June 16, 2020

Dear Shareholders,

Masao Fujikura, Representative Director and President
Mitsubishi Logistics Corporation
(Securities Code: 9301 First Section of the Tokyo Stock Exchange)
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Supplementary Information regarding the
Proposal to be Resolved at the 217th Annual General Meeting of Shareholders

We have obtained information that Institutional Shareholder Services Inc. (hereinafter referred to as "ISS"), a proxy advisory firm, had recommended to approve a shareholder proposal submitted to the 217th Annual General Meeting of Shareholders of the Company to be held on June 26, 2020.

In this connection, the Company is going to provide supplementary information on the thought of the Company to the proposal. We sincerely hope that all of our shareholders will refer to the supplementary information below and continue to provide their support based on the deeper understanding of the Company.

1. ISS's grounds for recommending approval

(1) Proposal No. 6: Implementation of Share Buyback

- ✓ The Company's ROE is low compared to other companies, which implies a capital allocation issue.
- ✓ The Company's financial position is stable and the impact of COVID-19 is not expected to be significant. Therefore, it is considered unlikely that an immediate share buyback will have a significant impact on the Company's financial flexibility.
- ✓ Even if this shareholder proposal is resolved and approved, it would not bind the Company to repurchase its shares, therefore the Company can still make the final implementation decision by itself.

(2) Proposals No. 7 and No. 8: Election of Directors to the Company's Board of Directors (Messrs. Satoshi Arai and Taketo Yamakawa)

- ✓ Compared to other companies in the same industry, the share price / TSR, ROE (profitability and capital efficiency), and governance structure of the Company are subordinate, thus the proposal can be justified.
- ✓ Both appointments are likely to enhance the board's independence and strengthen its oversight function.
- ✓ Mr. Arai's experience in the logistics industry and Mr. Yamakawa's experience in logistics and finance industries can bring positive effect in improving the performance of the Company's logistics business and in making the capital allocation more efficient.

(3) Proposal No. 9: Revisions to a Portion of the Articles of Incorporation (Change to a Company with a Three Committee Structure)

- ✓ There is some room for improvement in the current board profile, and adopting a company system with a three committee structure will serve to demonstrate the Company's commitment to improve its governance.

(4) Proposal No. 10: Revisions to a Portion of the Articles of Incorporation (Abolish *Sodanyaku* / *Komon* System)

- ✓ It will contribute to improve credence to reduce the risk of former senior executives' involvement in the strategic decision-making process, and to enhance the credence in soundness of the Company's governance
- ✓ Even if the Articles of Incorporation are amended to abolish such advisors etc. system, it would not prevent the Company's former management members from fulfilling their current roles in the business community.

2. The Company's opinions on the recommendation for approving Proposal No. 6

(1) Our policy to achieve JPY 15 billion of share buyback in flexible manner to improve capital efficiency

With the aim of improving capital efficiency, our current Medium-term Management Plan has set a policy to improve the capital efficiency by buying back treasury shares in the amount of 15 billion yen in total over the period from fiscal 2019 to fiscal 2021 and thereby curtailing an increase in retained earnings, in addition to a dividend policy targeting dividend on equity (DOE) of 2% in the fiscal year ending March 2022. Based on the policy above, the Company bought back its treasury shares in the amount of 5 billion yen in fiscal 2019. In addition, the Company has made it a policy to proceed with efforts to increase net income by strengthening the business foundations of the priority areas and bolstering production efficiency through more efficient operational processes and other means. Accordingly, the Company intends to implement the share buyback at times flexibly determined by comprehensively taking into account such factors as the status of income and cash flows and the stock price levels.

(2) We are not optimistic over the future due to COVID-19 impact on our business

The above policy has remained unchanged to the present time. Under the current circumstances, in which the spread of COVID-19 is expected to have a serious impact on the economy and the fact that it is not possible to reasonably predict when this situation will come to an end, we believe that making a definite commitment to promptly buy back the remaining shares of 10 billion yen may have the potential of damaging corporate value and the common interests of shareholders.

The Company determined that buying back the remaining shares of 10 billion yen in the two years from fiscal 2020 to fiscal 2021 observing the extent of the impact of COVID-19 on the economy and the timing it settles down would contribute to corporate value and the common interests of shareholders.

(3) Towards further improvement of capital efficiency

The Company's recognition that improving capital efficiency such as ROE is a matter of high priority remains unchanged, and from this point forward, it is our policy to set the target levels and disclose them at an early stage together with specific scenarios for improvement. For the time being, the Company intends to continue with not only efforts to suppress an increase in the equity capital through shareholder return, select high-yield investment projects utilizing leverage, strengthen the business foundations of the priority areas and bolster production efficiency through more efficient operational processes and other means, but also efforts such as to reduce cross holding of shares, in order to achieve the 5% target which ISS has set as a standard for ROE.

In addition, the Company is committed in the long term to increasing its economic value by responding quickly to the needs of society under an appropriate capital policy, with an eye on the period after achieving the 5% target for ROE.

