

February 6, 2020

To All Concerned:

Company Name: Mitsubishi Logisnext Co., Ltd.
Representative: President and CEO Takashi Mikogami
(Code Number: 7105, First Section of Tokyo Stock Exchange)
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Notice of Business Transfers Between Overseas Subsidiaries and Reorganization of European Subsidiaries through an Absorption-Type Merger

At the Meeting of the Board of Directors held on February 6, 2020, it was decided as noted below for our company to carry out further reorganization of our Group companies, which include business transfers and an absorption-type merger between our overseas subsidiaries in Europe.

Details

1. Reasons and Overview of Reorganization

After the business integration of our company and UniCarriers Corporation through a corporate split implemented on October 1, 2017, our company's subsidiary Mitsubishi Logisnext Europe B.V. (hereinafter referred to as "MLE") was reorganized as a holding company in Europe as of April 1, 2018. It was recently decided to carry out further reorganization of our European subsidiaries by the following procedures, to advance the transition of MLE to become a presiding company in European business with the goals of improving its management efficiency, unifying its strategies, and increasing the speed of its decision-making capabilities, through the integration and reorganization of the development, production, and sales functions, which are now dispersed among former Mitsubishi Nichiyu and UniCarriers companies in Europe, and the consolidation of Headquarters management and sales supervision functions in MLE.

- UniCarriers Europe A.B. (hereinafter referred to as "UCSWE"), which is a subsidiary of MLE (in other words, a sub-subsidiary of our company) will specialize in production by carrying out business transfers of its domestic sales functions in Sweden to a subsidiary of UCSWE, and of its Headquarters and sales supervision functions, including all subsidiary shares possessed by UCSWE, to MLE.
- The shares of Mitsubishi Caterpillar Forklift Europe B.V. (hereinafter referred to as "MCFE"), which is a subsidiary of MLE (in other words, a sub-subsidiary of our company), will be transferred from its minority shareholder Caterpillar Industrial Inc. to MLE, making it a 100% subsidiary, and MLE will then carry out an absorption-type merger with MCFE (hereinafter referred to as "this merger").

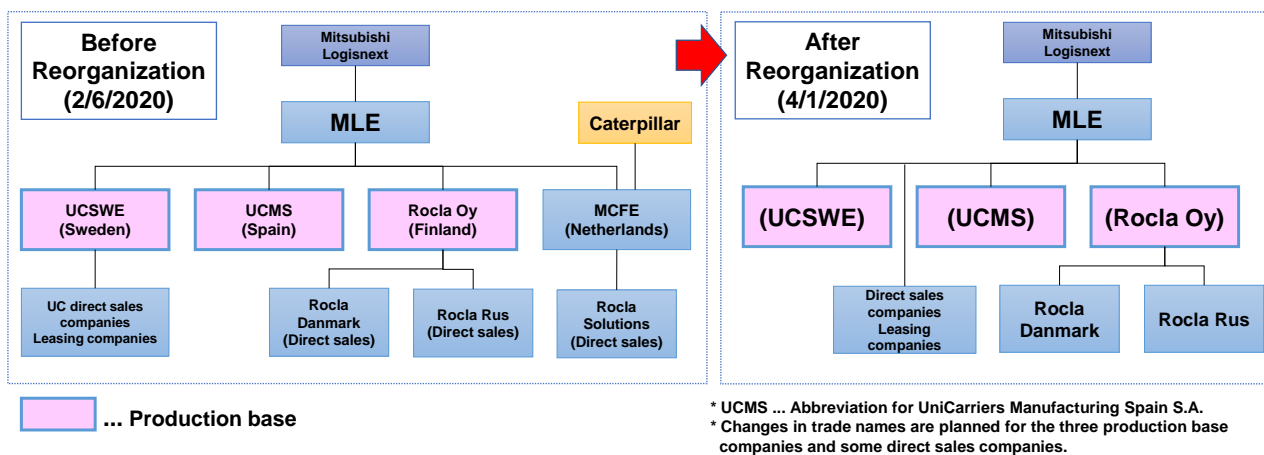
As a result of the above procedure, three production base companies in Europe will be positioned in a parallel arrangement directly under MLE, the cross-functional collaboration of production and procurement activities will be strengthened, and PMI* activities such as joint purchasing, joint development, and production optimisation among factories will be accelerated. Additionally, the supply of products to sales subsidiaries and sales distributors located in European countries will be managed in an integrated manner.

In terms of product planning and development, coordination between the European Design Center located in Finland and our company's Global Design Center in Japan will serve to strengthen our development competitiveness. It will also advance the expansion of our AGV* product lineup, with future expectations of significant demand for labor-saving and manpower-saving products, and the enhancement of our related user-friendly software.

* PMI (Post Merger Integration): Process for integration after conclusion of an M&A

* AGV (Automated Guided Vehicle): A guided vehicle which operates without human control

[Summary Diagram of Reorganization in Europe]



2. Summary of this Merger

(1) Schedule of this Merger

Conclusion date of absorption-type merger agreement	March 31, 2020 (scheduled)
Scheduled implementation date (effective date) of absorption-type merger	April 1, 2020 (scheduled)

(2) Method of this Merger

It is an absorption-type merger in which MLE will be the surviving company and MCFE will be the absorbed company.

(3) Content of Allocation Associated with this Merger

This merger will be carried out between 100% subsidiaries of our company, so there will be no monetary or other delivery associated with it.

3. Overview of the Companies Involved in this Merger (as of February 6, 2020)

	Surviving Company	Absorbed Company
(1) Name	Mitsubishi Logisnext Europe B.V.	Mitsubishi Caterpillar Forklift Europe B.V.
(2) Location	Enschede, the Netherlands.	Almere, the Netherlands.
(3) Title and Name of Representative	President Hiroyuki Shimma	President Hiroyuki Shimma
(4) Business Content	Overall management of European region	Sales and service of forklifts and other equipment
(5) Capital	6.808 million EUR	148.151 million EUR
(6) Date of Establishment	October 30, 1995	July 1, 1992
(7) Number of Shares Issued	15,001 shares	326,476 shares
(8) Settlement Term	Term ending March 2019	
(9) Major Shareholders (Investors) and Shareholding (Investment) Ratios	Mitsubishi Logisnext Co., Ltd. 100%	Mitsubishi Logisnext Europe B.V. 97.55% Caterpillar Industrial Inc. 2.45%
(10)	Financial Status and Operating Results for Previous Business Year	
Consolidated Net Assets	266.709 million EUR	20.312 million EUR
Consolidated Total Assets	497.248 million EUR	192.525 million EUR
Consolidated Net Assets per Share	17,780.6 EUR	62.22 EUR
Consolidated Net Sales	320.157 million EUR	320.503 million EUR
Consolidated Operating Profit	7.723 million EUR	3.449 million EUR
Consolidated Ordinary Profit	8.805 million EUR	2.834 million EUR
Consolidated Current Net Profit Attributable to Shareholders of Parent Company	6.93 million EUR	3.043 million EUR
Consolidated Current Net Profit per Share	462 EUR	9.32 EUR

4. Situation After this Merger

This merger will not result in any changes to MLE's trade name, location, title or name of representative, business content, capital stock, number of shares outstanding, or settlement term.

5. Outlook for the Future

The effects which this merger will have on consolidated results are currently under review, and announcements will be made promptly if any matters which should be disclosed are identified.

End