



FY2016 Financial Results

Mitsubishi Motors Corporation

May 9, 2017

FY2016 Financial Results



Outlander PHEV

FY2016 Results Summary (vs. FY2015 Actual and Jan. 31 FY2016 Forecast)

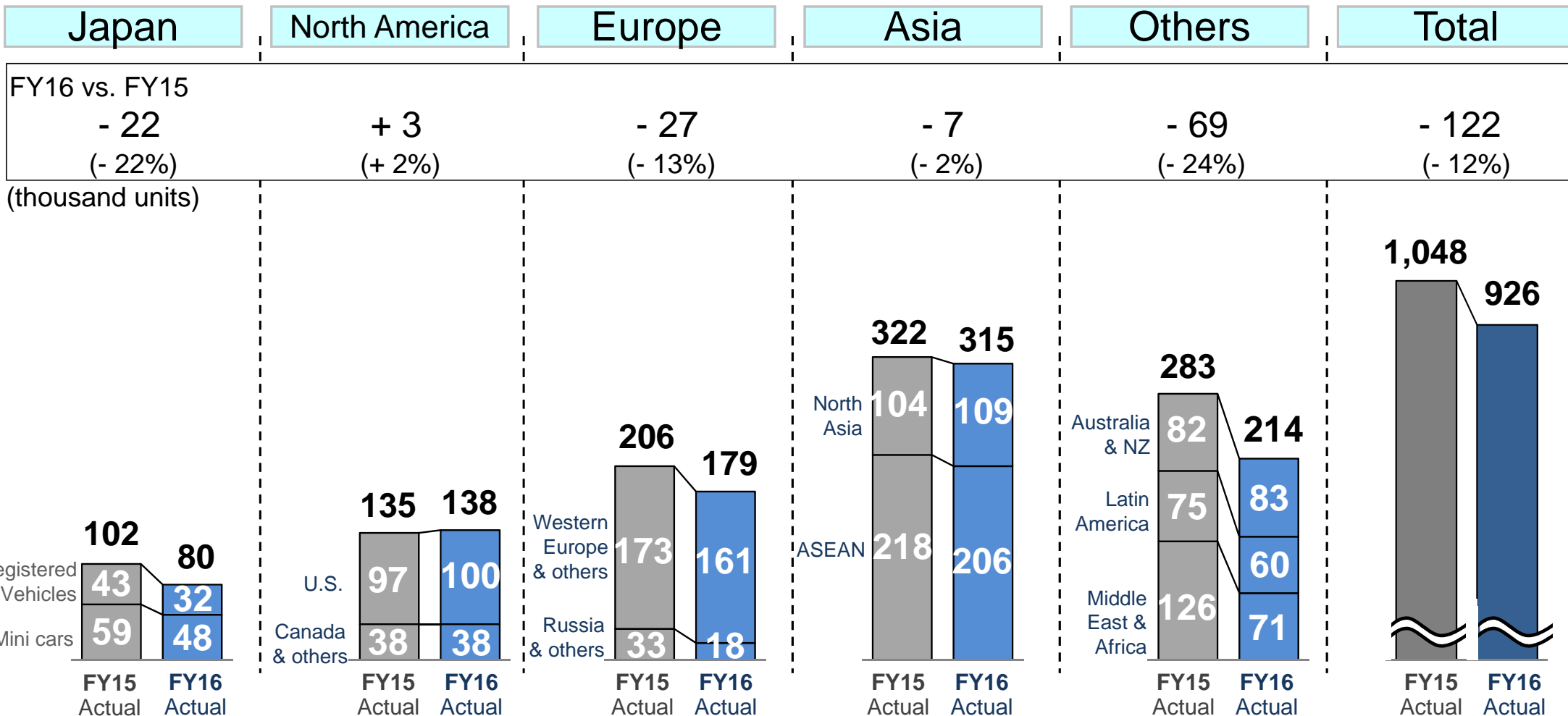


(billion yen, thousand units)

	FY15 (Apr 2015- Mar 2016) Actual	FY16 (Apr 2016- Mar 2017) Actual	Variance		Previous forecasts (Jan. 31)	Variance	
			Amount	%		Amount	%
Net sales	2,267.8	1,906.6	-361.2	-16%	1,890.0	+16.6	+1%
Operating Profit (Margin)	138.4 (6.1%)	5.1 (0.3%)	-133.3	-96%	1.0 (0.1%)	+4.1	+412%
Ordinary Profit	141.0	8.9	-132.1	-94%	1.5	+7.4	+496%
Net income*	72.6	-198.5	-271.1	-	-202.0	+3.5	+2%
Sales Volume (Retail)	1,048	926	-122	-12%	921	+5	+1%

*Net income attributable to owners of the Parent

FY2016 Sales Volume by Region (retail, vs FY2015)



Note: Sales volume of FY2016 refers to preliminary results.

