

FY2017 First Quarter Financial Results



Mitsubishi Motors Corporation
July 25, 2017

DELICA D:5 'ACTIVE GEAR'

1. FY2017 1Q Results

2. FY2017 1Q Results by Region

3. FY2017 Forecast

4. Initiatives for the Future

FY2017 1Q Results Summary (vs. FY2016 1Q)



(billion yen, thousand units)

	FY16 (Apr-Jun 2016) Actual	FY17 (Apr-Jun 2017) Actual	Variance	
			Amount	Ratio
Net sales	428.7	440.9	+12.2	+3%
Operating profit (Margin)	4.6 (1.1%)	20.6 (4.7%)	+16.0	4.5 times
Net income*	-129.7	23.0	+152.7	-
Net Cash	377.1	489.3	+112.2	+30%
Sales Volume (Retail)	221	241	+20	+9%

*Net income attributable to owners of the parent

FY2017 1Q Analysis of Increase/Decrease of Operating Profit (vs. FY2016 1Q)

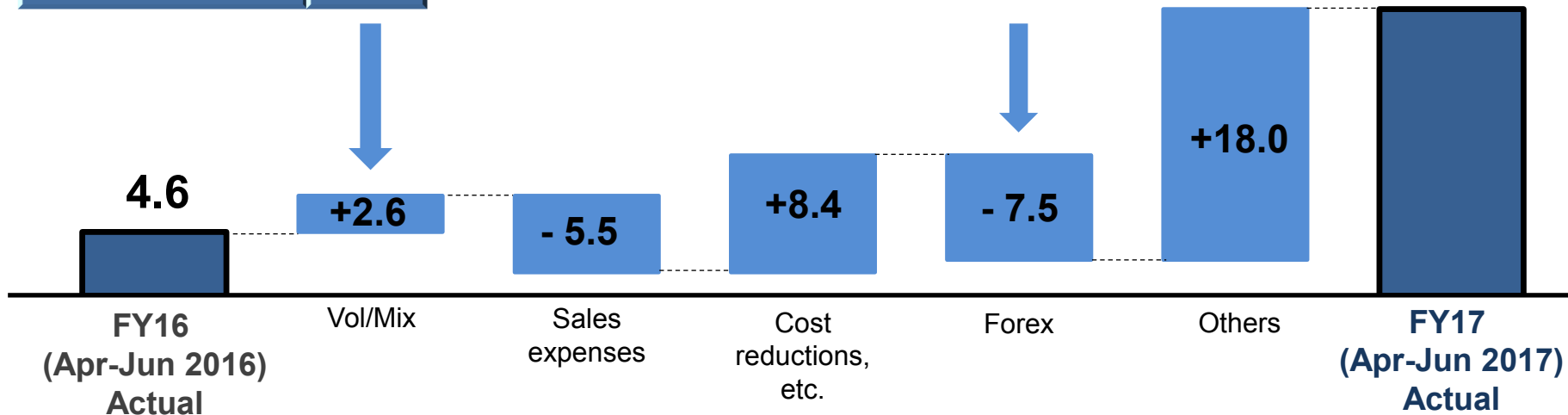


(billion yen)

Vol/Mix by region	
Japan	+3.0
ASEAN	+5.3
North Asia	+4.0
North America	-1.2
Europe	-4.0
Others	-4.5
Total	+2.6

Forex effect by main currency			
	Forex rate(yen)		Effect (billion yen)
	FY16 1Q	FY17 1Q	
USD	111	111	0
EUR	125	122	-1.0
THB	3.09	3.27	-4.1
Others	-	-	-2.4
Total	-	-	-7.5

