

MITSUBISHI MOTORS CORPORATION

ANNUAL REPORT 2019

For the year ended March 31, 2019



MITSUBISHI
MOTORS

Drive your Ambition



Create a vibrant society
by realizing the potential
of mobility

VISION

MISSION

1. Provide new experiences for our customers with creative products and service excellence
2. Make positive contributions to the sustainable development of our society
3. Act sincerely as a trusted company
4. Enhance stakeholder value by leveraging the Alliance

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Forward-looking Statements

Mitsubishi Motors Corporation's current plans, strategies, beliefs, performance outlook and other statements in this annual report that are not historical facts are forward-looking statements. These forward-looking statements are based on management's beliefs and assumptions drawn from current expectations, estimates, forecasts and projections. These expectations, estimates, forecasts and projections are subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those indicated in any forward-looking statement. Mitsubishi Motors Corporation, therefore, cautions readers not to place undue reliance on forward-looking statements. Furthermore, any forward-looking statements are subject to change as a result of new information, future events or other developments.



Triton/L200

We are striving to reinforce governance and build a highly transparent and sound management foundation.

At the Ordinary General Meeting of Shareholders in June 2019, Mitsubishi Motors Corporation ("MMC") transitioned to a "company with three committees." This structure clearly defines the separation of the supervision and business execution functions and enables members of the Board to focus on supervising business execution. This move accelerates our initiatives to reinforce governance, which is the cornerstone of trust in management.

Specifically, three committees with strong authority have been established under the Board of Directors: the Nomination, Compensation and Auditor committees. The Board of Directors will liaise with these three committees, reinforcing its supervisory function over the execution of business by the executive officers. Furthermore, the majority of members of the



Osamu Masuko

Osamu Masuko
Chairman of the Board
Representative Executive Officer

Nomination Committee (which appoints candidates for members of the Board) and the Compensation Committee (which determines the compensation of directors and executive officers) are outside directors. This arrangement ensures the decision-making process is transparent and objective.

At the same time, our operating environment is changing rapidly. We must respond with swift business execution. As a company with three committees, a great deal of authority has been vested in the executive officers, who now handle matters that were

previously decided by the Board of Directors—the exception being decisions on matters such as major management policy.

In this way, we have created a highly transparent governance foundation that reinforces the supervisory function and ensures management flexibility. With this system in place and under the structure headed by newly appointed CEO Takao Kato, we will follow a sound growth trajectory, not seeking to expand our scale too quickly but striking a balance between growth and investment.



Message from the CEO

**We aim to ensure that MMC is
"Small but Beautiful."**



On Taking up Office as CEO

I admit to feeling a little tense at taking up the management baton as CEO at a time when the automotive industry is in the throes of revolution said to occur only once every 100 years. I am committed to focusing all my energy on formulating and executing the next mid-term business plan, which commences in 2020 and targets increased profitability and sustainable growth.

MMC's Current Status

In addition to global political and economic uncertainties, we are being called upon to respond to strict environmental regulations and technological innovation known as CASE (connected, autonomous, shared/services and electric). In Japan, where the population is aging, expectations toward preventative safety technology are mounting. In this increasingly severe market environment, we need to clearly identify MMC's path to survival going forward.

Small but Beautiful

Focus on Regions
of Strength

Introduce Products
that Showcase
Our Strengths

Build the
Foundations for
Sustainable Growth
Suited to Our Size



With the world's automakers taking up challenges involving next-generation technologies and new business models, it is unrealistic to think they can resolve the issues they face all on their own. Instead, they plan to overcome these hurdles by partnering with other companies, including those in other industries. As with the Renault-Nissan-MMC alliance, the effective utilization of alliances will be important for MMC. While respecting each other and maintaining a win-win spirit, we will hone MMC's own technologies and strengths as we strive to contribute to the alliance.

Becoming a Trusted Company

Although not a large company, MMC moves quickly for its size. By focusing our limited resources on our regions of strength and concentrating on a competitive product lineup, we aim to put our management focus on profitability.

We have defined our corporate ideal as "Small but Beautiful," and our next mid-term business plan will

put this concept into practice. In pursuit of characteristics unique to MMC, we will hone our competitiveness by leveraging the alliance and applying a strategy of concentration. While aiming for steady growth as a "Small but Beautiful" company, I see it as my overriding mission to enhance MMC's robustness.

Takao Kato
Member of the Board
Representative Executive Officer, CEO



We aim for profit-oriented, sustainable growth.

Ashwani Gupta
Representative Executive Officer, COO

On My Appointment as COO

Although MMC is relatively small compared to its competitors, we have unique strengths that play a major role on the technology and product fronts in our core markets. For example, the *Outlander PHEV* is the world's biggest-selling plug-in hybrid, and our four-wheel control technology provides unique value.

Looking beyond the technology and product fronts, MMC also has solid traditions and a rich corporate culture. We are proud to be a member of the Mitsubishi Group—one of Japan's strongest corporate groups—and we play a major role as a member of a robust automaker alliance.

I am extremely pleased to have been appointed COO of such a company, and I aim to make MMC an even more appealing company.

Fiscal Year Ending March 31, 2020: The Run-up Period to a New Mid-Term Business Plan

In the year ended March 31, 2019, our operating per-

formance was robust, but certain issues have begun to surface regarding our growth trajectory to date, highlighted by the increasing number of difficulties in our operating environment. For this reason, we are revising our management direction and adopting a focus on sustainable profitability. We will follow the "selection and concentration" approach to prioritize profitability over scale even if the trajectory of our V-shaped recovery flattens.

Fiscal 2019 will be extremely important, as it marks the final year of our current mid-term business plan, as well as being the run-up period to our next mid-term business plan. Under our new CEO, Takao Kato, we will make every effort to ensure that MMC is "small but beautiful."

Regional Strategies

First, even more than in the past we will invest resources in the ASEAN region—an area of strength for MMC—reinforcing sales in terms of both quality



XPANDER



Triton

and quantity. We aim to expand the market with the *XPANDER*, which is popular not just in Indonesia but also in the Philippines, Thailand and surrounding countries; the new *Triton*, which we launched in Thailand in 2018; and the new *Pajero Sport*, which we launched in Thailand in July 2019.

In addition to the new *eK Wagon* and the *eK X*, in our home market of Japan, we will launch a new model that we expect to serve as an engine of growth. We will also renew existing vehicle models, such as the *RVR*. By enhancing our sales network, after-sales service and sales financing, and providing customers with services throughout the value chain, we aim to maintain a firmly profitable structure.

Our market share in Oceania is similar to that in the ASEAN region. Oceania, and particularly resource-producing Australia, has been hit hard by China's economic deceleration. We will focus on selling SUVs and light commercial vehicles—categories slated for further market growth—to further increase our market share.

In China, we will reinforce our sales network, enhance our service level and make more effective use of online advertising to fortify our sales structure both qualitatively and quantitatively. To underpin our growth in this market, we have begun manufacturing engines locally. Moving toward 2020, we plan to expand our R&D facilities there. With fuel efficiency requirements growing more stringent in China, we will need to adopt electric vehicle initiatives. We will strengthen our partnership with Guangzhou Automobile Group and work to enhance our foundations and expand our business there in a bid for sustainable growth.

In North America, demand is shifting rapidly from sedans to SUVs, and competition in this segment is heating up. We will address this situation by further augmenting our selling capabilities, continuing to enhance our brand image and level of awareness, thoroughly controlling costs and managing the business with a keen eye to profits.



Pajero Sport



eK X



We will ensure stable profitability by selecting investments carefully and managing costs thoroughly.

Koji Ikeya
Representative Executive Officer,
Executive Vice President
CFO

Fiscal 2018 in Review

Sales volume (retail) was up year on year across all regions, rising 143,000 units (13%) to 1,244,000 units. In the ASEAN region, sales volume increased 17% to 318,000 units as we launched the *XPANDER* in the Philippines, Thailand and Vietnam, as well as Indonesia. In Japan, sales of the *Eclipse Cross*, the *Outlander PHEV* and the new-model *Delica D:5* increased, boosting sales volume 7% to 105,000 vehicles as recovery continued. We also launched new-model keicars, the *eK Wagon* and the *eK X*, at the end of the year ended March 31, 2019. In addition, sales volume exceeded

our initial forecasts in all regions, including mainstay Oceania and focus regions such as North America, China, and other areas.

Net sales rose ¥322.2 billion (15%) year on year to ¥2,514.6 billion; operating profit expanded ¥13.6 billion (14%) to ¥111.8 billion; and profit attributable to owners of the parent grew ¥25.3 billion (24%) to ¥132.9 billion.

Outlook for the Year Ending March 31, 2020

In the upcoming fiscal year, we expect sales volume (retail) and net sales to outpace levels for the year ended March 31, 2019, reaching 1,305,000 vehicles and

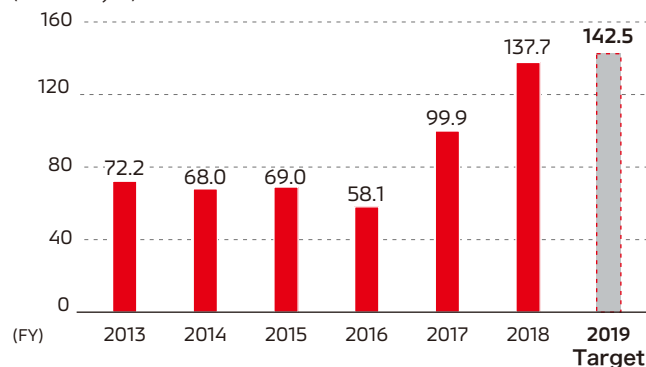
Operating Performance and Forecast

(Billions of yen, thousands of units)

	FY2018 (Actual)	FY2019 (Forecast)
Sales volume (retail)	1,244	1,305
Net sales	2,514.6	2,580.0
Operating profit	111.8	90.0
Profit attributable to owners of the parent	132.9	65.0

Capital Expenditures

(Billions of yen)



¥2,580.0 billion, respectively. We expect profit to decrease, however, and are targeting operating profit of ¥90.0 billion and profit attributable to owners of the parent of ¥65.0 billion.

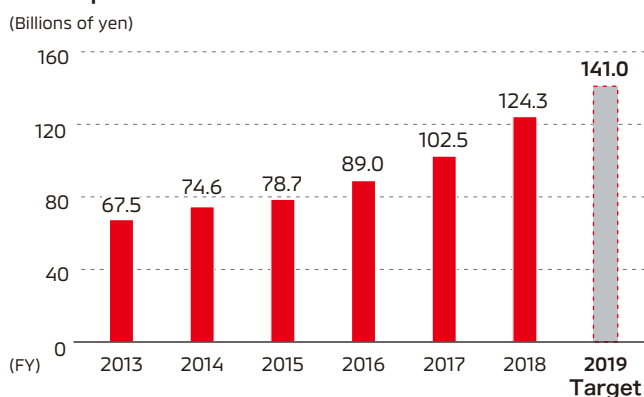
In addition to global fluctuations in demand, we are considering exchange rate fluctuations and other external environmental factors as thoroughly as possible, against an international backdrop characterized by mounting uncertainty due to trade friction.

We are also being affected significantly by ballooning R&D investment into next-generation vehicles that will respond to demands for stringent environmental

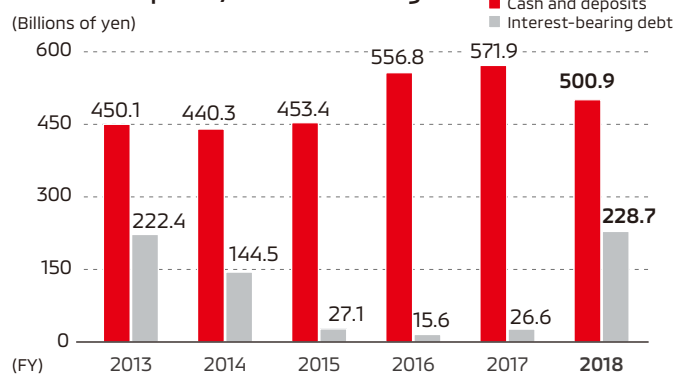
regulations and technological innovation. If the higher fixed costs stemming from aggressive investment can be covered through higher sales, it will be possible to achieve a balanced level of growth. In reality, however, we face growing concerns about a global economic slowdown and the difficulties of boosting sales to match our anticipatory investment.