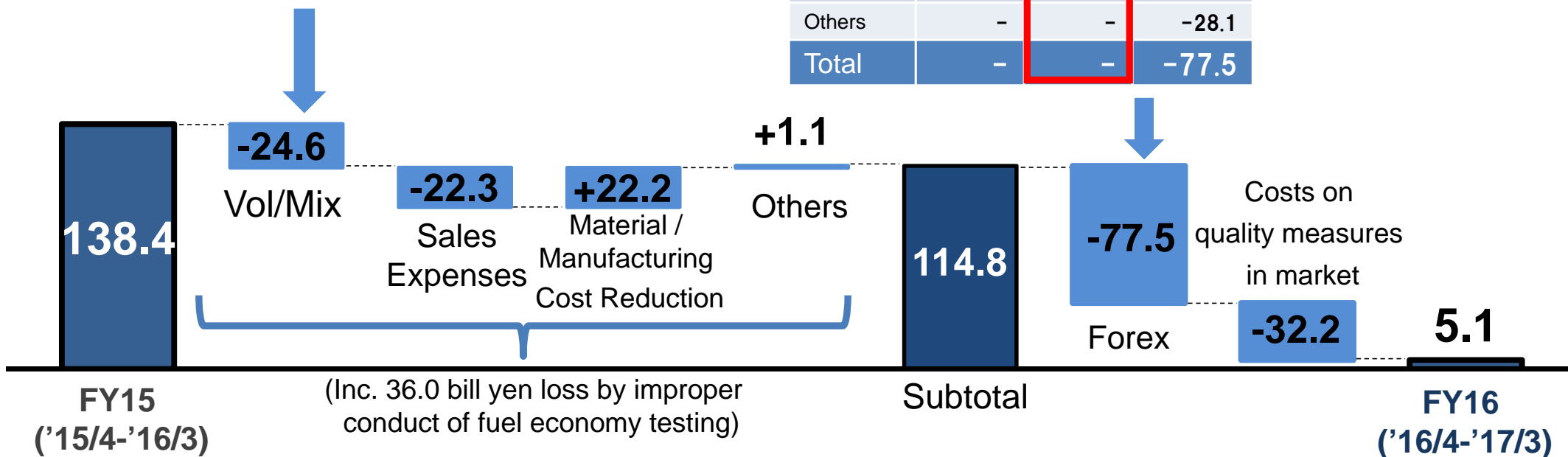
Analysis of Increase/Decrease of Operating Profit (vs. FY2015)



Vol/Mix by region	
Japan	-16.9
North America	+8.1
Europe	+4.5
Asia	-9.2
Others	-11.1
Total	-24.6

Forex effect by main currency			
	Forex rate(yen)		Effect (billion yen)
	FY15	FY16	
USD	121	109	-29.8
EUR	133	119	-22.3
AUD	88	82	-10.7
THB	3.44	3.12	+32.7
GBP	182	140	-19.3
Others	-	-	-28.1
Total	-	-	-77.5

(billion yen)



FY2016 Balance Sheet



(billion yen)

	FY15 (ended Mar. 2016) Actual	FY16 (ended Mar. 2017) Actual	Variance
Total assets	1,433.7	1,484.4	+ 50.7
Cash and deposits	453.4	556.8	+ 103.4
Total liabilities	748.3	780.9	+ 32.6
Interest-bearing debt	27.1	15.6	- 11.5
Total net assets	685.4	703.5	+ 18.1
Shareholders' Equity (Equity ratio)	671.2 (46.8%)	690.5 (46.5%)	+ 19.3
Net Cash	426.3	541.2	+114.9

FY2017 Forecast



ECLIPSE CROSS

FY2017 Forecast Summary 【vs FY16 Actual】



～ Net income recovery to the level of FY2015 ～

(billion yen, thousand units)