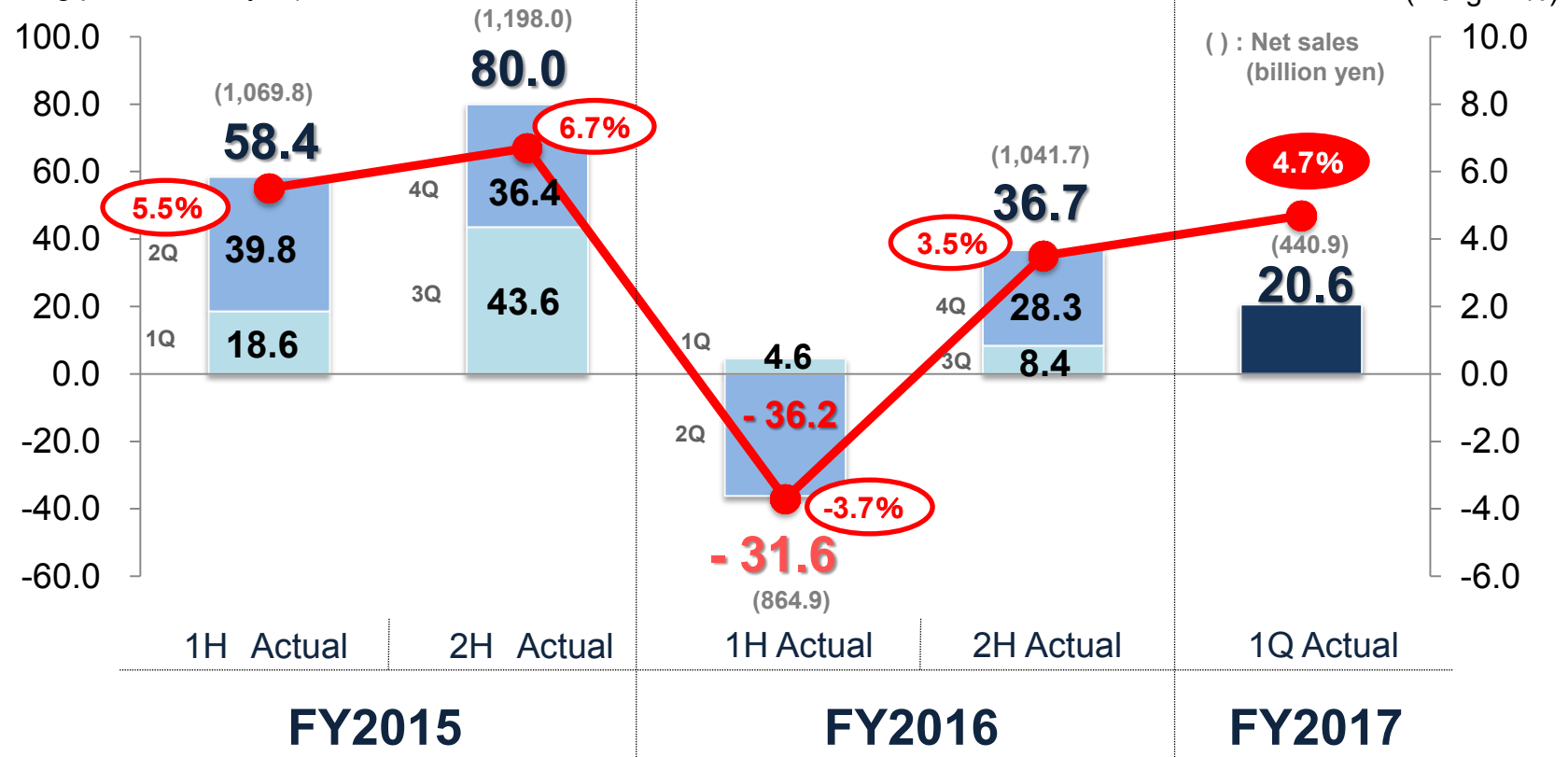
Others	
Cost on quality measures in market	+ 20.8
R&D and others	-2.8
Total	+18.0



Operating Profit Margin Changes ~Maintain a V shaped recovery trend~



(Operating profit: billion yen)



FY2017 1Q Balance Sheet Summary

(billion yen)

	FY16 (end of Mar. 2017) Actual	FY17 1Q (end of Jun. 2017) Actual	Variance
Total assets	1,484.4	1,444.1	-40.3
Cash and deposits	556.8	519.2	-37.6
Total liabilities	780.9	721.5	-59.4
Interest-bearing debt	15.6	29.9	+14.3
Total net assets	703.5	722.6	+19.1
Shareholders' Equity (Equity ratio)	690.5 (46.5%)	704.1 (48.8%)	+13.6
Net Cash	541.2	489.3	-51.9

1. FY2017 1Q Results

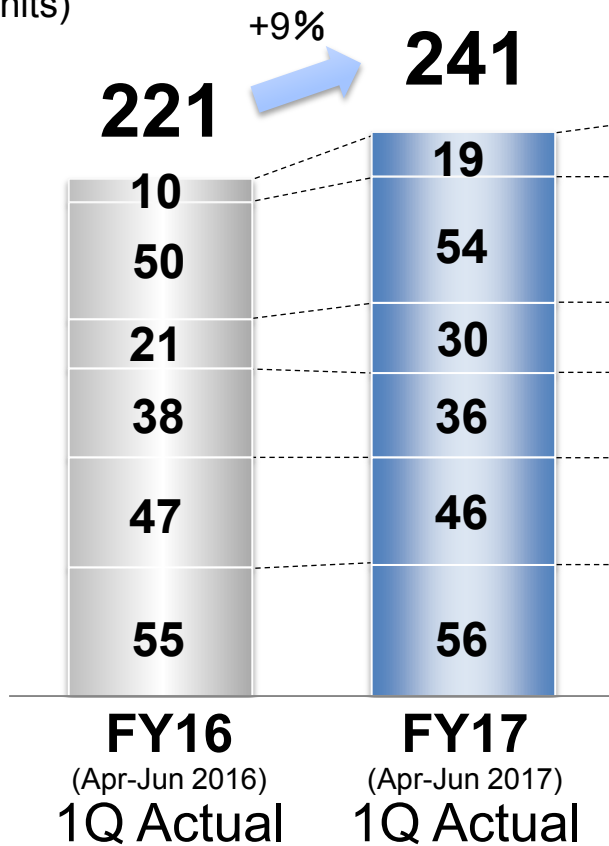
2. FY2017 1Q Results by Region

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FY2017 1Q Retail Sales Volume 【vs. FY2016 1Q】

