

1H FY2012 Consolidated Results

Nov 6, 2012

Mitsubishi Logistics Corporation

1.1H FY2012 Consolidated Results Summary

2.1H FY2012 Consolidated Results (Consolidated Statement of Income)

3.1H FY2012 Consolidated Financial Condition (Consolidated Balance Sheet)

4.FY2012 Consolidated Earnings Forecast

5.Miscellaneous Information

1. 1H FY2012 Consolidated Results Summary

1.1H FY2012 Consolidated Results Summary

- 1-1 Business Environment and Policy
- 1-2 Subsidiaries and Affiliates
- 1-3 Consolidated Operating Results (by Segment)
- 1-4 Consolidated Financial Condition
- 1-5 Consolidated Cash Flow

1-1-1 Business Environment and Policy

Business Environment in 1H FY2012

In the world economy, the gradual recovery continued in the U.S. , the growth slowed in the developing countries like China, and a sense of economic stagnation became strong in Europe with the debt crisis.

The domestic economy appeared to make a slow recovery, affected by reconstruction demand and increased demand from policy effect. However, it appeared to be stagnant towards the end of 2Q FY2012 from the effects of slowing global economy.

Warehouse and Logistics

It was affected by the logistics rationalization.

Real Estate

The vacancy rate did not improve, and the rent level partially decreased for some rental office buildings.

1-1-2 Business Environment and Policy

Our Policy

Logistics

Expansion in warehouse business for pharmaceuticals, and overseas offices



[Ibaraki Warehouse #3/ Osaka]

Real Estate

Securing tenants and keeping/raising rent standard



[Yokohama Dia Building]

Thorough Cost Management and
Efficient Operations

1-2-1 Subsidiaries and Affiliates

	FY2011	1H FY2012	Change
Subsidiaries	55 (Logistics 46/ Real Estate 9)	57 (Logistics 47/ Real Estate 10)	+ 2 (Logistics 1/ Real Estate 1)
Consolidated Subsidiaries	48 (Logistics 41/ Real Estate 7)	50 (Logistics 42/ Real Estate 8)	+ 2 (Logistics 1/ Real Estate 1)
Equity-Method Subsidiaries	— (—)	— (—)	No Change
Affiliates	14 (Logistics 13/ Real Estate 1)	13 (Logistics 13)	-1 (Real Estate -1)
Equity-Method Affiliates	3 (Logistics 3)	3 (Logistics 3)	No Change



In April, we made an affiliate company, T'ACT Co., Ltd., into a wholly-owned subsidiary. Also, in August, to further expand logistics business in China, we established Mitsubishi Logistics China Co., Ltd. as a managing company in logistics.

1-2-2 List of Consolidated Subsidiaries

Logistics

Consolidated Subsidiaries(42)

Tohoku Ryoso Transportation Co., Ltd.	Shinryo Koun Co., Ltd.
Sairyo Service Co., Ltd.	Naigai Forwarding Co., Ltd.
Dia Pharmaceutical Network Co., Ltd.	Kyushu Ryoso Transportation Co., Ltd.
Tokyo Dia Service Co., Ltd.	Monryo Transport Corporation
Dia Systems Corporation	Hakuryo Koun Co., Ltd.
Ryoso Transportation Co., Ltd.	Seiho Kaiun Kaisha, Ltd.
Unitrans Ltd.	Saryo Service Co., Ltd.
Keihin Naigai Forwarding Co., Ltd.	Mitsubishi Logistics America Corp.
Touryo Kigyo Co., Ltd.	Mitsubishi Warehouse California Corp.
Fuji Logistics Co., Ltd.	Mitsubishi Logistics Europe B.V.
Tokyo Juki Transport Co., Ltd.	Fuji Logistics Europe B.V.
SII Logistics Inc.	Shanghai Linghua Logistics Co., Ltd.
Fuji Logistics Operations Co., Ltd.	* Mitsubishi Logistics China Co., Ltd.
Fuji Logistics Support Co., Ltd.	Fuji Logistics (China) Co., Ltd.
Kinko Service Co., Ltd.	Fuji Logistics (Dalian F.T.Z.) Co., Ltd.
Chubu Trade Warehousing Co., Ltd.	Fuji Logistics (Shanghai) Co., Ltd.
Meiryo Kigyo Co., Ltd.	Mitsubishi Logistics Hong Kong Ltd.
Ryoyo Transportation Co., Ltd.	Fuji Logistics (H.K.) Co., Ltd.
Kyokuryo Warehouse Co., Ltd.	Mitsubishi Logistics Thailand Co., Ltd.
Hanryo Kigyo Co., Ltd.	P.T. Mitsubishi Logistics Indonesia
Nagato Lines Co., Ltd.	Fuji Logistics (Malaysia) SDN. BHD.

Equity-Method Affiliates(3)

Nippon Container Terminals Co., Ltd.	Jupiter Global Limited
Kusatsu Soko Co., Ltd.	

Real Estate

Consolidated Subsidiaries(8)

Dia Buil-Tech Co., Ltd.
Yokohama Dia Building Management Corporation
Chubu kaiatsu Co., Ltd.
Nagoya Dia Buil-Tech Co., Ltd.
Osaka Dia Buil-Tech Co., Ltd.
Kobe Dia Service Co., Ltd.
Kobe Dia Maintenance Co., Ltd.
* T'ACT Co., Ltd.

