MITSUBISHI MOTORS

Drive for Growth

Mid-Term Plan(FY2017-FY2019)

October 18, 2017

Mitsubishi Motors Corporation

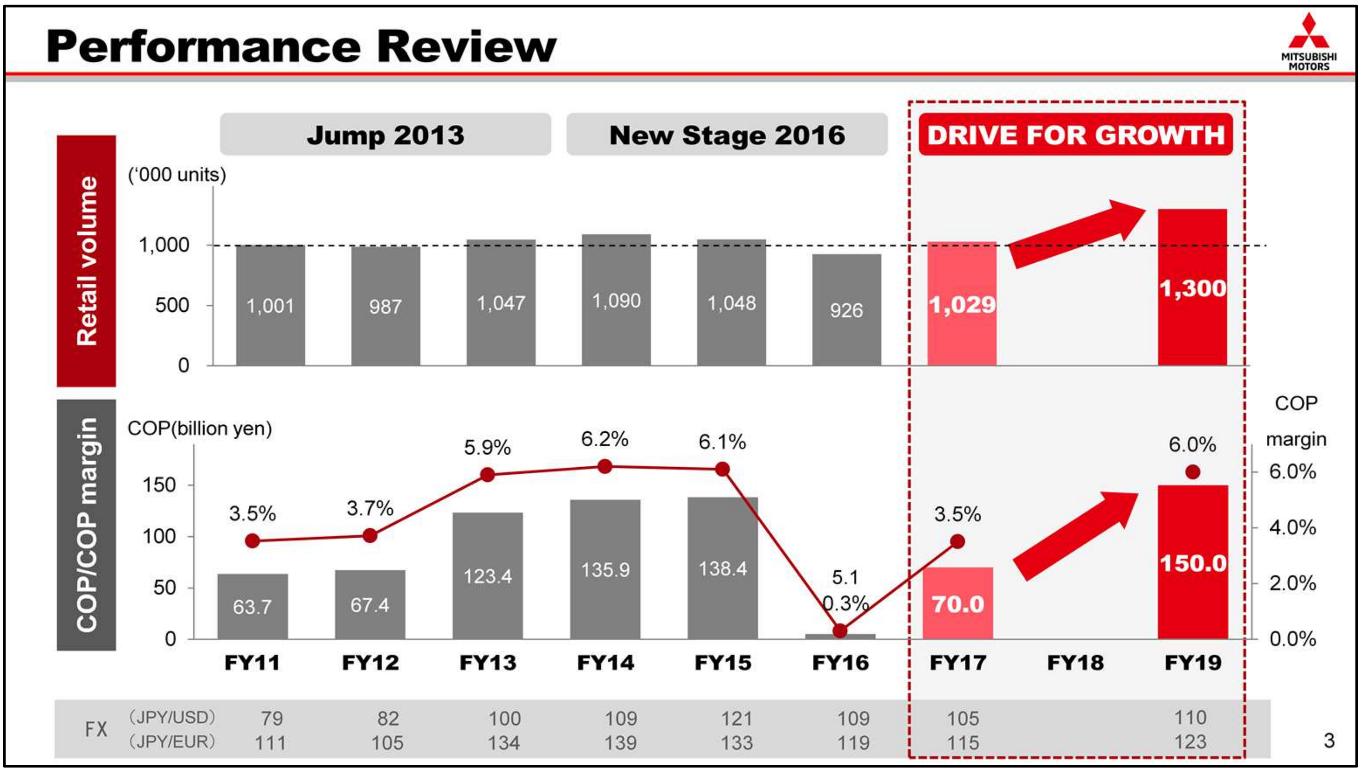
I am going to explain MMC's mid-term plan, which covers a three-year period from FY2017 to FY2019. I will start with an overview of the three years.