We have adjusted our management direction from the previous focus on rapid growth to being "Small but Beautiful." In line with this strategy, we will vet investments carefully and strive to curtail major rises in fixed costs.

R&D Expenses



Cash and Deposits/Interest-Bearing Debt



Feature 1: Breakthroughs in the Japanese Market

We aim for further growth in our home market of Japan, which we believe is recovering.

Sales volume rose in Japan in the year ended March 31, 2019, buoyed by launches of the *Eclipse Cross* and a refreshed *Outlander PHEV* model. We also commenced sales of the new *Delica D:5* and new-model keicars, the *eK X* and the *eK Wagon*. We expect these favorable increases in sales volume to continue in the year ending March 31, 2020, driven by sales of these

new models and updated versions of the *RVR* and other existing models. We plan to augment MMC's performance in the Japanese market by providing customers with enhanced services throughout the value chain, including improvements in the sales network, after-sales service and sales financing level.

New-Model Keicars, the *eK X* and the *eK Wagon*

Planning and development management of these height-wagon keicars have been the responsibility of NMKV, a joint venture between MMC and Nissan Motor. The new models have all-new platforms, engines, continuously variable transmissions and other major components developed and produced through new processes. They bring together MMC's 60 years of experience with keicars and Nissan Motor's advanced technology.



eK X



eK Wagon

The New *Delica D:5*, an All-round Minivan



Delica D:5

Retaining the historical product concept of the *Delica* as “a vehicle that will securely carry passengers and their luggage to their destination through various road conditions,” the *Delica D:5* is an all-round minivan featuring a dramatically improved clean diesel engine that delivers powerful torque from low speeds, a newly developed automatic transmission with eight-speed sport mode and improved 4WD performance to further advance its renowned handling and running performance, along with new active safety technology.

The *Eclipse Cross*, a Crossover SUV

Since its launch in March 2018, the *Eclipse Cross* has won the RJC Car of the Year 2019 award and won accolades for its combination of a stylish coupe form and dynamic SUV mobility—a package that is distinctively MMC.

In addition, in June 2019 we equipped the vehicle with a clean diesel engine that pairs robust torque with quality travel, and commenced sales.



Eclipse Cross

Significant Improvements for the *Outlander PHEV*, a Plug-in Hybrid EV

We have substantially updated our plug-in hybrid EV (PHEV) system, improving around 90% of the system’s main components. The resulting system offers the smooth and powerful acceleration of a motor drive and a high degree of quietness. The *Outlander PHEV* showcases these distinguishing features as a “true EV.”



Outlander PHEV

Feature 2: Mitsubishi Motors' Material CSR Issues

Among the various issues involving the environment, society and governance, MMC has identified specific material CSR issues (materiality items) to address. By doing so, we aim to contribute toward a sustainable society through our business.

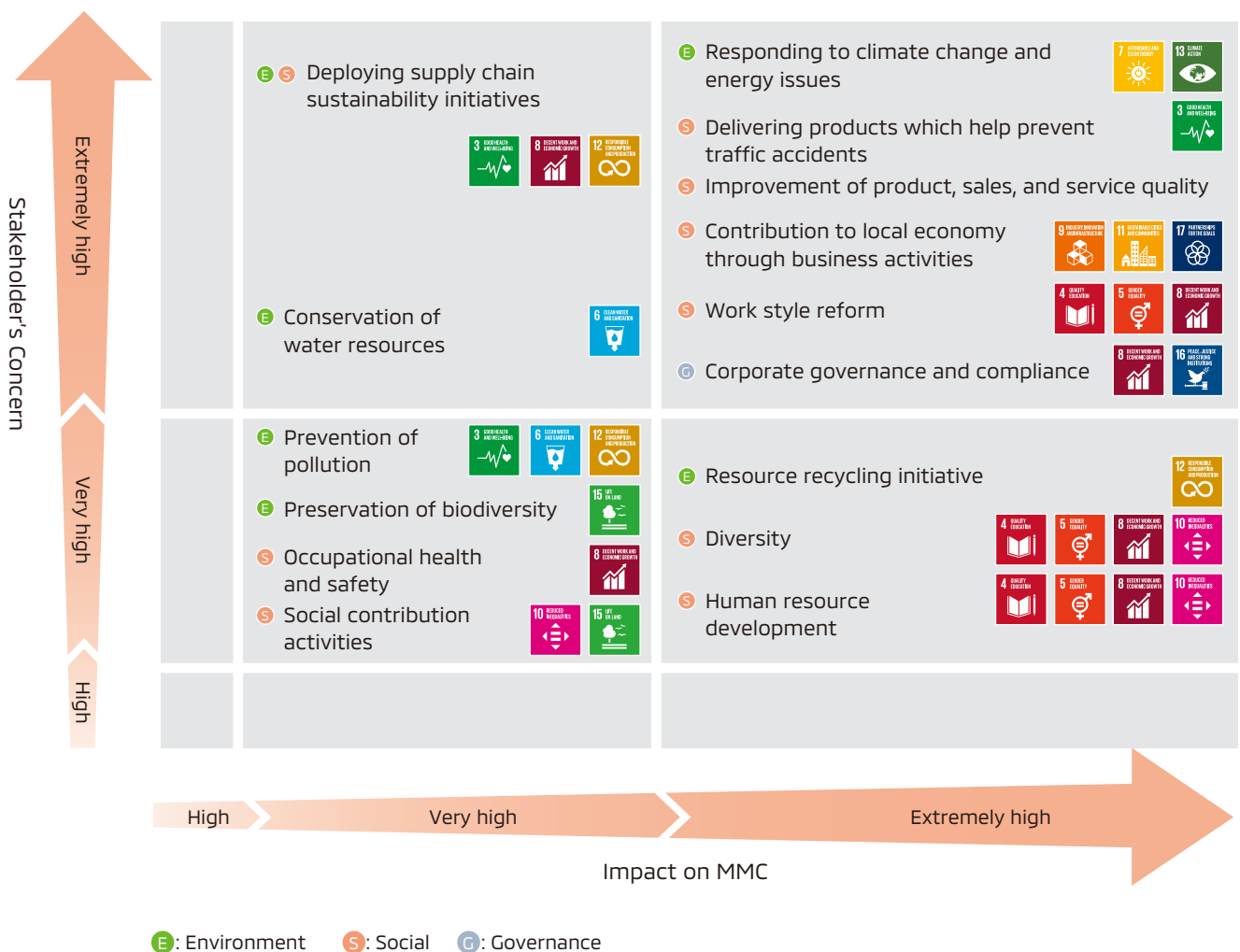
MMC has reaffirmed the importance of the Sustainable Development Goals (SDGs) and, based on interviews with experts, identified 15 material CSR issues that MMC should engage in from among various issues involving the environment, society and governance. A senior manager in the officer class took responsibility for each of the 15 material CSR issues.

In April 2019, we established the Sustainability Promotion Department, headed by the executive

officer in charge of corporate strategy. This department is spearheading the use of a PDCA cycle on material CSR issues to enhance MMC's efforts to promote sustainability.

Going forward, in response to changes in the operating environment and to realize the new potential of mobility, MMC is prepared and determined to contribute to the creation of a sustainable society and improve MMC's core values through business activities.


























Mitsubishi Motors' Material CSR Issues



Main Measures to Address Material CSR Issues

MMC has set targets and indicators for the 15 items identified as material issues in the environmental (E), social (S) and governance (G) fields. The CSR Committee, which is chaired by the CEO, checks progress on these initiatives.

(E: 5 items; S: 8 items; common to E & S: 1 item; G: 1 item)

Material CSR Issues	Details of Main Measures	Related SDGs
Category E: Environment		
Responding to climate change and energy issues	Begin formulation of an environmental vision (post 2020)	 
	Facilitate product development aiming to reduce CO ₂ emissions while driving	
	Reduce CO ₂ emissions in business activities (production and distribution)	
	Promote acquisition of Eco-Action 21 Certification by sales companies	
Conservation of water resources	Investigate water risks in production activities and formulate reduction plans based on the results	
Resource recycling initiative	Encourage recycling of drive batteries of electric-powered vehicles	
	Reduce waste material in production activities	
Prevention of pollution	Properly manage hazardous substances in products	  
	Curtail emissions of VOCs in production activities	
Preservation of biodiversity	Survey wildlife and expand the scope of biodiversity preservation activities at domestic business sites	
Category E: Environment S: Social		
Deploying supply chain sustainability initiatives	Conduct procurement that takes into consideration the environment, labor, and human rights	  
Category S: Social		
Delivering products which help prevent traffic accidents	Develop technologies to address collision safety, preventive safety, etc.	
Improvement of product, sales, and service quality	Undertake improvement activities seeking the industry's highest levels of quality from the customer's perspective	N/A
Contribution to local economy through business activities	Contribute to local economies through employment, human resource development, investment, transfer of technology, and exports	  
Work style reform	Implement measures to support a good work-life balance	  
Diversity	Foster women leaders	 
Human resource development	Update and further expand and enhance educational programs by reviewing educational targets and required competencies at each level	
Occupational health and safety	Improve health and safety management	
Social contribution activities	Undertake activities in cooperation with local communities, NGOs, and other organizations	 
Category G: Governance		
Corporate governance and compliance	Reinforce internal controls within the Mitsubishi Motors Group	 

Members of the Board

Osamu Masuko
Chairman of the Board



Apr. 1972 Joined Mitsubishi Corporation
Apr. 2003 Senior Vice President, Division COO of Motor Vehicle Business Div., Mitsubishi Corporation
Jun. 2004 Managing Director, in charge of Overseas Operations Group Headquarters, MMC
Jan. 2005 President, Chief Business Ethics Officer, MMC
Oct. 2007 President, MMC
Jun. 2014 Chairman of the Board, CEO, MMC
Jun. 2016 Chairman of the Board, President and CEO, MMC
Dec. 2016 President and CEO, MMC
Jun. 2017 Member of the Board, CEO, MMC
Nov. 2018 Chairman of the Board, CEO, MMC
Jun. 2019 Chairman of the Board, Representative Executive Officer, MMC (to the present)

Takao Kato
Member of the Board



Apr. 1984 Joined MMC
Apr. 2002 Manager of the Body Production Engineering Dept., Vehicle Production Division, Vehicle Production Headquarters, MMC
Apr. 2007 Vice General Manager of Production Dept., Nagoya Plant, MMC
May 2010 Transferred to PCMA Rus, LLC
Apr. 2014 Vice Plant General Manager of Nagoya Plant, MMC
Apr. 2015 President, PT Mitsubishi Motors Krama Yudha Indonesia
Jun. 2019 Member of the Board, Representative Executive Officer, CEO (to the present)

Kozo Shiraji
Member of the Board



Apr. 1977 Joined Mitsubishi Corporation
Apr. 2009 Senior Vice President, Division COO of Motor Vehicle Business Div., Mitsubishi Corporation
Apr. 2013 Executive Vice President, Group CEO of Machinery Group, Mitsubishi Corporation
Apr. 2016 Senior Executive Officer, Assistant to President, MMC
Jun. 2016 Member of the Board, Executive Vice President (Overseas Operations, Global After Sales), MMC
Jan. 2017 Member of the Board, Executive Vice President (Overseas Operations, Global After Sales), CPO, MMC
Apr. 2018 Member of the Board, Assistant CEO, MMC
Jun. 2018 Audit & Supervisory Board Member, MMC
Jun. 2019 Member of the Board (to the present)

