

Mitsubishi Logistics Corporation

Flash Report as of and for the year ended March 31, 2017

Preparation of explanatory materials for financial results : Yes

Information meetings arranged related to financial results : Yes

1. Financial highlights

(1) Consolidated results of operation

	(Round down to millions of yen)		Percentage Change
	Year ended March 31, 2017	Year ended March 31, 2016	
Revenue	¥208,718	¥206,831	0.9%
Operating Income	12,748	11,309	12.7%
Ordinary Income	16,056	14,025	14.5 %
Profit Attributable to Owners of Parent	10,665	9,350	14.1%
(Note) Comprehensive Income	21,553	(3,494)	-%
	(In yen)		
Basic Earnings per Share	¥60.88	¥53.37	
Diluted Earnings per Share	-	-	
	(As a percentage)		
Return on Equity	4.0%	3.6%	
Ratio of Ordinary Income to Total Assets	3.8%	3.3%	
Ratio of Operating Income to Revenue	6.1%	5.5%	

(Notes)

- a) Equity in earnings of unconsolidated subsidiaries and affiliates accounted for by the equity method for the years ended March 31, 2017 and 2016 are as follows:
 Year ended March 31, 2017: ¥525 million
 Year ended March 31, 2016: ¥549 million
- b) Presentation of percentage change in the above list shows increase ratio in comparison with the previous fiscal year.

(2) Consolidated financial conditions

	(Round down to millions of yen)	
	March 31, 2017	March 31, 2016
Total Assets	¥435,354	¥413,264
Net Assets	276,870	257,524
	(As a percentage)	
Equity Ratio	63.0%	61.7%

	(In yen)	
Net Assets per Share	¥1,565.27	¥1,455.06

(Note)

Equity at March 31, 2017 and 2016 on a consolidated basis are as follows:

As of March 31, 2017 : ¥274,223 million

As of March 31, 2016 : ¥254,940 million

(3) Consolidated conditions of cash flows

	(Round down to millions of yen)	
	Year ended March 31, 2017	Year ended March 31, 2016
Cash Flows from Operating Activities	¥21,466	¥17,246
Cash Flows from Investing Activities	(22,270)	(7,032)
Cash Flows from Financing Activities	(7,819)	(7,927)
Cash and Cash Equivalents at the end of the year	36,921	45,658

2. Dividends

	(In yen)		
Cash Dividends per Share	Year ended March 31, 2016	Year ended March 31, 2017	Year ending March 31, 2018 (Forecast)
1 st quarter	¥ -	¥ -	¥ -
2 nd quarter	6.00	6.00	7.00
3 rd quarter	-	-	-
4 th quarter	6.00	8.00	14.00
Total	¥12.00	¥14.00	-
	(Round down to millions of yen)		
Total Annual Cash Dividends	¥2,103	¥ 2,453	-
	(As a percentage)		
Dividend Payout Ratio (Consolidated)	22.5 %	23.0%	23.8%
Ratio of Dividends to Net Assets (Consolidated)	0.8%	0.9%	-

(Notes)

※The Cash Dividends per Share for the year ended March 31, 2017 include a ¥2 commemorative dividend in celebration of the 130th anniversary of the Company's establishment.

※The Company plans to conduct a 1-for-2 reverse stock split on its common shares on October 1, 2017. Therefore, Cash Dividends per Share for the year ending March 31, 2018 (forecast)

reflect such reverse stock split and Total Annual Cash Dividends per Share states “-”. Without taking into account such reverse stock split, Cash Dividend per Share for the 4th quarter of the year ending March 31, 2018 and Total Annual Cash Dividends per Share for the year ending March 31, 2018 (forecast) would be ¥7 and ¥14, respectively. See “Explanation of appropriate use of business forecast and other special items” for details.

3. Business forecast for the six months ending September 30, 2017 and for the year ending March 31, 2018 on a consolidated basis

	(In millions of yen)			
	Six months ending September 30, 2017		Year ending March 31, 2018	
Revenue	¥103,700	6.2%	¥212,000	1.6%
Operating Income	7,100	13.4%	12,900	1.2%
Ordinary Income	8,700	13.6%	15,500	(3.5%)
Profit Attributable to Owners of Parent	5,800	14.6%	10,300	(3.4%)
	(In yen)			
Basic Earnings per Share	¥33.11		¥117.58	

(Notes)

※Presentation of percentage in the above list shows increase or decrease ratio in comparison with the previous corresponding period.