In the mid-term plan, we have three priorities.
First, a swift restoration of trust, which was damaged by the improper fuel economy testing issue last year. Next, for the mid-term plan to keep Mitsubishi Motors on track for a V-shaped recovery. And, the successful launch of new models, as described in the mid-term plan.

Looking ahead three years to the next mid-term plan, we aim to establish a solid foundation as a company and to maintain our competitiveness even in a drastically changed market.

We'd also like to work towards creating a situation where we can repay the many stakeholders who have supported MMC during difficult times, building an environment where we can grow together.

Now I'd like to move on to specifics of the mid-term plan, starting with a review of the business.



I would like to review our past performance and explain how the mid-term plan “Drive for Growth” is related to our recent history.

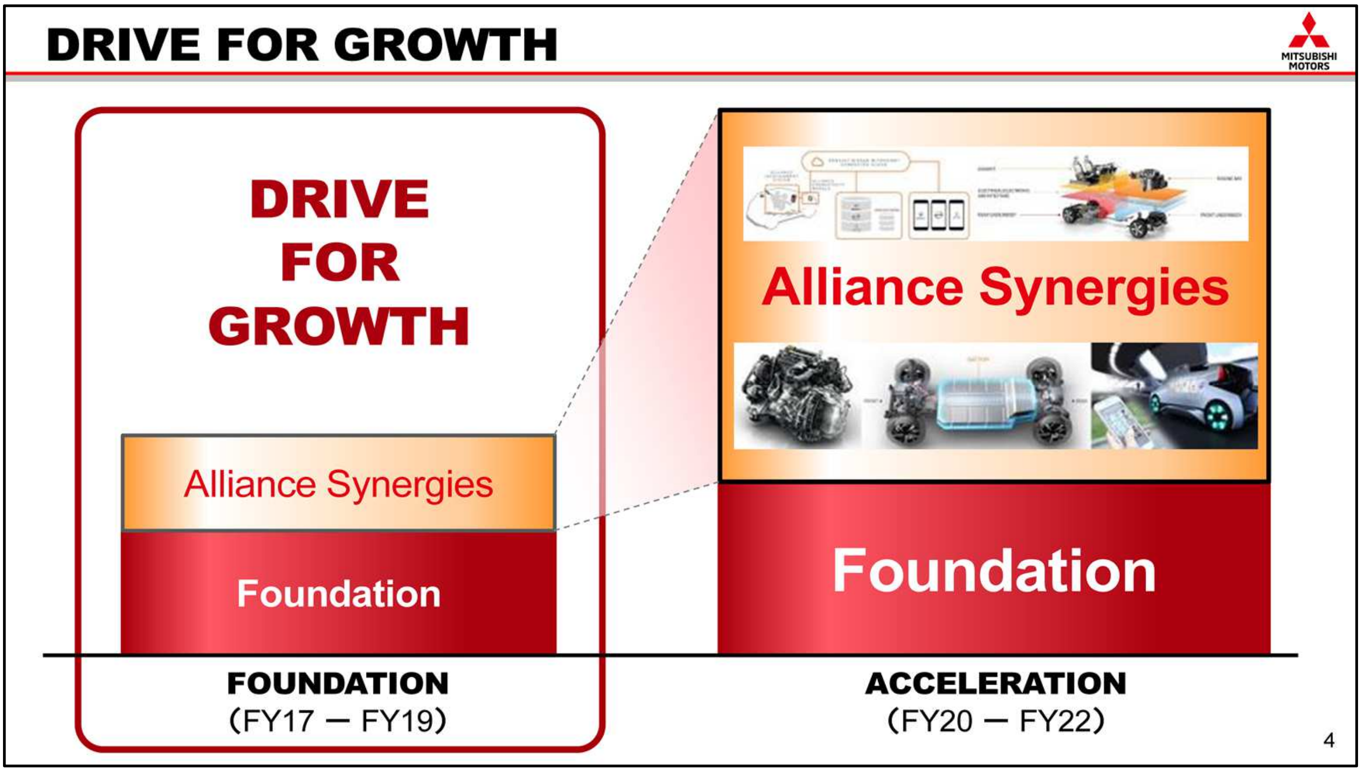
As you can see, after the crisis we experienced in 2004, we endured the global financial crisis. As a result of strategically focusing on and developing our ASEAN business, and building on our traditional strengths in SUVs and PHEVs, we were able to lift our COP margin above 6 per cent, the highest in our history, in FY2014 and FY2015, thanks partly to a tailwind of a weaker yen. We were also able to strengthen our balance sheet substantially.