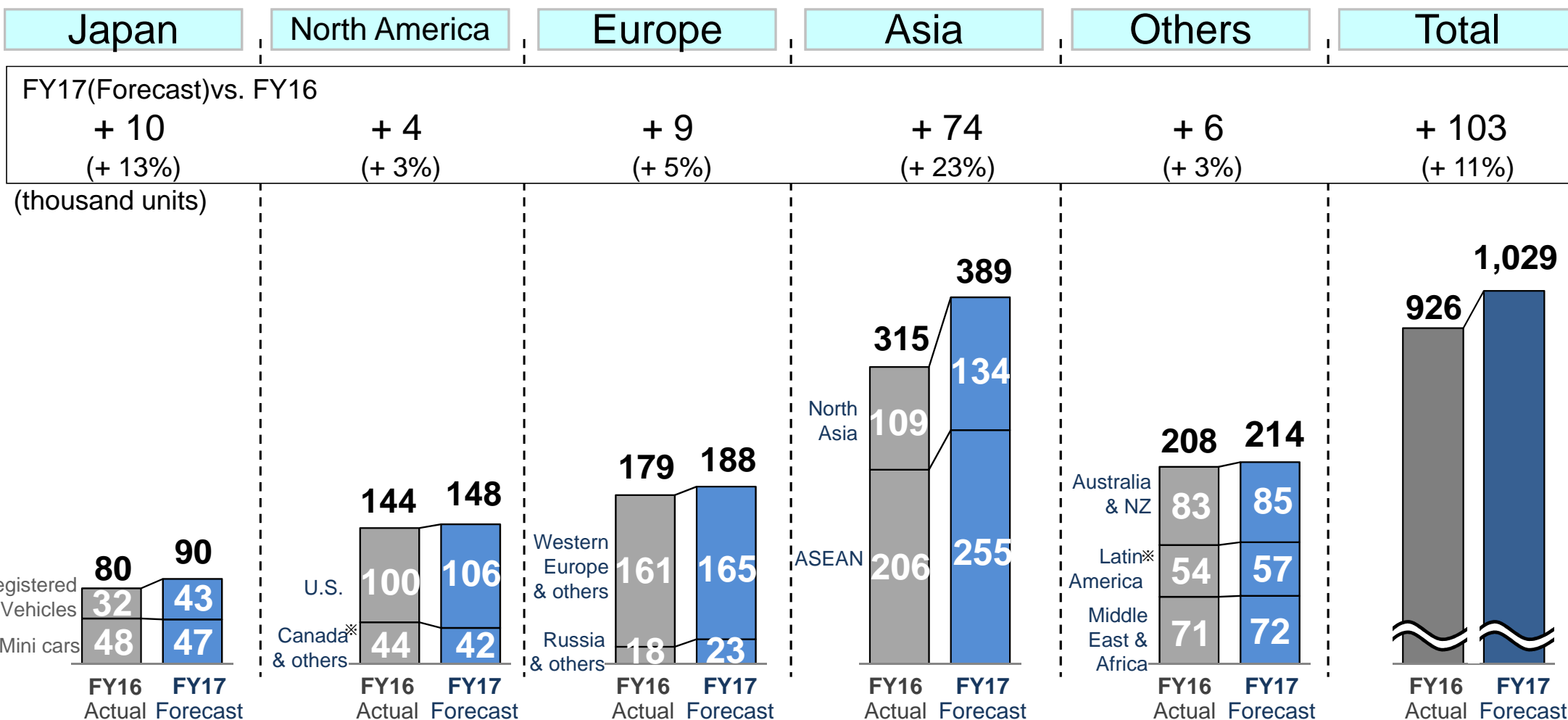
	FY16 (Apr 2016- Mar 2017) Actual	FY17 (Apr 2017- Mar 2018) Forecast	Variance	
			Amount	%
Net sales	1,906.6	2,000.0	+93.4	+5%
Operating Profit (Margin)	5.1 (0.3%)	70.0 (3.5%)	+64.9	+1,268%
Ordinary Profit	8.9	79.0	+70.1	+783%
Net income*	-198.5	68.0	+266.5	-
Sales Volume (Retail)	926	1,029	+103	+11%

*Net income attributable to owners of the Parent

FY2017 Sales Volume Forecast by Region (retail, vs. FY2016)