(4) Our view on the ISS recommendation

ISS stated that, even if this shareholder proposal is resolved and approved, it does not mean that the Company will necessarily have to buy back its own shares, nor does it impose an inflexible response on the Company. However, if ISS is inclined to recommend approval of this proposal on the ground that it is not legally binding, despite ISS described that the decision was a close call, it is truly regrettable, given that ISS would have a significant impact on the voting power over institutional investors.

3. The Company's opinions on the recommendation for approving Proposals No. 7 and No. 8

(1)Approach made by Oasis and time constraints under COVID-19 pandemic

On April 20 of this year, the said shareholder proposed to introduce candidates for Outside Directors to the Company, and only the carrier summaries were submitted to the Company on April 22. When we requested a detailed explanation, we were demanded to contact directly the candidates via conference call due to the difficulty of doing direct interviews under constraints caused by the COVID-19 pandemic. While we were considering taking actions, we abruptly received a shareholder proposal letter on April 24. Therefore, it was not that we had refused to consider the proposals.

In order to select candidates for outside directors who will contribute to improving corporate value, sufficient time is necessary for consideration. In the past, candidates have been selected through a process for one year or more. Accordingly, nominating a candidate who was only proposed in late April as in this case would be unreasonable to us to designate, due partly to unavailability of direct interview with the candidates as well as to the administrative time constraints to prepare to convene the shareholders' meeting.

"Securing the diversity of the Board of Directors" is one of the most important issues to us and we are going to proceed with the selection of candidates mainly through the Nomination and Compensation Committee. If the said shareholder has any intention of continuing with the dialogue, we will search for suitable any persons, including those two candidates proposed by the said shareholder to proceed with selection of candidates upon examining the requirements for Outside Directors and the desirable form of the Board of Directors under the leadership of the Nomination and Compensation Committee.

(2) Our requirements for Outside Directors

The Company believes that it is important to strike a balance between skills and advice made from a broad and panoramic perspective in selecting candidates for Outside Directors, and the current candidates are selected based on their abundant knowledge of logistics, finance, risk management, etc. and experience in management.

However, the Company is also fully aware of voice of many shareholders who demand Outside Directors who are deemed to be selected from outside of the Mitsubishi Group from a standpoint of ensuring clearer independence from an objective perspective. Accordingly, the Company intends to select candidates for Outside Directors selected from outside of the Mitsubishi Group for the General Meeting of Shareholders to be held in June 2021, also from a standpoint of ensuring the diversity which contributes to an increase in corporate value from a long-term viewpoint.

(3) We are progressing efficiency improvement measures in the logistics business

With respect to the efficiency improvements in the logistics business as pointed out by ISS, as announced on April 30, 2020, we are conducting demonstration experiments in collaboration with GROUND Inc. to verify improvement of operational efficiency in warehouse by utilizing the AI logistics software called "DyAS" of GROUND , and we aim to introduce the first phase of DyAS to our existing warehouses within this fiscal year. Thereafter, we plan to expand the implementation horizontally to facilities that handle Medical & Healthcare, Food & Beverage, and Machinery & Electronics, which are the most prioritized areas of the MLC2030 Vision. We hope that our shareholders will understand that we are making steady progress in improving business processes and promoting the use of new technologies as one of the growth strategies in the MLC2030 Vision, which is the vision we have established to achieve toward the year 2030.

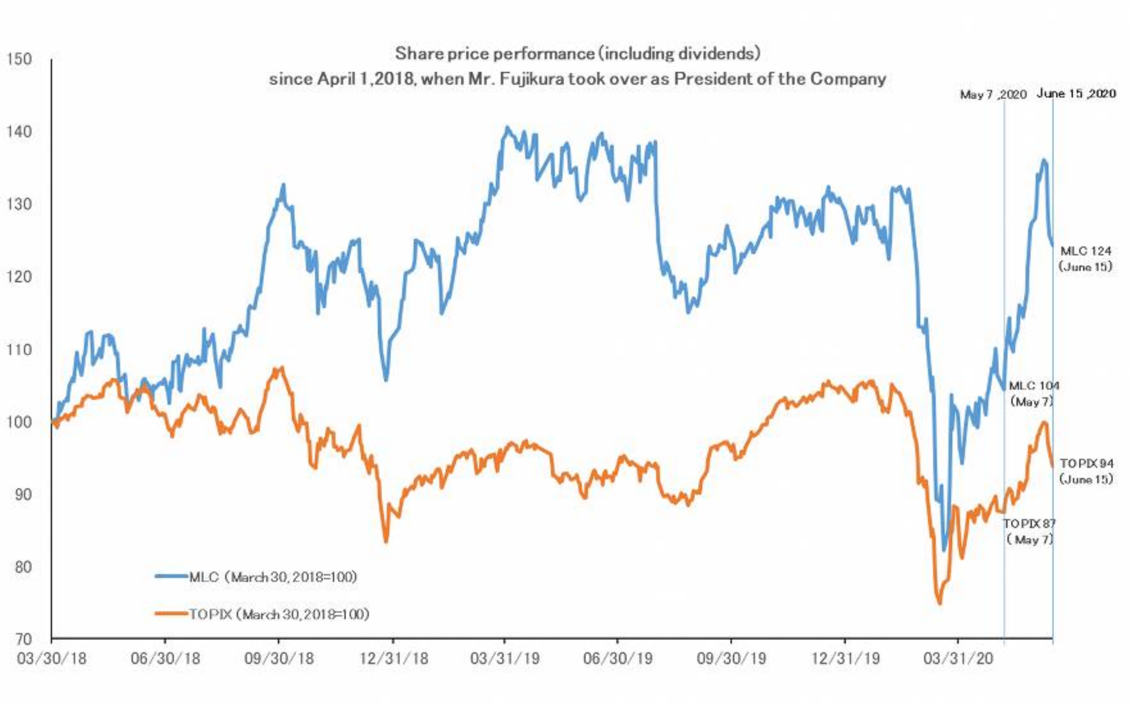
(4) We do not believe TSR of the Company is not inferior to its peers

