

Mitsubishi Logistics Corporation

Flash Report as of and for the year ended March 31, 2018

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, 2018	Year ended March 31, 2017	
Revenue	¥215,407	¥208,718	3.2%
Operating Income	12,421	12,748	(2.6%)
Ordinary Income	16,160	16,056	0.7%
Profit Attributable to Owners of Parent	10,517	10,665	(1.4%)
(Note) Comprehensive Income	20,344	21,553	(5.6%)
	(In yen)		
Basic Earnings per Share	¥120.07	¥121.75	
Diluted Earnings per Share	-	-	
	(As a percentage)		
Return on Equity	3.7%	4.0%	
Ratio of Ordinary Income to Total Assets	3.6%	3.8%	
Ratio of Operating Income to Revenue	5.8%	6.1%	

(Notes)

- a) Equity in earnings of unconsolidated subsidiaries and affiliates accounted for by the equity method for the years ended March 31, 2018 and 2017 are as follows:

Year ended March 31, 2018: ¥1,402 million

Year ended March 31, 2017: ¥525million

- b) Presentation of percentage change in the above list shows increase or decrease ratio in comparison with the previous fiscal year

※The Company conducted a 1-for-2 reverse stock split on its common shares on October 1, 2017. Therefore, Basic Earnings per Share is calculated on the assumption that the reverse stock split was executed at the beginning of the previous fiscal year.

(2) Consolidated financial conditions

	(Round down to millions of yen)	
	March 31, 2018	March 31, 2017
Total Assets	¥463,174	¥435,354
Net Assets	294,550	276,870
	(As a percentage)	
Equity Ratio	63.0%	63.0%
	(In yen)	
Net Assets per Share	¥3,330.71	¥3,130.53

(Note)

Equity at March 31, 2018 and 2017 on a consolidated basis are as follows:

As of March 31, 2018 : ¥291,747 million

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

※The Company conducted a 1-for-2 reverse stock split on its common shares on October 1, 2017. Therefore, Net Assets per Share is calculated on the assumption that the reverse stock split was executed at the beginning of the previous fiscal year.

(3) Consolidated conditions of cash flows

	(Round down to millions of yen)	
	Year ended March 31, 2018	Year ended March 31, 2017
Cash Flows from Operating Activities	¥21,481	¥21,466
Cash Flows from Investing Activities	(22,219)	(22,270)
Cash Flows from Financing Activities	3,419	(7,819)
Cash and Cash Equivalents at the end of the year	39,580	36,921

2. Dividends

Cash Dividends per Share	(In yen)		
	Year ended March 31, 2017	Year ended March 31, 2018	Year ending March 31, 2019 (Forecast)
1 st quarter	¥ -	¥ -	¥ -
2 nd quarter	6.00	7.00	15.00
3 rd quarter	-	-	-
4 th quarter	8.00	14.00	15.00
Total	¥14.00	—	¥30.00
	(Round down to millions of yen)		
Total Annual Cash Dividends	¥2,453	¥ 2,453	-

	(As a percentage)		
Dividend Payout Ratio (Consolidated)	23.0%	23.3%	23.9%
Ratio of Dividends to Net Assets (Consolidated)	0.9%	0.9%	-

(Note)

※The Company conducted a 1-for-2 reverse stock split on its common shares on October 1, 2017. Therefore, Cash Dividends per Share for the year ended March 31, 2018 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 ended March 31, 2018 and Total Annual Cash Dividends per Share for the year ended March 31, 2018 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, 2018 and for the year ending March 31, 2019 on a consolidated basis

	(In millions of yen)			
	Six months ending September 30, 2018		Year ending March 31, 2019	
Revenue	¥108,600	3.0%	¥224,000	4.0%
Operating Income	7,100	4.5%	13,200	6.3%
Ordinary Income	8,700	(3.8%)	16,500	2.1%
Profit Attributable to Owners of Parent	5,800	(9.3%)	11,000	4.6%
	(In yen)			
Basic Earnings per Share	¥66.22		¥125.58	