During this period, however, Mitsubishi Motors sold about 1 million vehicles a year, and failed to achieve volume growth. The main reason for this was the delayed launch of new models. More specifically, when environmental and safety regulations were increasingly tightened globally, we had insufficient resources to execute the planned substantial increase in R&D and CAPEX.

As we look to the future, the automotive industry is at an epoch-making turning point. Competition in developing electrification, autonomous driving, connectivity and shared mobility will be completely different, qualitatively and quantitatively, from what we have seen in the past. As a manufacturer with annual sales of 1 million units, we were beginning to find it difficult to address all these technological requirements on our own.

Against this backdrop, we concluded that it is essential for MMC to have reliable partners, to develop the structures and resources to make the necessary investments. Therefore we became a member of the Renault-Nissan Alliance through a capital tie-up.

We now have a framework in place to make the necessary investment and to maximize the use of the Alliance resources made available by Nissan’s equity investment so as to aim for growth again.

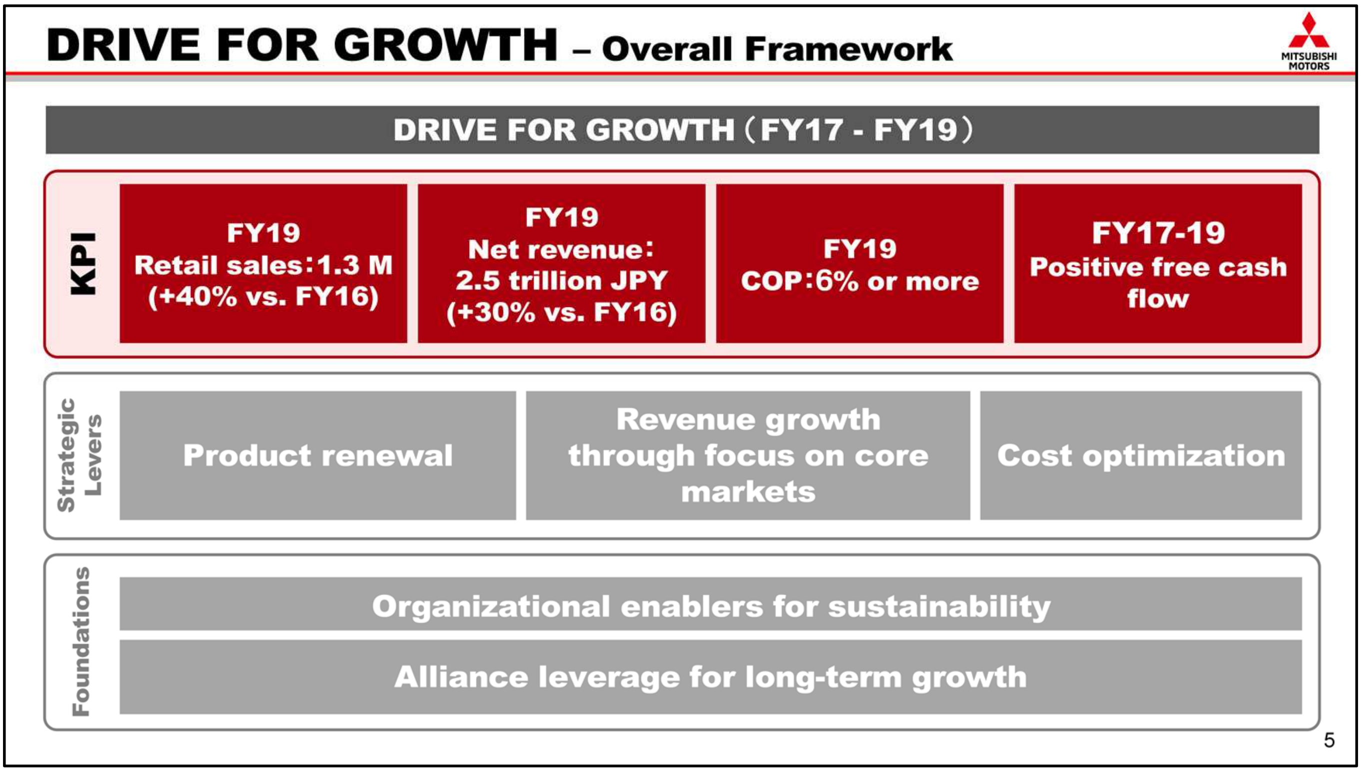


As a member of the Alliance, we have drawn a new roadmap based on assumptions completely different from those we used in the past.

The ultimate goal of our three-year “Drive for Growth” plan is to build the foundations for profitable and sustainable growth.

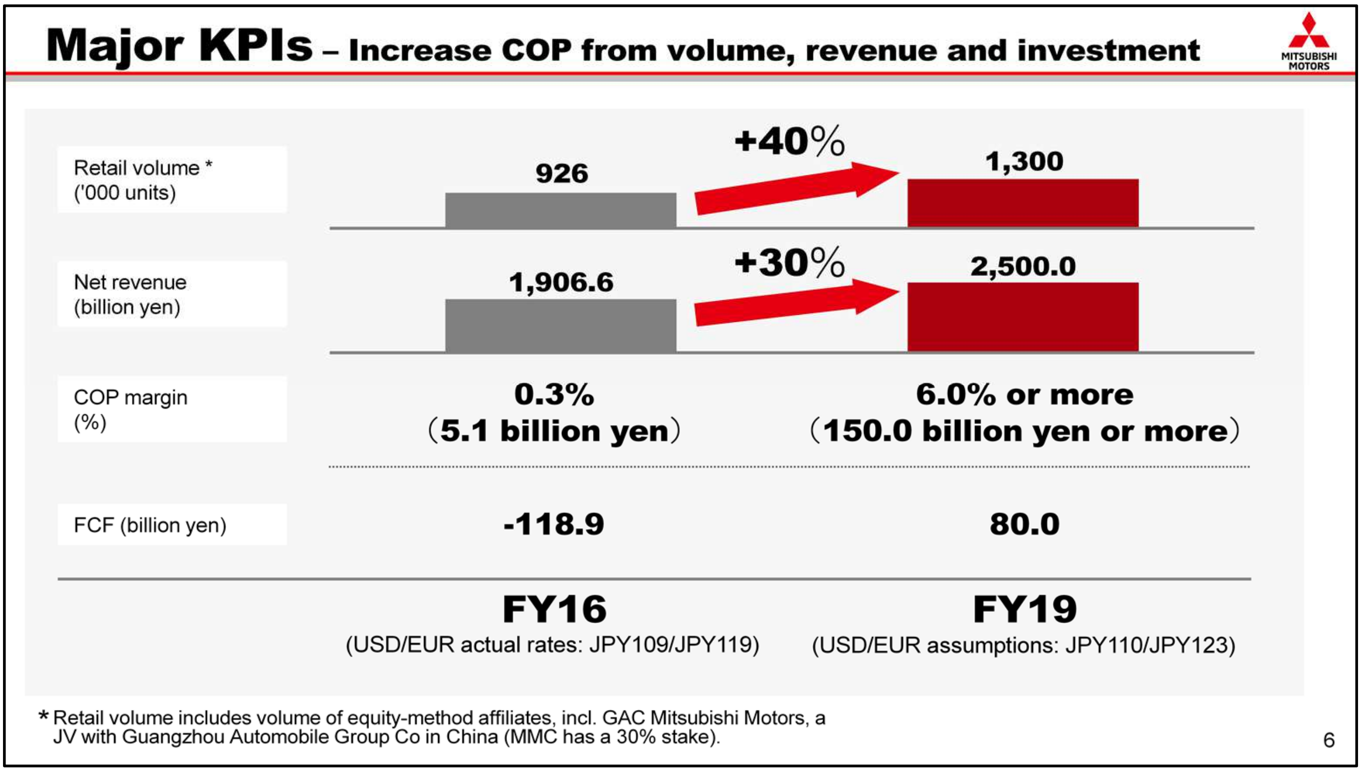
In conjunction with this, we will sow seeds for the future. It will be in the three-year plan after Drive for Growth that our current activities will bear fruit - both those as a member of the Alliance as well as our own investments.