ISS discusses in their report the Company's TSR, operating income and ROE compared to its peers. We do not believe a peer comparison of operating income and ROE is appropriate, but we refrain from adding supplementary explanation on this occasion and we only mention about TSR as supplementary.

The graph and the table below shows share price performance (including dividends) since April 1, 2018, when Mr. Fujikura took over his office as President of the Company. As you can see, we are not inferior to TOPIX nor our peers.

Since the inception of the current Board, the Company have been actively engaging in management to enhance our corporate value. We recognize that the Company's share price performance during this period reflects expectations to the Company going forward.

Going forward, the management team will continue to work together to ensure that we may not betray the expectations of our shareholders in every aspect of our business performance and governance, and we will work together to improve our corporate value.



	Total Shareholder Return (From April 1 ,2018 to May 7 ,2020)	Total Shareholder Return (From April 1 ,2018 to June 15 ,2020)
MITSUBISHI LOGISTICS CORP	4%	24%
TOPIX	-13%	-6%
MITSUI-SOKO HOLDINGS CO LTD	-14%	-8%
SUMITOMO WAREHOUSE CO LTD	-9%	-4%
SHIBUSAWA WAREHOUSE CO LTD	26%	18%
YASUDA LOGISTICS CORP	-12%	-9%

4. The Company's opinions on the recommendation for approving Proposal No. 9

As the Company already announced on April 30, 2020, the Board of Directors has decided to establish a voluntary nomination and compensation committee composed primarily of outside directors based on the Corporate Governance Code of Japan.

This shareholder proposal calls for the legally mandated, not voluntary, introduction of a nomination committee and a remuneration committee. Although the Companies Act requires that one of three organizational designs (a Company with Three Committees, a Company with an Audit & Supervisory Committee, and a Company with a Board of Corporate Auditors) be adopted, there is no single superior system, and each company should select a structure in accordance with their individual circumstances and policies.

The Company believes that the best choice at the current point in time is to select the structure of a Company with a Board of Corporate Auditors that can carry out audits with strong and unitary authority, and to establish a nomination and compensation committee on a voluntary basis.

5. The Company’s opinions on the recommendation for approving Proposal No. 10

The advantages of having advisors (soudan-yaku in Japanese) and consultants (komon in Japanese) who are not prescribed by law can be found in their contributions to enhancing the Company’s social contribution activities primarily as senior officers at industry, public, and other organizations.

The Company’s advisors and consultants do not attend any meetings related to management decision-making, and do not interfere with or influence management decision-making in any way.

The Company also strives to ensure transparency by voluntarily disclosing information on advisors and consultants in the Corporate Governance Report. The Company’s Board of Directors will continue to examine the rationale of having advisors and consultants.

Based on this policy, we have decided that it is not necessary at this General Meeting of Shareholders to venture to partially revise the Articles of Incorporation and establish a new Article to abolish advisors and consultants.

6. Conclusion

The Company was founded in Fukagawa, Tokyo, in 1887, by succeeding the warehousing operation of former Mitsubishi Exchange House. For more than 130 years since the foundation, the Company has been engaging in the logistics business which organically integrates operations for land transportation, harbor transportation and international transportation with the warehousing business at the core. In addition, the Company has developed the real estate business since a decade from 1955 and expanded the business domain from building leases utilizing Company-owned property to sales and leases of residential homes and operation of commercial facilities.

The Company believes that the entry into the real estate business during a decade from 1955 taking advantage of the Company-owned property located in bay areas with superior geographical conditions captured the needs of society, created new value and contributed to the realization of an affluent society and a subsequent significant increase in corporate value of the Company.

Crucial for the Group to continue to grow further amid drastic changes in society and economy is the “creation of value,” which promotes changes to the business of our customers and society.

From the aforementioned standpoint, the Group has set the “MLC2030 Vision” as the goal to be achieved by 2030. Going forward, the Company is committed to taking measures such as to review the business and governance systems and enter into new businesses and geographical locations from a viewpoint of how to achieve the “creation of value.”

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