

# STOCK HOLDINGS

## Standards and approach for classification of equity investments

The Company distinguishes between equity investments for pure investment purposes—shares held for gaining profit through changes in share value and dividends—and strategic shareholdings, which are all other shares held in accordance with the Company shareholding policy. The Company does not hold any equity investments for pure investment purposes.

## Equity investments held for purposes other than pure investment

**Shareholding policy and method for checking rationale for holding as well as details regarding verification of the appropriateness of holding shares for each individual security performed by the Board of Directors and other parties**

### 1. Shareholding policy for strategic shareholdings

The Company defines strategic shareholdings as holdings that contribute toward increased corporate value and are held out of necessity from a business strategy perspective or with the goal of maintaining or strengthening relationships with businesses or collaborative industries and are not held for reasons outside of this definition.

### 2. Verifying appropriateness of strategic shareholdings

The Company confirms the appropriateness of its holdings on an annual basis, including an assessment of securities for which there are holdings, number of shares held, holding ratios, and other factors. These assessments are then verified by the Board of Directors. Appropriateness of holding is determined by operating divisions involved in business execution in accordance with the shareholding policy of the Company, taking into account the objectives, the impact of holding shares, and the cost of capital for each individual stock listing. Shareholdings that are not judged as appropriate based on the results of this verification process are reduced after establishing a dialogue and gaining the understanding of the business partner for the holding in question. As a result, the number of strategic shareholdings is decreased year on year.

## Number of securities and balance sheet amounts

	Number of securities	Balance sheet amounts (millions of yen)
Unlisted shares	46	574
Shares other than unlisted shares	45	86,768

(Securities for which the number of shares was increased during the fiscal year under review)

	Number of securities	Total acquisition price for the increase in the number of shares (millions of yen)	Reason for increasing number of shares
Unlisted shares	—	—	—
Shares other than unlisted shares	1	—	Increase due to stock split

(Securities for which the number of shares was decreased during the fiscal year under review)

	Number of securities	Total selling price related to the decrease in the number of shares (millions of yen)
Unlisted shares	3	28
Shares other than unlisted shares	20	84,435

Information on the number of specific investments and deemed shareholdings by security, and the amount recorded on the balance sheet

### Specific investments (stock)

Name	Fiscal year under review	Previous fiscal year	Purpose of holding, quantitative effect of holding*1, and reasons for the increase in the number of shares	Ownership of the Company's shares
	Balance sheet amount (millions of yen)	Number of shares		
HONDA MOTOR CO., LTD.	5,756,450	5,756,450	Maintain/strengthen business and collaborative relationships	Yes
	17,839	16,662		
TOYOTA MOTOR CORPORATION	1,959,890	1,959,890	Maintain/strengthen business and collaborative relationships	Yes
	15,118	12,555		
NOKIAN TYRES PLC	4,167,653	10,500,000	Business strategy	No
	13,089	35,764		
JSR CORPORATION	6,441,160	22,366,160	Maintain/strengthen business and collaborative relationships	Yes
	12,959	37,015		
TOYO TIRE & RUBBER CO., LTD.	5,000,000	10,000,000	Maintain/strengthen business and collaborative relationships	Yes
	7,875	13,750		
SUMITOMO MITSUI FINANCIAL GROUP, INC.	562,224	562,224	Business strategy	Yes
	2,270	2,049		
HINO MOTORS, LTD.	1,817,910	1,817,910	Maintain/strengthen business and collaborative relationships	No
	2,112	1,890		
OTSUKA HOLDINGS CO., LTD.	400,000	400,000	Maintain/strengthen business and collaborative relationships	No
	1,953	1,797		
MITSUBISHI UFJ FINANCIAL GROUP, INC.	2,780,580	2,780,580	Business strategy	Yes
	1,649	1,495		
MAZDA MOTOR CORPORATION	1,634,000	1,634,000	Maintain/strengthen business and collaborative relationships	No
	1,532	1,854		
FUJI KYUKO CO., LTD.	244,510	244,510	Maintain/strengthen business and collaborative relationships	No
	1,033	792		
YELLOW HAT LTD*2	527,076	263,538	Maintain/strengthen business and collaborative relationships	Yes
	1,032	690		
FUKUYAMA TRANSPORTING CO., LTD.	200,162	200,162	Maintain/strengthen business and collaborative relationships	No
	798	846		
KINTETSU GROUP HOLDINGS CO., LTD.	124,281	124,281	Maintain/strengthen business and collaborative relationships	No
	735	592		
NIPPON EXPRESS CO., LTD.	104,500	104,500	Maintain/strengthen business and collaborative relationships	Yes
	670	639		
MIZUHO FINANCIAL GROUP, INC.	3,534,528	4,241,428	Business strategy	Yes
	594	722		
SEINO HOLDINGS CO., LTD.	391,229	391,229	Maintain/strengthen business and collaborative relationships	No
	577	564		
AUTOBACS SEVEN CO., LTD.	313,632	313,632	Maintain/strengthen business and collaborative relationships	No
	539	571		
NISHI-NIPPON RAILROAD CO., LTD.	212,237	212,237	Maintain/strengthen business and collaborative relationships	No
	534	586		
IDEMITSU KOSAN CO., LTD.	171,200	171,200	Maintain/strengthen business and collaborative relationships	No
	518	618		
ISEKI & CO., LTD.	270,970	270,970	Maintain/strengthen business and collaborative relationships	Yes
	452	427		