~ Sales volume increase mainly in ASEAN, North Asia and Japan ~

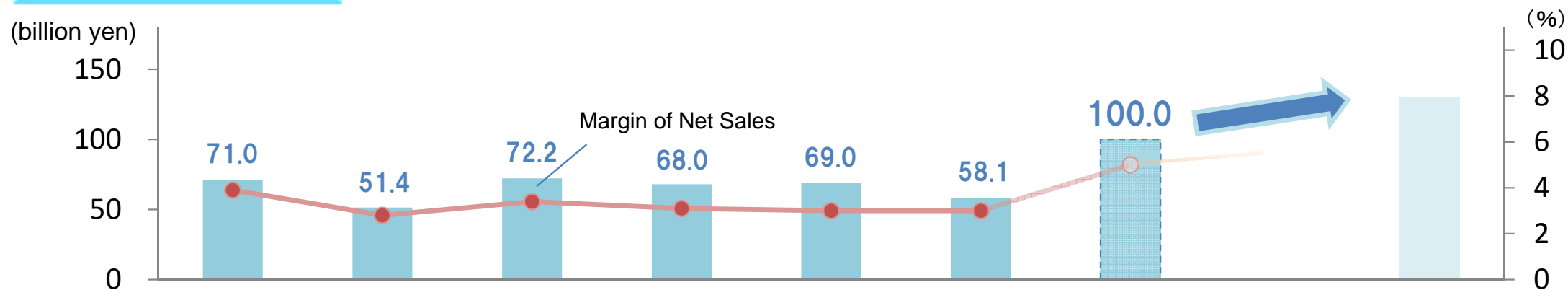


*Changed the regional division of Puerto Rico from "Others" to "North America" from FY2017. According to a this division, revised our sales volume in this slide.

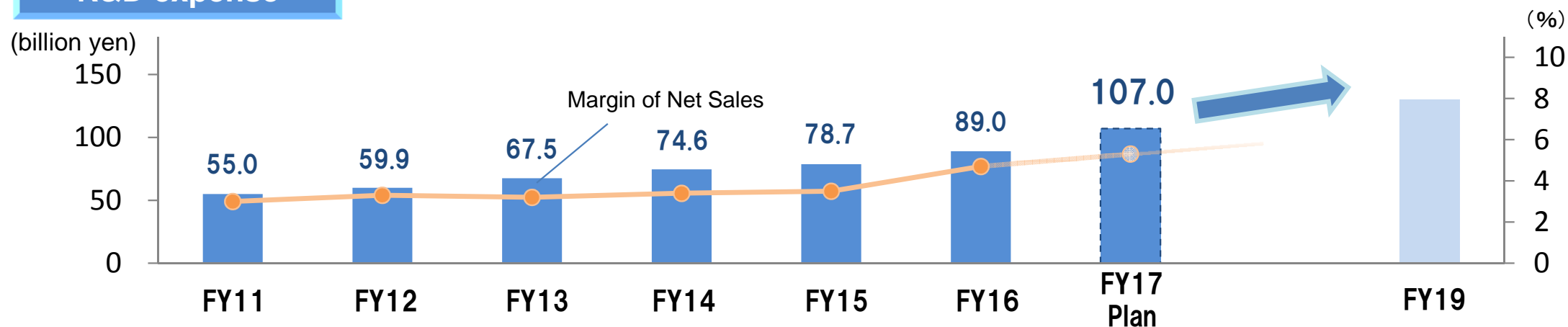
Capital Expenditure / R&D Expense

~ Acceleration of investment for future growth ~

Capital expenditure



R&D expense



Analysis of Increase/Decrease of Operating Profit Forecast (vs. FY2016)