Our highest priorities are to regain trust and achieve a V-shaped recovery, and today I would like to focus on the three-year plan to FY2019.



You can see here the framework that underpins Drive for Growth.
To move beyond the present position and draw a roadmap to put us on the growth track in the next three years, we have set four KPIs, three Strategic Levers and two Foundations supporting these, as shown on this slide.

Let me first explain the four KPIs.



The first objective is retail sales. We will increase our retail sales by 40% from FY2016 to 1.3 million units by FY2019.

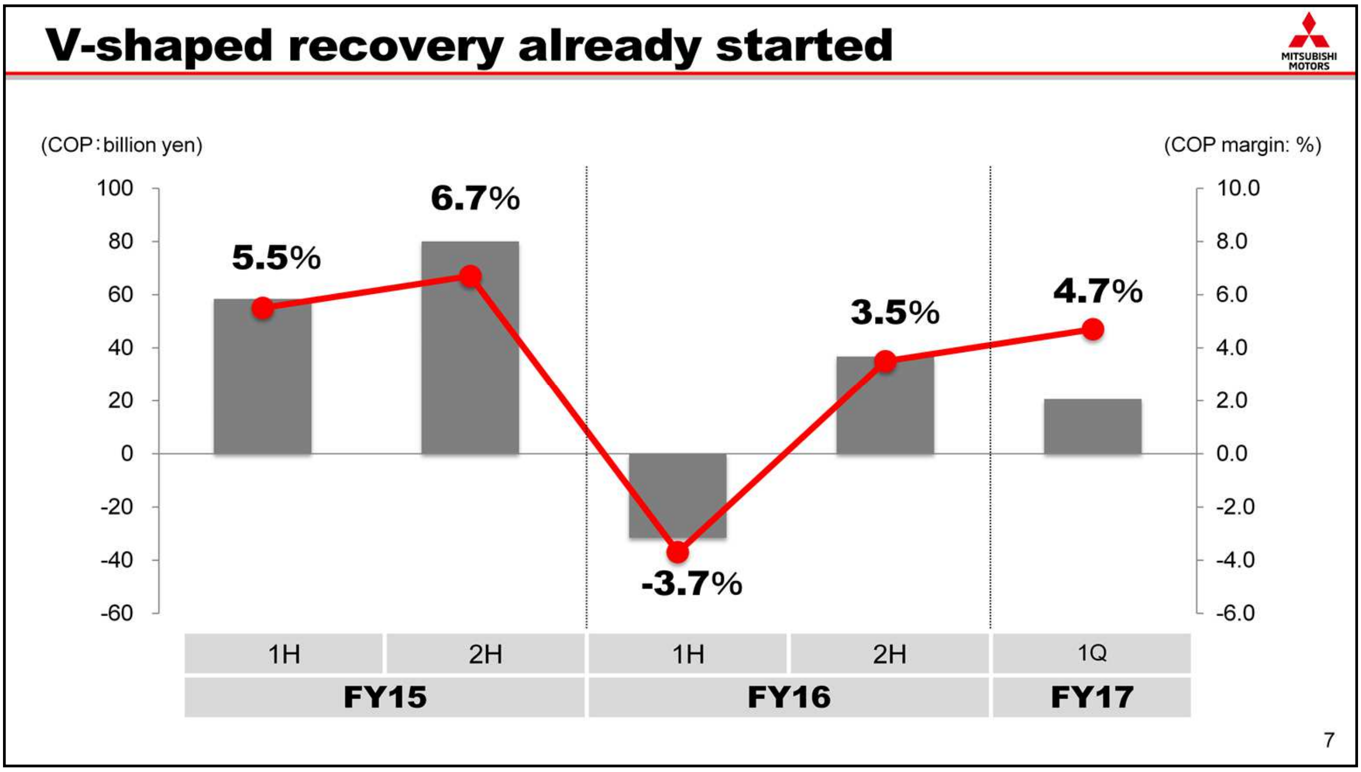
We are also looking to increase our net revenue by more than 30% to 2.5 trillion yen. This is the second goal. Since our Chinese joint venture is consolidated using the equity method, it is not included in net revenue.