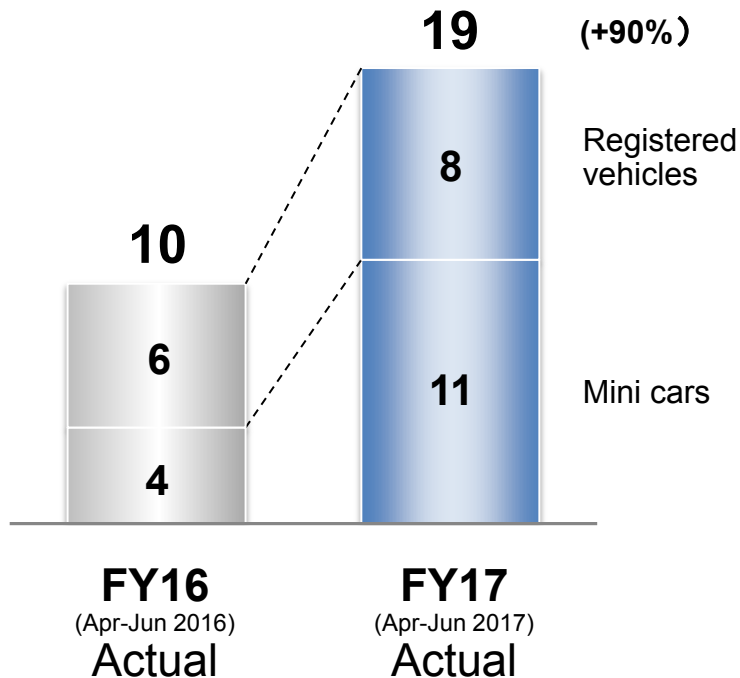
(thousand units)



Region	vs. FY16 1Q
Japan	+ 90%
ASEAN	+ 8%
North Asia	+ 43%
North America	- 5%
Europe (incl. Russia)	- 2%
Others	+ 2%

FY2017 1Q Results by Region: Japan

Retail sales volume(thousand units)



Outlander 'ACTIVE GEAR' (Launched in July)

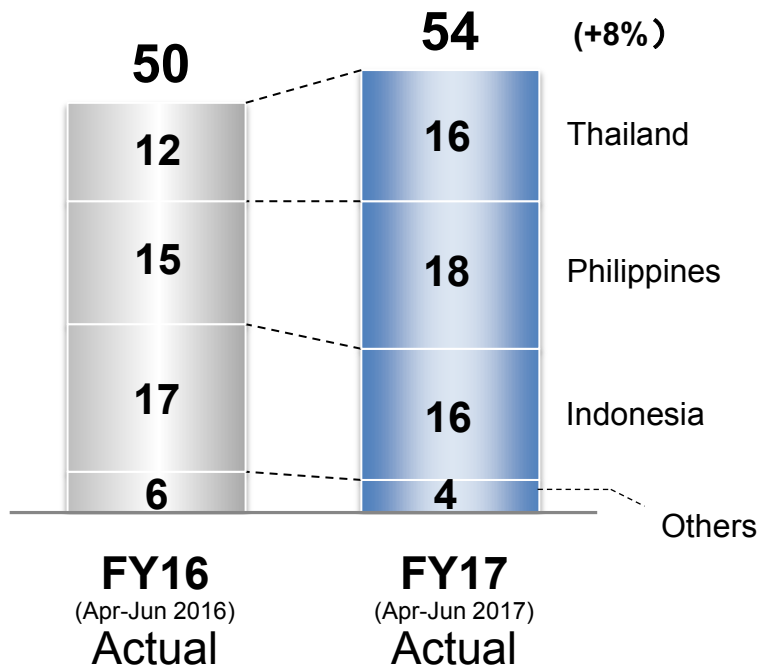
- Retail sales volume: 19,000 units
- Volume substantially dropped due to improper fuel economy testing
- Both registered vehicles and mini cars recovered to the FY2015 level
- Accelerated brand rebuilding

TIV:	1,077	1,204	(+12%)
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TIV : According to our research.

FY2017 1Q Results by Region: ASEAN

Retail sales volume(thousand units)



Pajero Sport

■ Retail sales volume: 54,000 units

Thailand: Economic recovery led to sales recovery

Philippines: Locally produced models expanded

Indonesia: New plant launched smoothly

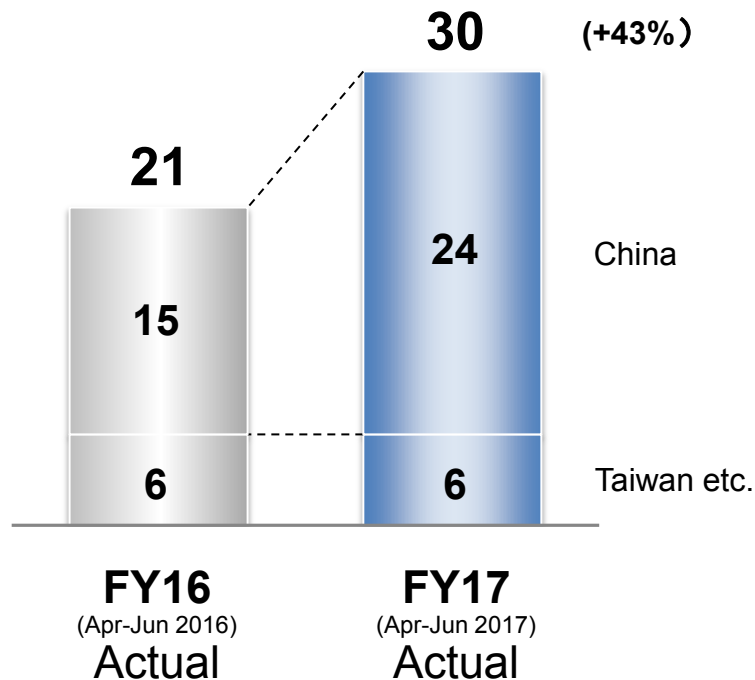
Preparation in progress for new compact MPV

