

June 9, 2025

To Our Shareholders and Investors

Company name: Mitsuboshi Belting Ltd.
Representative: Hiroshi Ikeda, President
(Securities code: 5192;
Tokyo Stock Exchange Prime Market)
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**Supplementary Information Regarding Item 2 to Be Proposed at the 110th Annual
General Meeting of Shareholders and the Company' s Opinion Regarding Proxy Advisor
ISS' s Recommendation "Against"**

Mitsuboshi Belting Ltd. (President: Hiroshi Ikeda (hereinafter the "Company")) has confirmed that Institutional Shareholder Services, Inc. (hereinafter, "ISS"), a voting advisory company, has issued a report recommending against one of the candidates for Directors with regard to Proposal 2, "Election of 8 Directors" of the 110th Annual General Meeting of Shareholders scheduled to be held on Friday, June 27, 2025.

The Company presents its views regarding ISS' s recommendation "Against" as set out below. We respectfully request our shareholders to take these views into account when considering this proposal.

Notice

1. ISS' s recommendation against Proposal 2

ISS has recommended against the proposal for the election of Director candidates for the following reasons.

Candidate No.	Name	Reasons for the against recommendation
1	Hiroshi Ikeda	ISS recommends a vote "against" a company's top executive, if the company allocates a significant portion (20 percent or more) of its net assets to cross-shareholdings.

※ According to ISS' s methodology, "investment shares held for purposes other than pure investment" and "off-balance sheet shares that are deemed to be held by the company (known as *minashi hoyu kabushiki* in Japanese)," as disclosed in the securities report, are used for the assessment.

2. The Company' s Opinion Regarding Proxy Advisor ISS' s Recommendation "Against"

ISS has set criterion to the effect of recommending vote "Against" nominees for director, a top executive, if the company allocates a significant portion (20 percent or more) of its net assets to cross-shareholdings in its "Proxy Voting Guidelines for Japan 2025".

The company holds shares only if they contribute to the maintenance and strengthening of good business relationships and ongoing financial relationships, and will reduce shares that are deemed to have little significance. Every year, the company Board of Directors reviews and determines the appropriateness of holding individual shares by comprehensively considering business strategies and business relationships.

Under the '24 Mid-Term Business Plan (FY 2024 to FY 2026), we aim to sell 5 billion yen of cross-shareholdings during the mid-term period. In FY 2024, we sold 3.5 billion yen of cross-shareholdings.

As a result, the company's cross-shareholdings declined from 22.5 billion yen at the end of March 2024 to 16.1 billion yen at the end of March 2025, and the ratio of cross-shareholdings to net assets declined from 23.0% at the end of March 2024 to 16.8% at the end of March 2025.

As a result, the ratio of cross-shareholdings to consolidated net assets as of the end of March 2025 was less than 20%.

ISS' s "Proxy Voting Guidelines for Japan 2025" states that "Because securities reports containing information on cross-shareholdings are usually submitted after the annual general meeting of shareholders, the information used for judgment is one year old." It is presumed that the recommendation made by ISS is based on the contents of the company's securities report for the previous fiscal year filed in June 2024.

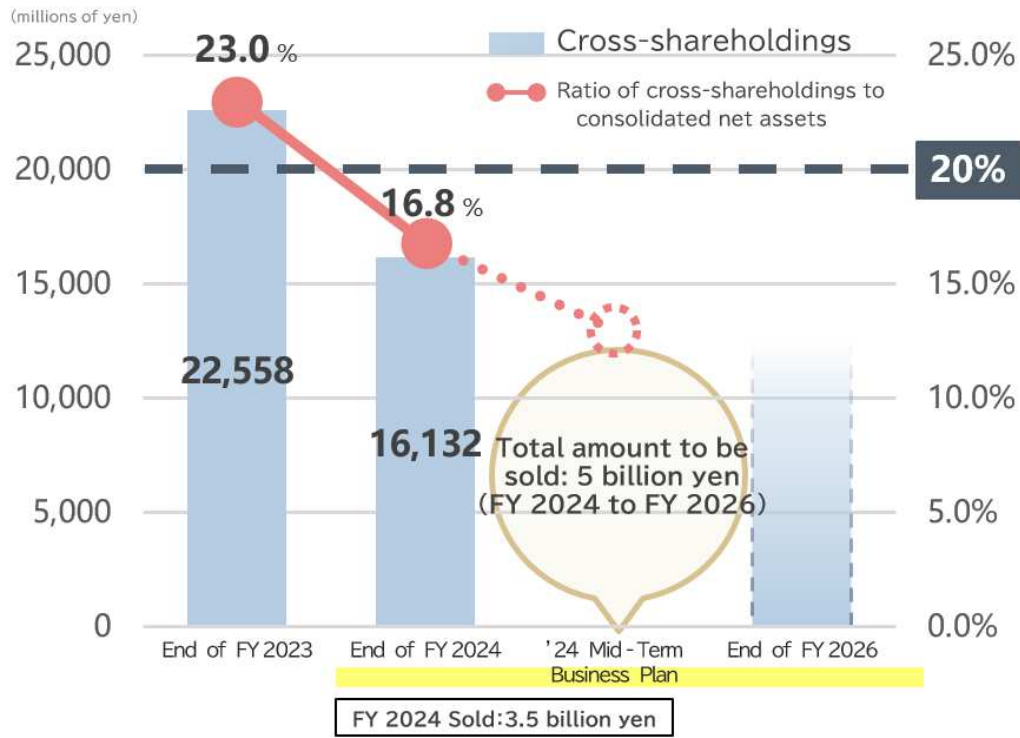
The report issued by ISS pointed out that "Lack of detailed information, including the off-balance sheet shares that are deemed to be held by the company (known as *minashi hoyu kabushiki* in Japanese), to the extent that the guidelines are not fully applicable." However, there were no off-balance sheet shares that are deemed to be held by the company (known as *minashi hoyu kabushiki* in Japanese).

Status of cross-shareholdings

(millions of yen)

Category		FY2020	FY2021	FY2022	FY2023	FY2024
① Shares other than non-listed shares	Total value shown on balance sheet	13,011	14,993	13,465	22,484	15,948
	(No. of issuers)	(21)	(19)	(17)	(11)	(9)
② Non-listed shares and Investments	Total value shown on balance sheet	80	72	72	74	184
③ Total (① + ②)	Total value shown on balance sheet	13,091	15,065	13,537	22,558	16,132
④ Consolidated net assets		78,264	86,877	87,601	98,247	95,786
Cross-shareholdings as a percentage of consolidated net Assets(③ ÷ ④)		16.7%	17.3%	15.5%	23.0%	16.8%

Notes : There are no other shareholdings deemed to be held by the Company (*minashi hoyu kabushiki*).



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