Our third objective is to achieve a COP margin of at least 6 per cent of sales while at the same time pursuing sales growth.
This is around the same level as the highs Mitsubishi achieved in 2014 and 2015 thanks to a tailwind of favorable exchange rates.

However, the make-up of this COP margin, of 6% or higher, is different. The largest difference is, in order to launch new car models and to strengthen the foundations of the business, more than 600 billion yen will be invested in R&D and CAPEX during this three year-period.

To maintain financial discipline while making aggressive investments like this, we have set the fourth goal, which is to secure positive free cash flow every year during the three years of this mid-term plan.

As to dividend, we'd like to pay a return to shareholders at a competitive level compared to other Japanese automotive makers.



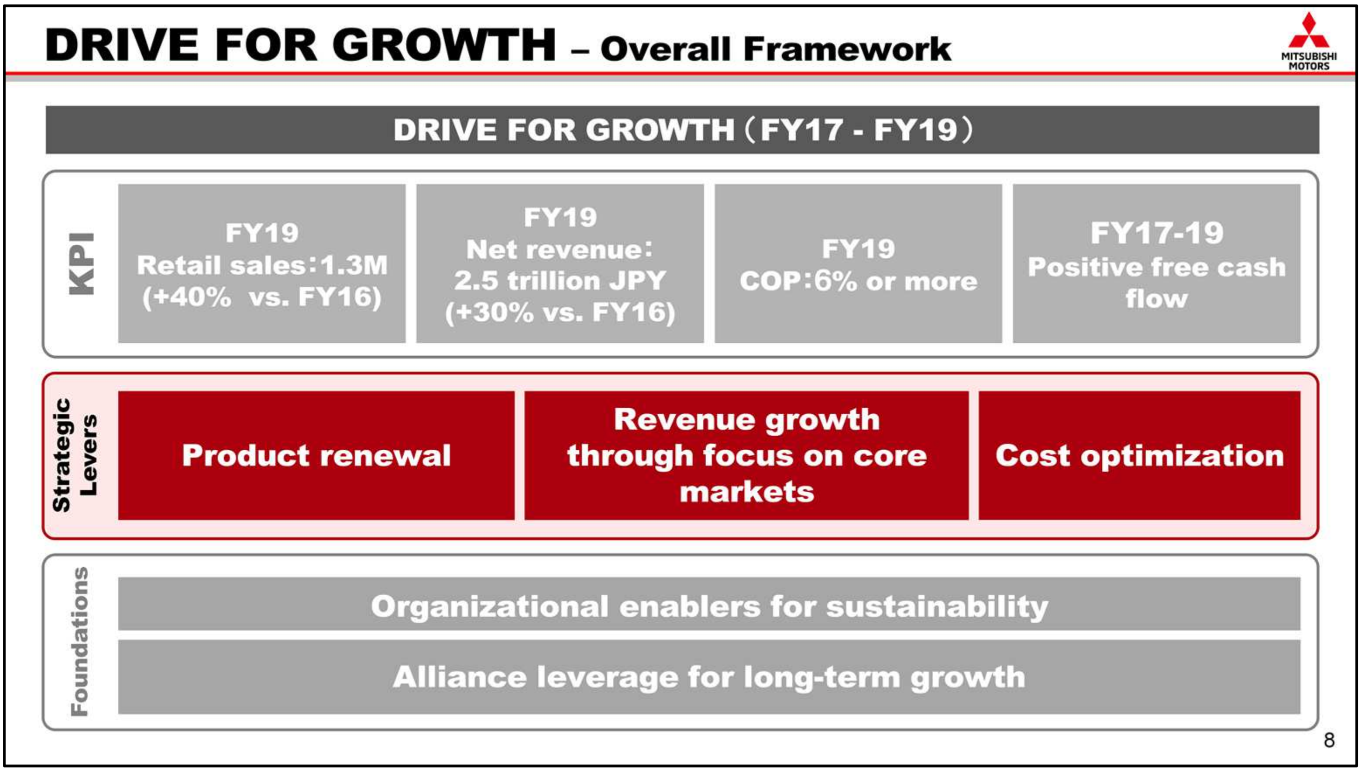
Last year, the improper fuel economy testing issue caused a suspension of production and sales as well as an increase in fixed costs , which made our COP margin negative.