* New consolidated subsidiaries

1-3-1 Consolidated Operating Results

(Unit: Millions of Yen)

	1H FY2011	1H FY2012	YOY		Original Forecast For 1H 2012*	Change	
Revenue	98,895	95,232	-3,662	-3.7%	102,100	-6,867	-6.7%
Operating Income	6,383	6,707	+324	+5.1%	6,200	+507	+8.2%
Ordinary Income	7,461	8,028	+566	+7.6%	7,300	+728	+10.0%
Net Income	4,034	4,110	+76	+1.9%	4,100	+10	+0.3%

*Original forecast for 1H 2012 was announced on April 27, 2012

Revenue : 4% decrease in revenue as a whole; in logistics, cargo handling in pharmaceutical products increased in both warehouse and land transportation, but the amount of cargo handled decreased in international transportation. In real estate, revenue in "work to restore to original state in leased commercial facilities" increased

Operating Income: 5% increase; as both logistics and real estate divisions increased

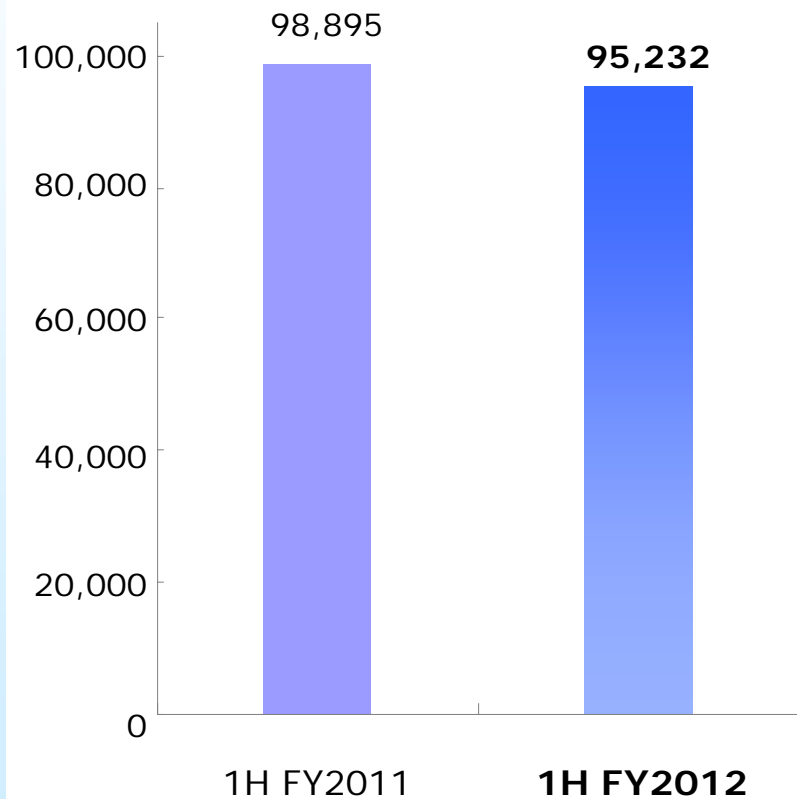
Ordinary Income : 8% increase from a rise in dividends earned

Net Income : 2% increase in revenue; even though extraordinary loss from loss on disposal of fixed asset, etc. increased

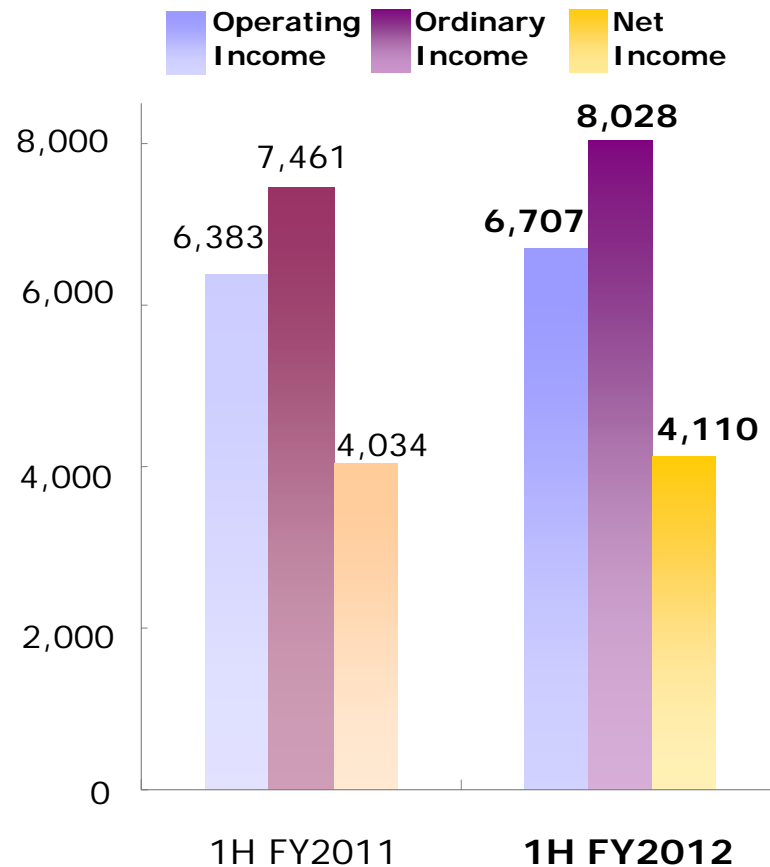
1-3-2 Consolidated Operating Results

(Unit: Millions of Yen)

Revenue



Incomes



1-3-3 Segment Information 1. Revenue

(Unit: Millions of Yen)

	1H FY2011		1H FY2012		YOY	
Logistics	81,110	[81%]	77,369	[80%]	-3,741	-4.6%
Real Estate	18,565	[19%]	18,769	[20%]	+204	+1.1%
Internal Transactions	-780	-	-906	-	-125	-
Total	98,895	-	95,232	-	-3,662	-3.7%