Shunichi Miyanaga
Outside Director



Apr. 1972 Joined Mitsubishi Heavy Industries, Ltd.
Jun. 2008 Member of the Board, Executive Vice President, Mitsubishi Heavy Industries, Ltd.
Apr. 2011 Member of the Board, Senior Executive Vice President, Mitsubishi Heavy Industries, Ltd.
Apr. 2013 Member of the Board, President, Mitsubishi Heavy Industries, Ltd.
Apr. 2014 Member of the Board, President, CEO, Mitsubishi Heavy Industries, Ltd.
Jun. 2014 Outside Director, MMC (to the present)
Apr. 2019 Chairman of the Board, Mitsubishi Heavy Industries, Ltd. (to the present)
Jun. 2019 Outside Director, Mitsubishi Corporation (to the present)

Ken Kobayashi
Outside Director



Jul. 1971 Joined Mitsubishi Corporation
Apr. 2003 Senior Vice President, General Manager of Singapore Branch, Mitsubishi Corporation
Jun. 2004 Senior Vice President, Division COO of Plant Project Div., Mitsubishi Corporation
Apr. 2006 Senior Vice President, Division COO of Ship, Aerospace & Transportation Systems Div., Mitsubishi Corporation
Apr. 2007 Executive Vice President, Group CEO of Industrial Finance, Logistics & Development Group, Mitsubishi Corporation
Jun. 2007 Member of the Board, Executive Vice President, Group CEO of Industrial Finance, Logistics & Development Group, Mitsubishi Corporation
Jun. 2008 Executive Vice President, Group CEO of Industrial Finance, Logistics & Development Group, Mitsubishi Corporation
Apr. 2010 Senior Executive Vice President, Executive Assistant to President, Mitsubishi Corporation
Jun. 2010 Member of the Board, President & CEO, Mitsubishi Corporation
Apr. 2016 Chairman of the Board, Mitsubishi Corporation (to the present)
Jun. 2016 Outside Director, MMC (to the present)

Hitoshi Kawaguchi
Outside Director



Apr. 1976 Joined Nissan Motor Co., Ltd.
Apr. 2005 Senior Vice President in charge of Human Resources, Diversity Development Office, Nissan Motor Co., Ltd.
Apr. 2009 Senior Vice President in charge of External and Government Affairs, Intellectual Asset Management, Nissan Motor Co., Ltd.
Apr. 2016 Senior Vice President, Chief Sustainability Officer in charge of Global External and Government Affairs, Japan Communication, Corporate Service Management Department, CSR Department, Nissan Motor Co., Ltd.
Dec. 2016 Outside Director, MMC (to the present)
May 2019 Executive Vice President, Nissan Motor Co., Ltd. (to the present)

Hiroshi Karube
Outside Director



Apr. 1980 Joined Nissan Motor Co., Ltd.
Apr. 2010 Corporate Vice President, in charge of Global Controller, Budget and Accounting Dept., Global Asset Management Dept., Nissan Motor Co., Ltd.
Dec. 2016 Outside Director, MMC (to the present)
Apr. 2018 Senior Vice President, in charge of Global Controller (MC & Global Function), Accounting, Global Asset Management, Nissan Motor Co., Ltd.
May 2018 Chief Financial Officer, Nissan Motor Co., Ltd. (to the present)

Setsuko Egami
Outside Director



Apr. 1983 Editor in Chief of Travaille published by Recruit Co., Ltd. (present: Recruit Holdings Co., Ltd.)
Dec. 2001 Director, Frontier Service Development Laboratory, East Japan Railway Company
Apr. 2006 Visiting Professor, The Okuma School of Public Management, Waseda University
Nov. 2006 Member of Government Tax Commission
Jun. 2007 Outside Corporate Auditor, Taisho Pharmaceutical Co., Ltd.
Apr. 2009 Professor, Graduate School of Humanities, Musashi University (to the present)
Professor, Faculty of Sociology, Musashi University (to the present)
Jun. 2011 Outside Audit & Supervisory Board Member, Yusen Logistics Co., Ltd.
Apr. 2012 Dean, Faculty of Sociology, Musashi University
Jun. 2015 Outside Director, Mitsubishi Estate Co., Ltd. (to the present)
Jun. 2018 Outside Director, MMC (to the present)

Main Kohda
Outside Director



Sep. 1995 Started independently as Novelist (to the present)
Jan. 2003 Member of Financial System Council, Ministry of Finance Japan
Apr. 2004 Visiting Professor, Faculty of Economics, Shiga University
Mar. 2005 Member of the Council for Transport Policy, Ministry of Land, Infrastructure, Transport and Tourism
Nov. 2006 Member of Government Tax Commission
Jun. 2010 Member of the Board of Governors, Japan Broadcasting Corporation
Jun. 2012 Outside Director, Japan Tobacco Inc. (to the present)
Jun. 2013 Outside Director and member of the Compensation Committee, LIXIL Group Corporation (to the present)
Jun. 2016 Outside Director and member of the Audit Committee, Japan Exchange Group (to the present)
Jun. 2018 Outside Director, MMC (to the present)

Yaeko Takeoka
Outside Director



Apr. 1985 Registered as an attorney at law Member of Daini Tokyo Bar Association
Oct. 2003 Chairperson of the Sub-Committee on Research, Japan Law Foundation
Jan. 2005 Member of Expert Panel on Management of Intellectual Properties under the Council for Science and Technology Policy
Mar. 2006 Member of the Council for Small and Medium Enterprise Policy
Jan. 2007 Joined Kohwa Sohgo Law Offices (to the present)
Apr. 2008 Member of the Administrative Council of The University of Electro-Communications (to the present)
Mar. 2011 Member of the Industrial Structure Council
Dec. 2014 Member of Committee on Intellectual Property for Innovative structural materials under Cross-Ministerial Strategic Innovation Promotion Program
Jun. 2015 Audit & Supervisory Board Member, MMC
Mar. 2019 Outside Audit & Supervisory Board Member, AGC Inc. (to the present)
Jun. 2019 Outside Director, MMC (to the present)

Yoshitsugu Oba
Outside Director



Nov. 1975 Joined Tohmatsu Awoki & Co.
Sep. 1982 Registered as certified public accountant
Jun. 1990 Partner, Tohmatsu & Co.
Oct. 2007 Functional Risk Leader-Audit, Deloitte Touche Tohmatsu
Oct. 2010 National Professional Practice Director, Deloitte Touche Tohmatsu LLC
Jun. 2016 Audit & Supervisory Board Member, MMC
Oct. 2017 Supervisory Director, Advance Residence Investment Corporation (to the present)
Jun. 2019 Outside Director, MMC (to the present)

Kenichiro Sasae
Outside Director



Apr. 1974 Joined Ministry of Foreign Affairs
Apr. 2000 Executive Assistant to the Prime Minister for Foreign Affairs
Apr. 2001 Deputy Director-General, Foreign Policy Bureau
Mar. 2002 Director-General, Economic Affairs Bureau, Ministry of Foreign Affairs
Jan. 2005 Director-General, Asian and Oceania Affairs Bureau, Ministry of Foreign Affairs
Jan. 2008 Senior Deputy Minister for Foreign Affairs
Aug. 2010 Vice-Minister for Foreign Affairs
Sep. 2012 Ambassador Extraordinary and Plenipotentiary of Japan to the United States of America
Apr. 2018 Adviser to the Minister for Foreign Affairs (to the present)
Jun. 2018 President and Director General, The Japan Institute of International Affairs (to the present)
Aug. 2018 Outside Director, Hotel Okura Co., Ltd. (to the present)
Jun. 2019 Outside Director, SEIREN CO., LTD. (to the present)
Jun. 2019 Outside Director, MMC (to the present)

Kiyoshi Sono
Outside Director



Apr. 1976 Joined The Sanwa Bank, Limited
May 2004 Director, Executive Officer, UFJ Bank Limited
Jan. 2006 Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
May 2006 Managing Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
May 2010 Senior Managing Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
May 2012 Managing Executive Officer, Mitsubishi UFJ Financial Group, Inc.
Jun. 2012 Deputy President, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
May 2014 Deputy Chairman of the Board of Directors, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Jun. 2014 Chairman of the Board of Directors, Mitsubishi UFJ Financial Group, Inc.
Jun. 2014 Outside Directors, Mitsubishi UFJ NICOS Co., Ltd. (to the present)
Jun. 2015 Chairman (Representative Corporate Executive), Mitsubishi UFJ Financial Group, Inc.
Jun. 2017 Outside Director, Nankai Electric Railway Co., Ltd. (to the present)
Jun. 2017 Deputy Chairman, Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Apr. 2018 Deputy Chairman of the Board of Directors, MUFG Bank, Ltd.
Apr. 2019 Chairman of the Board of Directors, MUFG Bank, Ltd. (to the present)
Member of the Board of Directors, Managing Corporate Executive, Mitsubishi UFJ Financial Group, Inc. (to the present)
Jun. 2019 Outside Director, MMC (to the present)

Hideyuki Sakamoto
Outside Director



Apr. 1980 Joined Nissan Motor Co., Ltd.
Apr. 2008 Corporate Vice President, Nissan PV Product Development Div. No.1, Nissan Motor Co., Ltd.
May 2009 Corporate Vice President, Alliance Common Platform and Components, Nissan Motor Co., Ltd.
Apr. 2012 Senior Vice President, Production Engineering Div., Nissan Motor Co., Ltd.
Apr. 2014 Executive Vice President, Product Engineering, Nissan Motor Co., Ltd.
Jun. 2014 Chairman of BD, NISSAN AUTOMOTIVE TECHNOLOGY CO., LTD.
Jun. 2014 Director and Executive Vice President, Product Engineering, Nissan Motor Co., Ltd.
Jan. 2018 Director and Executive Vice President, MFG & SCM Operations, Nissan Motor Co., Ltd. (to the present)
Jun. 2018 Chairman of the Board, Nissan Motor Kyushu Co., Ltd. (to the present)
Aug. 2018 Board Member, Chairman, AICHI MACHINE INDUSTRY CO., LTD. (to the present)
Sep. 2018 Chairman, JATCO Ltd (to the present)
Jun. 2019 Outside Director, MMC (to the present)

Mitsuko Miyagawa
Outside Director



Apr. 1986 Registered with Daiichi Tokyo Bar Association
Joined Nishimura & Sanada (present: Nishimura & Asahi LPC)
Oct. 1990 Joined TMI Associates (to the present)
Mar. 1994 Qualified as an attorney in New York State
Apr. 2005 Lecturer, Keio University Law School (to the present)
Jun. 2008 Outside Director, S.T. CORPORATION
Apr. 2012 Corporate Auditor, Unilever Japan Holdings K.K.
Jun. 2015 Outside Director, S.T. CORPORATION (to the present)
Jun. 2016 Outside Audit & Supervisory Board Member, Panasonic Corporation (to the present)
Jun. 2019 Outside Director, MMC (to the present)

Executive Officers

Osamu Masuko

Representative Executive Officer

Takao Kato

Representative Executive Officer,
CEO

Ashwani Gupta

Representative Executive Officer,
COO

Koji Ikeya

Representative Executive Officer,
Executive Vice President
(Finance, Controlling & Accounting)
CFO

Takeshi Ando

Representative Executive Officer,
Executive Vice President
(Production)

Hitoshi Inada

Executive Officer,
Senior Vice President
(Corporate Governance)

Noboru Tsuji

Executive Officer,
Senior Vice President
(Corporate Strategy, Sustainability)
Division General Manager,
Communication Div.

