not to reappoint, the Independent Auditor.

- (1) The tenure of the Independent Auditor is one year, and they may be reappointed.
- (2) The election, dismissal and/or non-reappointment of the Independent Auditor is/are resolved by the Audit & Supervisory Board to be referred for discussion and resolution at the General Meeting of Shareholders. The reappointment of the Independent Auditor is determined by resolution of the Audit & Supervisory Board.
- (3) In addition to the case where it is convenient for the Company, in the case that the Independent Auditor has breached or contravened law or regulation such as the Companies Act of Japan or the Certified Public Accountants Act, or has conducted itself in breach of public policy or breached its contract of engagement, the Audit & Supervisory Board considers whether or not it is appropriate to refer the dismissal or non-reappointment of the Independent Auditor to the General Meeting of Shareholders for discussion and resolution.
- (4) The Audit & Supervisory Board may dismiss the Independent Auditor with the approval of each Audit & Supervisory Board Member if the circumstances outlined in the respective provisions of Article 340, Paragraph 1 of the Companies Act of Japan apply.

### **Necessary Systems to Ensure Appropriate Operations and Status of Operations of the Systems**

An outline of “Necessary systems to ensure appropriate operations” (pursuant to Article 362, Paragraph 4, Item 6 of the Companies Act of Japan) of the Company and the status of operations of the systems are as follows. In the fiscal year ended March 31, 2024, to operate the necessary systems to ensure appropriate operations, the Company established and maintained each internal control system by holding physical meetings and carrying out visiting audits in combination with online meetings and/or video messages, etc.

As for the systems above, further details can be found via the following link on the website of the Company (URL: <https://www.mitsui.com/jp/en/company/outline/governance/index.html>).

### **1. Systems to Ensure that Directors and Employees Comply with Laws and Regulations, and the Articles of Incorporation**

- 1) Commitment to “BUSINESS CONDUCT GUIDELINES FOR EMPLOYEES AND OFFICERS OF MITSUI & CO., LTD.” by officers and employees, based on the Company's positioning of compliance with laws and regulations and maintaining ethics as one of the most important issues for all officers and employees in the course of business.
- 2) The Company has established the Compliance Committee, headed by the Chief Compliance Officer (CCO), promotes Integrity mindset, and carries out compliance training and other measures to ensure thorough compliance. The Company establishes several internal and external whistle-blowing lines and conducts periodical monitoring to ensure its compliance regime is observed while also taking disciplinary actions on violations.
- 3) Audit & Supervisory Board Members monitor the observance of all relevant laws and regulations and the Articles of Incorporation, among other things, by Directors and employees in the performance of their duties.
- 4) The Company has appointed External Directors to strengthen the supervisory function of the Board of Directors and has established various advisory committees that include External Members as committee members, in order to enhance objectivity and transparency of management.

## Status of Operations of the Above Systems

- Compliance

In addition to confirming every year the commitment of all officers and employees, promising to comply with the BUSINESS CONDUCT GUIDELINES FOR EMPLOYEES AND OFFICERS OF MITSUI & CO., LTD. etc., providing the Compliance Handbooks via the intranet, and carrying out compliance workshops and seminars, the Company is accelerating its efforts to ensure thorough compliance and promote Integrity mindset in ways that better match frontline conditions through the introduction of “Compliance Administrators” to each business unit to assist the Business Unit COOs (Compliance Supervising Officers) in their performance of duties, which has been in effect since the fiscal year ended March 31, 2020. In the fiscal year ended March 31, 2024, in addition to adding improvements again to the questions of the compliance awareness survey conducted each year, cooperating with each unit and measuring the feeling of openness in organizations and perceptions of psychological safety, the Company continued to work on strengthening measures to prevent the occurrence of compliance problems. Furthermore, in the fiscal year ended March 31, 2024, for “With Integrity Month” on the theme of “Think about Integrity in the coming years”, the Company is aware of promoting Integrity mindset globally, and we conducted Integrity discussions between the President and employees of Mitsui & Co. (Asia Pacific) Pte. Ltd. in Singapore as well as discussions between the CCO and the Business Unit COOs and business unit employees. In addition, each unit and each regional business unit conducted Integrity-related events based on their own initiatives at an organizational level. Taking these activities into account and since five years have passed since the Mitsui & Co. Group Conduct Guidelines - With Integrity were formulated, the Company plans to disclose a revised version for the fiscal year ending March 31, 2025 following discussions by the Executive Committee and the Board of Directors on With Integrity that reflects the changing trends in the world. In addition, while analyzing and confirming incidents of non-compliance that are similar in type to those that occur within the Group, the Company is carrying out efforts to promote individual measures aimed at the eradication of non-compliant activities. Regarding the whistleblowing system, which serves as the core internal control mechanism for discovering problems, in addition to the President having issued messages encouraging people to speak up if they believe that there is a compliance-related issue with the aim of improving confidence in the whistleblowing system and encouraging people to use it, the Company has conducted seminars to ensure that there is also an appropriate response to whistleblower reports at Group companies and has strived to promote understanding related to the revisions to the Whistleblower Protection Act in Japan. Twice each year the operational status of the compliance framework is reported to the Executive Committee and the Board of Directors for their review, and active discussions are held to further improve the framework. In addition, the Company held Compliance Committee meetings three times a year with the participation of Business Unit COOs, with the aim of holding a compliance structure that encompasses frontline perspectives.

- Monitoring by the Audit & Supervisory Board Members

The Audit & Supervisory Board Members conduct audits of the decision-making process of the management team through attending the Board of Directors meetings and other important meetings, such as meetings of the Executive Committee and inspecting decision-making documents, and monitor the execution of duties through auditing activities including regular meetings with the management team and coordination with the Independent Auditor and the Internal Auditing Division.

- Strengthening the Supervisory Function of the Board of Directors and Enhancing the Objectivity and Transparency of Management

The Company appointed six External Directors from diverse backgrounds to utilize their expert knowledge in management and oversight. External Directors provide opinions and viewpoints based on various specialties and are significantly contributing to strengthening the supervisory functions through diverse analyses of topics deliberated by the Board of Directors. The holding of free discussion sessions by Directors and Audit & Supervisory Board Members was confirmed to be meaningful in the effectiveness evaluation in the fiscal year ended March 31, 2023. For that reason, in the fiscal year ended March 31, 2024, a session was held in September 2023 on the theme of Mitsui’s corporate governance. The advisory committees of the Board of Directors, Governance Committee (five meetings), Nomination Committee (four meetings), and Remuneration Committee (seven meetings) carried out discussion in light of the opinions of External Members and put effort into ensuring the objectivity and transparency of management. The Governance Committee discussed the Company’s governance system including the operation of the Board of Directors, and also discussed evaluation of the effectiveness of

the Board of Directors for the fiscal year ended March 31, 2024, among other matters. The Nomination Committee worked to provide more opportunities for External Members to learn about candidates for Directors and Managing Officers and enhance the information and materials provided. The Remuneration Committee continued to discuss the revision of the remuneration system and level towards the contribution of medium- to long-term corporate value under global competitive environment. In addition, the External Members Meeting, which consists of External Directors and External Audit & Supervisory Board Members, convened ten times during the fiscal year ended March 31, 2024, to discuss topics that included feedback on dialogue with capital markets (expectations and requests), initiatives on climate change (Scope 3 emissions results and update on the business activities reducing GHG emissions in the value chain), and Wellness Ecosystem Creation (one of the three Key Strategic Initiatives set forth in the Medium-term Management Plan 2026).

## **2. Systems to Store and Control Information Related to Duties Performed by Directors**

In accordance with its Rules on Information Management etc., the Company stores and controls important information such as the minutes of the General Meetings of Shareholders and the Board of Directors meetings.

### **Status of Operations of the Above Systems**

To properly evaluate its decision-making process, the Company promptly creates, stores and manages the minutes from important meetings, such as the General Meetings of Shareholders and the Board of Directors meetings.

Furthermore, the Company implements thorough information management based on the Rules on Information Management etc., and of confidential information, information requiring particularly high-level control is indicated as “Classified and Sensitive Information” and placed under stricter control limiting the information handlers.

## **3. Regulations and Systems Related to Management of Risk of Loss**

- 1) The Chief Operating Officers of business units and regional business units of the Company manage risks of losses (“Risks”) that arise from businesses within the scope of their authority.
- 2) Corporate Staff Unit of the Company have established an integrated risk management system to holistically manage the various Risks that the Company faces in its businesses, centered on the Executive Committee and the Portfolio Management Committee.
- 3) The Company responds to crises and emergency situations by establishing the Crisis Response Headquarters, etc. in accordance with the “Crisis Response Headquarters Regulations” and the “Emergency Business Continuity Management Regulations”.

### **Status of Operations of the Above Systems**

The Company appropriately operates a system for the segregation of authority and an internal approval system, and the Corporate Staff Unit oversees and supports the decision-making of the Business Units, thus thoroughly managing the risks arising from business activities.

Furthermore, through the prior setting of credit limits, etc. for customers and monitoring by specialized divisions, the Company manages quantitative Risks such as credit risk and country risk.

In the fiscal year ended March 31, 2024, the Portfolio Management Committee held 11 meetings and continued to formulate portfolio strategies and provide appropriate risk management at the company-wide level by monitoring portfolios, cash flow allocations across the entire company, status of quantitative risks, and other matters, and by reviewing the status of Control Self-Assessment initiatives of affiliated companies. The Executive Committee deliberated on risk exposure and controls by risk category, and country-specific risk response policies, and reviewed the administration of compliance systems and countermeasure status against cyber security risks. These initiatives were also reported to the Board of Directors.

## **4. Systems to Ensure Effective and Efficient Execution of Duties by Directors**

- 1) Efficient management performance is pursued through having the Board of Directors oversee each Director in the performance of his/her duties and the use of a Managing Officer System.
- 2) The Company has worked to enhance efficient and appropriate management decisions through substantial discussions in various committees, such as the Executive Committee and the Portfolio Management Committee.

- 3) The Company has constructed a business unit system and regional unit system (Global Matrix Structure) to enable timely management decisions, and implemented an internal approval system where supervising Managing Officers make the final decision in the best interest of the Company, following deliberations conducted by the relevant Corporate Staff Unit.
- 4) Management initiatives are implemented in accordance with the Medium-term Management Plan and annual business plans, with the Board of Directors regularly verifying upon progress.

#### **Status of Operations of the Above Systems**

The Company smoothly operates an internal approval system through coordination between the Business Units and the Corporate Staff Unit. Furthermore, through thorough evaluation at the various meetings, including the meetings of the Executive Committee and the meetings of the Portfolio Management Committee, the Company realizes appropriate and efficient management decision making.

Prior to the Board of Directors meetings, the Board of Directors Secretariat screens proposed resolutions and matters to be reported based on the Companies Act of Japan and internal rules, ensuring that the oversight of each Director in the performance of his/her duties is conducted appropriately and efficiently by the Board of Directors.

To evaluate the progress of actions taken in response to management issues, proposals and reports are carried out at the Board of Directors meetings regarding company-wide issues, not limited to individual proposals. In the fiscal year ended March 31, 2024, proposals and reports were made regarding the topics such as the operational status of the Group's compliance system, the status of sustainability management promotion activity, occupational health and safety management system, well-being management, asset portfolios, risk exposure and controls, and status of cyber securities.

Furthermore, the Company reviews the various rules related to internal procedures, including a review of standards on matters to be resolved/reported at the Board of Directors, as needed, working to make the execution of operations more efficient.

#### **5. Systems to Ensure Proper Operations in the Group**

- 1) Based on the general principle of maintaining the autonomy of its affiliated companies, the Company appropriately manages affiliated companies, understanding the management status and maintaining a group-wide management framework, while providing for the Company's participation in the management and/or governance of its affiliated companies as appropriate to its equity investor status.
- 2) The Company requires its major affiliated companies to conduct regular auditing to check their observance of all relevant laws and regulations, and internal regulations.
- 3) The Company requests to build an appropriate whistle-blowing line for affiliated companies, requests the prohibition of both uncovering the identity of whistleblowers and their disadvantageous treatment, and, in the event that affiliated companies detect a violation of compliance by the officers or employees of the Company, the matter may be reported through the whistle-blowing lines, either internally or externally.

#### **Status of Operations of the Above Systems**

Depending on their relationship with the Company, the Company requires its subsidiaries and associated companies to comply with its "Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles", or to develop internal control systems equivalent to the Company's system.

Furthermore, the Company designates its officers and employees as the supervising officers of the affiliated companies to manage the affiliated companies in accordance with the "Rules on Duties of Supervising Officers of Affiliated Companies". The Company dispatches its staff of the Internal Auditing Division to the major affiliated companies to serve as a Full-time Audit & Supervisory Board Member, and strengthen the oversight of the Group.

Also, while increasing the effectiveness of the consolidated group's business operations, the Company established the "Mitsui Global Business Management Guidelines" with the goal of maximizing the added value created by each company. In doing so, the Company is promoting organic cooperation between each group company and sharing of the management resources, functions, and networks that each company possesses.

In the fiscal year ended March 31, 2024, the Company worked to enhance the compliance of the Group by conducting a compliance awareness survey again at major affiliated companies in Japan and overseas and making the Compliance Handbook available to major domestic affiliated companies. While continuing to

disseminate the “Mitsui & Co. Group Conduct Guidelines - With Integrity”, the Company also followed the “Guidelines on the Establishment of Compliance Systems at Affiliated Companies”, which notes the best practice for developing and enhancing the compliance structure, to help enhance the independent and self-reliant compliance structure of affiliated companies.

While domestic affiliated companies used external attorneys at law and a third-party organization designated by the Company as whistle-blowing lines, the Company demanded strict prohibition of both uncovering the identity of whistleblowers and their disadvantageous treatment in compliance with the revisions to Whistleblower Protection Act. At overseas affiliated companies also, the Compliance Supervising Officers of each region lead efforts to establish routes for reporting and seeking advice that can be used with greater peace of mind in accordance with local laws and regulations and other local characteristics. We are increasing the number of countries where we have established the Global Group Hotline, which is used to report issues related to antimonopoly or corruption prevention laws in Japan and overseas and seek advice, and to understand and resolve issues through such hotlines.

#### **6. Matters Related to Employees Assigned to Assist Audit & Supervisory Board Members, the Independence of Such Employees from Directors, and Ensuring the Effectiveness of Audit & Supervisory Board Members’ Directions to Such Employees**

- 1) The Company establishes the Audit & Supervisory Board Member Division and allocates three or more staff.
- 2) The organizational change and personnel change of employees of the Audit & Supervisory Board Member Division are determined with the approval of the Audit & Supervisory Board Members.

#### **Status of Operations of the Above Systems**

As of March 31, 2024, the Audit & Supervisory Board Member Division is staffed with five dedicated employees to assist the Audit & Supervisory Board Members in their duties. Furthermore, decisions on the personnel change of employees of the Audit & Supervisory Board Member Division are made by the responsible Managing Officers with the approval of the Audit & Supervisory Board Members.

#### **7. Systems to Report to and Collecting Information by Audit & Supervisory Board Members**

- (1) Audit & Supervisory Board Members may attend the Board of Directors meetings, the meetings of the Executive Committee and other important meetings, receive important in-house documentation and materials, have regular meetings with Chair, President, CCO and other Directors, Managing Officers, or other management staff, and receive information on the Company including information on affiliated companies.
- (2) Directors should immediately report to the Audit & Supervisory Board in the event of discovery of circumstances that carry the potential risk of serious loss or consequence to the Company.
- (3) Audit & Supervisory Board Members audit and supervise the state of the management of its major affiliated companies through visiting of those affiliated companies and collaborating with the Audit & Supervisory Board Members of those companies.

#### **Status of Operations of the Above Systems**

The abovementioned system has been established and is in operation, in which Audit & Supervisory Board Members promptly receive reports from the person in charge of the relevant department in the event that there is a problem that could have a significant impact on the Company. Also, through attending the meetings of the Board of Directors and its advisory committees, having regular meetings with Chair and President, sharing information and exchanging opinions with External Directors and having regular meetings with the Independent Auditor and the Internal Auditing Division, Audit & Supervisory Board Members work to collect and examine information of the Company. In addition to the above, Full-time Audit & Supervisory Board Members work to collect and examine information on the day-to-day management performance of the Company, through attending important meetings including meetings of the Executive Committee, having regular meetings with the Directors, Managing Officers, and General Managers of the Corporate Staff Unit, sharing information and viewing important documentation, exchanging opinions at meeting with full-time audit & supervisory board members of subsidiaries and other means, and share those information with External Audit & Supervisory Board Members at the Audit & Supervisory Board and via written communication.

The Audit & Supervisory Board Members designate some of the affiliated companies positioned important for the fiscal year both in Japan and overseas as “Important Affiliated Companies Designated by the Audit & Supervisory Board”, exchange views with the management of affiliated companies and the local independent auditors of these companies, and proactively collect information on the management status of affiliated companies on a global group basis. When collecting information, the Audit & Supervisory Board Members work to find the best mix that effectively utilizes both making actual visits to these designated affiliated companies and holding online meetings with their management.

As outlined above, the Company has established and effectively operates the abovementioned system in which important matters and problematic events arising in relation to the global business management of the Company are reported to Audit & Supervisory Board Members in a timely and appropriate manner.

#### **8. Other Systems to Ensure Effective Auditing by Audit & Supervisory Board Members**

- (1) Directors maintain an appropriate environment for auditing and supervising of the management activities of the Audit & Supervisory Board Members.
- (2) The Audit & Supervisory Board Members may request cooperation from the Internal Auditing Division, each Legal Division, and the Global Controller Division, as well as other divisions with regard to their auditing and supervising.
- (3) The Audit & Supervisory Board Members maintain close contact with the Independent Auditor.
- (4) The Audit & Supervisory Board Members may request the assistance of legal counsel and other external expert professional advisors.
- (5) The Company is responsible for the costs associated with the execution of Audit & Supervisory Board Members’ duties.

#### **Status of Operations of the Above Systems**

Regarding the audit environment and the cooperation given to Audit & Supervisory Board Members by the Internal Auditing Division, each Legal Division, the Global Controller Division, and other divisions, the Members hold regular meetings with and receive reports from those corporate units and also gather information needed for the audit activities by investigating specific individual cases and continually monitoring particular items with the cooperation of the relevant corporate units. Audit & Supervisory Board Members conduct effective auditing in collaboration with the Internal Auditing Division and the Independent Auditor through monthly regular individual meetings with each of them, triangular meetings, and feedback sessions carried out by the Internal Auditing Division in the presence of the audited division (audited affiliated company), in and at which the Audit & Supervisory Board Members participate and state independent comments on the audited division or company. Audit & Supervisory Board members also help to assess the appropriateness of accounting audits by exchanging opinions with the Independent Auditor on topics that include the independence of the Independent Auditor, its frameworks for the performance of its duties, and its quality control frameworks. Furthermore, the Audit & Supervisory Board consults as necessary with legal counsel on auditing operations.

The Company secured the required budget for the execution of the Audit & Supervisory Board Members’ duties, including related legal fees, and bore the expenses related to the execution of Audit & Supervisory Board Members’ duties.