(Note)

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

※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. : None
 - (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, 2018 and 2017 on a consolidated basis (including treasury stock) are as follows:
 - As of March 31, 2018: 87,960,739shares
 - As of March 31, 2017: 87,960,739shares

 - (ii) Number of treasury stock at March 31, 2018 and 2017 on a consolidated basis are as follows:
 - As of March 31, 2018: 367,583 shares
 - As of March 31, 2017: 364,172 shares

 - (iii) Weighted-average number of shares outstanding for the years ended March 31, 2018 and 2017 on a consolidated basis are as follows:
 - Year ended March 31, 2018: 87,594,829shares
 - Year ended March 31, 2017: 87,600,929shares

※The Company conducted a 1-for-2 reverse stock split on its common shares on October 1, 2017. Accordingly, the number of shares outstanding, the number of treasury stock and the weighted-average number of shares outstanding have been calculated on the assumption that such reverse stock split was executed at the beginning of the previous fiscal year.

(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, 2018	Year ended March 31, 2017	
Revenue	¥148,610	¥146,896	1.2%
Operating Income	9,665	10,284	(6.0%)
Ordinary Income	15,382	13,073	17.7%
Net Income	10,701	9,074	17.9%
	(In yen)		
Basic Earnings per Share	¥122.12	¥103.55	
Diluted Earnings per Share	-	-	

(Notes)

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

※The Company conducted a 1-for-2 reverse stock split on its common shares on October 1, 2017. Therefore, Basic Earnings per Share is calculated on the assumption that the reverse stock split was executed at the beginning of the previous fiscal year.

(2) Non-consolidated financial conditions

	(Round down to millions of yen)	
	March 31, 2018	March 31, 2017
Total Assets	¥413,798	¥383,730
Net Assets	270,422	252,899
	(As a percentage)	
Equity Ratio	65.4%	65.9%
	(In yen)	
Net Assets per Share	¥3,086.04	¥2,885.95

(Note)

Equity at March 31, 2018 and 2017 on a non-consolidated basis are as follows:

As of March 31, 2018: ¥270,422 million

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

※The Company conducted a 1-for-2 reverse stock split on its common shares on October 1, 2017. Therefore, Net Assets per Share is calculated on the assumption that the reverse stock split was executed at the beginning of the previous fiscal year.

2. Business forecast for the six months ending September 30, 2018 and for the year ending March 31, 2019 on a non-consolidated basis

	(In millions of yen)			
	Six months ending September 30, 2018		Year ending March 31, 2019	
Revenue	¥75,000	2.0%	¥155,000	4.3%
Operating Income	5,400	1.0%	10,000	3.5%
Ordinary Income	7,700	(22.3%)	13,700	(10.9%)
Net Income	5,400	(31.4%)	9,700	(9.4%)

	(In yen)	
Basic Earnings per Share	¥61.62	¥110.70

(Note)

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

※This Flash Report is not subject to audit

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

1. The above forecasts are based on the information available to the Company's management as of the date of release and certain assumptions judged rational, and the Company does not guarantee the achievement of the forecasts. Accordingly, there might be cases in which actual results differ from forecasts in this material.

2. At the 214th Annual General Meeting of shareholders held on June 29, 2017, the 1-for-2 reverse stock split on the Company's common shares on October 1, 2017 was approved. The Company also changed 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 and business result on a consolidated basis for the year ended March 31, 2018 would be as follows:

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

Cash Dividends per Share for the second quarter ¥7 (Note 1)

Cash Dividends per Share for the fourth quarter ¥7 (Note 2)

(2) Business result for the year ended March 31, 2018 on a consolidated basis (full-year)

Basic Earnings per Share for the year ended March 31, 2018 ¥60.04

(Note 1) Cash dividends for the second quarter were paid according to the number of shares prior to the reverse stock split.

(Note 2) The amount has been calculated without taking into account such reverse stock split.

(Note 3) The total annual dividend per share for the year ended March 31, 2018 without taking into account such reverse stock split is projected to be ¥14.