Hiroshi Nagaoka

Executive Officer,
Senior Vice President
(Engineering)

Yukihiro Hattori

Executive Officer,
Senior Vice President
(Procurement)

Guillaume Cartier

Executive Officer,
Senior Vice President
(Global Marketing & Sales)
Division General Manager,
Global Marketing & Sales Div.

Yoichiro Yatabe

Executive Officer,
Senior Vice President
(ASEAN)

Kazuaki Iwamoto

Executive Officer
Division General Manager,
Product Strategy Div.

Corporate Vice Presidents

Koichi Kitamura

Corporate Vice President
Division General Manager,
Business Administration Div.

Naoya Fujimoto

Corporate Vice President
Division General Manager,
Product Development Div.

Tsunehiro Kunimoto

Corporate Vice President
Division General Manager,
Design Div.

Yoichi Yokozawa

Corporate Vice President
Division General Manager,
Europe Div.

Tetsuya Hashimoto

Corporate Vice President
Division General Manager,
Human Resources Div.

Yasuko Takazawa

Corporate Vice President
General Manager, Legal Dept.
and General Manager,
Board of Directors Office

Noriaki Hirakata

Corporate Vice President
Division General Manager,
Strategy Management Div.

Yosuke Wakabayashi

Corporate Vice President
Division General Manager,
Corporate Affairs Div.
Domestic Sales

Satoru Nakayama

Corporate Vice President
Division General Manager,
Managerial Accounting Div.
and General Manager, CFO Office

Koji Yamada

Corporate Vice President
Division General Manager,
TCS Div.

Masao Kuruma

Corporate Vice President
CIO
Division General Manager,
Global IT Div.

Jun Miura

Corporate Vice President
Division General Manager,
Development Management Div.

Takashi Shirakawa

Corporate Vice President
Division General Manager,
EV • Powertrain Engineering
Development Div.

Tomoo Yoshida

Corporate Vice President
Division General Manager,
Procurement Management Div.

Hiroataka Into

Corporate Vice President
Division General Manager,
Domestic Sales Div.

Corporate Governance

Basic Policy Regarding Corporate Governance

In addition to past quality issues, MMC recognizes as a serious issue the improper conduct with respect to MMC's vehicle fuel consumption testing, which came to light in April 2016. As such, MMC considers compliance to be of topmost importance and accordingly aims to meet the expectations of shareholders, customers and all other stakeholders, while achieving sustainable growth and increases in corporate value, by making the ongoing reinforcement and improvement of governance a management priority.

Overview of Corporate Governance System

As of June 21, 2019, MMC has transitioned to a company with three committees, as part of its efforts to enhance its corporate governance in order to achieve swift execution of business in quick response to environmental changes by clearly separating supervisory and execution functions and ensuring the soundness and transparency of management through further strengthening of supervision and implementation of more thorough risk management.

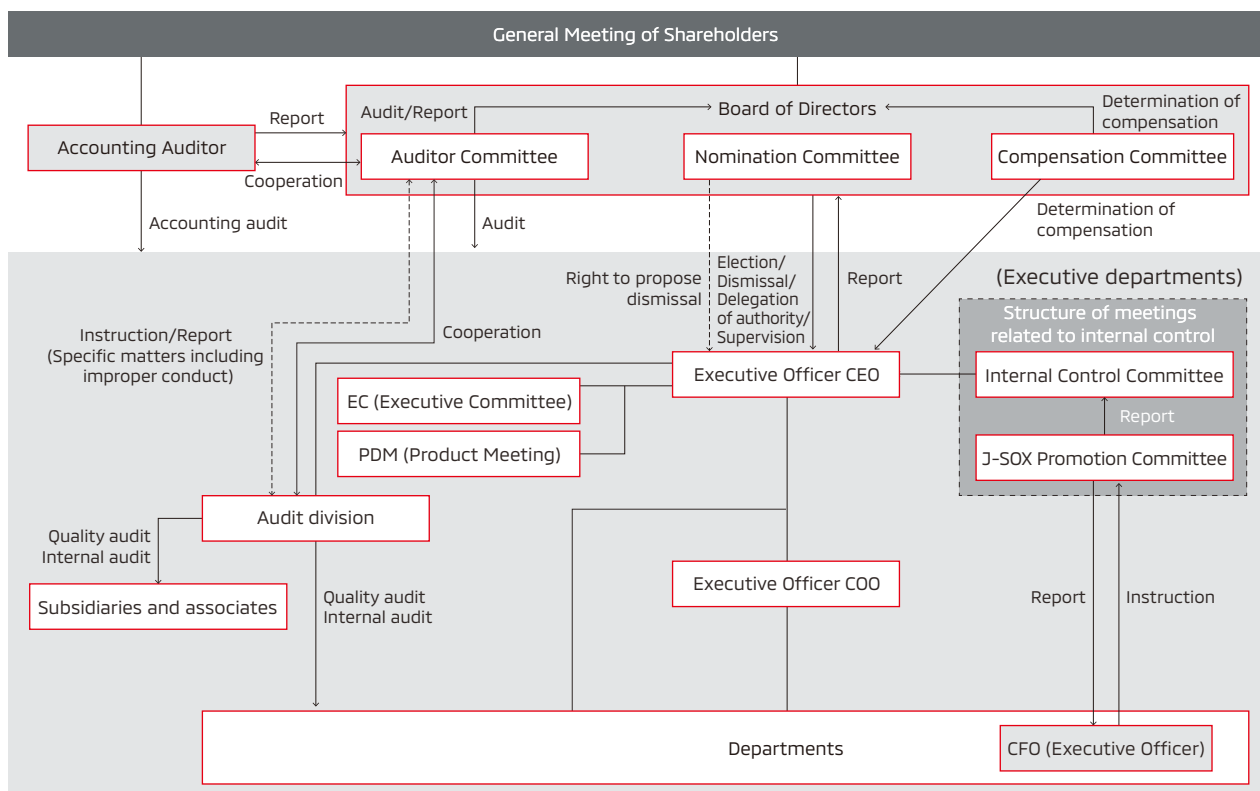
The Board of Directors is responsible for making decisions concerning important management issues and overseeing business execution. It is comprised of 15 Members, including 12 Outside Directors with con-

siderable experience, deep insight and so forth.

MMC has established the three legally required committees, the majority of the committees are Outside Directors, in the Board of Directors to develop the system that ensures the supervision of the Directors and Executive Officers by the Board of Directors and effective functioning of corporate governance. The Nomination Committee makes decisions on proposals for electing and dismissing Members of the Board, and engages in deliberations regarding matters such as standards for appointing and removing the Members of the Board, Executive Officers and Corporate Vice Presidents, appointing and removing the Executive Officer CEO, and the succession planning for the Executive Officer CEO. The Compensation Committee deliberates and makes decisions regarding policy with respect to determining compensation, etc. of Members of the Board and Executive Officers, and regarding details of compensation, etc. per individual. The Auditor Committee audits execution of duties performed by the Members of the Board and Executive Officers and prepares audit reports thereof, and implements internal investigation based on the decision of the Board of the Directors.

Executive Officers make decisions on the matters related to business operation and executes business, and the Executive Officer CEO to whom the Board of

Corporate Governance Framework (As of June 21, 2019)



Directors delegated the authority of business execution shall be the responsible person for the business execution departments. The number of the Executive Officers is 12 as of June 21, 2019 (Including the Executive Officer CEO).

Corporate Vice Presidents supervise functions or business of MMC and conduct business execution in a certain range, with delegation of authority by the Board of Directors or the Executive Officer CEO. The number of the Corporate Vice Presidents is 15 as of June 21, 2019.

As for the decision-making process for business execution and various committees, MMC has specified the Executive Officer CEO as the major party delegated with authority of business execution by the Board of Directors, and has positioned the Executive Officer COO as the responsible person of MMC's comprehensive business operation in addition to the Executive Officer CEO, the responsible person for the business execution departments. MMC has delegated the decision-making authority of the Executive Officer CEO to other Executive Officers and Corporate Vice Presidents based on the "Delegation of Authority rules." These initiatives can contribute to enhancing the speed of business execution and the highly transparent decision-making process.

Internal Control Systems

Development of Internal Control Systems

MMC has set up a vision and missions as basic concepts so that the employees of the MMC Group look toward the future, share the same ideas and act as a unit. In addition, MMC has established MMC WAY, which represents the frame of mind and behavior that each one of employees must practice for missions to realize the vision, and moreover the Global Code of Conduct serving as the foundation for these provisions and the norms to be followed by all officers and employees.

Additionally, to develop a system to ensure appropriate business activities, MMC has resolved to adopt the Basic Policy on the Establishment of Internal Control Systems at the Board of Directors.

Risk Management

Development of Risk Management Framework

MMC has put in place and works to improve its risk management system for the entire Group through three types of risk management activities: priority risk management, departmental risk management and subsidiaries and associates risk management.

For priority risk management, MMC selects risks that the entire MMC Group faces directly, that have significant potential impact and a high degree of urgency. For each risk, MMC assigns "risk owners" and works as quickly as possible to reduce these risks.

In departmental risk management, MMC has appointed employees in charge of risk management to each division or plant. These employees work to reduce risks through repeated application of the PDCA cycle, which involves identifying and evaluating each risk, devising and implementing countermeasures, and monitoring.

Subsidiaries and associates risk management includes initiatives for addressing various types of risks encountered by MMC's subsidiaries and associates. MMC periodically confirms the status of activities such as improvement of business continuity plans (BCPs), and proposes and directs improvements, as necessary.

These risk management initiatives are regularly reported to the Board of Directors as key internal control measures.

In addition, in order to prepare for unforeseen contingencies MMC operates emergency contact systems that enable the rapid communication of information to the senior management, as well as a swift and accurate response. In particular, in order to create a crisis management system to guide MMC's response when serious incidents occur, MMC has formulated an emergency response manual. This manual outlines the establishment of an emergency response organization and clarifies the chain of command, enabling MMC to put appropriate response systems into place.

MMC's basic policy in times of disaster, such as earthquake or other large-scale natural disaster or an outbreak of infectious disease, is to ensure the safety of customers and employees and their families, and to assist local communities. MMC prepares disaster countermeasures and business continuity plans (BCPs) to this end.

MMC conducts drills in communicating among individual plants and Group companies on the basis of a presumed emergency.

As preparations against the possibility that employees will be unable to return to their homes and will stay at the headquarters for a three-day period, MMC works with local municipal authorities in order to ensure means through which they can communicate with their families and keep emergency supplies.

MMC has formulated plans of operation that assume a large-scale earthquake or major outbreak of infectious disease. MMC works to improve these BCPs through drills in liaison with individual regions.

Compliance

Basic Approach and Policy

In their corporate activities, companies come into contact with a host of laws and public systems involving the environment, labor and consumer protection that they must comply with.

Mitsubishi Motors recognizes that failure to comply appropriately with these laws and systems could hinder its business sustainability and have a major impact on society and the global environment.

To fulfill its corporate social responsibility, the Company must respect laws and regulations, international rules and Company rules and pay utmost respect to changing social norms. For these reasons, we have formulated the new Global Code of Conduct, which outlines the rules that all corporate officers and employees must respect. We are also focusing on enhancing the compliance system including key affiliated companies in Japan and overseas, and employee education.

Management System

Taking a global perspective on internal control, we have in place systems to prevent compliance infractions, including information security incidents. Compliance officers under the supervision of the Global Risk Control

Officer are appointed at each division, and the general manager of each department serves as the code leader. We also have a framework in place by which compliance officers are appointed at principal affiliated companies in Japan and overseas. In addition, in the year ended March 31, 2019 we set up and began operating a global contact point for reporting internal problems as part of our efforts to prevent compliance infractions.

We also have a procedure by which any serious compliance concerns are ultimately reported to the Board of Directors through the code leaders and compliance officers. To instill among all employees the awareness that compliance is a top priority, compliance officers instruct responsible departments, as appropriate, on handling issues, taking corrective action and undertaking measures to prevent recurrence.