#### **9. Systems and Basic Philosophy Related to the Rejection of Anti-Social Forces**

The Company ensures all officers and employees fully understand the Company’s basic philosophy regarding the rejection of anti-social forces, including the forbidding of transactions with anti-social forces or with parties that have relations with anti-social forces and cooperates with external professionals such as the police and attorneys at law, through the establishment of a response unit for the handling of such matters.

#### **Status of Operations of the Above Systems**

The Company ensures the thorough rejection of anti-social forces by all officers and employees, and in individual business activities, conducts screening utilizing a checklist for the elimination of anti-social forces at the stage of consideration of new projects.

## Consolidated Financial Statements

### Consolidated Statements of Changes in Equity

Year ended March 31, 2024

(Mn JPY)

	Attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total		
<b>Balance as at April 1, 2023</b>	342,560	381,869	4,840,510	868,963	(66,152)	6,367,750	197,398	6,565,148
Profit for the year			1,063,684			1,063,684	16,795	1,080,479
Other comprehensive income for the year				480,777		480,777	18,139	498,916
<b>Comprehensive income for the year</b>			1,063,684	480,777		1,544,461	34,934	1,579,395
<b>Transaction with owners:</b>								
Dividends paid to the owners of the parent			(242,368)			(242,368)		(242,368)
Dividends paid to non-controlling interest shareholders							(20,457)	(20,457)
Acquisition of treasury stock					(139,283)	(139,283)		(139,283)
Sales of treasury stock		(569)	(293)	862		0		0
Cancellation of treasury stock			(135,946)		135,946	–		–
Compensation costs related to share-based payment	502	7,093				7,595		7,595
Equity transactions with non-controlling interest shareholders		3,463		230		3,693	16,220	19,913
<b>Transfer to retained earnings</b>			26,149	(26,149)		–		–
<b>Balance as at March 31, 2024</b>	343,062	391,856	5,551,736	1,323,821	(68,627)	7,541,848	228,095	7,769,943

Year ended March 31, 2023 (Supplementary information)

(Mn JPY)

	Attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total		
<b>Balance as at April 1, 2022</b>	342,384	376,516	4,165,962	827,441	(107,098)	5,605,205	190,211	5,795,416
Profit for the year			1,130,630			1,130,630	23,997	1,154,627
Other comprehensive income for the year				93,958		93,958	2,305	96,263
<b>Comprehensive income for the year</b>			1,130,630	93,958		1,224,588	26,302	1,250,890
<b>Transaction with owners:</b>								
Dividends paid to the owners of the parent			(198,082)			(198,082)		(198,082)
Dividends paid to non-controlling interest shareholders							(22,380)	(22,380)
Acquisition of treasury stock					(270,257)	(270,257)		(270,257)
Sales of treasury stock		(252)	(284)		537	1		1
Cancellation of treasury stock			(310,666)		310,666	–		–
Compensation costs related to share-based payment	176	3,906				4,082		4,082
Equity transactions with non-controlling interest shareholders		1,699		514		2,213	3,265	5,478
<b>Transfer to retained earnings</b>			52,950	(52,950)		–		–
<b>Balance as at March 31, 2023</b>	342,560	381,869	4,840,510	868,963	(66,152)	6,367,750	197,398	6,565,148

**Consolidated Statements of Comprehensive Income [Supplementary Information] (Unaudited)**

(Mn JPY)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Profit for the year</b>	1,080,479	1,154,627
<b>Other comprehensive income:</b>		
Items that will not be reclassified to profit or loss:		
Financial assets measured at FVTOCI	66,472	(238,455)
Remeasurements of defined benefit pension plans	39,778	9,343
Share of other comprehensive income of investments accounted for using the equity method	(1,025)	(12,811)
Income tax relating to items not reclassified	(29,092)	45,527
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation adjustments	34,402	(22,865)
Cash flow hedges	(36,305)	56,921
Share of other comprehensive income of investments accounted for using the equity method	431,569	276,047
Income tax relating to items that may be reclassified	(6,883)	(17,444)
Total other comprehensive income	498,916	96,263
<b>Comprehensive income for the year</b>	<b>1,579,395</b>	<b>1,250,890</b>
<b>Comprehensive income for the year attributable to:</b>		
Owners of the parent	1,544,461	1,224,588
Non-controlling interests	34,934	26,302

**Segment Information [Supplementary Information] (Unaudited)**

Year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Mn JPY)

	Mineral & Metal resources	Energy	Machinery & Infrastructure	Chemicals	Iron & Steel products	Lifestyle
Revenue	2,037,717	2,949,497	1,378,459	2,784,551	678,680	3,213,013
Gross profit	342,118	195,846	221,097	208,339	43,518	185,277
Share of profit (loss) of investments accounted for using the equity method	75,029	68,135	230,446	21,204	17,213	59,484
Profit for the year attributable to owners of the parent	335,116	281,660	248,726	39,247	11,190	94,123
Core Operating Cash Flow	409,069	247,822	176,860	63,397	8,459	40,153
Total assets at March 31, 2024	3,084,437	3,408,781	3,769,779	2,049,368	809,542	2,901,696

	Innovation & Corporate development	Total	All other	Adjustments and eliminations	Consolidated total
Revenue	281,077	13,322,994	1,948	–	13,324,942
Gross profit	118,394	1,314,589	4,787	339	1,319,715
Share of profit (loss) of investments accounted for using the equity method	19,684	491,195	–	369	491,564
Profit for the year attributable to owners of the parent	53,847	1,063,909	5,640	(5,865)	1,063,684
Core Operating Cash Flow	45,445	991,205	9,268	(4,633)	995,840
Total assets at March 31, 2024	1,790,857	17,814,460	8,879,374	(9,794,332)	16,899,502

Year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Mn JPY)

	Mineral & Metal resources	Energy	Machinery & Infrastructure	Chemicals	Iron & Steel products	Lifestyle
Revenue	2,220,316	3,517,077	1,115,192	3,160,663	726,180	3,306,954
Gross profit	355,820	316,446	199,900	209,298	40,699	153,736
Share of profit (loss) of investments accounted for using the equity method	127,550	108,476	197,313	27,368	24,735	50,712
Profit (loss) for the year attributable to owners of the parent	438,785	309,382	171,908	70,945	22,484	54,849
Core Operating Cash Flow	436,661	419,583	182,901	89,531	17,995	31,099
Total assets at March 31, 2023	3,062,836	3,009,472	3,216,794	1,773,664	776,531	2,504,078

	Innovation & Corporate development	Total	All other	Adjustments and eliminations	Consolidated total
Revenue	259,489	14,305,871	531	–	14,306,402
Gross profit	112,591	1,388,490	2,009	5,729	1,396,228
Share of profit (loss) of investments accounted for using the equity method	18,931	555,085	(48)	489	555,526
Profit (loss) for the year attributable to owners of the parent	66,677	1,135,030	(8,291)	3,891	1,130,630
Core Operating Cash Flow	46,588	1,224,358	(567)	(18,288)	1,205,503
Total assets at March 31, 2023	1,642,459	15,985,834	8,215,000	(8,819,918)	15,380,916

- Notes: 1. “All other” includes the corporate staff unit which provides financing services and operations services to the companies and affiliated companies.  
Total assets of “All other” at March 31, 2023 and March 31, 2024 consisted primarily of cash and cash equivalents and time deposits related to financing activities, and assets of the corporate staff unit and certain subsidiaries related to the above services.
2. Transfers between reportable segments are made at cost plus a markup.
  3. Profit (loss) for the year attributable to owners of the parent of “Adjustments and eliminations” includes income and expense items that are not allocated to specific reportable segments, and eliminations of intersegment transactions.
  4. Core operating cash flow is calculated by deducting the total of the “Changes in operating assets and liabilities” from the “Cash flows from operating activities”, and further deducting the “Repayments of lease liabilities” in the “Cash flows from financing activities” from it, in the consolidated statements of cash flows.

## Notes to Consolidated Financial Statements (Year ended March 31, 2024)

### Basic Significant Matters Regarding Preparation of Consolidated Financial Statements

#### 1. Subsidiaries and equity accounted investees

##### (1) Subsidiaries 296

Mitsui Oil Exploration Co., Ltd., Mitsui Iron Ore Development Pty. Ltd., Mitsui-Itochu Iron Pty. Ltd., Mitsui & Co. Iron Ore Exploration & Mining Pty. Ltd., Mitsui Resources Pty. Ltd., and others

##### (2) Equity accounted investees (associated companies and joint ventures) 195

Japan Australia LNG (MIMI) Pty. Ltd., Penske Automotive Group, Inc., IHH Healthcare Berhad and others

A total of 557 subsidiaries and equity accounted investees are excluded from the above. These include companies which are sub-consolidated or accounted for under the equity method by subsidiaries other than trading subsidiaries.

Primary investee over which Mitsui & Co., Ltd. (the “Company”) does not have control despite ownership percentage of more than 50% is as follows:

##### Nutrinova Netherlands B.V.

The Company is the largest shareholder, owning 70% of Nutrinova Netherlands B.V. (“Nutrinova”). The Company entered into a shareholder’s agreement with the second largest shareholder owning 30% of Nutrinova’s voting shares. Based on the agreement, significant decisions regarding Nutrinova’s operations require unanimous consent by the Company and the second largest shareholder. The rights given to the second largest shareholder in the agreement are considered as substantive participating rights, and the Company does not individually control Nutrinova. Accordingly, the Company accounts for its investment in Nutrinova under the equity method.

#### 2. Basis of consolidated financial statements

The consolidated financial statements have been prepared on the basis of International Financial Reporting Standards (“IFRSs”), in compliance with Article 120, paragraph 1 of the Ordinance on Company Accounting. In accordance with the provision of the paragraph, certain disclosures required on the basis of IFRSs have been omitted.

#### 3. Summary of Significant Accounting Policies

##### **Consolidation**

The consolidated financial statements include the accounts of the Company, its subsidiaries (which are controlled either directly or indirectly through voting or similar rights), and structured entities (“SEs”). They are collectively called the “companies”, where the Company or one of its subsidiaries have control. SEs are entities controlled through means other than voting or similar rights. The word “control” is used based on its definition in IFRS 10 “Consolidated Financial Statements”, so that the companies consider all facts and circumstances, including existing rights and substantive rights included within agreements with investees.

The consolidated financial statements include financial statements of certain subsidiaries with different fiscal year-ends from that of the Company, as the Company considers it impracticable to unify the fiscal year-ends of such subsidiaries with that of the Company.

Major consolidated subsidiaries with different fiscal year-ends include subsidiaries that operate exploration, development and production of oil and gas. As the Company is a non-operator in such operations and the financial information is prepared by the operators, the Company is unable to obtain necessary information from the operators in time for the preparation of the Company’s year-end consolidated financial statements. For the same reason, it is also impracticable to prepare additional financial statements for these subsidiaries

as of the same date as the Company's year-end date. Therefore, financial information for such subsidiaries with fiscal year-ends of December 31 is included in the Company's consolidated results.

There are other consolidated subsidiaries for which it is also considered impracticable to unify on fiscal year-ends with on the Company's due to requirements of local laws and regulations, and it is also impracticable to prepare additional financial statements for these subsidiaries as of the same date as the Company's year-end date due to certain facts and circumstances such as local business practices and the environment surrounding their respective accounting systems. The fiscal year-ends of such consolidated subsidiaries are mainly December 31.

Adjustments are made for the effects of significant transactions or events that occur between the ends of the fiscal years of such consolidated subsidiaries and that of the Company.

Changes in the companies' ownership interests that are made while retaining their controlling financial interests in their subsidiaries are accounted for as equity transactions. When the companies cease to have their controlling financial interests, any retained investments are measured at their fair value at that date. The difference between the fair value and the carrying amount of the retained non-controlling investments is recognized as gain (loss) on securities and other investments-net.

#### ***Investments in associated companies and joint arrangements***

Associated companies are entities over which the Company and its subsidiaries own 20% or more of the voting rights. The exceptions to this rule include the entities in which it can be clearly demonstrated that the Company and its subsidiaries are unable to exercise significant influence over the financial and operating policy decisions of the investees, or those whereby the companies have the ability to exercise significant influence despite holding less than 20% ownership. Investments in associated companies are accounted for using the equity method.

Joint arrangements are arrangements in which decisions about relevant activities require the unanimous consent of the parties sharing control. When the parties that have joint control of the arrangement have substantial rights to the assets and obligations for the liabilities, relating to the arrangement, the arrangement is a joint operation. When an arrangement is structured through a separate vehicle and the parties that have joint control of the arrangement have rights to the net assets of the arrangement, the arrangement is classified as a joint venture. A joint operation is accounted for by recognizing the assets, liabilities, revenues and expenses relating to its interest in the joint operation. A joint venture is accounted for using the equity method.

Robe River Iron Associates (the Company's percentage of ownership: 33%), which conducts iron ore mining activities in Australia, is a major joint operation.

Losses recognized under the equity method are recorded in Share of Profit (Loss) of Investments Accounted for Using the Equity Method in the Consolidated Statements of Income or in Other comprehensive income in the Consolidated Statements of Comprehensive Income, considering the priority of recoverability of assets related to the losses among other things.

The consolidated financial statements include some associated companies, joint ventures and joint operations with different fiscal year-ends from that of the Company. It is impracticable to unify the fiscal year-ends due to the requirement of local laws and regulations and relationships with other shareholders. It is also impracticable to prepare additional financial statements as of the same date as the financial statements of the companies due to certain factors such as local business practices and the environment

surrounding their respective accounting systems. The fiscal year-ends of associated companies, joint ventures and joint operations are generally December 31.

Adjustments are made for the effects of significant transactions or events that occur between the ends of the fiscal years of such associated companies, joint ventures and joint operations and that of the Company. The companies discontinue the use of the equity method from the date when an investment ceases to be an associated company or a joint venture. Any retained investments are measured at their fair value at that date, and the difference between the fair value and the carrying amount of the retained investments is recognized as gain (loss) on securities and other investments-net. Regarding impairment of investments accounted for using the equity method, please refer to “*Impairment and its reversal of non-financial assets and investments accounted for using the equity method*”.

### ***Business combinations***

In accordance with IFRS 3 “Business Combinations”, all business combinations are accounted for using the acquisition method. This is a method where all assets and liabilities of an acquired company, including non-controlling interests, are measured at fair value. The differences between consideration transferred and the net fair value of identifiable assets and liabilities are recognized as goodwill when the consideration transferred is in excess of the net fair value of identifiable assets and liabilities. If the net fair value of identifiable assets and liabilities exceed the consideration transferred, the excess is recognized immediately as a gain in the Consolidated Statements of Income for the year.

### ***Foreign currency translation***

The assets and liabilities of foreign subsidiaries and equity accounted investees are translated into Japanese yen using the spot exchange rate at the respective reporting date. All income and expense accounts are translated into Japanese yen using average rates of exchange for the respective reporting period. The resulting translation adjustments are recognized in other components of equity.

Foreign currency transactions are translated into functional currencies of individual companies using the spot exchange rate at the date of transactions. At the end of each reporting period, monetary assets and liabilities, and non-monetary assets and liabilities measured at fair value denominated in foreign currencies are translated into functional currencies using the spot exchange rate at the reporting date. The exchange differences arising from translation are recognized in profit for the year.

Non-monetary items measured at historical cost denominated in foreign currencies are translated using the spot exchange rate at the date of transaction.

### ***Cash equivalents***

Cash equivalents are defined as short-term (original maturities of three months or less), highly liquid investments which are readily convertible into cash and have no significant risk of change in value. These include certificates of deposit, time deposits, financing bills and commercial paper with original maturities of three months or less.

### ***Inventories***

Inventories, consisting mainly of commodities and materials for sale, are measured at the lower of cost and net realizable value. The cost of inventory items that is not ordinarily interchangeable is assigned by using specific identification of their individual costs. For those items that are interchangeable, the costs are mainly assigned by using the weighted-average cost formula. Inventories acquired for the purpose of being

sold in the near term to profit from fluctuations in price are measured at fair value less costs to sell, and changes in the fair value less costs to sell are recognized in profit for the year.

## ***Financial instruments***

### *Non-derivative financial assets*

Trade and other receivables are recognized at fair value on initial recognition. Regular purchases of other financial assets are recognized at fair value on the trade date. These financial assets are derecognized if they satisfy any of the following conditions:

- the contractual rights to the cash flows from the financial asset have expired; or
- the contractual rights to receive the cash flows of the financial asset have been transferred, and substantially all risks and rewards of the ownership of financial asset have been transferred.

Non-derivative financial assets are classified and measured as follows:

Non-derivative financial assets that are debt instruments are measured at amortized cost if they meet the following two criteria: held for the purpose of collecting contractual cash flows, and have contractual terms which give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortized cost is calculated by using the effective interest rate method. For financial assets measured at amortized cost, the companies consider if an impairment has occurred. Please see *Impairment of financial assets* regarding impairment.

Equity financial instruments and non-derivative financial assets that do not satisfy the requirements to be measured at amortized cost are measured at fair value through profit or loss (“FVTPL”). However, for certain equity financial instruments held primarily for the purpose of enhancing the revenue base by maintaining or strengthening the trade relationship with the investees, the companies elect at initial recognition to designate these instruments as at fair value through other comprehensive income (“FVTOCI”).

When financial assets measured at FVTOCI are derecognized, the accumulated other components of equity are directly reclassified to retained earnings without being recognized in profit for the year. Dividend income received on financial assets measured at FVTOCI is recognized in profit for the year in principle.

### *Non-derivative financial liabilities*

The companies have non-derivative financial liabilities including corporate bonds and loans payable, trade and other payables, and other financial liabilities. Corporate bonds issued by the companies are recognized on the issue date and all other non-derivative financial liabilities are recognized on the trade date at fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial liabilities. Subsequent to initial recognition, non-derivative financial liabilities are measured at amortized cost using the effective interest method.

The companies derecognize a non-derivative financial liability only when it is extinguished (that is, the underlying obligation specified in the contract is discharged, cancelled or expires).

- Non-derivative financial assets and non-derivative financial liabilities measured at amortized cost affected by interest rate benchmark reform

#### *Interest rate benchmark reform – Phase 2*

The companies had applied “Interest rate benchmark reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)” issued in August 2020. For non-derivative financial assets and non-derivative financial liabilities measured at amortized cost, a change in the basis for determining the contractual cash flows of a financial asset or financial liability that had been required by interest

rate benchmark reform had been accounted for by updating the effective interest rate of the financial asset or financial liability.

The above measures had been implemented until the suspension of publication of interest rate benchmarks reform, however the application of the exception had been terminated because there was no longer any uncertainty with the suspension of publication of interest rate benchmarks reform during FY March 2024.

#### Impairment of financial assets

For financial assets that are measured at amortized costs, the companies measure the loss allowance at an amount equal to 12-month expected credit losses if the credit risk on a financial asset has not increased significantly since initial recognition, and measure the loss allowance at an amount equal to lifetime expected credit losses if the credit risk on a financial asset has increased significantly since initial recognition. However, for trade receivables recognized based on the IFRS 15 “*Revenue from Contracts with Customers*” and contract assets, the loss allowance is measured at an amount equal to the lifetime expected credit loss without assessing whether the credit risk on a financial asset has increased significantly since initial recognition.

