

November 29, 2012

Mitsubishi Heavy Industries, Ltd.  
Nippon Yusoki Co., Ltd.

**MHI and NICHYU Sign Basic Agreement**  
**On Integration of Forklift Truck Business Operations**

Tokyo, November 29, 2012 – Mitsubishi Heavy Industries, Ltd. (MHI) and Nippon Yusoki Co., Ltd. (NICHYU) have signed a basic agreement under which the two companies will integrate their respective businesses in forklift trucks. MHI boasts strength in engine-powered forklifts and has a global scope of operations, while NICHYU excels in battery-powered forklifts and operates primarily in the domestic and Asian markets. Through their integration initiative, the two companies aim to pool their global management resources to optimum advantage, enabling the new integrated entity to successfully perform as a top-tier manufacturer in the rapidly changing global forklift truck market.

MHI's forklift truck operations center on a full range of engine-powered offerings. MHI has been active in overseas markets for many years, and today it has business bases in the United States, the Netherlands, Finland, Singapore, Dalian, and Shanghai (China). Besides marketing under the Mitsubishi forklift trucks, MHI produces and markets forklift trucks under the Cat® lift trucks, and in recent years it has acquired Rocla Oy, a Finnish manufacturer specializing in warehouse-use material handling equipment, and is collaborating with Jungheinrich AG of Germany in the North American market. In this way MHI is progressively expanding its scope of operations as a comprehensive provider of material handling systems and equipment, and further growth is now being pursued through initiatives such as the adaptation of its Dalian facilities as a base for producing forklifts targeted at the emerging economies.

NICHYU was the first Japanese manufacturer to develop battery-powered forklift trucks. Today its core operations focus on small and medium-size forklifts, material handling systems and other products for the domestic and Asian markets. NICHYU led the industry in developing storage and transport technologies attentive to environmental needs, and by supplying storage and transport systems and equipment that curb carbon dioxide (CO<sub>2</sub>) emissions and save energy. Throughout its history, NICHYU has continuously sought to help users improve their business conditions and to contribute to environmental enhancement. Presently NICHYU is ramping up to launch operations in April 2013 of its second overseas production base in Thailand following its earlier overseas production base in Shanghai, and going forward it intends to expand its business operations and strengthen its earnings further.

The integration of MHI and NICHIIYU's forklift truck businesses is expected to result in a significantly enhanced product lineup, the sharing and optimization of distribution channels, efficient development of products matching market needs, and effective utilization of human resources and capital investment.

In recent years MHI and NICHIIYU have taken a series of steps to strengthen their corporate ties. In June 2007, MHI became NICHIIYU's largest shareholder by acquiring all of the shares offered under a third-party allocation initiative. In April 2009, the two companies merged their domestic sales operations and jointly established a new company named NICHIIYU MHI Forklift Co., Ltd. , which will be part of the integration. In the latest integration development, MHI's forklift truck operations will be spun off and integrated into NICHIIYU. NICHIIYU will become an MHI consolidated subsidiary as a result of the integration, but NICHIIYU, which has maintained solid growth to date under independent management, will continue to operate independently and focus on achieving further business expansion under the new configuration. In return, NICHIIYU will provide MHI with an allotment of its common shares (representing 49.4% of the voting stock of NICHIIYU) as well as classified stock without voting rights (in total, MHI will own 64.75% of shares). After signing the basic agreement, MHI and NICHIIYU will begin discussions of details, targeting signing of a definitive agreement in February 2013 with the contemplated integration effective as of April 01, 2013.

With this strengthening of their ongoing collaboration in forklift truck operations, MHI and Nichiyu look to further improve and strengthen their product offering and their ability to respond swiftly to the needs of global users.

### **Companies Involved**

Mitsubishi Heavy Industries, Ltd. (Head Office: Minato-ku, Tokyo, President: Hideaki Omiya)  
Nippon Yusoki Co., Ltd. (Head Office: Nagaokakyo City, Kyoto Pref., President: Hideaki Ninomiya)

### **Profile of New Integrated Entity**

Name: To be determined and announced at a later date  
Head Office: 1-1, Higashikotari 2-chome, Nagaokakyo City, Kyoto Pref. 617-8585, Japan  
Capitalization: To be determined and announced at a later date  
Establishment: April 1, 2013(planned)  
President: To be determined and announced at a later date  
Employees: Approximately 5,000  
Business scope: Forklift truck operations; manufacture, sales and maintenance servicing of material handling systems and products relating to other business operations

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