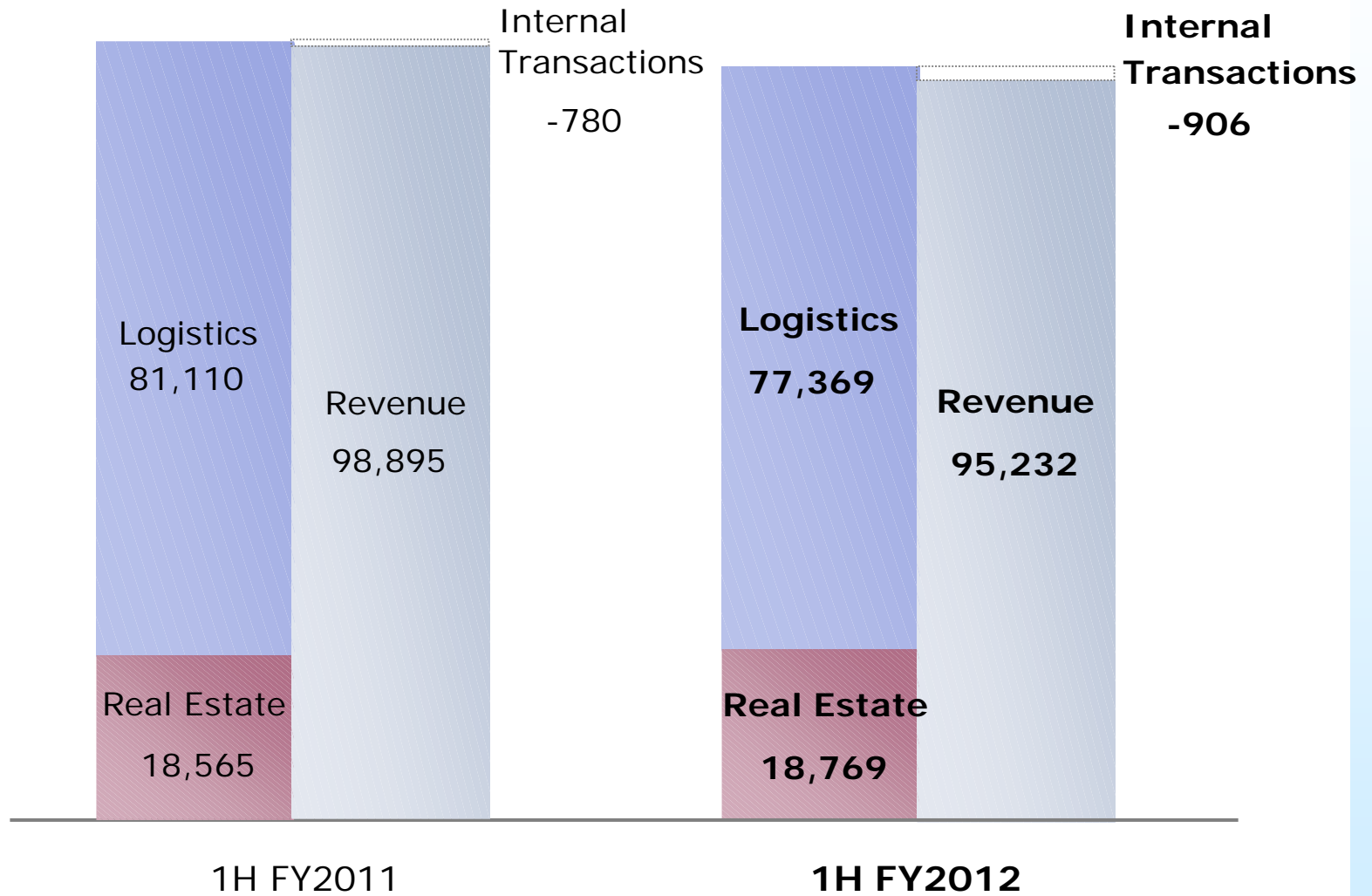
*The percentage in [] does not account for internal transactions

Logistics : 5% decrease in revenue as a whole; cargo handling in pharmaceutical products increased in warehouse and land transportation, but cargo handling decreased in international transportation

Real Estate: 1% increase in revenue as a whole; although there was a negative effect of decline in demand for office buildings in the main real estate leasing business, revenue increased in "work to restore to original state of leased commercial facilities"

1-3-4 Segment Information 1. Revenue

(Unit: Millions of Yen)



(Unit: Millions of Yen)