When determining significant increases in the credit risk and measuring expected credit losses, both quantitative and qualitative information is considered to provide reason and support. The information includes reasonable and available forward-looking information, as well as internal information such as historical credit loss experience, past due information and internal credit ratings.

The loss allowance is measured by a function using probability of default, loss given default, discount factor and exposures based on this information. In addition, the companies determine that the credit risk on a financial asset has increased significantly since initial recognition in principal when contractual payments are more than 30 days past due.

Information such as significant financial difficulty of the issuer or the debtor or a breach of contract such as payments past due are used for determining if any of the counterparties is in the default. If the debtor is under legal reorganization and in financial failure or has issues repaying debts due to financial difficulty, although it may not yet be in financial failure, or the principal and interest payments are 90 days past due as of the reporting date, the companies determine that the default has occurred and an objective evidence of credit impairment exists. The loss allowance for the credit-impaired financial asset is also measured in the same way as financial assets that are not credit-impaired. In addition, loss allowance for certain credit-impaired financial asset is individually measured by the estimation of expected credit losses by using the present value of expected future cash flows discounted at the effective interest rate based on the original terms of the contract, or at fair value of the collateral and other credit enhancement if their value depends on the collateral and other credit enhancement based on the latest information and events.

The financial assets are directly written off when certain conditions are met. The following are examples of when it is reasonably determined that all or part of a financial asset is not collectable: write-off of financial assets by legal liquidation, obtaining of evident facts that suggest that it is impossible for the debtors to repay their debts from their perceived solvency and/or asset situation, and arrearage of payment after a certain period of time after a suspension of business operations.

The provision or the reversal of loss allowance is recognized in profit for the year.

#### Finance income and costs

Finance income and costs consist of items such as interest income, interest expense, dividend income and gain or loss on hedging instruments recognized in profit for the year. Interest income and interest expense are recognized using the effective interest method. Dividend income is recognized on the date when the rights of the companies to received dividends vest. See *Derivative instruments and hedging activities* for accounting for gains or losses arising from hedging instruments.

### Derivative instruments and hedging activities

The companies are exposed to market risks related to foreign currency exchange rates, interest rates and commodity prices in the ordinary course of business. In order to mitigate or reduce these risks, the companies use derivative instruments, such as foreign exchange forward contracts, currency swap agreements, interest rate swap agreements, commodity futures, forwards, options and swap contracts. These derivative instruments hedge the exposure to changes in the fair value or expected future cash flows of recognized assets and liabilities, unrecognized firm commitments or forecasted transactions. The companies also use derivative instruments and non-derivative financial instruments, such as foreign currency-denominated debt, to hedge foreign currency exposure to net investments in foreign operations. The companies recognize all derivative instruments as an asset or a liability at fair value as at the date on which they become party to the relevant agreement. Subsequent to initial recognition, derivative instruments are measured at fair value with any changes in fair value accounted for as follows:

- Hedging relationships affected by interest rate benchmark reform

The Companies had applied the “Interest Rate Benchmark Reform (Revisions to IFRS 9, IAS 39 and IFRS 7)” announced in September 2019, and had directly affected the impact of the Interest Rate Benchmark Reform. Exceptions to hedge accounting had been applied to the hedging relationships received.

Until the suspension of publication of interest rate benchmarks during FY March 2024, the following measures had been taken as in all consolidated fiscal years, however the application of the exception had been terminated because there was no longer any uncertainty.

#### *Interest rate benchmark reform – Phase 1*

The companies had applied “Interest rate benchmark (Amendments to IFRS 9, IAS 39 and IFRS 7)” issued in September 2019 on April 1, 2020 and had applied the following exceptions to certain hedge accounting requirements for hedging relationships affected by interest rate benchmark reform.

- For the purpose of evaluating whether there had been an economic relationship between the hedged item and the hedging instrument, the companies assume that the benchmark interest rate had been not altered as a result of interest rate benchmark reform.
- For a cash flow hedge of a forecast transaction designated as a hedged item, the companies had assumed that the benchmark interest rate would not be altered as a result of interest rate benchmark reform for the purpose of assessing whether the occurrence of the forecast transaction is highly probable.
- When determining whether a previously designated forecast transaction in a discontinued cash flow hedge had been still expected to occur, the companies had assumed that the interest rate benchmark cash flows designated as a hedge will not be altered as a result of interest rate benchmark reform.

The companies would have ceased to apply the exceptions above for assessing the economic relationship between the hedged item and the hedging instrument when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows of the hedged item or hedging instrument, or when the hedging relationship is discontinued. For highly probable assessment of forecast transaction designated as a hedged item, the companies will cease to apply the exceptions above when the uncertainty arising from interest rate benchmark reform about the timing and the amount of the interest rate benchmark-based future cash flows of the hedged item is no longer present, or when the hedging relationship is discontinued.

#### *Interest rate benchmark reform – Phase 2*

The companies had applied “Interest rate benchmark reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)” issued in August 2020 on April 1, 2020 and had applied the following exceptions to certain hedge accounting requirements for hedging relationships

affected by interest rate benchmark reform.

- When the exceptions provided in “Interest rate benchmark reform – Phase 1” cease to apply, the companies had amended a hedge designation to reflect the changes required by interest rate benchmark reform and had continued the hedge accounting.
- When amending a hedged item designated in cash flow hedge, the companies had deemed that the amount accumulated in the balance in the cash flow hedges were based on the alternative benchmark rate on which the hedged future cash flows were determined.

- Fair value hedges

Derivative instruments held for the purpose of eliminating the risk of changes in the fair value of hedged items are designated as fair value hedges and subject to the assessment of hedge effectiveness. To the extent that they satisfy the requirements for hedge accounting, the companies include the gain or loss on the hedged items in the same line item as the offsetting loss or gain on the derivative instruments designated as hedging instruments mainly as interest expense.

- Cash flow hedges

Derivative instruments held for the purpose of offsetting the variability in cash flows of the hedged items are designated as cash flow hedges. To the extent that they are effective, any changes in fair value are recognized in other comprehensive income until cash flows of the hedged item affect gain or loss. The amounts previously recognized in other comprehensive income are reclassified into profit for the year mainly as revenue, cost, interest expense and other income (expense)-net when earnings are affected by the hedged items.

- Hedges of net investments in foreign operations

Foreign currency transaction gain or loss on derivative instruments and non-derivative financial instruments that are designated as hedging instruments and deemed effective to reduce the foreign currency exposure of a net investment in a foreign operation are recorded as foreign currency translation adjustments within other comprehensive income to the extent they are effective as a hedge. The amounts in other components of equity are reclassified into profit for the year mainly as gain (loss) on securities and other investments-net when the related investment is sold completely or partially, or the liquidation of the investment is completed. The ineffective portion of the hedging instruments’ gain or loss and the component of the derivative instruments’ gain or loss excluded from the assessment of hedge effectiveness are recorded immediately in profit for the year mainly as other income (expenses)-net.

- Derivative instruments for trading purposes

The Company and certain subsidiaries use derivative instruments for trading purposes within certain position and loss limits. Derivative instruments for trading purposes are measured at fair value and changes in fair value are recorded in profit for the year as other revenue.

#### Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the consolidated statements of financial position when, and only when, the companies currently have a legally enforceable right to set off the recognized amounts and intend either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### ***Leasing***

The companies are engaged in finance and operating lease businesses. Leases are classified as finance leases whenever they transfer substantially all the risks and rewards of ownership to the lessee. Leases other than finance leases are classified as operating leases. For finance leases, unearned income is

amortized to income over the lease term at a constant periodic rate of return on the net investment. Operating lease income is recognized as revenue over the term of underlying leases using the straight-line method.

The companies are also lessees of various assets. If a contract is, or contains, a lease, leases are recognized as a lease liability and a corresponding right-of-use asset at the date at which the asset is available for use by the companies. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to interest expense over the lease term at a constant rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Lease term includes periods of an option to extend the lease if the lessee is reasonably certain to exercise that option and an option to terminate the lease if the lessee is reasonably certain not to exercise that option. Note that short-term leases and leases for which the underlying asset is of low value apply exemption rules of the standards, and recognize the lease payments associated with those leases as an expense mainly on straight-line basis over the lease term.

### ***Property, plant and equipment***

Property, plant and equipment are measured based on the cost model and are stated at cost less accumulated depreciation and impairment losses.

Depreciation of property, plant and equipment, except for land and projects in progress, is computed principally under the straight-line method, using rates based on the estimated useful lives of the related assets. The estimated useful lives for buildings and vessels and aircrafts are primarily 2 to 50 years and 3 to 20 years, respectively. Equipment and fixtures are primarily depreciated using the straight-line method (the estimated useful lives are primarily 3 to 30 years) or the unit-of-production method. Mineral rights are primarily amortized using the unit-of-production method.

### ***Investment property***

Investment property is measured by using the cost model and is stated at cost less accumulated depreciation and impairment losses. Depreciation of investment property is computed principally under the straight-line method, using rates based upon the estimated useful lives of the related investment property. The estimated useful lives for investment properties are primarily 2 to 50 years.

### ***Intangible assets***

Intangible assets include goodwill arising from the acquisition of subsidiaries.

Intangible assets are measured based on the cost model and intangible assets with finite estimated useful lives are stated at cost less accumulated amortization and impairment losses. Goodwill and intangible assets with indefinite estimated useful lives are not amortized and are presented at cost less accumulated impairment losses.

Software is primarily amortized over 5 years using the straight-line method.

### ***Impairment and its reversal of non-financial assets and investments accounted for using the equity method***

Non-financial assets and investments accounted for using the equity method are quarterly assessed to determine whether there is any indication of impairment. If any such indication exists, the recoverable amounts of the non-financial asset and investment are estimated. Goodwill and intangible assets with indefinite useful lives are tested for impairment annually. For investments accounted for using the equity method, the entire carrying amount of the investment is tested for impairment as a single asset.

The recoverable amount of an asset or a cash-generating unit (“CGU”) is the higher of its fair value less costs of disposal and its value in use and is determined as an individual asset, when the asset generates cash inflows that are largely independent of those from other assets or groups of assets.

If the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and the carrying amount is written down to its recoverable amount. The impairment loss is then recognized in loss for the year. For assets other than goodwill, an assessment is made quarterly as to whether there is any indication of impairment that previously recognized impairment losses may no longer exist or may have decreased. A previously recognized impairment loss is reversed as income in profit for the year. The amount is reversed to the extent that the increased carrying amount of an asset does not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior years only if there has been a change in the assumptions used to determine the recoverable amount of the asset since the last impairment loss was recognized. An impairment loss recognized for goodwill is not reversed.

### ***Oil and gas producing activities***

Oil and gas exploration and development costs are accounted for using the successful efforts method of accounting. The costs of acquiring properties, costs of drilling and equipping exploratory wells, and costs of development wells and related plant and equipment are capitalized, and amortized using the unit-of-production method. Exploratory well costs are expensed if economically recoverable reserves are not found. Other exploration costs, such as geological and geophysical costs, are expensed as incurred.

Proved properties are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. If the proved properties are determined to be impaired, an impairment loss is recognized based on the recoverable amount. Unproved properties are assessed whenever there is an indication of impairment, and if the unproved properties are determined to be impaired, impairment losses are charged to expense. The companies make a comprehensive evaluation and record impairment of unproved property based on various factors, such as remaining mining rights periods, examples of sales and purchases in neighboring areas, drilling results and seismic interpretations.

### ***Mining operations***

Mining exploration costs are expensed as incurred until the mining project has been established as commercially viable by a final feasibility study. Once established as commercially viable, costs are capitalized as development costs and are amortized using either the unit-of-production method or straight-line method based on the proven and probable reserves.

In surface mining operations, it is necessary to remove overburden and other waste materials to access mineral deposits. The costs of removing waste materials are referred to as “stripping costs”. During the development of a mine, before production commences, such costs are generally capitalized as part of development costs. Removal of waste materials continues during the production stage of the mine. Such post-production stripping costs in relation to minerals produced during the fiscal year are variable production costs to be considered as a component of mineral inventory costs. These are recognized as a component of costs in the same period as the related revenues from sales of the minerals. In contrast, post-production stripping costs incurred that relate to minerals to be produced in the subsequent fiscal year are capitalized, and are amortized using either the unit-of-production method or straight-line method based on the proved and probable reserves.

### ***Provisions***

Provisions are recognized when the companies have a present obligation (legal or constructive) as a result of a past event, it is probable that outflows of resources embodying economic benefits will be required to

settle the obligation, and reliable estimates of the amount of the obligations can be made. Provisions are measured as the best estimate of the amount of expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted to their present value using a pretax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance costs.

#### Asset retirement obligations

The companies recognize costs of dismantling and removing assets mainly related to mining and oil and gas production facilities, and the companies record the provision for an asset retirement obligation in the period in which it is incurred. When the liability is initially recorded, the companies capitalize the related cost by increasing the carrying amount of the asset. Over time, the liability is increased to its present value to reflect the passage of time, and the capitalized cost is depreciated over the useful life of the related asset.

#### **Employee benefits**

The Company and certain subsidiaries have defined benefit pension plans and severance indemnity plans. The costs of defined benefit pension plans and severance indemnity plans are accrued based on amounts determined using actuarial procedures based on the projected unit credit method. The Company and certain subsidiaries recognize the overfunded or underfunded status of a defined benefit plan as an asset or a liability in the consolidated statements of financial position. The remeasurements of defined benefit pension plans are recognized immediately in other components of equity in equity and are transferred to retained earnings on recognition.

The Company and certain subsidiaries also have defined contribution pension plans. Payments to defined contribution pension plans are recognized as an expense when employees have rendered service.

#### **Revenue recognition**

Revenue is recognized as follows:

##### Revenue from contracts with customers

Revenue from contracts with customers is recognized at the time when the performance obligations are satisfied based on the 5 step approach (1. Identifying the contract with a customer, 2. Identifying the performance obligations of the contract, 3. Determining the transaction price, 4. Allocating the transaction price to performance obligations in the contract and 5. Recognizing the revenue when the entity satisfies a performance obligation). Upon identifying the performance obligations of the contract, a consideration of whether an entity is a principal or an agent is made. If the nature of the entity's promise is a performance obligation to provide the specified goods or services as a principal, revenue is recognized at the gross amount. If the nature of the entity's promise is a performance obligation to arrange for the provision of goods or services by another party, revenues received as an agent is recognized at the amount of any fee or commission to which it expects to be entitled or as a net amount. Revenue is recognized when (or as) the companies satisfy a performance obligation by transferring a promised good or service (i.e. an asset) to a customer when (or as) the customer obtains control of that asset. The time when the customer obtains control of that asset is determined based on the ability to direct the use of and obtain substantially all of the remaining benefits from the asset.

The companies' main performance obligation is the sale of various products; the sale of a wide variety of manufactured products such as metals, chemicals, foods, and general consumer merchandise; the sales of metallurgical coal, iron ore, oil, and gas; and the development and sale of real estate. The companies recognize revenue based on the transfer, acceptance by the customer, or the dispatch of goods for

domestic transactions, and recognize revenue based on the transfer of the risks and costs, which is determined by the incoterms, for international transactions. In case that the performance obligation is rendering of services such as logistic and warehouse, information and communication, technical support, and arrangements related to the order, financing or delivery for commissions, revenue is recognized at the time when the completion of services or the elapse of period for rendering services. In regard to determining the time when the customer obtains control of that asset, the verified right to receive the consideration, the legal title, the physical possession, the significant risk and rewards, and the acceptance are assessed.

The consideration is normally received within a year and performance obligation do not include a significant financing component.

For transactions where the performance obligation is satisfied over time, and only if its progress towards complete satisfaction of the performance obligation can be reasonably measured, revenue is recognized by measuring the progress towards the completion of the satisfaction of the performance obligation. Even if the progress towards complete satisfaction of a performance obligation may not be reasonably measurable, if the costs incurred in satisfying the performance obligation are expected to be recovered, revenue is recognized only to the extent of the costs incurred until the progress can be reasonably measured.

#### Other revenue

Other revenue principally includes revenues from leasing activities in real estate, rolling stock, ocean transport vessels, aircraft, equipment and others; revenues from derivative commodity instruments and derivative financial instruments held for trading purposes; revenues from FVTPL investments; and revenues from financing. See accounting policies for *Leasing* and *Derivative instruments and hedging activities* for revenue recognition policies regarding leasing and derivative transactions, respectively.

#### ***Income taxes***

Income taxes comprise current taxes and deferred taxes. Deferred income taxes reflect the impact of temporary differences between assets and liabilities recognized for financial reporting purposes and their tax bases, tax loss carryforwards and tax credit carryforwards. These deferred income taxes are measured using the currently enacted or substantively enacted tax rates in effect for the year in which the temporary differences, tax loss carryforwards or tax credit carryforwards are expected to reverse. Deferred tax assets are recognized except for cases where such deferred tax assets are not deemed to be recoverable.

Deferred tax liabilities are recognized for taxable temporary differences arising from investments in subsidiaries and equity accounted investees unless the companies are able to control the timing of the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets and liabilities are measured at the tax rates that are applicable to the expected manner of recovery or settlement by management.

Upon the introduction of the Expansion of the Petroleum Resource Rent Tax Act in Australia, companies are allowed to elect to use market value as a starting base for transitional projects existing at May 1, 2010. A company electing to use the market value approach can obtain a deduction for the amortization of the market value of the project. The Company's Australian subsidiaries and equity accounted investees apply the market value approach. The Petroleum Resource Rent Tax is regarded as an income tax subject to tax effect accounting in accordance with IAS 12 "Income Taxes" and deferred tax assets have been recognized for the operating assets based on the differences in book values for financial reporting purposes and their tax bases except for the portion that is deemed not to be recoverable. In determining recoverability, several tax deductible items such as royalties and the impact of future augmentation, which will be incurred on tax losses carried forward in the Petroleum Resource Rent Tax, have been considered.

The companies recognize uncertain tax positions in income taxes in the consolidated financial statements if it is not probable that the taxation authority will accept an uncertain tax treatment.

### ***Earnings per share***

Basic earnings per share attributable to owners of the parent are computed by dividing profit for the year attributable to owners of the parent by the weighted-average number of common stock outstanding during the reporting period, adjusted for the number of treasury stock acquired. Diluted earnings per share attributable to owners of the parent reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock.

### **Changes in Accounting Policies**

The companies applied the following new standards for the consolidated financial statements from April 1, 2023. Impacts from the application of these standards on the consolidated financial statements are immaterial.

IFRS	Title	Summaries
IFRS 17	Insurance Contracts	Fundamental amendment of accounting for insurance contracts
IAS 12	Income Taxes (amended in May 2021)	Clarification of accounting treatment for deferred tax related to assets and liabilities arising from a single transaction
IAS 12	Income Taxes (amended in May 2023)	Accounting treatment and disclosures about income taxes arising from tax law enacted to implement the Pillar Two model rules published by the OECD.

