

June 6, 2019

To whom it may concern:

Mitsubishi Logisnext Co., Ltd.

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**Notice on Exercise of a Put Option by Class A Shareholders,
Decision on the Non-activation of a Call Option on Class A Stock by the Company,
Delivery of the Company's Common Stock to Class A Shareholders,
and Cancellation of Class A Stock after Acquisition**

Mitsubishi Logisnext Co., Ltd. (the "Company") hereby announces as follows that, in relation to the receipt of a notice to the effect that Mitsubishi Heavy Industries Forklift, Engine & Turbocharger Holdings, Ltd. ("M-FET"), which is a holder of class A stock shares issued by the Company, a subsidiary of Mitsubishi Heavy Industries, Ltd. ("Mitsubishi Heavy Industries"), and the Company's parent company, is desirous of exercising a put option on all class A stock shares that M-FET holds in consideration of common stock of the Company, the Company resolved at the Board of Directors meeting held on June 6, 2019 that it will not activate the call option in consideration of cash on class A stock but deliver the Company's common stock shares, and to cancel all of the class A stock shares to be held by the Company after conversion in accordance with the provisions of Article 178 of the Companies Act.

1. Receipt of notice on desire to exercise a put option and non-activation of a call option

On March 8, 2019, ahead of its first full-year results as an integrated company following operational integration in October 2017 through a company split of the Company's subsidiary UniCarriers Corporation, the Company received a notice ("Notice on Desire to Exercise Put Option") from M-FET to the effect that is desirous of exercising a put option on all of the Company's class A stock shares that M-FET holds in consideration of common stock, based on Article 13-4 of the Company's Articles of Incorporation ("Exercise of Put Option"). The notice was issued by M-FET taking into account the fact that considerable time has elapsed since the delivery of the Company's common-stock shares and the Company's class A stock shares to Mitsubishi Heavy Industries when the Company succeeded the forklift business of Mitsubishi Heavy Industries through a company split in April 2013.

The Company had continued deliberations on its capital policy with M-FET's parent company Mitsubishi Heavy Industries in light of the fact that the Company can acquire all class A stock shares held by M-FET in consideration of cash ("Call Option") if the Company receives Notice on Desire to Exercise Put Option, in accordance with the provisions of the Article 13-6 of the Company's Articles of Incorporation and the integration agreement dated February 6, 2013 concluded between the Company and Mitsubishi Heavy Industries ("Integration Agreement").

As a result, it was determined that accepting the Exercise of Put Option would rather contribute to than interfere with the attainment of the goal of becoming one of the world's leading logistic equipment manufacturers in the constantly competitive logistic equipment market. The determination was made because it would be possible to achieve the Company Group's management plans more efficiently and effectively by promoting faster decision making by Mitsubishi Heavy Industries on the

logistic equipment business which the Group is engaged in and Mitsubishi Heavy Industries positions as a growth field, leveraging the comprehensive strength of the Mitsubishi Heavy Industries Group including Mitsubishi Heavy Industries' resources, and further pursuing consolidated management synergy. Meanwhile, it was determined that, if the Company exercises Call Option as it makes necessary growth investments going forward as represented by the acquisition of shares of a logistic equipment dealer (name: Equipment Depot) by a US-based consolidated subsidiary Mitsubishi Logisnext Americas Inc. in relation to the timely disclosure on April 11, 2019, the procurement of funds for Call Option would have an adverse financial impact, including a decline in the capital adequacy ratio, whereby the Company reached the conclusion that it would be reasonable not to exercise Call Option. Therefore, the Company resolved at its Board of Directors meeting held today to accept the Exercise of Put Option by M-FET, not to exercise Call Option, and deliver the Company's common stock shares.

Although M-FET's voting rights ratio to the Company will be 64.7% after the Exercise of Put Option, the Company will continue to work to maximize corporate value by promoting independent management as a listed company.

An overview of the Exercise of Put Option is as follows:

- (1) Scheduled date for the exercise of the put option
July 1, 2019
- (2) Type and number of stock subject to the exercise of the put option
Class A stock: 29,854,744 shares
- (3) Type and number of stock to be delivered upon exercise of the put option
Common stock: 29,854,744 shares
- (4) M-FET's voting rights ratio after the exercise of the put option
64.7%

2. Matters concerning transactions, etc. with controlling shareholders

Because the acceptance of the acquisition of class A stock from M-FET and delivery of common-stock shares to M-FET in connection with the Exercise of Put Option ("Transaction") following the resolution not to exercise Call Option is a transaction in which the counterparty is the Company's parent company M-FET, the Transaction falls under a transaction, etc. with a controlling shareholder.

- (1) Guidelines concerning measures for protecting minority shareholders in conducting transactions, etc. with controlling shareholders and status of compliance with these guidelines

In the "Guidelines concerning measures for protection of minor shareholders in conducting transactions, etc. with controlling shareholders" shown in the Corporate Governance Report disclosed on December 3, 2015, with respect to transactions with the parent company, it is stipulated that "the transaction conditions, etc. are reasonably decided as in the case of other general transactions in the light of contract conditions of transactions with other business connections or market prices. In implementing transactions, a fair deal is settled through approval based on in-house regulations, etc. in the same manner as in the case of other customers." Because the Transaction will be conducted based on the Integration Agreement concluded between the Company and Mitsubishi Heavy Industries as a transaction between independent parties through procedures prescribed in the Company's Articles of Incorporation and other internal regulations, etc., it is considered to be in compliance with the guidelines above.