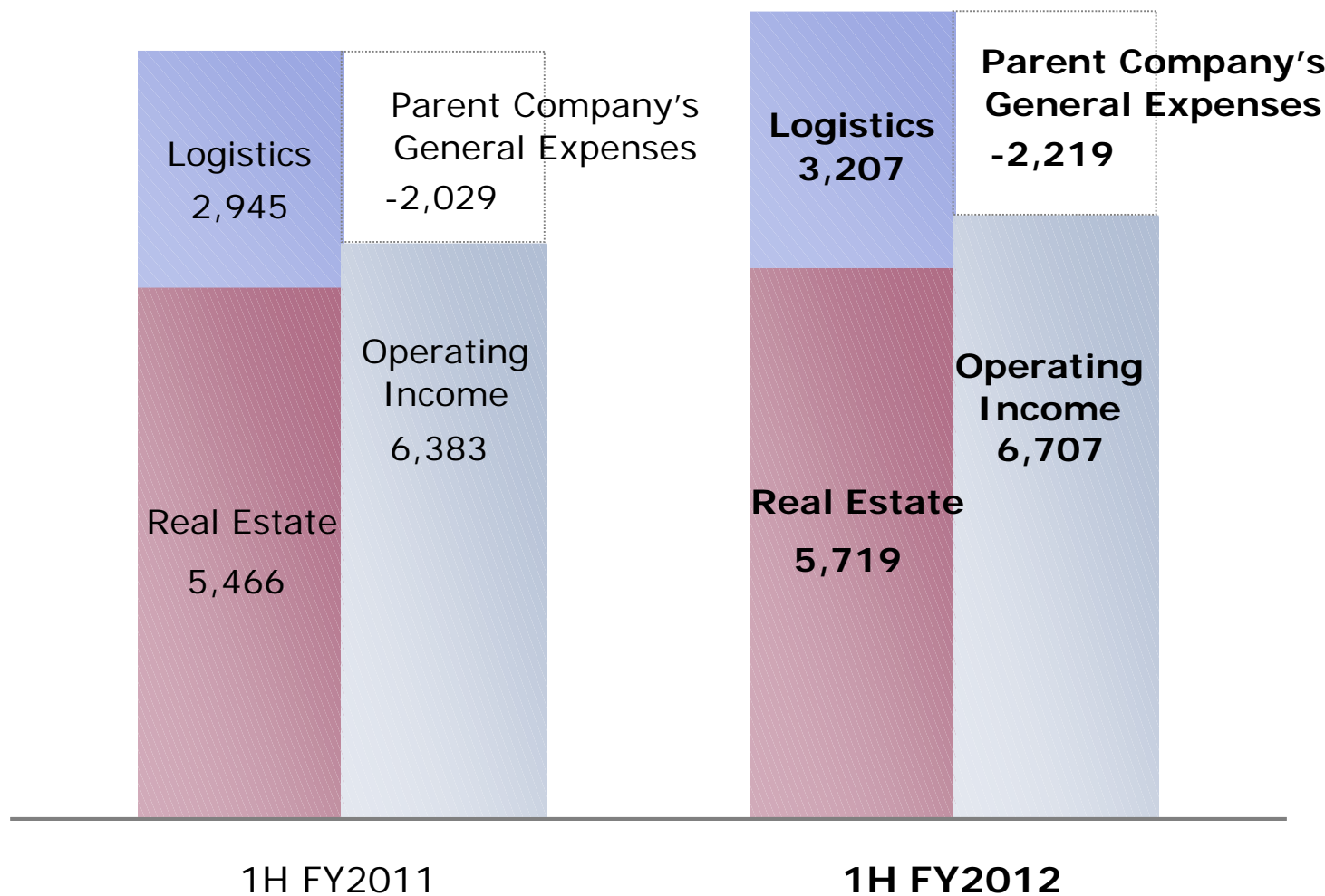
	1H FY2011		1H FY2012		YOY	
Logistics	2,945	[35%]	3,207	[36%]	+261	+8.9%
Real Estate	5,466	[65%]	5,719	[64%]	+252	+4.6%
Parent Company's General Expenses	-2,029	—	-2,219	-	-189	-
Total	6,383	—	6,707	-	+324	+5.1%

*The percentage in [] does not account for parent company's general expenses

Logistics : Operating profit increased by 9%, due to a decrease in operational and transportation consignment costs from decreased cargo, in facility rental expenses and depreciation

Real Estate: Operating profit increased by 5%, although there was a cost for "work to restore to original state in leased commercial facilities", a decrease in facility rental expenses and depreciation was greater

(Unit: Millions of Yen)