※Basic Earnings per Share in the business forecast for the year ending March 31, 2018 on a consolidated basis reflects the effect of a reverse stock split. Without taking into account such effect, Basic Earnings per Share in the business forecast for the year ending March 31, 2018 on a consolidated basis would be ¥58.79. See “Explanation of appropriate use of business forecast and other special items” for details.

※Notes

- (1) Changes in significant subsidiaries during the year (changes in specified subsidiaries resulting in changes in scope of consolidation) : None

- (2) Changes in accounting policies, changes in accounting estimates and restatement due to correction
 - (i) Changes in accounting policies with revision of accounting standards, etc. : Yes
 - (ii) Changes in accounting policies other than the above : None
 - (iii) Changes in accounting estimates : None
 - (iv) Restatement due to correction : None

- (3) Number of shares outstanding (common stock)
 - (i) Number of shares outstanding at March 31, 2017 and 2016 on a consolidated basis (including treasury stock) are as follows:
 - As of March 31, 2017: 175,921,478 shares
 - As of March 31, 2016: 175,921,478 shares

 - (ii) Number of treasury stock at March 31, 2017 and 2016 on a consolidated basis are as follows:
 - As of March 31, 2017: 728,344 shares
 - As of March 31, 2016: 712,459 shares

 - (iii) Weighted-average number of shares outstanding for the years ended March 31, 2017 and 2016 on a consolidated basis are as follows:
 - Year ended March 31, 2017: 175,201,860 shares
 - Year ended March 31, 2016: 175,215,576 shares

(Reference) Summary of non-consolidated financial results

1. Financial highlights

(1) Non-consolidated results of operation

	(Round down to millions of yen)		Percentage Change
	Year ended March 31, 2017	Year ended March 31, 2016	
Revenue	¥146,896	¥144,391	1.7%
Operating Income	10,284	8,783	17.1%
Ordinary Income	13,073	11,492	13.8%
Net Income	9,074	8,149	11.3%
	(In yen)		
Basic Earnings per Share	¥51.77	¥46.49	
Diluted Earnings per Share	-	-	

(Note)

※Presentation of percentage change in the above list shows increase ratio in comparison with the previous fiscal year.

(2) Non-consolidated financial conditions

	(Round down to millions of yen)	
	March 31, 2017	March 31, 2016
Total Assets	¥383,730	¥363,588
Net Assets	252,899	234,989
	(As a percentage)	
Equity Ratio	65.9%	64.6%
	(In yen)	
Net Assets per Share	¥1,442.98	¥1,340.67

(Note)

Equity at March 31, 2017 and 2016 on a non-consolidated basis are as follows:

As of March 31, 2017: ¥252,899 million

As of March 31, 2016: ¥234,989 million

2. Business forecast for the six months ending September 30, 2017 and for the year ending March 31, 2018 on a non-consolidated basis

	(In millions of yen)			
	Six months ending September 30, 2017		Year ending March 31, 2018	
Revenue	¥73,500	6.9%	¥147,800	0.6%
Operating Income	5,700	14.8%	10,300	0.2%
Ordinary Income	7,600	13.7%	13,100	0.2%
Net Income	5,400	19.8%	9,100	0.3%

	(In yen)	
Basic Earnings per Share	¥30.81	¥103.84

(Notes)

※Presentation of percentage in the above list shows increase ratio in comparison with the previous corresponding period.

※Basic Earnings per Share in the business forecast for the year ending March 31, 2018 on a non-consolidated basis reflects the effect of a reverse stock split. Without taking into account such effect, Basic Earnings per Share in the business forecast for the year ending March 31, 2018 on a non-consolidated basis would be ¥51.92.

※This Flash Report is not subject to audit

※Explanation of appropriate use of business forecast and other special items

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

2. At the meeting of the Board of Directors held on April 28, 2017, the Company resolved to submit a proposal for the reverse stock split at the 214th Annual General Meeting of Shareholders scheduled to be held on June 29, 2017, and plans to conduct the 1-for-2 reverse stock split on its common shares on October 1, 2017 if such proposal is approved at the 214th Annual General Meeting of Shareholders. The Company also plans to change the share trading unit from 1,000 shares to 100 shares on the same date. Without taking into account such reverse stock split, Cash Dividends forecast and business forecast on a consolidated basis for the year ending March 31, 2018 would be as follows:

(1) Cash Dividends forecast for the year ending March 31, 2018

Cash Dividend per Share for the second quarter	¥7
Cash Dividend per Share for the fourth quarter	¥7

(2) Business forecast for the year ending March 31, 2018 on a consolidated basis

Basic Earnings per Share for the six months ending September 30, 2017	¥33.11
Basic Earnings per Share for the year ending March 31, 2018	¥58.79