TIV*:	543	550	(+1%)
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*:Thailand + Philippines + Indonesia

FY2017 1Q Results by Region: North Asia

Retail sales volume(thousand units)



Outlander

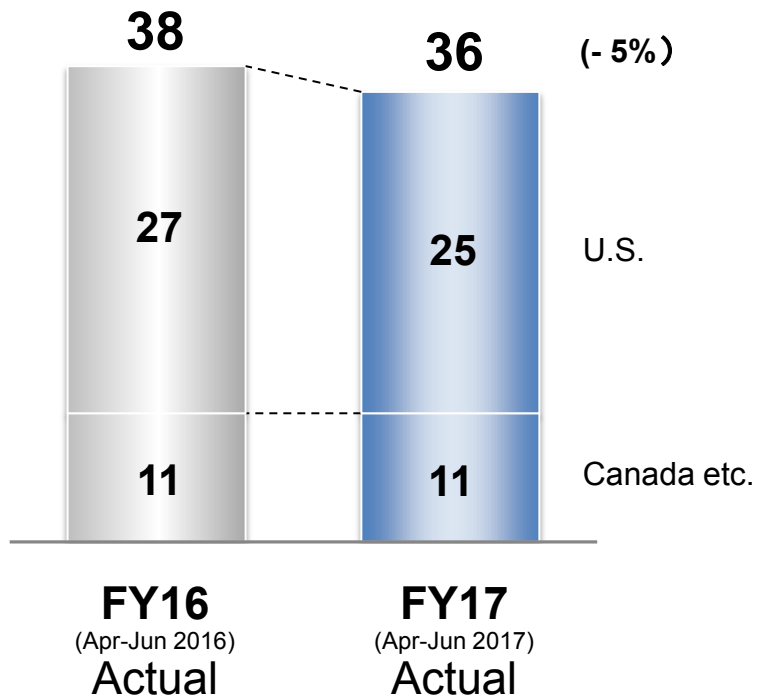
- Retail sales volume: 30,000 units
- China: Sales of *Outlander* remain strong
- Dealer network expansion accelerated

TIV*:	6.3 M	6.4 M	(+2%)
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*: China

FY2017 1Q Results by Region: North America

Retail sales volume(thousand units)



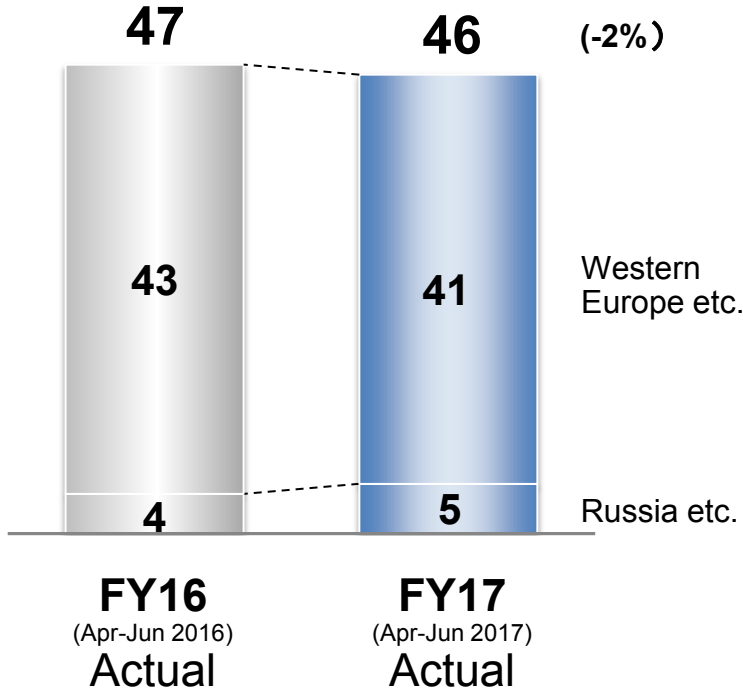
Outlander

- Retail sales volume: 36,000 units
- Strong *Outlander* sales
- Aim to improve presence in the market

TIV:	5.5 M	5.4 M	(- 2%)
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FY2017 1Q Results by Region: Europe

Retail sales volume(thousand units)