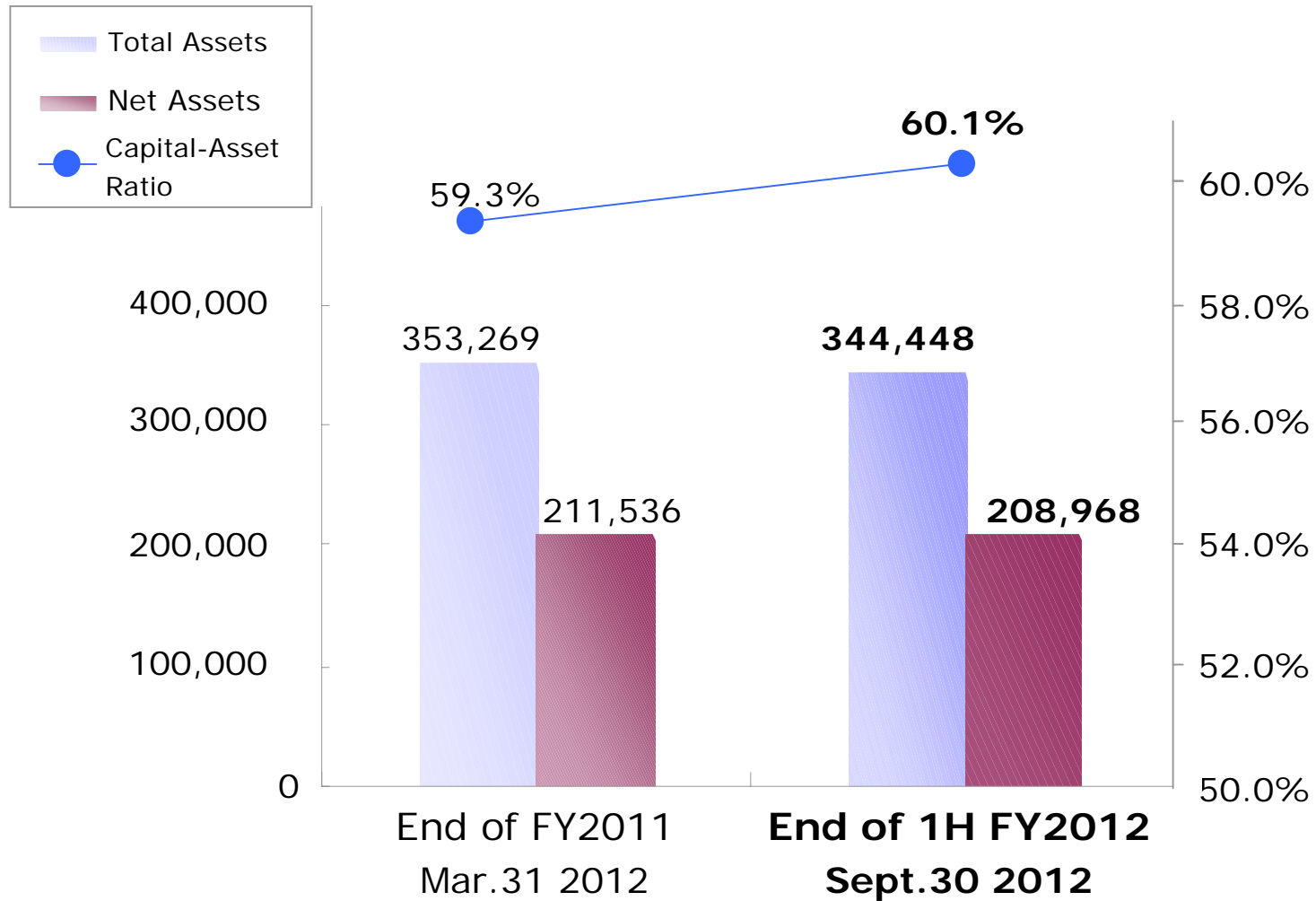
1-4-1 Consolidated Financial Condition

(Unit: Millions of Yen)

	End of FY2011	End of FY2012	Change	Explanation
Total Assets	353,269	344,448	-8,821	Mainly "investment securities" decreased as their market value declined
			-2.5%	
Net Assets	211,536	208,968	-2,567	Although "retained earnings" increased as net income was recorded, "net unrealized holding gains on securities" decreased as their market value declined
			-1.2%	
Capital-Asset Ratio	59.3%	60.1%	+0.8	

1-4-2 Consolidated Financial Condition

(Unit: Millions of Yen)



1-5-1 Consolidated Cash Flows

(Unit: Millions of Yen)

	1H FY2012	Explanation
Balance at the Beginning of the Period (Apr. 1, 2012)	27,416	
Change during the Period	+12,097	
Cash Flows from Operating Activities	+18,028	Increase of 18 billion yen retained from net income and depreciation, collection of sales proceeds for condominiums, etc.
Cash Flows from Investing Activities	-4,684	Decrease of 4.7 billion yen by acquiring fixed assets, etc.
Cash Flows from Financing Activities	-1,247	Decrease of 1.2 billion yen from the payment of dividends, etc.
Exchange Rate Change	+1	
Balance at the End of the Period (Sept. 30, 2012)	39,514	Increase of 12.1 billion yen from the beginning of FY2011

1-5-2 Consolidated Cash Flows (YOY)

(Unit: Millions of Yen)

	1H FY2011	1H FY2012	YOY	Explanation
Balance at the Beginning of FY	25,349	27,416	+2,067	
Change During Period	+4,031	+12,097	+8,066	
Cash Flows from Operating Activities	+8,492	+18,028	+9,535	Increased YOY; accounts receivables decreased as sales proceeds for condominiums were collected
Cash Flows from Investing Activities	-5,127	-4,684	+442	Increased YOY; although cost increased from acquiring fixed asset, it was less than that of last FY, where we acquired shares of Jupiter Global Ltd.
Cash Flows from Financing Activities	+644	-1,247	-1,892	Decreased from last FY, where borrowing increased
Exchange Rate Change	+21	+1	-19	
Balance at the End of the Period	29,381	39,514	+10,133	

2.1H FY2012 Consolidated Results (Consolidated Statement of Income)

2-1 Consolidated Statement of Income

2-2 Breakdown of Revenue

2-3 Breakdown of Cost of Services

2-1-1 Consolidated Statement of Income

(Unit: Millions of Yen)

	1H FY2011	1H FY2012	YOY	
Revenue	98,895	95,232	-3,662	-3.7%
Cost of Services	87,702	84,029	-3,672	-4.2%
Gross Profit	11,192	11,202	+10	+0.1%
SG&A	4,809	4,495	-314	-6.5%
Operating Income	6,383	6,707	+324	+5.1%
Non-Operating Income	1,484	1,728	+244	
Non-Operating Expenses	406	408	+1	
Ordinary Income	7,461	8,028	+566	+7.6%
Extraordinary Income	179	100	-78	
Extraordinary Loss	1,051	1,547	+495	
Earnings before Tax	6,589	6,582	-7	-0.1%
Corporate Tax	2,526	2,435	-90	
Income before Minority Interests	4,062	4,146	+83	+2.1%
Earnings/Loss of Minority Interests	28	35	+6	
Net Income	4,034	4,110	+76	+1.9%

2-2-1 Breakdown of Revenue

(Unit: Millions of Yen)

	1H FY2011	1H FY2012	YOY		Explanation
Revenue	98,895	95,232	-3,662	-3.7%	
Warehouse Storage	10,816	10,804	-12	-0.1%	
Warehouse Cargo Handling	7,481	7,442	-39	-0.5%	Although handling of pharmaceutical products grew steadily, overall cargo movement grew at a sluggish pace
Land Transportation	20,321	19,957	-364	-1.8%	
Port and Harbor Operations	8,702	8,752	+49	+0.6%	
International Transportation	24,825	21,691	-3,133	-12.6%	Decrease in handling of export and import cargo
Real Estate Rent	16,576	16,148	-428	-2.6%	The negative effect of decline in demand for office buildings
Other	10,171	10,436	+265	+2.6%	Revenue from "restoration work in leased commercial facilities"

2-3-1 Breakdown of Cost of Services

(Unit: Millions of Yen)