For the year ended March 31, 2024, the companies have retrospectively applied the temporary exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes in accordance with IAS12 “Income taxes” amended in May 2023.

### **Changes in Presentation**

“Income tax receivables”, which was included in “Other current assets” within “Current assets” for the year ended March 31, 2023 is separately presented from the year ended March 31, 2024, from the perspective of materiality.

### **Accounting Estimates**

The following is a list of items for which the amount was recorded in the consolidated financial statements for FY March 2024 based on the accounting estimates, and which may have a material impact on the consolidated financial statements for the next fiscal year.

The Russia-Ukraine situation and the resulting sanctions against Russia have a global impact and may affect various business fields in which we operate. However, the extent of the impact varies among products, businesses, and locations. Therefore, the estimates are determined based on each situation.

#### **1. Impairment and its reversal of non-financial Assets and Investments in Equity Accounted investee**

(1) Amount recorded on the consolidated statements of financial position	
Property, plant and equipment	2,401,492 million yen
Investment property	282,253 million yen
Intangible assets	458,246 million yen

Investments accounted for using the equity method 4,869,969 million yen

(2) Other information

The Company and its subsidiaries perform impairment tests for non-financial assets (property, plant and equipment, investment property and intangible assets) and investments accounted for using the equity method as described in “3. Summary of Significant Accounting Policies”. In addition, the Company and its consolidated subsidiaries perform an impairment’s reversal test, except for goodwill.

Of the recoverable amount, the fair value is assessed as the price in an orderly transaction between market participants, such as the market price of marketable investments in equity accounted investees and the price on the appraisal report by the independent third party. The value in use is estimated using cash flow projections and discount rates based on the business plan authorized by management or the operating plan reflecting the most recent condition of the non-financial asset, if the business plan is not available. A profit margin which is deemed to be the market average and the risks inherent in the non-financial assets or cash-generation units is used as discount rate to calculate value in use.

The factors to be considered when estimating future cash flow and determining discount rates vary because of the difference in nature of the assets and in operating circumstances, such as location, owner, operator, profitability and other factors.

For example, with respect to non-financial assets or cash-generating units related to resource businesses such as crude oil, future cash flows are estimated using the oil price and the Company forecasts that Brent Crude price will decrease from the recent US\$85/bbl to US\$80/bbl in the short term and remain at US\$80/bbl after then, considering the recent market price and several third parties’ forecasts.

These estimates may be affected by uncertain future operating circumstances and changes in the external environment, and if actual cash flows differ from the estimates or the discount rate is revised, it may have a material impact on the amount of recoverable amount in the consolidated financial statements for the next fiscal year.

2. Revaluation of financial instruments

(1) Amount recorded on the consolidated statements of financial position

Trade and other receivables (Current)	2,216,735 million yen
Trade and other receivables (Non-current)	286,565 million yen
Other investments	2,319,900 million yen

(2) Other information

Trade and other receivables

The Company and its subsidiaries measure the loss allowance for trade and other receivables as described in “3. Summary of Significant Accounting Policies”.

The Estimates in measuring the loss allowance may be affected by future changes in credit risk and other factors. If the expected credit losses are revised due to existence of significant increase in credit risk and credit impairment, the amount of the loss allowance may be materially affected in the consolidated financial statements for the next fiscal year.

Other investments

The Company and its subsidiaries measure other investments at fair value other than financial assets measured at amortized cost as described in “3. Summary of Significant Accounting Policies”. Other investments include non-marketable other investments measured at fair value principally using the discounted cash flow method, the market comparison approach and other appropriate valuation techniques considering various assumptions, including expected future cash flows and discount rates reflecting the related risk of the investee. They are classified as level 3 considering the degree to which these inputs are observable in the relevant markets.

Cash flow projections used in the discounted cash flow method are based on the business plan authorized by investee’s management, and a profit margin which is deemed to be the market average and the risks inherent in the investment is used as discount rate to calculate fair value.

The fair value of non-marketable investment in the LNG project as of March 31, 2024 included in

other investments was 224,930 million yen, and the significant unobservable inputs used in measuring the fair value was the price of crude oil.

The Company forecasts that Brent Crude price will decrease from the recent US\$85/bbl to US\$80/bbl in the short term and remain at US\$80/bbl after then, considering the recent market price and several third parties' forecasts.

Regarding the Russian LNG business, please refer to the Note of Other matters "Impact of the Russia-Ukraine situation on the Russian LNG business".

These estimates may be affected by uncertain future operating circumstances and changes in the external environment, and if actual cash flows differ from the estimates or the discount rate is revised, it may have a material impact on the amount of fair value in the consolidated financial statements for the next fiscal year.

### 3. Provisions

(1) Amount recorded on the consolidated statements of financial position

Provisions (Current)	123,830 million yen
Provisions (Non-current)	261,593 million yen

(2) Other information

The Company and its subsidiaries record an asset retirement obligation for costs of dismantling and removing assets mainly related to mining and oil and gas production facilities as provisions as described in "3. Summary of Significant Accounting Policies".

The estimates of an asset retirement obligation may be affected by uncertain future operating circumstances and changes in the external environment, and if costs of dismantling and removing assets is revised, it may have a material impact on the amount of an asset retirement obligation in the consolidated financial statements for the next fiscal year.

### 4. Measurement of defined benefit obligations

(1) Amount recorded on the consolidated statements of financial position

Retirement benefit liabilities	43,936 million yen
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(2) Other information

The Company and certain subsidiaries record the difference between the defined benefit obligation related to defined benefit pension plans and severance indemnity plans and the fair value of plan assets as retirement benefit liabilities as described in "3. Summary of Significant Accounting Policies".

The estimates of defined benefit obligation are based on actuarial various assumptions such as discount rate. The discount rate used by the companies is determined based on the yield on highly rated fixed-rate corporate bonds at the measurement date. Differences in actual results or revisions to these actuarial assumptions may have a material impact on the amount of defined benefit obligation in the consolidated financial statements for the next fiscal year.

### 5. Recoverability of deferred tax assets

(1) Amount recorded on the consolidated statements of financial position

Deferred tax assets	108,095 million yen
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(2) Other information

The Company and its subsidiaries determine the recoverability of deferred tax assets as described in "3. Summary of Significant Accounting Policies".

The amount of recoverable deferred tax assets is estimated based on all available evidence including the timing when the temporary differences, tax loss carryforwards or tax credit carryforwards are expected to reverse and the forecast of future taxable incomes of the Company and its subsidiaries. The future taxable income is estimated mainly based on expected resource prices, reserve estimation by external institutions and long-term sales agreements.

The estimates of recoverability of deferred tax assets may be affected by uncertain future economic conditions and other factors, and if the forecast of future taxable incomes is revised or statutory tax rates are changed, it may have a material impact on the amount of deferred tax assets in the consolidated financial statements for the next fiscal year.

## 6. Impact of climate change

The business of the Company and its consolidated subsidiaries that is affected by climate change and of which related assets and liabilities are material is the business in the Energy segment. The assets and liabilities may be affected by future situations.

The material accounting estimates and judgments at the end of FY March 2024 are as follows.

The Energy segment consists mainly of oil and gas development businesses and LNG businesses. If the demand for oil and gas and LNG were to decline due to further restrictions and tighter regulations as the global trend toward low-carbon and decarbonization intensifies, it may lead to impairment of property, plant, and equipment, a decrease in the investment of the equity accounted investee, and a decrease in the fair value of other investments in existing projects. These valuations are primarily affected by the price of crude oil, and the assumptions are estimated by considering the recent market price and the medium- to long-term outlook published by several third-party organizations. Of the third-party organizations, the Company focus on STEPS (Stated Policies Scenario) among scenarios published by the IEA, but we also refer to other scenarios.

The main assets and liabilities in the energy segment recorded in the consolidated statements of financial position as of the end of FY March 2024 are as follows.

Property, plant and equipment	778,685 million yen
Investments accounted for using the equity method	650,685 million yen
Other investments	272,963 million yen
Provisions (Non-current)	142,032 million yen

The accounting estimates in the consolidated financial statements are made by taking into consideration the specific circumstances of each business in a comprehensive manner and are not determined solely based on scenario analysis related to climate change for measurement of assets and liabilities.

### Changes in Accounting Estimates

The material changes in accounting estimates in the Consolidated Financial Statements are as follows.

#### Impairment Losses for the Passenger Railway Business in Brazil

An impairment loss of 19,505 million yen in the Machinery & Infrastructure segment engaged in the passenger railway business in Brazil was recorded in “Impairment reversal (loss) of fixed assets – net” in the consolidated statements of income by reducing the carrying amount of intangible assets to the recoverable amount of 27,423 million yen. The impairment loss was mainly due to a decrease in revenue and a valuation using the probability-weighted average of future cash flows.

#### Impairment Losses for the Oil Development Business

Mitsui E&P Italia, a subsidiary in the Energy segment engaged in the onshore oil development in the Basilicata region in Italy, recognized an impairment loss of 23,593 million yen in “Impairment reversal (loss) of fixed assets - net” in the consolidated statements of income by reducing the carrying amount of the production equipment and others to the recoverable amount of 170,391 million yen. The impairment loss was mainly due to a decrease in the recoverable reserves. The recoverable amount above represented the value in use. The discount rate used to calculate the value in use is deemed to reflect the market average profit margin and the risks inherent to the cash-generating unit.

#### Asset Retirement Obligations of Oil and Gas Projects

Several subsidiaries in the Energy segment, have respectively changed their estimates of the asset retirement obligations for the decommissioning costs associated with the oil and gas projects. The decrease of 45,636

million yen in asset retirement obligations due to these changes in estimate has been recorded in “Other income (expense) - net” in the consolidated statements of income because the depreciation of the relevant fixed assets has been completed.

Other changes in accounting estimates are described in the Note of Financial Instruments and Other matters “Impact of the Russia-Ukraine situation on the Russian LNG business”.

## Notes to Consolidated Statements of Financial Position

### 1. Pledged assets and related liabilities

(1) Assets pledged as collateral 923,740 million yen

The following assets are pledged as collateral for certain short-term debt, long-term debt, and guarantee of contracts, etc.:

Cash and deposits 358,662 million yen

Trade and other receivables 12,723 million yen  
(current and non-current)

Investments 491,400 million yen

Property, plant and equipment 60,659 million yen  
(after deducting accumulated  
depreciation and impairment losses)

(2) Liabilities related to the assets pledged as collateral 90,080 million yen

### 2. Loss allowance for doubtful receivables directly deducted from trade and other receivables

(current and non-current) 65,343 million yen

(current) 17,326 million yen

(non-current) 48,017 million yen

3. Accumulated depreciation and impairment losses of property, plant and equipment 2,981,908 million yen

4. Accumulated depreciation and impairment losses of investment property 94,225 million yen

5. Accumulated amortization and impairment losses of intangible assets 356,278 million yen

### 6. Contingent liabilities

(Guarantees)

The table below summarizes the maximum potential amount of future payments of the companies' guarantees as of March 31, 2024.

Financial Guarantees	1,126,225 million yen
Performance Guarantees	84,294 million yen

The maximum potential amounts of future payments of the companies' guarantees bear no relationship to the anticipated losses on these guarantees and indemnifications, and, in the aggregate, they greatly exceed anticipated losses.

The companies evaluate risks involved for each guarantee through an internal screening procedure before issuing a guarantee and regularly monitor outstanding positions and record adequate allowance to cover losses expected from probable performance under these agreements. Reference for guarantee of the Russian LNG business is made to “Impact of the Russia-Ukraine situation on the Russian LNG business” in other matters.

## Notes to Consolidated Statements of Changes in Equity

### 1. Number of common stock issued as of March 31, 2024

1,513,589,168 shares

16,239,125 shares of the Company's treasury stock (including shares held by associated companies) are included in the number of common stock issued, of which 7,250,650 shares are in regard to a share-based compensation plan for employees.

### 2. Dividends from capital surplus and/or retained earnings

#### (1) Amount of dividends paid

Resolution	Total amount of dividends (Mn JPY)	Dividends per share (Yen)	Record date	Effective date
Ordinary general meeting of shareholders held on June 21, 2023	114,607	75	March 31, 2023	June 22, 2023
Board of Directors' meeting held on October 31, 2023	128,665	85	September 30, 2023	December 4, 2023

282 million yen and 622 million yen dividends on shares in regard to a share-based compensation plan for employees are included in the total amount of dividends based on the resolution of the ordinary general meeting of shareholders held on June 21, 2023 and the meeting of the Board of Directors held on October 31, 2023.

#### (2) Dividends whose record date is in FY March 2024 but whose effective date is in the following fiscal year.

The following resolution on dividends on common stock has been proposed on the agenda of the ordinary general meeting of shareholders to be held on June 19, 2024.

① Total amount of dividends	127,894 million yen
② Dividends per share	85 yen
③ Record date	March 31, 2024
④ Effective date	June 20, 2024

The dividends will be paid from retained earnings.

616 million yen dividends on shares in regard to a share-based compensation plan for employees are included in the total amount of dividends above.

### 3. The type and number of shares to be issued upon the exercise of stock acquisition rights as of March 31, 2024 (except for those shares whose first date of exercise period has not passed).

358,400 shares

Note: On May 1, 2024, the Board of Directors resolved to conduct a share split, which is scheduled to take effect on July 1, 2024. Each share of common stock will be split into two shares. The number of common stock above and dividend per share are calculated based on the number of shares before the share split.

## Financial Instruments

### 1. General information

The companies' basic funding policy is to secure liquidity required for their smooth operations and to maintain the strength and soundness of the statement of financial position. In order to achieve their objectives, the principal strategy is to obtain long-term funds from financial institutions and through the issuance of corporate bonds. In addition, the companies hold sufficient cash and highly-liquid short-term financial instruments in order to maintain liquidity to flexibly meet capital requirements and to minimize the harmful effect of the deteriorated financial market on future debt-service requirements.

Credit risk associated with notes and accounts receivable is managed through approvals of credit lines by management and monitoring counterparty's operations continuously.

Other investments mainly consisting of financial assets measured at FVTOCI and FVTPL are measured at fair value on a quarterly basis.

The companies are exposed to market risks related to foreign currency exchange rates, interest rates and commodity prices in the ordinary course of business. In order to offset or reduce these risks, the companies use various derivative instruments.

The companies have strictly separated the trading sections from the sections that record the results and positions of derivative instruments. Executive officers in charge of risk management assess derivative instruments and the market risks surrounding these instruments, and establish the companies' risk management policy, based on comprehensive evaluation and analysis periodically reported from independent risk management sections.

## 2. Fair value of financial instruments

The following table presents the carrying amount and fair value of financial instruments included within the Consolidated Statement of Financial Position as of March 31, 2024. The fair values of current financial assets and current financial liabilities are not disclosed because the carrying amounts approximate fair values.

	<b>Mn JPY</b>		
	<b>March 31, 2024</b>		
	Carrying amount	Fair value	Difference
<b>Financial Assets</b>			
Non-current assets			
Other investments	2,319,900	2,319,827	(73)
Trade and other receivables and Other financial assets (Note)	497,359	497,330	(29)
<b>Financial Liabilities</b>			
Non-current liabilities			
Long-term debts, less current portion and Other financial liabilities (Note)	4,150,926	4,212,609	61,683

(Note) Derivative assets and derivative liabilities are included in current and non-current Other financial assets and Other financial liabilities, respectively. These are measured at fair value and their carrying amounts are 556,487 million yen and 587,188 million yen, respectively.

## 3. Breakdown of Fair value level of financial instruments

IFRS 13 "Fair Value Measurement" defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. IFRS 13 establishes the fair value hierarchy that may be used to measure fair value, which is provided as follows. The companies recognize transfers of assets or liabilities between levels of the fair value hierarchy as of the end of each reporting period when the transfers occur.

Level 1:

Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2:

Inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly or indirectly. level 2 inputs include the following:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in markets that are not active
- Inputs other than quoted prices that are observable for the assets or liabilities
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

Level 3:

Unobservable inputs for the assets or liabilities.

## (1) Fair value of financial instruments

### ① Valuation techniques

Primary valuation techniques used for each financial instrument measured at fair value are as follows:

#### Other financial assets

- Other financial assets other than measured at amortized cost are measured at fair value.
- Other financial assets other than measured at amortized cost are measured at fair value principally using the discounted cash flow method and other appropriate valuation techniques considering various assumptions, including expected future cash flows and discount rates reflecting the related of the customer. The degree to which these inputs are observable in the relevant markets determines whether the investment is classified as level 3.

#### Other investments

- Other investments other than measured at amortized cost are measured at fair value.
- Publicly traded other investments are measured using the quoted market prices and classified as level 1.
- Non-marketable other investments are measured at fair value principally using the discounted cash flow method, the market comparison approach and other appropriate valuation techniques considering various assumptions, including expected future cash flows and discount rates reflecting the related risks of the investee. They are classified as level 3, considering the degree to which these inputs are observable in the relevant markets.

#### Derivative instruments

- Derivative instruments mainly consist of derivative commodity instruments and derivative financial instruments.
- Exchange-traded derivative commodity instruments measured using quoted market prices in an active market are classified as level 1. Certain derivative commodity instruments measured using observable inputs of the quoted prices obtained from markets, financial information providers, and brokers, are classified as level 2. Also, the derivative commodity instruments measured using unobservable inputs are classified as level 3.
- Derivative financial instruments are mainly measured by discounted cash flow analysis using foreign exchange and interest rates or quoted prices currently available for similar types of agreements and are classified as level 2.

### ② Valuation process

The valuation process involved in level 3 measurements for each applicable asset and liability is governed by the model validation policy and related procedures pre-approved by appropriate personnel. Based on the policy and procedures, the personnel determine the valuation model to be utilized to measure each asset and liability at fair value. The Company engages independent external experts of valuation to assist in the valuation process for certain assets over a specific amount, and their results of valuations are reviewed by the responsible personnel of the Company. All of the valuations, including those performed by the external experts, are reviewed and approved by the responsible personnel of the Company.

### ③ Information by fair value hierarchy

No assets or liabilities were transferred between level 1 and 2 for the year ended March 31, 2024.

		Mn JPY				
March 31, 2024	Fair value measurements using					
	Level 1	Level 2	Level 3	Netting adjustments (Note 1)	Total fair value	
<b>Assets:</b>						
Other financial assets						
(Current):						
Financial assets						
measured at FVTPL			92,404		92,404	
Total Other financial						
assets (Current)			92,404		92,404	
Other investments:						
Financial assets						
measured at FVTPL	7,132		432,995		440,127	
Financial assets						
measured at FVTOCI	1,158,206		711,129		1,869,335	
Total other investments	1,165,338		1,144,124	–	2,309,462	
Derivative assets:						
Foreign exchange						
contracts		229,883				
Interest rate						
contracts		27,903				
Commodity						
contracts	58,300	1,267,632	5,324			
Others						
Total derivative assets	58,300	1,525,418	22,717	(1,049,948)	556,487	
<b>Liabilities (Note 2):</b>						
Derivative liabilities:						
Foreign exchange						
contracts		333,022				
Interest rate contracts						
Commodity						
contracts	95,740	1,203,065	1,173			
Others						
Total derivative						
liabilities	95,740	1,570,660	7,319	(1,086,531)	587,188	

Note 1 Amounts of netting adjustments include the net amount when, and only when, the companies currently have a legally enforceable right to set off the recognized amounts, and intend either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Note 2 The amounts of financial liabilities measured at FVTPL were immaterial.