ASX

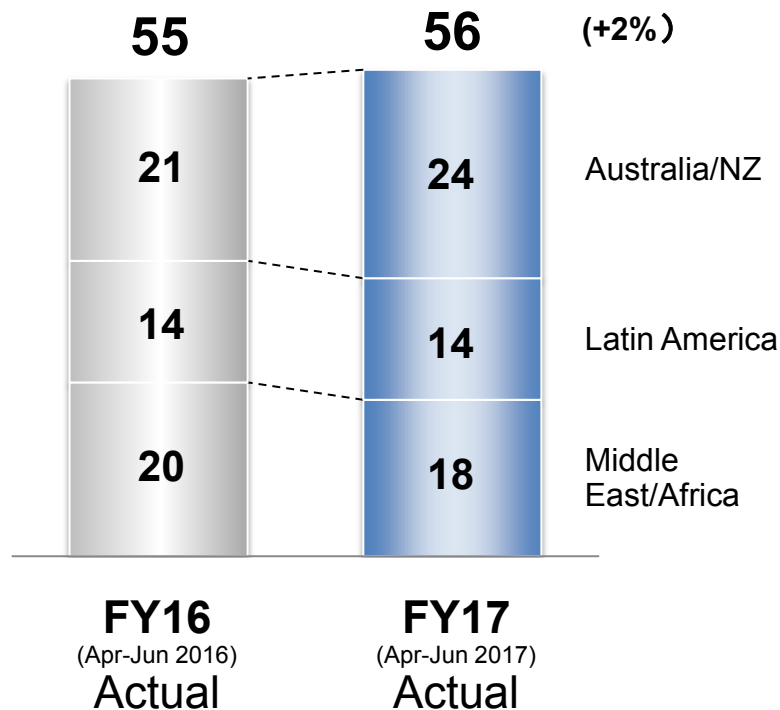
- Retail sales volume: 46,000 units
- In Western Europe *Outlander* sales declined
- *ASX* and *Mirage* sales increased
- Demand in Russia on a recovery trend

TIV*:	4.7 M	4.7 M	(0%)
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*:EU + EFTA

FY2017 1Q Results by Region: Other Regions

Retail sales volume(thousand units)



Triton

■ Retail sales volume: 56,000 units

Australia/NZ: Sales remain strong

Middle East/Africa: Continued sluggish demand

TIV*: 1,627 1,654 (+2%)

*: Australia/NZ + Latin America + GCC

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

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FY2017 Full-Year Forecast 【vs. FY2016 Actual】

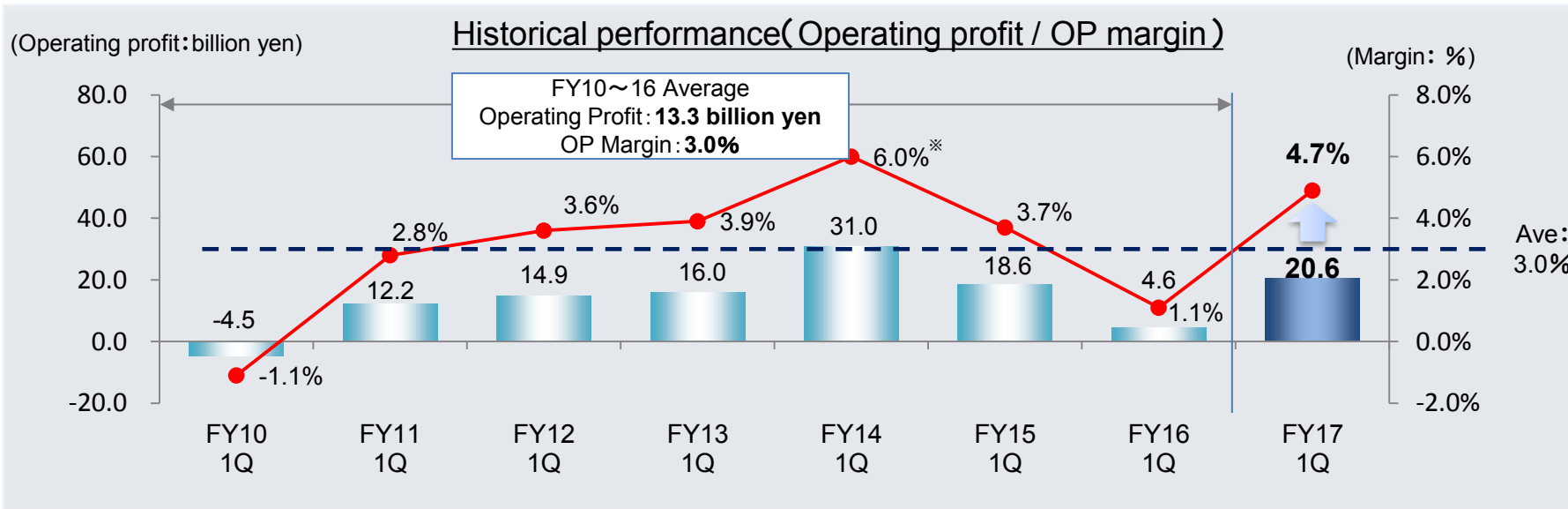
- No change from the previous announcement (May 9) -

(billion yen, thousand units)

	FY16 (Apr 2016-Mar 2017) Actual	FY17 (Apr 2017-Mar 2018) Forecast	Variance	
			Amount	Ratio
Net sales	1,906.6	2,000.0	+93.4	+5%
Operating Profit (Margin)	5.1 (0.3%)	70.0 (3.5%)	+64.9	Approx. 14 times
Ordinary Profit	8.9	79.0	+70.1	Approx. 9 times
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 1Q Business performance summary



※: 14FY 1Q FX tailwind in Euro and Thai Baht.