	1H FY2011	1H FY2012	YOY		Explanation
Cost of Services	87,702	84,029	-3,672	-4.2%	
Operational and Transportation	43,061	39,363	-3,697	-8.6%	Decrease in cargo handling of logistics division
Personnel Expenses	16,776	16,722	-53	-0.3%	
Facility Rental Expenses	4,093	3,882	-210	-5.2%	Decrease YOY by returning rental warehouse and termination of contract of sub-leased buildings in both logistics and real estate divisions
Depreciation	6,481	6,012	-469	-7.2%	Decrease due to declining-balance method calculation in both logistics and real estate divisions
Other	17,289	18,048	+758	+4.4%	Increased cost in "restoration of leased commercial facilities"

3.Consolidated Financial Condition (Consolidated Balance Sheet)

3.Consolidated Financial Condition at the end of 1H FY2012 (Consolidated Balance Sheet)

3-1 Assets

3-2 Liabilities/Net Assets

3-1-1 Assets

(Unit: Millions of Yen)

	End of FY2011	End of 1H FY2012	Change	Explanation
Assets	353,269	344,448	-8,821	
Cash and Deposits	23,812	32,427	+ 8,614	<p>【Increase】 Retained earnings from operating activities and depreciation, collection of sales proceeds for condominiums at the end of last FY</p> <p>【Decrease】 Capital expenditure, increased in negotiable deposit, payment of corporate taxes and dividends, decrease in accounts payable</p>
Notes and Accounts Receivable	41,623	30,218	-11,404	Decrease from collecting sales proceeds for condominium at the end of last FY
Marketable Securities	5,000	8,500	+ 3,500	Increase in negotiable deposit
Buildings	100,733	97,717	-3,015	Decrease from depreciation
Construction in Progress	574	1,729	+ 1,154	Increase in payment of construction cost for Ibaraki #3 distribution center
Investment in Securities	79,095	70,029	-9,065	Decrease in market value of investment securities in possession

3-2-1 Liabilities/ Net Asset

(Unit: Millions of Yen)

	End of FY2011	End of 1H FY2012	Change	Explanation
Liabilities	141,733	135,479	-6,254	
Notes and Accounts Payable	20,876	19,309	-1,566	Payment of construction cost related to condominium sold at the end of last FY
Current Liabilities/Other	12,540	11,780	-760	Decrease mainly in security deposit by tenant changes in leased commercial facilities
Deferred Tax Liabilities	10,747	7,103	-3,644	Decrease in deferred tax payment on evaluation difference due to a decline in market value of stocks
Net Asset	211,536	208,968	-2,567	
Retained Earnings	144,782	147,840	+ 3,058	Reporting net income
Net Unrealized Holding Gains on Securities	25,634	19,934	-5,700	Decrease in valuation difference after deducting tax effect, due to a decline in market value of stocks

4. FY2012 Consolidated Earnings Forecast

4. FY 2012 Consolidated Earnings Forecast

4-1 Revenue (Estimate)

4-2 Cost of Services (Estimate)

4-3 Income (Estimate)

4-1-1 Revenue (Estimate)

(Unit: Millions of Yen)

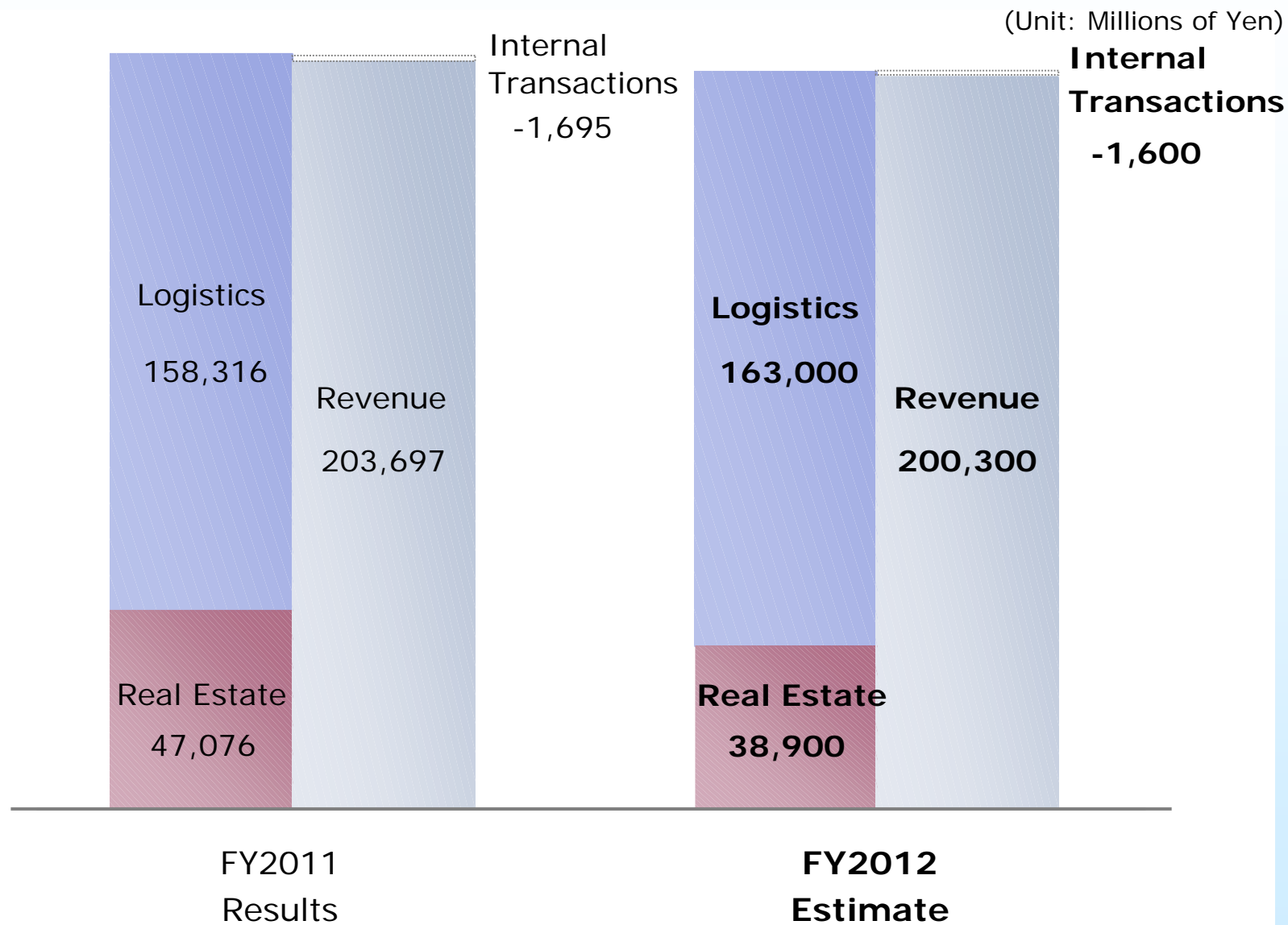
	FY2011 Results	FY2012			YOY	
		1H Results	2H Estimate	Full-Year Estimate		
Revenue	203,697	95,232	105,067	200,300	-3,397	- 1.7%
Logistics	158,316	77,369	85,630	163,000	+4,683	+3.0%
Real Estate	47,076	18,769	20,130	38,900	-8,176	-17.4%
Internal Transactions	-1,695	-906	-693	-1,600	+ 95	