④ Reconciliation of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3)

The reconciliation of financial assets measured at FVTPL for the year ended March 31, 2024 were as follows:

	<b>Mn JPY</b>
	<b>March 31, 2024</b>
Balance at beginning of period	340,625
Gains (losses)	25,942
Purchases	60,211
Sales/Redemptions	(9,635)
Transfers into Level 3	–
Transfers out of Level 3 (Note 1)	(1,800)
Others (Note 2)	110,056
Balance at end of period	<u>525,399</u>
Net change in unrealized gains (losses) still held at end of period	<u>26,275</u>

Note 1 “Transfers out of Level 3” is due to the transfer into Level 1 as the initial public offering of the shares.

Note 2 “Others” includes the effect of changes in foreign exchange rates (including in the foreign currency translation adjustments), in scope of consolidation and others, besides the effect of recognition of financial assets related to LNG project.

Gains (losses) related to financial assets measured at FVTPL were mainly included in “Revenue” and “Gain (loss) on securities and other investments-net” in the Consolidated Statements of Income.

The reconciliation of financial assets measured at FVTOCI for the year ended March 31, 2024 were as follows:

	<b>Mn JPY</b>
	<b>March 31, 2024</b>
Balance at beginning of period	634,342
Other comprehensive income (Note 1)	86,164
Purchases	27,098
Sales	(11,428)
Redemptions (Note 2)	(33,733)
Transfers into Level 3	–
Transfers out of Level 3 (Note 3)	(575)
Others (Note 4)	9,261
Balance at end of period	<u>711,129</u>

Note 1 “Other comprehensive income” for the year ended March 31, 2024 increased mainly due to increase of fair value in investment in LNG project reflecting the effect of change in foreign exchange rates, and the fair value in investment in the mineral & metal resources projects reflecting the rise in iron ore prices and the effect of change in foreign exchange rates.

Note 2 “Redemptions”, which was included in “Sales” for the fiscal year ended March 31, 2023, is separately presented for the fiscal year ended March 31, 2024 from the

perspective of materiality. “Sales” and “Redemptions” for the fiscal year ended March 31, 2023 were 25,215 million yen and 3,880 million yen, respectively.

Note 3 “Transfers out of Level 3” is due to the transfer into Level 1 as the initial public offering of the shares.

Note 4 “Others” includes the effect of changes in scope of consolidation and others.

Other comprehensive income related to financial assets measured at FVTOCI was included in “Financial assets measured at FVTOCI” and “Foreign currency translation adjustment” in the Consolidated Statements of Comprehensive Income.

The reconciliation of derivative assets for the year ended March 31, 2024 were as follows:

	<b>Mn JPY</b>
	<b>March 31, 2024</b>
Balance at beginning of period	38,104
Gains (losses)	(20,443)
Other comprehensive income	1,361
Purchases	3,695
Set off	–
Transfers out of Level 3	–
Balance at end of period	<u>22,717</u>
Net change in unrealized gains (losses) still held at end of period	<u>(20,443)</u>

The reconciliation of derivative liabilities for the year ended March 31, 2024 were as follows:

	<b>Mn JPY</b>
	<b>March 31, 2024</b>
Balance at beginning of period	15,711
Gains (losses)	(4,223)
Other comprehensive income	1,702
Purchases	3,900
Set off	(9,771)
Transfers out of Level 3	–
Balance at end of period	<u>7,319</u>
Net change in unrealized gains (losses) still held at end of period	<u>(4,223)</u>

Gains and losses of above table in relation to the derivative assets and liabilities for the year ended March 31, 2024 have been recorded in “Revenue”, “Cost” and “Other income (expense) - net” in the Consolidated Statements of Income. Other comprehensive income has been recorded in “Foreign currency translation adjustments” in the Consolidated Statements of Comprehensive Income.

⑤ Quantitative information about Level 3 fair value measurements

Information about valuation techniques and significant unobservable inputs used for level 3 assets measured at fair value on a recurring basis as of March 31, 2024 were as follows:

March 31, 2024	Valuation Technique	Principal Unobservable Input	Range
Financial assets measured at FVTPL			
Financial assets measured at FVTOCI	Income approach	Discount rate	6.8%~33.0%

In addition to the above, the price of crude oil is one of the significant unobservable inputs used in measuring the fair value of non-marketable equity securities related to LNG business. The Company forecasts that Brent Crude price will decrease from the recent US\$85/bbl to US\$80/bbl in the short term and remain at US\$80/bbl after then, considering the recent market price and several third parties' forecasts. Regarding the Russian LNG business, please refer to Other matters "Impact of the Russia-Ukraine situation on the Russian LNG business".

⑥ Information about sensitivity to changes in significant unobservable inputs

For recurring fair value measurements of financial assets measured at FVTOCI using the income approach, increases (decreases) in discount rates would result in a lower (higher) fair value. For securities related to LNG business, increase (decrease) in the price of crude oil would result in a higher (lower) fair value.

(2) Financial assets and liabilities which are not measured by fair value

Financial assets and liabilities classified as non-current and are not measured by fair value were as follows:

	Mn JPY	
	March 31, 2024	
	Carrying amount	Fair value
<b>Financial Assets</b>		
Non-current assets		
Other investments measured at amortized cost	10,438	10,365
Trade and other receivables (Note 1) and Other financial assets (excluding derivative assets) (Note 2)	363,485	363,456
<b>Financial Liabilities</b>		
Non-current liabilities		
Long-term debts (Note 1), less current portion and Other financial liabilities (excluding derivative liabilities) (Note 2)	3,962,267	4,023,950

(Note 1) Trade and other receivables include loan receivable. Long-term debt includes borrowings and bonds payable. The fair values of non-current receivables with floating rates, including long-term loans receivable, and long-term debt with floating rates approximate their respective carrying amounts. The fair values of non-current receivables with fixed rates and long-term debt with fixed rates are

estimated by discounted cash flow analysis, using interest rates currently available for similar types of loans, accounts receivable and borrowings with similar terms and remaining maturities.

(Note 2) The fair values of other financial assets and other financial liabilities (excluding derivative assets and liabilities) approximate their respective carrying amounts.

The Company has presented the other financials assets and the other financial liabilities by excluding the derivative assets and the derivative liabilities measured at fair value.

Non-current financial assets and liabilities (excluding derivative assets and liabilities) are classified as Level 2 other than below as their fair values are measured using the discounted cash flow method based on observable inputs including market interest rates.

Fair value	111,993 Millions of Yen
Valuation techniques and inputs	Their valuation is based on significant unobservable inputs such as credit spreads, default probabilities, and estimated loss rates on individual receivables using the discounted cash flow method.

## Notes to Investment Property

### 1. Status of investment property

The Company and certain subsidiaries own rental office buildings and rental commercial facilities in Tokyo and other areas.

### 2. Fair value of investment property

The carrying amount of investment property as of March 31, 2024 was 282,253 million yen and fair value of investment property was 676,182 million yen.

The carrying amount of investment property is measured at cost less any accumulated depreciation and accumulated impairment losses. The fair value of investment property as of March 31, 2024 is based on a valuation conducted by independent valuation appraisers who have recent experience in the locations and categories of the investment property being valued, and have the appropriate and recognized professional qualifications (such as a registered appraiser). The valuation is based on inputs such as estimated rents and discount rates using primarily the income approach and conforms to the standards of the country where the investment property is located.

## Notes to Revenues

### 1. Disaggregation of revenue recognized from contracts with customers

Among “Revenue”, the disaggregation of revenue recognized from contracts with customers by business segment is as follows. The following business segment categories are same as in “Segment Information”. “Segment Information” has been aggregated into reportable segments based on the similarities in the nature of the products and services, the production processes, the type of customer, the methods used for distribution, and the regulatory environments surrounding their businesses, along with the similarities in the economic characteristics based on the profitability indicators using gross profit, profit (loss) for the year attributable to owners of the parent, etc.

Revenue other than revenue recognized from contracts with customers includes revenue related to lease and financial instruments, etc.

(Unit: Mn JPY)

	Mineral & Metal resources	Energy	Machinery & Infrastructure	Chemicals	Iron & Steel products	Lifestyle	Innovation & Corporate development	All other	Total
Revenue recognized from contracts with customers	1,723,425	1,019,492	1,280,471	2,748,677	678,680	2,415,116	195,811	1,076	10,062,748

### 2. Contract balances

The balances of receivables from contracts with customers and contract liabilities are as follows.

(Unit: Mn JPY)

	Balance at April 1, 2023	Balance at March 31, 2024
Receivables from contracts with customers	1,770,660	1,798,295
Contract liabilities	223,753	322,667

In the consolidated statements of financial position, receivables from contracts with customers are included in “Trade and other receivables” and contract liabilities are included in “Advances from customers”. Contract liabilities mainly consist of advances from customers prior to delivery in ships sales transactions. If the time between transfer of goods or services to the customer and payment is within 1 year, the impact of material financial factors is not adjusted. Of the revenue recognized in the year ended March 31, 2024, the amount included in contract liabilities as of the beginning of the fiscal year is 117,248 million yen.

### 3. Transaction price allocated to the remaining performance obligations

The total transaction price allocated to the remaining performance obligations in FY March 2024 is 7,999.0 billion yen, these remaining performance obligations are expected to recognize revenue over a period of 16 years from the end of the fiscal year as the performance obligations are satisfied. Approximately 50% of the total transaction price allocated to the remaining performance obligations is expected to be recognized within 3 years. The contracts that have an original expected duration of one year or less, and the contract that the companies recognize the revenue at the amount of consideration to which the companies have a right to invoice for the transactions which performance obligation satisfied over time, are not included. In addition, there is no significant consideration from contracts with customers not included in the transaction price. If the price at the time of revenue recognition is undecided at the fiscal year end, the future price is reasonably estimated based on the contract conditions and the prices published by third parties and allocated to the remaining performance obligations.

### 4. Assets recognized from the costs to obtain or fulfill a contract with a customer

For the year ended March 31, 2024, the amounts of assets recognized from the costs to obtain or fulfill contracts with customers are immaterial. Also, if the amortization period of the asset to be recognized is within a year, the incremental costs of obtaining a contract is recognized as a cost when incurred.

## Per Share Information

Equity attributable to owners of the parent per share	5,036.80 yen
Basic earnings per share attributable to owners of the parent	705.60 yen
Diluted earnings per share attributable to owners of the parent	705.14 yen

In the calculation of per share information, the number of shares related to the share-based compensation plan for employees is included in the number of treasury stock. The number of treasury stock is deducted from the number of shares of common stock issued, in a calculation of the average number of shares of common stock outstanding. The average number of treasury stock is 22,305,920 shares. On May 1, 2024, the Board of Directors resolved to conduct a share split which is scheduled to take effect on July 1, 2024. Each share of common stock will be split into two shares. Earnings per share attributable to owners of the parent, basic and earnings per share attributable to owners of the parent, diluted are calculated based on the number of shares before the share split. For the details of the share split, please refer to “Subsequent Events”.

## Subsequent Events

### Share Split

The Company, at a meeting of the Board of Directors on May 1, 2024, resolved to conduct a share split and make a partial amendment to the articles of incorporation in conjunction with this split.

#### 1. Purpose of the Share Split

By lowering the stock price per investment unit of common stock, the Company will allow for investing to become more accessible for our shareholders, as well as enable greater liquidity in our stock and further expansion of our investor base.

#### 2. Overview of the Share Split

##### (1) Method of the Share split

Each share of common stock owned by shareholders listed or recorded in the register of shareholders on the record date of June 30, 2024 will be split into two shares.

Since this date falls on a non-business day of the administrator of the register of shareholders, the actual record date will be June 28, 2024.

##### (2) Number of Shares to be Increased by the Share Split

Total number of issued shares prior to the share split	1,513,693,486
Number of shares to be increased by the share split	1,513,693,486
Total number of issued shares after the share split	3,027,386,972
Total number of issuable shares after the share split	5,000,000,000

(3) Schedule for the Share Split

Public notice of record date (scheduled) June 11, 2024

Record date June 30, 2024

Effective date July 1, 2024

3. Partial Amendment to the Articles of Incorporation

(1) Purpose of the Amendment

In accordance with this share split, by resolution of the Board of Directors pursuant to Article 184 (2) of the Companies Act of Japan, the Company will make the following partial amendment to the articles of incorporation, effective from July 1, 2024.

(2) Details of the Amendment

(Changes have been underlined)

Before the amendment	After the amendment
(Total number of issuable shares) Article 6. The total number of shares that can be issued by the Company shall be 2,500,000,000.	(Total number of issuable shares) Article 6. The total number of shares that can be issued by the Company shall be <u>5,000,000,000</u> .

(3) Schedule of the Amendment

Date of Board of Directors' resolution May 1, 2024

Effective date July 1, 2024

4. Impacts on the per share information.

Per share information assuming that the share split was conducted at the beginning of the fiscal year ended March 31, 2024 is as follows.

Equity attributable to owners of the parent per share	2,518.40 yen
Basic earnings per share attributable to owners of the parent	352.80 yen
Diluted earnings per share attributable to owners of the parent	352.57 yen
Annual Dividends per share	85 yen

Issuance of New Shares as Post-Delivery Restricted-Stock-Based Remuneration

On April 9, 2024, the Board of Directors of the Company resolved to issue new shares as post-delivery restricted-stock-based remuneration under the remuneration system of tenure-linked restricted stock unit, and the payment of new shares was completed on April 30, 2024. The details are as follows.

(1) Class and number of shares issued: Common stock of the Company, 104,318 shares

(2) Issue price: 7,271 yen per share

(3) Total value of issue: 758,496,178 yen

(4) Pay-in date: April 30, 2024

(5) Categories and numbers of persons eligible for allocations, numbers of shares allocated:

Managing Officers (retirees) 6 persons, 104,318 shares

Stock Repurchase

At the meeting of the Board of Directors held on May 1, 2024, the Company resolved to repurchase its stock in accordance with Article 156 of the Companies Act of Japan, as applied pursuant to paragraph 3 of Article 165 of the Companies Act of Japan. Details of the repurchase are as follows.

1. Purpose of stock repurchase

To enhance shareholder return and to improve capital efficiency

2. Details of repurchase

(1) Class of share: Common stock of the Company

(2) Number of shares to be repurchased: Up to 40 million shares\*

(3) Total amount: Up to 200 billion yen

(4) Repurchase period: From May 2, 2024 to September 20, 2024

(5) Repurchase method: Auction market on the Tokyo Stock Exchange

\* After the effective date (July 1, 2024) of “Share Split” above, the number of shares to be repurchased will be up to 80 million shares.

#### Cancellation of Treasury Stock

At the meeting of the Board of Directors held on May 1, 2024, the Company resolved to cancel a part of its treasury stock in accordance with Article 178 of the Companies Act of Japan. Details of the cancellation are as follows.

1. Class of share: Common stock of the Company

2. Total number of treasury stock to be cancelled: All shares repurchased pursuant to “Stock Repurchase” above

(In total, up to 2.64% of the total number of shares outstanding prior to the cancellation)

3. Scheduled date of cancellation: October 1, 2024

#### The Sale of Shares in PT Paiton Energy

The Company held 45.5% of shares in PT Paiton Energy, which is a coal-fired power generation affiliate in Indonesia under the Machinery & Infrastructure Segment, as of March 31, 2024. On April 30, 2024 (European time), the Company sold all shares in PT Paiton Energy and 2 related companies to the subsidiary of Ratch Group Public Company Limited and the subsidiary of PT Medco Daya Abadi Lestari as part of an ongoing strategy to reorganize its business portfolio. The sales price was 109,894 million yen, and in the fiscal year ending March 31, 2025, the Company will record 54,733 million yen of gains on the sale in “Gain (loss) on securities and other investments-net” in the consolidated statements of income.

#### **Other matters**

##### The Fire Incident of Intercontinental Terminals Company LLC

On March 17, 2019 (US time) a fire began at the Deer Park tank terminal of Intercontinental Terminals Company (“ITC”), a wholly owned U.S. subsidiary of the Company. The Deer Park tank terminal is located in the outskirts of Houston, Texas. The fire partially damaged tanks owned by ITC. ITC has resumed its operation after discussions with related authorities. Harris County Fire Marshal’s Office released its final report with respect to the fire incident on December 6, 2019 (US time) and the report classified the fire as accidental, while not specifying the cause of the fire. On July 6, 2023, U.S. Chemical Safety and Hazard Investigation Board released its final investigation report with respect to the fire incident, and determined that the fire was caused by the release of a flammable naphtha product from a failure of the Tank 80-8 circulation pump, which accumulated in the area and ignited.

The profit and loss related to this incident recognized in the year ended March 31, 2024, and the outstanding balance of related provision and assets recognized as reimbursement as of March 31, 2024 are immaterial.

While there are multiple lawsuits that have been brought against ITC in relation to this incident, ITC has reached an agreement to resolve many of the lawsuits and claims to the extent the settlement amount is fully covered by insurance. Certain additional lawsuits are not covered by the proposed settlement and will remain pending against ITC. The ultimate outcome of these lawsuits is not expected to have significant impact on our consolidated financial position, operating results and cash flow.

##### Impact of the Security Situation in Northern Mozambique on LNG Project

The Company participates in the Mozambique LNG Project through Mitsui E&P Mozambique Area 1, an equity accounted investee in the Energy segment. In April 2021, all project personnel evacuated the project site due to the deteriorating security situation in northern Mozambique where the project site is located, and on April 26, 2021, the project operator, TotalEnergies of France, announced that it had declared force majeure under the joint operating agreement.

Progress has been seen in the restoration of order, stability and security in the region, and project partners are working with the government and relevant stakeholders for an early restart of the construction, while the exact restart date is still being reviewed.

The Company does not expect a significant impact on its consolidated financial position, operating results and cash flow at this stage.

### Impact of the Russia-Ukraine situation on the Russian LNG business

The Russian LNG business in which the Company, its subsidiary, and the equity accounted investee in the Energy segment have invested, financed and guaranteed, is affected by the Russia-Ukraine situation that has been ongoing since February 2022 and the resulting sanctions against Russia, etc. Based on discussions with each partner, etc., the Company has evaluated its relevant assets and liabilities.

In relation to the investment in Sakhalin II project held by MIT SEL Investment, a subsidiary of the Company that invests in Sakhalin Energy LLC (“SELLC”), while acknowledging the decision on the new LLC member of SELLC confirmed by Order of the Government of the Russian Federation dated March 23, 2024 (No. 701), the situation still remains uncertain as the relevant LLC members agreement is not signed, etc. Under this situation, the fair value of our investment in the Sakhalin II project is measured using the income approach by expected present value technique and the probability-weighted average considering a scenario where the continuous dividend income is expected from SELLC and other scenarios. As a result, fluctuation of fair value recognized in the current period is immaterial. The outstanding balances of “Other investments” in the consolidated statements of financial position related to this project as of March 31, 2024 was 87,642 million yen. The fair value may increase or decrease due to further changes in situation hereafter.