- Business administration practices (monthly PDCA cycle) in place
- Create synergies in purchasing by implementing the benchmarking technique

Good start in achieving the plan

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New Small MPV

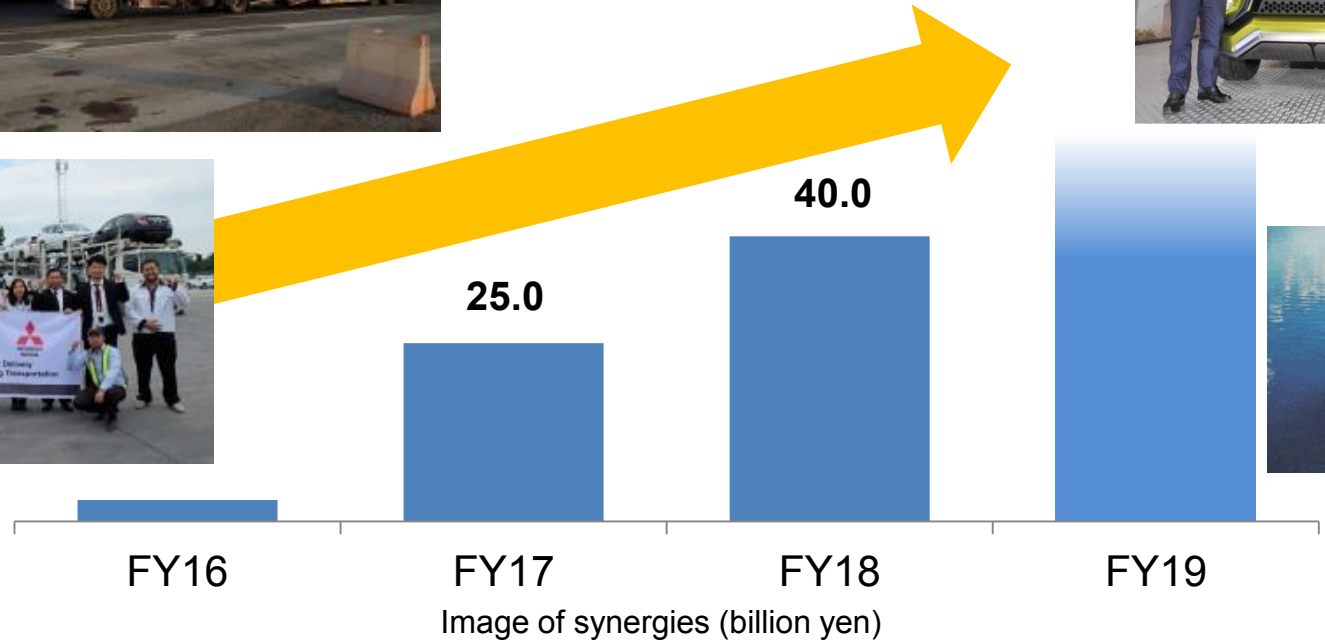


Eclipse Cross



Alliance Update: Synergy effect

Cross Company Teams (CCT): 32 teams study synergy generation in various areas



Collaboration in sales finance services

- By obtaining cooperation from Nissan's local sales finance subsidiaries, we will develop and provide wholesale and retail financial services for the MMC brand. We have just launched the services in Thailand, which is one of our key markets.

<Services launched>

Australia : June~
Canada / New Zealand : July~



<New services to be launched>

Thailand : 25th July~

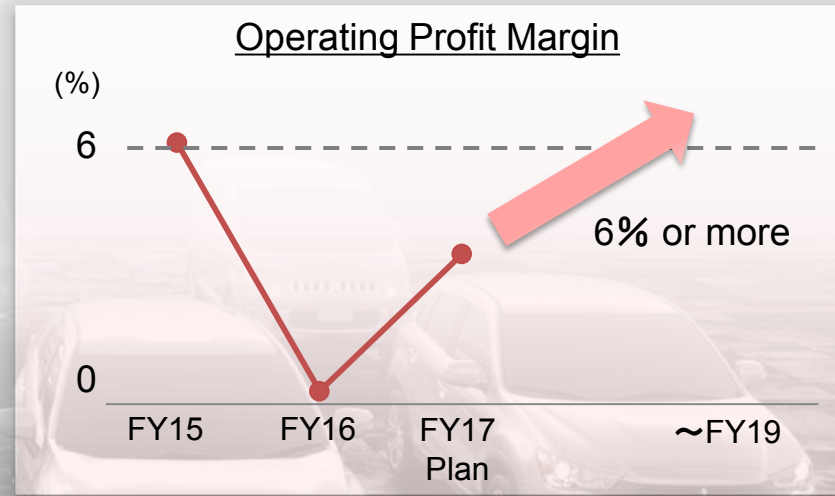
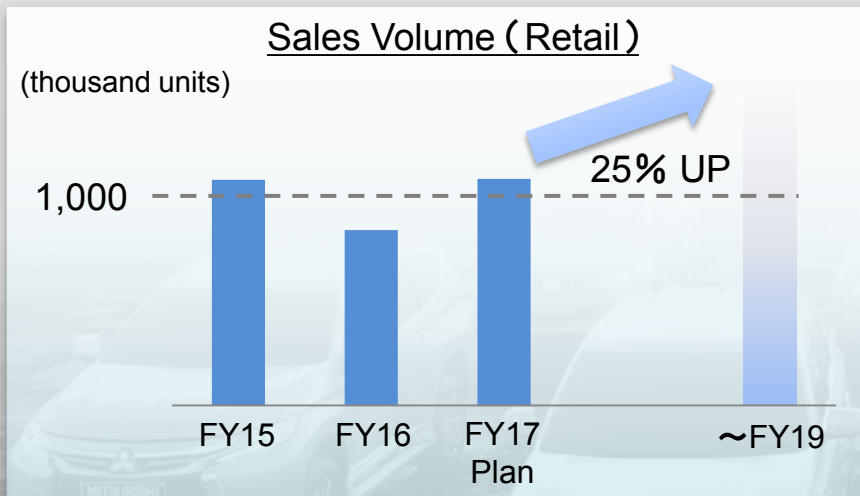