Logistics : Increase expected; although international cargo handling is expected to be stagnant, which is affected by stagnant world economy, we expect an increase in cargo handling from the contribution of Ibaraki #3 distribution center, completed in October

Real Estate: Expect decrease, affected by the weak demand-supply relationship in the main real estate rental business and decrease in the sales of condominiums

Revenue as a whole is expected to decrease

4-1-2 Revenue (Estimate)



4-2-1 Cost of Services (Estimate)

(Unit: Millions of Yen)

	FY2011 Results	FY2012			YOY	
		1H Results	2H Estimate	Full-Year Estimate		
Cost of Services	181,645	84,029	94,670	178,700	-2,945	-1.6%
SG&A	9,519	4,495	4,404	8,900	-619	-6.5%

Decrease forecasted as a whole; on one hand, we expect operational and transportation consignment costs to increase from increased cargo handling in logistics division. On the other hand, we expect decrease in real estate sales cost from decrease in the sales of condominiums, and in facility rental expenses and depreciation in both logistics and real estate divisions.

SG&A is expected to decrease from change in presentation of cost in the subsidiary.

4-3-1 Income (Estimate)

(Unit: Millions of Yen)

	FY2011 Results	FY2012			YOY	
		1H Results	2H Estimate	Full-Year Estimate		
Operating Income	12,533	6,707	5,992	12,700	+166	+1.3%
Logistics	5,019	3,207	3,392	6,600	+1,580	+31.5%
Real Estate	11,620	5,719	4,780	10,500	-1,120	-9.6%
Parent's General Administrative Expenses	-4,107	-2,219	-2,180	-4,400	-292	
Ordinary Income	14,508	8,028	6,671	14,700	+191	+1.3%
Net Income	7,564	4,110	4,089	8,200	+635	+8.4%

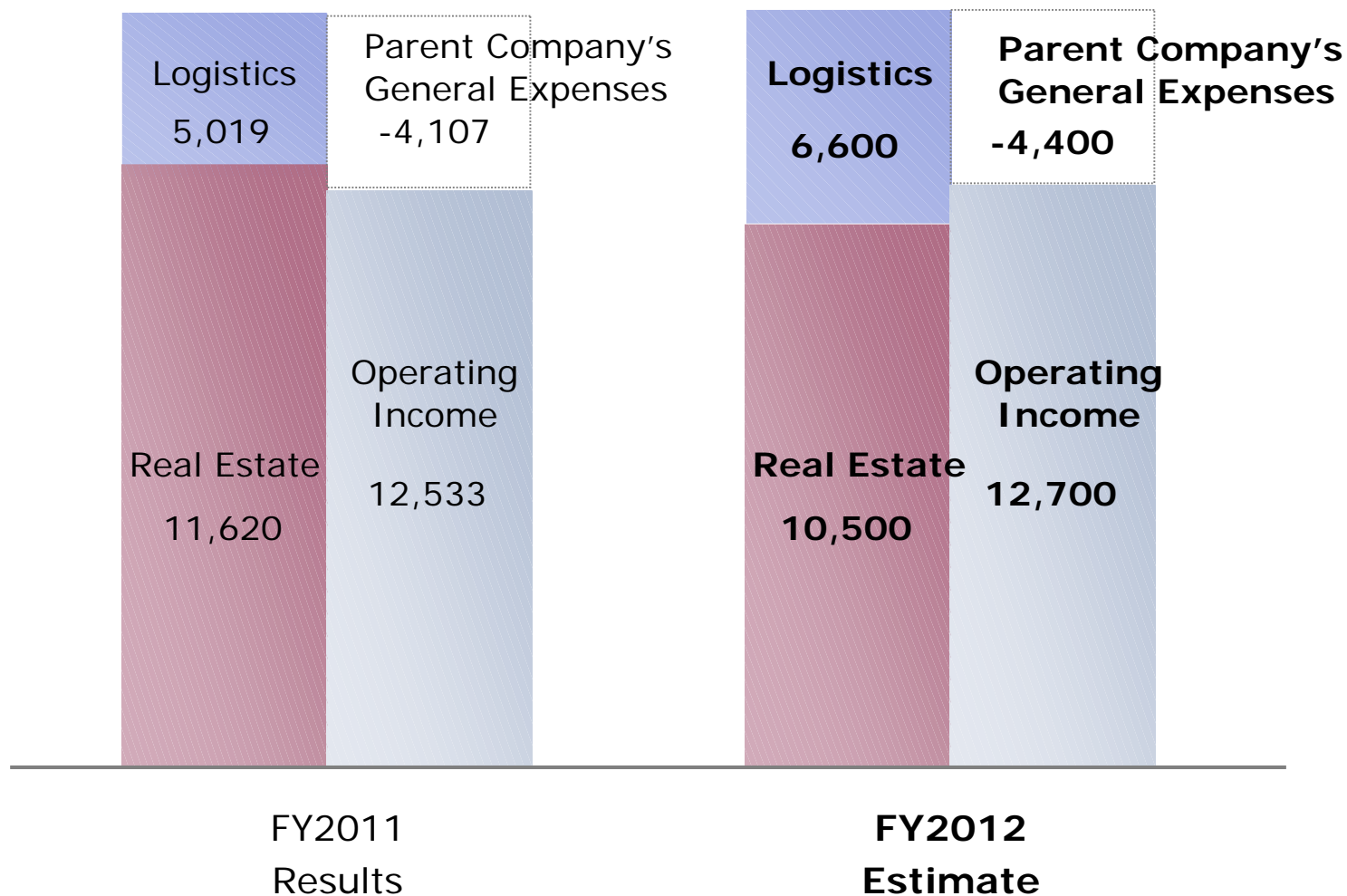
Operating Income: Expect slight increase YOY as an increase in profit in logistics division outweigh a decrease in profit in real estate division