In addition, we are checking our compliance system and account closing procedures in response to internal controls related to financial reporting. If control deficiencies are discovered at companies targeted for assessment, those companies are called on to report on the details of improvement measures. In the year ended March 31, 2019, we confirmed the status of 23 MMC Group companies (MMC, 10 subsidiaries and affiliates in Japan and 12 subsidiaries and affiliates overseas).

■ Establishment of Internal and External Consultation Offices (Helplines)

Mitsubishi Motors has established a contact point for reporting internal problems that employees of MMC and Group companies in Japan can use for notification and consultation to prevent and promptly detect fraud or other improper conduct as well for use in self-correction. In addition, we have set up the Mitsubishi Motors Global Whistleblowing Office, which is available for use by employees in Japan and overseas and works with outside attorneys. In the year ended March 31, 2019, the office fielded 221 notifications and consultations.

■ Education and Training

Every fiscal year we formulate compliance-related education and training programs and provide them for each job rank. Each division also draws up and conducts its own measures under the direction of the compliance officer.

■ Anti-Corruption

The Company has formulated the Global Code of Conduct, which states that we shall "comply with all applicable laws and regulations" and "maintain impartial and fair relationships with public servants as well as business partners" In addition, we have created and operate a framework to prevent corrupt practices.

■ Information Security

The Company has formulated and reviews internal regulations on information security. We are also enhancing our management of information assets and measures to counter cyber risk. The information security committee monitors information security activities in an effort to reduce security risks.

■ Protection of Personal Information

Based on its Privacy Policy, Mitsubishi Motors has in place a management framework to establish internal rules regarding protection of personal information. In addition, we conduct ongoing employee education via e-learning. Furthermore, we have established a team tasked with responding to personal information protection laws in countries around the world.

■ Security Export Controls

From the perspective of maintaining international peace and security, the Company manages exports stringently to ensure non-proliferation of weapons of mass destruction and prevent the excessive accumulation of conventional weapons. We have formulated Security Export Control Regulations and set up the Security Export Control Committee under the CEO having ultimate authority and responsibility for overall security export control. With this control framework we work to ensure the legality of our export transactions.

Overview of Operations by Region

Net Sales

(Billions of yen)

	FY2017	FY2018	FY2019 (Forecast)
Japan	349.4	428.7	550.0
North America	352.5	387.8	370.0
Europe	444.7	514.1	485.0
Asia	586.2	663.9	680.0
Other Regions	459.6	520.1	495.0
Total	2,192.4	2,514.6	2,580.0

Operating Profit (Loss)

(Billions of yen)

	FY2017	FY2018
Japan	(14.1)	4.1
North America	1.0	3.5
Europe	10.7	(4.3)
Asia	63.3	77.3
Other Regions	37.3	31.2
Total	98.2	111.8

Sales Volume (Retail)

(Thousands of units)

	FY2017	FY2018	FY2019 (Forecast)
Japan	98	105	132
North America	155	173	169
Europe	189	236	240
Asia	429	480	511
Other Regions	230	250	253
Total	1,101	1,244	1,305

Note: From the year ended March 31, 2019, certain countries in Europe and Asia have been reclassified to Other Regions. Figures for the year ended March 31, 2018 have been retroactively adjusted to account for this change.

Japan

Performance in the year ended March 31, 2019

In Japan, sales of MMC's global strategic models—the new *Eclipse Cross*, the updated *Outlander PHEV*— and the new *Delica D:5* helped lift sales volume (retail) by 7,000 vehicles to 105,000 units.

In line with the higher sales volume, sales rose ¥79.3 billion year on year to ¥428.7 billion. At the operating level, performance improved from an operating loss of ¥14.1 billion in the preceding fiscal year to operating profit of ¥4.1 billion in the year under review.

Outlook for the year ending March 31, 2020

We expect sales of our new-model keicars, the *eK X* and the *eK Wagon*, to drive sales growth in the year ending March 31, 2020. We also intend to update the *RVR* and other existing models to maintain and enhance product freshness. As a result, we anticipate sales volume of 132,000 units, up 27,000 units from the year ended March 31, 2019. We also forecast sales of ¥550.0 billion, up ¥121.3 billion from the year ended March 31, 2019.



Delica D:5



eK X

North America

Performance in the year ended March 31, 2019

In North America, sales volume in the year ended March 31, 2019 rose 18,000 units to 173,000 units due to increased sales of the *Eclipse Cross* and the *Outlander PHEV*.

Due to the higher sales volume, sales grew ¥35.3 billion to ¥387.8 billion. Operating profit expanded ¥2.5 billion to ¥3.5 billion.

Outlook for the year ending March 31, 2020

In North America, we plan to further enhance our selling capabilities, maintain measures to enhance our brand image and recognition, enact thorough cost management, and manage our business with a firm eye on earnings. We anticipate sales volume of 169,000 units, down 4,000 units from the year ended March 31, 2019. We also expect sales to fall ¥17.8 billion to ¥370.0 billion.



Eclipse Cross



Outlander PHEV

Europe

Performance in the year ended March 31, 2019

In the year ended March 31, 2019, European sales of the *Eclipse Cross* and the *Outlander PHEV* were favorable, and sales of the *Outlander* remained robust in Russia. As a result, sales across the European market, including Russia, were up 47,000 units year on year to 236,000 units.

Due to the rise in sales volume, sales grew ¥69.4 billion to ¥514.1 billion, but performance worsened at the operating level from an operating profit of ¥10.7 billion to an operating loss of ¥4.3 billion.

Outlook for the year ending March 31, 2020

We expect sales in Europe to remain favorable, centered on the *Eclipse Cross* and the *Outlander PHEV*. Accordingly, we expect sales volume to increase 4,000 units from the year ended March 31, 2019 to 240,000 units. We anticipate sales of ¥485.0 billion, down ¥29.1 billion.

Note: From the year ended March 31, 2019, certain countries in Europe and Asia have been reclassified to Other Regions.



Outlander



Eclipse Cross

Asia

Performance in the year ended March 31, 2019

During the year ended March 31, 2019, sales volume in Asia benefited from sales of the *XPANDER* extending from the launch market of Indonesia to the Philippines, Thailand and Vietnam. Sales of the *Triton* were also favorable, centered on Thailand. In addition, we commenced local production and sales in China of the *Eclipse Cross*. Consequently, sales volume in Asia rose 51,000 units to 480,000 units.

Sales surged ¥61.7 billion year on year in the ASEAN region, prompting a ¥77.7 billion increase in sales across Asia, to ¥663.9 billion. Operating profit rose ¥14.0 billion, to ¥77.3 billion.

Outlook for the year ending March 31, 2020

We anticipate growth in Asia due to favorable performance of the *XPANDER* and the new *Triton* in the ASEAN region, as well as an expanded market centering on the *Pajero Sport*, which launched in July 2019 following substantial updates. For the region as a whole, we forecast a sales volume of 511,000 units, up 31,000 units from the year ended March 31, 2019, and sales of ¥680.0 billion, up ¥16.1 billion.

Note: From the year ended March 31, 2019, certain countries in Europe and Asia have been reclassified to Other Regions.



XPANDER



Outlander

Other Regions (Australia, New Zealand, Latin America, Middle East and Africa)

Performance in the year ended March 31, 2019

In the year ended March 31, 2019, sales volume grew 20,000 units to 250,000 units due to increased sales in Australia and the United Arab Emirates.

Aided by the rise in sales volume, sales grew ¥60.5 billion year on year to ¥520.1 billion, while operating profit declined ¥6.1 billion to ¥31.2 billion.

Outlook for the year ending March 31, 2020

In the year ending March 31, 2020, we aim to expand our sales region for the new *Triton* and increase fleet sales, further increasing our market share. As a result, we forecast sales volume of 253,000 units, up 3,000 units from the year ended March 31, 2019, and sales of ¥495.0 billion, down ¥25.1 billion.

Note: From the year ended March 31, 2019, certain countries in Europe and Asia have been reclassified to Other Regions.



Triton/L200



Pajero Sport

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PHEV
PLUG-IN HYBRID EV

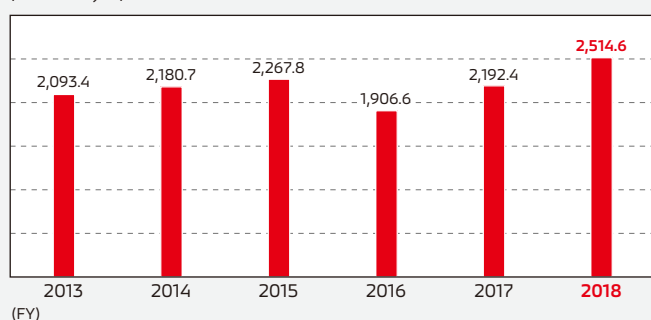
Consolidated Financial Summary

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
For the year: (In billions of yen)						
Net sales	2,093.4	2,180.7	2,267.8	1,906.6	2,192.4	2,514.6
Operating profit	123.4	135.9	138.4	5.1	98.2	111.8
Ordinary profit	129.5	151.6	141.0	8.9	110.1	119.9
Profit (loss) attributable to owners of the parent	104.7	118.2	72.6	(198.5)	107.6	132.9
Sales volume (retail) (Thousands of units)	1,047	1,090	1,048	926	1,101	1,244
R&D expenses	67.5	74.6	78.7	89.0	102.5	124.3
Capital expenditures	72.2	68.0	69.0	58.1	99.9	137.7
Depreciation	52.7	53.3	53.6	46.2	52.0	61.6
Return on equity (ROE) (%)	23.8	19.7	10.9	(29.2)	14.6	16.1
Per share data: (In yen)						
Earnings per share	156.60	120.16	73.80	(164.11)	72.23	89.26
Diluted earnings per share	104.29	—	—	—	72.20	89.18
Dividends per share	25.00	16.00	16.00	10.00	17.00	20.00
At year-end: (In billions of yen)						
Total assets	1,543.9	1,582.8	1,433.7	1,484.4	1,655.3	2,010.3
Net assets	550.0	670.8	685.3	703.5	796.6	881.2
Cash and deposits	450.1	440.3	453.4	556.8	571.9	500.9
Interest-bearing debt	222.4	144.5	27.1	15.6	26.6	228.7
Equity ratio (%)	35.0	41.6	46.8	46.5	47.2	43.4
Number of shares outstanding (Thousands)	983,661	983,661	983,661	1,490,282	1,490,282	1,490,282

1. For fiscal 2014 and earlier, profit attributable to owners of the parent refers to net income.
2. On August 1, 2013, the Company conducted a 1-for-10 reverse share split on its common stock. Indicated figures for basic net income per share and diluted net income per share are calculated as if this reverse share split had occurred at the beginning of fiscal 2013.
3. Diluted net income per share is not indicated for fiscal 2014, 2015 and 2016 because no dilutive shares existed.
4. Changes in accounting methods have not been retroactively applied to previous fiscal years.