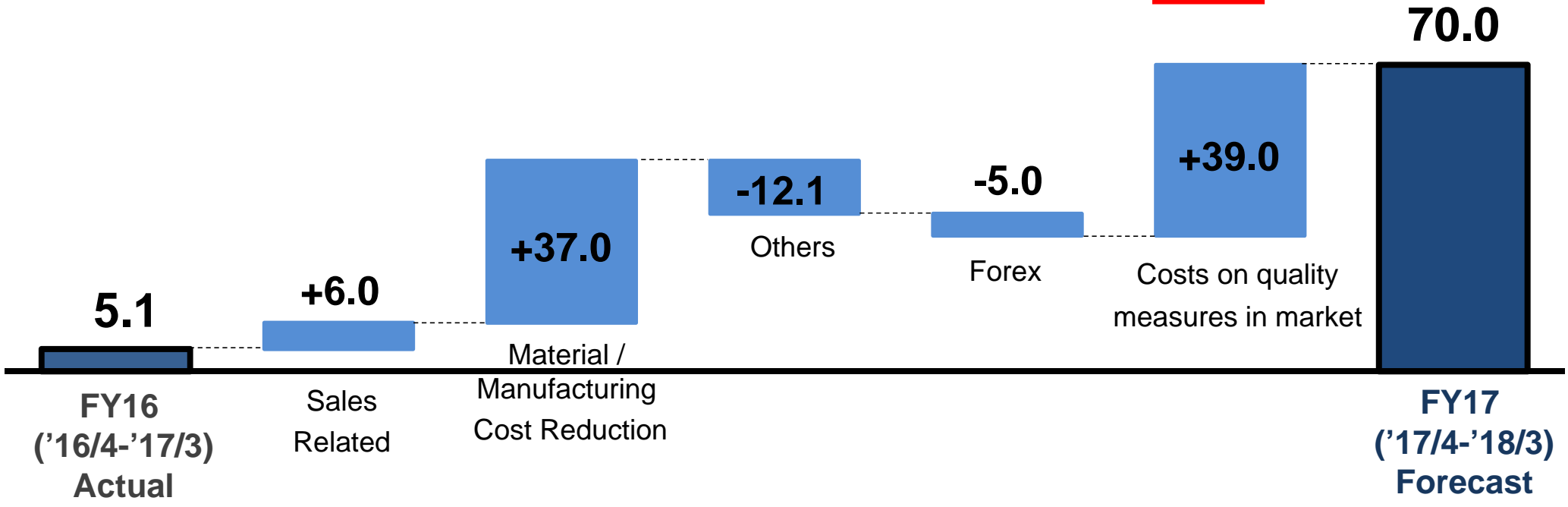


Sales Related	
Vol/Mix	+21.0
Sales Expenses	-15.0
Total	+6.0

Others	
Increase of R&D Expenses	-18.0
Others	+5.9
Total	-12.1

Forex effect by main currency			
	Forex rate(yen)		Effect (billion yen)
	FY16	FY17	
USD	109	105	-8.0
EUR	119	115	-6.0
THB	3.12	3.05	+7.0
Others			+2.0
Total	-	-	-5.0

(billion yen)

