

Mitsui O.S.K. Lines Will Make 2 Group Companies Wholly Owned Subsidiaries—Limited Impact on Rating

The following is Japan Credit Rating Agency, Ltd. (JCR)'s opinion on Mitsui O.S.K. Lines, Ltd. (security code: 9104)'s tender offer for DAIBIRU CORPORATION (security code: 8806) and Utoc Corporation (security code: 9358).

- (1) Mitsui O.S.K. Lines, Ltd. (the "Company") announced on November 30, 2021 that it would acquire the shares, etc. of DAIBIRU CORPORATION (51.91% owned by the Company) and Utoc Corporation (66.87% owned by the Company) through a tender offer with the aim of making them wholly owned subsidiaries. Through this acquisition, the Company aims to consolidate the group's management resources in a stronger form and strengthen group management. The boards of directors of the 2 companies have expressed their approval of the tender offer and recommended that the shareholders of tender their shares in the tender offer
- (2) The 2 companies are already consolidated subsidiaries of the Company, and there will be no change in the business portfolio of the entire group. Position as a source of revenue other than shipping, which has high volatility in business performance, will be further strengthened. The planned investment of 131.7 billion yen will be financed by fund in hand and bank loans, but JCR sees that the impact is expected to be limited thanks to the significant improvement in the Company's financial structure against the backdrop of strong business performance. In addition, JCR released comments on November 5, 2021, following revision of its FY2021 earnings forecast, and there has been no change in the views indicated at that time. JCR will closely examine the Company's future performance and outlook for investments, including this investment, and reflect them in the rating.

Hiroyuki Chikusa, Masayoshi Mizukawa

<Reference>

Issuer: Mitsui O.S.K. Lines, Ltd.

Long-term Issuer Rating: A- Outlook: Stable

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