Collaboration in aftersales/logistics

- Create a new shared warehouse for parts and accessories in Australia
- Undertake distribution and logistics jointly based on a new warehouse

Mid-Term Business Plan scheduled to be announced in Autumn

Increase sales volume to 1.25 million units and operating margin of at least 6% by FY2019



Appendix

FY2017 1Q Regional Forecast (vs. FY2016 1Q)



(billion yen)

	Net Sales			Operating Profit		
	FY16 1Q Actual ('16/4-'16/6)	FY17 1Q Actual ('17/4-'17/6)	Variance	FY16 1Q Actual ('16/4-'16/6)	FY17 1Q Actual ('17/4-'17/6)	Variance
Total	428.7	440.9	+12.2	4.6	20.6	+16.0
- Japan	45.7	75.4	+29.7	-13.1	-7.5	+5.6
- ASEAN	78.7	106.6	+27.9	11.8	10.7	-1.1
- North Asia	15.2	27.4	+12.2	0.4	4.6	+4.2
- North America	77.4	69.8	-7.6	3.9	3.3	-0.6
- Europe	106.7	74.7	-32.0	-4.7	0.2	+4.9
- Others	105.0	87.0	-18.0	6.3	9.3	+3.0

※Changed the regional division of Puerto Rico from “Others” to “North America” from FY2017. According to a this division, revised our figures in this slide.

(billion yen)

	FY16 1Q (Apr-Jun 2016) Actual	FY17 1Q (Apr-Jun 2017) Actual	FY17 (Apr 2017-Mar 2018) Forecasts
Capital expenditure (YoY)	8.8 (-11%)	12.9 (+47%)	100.0 (+72%)
Depreciation (YoY)	11.8 (-9%)	11.1 (-6%)	53.0 (+15%)
R&D expense (YoY)	20.0 (+10%)	20.7 (+4%)	107.0 (+20%)

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



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

Total

Japan

North America

Europe

Asia

Others

FY17(Forecast)vs. FY16

+ 103
(+ 11%)

+ 10
(+ 13%)

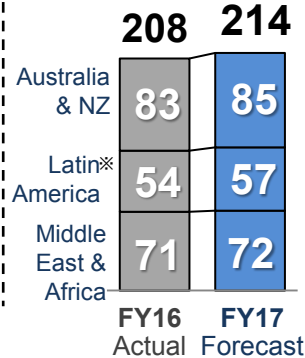
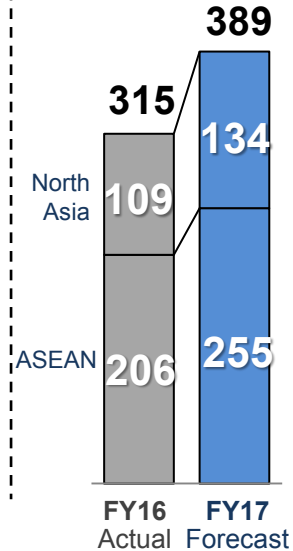
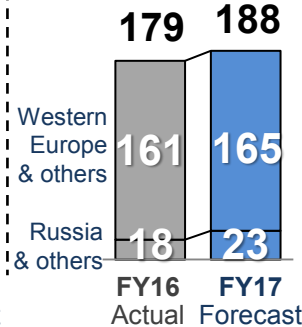
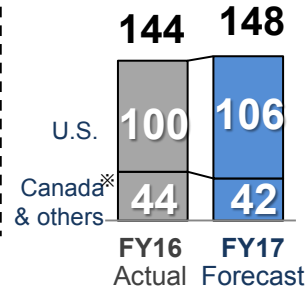
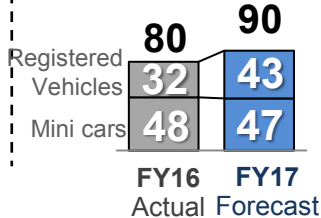
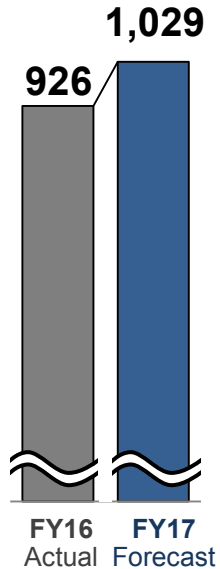
+ 4
(+ 3%)

+ 9
(+ 5%)

+ 74
(+ 23%)

+ 6
(+ 3%)

(thousand units)