In addition, with regards to the carrying amounts of the investments and loans to Japan Arctic LNG, an equity accounted investee that invests in and finances the Arctic LNG 2 project, and financial guarantees related to the business, the Company continues to take appropriate measures in compliance with laws and regulations cooperating with stakeholders in response to the announcement from the Office of Foreign Assets Control of the US Department of the Treasury, that Arctic LNG 2 has been designated as SDN (Specially Designated Nationals) on November 2, 2023 (US time), and that specific entities related to the business have also been designated as SDN on February 23, 2024 (US time), etc. The Company reviewed the recoverability and the likelihood of performing guarantee considering the portion of liability based on the rights and obligations of Japan Arctic LNG and the Company under various agreements including the shareholders agreement, insurance such as overseas investment insurance, and third-party agreements.

In relation to the investment in Japan Arctic LNG, the Company reviewed the valuation of its assets and the fluctuation of book value in the investment are classified and included in “Share of profit (loss) of investments accounted for using the equity method” in the consolidated statements of income and “Share of other comprehensive income of investments accounted for using the equity method” in the consolidated statements of comprehensive income respectively. In addition, the expected recovery amount by the compensation of overseas investment insurance is recognized in “Other financial assets” in the consolidated statements of financial position and the same recognized amount is booked in “Other income (expense)” in the consolidated statements of income.

In relation to the loans in Japan Arctic LNG, the Company measured the expected credit losses considering the expected recovery amount by the compensation of loan insurance and included in “Selling, general and administrative expense” in the consolidated statements of income.

In relation to the financial guarantees related to the business, the Company measured the expected credit losses using weighted average considering a scenario with default of obligations by guarantees Japan Arctic LNG and Arctic LNG 2, and other scenarios, taking into account the SDN designation of the specific entities related to the business, progress of discussions with partners, etc., and the cash flows that the Company expects to receive based on third-party agreements. Additionally, for a part of the financial guarantees, the Company measured the expected credit losses using the credit rating of the Russian Federation and it is recorded in “Other income (expense)” in the consolidated statements of income.

As a result of these accounting treatments, the impact on “Profit for the year” recognized in the consolidated statements of income for the current period were immaterial. The outstanding balances of the investments and loans\* as of March 31, 2024 was 21,764 million yen, increased by 6,005 million yen from March 31, 2023. The balance of financial guarantees as contingent liabilities was 193,548 million yen, and the provision for loss on guarantees increased by 56,025 million yen from March 31, 2023, and it included in “Other financial liabilities” in the consolidated statements of financial position was 74,238 million yen.

If changes in the international situation surrounding Russia including the Russia-Ukraine situation occurs hereafter, or if changes in the credit rating of the Russian Federation, changes in the business environment caused by sanctions etc., and changes of the Company’s policies regarding Russian LNG business etc. occur, these estimates may have a significant impact on the amounts of related investments, loans, financial guarantees and its recoverable or liable amounts in the consolidated financial statements for the next fiscal year and thereafter. The Company ongoingly takes appropriate measures.

\* Investments and loans are the sum of “Investments accounted for using the equity method”, and loans

(net of loss allowance and after consideration of expected recovery amount of insurance) included in “Trade and other receivables” in the consolidated statements of financial position.

## Non-Consolidated Financial Statements

### Statements of Changes in Equity

Year ended March 31, 2024

(Mn JPY)

	Shareholders' equity							
	Common stock	Capital surplus		Legal reserve	Retained earnings			Total retained earnings
		Capital reserve	Total capital surplus		Other retained earnings			
					General reserve	Special reserve	Retained earnings - carry forward	
<b>Balance at beginning of current year</b>	342,560	368,837	368,837	27,745	176,851	1,619	1,555,912	1,762,129
Changes of items during the year								
Cash dividends							(243,272)	(243,272)
Net Income							535,348	535,348
Acquisition of treasury stock								
Disposal of treasury stock							(348)	(348)
Cancellation of treasury stock							(135,921)	(135,921)
Compensation costs related to share-based payment	502	502	502					
Net changes during the year of items in valuation and translation adjustments								
Total changes of items during the year	502	502	502	-	-	-	155,807	155,807
<b>Balance at end of current year</b>	343,062	369,339	369,339	27,745	176,851	1,619	1,711,719	1,917,936

	Shareholders' equity		Valuation and translation adjustments			Subscription rights to shares	Total equity
	Treasury stock	Total shareholders' equity	Net unrealized gains on available-for-sale securities	Deferred losses on derivatives under hedge accounting	Total valuation and translation adjustments		
<b>Balance at beginning of current year</b>	(66,104)	2,407,422	463,003	(376,743)	86,259	366	2,494,047
Changes of items during the year							
Cash dividends		(243,272)					(243,272)
Net Income		535,348					535,348
Acquisition of treasury stock	(139,283)	(139,283)					(139,283)
Disposal of treasury stock	864	515				(53)	462
Cancellation of treasury stock	135,921	-					-
Compensation costs related to share-based payment		1,004					1,004
Net changes during the year of items in valuation and translation adjustments			18,114	(229,311)	(211,196)		(211,196)
Total changes of items during the year	(2,498)	154,312	18,114	(229,311)	(211,196)	(53)	(56,937)
<b>Balance at end of current year</b>	(68,602)	2,561,734	481,117	(606,055)	(124,937)	313	2,437,110

## Year ended March 31, 2023 (Supplementary Information)

(Mn JPY)

	Shareholders' equity							
	Common stock	Capital surplus		Legal reserve	Retained earnings			Total retained earnings
		Capital reserve	Total capital surplus		Other retained earnings			
					General reserve	Special reserve	Retained earnings - carry forward	
<b>Balance at beginning of current year</b>	342,383	368,660	368,660	27,745	176,851	1,619	1,142,460	1,348,676
Changes of items during the year								
Cash dividends							(198,560)	(198,560)
Net Income							922,579	922,579
Acquisition of treasury stock								
Disposal of treasury stock							(283)	(283)
Cancellation of treasury stock							(310,284)	(310,284)
Compensation costs related to share-based payment	176	176	176					
Net changes during the year of items in valuation and translation adjustments								
Total changes of items during the year	176	176	176	–	–	–	413,452	413,452
<b>Balance at end of current year</b>	342,560	368,837	368,837	27,745	176,851	1,619	1,555,912	1,762,129

	Shareholders' equity		Valuation and translation adjustments			Subscription rights to shares	Total equity
	Treasury stock	Total shareholders' equity	Net unrealized gains on available-for-sale securities	Deferred losses on derivatives under hedge accounting	Total valuation and translation adjustments		
<b>Balance at beginning of current year</b>	(106,899)	1,952,821	566,968	(329,988)	236,980	469	2,190,271
Changes of items during the year							
Cash dividends		(198,560)					(198,560)
Net Income		922,579					922,579
Acquisition of treasury stock	(270,024)	(270,024)					(270,024)
Disposal of treasury stock	536	253				(103)	149
Cancellation of treasury stock	310,284	–					–
Compensation costs related to share-based payment		353					353
Net changes during the year of items in valuation and translation adjustments			(103,965)	(46,755)	(150,721)		(150,721)
Total changes of items during the year	40,795	454,601	(103,965)	(46,755)	(150,721)	(103)	303,776
<b>Balance at end of current year</b>	(66,104)	2,407,422	463,003	(376,743)	86,259	366	2,494,047

## Notes to Non-Consolidated Financial Statements (Year ended March 31, 2024)

### Significant Accounting Policies

1. Securities are classified and accounted for as follows:

Trading securities, whose costs of sales are determined by the moving-average method, are stated at market value. Held-to-maturity debt securities are stated at amortized cost determined by the straight-line method. Investments in subsidiaries and associated companies are stated at cost determined by the moving-average method.

Marketable available-for-sale securities, whose costs of sales are determined by the moving-average method, are reported at market value at year-end with unrealized gains and losses reported in a separate component of equity.

Non-marketable available-for-sale securities are stated at cost determined by the moving-average method. Except for trading securities, those securities whose market value or equity in net assets is materially lower than carrying value on and around the balance sheet date are devaluated after determining whether the value could be recoverable.

2. Derivatives are stated at fair value.

3. Inventories are stated at cost. Cost is determined principally by the specific identification method and, for certain items, by the moving-average method or the first-in, first-out method. The balance sheet amount is calculated by reducing book value when the contribution of inventories to profitability declines. Inventories for trading purpose are stated at market value.

4. Depreciation of tangible assets is computed using the declining-balance method. Depreciation of buildings (excluding equipment and fixtures) acquired on or after April 1, 1998 and depreciation of equipment and fixtures and structures acquired on or after April 1, 2016, are computed using the straight-line method. The estimated useful lives for the majority of tangible assets are as follows: Leased-out Property: 5-50 years; Buildings and Structures: 3-50 years.

Amortization of intangible assets is computed using the straight-line method. Software for the Company's own use is amortized based on the straight-line method over the period it can be used (five years mainly).

Leased assets are included in their fixed asset category and are depreciated using the straight-line method over the lease period.

5. To provide for possible losses on collection, the allowance for doubtful receivables that is set aside for receivables in general is computed using the actual ratio of bad debts. For certain receivables, the amount deemed unrecoverable is set aside in the allowance on an individual basis.

The liability for retirement benefits is recorded based on projected benefit obligations and plan assets at the balance sheet date of the Corporate Pension Fund plan and other retirement benefit plans. Estimated retirement benefits are attributed to periods of service under the plan's benefit formula. Unrecognized prior service cost is amortized over seven years from the date of the revision of the pension plan, which is shorter than the average remaining service period of employees. The unrecognized actuarial gain or loss that arose in the current year is amortized over seven years starting with the following fiscal year, which is shorter than the average remaining service period of employees.

The difference between projected benefit obligations, after deducting the portion corresponding to unrecognized actuarial gain or loss and unrecognized prior service cost, and plan assets is recorded as the liability for retirement benefits or long-term prepaid expense ("Other" of "Investments and other assets") in the balance sheet.

To provide for contingent losses on the obligation for guarantees and commitments to subsidiaries and others, a certain amount is set aside as deemed necessary, considering the financial condition of the primary obligor.

6. Receivables and Payables denominated in foreign currencies are translated into Japanese yen at year-end exchange rates on the balance sheet date. The foreign exchange gains and losses from translation are recognized in the income statement.

7. For derivatives that meet hedge accounting criteria, except for available-for-sale securities, gains or losses on derivatives are deferred until realization of the hedged items. For derivatives that meet hedge accounting criteria for available-for-sale securities, fair value hedge accounting is applied. Foreign currency forward exchange contracts to hedge monetary assets and liabilities denominated in foreign currencies are stated at fair value and accounted for under the principle method of the Accounting Standards for Financial Instruments. The interest rate swaps which qualify for hedge accounting and meet specific matching criteria are not re-measured at market value, but the differential paid or received under the swap agreements is recognized on an accrual basis and included in interest expense or income.

The Company enters into derivative financial instrument transactions such as foreign exchange forward contracts and foreign currency borrowings to hedge foreign exchange risk associated with monetary assets and liabilities denominated in foreign currencies, net investments in foreign operations and forward contracts of trade. The Company also enters into derivative financial instrument transactions such as interest rate swap to hedge interest rate risk in the course of business activities. As for market risk, the Company enters into derivative financial instrument transactions such as commodity future, forward to hedge market risk of commodities and trading contracts.

Apart from trading transaction risks, market volatility risks related to foreign currency exchange rates, interest rates and commodity prices in the ordinary course of business are hedged using derivative financial instruments and foreign currency borrowings, considering the specific risk characteristics based on internal risk control policies.

The effectiveness between the hedging instruments and the hedged items is evaluated considering individual transaction characteristics.

Although the “Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR” issued on March 17, 2022 (ASBJ PITF No. 40) had been applied to below hedging relationship until the suspension of publication of LIBOR at the end of June, 2023, due to the completion of the transition to alternative interest rate benchmarks during FY March 2024, there are no hedging relationships which apply the practical report as of the end of March 2024.

- |                              |   |
|------------------------------|---|
| (1) Hedge accounting method: | Special hedge accounting for interest rate swaps or deferred hedge accounting |
| (2) Hedging instruments:     | Interest rate swaps   |
| (3) Hedged items:            | Long-term borrowings or bonds   |
| (4) Objective of the hedge:  | To offset the fair value change or to fix the cash flows                      |

## 8. Revenue recognition

Revenue from contracts with customers is recognized at the time when the performance obligations are satisfied based on the 5 step approach (1. Identifying the contract with a customer, 2. Identifying the performance obligations of the contract, 3. Determining the transaction price, 4. Allocating the transaction price to performance obligations in the contract and 5. Recognizing the revenue when the entity satisfies a performance obligation). Upon identifying the performance obligations of the contract, a consideration of whether an entity is a principal or an agent is made. If the nature of the entity’s promise is a performance obligation to provide the specified goods or services as a principal, revenue is recognized at the gross amount. If the nature of the entity’s promise is a performance obligation to arrange for the provision of goods or services by another party, revenues received as an agent is recognized at the amount of any fee or commission to which it expects to be entitled or as a net amount. Revenue is recognized when (or as) the companies satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer when (or as) the customer obtains control of that asset. The time when the customer obtains control of that asset is determined based on the ability to direct the use of and obtain substantially all of the remaining benefits from the asset.

The Company’s main performance obligations are the sale of various products; the sale of a wide variety of manufactured products such as metals, chemicals, foods, and general consumer merchandise; the sales of metallurgical coal, iron ore, oil, and gas. The Company recognizes revenue based on the transfer, acceptance by the customer, or the dispatch of goods for domestic transactions, and recognize revenue based on the transfer of the risks and costs, which is determined by the incoterms, for international

transactions. In case that the performance obligation is rendering of services such as arrangements related to the order, financing or delivery for commissions, revenue is recognized at the time when the completion of services or the elapse of period for rendering services. In regard to determining the time when the customer obtains control of that asset, the verified right to receive the consideration, the legal title, the physical possession, the significant risk and rewards, and the acceptance are assessed.

The consideration is normally received within a year and performance obligation do not include a significant financing component.

For transactions where the performance obligation is satisfied over time, and only if its progress towards complete satisfaction of the performance obligation can be reasonably measured, revenue is recognized by measuring the progress towards the completion of the satisfaction of the performance obligation. Even if the progress towards complete satisfaction of a performance obligation may not be reasonably measurable, if the costs incurred in satisfying the performance obligation are expected to be recovered, revenue is recognized only to the extent of the costs incurred until the progress can be reasonably measured.

## **Accounting Estimates**

The following is a list of items for which the amount was recorded in the financial statements for FY March 2024 based on the accounting estimates, and which may have a significant impact on the financial statements for the next fiscal year.

The Russia-Ukraine situation and the resulting sanctions against Russia have a global impact and may affect various business fields in which we operate. However, the extent of the impact varies among products, businesses, and locations. Therefore, the estimates are determined based on each situation.

### **1. Valuation of investments and ownership in subsidiaries and affiliates**

#### **(1) Amount recorded on the statements of financial position**

Investments and ownership in subsidiaries and associated companies

3,548,225 million yen (Items with no market price)

#### **(2) Other information**

For investments and ownership in subsidiaries and affiliates with no market price, if the market value or equity in net assets is materially lower than carrying value on and around the balance sheet date, the investments and ownership are devaluated after evaluating whether the value could be recoverable.

Since the evaluation of recoverability of the value is based on the business plans of subsidiaries and affiliates, it may be affected by uncertain future economic environment and other factors. If the actual results do not meet the plan, it may have a significant impact on the evaluation of recoverability in the financial statements for the next fiscal year.

## **Changes in Accounting Estimates**

### **Impact of the Russia-Ukraine situation on the Russian LNG business**

The Russian LNG business in which the Company, the associated company in the Energy segment have invested, financed and guaranteed, is affected by the Russia-Ukraine situation that has been ongoing since February 2022 and the resulting sanctions against Russia, etc. Based on discussions with each partner, etc., the Company has evaluated its relevant assets and liabilities.

With regards to the carrying amounts of the investments and loans to Japan Arctic LNG, an associated company that invests in and finances the Arctic LNG 2 project, and financial guarantees related to the business, the Company continues to take appropriate measures in compliance with laws and regulations cooperating with stakeholders in response to the announcement from the Office of Foreign Assets Control of the US Department of the Treasury, that Arctic LNG 2 has been designated as SDN (Specially Designated Nationals) on November 2, 2023 (US time), and that specific entities related to the business have also been designated as SDN on February 23, 2024 (US time), etc.. The Company reviewed the recoverability and the likelihood of performing guarantee considering the portion of liability based on the rights and obligations of Japan Arctic LNG and the Company under various agreements including the shareholders agreement, insurance such as overseas investment insurance, and third-party agreements.

In relation to the investment in Japan Arctic LNG, the Company reviewed the valuation of its assets and the fluctuation of fair market value in the investment are classified and included in “Loss on write-down of investments in securities and subsidiaries and associated companies” in the statements of income. In addition, the expected recovery amount by the compensation of overseas investment insurance is recognized in “Other (current assets)” in the balance sheets and the same recognized amount is booked in “Non-operating income” in the statements of income.

In relation to the loans in Japan Arctic LNG, the Company measured the expected credit losses considering the expected recovery amount by the compensation of loan insurance and included in “Selling, general and administrative expense (Other)” in the statements of income.

In relation to the financial guarantees related to the business, the Company measured the expected credit losses using weighted average considering a scenario with default of obligations by guarantees Japan Arctic LNG and Arctic LNG 2, and other scenarios, taking into account the SDN designation of the specific entities related to the business, progress of discussions with partners, etc., and the cash flows that the Company expects to receive based on third-party agreements, and it is recorded in “Provision for the obligation for guarantees and commitments” in the statements of income.

As a result of these accounting treatments, the impact on “Net income” recognized in the statements of income for the current period were immaterial. The outstanding balances of the investments and loans\* as of March 31, 2024 was 21,764 million yen, increased by 9,744 million yen from March 31, 2023. The balance of financial guarantees as contingent liabilities was 193,547 million yen, and the provision for loss on guarantees increased by 58,479 million yen from March 31, 2023, and it included in “Allowances for the obligation for guarantees and commitments” in the balance sheets was 65,564 million yen.

If changes in the international situation surrounding Russia including the Russia-Ukraine situation occurs hereafter, or if changes in the credit rating of the Russian Federation, changes in the business environment caused by sanctions etc., and changes of the Company’s policies regarding Russian LNG business etc. occur, these estimates may have a significant impact on the amounts of related investments, loans, financial guarantees and its recoverable or liable amounts in the consolidated financial statements for the next fiscal year and thereafter. The Company ongoingly takes appropriate measures.

\* Investments and loans are the sum of “Investments and ownership in subsidiaries and associated companies”, and loans (net of loss allowance and after consideration of expected recovery amount of insurance) included in “Other (current assets)” the balance sheets.