Ordinary Income : Expected to increase slightly YOY

Net Income : Expected to increase from last FY, where deferred income tax asset was reversed

4-3-2 Operating Income (Estimate)

(Unit: Millions of Yen)



5. Miscellaneous Information

5. Miscellaneous Information

5-1 Volume Handled in Logistics (Parent)

5-2 Warehouse/Real Estate Leasing Area (Parent)

5-3 Capital Expenditure

5-4 Depreciation

5-5 New Facilities

5-1-1 Volume Handled in Logistics (Parent)

		1H FY2011		1H FY2012		YOY		
Warehouse/ Inbound Volume	Quantity	1,463	1,000 tons	1,374	1,000 tons	-6.1	%	
Warehouse/ Outbound Volume	Quantity	1,430	1,000 tons	1,362	1,000 tons	-4.8	%	
Warehouse/ Storage Balance	Quantity	510	1,000 tons	535	1,000 tons	+ 4.9	%	
	Amount	308,604	million Yen	329,563	million Yen	+ 6.8	%	
Warehouse/Freight Turnover Rate	Quantity	47.3	%	42.6	%	-4.7		
Land Transport	Quantity	6,600	1,000 tons	6,410	1,000 tons	-2.9	%	
Port and Harbor Operations	Shore Handling	Quantity	35,300	1,000 tons	34,681	1,000 tons	-1.8	%
	Inboard Handling	Quantity	25,701	1,000 tons	25,189	1,000 tons	-2.0	%
International Transportation	Quantity	3,619	1,000 tons	3,454	1,000 tons	-4.6	%	

5-2-1 Warehouse/ Real Estate Leasing Area (Parent)

	1H FY2011		1H FY2012		YOY	
Warehouse Storage Area (Monthly Average)	813	1,000 m ²	814	1,000 m ²	+0.2	%
Building Leasing Area (Monthly Average)	983	1,000 m ²	981	1,000 m ²	-0.2	%
Real Estate Leasing Area (excludes warehouse leasing)	891	1,000 m ²	885	1,000 m ²	-0.6	%

	Sept. 30, 2011	March 31, 2012	Sept. 30, 2012
Building Leasing Vacancy Rate	3.0%	2.8%	3.1%

FY2011 Results : 11.547 Billion Yen

(Consolidated Cash Flow Statement “Spending on Fixed Asset Acquisition”)

[Major Projects]

Purchase of land for warehouse, maintenance and renewal of existing facilities in the logistics and the real estate

FY2012 Estimate: 14.4 Billion Yen

[Major Projects]

Construction of warehouses, renovation of commercial facilities, development of new logistics information system

5-4-1 Depreciation

	FY2011 Results	FY2012 Estimate	Explanation
Total	13.567 Billion Yen	12.0 Billion Yen	
Logistics	5.834 Billion Yen	5.4 Billion Yen	Decrease of 400 million yen expected as existing assets are calculated in declining balance method
Real Estate	7.526 Billion Yen	6.4 Billion Yen	Decrease of 1.1 billion yen expected as existing assets are calculated in declining balance method
Corporate Expense	0.207 Billion Yen	0.2 Billion Yen	

Nihonbashi Dia Building



Characteristics:

Enhanced Disaster Prevention, Response & Recovery:
Adopted an anti-seismic/ seismic isolation structure, enhanced flood prevention measures, and enhanced power outage measures

Efficient Use of Energy:
Adopted solar power generation, installed highly efficient energy control system and air-conditioning system, and adopted heat-insulated multi-layer glass and LED lights

Implementing Environmental Measures:
Plant trees on 6F rooftops, and using rain water

Features trunk room in some floors

Construction of Disaster-Resistant and Environment-Friendly High-Rise Office Building in Nihonbashi, Tokyo

We will provide leased offices that provide safety/ease/comfort while preserving the exterior of Tokyo's historical "Edobashi Soko Building"

Construction Period	: October 2011- August 2014 (planned)
Building Scale	: 18 stories with a basement, 90m high (earthquake-proof)
Total Floor Area	: 30,000m ²
Purpose	: Offices, trunk room, parking
Amount Invested	: 13.0 Billion Yen

For the Realization of Rich and Sustainable Society



Forecasts in this material is based on the information available to the Company's management as of the date of release and certain assumption judged rational. Accordingly, there might be cases in which actual results differ from forecast of this material.