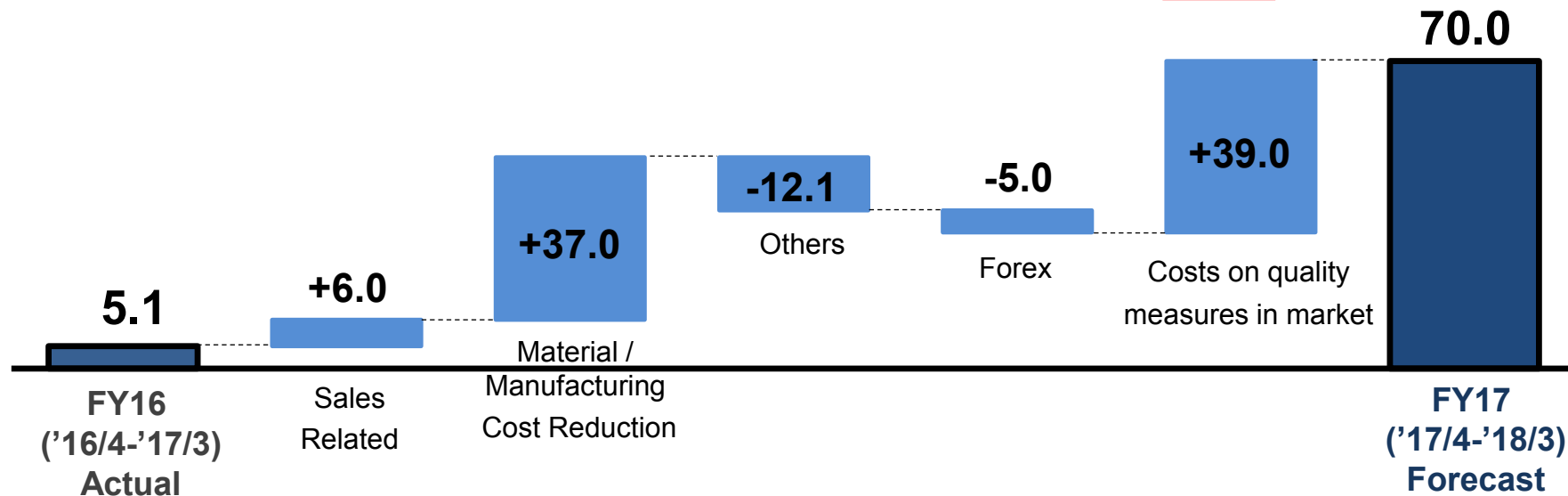
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Analysis of Increase/Decrease of Operating Profit Forecast (vs. FY2016)

Sales Related		Others	
Vol/Mix	+21.0	Increase of R&D Expenses	-18.0
Sales Expenses	-15.0	Others	+5.9
Total	+6.0	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)

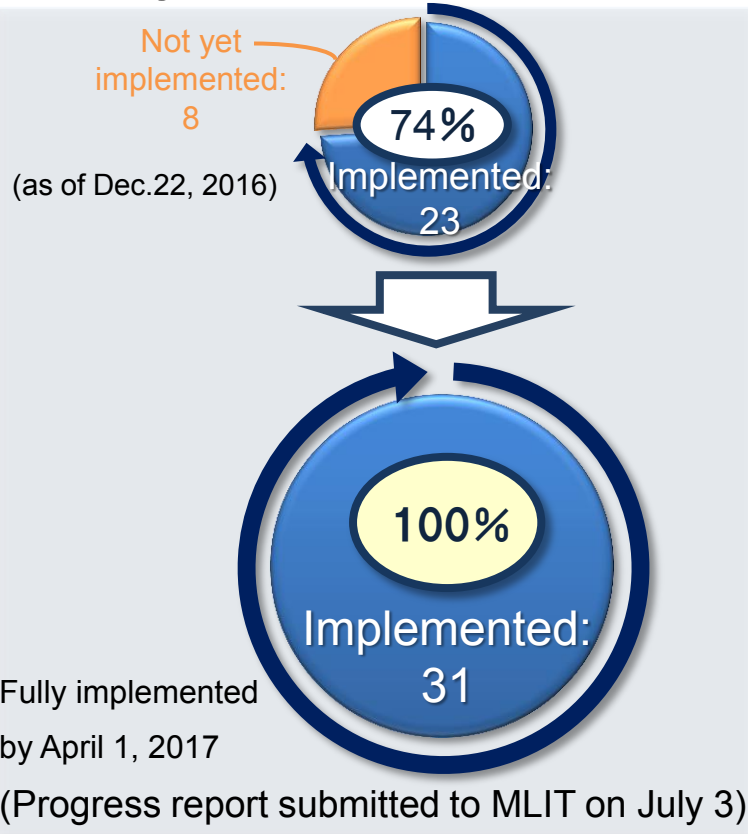


FY2017 Regional Forecast (vs. FY2016)

(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

• Progress of all 31 measures



• Verify the effect of the measures

Categorize the measures into the following 4 groups for ongoing follow-up

- I. We can expect to see the effect at the time the measure is implemented
- II. We verify the effect continuously over the next 1 year
- III. We verify the effect after 3-year ongoing monitoring
- IV. We verify the effect through employee awareness surveys

We will verify the effect continuously and make improvements, as needed, to increase effectiveness of the measures.

- The remaining portion of tax breaks for eco-friendly vehicles had been returned in full by July 25.

All statements herein, other than historical facts, contain forward-looking statements and are based on MMC's current forecasts, expectations, targets, plans, and evaluations. Any forecasted value is calculated or obtained based on certain assumptions. Forward-looking statements involve inherent risks and uncertainties. A number of significant factors could therefore cause actual results to differ from those contained in any forward-looking statement. Significant risk factors include:

- Feasibility of each target and initiative as laid out in this presentation;**
- 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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