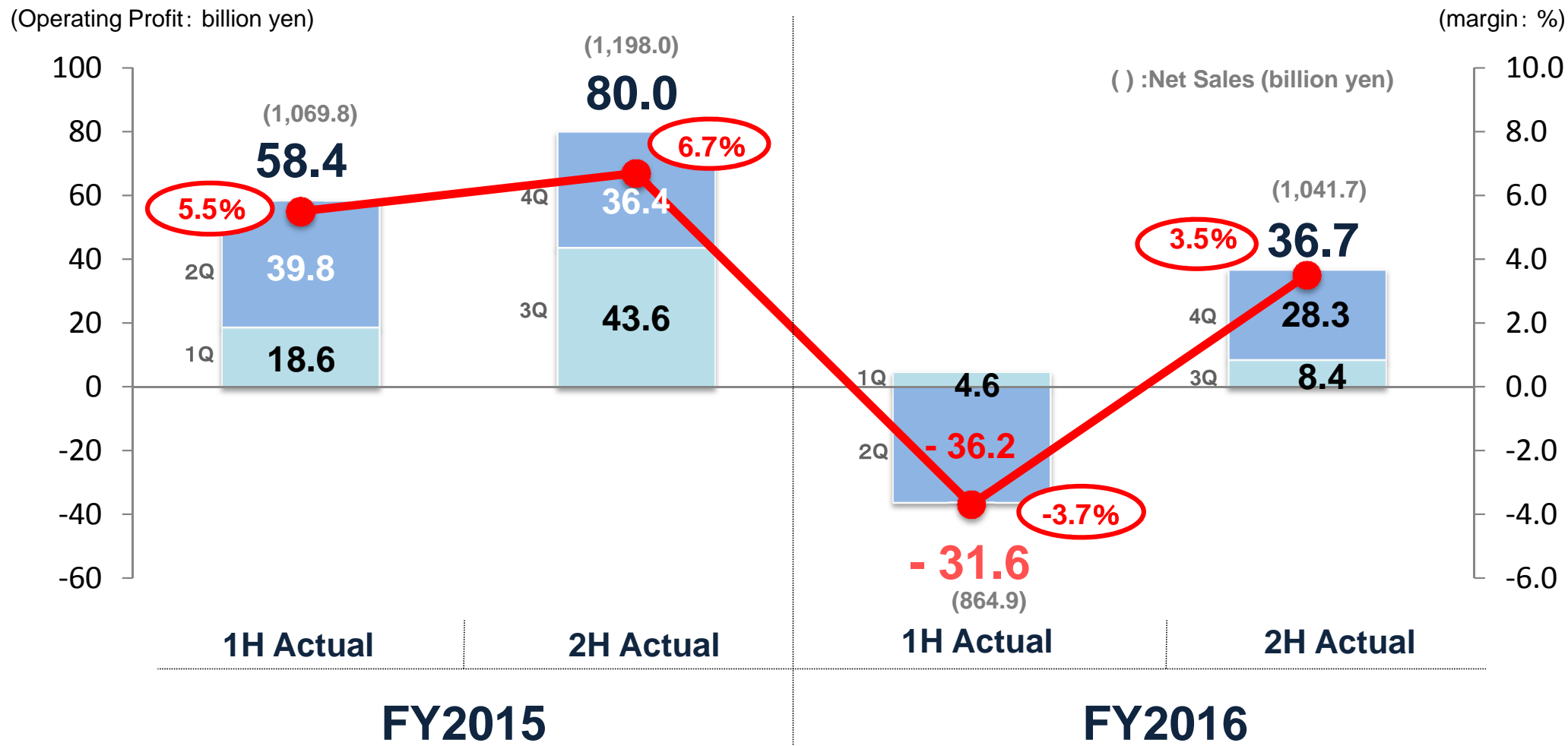


Future Initiatives



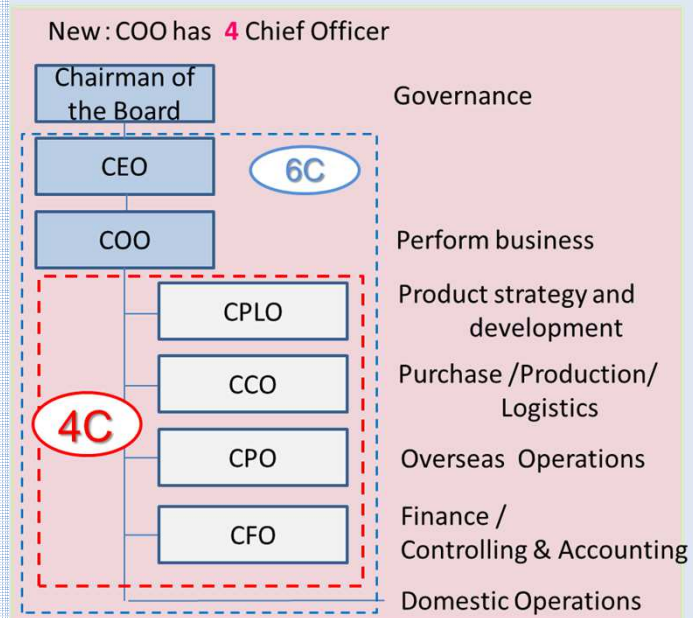
MITSUBISHI XM Concept

Looking Back on FY2016 - Profitability Improvement -



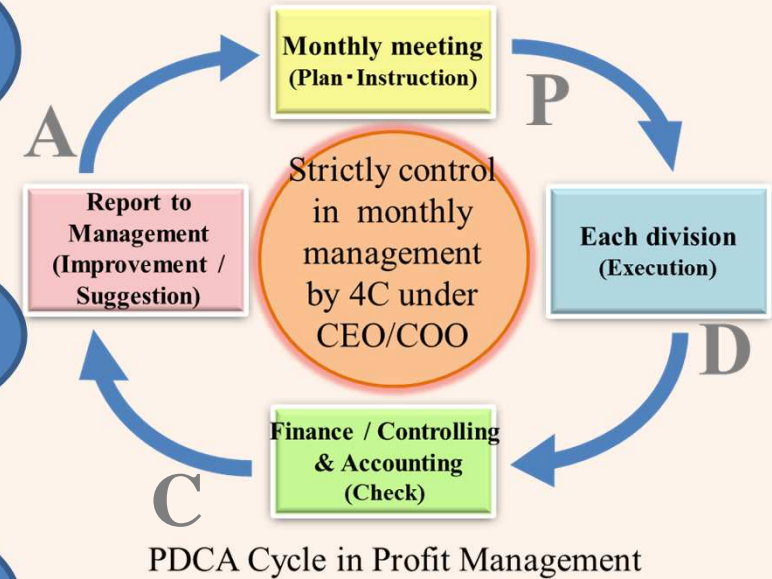
Organization Reform

Faster decision making process thru defining each management authority



Change of Management System

Strengthening Business Management



Evaluation and Compensation System Change

Delegation of Authority / Authorization

Personnel Exchange with Nissan

Initiatives for ASEAN

● Indonesia

New factory started its operation from April.