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Name	Fiscal year under review	Previous fiscal year	Purpose of holding, quantitative effect of holding*, and reasons for the increase in the number of shares	Ownership of the Company's shares
	Balance sheet amount (millions of yen)	Number of shares		
HITACHI TRANSPORT SYSTEM, LTD.	121,000	121,000	Maintain/strengthen business and collaborative relationships	No
	372	377		
INOUE RUBBER (THAILAND) PUBLIC CO., LTD.	6,235,000	6,235,000	Maintain/strengthen business and collaborative relationships	No
	350	437		
NIIGATA KOTSU CO., LTD.	163,870	163,870	Maintain/strengthen business and collaborative relationships	No
	342	331		
SENKO GROUP HOLDINGS CO., LTD.	366,888	366,888	Maintain/strengthen business and collaborative relationships	No
	342	305		
SANKYU INC.	51,514	51,514	Maintain/strengthen business and collaborative relationships	No
	283	256		
HANKYU HANSHIN HOLDINGS, INC.	57,983	57,983	Maintain/strengthen business and collaborative relationships	No
	271	211		
SAN-AI OIL CO., LTD.	153,550	153,550	Maintain/strengthen business and collaborative relationships	No
	183	167		
HIROSHIMA ELECTRIC RAILWAY CO., LTD.	120,000	120,000	Maintain/strengthen business and collaborative relationships	No
	134	134		
CENTRAL JAPAN RAILWAY COMPANY	5,000	5,000	Maintain/strengthen business and collaborative relationships	No
	110	115		
ITOCHU ENEX CO., LTD.	101,386	101,386	Maintain/strengthen business and collaborative relationships	No
	93	97		
MIE KOTSU GROUP HOLDINGS, INC.	121,536	121,536	Maintain/strengthen business and collaborative relationships	No
	75	72		
EPCO CO., LTD.	40,000	40,000	Maintain/strengthen business and collaborative relationships	No
	58	32		
DAIWA MOTOR TRANSPORTATION CO., LTD.	42,000	42,000	Maintain/strengthen business and collaborative relationships	No
	48	36		
NISSIN SHOJI CO., LTD.	50,000	50,000	Maintain/strengthen business and collaborative relationships	No
	44	42		
HITACHI CONSTRUCTION MACHINERY CO., LTD.	10,000	10,000	Maintain/strengthen business and collaborative relationships	No
	32	25		
S LINE CO., LTD.	29,700	29,700	Maintain/strengthen business and collaborative relationships	No
	30	30		
COCA-COLA BOTTLERS JAPAN INC.	9,810	9,810	Maintain/strengthen business and collaborative relationships	No
	27	32		
SAKAI HEAVY INDUSTRIES, LTD.	5,808	5,808	Maintain/strengthen business and collaborative relationships	No
	17	13		
TONAMI HOLDINGS CO., LTD.	3,150	3,150	Maintain/strengthen business and collaborative relationships	No
	17	17		
KAMEI CORPORATION	12,100	12,100	Maintain/strengthen business and collaborative relationships	No
	16	15		
AIR WATER INC.	10,000	10,000	Maintain/strengthen business and collaborative relationships	No
	16	16		
ORIX CORPORATION	5,000	5,000	Maintain/strengthen business and collaborative relationships	No
	9	8		
DAIYA TSUSHO CO., LTD.	2,000	2,000	Maintain/strengthen business and collaborative relationships	No
	3	1		

Name	Fiscal year under review	Previous fiscal year	Purpose of holding, quantitative effect of holding*1, and reasons for the increase in the number of shares	Ownership of the Company's shares
	Balance sheet amount (millions of yen)	Number of shares		
AUTOWAVE CO., LTD.	5,000	5,000	Maintain/strengthen business and collaborative relationships	No
	0	0		
SUBARU CORPORATION*3	—	3,903,580	—	No
	—	9,212		
SUZUKI MOTOR CORPORATION	—	1,326,036	—	No
	—	7,382		
TS TECH CO., LTD. *3	—	1,536,000	—	No
	—	4,638		
ISUZU MOTORS LIMITED*3	—	2,778,800	—	No
	—	4,302		
KUBOTA CORPORATION*3	—	1,494,484	—	No
	—	2,333		
SUMITOMO MITSUI TRUST HOLDINGS, INC. *3	—	146,392	—	Yes
	—	588		
TACHI-S CO., LTD. *3	—	211,250	—	No
	—	303		
SOFTBANK GROUP CORP.*3	—	100	—	No
	—	0		
SHISEIDO COMPANY, LIMITED*3	—	100	—	No
	—	0		
HOYA CORPORATION*3	—	100	—	No
	—	0		
HITACHI, LTD. *3	—	200	—	No
	—	0		
SONY CORPORATION*3	—	100	—	No
	—	0		
TAKEDA PHARMACEUTICAL COMPANY LIMITED*3	—	100	—	No
	—	0		
LIXIL GROUP CORPORATION*3	—	100	—	No
	—	0		
KONICA MINOLTA*3	—	100	—	No
	—	0		

\*1 Despite the difficulty of describing the quantitative effect of holding shares for each security, the appropriateness of each individual holding is determined by operating divisions involved in business execution in accordance with the shareholding policy of the Company, taking into account the objectives, the impact of holding shares, and the cost of capital.

\*2 YELLOW HAT LTD. implemented a 2-for-1 stock split on March 31, 2019.

\*3 A dash ("—") signifies that there are no holdings for the security in question.

### Deemed shareholdings

Not applicable.

### Equity investments for pure investment purposes

Not applicable.

### Equity investments for which the purpose of holding was changed from pure investment purposes during the fiscal year under review

Not applicable.