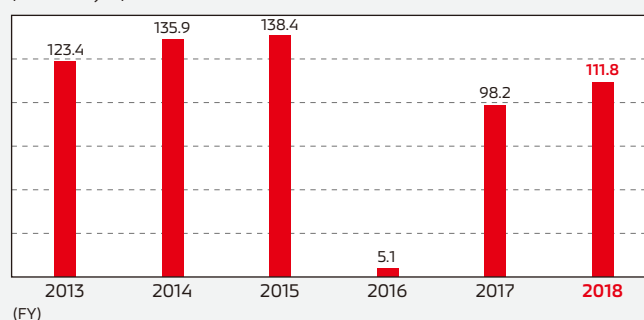
Net Sales

(Billions of yen)



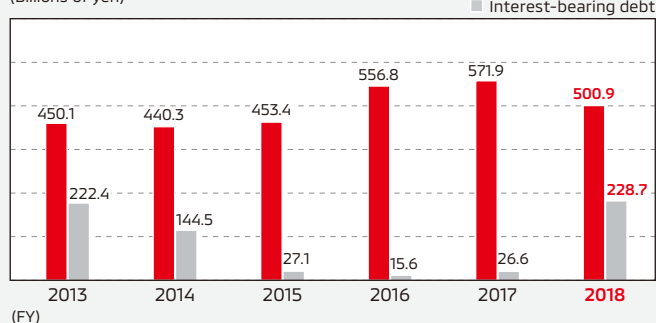
Operating Profit

(Billions of yen)



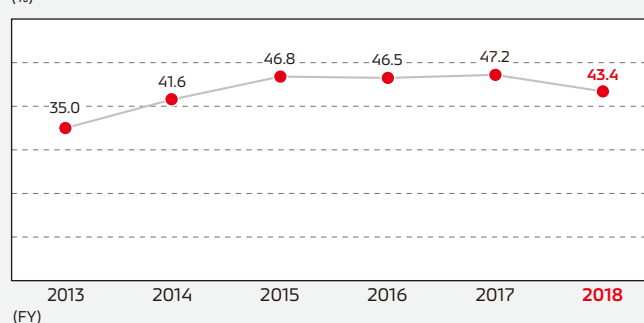
Cash and Deposits/Interest-Bearing Debt

(Billions of yen)



Equity Ratio

(%)



Operational Review

Results of Operations

Since the end of 2018, the earnings environment has become increasingly adverse, including an emergent slowdown in the global economy due to the impact of trade friction between the U.S. and China. In this situation, the Company has made a concerted effort to promote sales of its new vehicles, the *XPANDER* and the *Eclipse Cross* along with the new model *Delica D:5*, aiming to achieve the targets of the DRIVE FOR GROWTH mid-term business plan.

As a result, global sales volume for the current fiscal year increased 143,000 units year on year, or up 13% year on year. In the ASEAN region, sales of *XPANDER* increased 17% to 318,000 units from the previous fiscal year, with sales expanding from the launch market of Indonesia to the Philippines, Thailand, and Vietnam. In Japan, sales of the new *Delica D:5* and those of MMC's global strategic models *Eclipse Cross* and *Outlander PHEV* helped lift volumes by 7% to 105,000 units, maintaining a recovery trend. In addition, in March 2019, we launched new Keicars, the *eK Wagon* and the *eK X*. In addition, sales volume exceeded that of the previous fiscal year in all areas, including the main Oceania area and focus areas such as North America, China, and other areas.

In the year ended March 31, 2019, net sales amounted to ¥2,514.6 billion, up 14.7% year on year. Operating profit grew from ¥98.2 billion to ¥111.8 billion, resulting in an operating profit margin of 4.4%. Profit attributable to owners of the parent was ¥132.9 billion.

Financial position

Total assets as of March 31, 2019 amounted to ¥2,010.3 billion. Cash and deposits amounted to ¥500.9 billion. Total liabilities amounted to ¥1,129.1 billion. Of total liabilities, the interest bearing debt balance was ¥228.7 billion. Net assets as of March 31, 2019 amounted to ¥881.2 billion.

Cash flow

In the year ended March 31, 2019, net cash provided by operating activities amounted to ¥146.1 billion. (In the previous year, these activities provided ¥119.6 billion.) Net cash used in investing activities was ¥144.9 billion (net cash of ¥97.1 billion used in the preceding term), and net cash used in financing activities amounted to ¥75.0 billion (net cash of ¥23.2 billion used in the previous year). As a result, cash and cash equivalents on March 31, 2019, stood at ¥489.5 billion, compared with ¥559.0 billion one year earlier.

Overview of Cash Flow

(FY)	2014	2015	2016	2017	2018
Shareholders' equity ratio (%) ^{*1}	41.6	46.8	46.5	47.2	43.4
Shareholders' equity ratio (fair value basis) ^{*2}	67.4	57.8	67.2	68.5	43.5
Cash flows/Interest-bearing debt ratio ^{*3}	0.8	0.1	(0.3)	0.2	1.6
Interest coverage ratio ^{*4}	41.0	120.2	(38.7)	34.1	38.9

*1 The shareholders' equity ratio is shareholders' equity divided by total assets.

*2 The shareholders' equity ratio (fair value basis) is market capitalization divided by total assets.

*3 The cash flows/interest-bearing debt ratio is interest-bearing debt divided by cash flow.

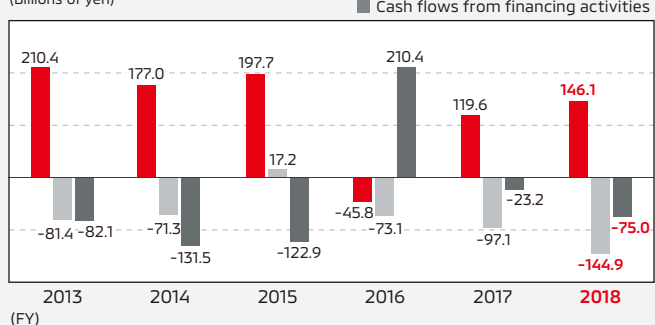
*4 The interest coverage ratio is cash flow divided by interest paid.

Notes:

- Each indicator is calculated from consolidated financial figures.
- Market capitalization is calculated based on the number of issued shares excluding treasury stock.
- Cash flow refers to operating cash flow.
- Interest-bearing debt includes all liabilities recorded on the balance sheet for which interest is paid.

Cash Flows

(Billions of yen)



Business-related risks

Risks that may seriously impact the operating results and/or financial position, and the like of the MMC Group are outlined below.

Impact of the economic and social situation in Japan and overseas

Overseas sales accounted for around 80% of the MMC Group's consolidated net sales for the previous fiscal year. Changes in the economic and social situation in Japan or in the regions and countries the MMC Group trades with, and in particular the countries of the ASEAN region and other emerging nations that will be central to the MMC Group's regional strategy, may seriously impact the MMC Group's operating results and/or financial position. In addition, conducting business operations in overseas markets exposes the MMC Group to latent risks including, but not limited to, political-economic changes, such as changes in laws and taxes, strengthening of environmental regulations for fuel consumption and gas emissions and tariff increases, as well as deficiencies in infrastructure, difficulties in acquiring skilled personnel, acts of terrorism and other emergencies, and the outbreak of epidemics. In the event risks such as these start to manifest themselves, they may seriously impact the operating results and/or financial position of the MMC Group.

Impact of intensifying competition in the automotive industry

Overcapacity in the auto industry and other factors are seeing an intensification of competition on a global basis. Increasing price competition makes sales incentives and effective publicity campaigns indispensable in promoting sales and retaining market share. Such increases in price competition and marketing incentives may seriously impact the operating results and/or financial position of the MMC Group.

Amid intensifying competition in the automotive industry and shorter new product development cycles, MMC may become unable to supply new products appropriately and in a timely manner that respond to customers' needs in terms of price, quality, safety and other factors, or the market may not be sufficiently receptive to MMC's strategic products. Such conditions may seriously impact the operating results and/or financial position of the MMC Group. In addition, the MMC Group may render ineffective its measures to maintain or enhance competitiveness, and as a result, product demand could fall. Such conditions may seriously impact the operating results and/or financial position of the MMC Group.

Impact of natural and other disasters

The MMC Group maintains production and other facilities in Japan and many other parts of the world. The occurrence of a major natural or other disaster, including earthquakes, typhoons, floods, fires and epidemics, in these areas may result in the suspension or other serious interruption in the operations of the MMC Group or of its suppliers. The MMC Group has prepared and maintains plans to keep operations going and disaster measures in areas and under situations where such risks are high and where they would have a serious impact on the MMC Group's operations. A disaster occurring on a scale larger than anticipated, however, may seri-

ously impact the operating results and/or financial position of the MMC Group.

Impact of laws and regulations, etc.

The MMC Group is subject to various laws and regulations, etc. governing protection of the global environment, product safety and other matters in the countries where it operates. In the event that the MMC Group fails to conform to or is unable to comply with such laws and regulations, or should such failure lead to sanctions against it, then large costs may be incurred for the purpose of conforming to or of complying with any revision, strengthening of or additions to, these laws and regulations and this may seriously impact the operating results and/or financial position of the MMC Group.

Other than the above laws and regulations, the MMC Group's business activities are also subject to a wide range of laws and regulations in Japan and overseas. For example, the business activities are under restrictions by consumer protection regulations, approvals and licenses for businesses and investments, labor regulations, environmental protection regulations, foreign exchange regulations, import-export trade regulations including those for security purposes, various tax laws, anti-monopoly laws, anti-bribery laws and the like. In some cases, the MMC Group's businesses may be conducted based on a legislative foundation that has not been developed sufficiently, or the burden of expenses may increase for responding to lack of comprehensive system of laws and regulations, application and interpretation of inconsistent laws and regulations, unilateral changes made by supervisory authorities in regulatory measures, and others. In addition, any unexpected change may be made in rates of taxes imposed on products or services supplied by these businesses, technical requirements for environmental restrictions, income taxes and tariffs, a broad range of laws and regulations including exchange restrictions on investment principals and dividend reflux, and others.

In order to deal with these legal and regulatory risks, the MMC Group has taken preventive measures with regard to compliance with laws and regulations, etc. Moreover, the MMC Group has also improved a structure to respond promptly when it detects any compliance-related matter to prevent an effect on its social credibility and reputation. However, the possibility that a law violation may be committed in the future is not zero. If there is a fact of law violation, or the content, promptness and others of its response are insufficient, the fact or insufficiency may have a negative impact on the MMC Group's social credibility and reputation, and furthermore, on its operating results and financial position.

Impact of changes in manufacturing cost

The MMC Group sources parts and raw materials, etc. from a large number of suppliers to manufacture its products. Any rise in the manufacturing cost of MMC's products due to changes in demand and other market conditions may seriously impact the operating results and/or financial position of the MMC Group.

Impact of foreign exchange rate fluctuations

Overseas sales accounted for around 80 percent of the

MMC Group's consolidated net sales for the previous fiscal year. MMC closely monitors the market trend of Thai baht for foreign currency denominated receivables and US dollars and euros for foreign currency denominated payables to take necessary measures in a timely manner, but significant fluctuations in the foreign currency rates may still seriously impact the operating results and/or financial position of the MMC Group.

Impact of failure to achieve mid-term business plan targets mainly due to differences between the premises on which the plan was drawn up and real-world conditions

The MMC Group has drawn up a mid-term business plan setting out operational strategy for the medium term. However, in the event that differences arise between the premises on which the plan was drawn up and real-world conditions or should risks other than those described in this section become prominent, the operating results and/or financial position of the MMC Group may be seriously impacted.

Impact of product quality and safety

The MMC Group endeavors to improve the quality and assure the safety of the MMC Group's products. However, in the event that MMC has to issue a recall or implement countermeasures, etc. on a large scale due to product defects or failures, or in the event that MMC is pursued in a large-scale product liability action, the large costs incurred and the damage to reputation of MMC's products and consequent drop in demand, etc. for its products may seriously impact the operating results and/or financial position of the MMC Group.

Impact of lawsuits, etc.

Any lawsuit brought against the MMC Group by customers, trading partners or other third parties in the course of the MMC Group conducting its business operations may seriously impact the operating results and/or financial position of the MMC Group.

In addition, in the event that decisions, etc. in legal actions, etc. currently under dispute go against the MMC Group's claims or predictions, these may seriously impact the operating results and/or financial position of the MMC Group.

In February 20, 2010, MASRIA Co., Ltd. (hereafter "Plaintiff"), a former MMC distributor in Egypt, filed a lawsuit against MMC for dissolution of a distributor agreement between MMC and the Plaintiff including a 900 million USD claim for damages. The judgments in both the courts of first and second instance found in favor of MMC on October 26, 2010, and July 3, 2012, respectively, based on the reasoning that the case was not within the Egyptian court's legal jurisdiction.