## Notes to Balance Sheets

### 1. Pledged assets and related liabilities

(Unit: Mn JPY)

Assets pledged as collateral		Details	
Type	Book Value at End of Period	As Security for Trading Contracts	For Guarantees
Investments in securities, investments and ownership in subsidiaries and associated companies	307,816	5,445	302,371
Others (Note 2)	136,899	136,899	–
Total	444,715	142,344	302,371

Note 1: In addition to the above, bank borrowings under certain provisions of loan agreements which require the Company, upon the request of the bank, immediately to provide collateral, which is not specified in the loan agreements, were 278,198 million yen.

Note 2: Security deposits and guarantee deposits related to business and derivative transactions are mainly included.

- |   |                    |
|---|--------------------|
| 2. Financial assets held as collateral from others, for which the Company has free disposal rights: | 3,633 million yen  |
| 3. Accumulated depreciation of tangible assets:   | 64,560 million yen |
| 4. Accumulated amortization of intangible assets:   | 16,359 million yen |

## 5. Contingent liabilities

### (1) Guarantees

(Unit: Mn JPY)

The guaranteed	Amount of guarantee (Note 1)
1. Guarantees related to trading partner bank borrowings, trade payables and other	
Mitsui & Co. Cameron LNG Sales, LLC	1,077,611
Lepta Shipping Co., Ltd.	271,927
Mitsui & Co. Energy Trading Singapore Pte. Ltd.	207,061
MOZ LNG1 Financing Company Ltd.	148,422
Oriente Copper Netherlands B.V.	137,065
Yushan Energy Co., Ltd.	124,953
MEP South Texas LLC	114,123
Mitsui & Co. Financial Services (U.S.A.) Inc.	98,874
MEPAU Perth Basin Pty Ltd.	82,228
Mitsui Bussan Commodities Ltd.	76,050
Other-183 companies (Note 2)	1,486,375
Sub-total (Note 3)	3,824,692
2. Guarantees related to bank borrowings of overseas trading subsidiaries	
Mitsui & Co. (Middle East) B.S.C.(c)	466,647
Mitsui De Mexico, S. de R.L. de C.V.	14,410
Other-1 overseas trading subsidiary	250
Sub-total	481,308
Grand total	4,306,001

Note 1: For joint guarantee agreements with two or more guarantors or guarantee agreements with re-guarantees by other companies, the amounts presented above only include the portion which the Company bears under such agreements.

Note 2: Reference for guarantee of the Russian LNG business is made to "Impact of the Russia-Ukraine situation on the Russian LNG business" in changes in accounting estimates.

Note 3: Pledged investments and other letters similar to guarantees amounting to 302,371 million yen are included.

Note 4: Presented above are mainly subsidiaries and associated companies whose guarantee fee amounts and their payment conditions have been determined individually considering their business substance.

### (2) Notes receivable discounted amount to 48,960 million yen

Export bills of exchange under letters of credit, discounted at intermediary banks but not yet paid by the banks extending the letters of credit, of 41,972 million yen are included in notes receivable discounted.

## 6. Receivables from and payables to subsidiaries and associated companies:

Short-term receivables: 576,762 million yen      Long-term receivables: 219,349 million yen  
Short-term payables: 1,172,906 million yen      Long-term payables: 10,531 million yen

## Notes to Statements of Income

### 1. Transactions with subsidiaries and associated companies:

Revenue: 470,017 million yen  
Cost: 727,826 million yen  
Other non-operating transactions: 767,927 million yen

2. Gain on sales of investments in securities and subsidiaries and associated companies  
 “Gain on sales of investments in securities and subsidiaries and associated companies” of 115,767 million yen for the year ended March 31, 2024 mainly consists of below.

Mitsui Rail Capital Europe: 58,816 million yen

3. Loss on write-down of investments in securities and subsidiaries and associated companies  
 “Loss on write-down of investments in securities and subsidiaries and associated companies” of 93,297 million yen for the year ended March 31, 2024 mainly consists of below.

Copper business in Chile: 23,403 million yen

### Note to Statements of Changes in Equity

Number of treasury stock as of March 31, 2024

Common stock 16,208,150 shares

Out of the number of treasury stock above, 7,250,650 shares are related to the share-based compensation plan for employees.

Note: The number of common stock above is calculated based on the number of shares before a share split. On May 1, 2024, the Board of Directors resolved to conduct a share split, which is scheduled to take effect on July 1, 2024. Each share of common stock will be split into two shares.

### Tax-Effect Accounting

1. The principal items, which comprise deferred tax assets and deferred tax liabilities, were as follows:

(Unit: Mn JPY)

Deferred tax assets	
Allowance for doubtful receivables	15,201
Allowances for the obligation for guarantees and commitments	27,014
Investments in securities, subsidiaries and associated companies	304,656
Impairment loss of fixed assets	3,891
Accrued bonuses	15,746
Deferred losses on derivatives under hedge accounting	187,877
Loss carryforwards (Note)	45,354
Others	57,772
Subtotal deferred tax assets	657,511
Valuation allowance	(625,173)
Total deferred tax assets	32,338
Deferred tax liabilities	
Net unrealized gains on available-for-sale securities	173,904
Pension and severance costs	13,315
Total deferred tax liabilities	187,219
Net deferred tax liabilities	154,881

Note: 19,923 million yen of deferred tax assets arising from loss carryforwards will expire within 5 years and 25,431 million yen will expire after 5 to 10 years.

2. Accounting for corporate tax and local corporate tax or tax effect accounting related to these taxes  
 The Company has applied the group tax sharing system. In accordance with the “Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System” (ASBJ Practical Issues Task Force (PITF) No. 42), the Company have conducted accounting for corporate tax and local corporate tax or accounting and disclosure of tax effect accounting.

## Transactions with Related Parties

Company name: Mitsui Oil Exploration Co., Ltd.

Relationship: Subsidiary

Ownership of voting shares: 100% direct ownership

Relationship with related parties: Dispatching directors and deposits received

Transaction content: Deposits received

Transaction amount: 409,144 million yen

Amounts as of FY March 2024-end: 403,588 million yen

Transaction conditions and transaction policy: Financing condition is determined considering market interest rates.

Company name: Mitsui & Co. Financial Services (Australia) Ltd.

Relationship: Subsidiary

Ownership of voting shares: 100% in-direct ownership

Relationship with related parties: Dispatching directors and loan payable

Transaction content: Loan payable

Transaction amount: 257,018 million yen

Amounts as of FY March 2024-end: 578,413 million yen

Transaction conditions and transaction policy: Financing condition is determined considering market interest rates.

## Per Share Information

Equity per share	1,627.58 yen
Basic earnings per share	355.12 yen
Diluted earnings per share	354.89 yen

In a calculation of per share information, the number of shares related to the share-based compensation plan for employees is included in the number of treasury stock. The number of treasury stock is deducted from the number of shares of common stock issued, in a calculation of the average number of shares of common stock outstanding. The average number of treasury stock is 22,274,950 shares. On May 1, 2024, the Board of Directors resolved to conduct a share split which is scheduled to take effect on July 1, 2024. Each share of common stock will be split into two shares. Earnings per share attributable to owners of the parent, basic and earnings per share attributable to owners of the parent, diluted are calculated based on the number of shares before the share split. For the details of the share split, please refer to “Subsequent Events”.

## Subsequent Events

### Share Split

The Company, at a meeting of the Board of Directors on May 1, 2024, resolved to conduct a share split and make a partial amendment to the articles of incorporation in conjunction with this split.

#### 1. Purpose of the Share Split

By lowering the stock price per investment unit of common stock, the Company will allow for investing to become more accessible for our shareholders, as well as enable greater liquidity in our stock and further expansion of our investor base.

#### 2. Overview of the Share Split

##### (1) Method of the Share split

Each share of common stock owned by shareholders listed or recorded in the register of shareholders on the record date of June 30, 2024 will be split into two shares.

Since this date falls on a non-business day of the administrator of the register of shareholders, the actual record date will be June 28, 2024.

##### (2) Number of Shares to be Increased by the Share Split

Total number of issued shares prior to the share split 1,513,693,486

Number of shares to be increased by the share split	1,513,693,486
Total number of issued shares after the share split	3,027,386,972
Total number of issuable shares after the share split	5,000,000,000

(3) Schedule for the Share Split

Public notice of record date (scheduled) June 11, 2024

Record date June 30, 2024

Effective date July 1, 2024

3. Partial Amendment to the Articles of Incorporation

(1) Purpose of the Amendment

In accordance with this share split, by resolution of the Board of Directors pursuant to Article 184 (2) of the Companies Act of Japan, the Company will make the following partial amendment to the articles of incorporation, effective from July 1, 2024.

(2) Details of the Amendment

(Changes have been underlined)

Before the amendment	After the amendment
(Total number of issuable shares) Article 6. The total number of shares that can be issued by the Company shall be 2,500,000,000.	(Total number of issuable shares) Article 6. The total number of shares that can be issued by the Company shall be <u>5,000,000,000</u> .

(3) Schedule of the Amendment

Date of Board of Directors' resolution May 1, 2024

Effective date July 1, 2024

4. Impacts on the per share information.

Per share information assuming that the share split was conducted at the beginning of the fiscal year ended March 31, 2024 is as follows.

Equity per share	813.79 yen
Basic earnings per share	177.56 yen
Diluted earnings per share	177.44 yen

Issuance of New Shares as Post-Delivery Restricted-Stock-Based Remuneration

On April 9, 2024, the Board of Directors of the Company resolved to issue new shares as post-delivery restricted-stock-based remuneration under the remuneration system of tenure-linked restricted stock unit, and the payment of new shares was completed on April 30, 2024. The details are as follows.

- (1) Class and number of shares issued: Common stock of the Company, 104,318 shares
- (2) Issue price: 7,271 yen per share
- (3) Total value of issue: 758,496,178 yen
- (4) Pay-in date: April 30, 2024
- (5) Categories and numbers of persons eligible for allocations, numbers of shares allocated:  

Managing Officers (retirees)	6 persons, 104,318 shares
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Stock Repurchase

At the meeting of the Board of Directors held on May 1, 2024, the Company resolved to repurchase its stock in accordance with Article 156 of the Companies Act of Japan, as applied pursuant to paragraph 3 of Article 165 of the Companies Act of Japan. Details of the repurchase are as follows.

1. Purpose of stock repurchase

To enhance shareholder return and to improve capital efficiency

2. Details of repurchase

- (1) Class of share: Common stock of the Company
- (2) Number of shares to be repurchased: Up to 40 million shares\*

- (3) Total amount: Up to 200 billion yen
- (4) Repurchase period: From May 2, 2024 to September 20, 2024
- (5) Repurchase method: Auction market on the Tokyo Stock Exchange

\* After the effective date (July 1, 2024) of “Share Split” above, the number of shares to be repurchased will be up to 80 million shares.

#### Cancellation of Treasury Stock

At the meeting of the Board of Directors held on May 1, 2024, the Company resolved to cancel a part of its treasury stock in accordance with Article 178 of the Companies Act of Japan. Details of the cancellation are as follows.

- 1. Class of share: Common stock of the Company
- 2. Total number of treasury stock to be cancelled: All shares repurchased pursuant to “Stock Repurchase” above  
(In total, up to 2.64% of the total number of shares outstanding prior to the cancellation)
- 3. Scheduled date of cancellation: October 1, 2024

#### The Sale of Shares in PT Paiton Energy

The Company held 45.5% share in PT Paiton Energy, which is a coal-fired power generation associated company in Indonesia, as of March 31, 2024. On April 30, 2024 (European time), the Company sold all shares in PT Paiton Energy to the subsidiary of Ratch Group Public Company Limited and the subsidiary of PT Medco Daya Abadi Lestari as part of an ongoing strategy to reorganize its business portfolio. The sales price was 94,943 million yen, and in the fiscal year ending March 31, 2025, the Company will record 85,014 million yen of gains on the sale in “Gain on sales of investments in securities and subsidiaries and associated companies” in the statements of income.

## Reference

### Equity Securities Held [Supplementary Information]

Please refer to “(Reference) [Equity Securities Held]” on pages 33-34 of the “Notice of the 105th Ordinary General Meeting of Shareholders” for the principal information of equity securities held.

#### (i) Concept of the classification of shares for investment

We may hold investment shares for the purpose of creating new businesses and strong business clusters through both trading and business investment. In addition to profit from such trading, changes in the value of shares and dividends thereon, we strive to increase medium- to long-term economic profit by creating new business opportunities and raising corporate value by providing our functions. Based on such business model, our criterion for the classification of shares for investment held for pure investment purposes is “Investment held for the purposes of realizing gains solely arising from changes in the value of shares or dividends thereon”, and one in which we can consider mainly about economic gain from the shares in question at the time of its acquisition or disposal, without much consideration required on collaboration and business relationships with investees. Other investments are defined as shares for investment held for purposes other than pure investment purposes.

Regardless of the classification of shares for investment held for pure investment purposes and shares for investment held for purposes other than pure investment purposes, all shares will continue to be similarly verified in respect of the rationale for holding and the voting rights will be exercised appropriately.

#### (ii) Policy on the exercise of voting rights of shares for investment

With respect to the exercise of voting rights of shares for investment, the content of each proposal shall be considered based on the management policies and business plans etc., of the investee, and deliberation shall be conducted on a case-by-case basis while comprehensively considering the perspectives of (1) whether or not the proposal contributes to enhancing corporate value of the investee or mutual benefit of the shareholders, and (2) the impact that the proposal may have on corporate value of the Company in terms of creation of business opportunities, and building, maintaining and strengthening of business and collaborative relationship with the investee.

#### (iii) Method to verify the policy and rational of holdings of shares for investment

At the Company, the Portfolio Management Committee, which is an advisory body to the Executive Committee, establishes company-wide portfolio strategy as well as investment and loan policies, periodically monitors the company-wide portfolio, and verifies the rationale for holding of all assets including shares for investment through asset portfolio review that is conducted each year. When acquiring shares for investment, the Company shall conduct a prior stringent assessment of profitability and capital efficiency, as well as the likelihood of creating business opportunities, or building, maintaining, and strengthening the business and collaborative relationships. At the same time, for listed shares, the Company shall verify the economic rationale based on the status of dividends, business-related profits, and other related profits, in comparison to total cost such as acquisition cost, fair value and its cost of capital, and conduct verification of qualitative aspects based on the status of and outlook for the creation of business opportunities, as well as business and collaborative relationship with each investee. If, as a result of these verifications, the rational of holding these assets has significantly declined, our policy is to sell and reduce such assets. Further, the Board of Directors confirms that the qualitative rationale is verified for holding all individual shares, and identifies shares that will be considered for sale in the future due to dilution of the rationale, considering both qualitative and quantitative aspects.

#### (iv) Shares for investment held for purposes other than pure investment purposes

- (a) Method to verify the policy and rational of holdings of shares and details of reviews by the Board of Directors

Please refer to (iii) “Method to verify the policy and rational of holdings of shares for investment” above.

Of the 50 shares listed as Specified Investment Shares (Amount on balance sheet for FY March 2024: 476,596 million yen), the purpose for holding the major investees and the amount on balance sheet are as follows, the total amount of which is 189,718 million yen.

1. Seven & i Holdings Co., Ltd. (Amount on balance sheet: 107,360 million yen)

A major retail holding company centered on Seven-Eleven Japan and Ito-Yokado, and our important business partner in the distribution business. Through provision of centralized management functions for food materials/ingredients and packaging (including supply and demand management), as well as logistics functions (such as operations of cooperative distribution centers), we aim to mutually maximize both companies' corporate value.

2. GOLDWIN INC. (Amount on balance sheet: 43,081 million yen)

A major manufacturer of sportswear and sports goods, and our important business partner in the sports and outdoor apparel and equipment field, which is one of the focus areas of our brand & retail business area. By engaging in transactions in the development, manufacturing and supply of sports apparel-related materials and products, and in co-exploration to seek opportunities for new business creation in Japan and overseas, we aim to contribute to the mutual enhancement of both companies' corporate value.

3. Yamato Kogyo Co., Ltd. (Amount on balance sheet: 39,277 million yen)

An electric furnace steel manufacturer and the most important business partner in our global electric furnace strategy, which actively expands business overseas, mainly manufacturing and sales of steel for construction purposes in the U.S. and Thailand. We have been engaging in transactions of raw materials and products with them and their group companies. We also hold a 20% stake in Siam Yamato Steel Co., Ltd., which is Yamato Kogyo's Thai business.