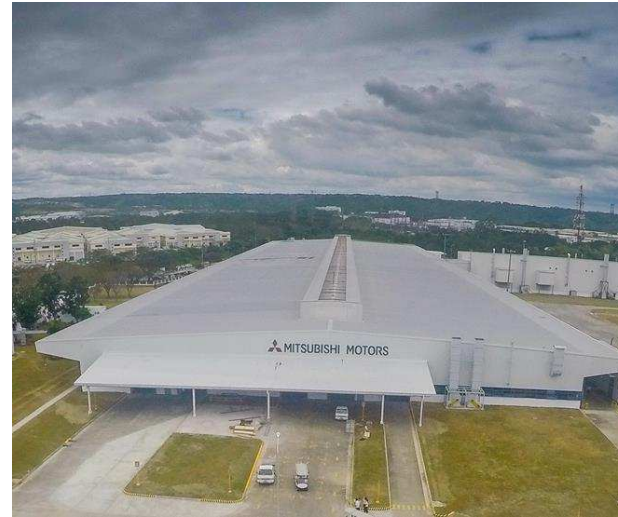


Profile

Capacity : 160k units per year
Area : 30 hectares
Employees : About 3,000 people (end of Mar. 2018)
Main products : *Pajero Sport, New Small MPV
COLT L300*

● Philippines

Local production of the *Mirage* starts in May.



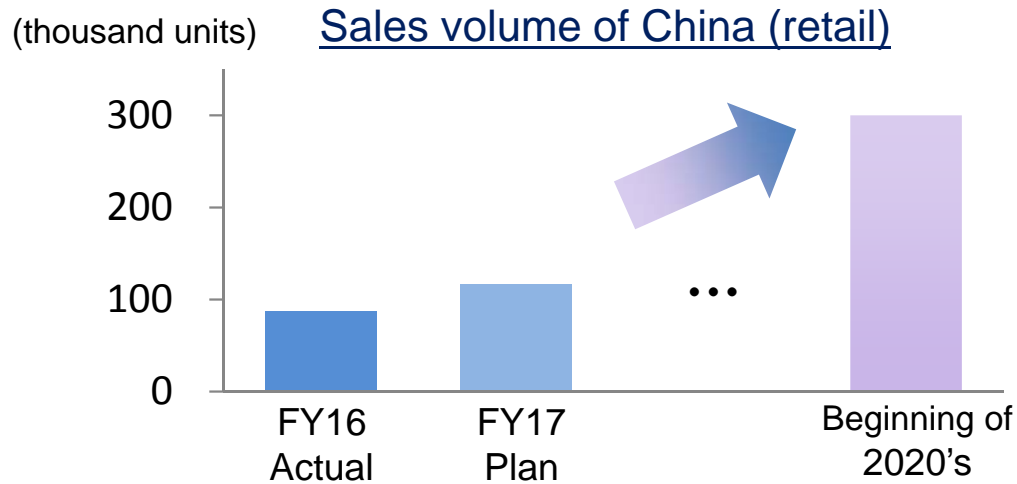
Profile

Capacity : 50k units per year
Area : 21 hectares
Main products : *Adventure, L300
Mirage G4, Mirage*

Initiatives for China

- Sales increase of localized *Outlander*
- Product lineup enhancement
- Dealer network expansion
- New engine plant : Start in FY18, 150k per year