- (2) Summary of the opinion obtained from parties that have no interest with the controlling shareholder on whether the Transaction is detrimental to the minority shareholders

An opinion letter dated June 6, 2019 to the Board of Directors, to the effect that carrying a resolution by the Company's Board of Directors as for the Transaction is not detrimental to the minority shareholders of the Company, has been obtained from

Takayuki Kato and Ken Okochi who are External Directors of the Company and have been notified to the Tokyo Stock Exchange as Independent Directors. A summary of the opinion is as follows:

[Summary of the opinion]

(i) Reasonableness of the objectives of the Transaction

Under a circumstance where the Company is working to promptly achieve integration synergies and steadily attaining results with the aim of becoming one of the world's leading logistic equipment manufacturers despite the constantly competitive logistic equipment market with little room for optimism, it was determined that accepting the Exercise of Put Option would rather contribute to than interfere with the attainment of the goal. The determination was made because it would be possible to achieve the Company Group's management plans more efficiently and effectively by promoting faster decision making by Mitsubishi Heavy Industries on the logistic equipment business which the Group is engaged in and Mitsubishi Heavy Industries positions as a growth field, leveraging the comprehensive strength of the Mitsubishi Heavy Industries Group including Mitsubishi Heavy Industries' resources, and further pursuing consolidated management synergy. Meanwhile, it was determined that, if the Company exercises Call Option as it makes necessary growth investments going forward as represented by the acquisition of shares of a logistic equipment dealer (name: Equipment Depot) by a US-based consolidated subsidiary Mitsubishi Logisnext Americas Inc. in relation to the timely disclosure on April 11, 2019, the procurement of funds for Call Option would have an adverse financial impact, including a decline in the capital adequacy ratio, whereby the Company reached the conclusion that it would be reasonable not to exercise Call Option. In light of the above, the Company will not exercise Call Option, accept the Exercise of Put Option by M-FET, and deliver the Company's common-stock shares to M-FET. Accordingly, the Transaction contributes to improvements in the Company's corporate value and the objectives of the Transaction are reasonable.

(ii) Fairness of the procedure and conditions for the Transaction

The Exercise of Put Option is conducted based on prescriptions in the Company's Articles of Incorporation and Integration Agreement and the relevant procedures are conducted in accordance with an objectively clear legal basis and conditions. In addition, the procedures for the Exercise of Put Option including the possibility of Call Option have been appropriately disclosed to shareholders through the Company's Articles of Incorporation and the Company's press releases.

Furthermore, among the Company's Directors, one Director serving concurrently as Vice President of M-FET that is the executing party of the Exercise of Put Option, one Director who served concurrently as Vice President of M-FET up to March 2019, and one Director who is an employee of Mitsubishi Heavy Industries, the parent company of M-FET, did not participate in review session for Call Option at the Company's Board of Directors meeting in order to avoid their respective conflicts of interest or potential conflicts of interest.

The proposal regarding Call Option was unanimously approved at the Board of Directors meeting by all four Directors of the Company's seven Directors excluding the above-described one Director serving concurrently as Vice President of M-FET, one Director who served concurrently as Vice President of M-FET up to March 2019, and one Director who is an employee of Mitsubishi Heavy Industries. In addition, discussions on the proposal were attended by the Company's five Audit and Supervisory Board Members, and all members stated opinion that there were no objections against not exercising Call Option.

Accordingly, the interest of the Company's shareholders has been considered through generally accepted procedures with respect to the Transaction.

(iii) Conclusion

The execution of the Transaction is deemed to be not detrimental to the minority shareholders of the Company.

(3) Matters regarding measures to ensure fairness and measures to avoid conflicts of interest

The Company has conducted an independent decision-making on the Transaction under the management judgment of the

Board of Directors that is the Company's decision-making body in accordance with prescriptions of the Company's Articles of Incorporation and Integration Agreement and based on the above guidelines, opinion, etc.

In addition, in order to avoid potential conflicts of interest, Hideaki Ninomiya who is Chairman of the Board of the Company and Vice President of M-FET that is a subsidiary of Mitsubishi Heavy Industries, the parent company of the Company, and the executing party of the Exercise of Put Option, Takashi Mikogami who is President and CEO of the Company and served as Vice President of M-FET until March 2019, and Hiroaki Yamamoto who is Director of the Company and serves as Deputy Head of Business Strategy Office of Mitsubishi Heavy Industries did not participate in discussions or the resolution of the Board of Directors meeting regarding the Transaction, or deliberations or negotiations regarding the Transaction.

3. Cancellation of treasury shares (class A stock)

- (1) Type of shares to be cancelled: class A stock
- (2) Number of shares to be cancelled: 32,274,744 shares (Note)
- (3) Date of cancellation: July 1, 2019

(Note) The number of shares to be cancelled includes 29,854,744 shares of class A stock that the Company will acquire through the exercise of the put option and 2,420,000 treasury shares related to class A stock held by the Company as of March 31, 2019.

End