(b) Information on the Number of Shares and Amounts Recorded in the Balance Sheet by Company for Specified Investment Shares and Deemed Shares Held

Specified Investment Shares

Company	FY March 2024	FY March 2023	Purpose of holding, outline of business alliance, etc., quantitative effect of holding, and reason for increase in number of shares	Holding of Mitsui's share
	Number of shares (Shares)	Number of shares (Shares)		
	Amount on balance sheet (Mn JPY)	Amount on balance sheet (Mn JPY)		
Seven & i Holdings	48,667,440	16,222,480	Refer to the (iv)-(a) above for the purpose of holding. The number of shares increased due to a share split.	no
	107,360	96,929		
GOLDWIN	4,367,504	4,367,504	Refer to the (iv)-(a) above for the purpose of holding.	yes
	43,081	55,030		
Yamato Kogyo	4,573,000	4,573,000	Refer to the (iv)-(a) above for the purpose of holding.	yes
	39,277	24,419		
MODEC	10,162,300	8,387,300	Mainly in the Machinery & Infrastructure Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to long-term charter business for floating production, storage and offloading systems, etc., and has entered into a business alliance agreement to jointly promote such business by mutually utilizing management resources, know-how, brands, customer bases, etc. as a strategic partner. The number of shares increased due to subscription for shares through third-party allotment.	no
	31,147	11,725		
TOYOTA MOTOR	7,500,000	7,500,000	Mainly in the Machinery & Infrastructure Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to automobile business area.	yes
	28,440	14,100		
Yamaha Motor	12,879,000	4,293,000	Mainly in the Machinery & Infrastructure Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to motorcycle business area, etc. The number of shares increased due to a share split.	yes
	18,333	14,853		
Mitsui Chemicals	3,474,078	3,474,078	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to basic & green materials, mobility, health care, food packaging business, etc.	yes
	15,046	11,846		

Company	FY March 2024	FY March 2023	Purpose of holding, outline of business alliance, etc., quantitative effect of holding, and reason for increase in number of shares	Holding of Mitsui's share
	Number of shares (Shares)	Number of shares (Shares)		
	Amount on balance sheet (Mn JPY)	Amount on balance sheet (Mn JPY)		
Mitsui Fudosan	3,000,000	3,000,000	The Company holds shares mainly for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to real estate business.	yes
	14,829	7,452		
BIPROGY	2,448,509	2,448,509	Mainly in the Innovation & Corporate Development Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to IT related services.	no
	11,094	7,957		
Toray Industries	13,776,000	13,776,000	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to chemicals including raw materials for resin and high performance films, etc.	yes
	10,195	10,420		
TBS HOLDINGS	2,144,000	4,288,000	Mainly in the Innovation & Corporate Development Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to media related business.	no
	9,345	8,168		
NIPPON STEEL	2,459,954	2,459,954	Mainly in the Iron & Steel Products Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to steel products-related business.	yes
	9,023	7,675		
TOYO ENGINEERING	8,754,000	8,754,000	Mainly in the Machinery & Infrastructure Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to engineering business for renewable power plants, carbon neutral related plants, ammonia / urea fertilizer chemical plants, petrochemical plants, etc.	yes
	8,517	4,946		
J-OIL MILLS	4,175,422	4,175,422	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to vegetable oils.	yes
	8,100	6,350		
NIPPON	3,349,110	3,349,110	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to wheat, wheat flour and processed food businesses.	yes
	7,944	5,559		

Company	FY March 2024	FY March 2023	Purpose of holding, outline of business alliance, etc., quantitative effect of holding, and reason for increase in number of shares	Holding of Mitsui's share
	Number of shares (Shares)	Number of shares (Shares)		
	Amount on balance sheet (Mn JPY)	Amount on balance sheet (Mn JPY)		
KATO SANGYO	1,576,500	3,153,000	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to processed food wholesale.	yes
	7,228	11,067		
Sumitomo Metal Mining	1,454,000	1,454,000	Mainly in the Mineral & Metal Resources Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to non-ferrous metal business, etc.	no
	6,669	7,341		
Nippon Soda	1,015,000	1,015,000	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to agrochemicals business and methionine business.	yes
	6,150	4,684		
AIR WATER	2,385,590	2,385,590	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in the overseas industrial gas market, and entered into a strategic alliance agreement aimed at global collaboration centered on the industrial gas business.	no
	5,713	3,960		
MS & AD Insurance Group Holdings	684,900	684,900	The Company holds shares mainly for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to insurance-related business.	yes
	5,570	2,812		
Showa Sangyo	1,540,000	1,540,000	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to feed, flour and oils businesses.	no
	5,390	3,906		
MITSUI E&S	2,550,000	2,550,000	Mainly in the Machinery & Infrastructure Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to shipping business.	no
	4,883	1,063		
TOSOH	2,246,500	2,246,500	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to chlor-alkali business.	yes
	4,632	4,036		

Company	FY March 2024	FY March 2023	Purpose of holding, outline of business alliance, etc., quantitative effect of holding, and reason for increase in number of shares	Holding of Mitsui's share
	Number of shares (Shares)	Number of shares (Shares)		
	Amount on balance sheet (Mn JPY)	Amount on balance sheet (Mn JPY)		
Shin Nippon Air Technologies	1,266,252	1,266,252	Mainly in the Machinery & Infrastructure Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to business relating to supply and maintenance of air conditioning systems.	no
	4,387	2,361		
Kaneka	1,108,691	1,108,691	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to chemicals like olefin and vinyl chloride resin.	yes
	4,228	3,824		
GODO STEEL	730,882	730,882	Mainly in the Iron & Steel Products Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to steel products-related business.	yes
	4,180	2,481		
IHI	939,500	939,500	The Company holds shares mainly for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to industrial equipment business, etc.	yes
	3,851	3,119		
Mitsubishi UFJ Financial Group	2,326,000	2,326,000	The Company holds shares mainly for the purpose of building, maintaining or strengthening financial business relationships.	yes
	3,621	1,972		
Morinaga	1,372,400	686,200	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to dairy products and confectionary ingredients businesses. The number of shares increased due to a share split.	no
	3,603	2,576		
ISHIHARA SANGYO KAISHA	2,019,200	2,019,200	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to titanium dioxide-related products and titanium ore.	no
	3,571	2,251		
KYOEI STEEL	1,470,000	1,470,000	Mainly in the Mineral & Metal Resources Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to resource recycling business, etc.	no
	3,545	2,363		

Company	FY March 2024	FY March 2023	Purpose of holding, outline of business alliance, etc., quantitative effect of holding, and reason for increase in number of shares	Holding of Mitsui's share
	Number of shares (Shares)	Number of shares (Shares)		
	Amount on balance sheet (Mn JPY)	Amount on balance sheet (Mn JPY)		
ZEON	2,352,000	2,352,000	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to aliphatic (C5) monomer, specialty chemicals.	yes
	3,106	3,290		
TV TOKYO Holdings	1,002,050	1,002,050	Mainly in the Innovation & Corporate Development Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to media-related business.	no
	2,994	2,479		
Tayca	1,784,094	1,784,094	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to surfactants, titanium dioxide, etc.	no
	2,713	2,094		
Sumitomo Mitsui Financial Group	296,550	296,550	The Company holds shares mainly for the purpose of building, maintaining or strengthening financial business relationships.	yes
	2,641	1,571		
Denka	1,087,400	1,087,400	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to chemical materials.	yes
	2,551	2,974		
DaikyoNishikawa	3,222,720	3,222,720	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to automobile components, etc.	no
	2,484	2,078		
ADEKA	737,600	737,600	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to processed oils.	no
	2,378	1,665		

Company	FY March 2024	FY March 2023	Purpose of holding, outline of business alliance, etc., quantitative effect of holding, and reason for increase in number of shares	Holding of Mitsui's share
	Number of shares (Shares)	Number of shares (Shares)		
	Amount on balance sheet (Mn JPY)	Amount on balance sheet (Mn JPY)		
S Foods	705,500	705,500	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to Australian beef related business, etc.	yes
	2,363	2,009		
Yantai north Andre juice	15,340,000	17,570,000	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to fruit juice business, etc.	no
	2,228	1,948		
IINO KAIUN KAISHA	1,500,000	1,500,000	Mainly in the Machinery & Infrastructure Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to shipping business.	no
	1,839	1,506		
JK Holdings	1,679,454	1,679,454	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to housing materials.	yes
	1,800	1,731		
RIKEN TECHNOS	1,680,800	2,101,000	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to PVC resin, PVC compound, etc.	yes
	1,687	1,237		
Khonburi Sugar	66,666,666	66,666,666	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to sugar.	no
	1,594	1,459		
TAKARA HOLDINGS	1,333,300	2,000,000	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to ethanol-related business.	yes
	1,427	2,044		
Pelat Timah Nusantara Tbk	252,335,000	252,335,000	Mainly in the Iron & Steel Products Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to packaging steel business, etc.	no
	1,235	1,313		

Company	FY March 2024	FY March 2023	Purpose of holding, outline of business alliance, etc., quantitative effect of holding, and reason for increase in number of shares	Holding of Mitsui's share
	Number of shares (Shares)	Number of shares (Shares)		
	Amount on balance sheet (Mn JPY)	Amount on balance sheet (Mn JPY)		
Tohoku Electric Power	1,000,000	1,000,000	The Company holds shares mainly for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to energy industry.	no
	1,196	659		
CENTRAL SECURITY PATROLS	445,335	445,335	Mainly in the Innovation & Corporate Development Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to outsourcing services business.	yes
	1,189	1,207		
YAMAE GROUP HOLDINGS	423,300	423,300	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to logistics and distribution in Japan.	no
	1,182	766		
MUNSIN GARMENT	3,398,714	3,398,714	Mainly in the Lifestyle Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to brand and retail business in Taiwan.	no
	1,018	487		
Mitsuboshi Belting	–	750,000	Mainly in the Chemicals Segment, the Company held shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to automobile components, etc. All of the shares were sold during FY March 2024.	no
	–	2,951		
Hankuk Carbon	–	1,318,822	Mainly in the Chemicals Segment, the Company held shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to carbon fiber reinforced-matrix-composites, etc. All of the shares were sold during FY March 2024.	no
	–	1,669		
Lhyfe	*	1,269,842	Mainly in the Chemicals Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to hydrogen production and related areas.	no
	*	1,363		
Perusahaan Sadur Timah Malaysia	*	9,362,500	Mainly in the Iron & Steel Products Segment, the Company holds shares for the purpose of creating business opportunities, building, maintaining or strengthening business and collaborative relationship in relation to packaging steel business, etc.	no
	*	1,294		

- Notes 1. We verify the rationale of holding shares through verification of the status of dividends, business-related profits, and other related profits in comparison to total cost such as acquisition cost, fair value and our cost of capital, as well as verification and review of the qualitative significance of holding shares. However, the quantitative effects of holding shares are not disclosed in consideration of our relationships with business partners and others.
2. “-” represents not possessed as Specified Investment Shares. “\*” means omission due to 1% or less than Mitsui’s capital and out of top 60 ranking.
3. Holding of Mitsui’s share is described based solely on the register of shareholders as of March 31, 2024. The shares not held as of March 31, 2024 are based on the register of shareholders as of March 31, 2023. In addition, when the share is of a holding company, the portion held by major subsidiaries of the holding company is taken into account and described to the extent that it can be confirmed.

#### Deemed Shareholdings

Company	FY March 2024	FY March 2023	Purpose of holding, outline of business alliance, etc., quantitative effect of holding and reason for increase in number of shares	Holding of Mitsui’s share
	Number of shares (Shares)	Number of shares (Shares)		
	Amount on balance sheet (Mn JPY)	Amount on balance sheet (Mn JPY)		
TOYOTA MOTOR	11,231,000	11,231,000	To supplement the pension financial situation, the Company contributes this share to the Company’s employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	yes
	42,587	21,114		
MS & AD Insurance Group Holdings	2,030,100	2,030,100	To supplement the pension financial situation, the Company contributes this share to the Company’s employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	yes
	16,510	8,335		
Mitsui Chemicals	3,474,000	3,474,000	To supplement the pension financial situation, the Company contributes this share to the Company’s employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	yes
	15,045	11,846		
Mitsui Fudosan	2,801,000	2,801,000	To supplement the pension financial situation, the Company contributes this share to the Company’s employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	yes
	13,845	6,957		

Company	FY March 2024	FY March 2023	Purpose of holding, outline of business alliance, etc., quantitative effect of holding and reason for increase in number of shares	Holding of Mitsui's share
	Number of shares (Shares)	Number of shares (Shares)		
	Amount on balance sheet (Mn JPY)	Amount on balance sheet (Mn JPY)		
Toyo Suisan Kaisha	994,000	994,000	To supplement the pension financial situation, the Company contributes this share to the Company's employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	no
	9,418	5,516		
Mitsui O.S.K. Lines	1,999,500	1,999,500	To supplement the pension financial situation, the Company contributes this share to the Company's employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	yes
	9,217	6,618		
Katakura Industries	2,200,000	2,200,000	To supplement the pension financial situation, the Company contributes this share to the Company's employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	no
	4,268	4,083		
NIPPON STEEL	910,000	910,000	To supplement the pension financial situation, the Company contributes this share to the Company's employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	yes
	3,337	2,839		
SANYO SHOKAI	757,800	757,800	To supplement the pension financial situation, the Company contributes this share to the Company's employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	yes
	2,205	1,179		

Company	FY March 2024	FY March 2023	Purpose of holding, outline of business alliance, etc., quantitative effect of holding and reason for increase in number of shares	Holding of Mitsui's share
	Number of shares (Shares)	Number of shares (Shares)		
	Amount on balance sheet (Mn JPY)	Amount on balance sheet (Mn JPY)		
TAKARA HOLDINGS	1,446,700	2,170,000	To supplement the pension financial situation, the Company contributes this share to the Company's employee retirement benefit trust with retaining the authority to give instructions on the exercise of voting rights and decides whether or not to sell based on the pension financial situation.	yes
	1,548	2,217		

Note: In selection of top ranking companies in terms of the amount recorded on the balance sheet, Specified Investment Shares and Deemed Shareholdings are not combined.

In addition, as for notes 1 through 3 for Specified Investment Shares, Deemed Shareholdings are treated in the same manner.

**(v) Dividend income, gain or loss on sales, and valuation gain or loss of shares for investment whose holding purpose is pure investment in FY March 2024**

(Mn JPY)

Classification	FY March 2024		
	Total amount of dividend income	Total amount of gain or loss on sales	Total amount of valuation gain or loss
Unlisted shares	24,248	–	(Note 1)
Shares excluding unlisted shares	61,925	(150)	228,416 [(4,201)] (Note 2)

Notes: 1. For unlisted shares, "Total amount of valuation gain or loss" has not been provided because they have no market price, and thus their fair value is extremely difficult to determine.

2. The figure shown in square brackets in "Total amount of valuation gain or loss" represents the amount of impairment recognized in FY March 2024 that is included in the total.

**(vi) Names, number of shares and amount on balance sheet of shares for investment whose holding purpose was changed from purposes other than pure investment purposes to pure investment purposes**

Names of listed shares	FY March 2024	
	Number of shares (Shares)	Total amount on balance sheet (Mn JPY)
GRID	552,000	1,863

Note: The total shown for the amounts of shareholdings regarding respective issues may not match the sum of the individual amounts because the amounts are rounded down to the nearest million yen.

## **Appointment Standards for Directors and Audit & Supervisory Board Members and Criteria of Independence for External Members**

### **[Appointment of Directors]**

- 1) Mitsui selects candidates for positions of Director considering the following appointment standard for Directors.
  - Person with excellent overall character who possesses qualities valuable for the management of Mitsui
  - Person possessing both strong leadership skills and high moral caliber and with law-abiding spirit and a strong intention to contribute to public interest
  - Person with no health concerns for the execution of duties
  - Person possessing capability for smooth performance as a Director of “decision-making related to the execution of operations of the Company” and “oversight of the execution of duties by Directors” to be conducted by the Board of Directors
  - Person excelling in capability, foresight and insight to make best judgment for the Company strictly in compliance with duty of care of a good manager and duty of loyalty expected of a Director and in accordance with the “business judgment rule”
- 2) Selection of candidates for positions of Director is conducted after confirmation is obtained from the Nomination Committee that the necessary requirements based on the selection processes and the appointment standard for Directors established by the Nomination Committee are fulfilled.

### **[Appointment of External Directors]**

- 1) Mitsui has decided that as the appointment standard for External Directors, the prospective person’s extensive business experience and knowledge are required to deliberate on such Board of Directors meeting proposals as investments and loans, and knowledge of his or her particular area of business is used.
- 2) Mitsui has decided that in selecting candidates for the positions of External Director, it puts great value on ensuring their independence from Mitsui in the pursuit of their management oversight functions. Also, with a view to overseeing business operations in a way that reflects the standpoint of our diverse stakeholders, Mitsui takes into consideration the field from which candidates originate, along with their gender.

Given that Mitsui is a general trading company with extensive business dealings, it has been decided to make appropriate efforts by the Board of Directors to handle with likely conflicts of interest involving the prospective External Director in individual transactions with external parties.

### **[Appointment of Audit & Supervisory Board Members]**

- 1) Mitsui selects candidates for positions of Audit & Supervisory Board Member giving consideration to the following appointment standard for Audit & Supervisory Board Members.
  - Person of excellent personality and considerable insight, possessing outstanding capability and achievements or abundant knowledge in the fields of legal affairs, financial affairs and accounting, business management, and other various fields
  - With respect to Internal Audit & Supervisory Board Members, person well-acquainted with actual conditions of the Company and possessing capability to conduct appropriate audits
- 2) For the selection of candidates for positions of Audit & Supervisory Board Member, Directors prepare a proposal for election through consultation with Audit & Supervisory Board Members and obtain agreement of the Audit & Supervisory Board in advance. The Audit & Supervisory Board deliberates on the advisability of agreeing with the proposal for election of Audit & Supervisory Board Members to be submitted to the General Meetings of Shareholders by the Board of Directors.

### **[Role and appointment of External Audit & Supervisory Board Members]**

External Audit & Supervisory Board Members are appointed with the objective of further heightening the neutrality and independence of the auditing system, and it is particularly expected that External Audit & Supervisory Board Members objectively express their auditing opinions from the standpoint of neutrality, building on such factors as that independence. When selecting candidates for positions of External Audit &

Supervisory Board Member, the Audit & Supervisory Board confirms that no issues with independence arise by taking into consideration not only the appointment standard provided for in “Appointment of Audit & Supervisory Board Members” above, but also such factors as relations with the Company, the management and important staff.

#### **[Criteria of independence]**

External Directors or External Audit & Supervisory Board Members of Mitsui (hereinafter referred to as “External Members”) who do not fall under any of the following items are to be judged to have independence.

- 1) Person who is currently or was in the past 10 years an Executive Director, Executive Officer, Managing Officer, manager, employee, administrative officer, etc. (hereinafter referred to as “executing person”) of Mitsui or Mitsui’s consolidated subsidiaries
- 2) Person or the executing person of a corporation holding either directly or indirectly 10% or more of the total number of the voting rights of Mitsui
- 3) Person whose major business partner is Mitsui or Mitsui’s consolidated subsidiaries (\*1) or the executing person of the same
  - \*1 If the relevant business partner received from Mitsui or Mitsui’s consolidated subsidiary the payment equivalent to 2% or more of its annual consolidated transaction volume in the most recent fiscal year or the relevant business partner obtained from Mitsui or Mitsui’s consolidated subsidiary the money loans equivalent to 2% or more of its consolidated total assets in the most recent fiscal year, the relevant business partner is deemed to be the person whose major business partner is Mitsui or Mitsui’s consolidated subsidiary.
- 4) Major business partner of Mitsui or Mitsui’s consolidated subsidiary (\*2) or the executing person of the same
  - \*2 If Mitsui or Mitsui’s consolidated subsidiary received from the relevant business partner the payment equivalent to 2% or more of Mitsui’s annual consolidated transaction volume in the most recent fiscal year or the relevant business partner provided Mitsui or Mitsui’s consolidated subsidiary with the money loans equivalent to 2% or more of Mitsui’s consolidated total assets, the relevant business partner is deemed to be the major business partner of Mitsui or Mitsui’s consolidated subsidiary.
- 5) Person who is in charge of auditing operations of Mitsui or Mitsui’s consolidated subsidiary, as partners etc. of the auditing firm of the Independent Auditor of Mitsui or Mitsui’s consolidated subsidiary
- 6) Person providing professional services such as consultant, lawyer and certified public accountant who received from Mitsui monetary payment or other property benefits 10 million yen or more in total other than officer remuneration in the most recent fiscal year (if the one who received the relevant property is an organization such as corporation and association, it shall be referred to the person who belongs to an organization which received from Mitsui property benefits more than higher of either 10 million yen or 2% of the consolidated gross sales of such organization)
- 7) Person or the executing person of a corporation who received the annual total of 10 million yen or more of donations or aid funds from Mitsui or Mitsui’s consolidated subsidiary in the most recent fiscal year
- 8) Person who has fallen under any of 2) to 7) above in the past three years
- 9) Spouse or relative within the second degree of kinship (hereinafter referred to as “close relatives”) of the person who is currently or has been recently the important executing person of Mitsui or Mitsui’s consolidated subsidiary (including Director who is not the executing person in the case of External Audit & Supervisory Board Member)
- 10) Close relatives of the person who currently falls or has fallen recently under any of 2) to 7) above (excluding the one who is not important)

The full text of the “Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles”, in which the above are stipulated, is available on the Company’s website.

([https://www.mitsui.com/jp/en/company/outline/governance/system/pdf/corp\\_gov.pdf](https://www.mitsui.com/jp/en/company/outline/governance/system/pdf/corp_gov.pdf))