Sales Target beginning of 2020's
= 300k units



Introduction of Global Strategy Model

ECLIPSE CROSS: To be launched in FY2017 2H



Introduction of Regional Strategy Model

MITSUBISHI XM Concept



Cross Company Team(CCT) : 32 teams are launched to study synergy opportunities

Joint purchasing

① Joint transportation in Thailand



② Cost reduction from benchmark data



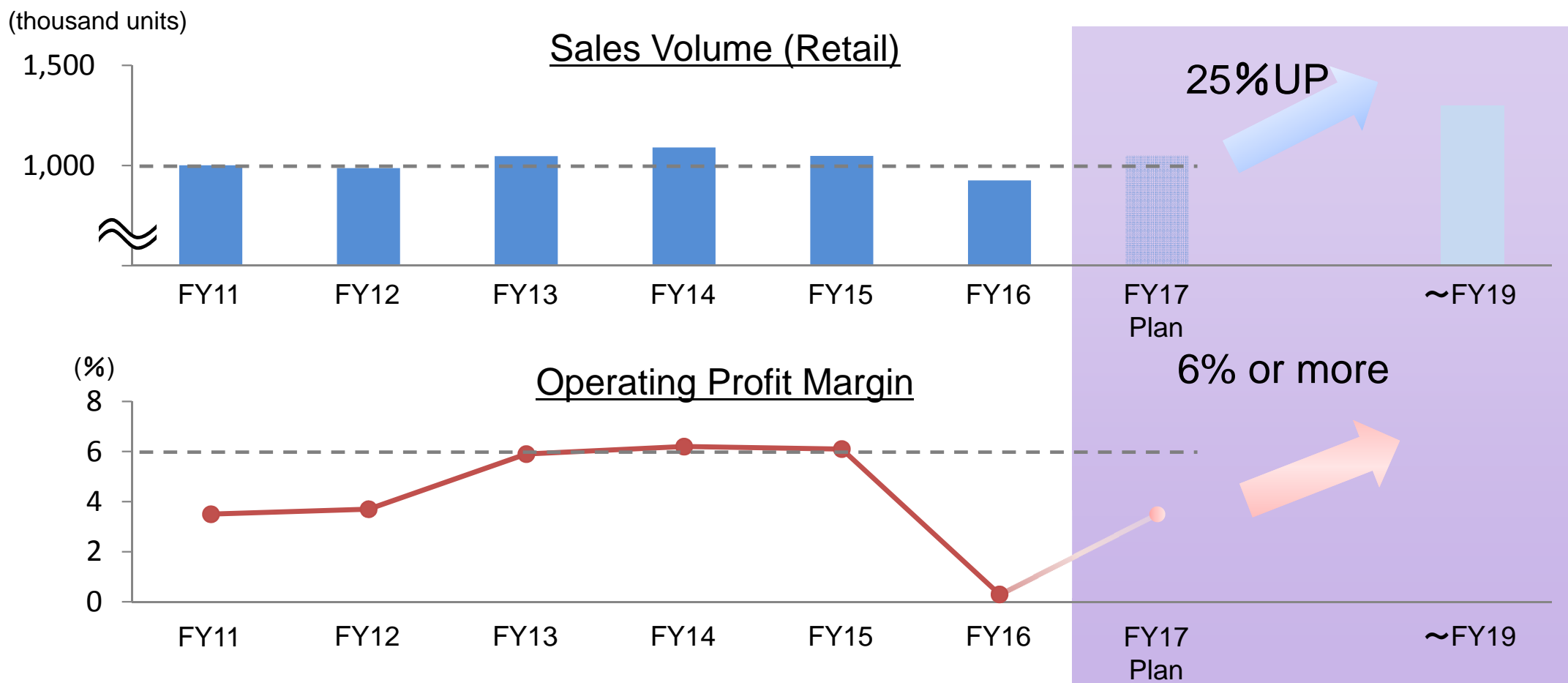
Technology sharing

③ MPV OEM in Indonesia, PHEV technology sharing



Direction to FY2019

Accelerate investing in growth. Achieve the growth of the scale and a V-shaped recovery in earnings



Appendix

Impact from improper conduct in fuel economy testing



(billion yen)

items	Initial forecast (Jun. 22, 2016)	Actual	Variance vs(Jun. 22, 2016)	Previous forecast (Jan. 31, 2017)	Variance vs(Jan. 31, 2017)
Impact on Operating Profit	- 55.0	- 36.0	+ 19.0	- 40.0	+4.0
Extraordinary Loss	- 150.0	- 165.5	- 15.5	- 159.7	- 5.8
Payments to Customers	(- 50.0)	(- 58.6)	- 8.6	(- 58.2)	- 0.4
Customer service expenses other than those above	(- 15.0)	(- 17.6)	- 2.6	(- 16.8)	- 0.8
Sales-related expenses	(- 40.0)	(- 41.4)	- 1.4	(- 40.8)	- 0.6
Production and purchasing	(- 35.0)	(- 36.0)	- 1.0	(- 33.4)	- 2.6
Other	(- 10.0)	(- 11.9)	- 1.9	(- 10.5)	- 1.4
Total	- 205.0	- 201.5	+3.5	- 199.7	- 1.8

FY2016 Regional Results (vs. FY2015)



(billion yen)

	FY15 Actual	FY16 Actual	Variance
Net Sales	2,267.8	1,906.6	-361.2
- Japan	412.9	297.3	-115.6
- North America	324.8	297.1	-27.7
- Europe	514.6	433.5	-81.1
- Asia	482.6	433.5	-49.1
- Others	532.9	445.2	-87.7
Operating Profit	138.4	5.1	-133.3
- Japan	-2.4	-35.8	-33.4
- North America	6.2	-16.6	-22.8
- Europe	22.1	-21.6	-43.7
- Asia	74.9	51.2	-23.7
- Others	37.6	27.9	-9.7

FY2017 Regional Forecast (vs. FY2016)



(billion yen)

	FY16 Actual	FY17 Forecast	Variance
Net Sales	1,906.6	2,000.0	+93.4
- Japan	297.3	350.0	+52.7
- North America	297.1	320.0	+22.9
- Europe	433.5	440.0	+6.5
- Asia	433.5	520.0	+86.5
- Others	445.2	370.0	-75.2

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- Fluctuations in interest rates, exchange rates and oil prices;**
- Changes in laws, regulations and government policies; and**
- Regional and/or global socioeconomic changes.**

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