The case is now before the final appellate court after the Plaintiff appealed on July 21, 2012, against the judgment of the court of second instance. The case has been found to not be within the Egyptian court's jurisdiction, and the distributor agreement was spelled out clearly, as indicated above. Furthermore, MMC's notice to terminate the distributor agreement with the Plaintiff followed due legal process and the terms of the agreement, thus making the Plaintiff's claim irrational. For these reasons, at present MMC does not consider this legal case will result in any serious impact on the operating results and/or financial position of the MMC Group.

Impact of dependence on particular suppliers

The MMC Group sources raw materials and parts, etc. from a large number of suppliers. The necessity to procure materials and parts characterized by higher quality or more advanced technologies at more competitive prices may bring about a situation in which orders are concentrated upon a specific supplier. There may also be only a limited number of suppliers able to supply parts, etc. for which a specific technology is required. Consequently, the operating results and/or financial position of the MMC Group may be seriously impacted in the event that some unforeseen situation arises and interrupts deliveries from such suppliers or in the event that it is not possible to procure materials and parts at competitive prices in a timely manner.

Impact of credit risks of customer, trading partner and others

The MMC Group is exposed to credit risks in its dealings with customers and with dealers and other trading partners and in its automobile financing business. In the event that losses stemming from such credit risks exceed the MMC Group's estimates, the operating results and/or financial position of the MMC Group may be seriously impacted.

Impact of infringement of intellectual property rights

In order to distinguish its products from those of other auto manufacturers the MMC Group endeavors to protect its own technologies, know-how and other intellectual property as well as to prevent the infringement of third-party intellectual property rights. However, in the event that a third party unlawfully uses the MMC Group's intellectual property to manufacture and sell imitations of its products, or in the event that limitations in the legal system in certain countries in relation to the protection of the MMC Group's intellectual property rights result in a fall in sales or in legal costs, or in the event that an unforeseen third-party intellectual property right requires a halt in manufacturing or sales or in the payment of compensation, or causes damage to reputation of the MMC's products and a consequent drop in demand, the operating results and/or financial position of the MMC Group may be seriously impacted.

Impact of IT and information security

The information technology, networks, and systems that the MMC Group uses in its operations, products, services, etc. are exposed to troubles caused by attacks by hackers or computer viruses, illegal or inappropriate use, and infrastructure breakdowns, and the like, leading to the suspension of MMC Group's important business operations, leaking of its confidential information, and negative impact on its products and services. In such an event, the operating results and/or financial position of the MMC Group may be seriously impacted. The MMC Group possesses confidential information relating to matters both within and outside the Group which includes personal data and automobile data. In the event such information is improperly leaked to the outside, the social credibility and the operating results and/or financial position of the MMC Group may be seriously impacted.

Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2018	As of March 31, 2019
Assets		
Current assets		
Cash and deposits	571,911	500,924
Notes and accounts receivable - trade	176,020	126,398
Finance receivables	—	294,423
Merchandise and finished goods	143,332	175,052
Work in process	21,901	18,553
Raw materials and supplies	38,551	40,803
Short-term loans receivable	806	681
Other	95,542	125,410
Allowance for doubtful accounts	(1,229)	(1,790)
Total current assets	1,046,837	1,280,457
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	89,314	106,095
Machinery, equipment and vehicles, net	113,266	131,431
Tools, furniture and fixtures, net	46,237	61,482
Land	94,565	116,201
Construction in progress	33,698	37,306
Total property, plant and equipment	377,082	452,517
Intangible assets	29,022	39,786
Investments and other assets		
Investment securities	97,699	93,328
Long-term loans receivable	6,218	5,115
Retirement benefit asset	4,198	5,033
Deferred tax assets	20,925	58,772
Other	70,178	81,724
Allowance for doubtful accounts	(5,921)	(6,426)
Total investments and other assets	193,298	237,548
Total non-current assets	599,402	729,852
Total assets	1,646,240	2,010,309

(Millions of yen)

	As of March 31, 2018	As of March 31, 2019
Liabilities		
Current liabilities		
Notes and accounts payable - trade	426,312	391,785
Electronically recorded obligations - operating	22,897	50,311
Short-term loans payable	10,589	44,419
Commercial papers	–	50,800
Current portion of long-term loans payable	15,893	50,377
Lease obligations	504	777
Accounts payable - other and accrued expenses	165,963	196,695
Income taxes payable	11,272	11,352
Provision for product warranties	46,733	48,915
Provision for loss on fuel consumption test	15,478	3,758
Other	29,896	74,072
Total current liabilities	745,541	923,267
Non-current liabilities		
Long-term loans payable	90	83,122
Lease obligations	639	1,499
Deferred tax liabilities	22,601	20,018
Retirement benefit liability	42,596	51,615
Other	38,209	49,582
Total non-current liabilities	104,135	205,838
Total liabilities	849,677	1,129,105
Net assets		
Shareholders' equity		
Capital stock	284,382	284,382
Capital surplus	203,938	200,072
Retained earnings	363,382	463,092
Treasury shares	(220)	(1,728)
Total shareholders' equity	851,482	945,818
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,158	7,353
Deferred gains or losses on hedges	526	652
Foreign currency translation adjustment	(59,966)	(61,281)
Remeasurements of defined benefit plans	(18,232)	(20,758)
Total accumulated other comprehensive income	(70,514)	(74,033)
Share acquisition rights	106	356
Non-controlling interests	15,487	9,062
Total net assets	796,562	881,203
Total liabilities and net assets	1,646,240	2,010,309

Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended March 31, 2018	For the fiscal year ended March 31, 2019
Net sales	2,192,389	2,514,594
Cost of sales	1,730,278	2,057,340
Gross profit	462,111	457,254
Selling, general and administrative expenses		
Advertising and promotion expenses	110,047	72,971
Freightage expenses	42,316	53,900
Provision of allowance for doubtful accounts	33	395
Remuneration, salaries and allowances for directors (and other officers)	71,758	74,157
Retirement benefit expenses	3,509	4,071
Depreciation	12,506	13,963
Research and development expenses	56,066	65,920
Other	67,671	60,058
Total selling, general and administrative expenses	363,909	345,439
Operating profit (loss)	98,201	111,815
Non-operating income		
Interest income	3,464	5,045
Dividend income	2,090	1,647
Share of profit of entities accounted for using equity method	20,579	17,005
Other	949	2,996
Total non-operating income	27,084	26,694
Non-operating expenses		
Interest expenses	3,499	3,709
Foreign exchange losses	8,370	6,909
Litigation expenses	1,564	1,996
Other	1,723	6,043
Total non-operating expenses	15,158	18,659
Ordinary profit (loss)	110,127	119,850
Extraordinary income		
Gain on sales of non-current assets	306	656
Gain on sales of investment securities	328	1
Reversal of provision for fuel consumption test	–	2,922
Gain on step acquisitions	–	1,081
Gain on dissolution of employee's pension fund	1,434	–
Other	217	216
Total extraordinary income	2,287	4,877
Extraordinary losses		
Loss on retirement of non-current assets	2,418	2,508
Loss on sales of non-current assets	139	195
Impairment loss	2,636	854
Loss on disaster	–	2,216
Loss on fuel consumption test	2,262	–
Compensation for production transfer	984	–
Other	924	600
Total extraordinary losses	9,365	6,376
Profit (loss) before income taxes	103,049	118,352
Income taxes - current	11,675	22,576
Income taxes for prior periods	(8,616)	(761)
Income taxes - deferred	(6,261)	(38,458)
Total income taxes	(3,203)	(16,644)
Profit (loss)	106,253	134,996
Profit (loss) attributable to non-controlling interests	(1,366)	2,124
Profit (loss) attributable to owners of the parent	107,619	132,871

Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2018	For the fiscal year ended March 31, 2019
Profit (loss)	106,253	134,996
Other comprehensive income		
Valuation difference on available-for-sale securities	(311)	195
Deferred gains or losses on hedges	330	(79)
Foreign currency translation adjustment	1,332	3,567
Remeasurements of defined benefit plans, net of tax	2,174	(2,599)
Share of other comprehensive income of entities accounted for using equity method	933	(4,699)
Total other comprehensive income	4,460	(3,614)
Comprehensive income	110,713	131,381
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	113,022	129,186
Comprehensive income attributable to noncontrolling interests	(2,309)	2,195

Consolidated Statement of Changes in Net Assets

(Millions of yen)

For the fiscal year ended March 31, 2018	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	284,382	203,938	277,281	(220)	765,381
Cumulative effects of changes in accounting policies					
Restated balance	284,382	203,938	277,281	(220)	765,381
Changes of items during period					
Dividends of surplus			(17,880)		(17,880)
Profit (loss) attributable to owners of the parent			107,619		107,619
Purchase of treasury shares				(0)	(0)
Change of scope of consolidation			(3,457)		(3,457)
Change in ownership interest of parent due to transactions with noncontrolling interests					
Change of scope of equity method			(180)		(180)
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	86,101	(0)	86,101
Balance at end of current period	284,382	203,938	363,382	(220)	851,482

	Accumulated other comprehensive income					Share acquisition right	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	7,480	627	(62,739)	(20,295)	(74,926)	—	13,008	703,463
Cumulative effects of changes in accounting policies								
Restated balance	7,480	627	(62,739)	(20,295)	(74,926)	—	13,008	703,463
Changes of items during period								
Dividends of surplus								(17,880)
Profit (loss) attributable to owners of the parent								107,619
Purchase of treasury shares								(0)
Change of scope of consolidation								(3,457)
Change in ownership interest of parent due to transactions with noncontrolling interests								
Change of scope of equity method								(180)
Net changes of items other than shareholders' equity	(322)	(101)	2,773	2,062	4,411	106	2,479	6,997
Total changes of items during period	(322)	(101)	2,773	2,062	4,411	106	2,479	93,098
Balance at end of current period	7,158	526	(59,966)	(18,232)	(70,514)	106	15,487	796,562

For the fiscal year ended March 31, 2019	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	284,382	203,938	363,382	(220)	851,482
Cumulative effects of changes in accounting policies			(2,386)		(2,386)
Restated balance	284,382	203,938	360,995	(220)	849,096
Changes of items during period					
Dividends of surplus			(29,783)		(29,783)
Profit (loss) attributable to owners of the parent			132,871		132,871
Purchase of treasury shares				(1,507)	(1,507)
Change of scope of consolidation			(991)		(991)
Change in ownership interest of parent due to transactions with noncontrolling interests			(3,866)		(3,866)
Change of scope of equity method					—
Net changes of items other than shareholders' equity					
Total changes of items during period	—	(3,866)	102,097	(1,507)	96,722
Balance at end of current period	284,382	200,072	463,092	(1,728)	945,818

	Accumulated other comprehensive income					Share acquisition right	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	7,158	526	(59,966)	(18,232)	(70,514)	106	15,487	796,562
Cumulative effects of changes in accounting policies								(2,386)
Restated balance	7,158	526	(59,966)	(18,232)	(70,514)	106	15,487	794,176
Changes of items during period								
Dividends of surplus								(29,783)
Profit (loss) attributable to owners of the parent								132,871
Purchase of treasury shares								(1,507)
Change of scope of consolidation								(991)
Change in ownership interest of parent due to transactions with noncontrolling interests								(3,866)
Change of scope of equity method								
Net changes of items other than shareholders' equity	195	126	(1,315)	(2,525)	(3,519)	249	(6,424)	(9,694)
Total changes of items during period	195	126	(1,315)	(2,525)	(3,519)	249	(6,424)	87,027
Balance at end of current period	7,353	652	(61,281)	(20,758)	(74,033)	356	9,062	881,203

Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2018	For the fiscal year ended March 31, 2019
Cash flows from operating activities		
Profit (loss) before income taxes	103,049	118,352
Depreciation	52,551	62,179
Impairment loss	2,636	854
Loss on fuel consumption test	2,262	–
Increase (decrease) in allowance for doubtful accounts	(16)	431
Increase (decrease) in retirement benefit liability	2,115	4,554
Interest and dividend income	(5,555)	(6,692)
Interest expenses	3,499	3,709
Foreign exchange losses (gains)	5,430	(1,107)
Share of loss (profit) of entities accounted for using equity method	(20,579)	(17,005)
Loss (gain) on sales and retirement of non-current assets	2,251	2,047
Decrease (increase) in notes and accounts receivable - trade	(11,730)	51,237
Decrease (increase) in finance receivables	–	(29,412)
Decrease (increase) in inventories	(37,504)	(20,372)
Increase (decrease) in notes and accounts payable - trade	47,485	(9,495)
Other, net	(384)	8,927
Subtotal	145,510	168,208
Interest and dividend income received	10,982	10,415
Interest expenses paid	(3,507)	(3,757)
Payments related to fuel consumption test	(13,221)	(1,443)
Income taxes paid	(20,140)	(27,370)
Net cash provided by (used in) operating activities	119,624	146,053
Cash flows from investing activities		
Decrease (increase) in time deposits	(11,997)	1,409
Purchase of property, plant and equipment	(72,251)	(123,200)
Proceeds from sales of property, plant and equipment	2,989	5,024
Purchase of intangible assets	(11,497)	(15,363)
Proceeds from sales of investment securities	682	5
Decrease (increase) in short-term loans receivable	155	18
Payments of long-term loans receivable	(1,517)	(5)
Collection of long-term loans receivable	744	413
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(6,668)
Other, net	(4,401)	(6,539)
Net cash provided by (used in) investing activities	(97,093)	(144,906)
Cash flows from financing activities		
Increase (decrease) in short-term loans payable	(4,510)	(11,609)
Increase (decrease) in commercial papers	–	15,800
Proceeds from long-term loans payable	2,375	53,989
Repayments of long-term loans payable	(301)	(79,943)
Cash dividends paid	(17,938)	(29,750)
Dividends paid to non-controlling interests	(2,085)	(14,191)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	–	(7,197)
Other, net	(700)	(2,063)
Net cash provided by (used in) financing activities	(23,161)	(74,966)
Effect of exchange rate change on cash and cash equivalents	(3,167)	3,896
Net increase (decrease) in cash and cash equivalents	(3,797)	(69,923)
Cash and cash equivalents at beginning of period	555,906	559,036
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	6,927	232
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	–	111
Cash and cash equivalents at end of period	559,036	489,456

Consolidated Subsidiaries and Affiliates

(As of March 31, 2019)

Company Name	Location
Consolidated subsidiaries	
Hokkaido Mitsubishi Motor Sales Co., Ltd.	Japan
Higashi Nihon Mitsubishi Motor Sales Co., Ltd.	Japan
Kanto Mitsubishi Motor Sales Co., Ltd.	Japan
Chubu Mitsubishi Motor Sales Co., Ltd.	Japan
Nishi Nihon Mitsubishi Motor Sales Co., Ltd.	Japan
Pajero Manufacturing Co., Ltd.	Japan
Mitsubishi Automotive Logistics Technology Co., Ltd.	Japan
Mitsubishi Automotive Engineering Co., Ltd.	Japan
Suiryo Plastics Co., Ltd.	Japan
MMC Diamond Finance Corp.	Japan
Mitsubishi Motors North America, Inc. (MMNA)* ²	U.S.A.
Mitsubishi Motors R&D of America, Inc. (MRDA)	U.S.A.
Mitsubishi Motor Sales of Canada, Inc. (MMSCAN)	Canada
Mitsubishi Motor Sales of Caribbean, Inc. (MMSC)	Puerto Rico
Mitsubishi Motors de México S.A. de C.V.	Mexico
Mitsubishi Motors Europe B.V. (MME)	Netherlands
Mitsubishi Motor R&D Europe GmbH (MRDE)	Germany
Mitsubishi Motor Sales Netherlands B.V.	Netherlands
Mitsubishi Motors Australia, Ltd. (MMAL)* ²	Australia
Mitsubishi Motors New Zealand Ltd. (MMNZ)	New Zealand
Mitsubishi Motors (Thailand) Co., Ltd. (MMTh)* ²	Thailand
MMTh Engine Co., Ltd.	Thailand
Mitsubishi Motors Philippines Corp. (MMPC)	Philippines
Asian Transmission Corp. (ATC)	Philippines
Mitsubishi Motors Middle East and Africa FZE	U.A.E.
P.T. Mitsubishi Motors Krama Yudha Indonesia	Indonesia
Note: MMC has 10 other subsidiaries outside Japan in addition to the above.	
Equity-method affiliates	
Tokachi Mitsubishi Motor Sales Co., Ltd.	Japan
Ibaraki Mitsubishi Motor Sales Co., Ltd.	Japan
Nagano Mitsubishi Motor Sales Co., Ltd.	Japan
Mie Mitsubishi Motor Sales Co., Ltd.	Japan
Kagawa Mitsubishi Motor Sales Co., Ltd.	Japan
Miyazaki Mitsubishi Motor Sales Co., Ltd.	Japan
Higashi Kanto MMC Parts Sales Co., Ltd.	Japan
NMKV Co., Ltd	Japan
MMD Automobile GmbH	Germany
Mitsubishi Motors Vietnam Co., Ltd.	Vietnam
GAC Mitsubishi Motors Co., Ltd. (GMMC)	China
P.T. Mitsubishi Motors Krama Yudha Sales Indonesia	Indonesia
Note: MMC has 8 other affiliates outside Japan in addition to the above.	
Other associated company	
Company Name	Location
Nissan Motor Co., Ltd.* ³	Japan
Mitsubishi Corporation* ³	Japan

* 1 Figures in parentheses represent indirect shares.

* 2 Specified subsidiaries. (Mitsubishi Motors North America, Inc. (MMNA), Mitsubishi Motors Australia, Ltd. (MMAL), Mitsubishi Motors (Thailand) Co., Ltd. (MMTh))

* 3 A company submitting an annual securities report.

Capital Stock (In millions)	Business Lines	Percentage of Voting Stock Holding (%) ^{*1}
JPY 100	Automobile sales	100.0
JPY 100	Automobile sales	100.0
JPY 100	Automobile sales	100.0
JPY 100	Automobile sales	100.0
JPY 100	Automobile sales	100.0
JPY 610	Automobile manufacture	100.0
JPY 436	Automobile transport, maintenance and sales of parts	83.2
JPY 350	Automobile development	100.0
JPY 100	Manufacture of automobile parts	100.0
JPY 3,000	Auto sales financing, leasing, rentals	100.0
USD 398.8	Automobile sales	100.0
USD 2.0	Investigation, testing and research related to automobiles	100.0 (100.0)
CAD 2.0	Automobile sales	100.0 (100.0)
USD 47.5	Automobile sales	100.0
MXN 92.0	Automobile sales	100.0
EUR 107.2	Automobile sales	100.0
EUR 0.8	Investigation, testing and research related to automobiles	100.0
EUR 6.8	Automobile sales	100.0
AUD 1,789.9	Automobile sales	100.0
NZD 48.0	Automobile sales	100.0
THB 7,000.0	Automobile assembly, sales	100.0
THB 20.0	Manufacturing of automobile engines and press parts	100.0 (100.0)
PHP 1,640.0	Automobile assembly, sales	100.0
PHP 770.0	Manufacturing of automobile transmissions	100.0
UAD 10.0	Automobile parts sales	100.0
IDR 2,200,000	Automobile assembly	51.0
JPY 60	Automobile sales	35.0
JPY 30	Automobile sales	40.0
JPY 40	Automobile sales	49.86
JPY 58	Automobile sales	24.8
JPY 50	Automobile sales	23.0
JPY 60	Automobile sales	38.8
JPY 100	Automobile parts sales	33.0 (10.0)
JPY 10	Automobile planning and development	50.0
EUR 30.0	Automobile sales	24.99
VND 410,812	Automobile assembly, sales	41.2
CNY 1,947.0	Automobile assembly, sales	30.0
IDR 1,300,000	Automobile sales	30.0

Capital Stock (In millions)	Business Lines	Percentage of Voting Stock Held (%) ^{*1}
JPY 605,814	Automobile assembly, sales and related business	34.0
JPY 204,447	Wholesale trade	20.0 (10.77)

Principal Production Facilities



Country	Name	Major Products
Japan	① Okazaki Plant	Eclipse Cross, Outlander PHEV, Outlander
	② Mizushima Plant	eK Wagon, ek Space, ASX (RVR, Outlander Sport), i-MiEV, MINICAB-MiEV
	③ Kyoto Plant-Kyoto	Engines
	④ Kyoto Plant-Shiga	Engines
	⑤ Pajero Manufacturing Co., Ltd.	Pajero (Montero), Delica D:5, Outlander
Thailand	⑥ Mitsubishi Motors (Thailand) Co., Ltd. (MMTh)	Triton (L200, Strada), Pajero Sport (Montero Sport), Mirage (Space Star), Attrage (Mirage G4)
	⑦ MMTh Engine Co., Ltd. (MEC)	Engines
Philippines	⑧ Mitsubishi Motors Philippines Corporation (MMPC)	Mirage, Mirage G4, L300
	⑨ Asian Transmission Corporation (ATC)	Transmissions
Indonesia	⑩ P.T. Mitsubishi Motors Krama Yudha Indonesia (MMKI)	XPANDER, Pajero Sport, L300
Russia	⑪ PCMA Rus, LLC	Outlander, Pajero Sport
China	⑫ GAC Mitsubishi Motors Co., Ltd. (GMMC)	Eclipse Cross, Outlander, ASX
	⑬ Shenyang Aerospace Mitsubishi Motors Engine Manufacturing, Co., Ltd. (SAME)	Engines
	⑭ Harbin Dongan Automotive Engine Manufacturing, Co., Ltd. (DAE)	Engines, transmissions
Vietnam	⑮ Mitsubishi Motors Vietnam Co., Ltd. (MMV)	Outlander

Investor Information

(As of March 31, 2019)

Company Name	MITSUBISHI MOTORS CORPORATION
Head Office	3-1-21, Shibaura, Minato-ku, Tokyo 108-8410, Japan Telephone: +81-3-3456-1111
Established	April 22, 1970
Capital	¥284,382 million
Number of Employees	Consolidated: 31,314 Non-consolidated: 14,171
Stock Listing	Tokyo Stock Exchange (First Section)
Securities Code	7211
Number of Shares for Share Unit	100 shares
Number of Issued Shares	1,490,282,496
Number of Shareholders	257,179

Major Shareholders

Name	Number of shares held (Shares)	Ratio of shareholding (%)
Nissan Motor Co., Ltd.	506,620,577	34.03
MAI Corporation	160,329,338	10.77
Mitsubishi Corporation	137,682,876	9.25
The Master Trust Bank of Japan, Ltd. (Trust account)	34,258,300	2.30
Japan Trustee Services Bank, Ltd. (Trust account)	31,879,100	2.14
Mitsubishi Heavy Industries, Ltd.	21,572,455	1.44
BNYMSANV AS AGENT/CLIENTS LUX UCITS NON TREATY 1	16,439,600	1.10
Japan Trustee Services Bank, Ltd. (Trust account 9)	14,916,200	1.00
MUFG Bank, Ltd.	14,877,512	0.99
Japan Trustee Services Bank, Ltd. (Trust account 5)	14,520,700	0.97

(Note) The ratio of shareholding is calculated in proportion to the number of issued shares excluding treasury stock (1,969,401 shares).

Administrator of shareholders register Mitsubishi UFJ Trust and Banking Corporation

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