But as a result of our efforts to improve management efficiency, COP margin has recovered to 3.5% in the second half of FY2016, and to 4.7% in the first quarter in FY2017, which indicates that we are making steady steps to achieve a V-shaped recovery.

There will be no end for our efforts to regain trust. We will focus on it continuously.

This plan will maintain the momentum, while delivering solid growth. We will make the utmost effort to show our customers, parts makers, shareholders, employees and all the stakeholders that MMC has changed.

I would now like to turn to Trevor Mann, COO, to explain “Drive for Growth” in detail.



I would like to explain the strategic levers behind our Mid-Term Plan and how they fit into the overall framework for the DRIVE FOR GROWTH program

DRIVE FOR GROWTH will enable us to rebuild trust in our company, to continue our V-shaped recovery and to successfully launch new models. It is a three-year plan to return Mitsubishi Motors to profitable and sustainable growth that builds on our existing strengths.

Let me remind you of some of those strengths.

First, we are proud of our history as a pioneer of four-wheel drive technology.

Over the past 30 years, we have recorded several breakthroughs including the success of the Pajero, our winning streaks in the Paris Dakar rally, and our development of the Lancer Evolution with all-wheel control to participate in the World Rally Championships.

Achievements such as these have helped us to refine our technology.

As you know, sports utility vehicles have become increasingly popular, and about two-thirds of the vehicles that Mitsubishi sells today are SUVs.

The success of the Outlander and Pajero Sport over the past decade has strengthened the reputation of Mitsubishi in this important market segment.

Another strength of Mitsubishi Motors is PHEV, or plug-in hybrid electric vehicles.

Mitsubishi Motors was a pioneer in PHEV, a growing segment within the wider market for cleaner fuels. The Outlander PHEV launched in 2013 was the world's first SUV equipped with a plug-in hybrid system. In Japan and Europe, the Outlander PHEV is the number one model of hybrid SUV by sales volume.

PHEV technology is one of our contributions to the Alliance, and is of interest to both Renault and Nissan.

Strategic levers – product renewal

MITSUBISHI MOTORS

New models off to a good start

XPANDER

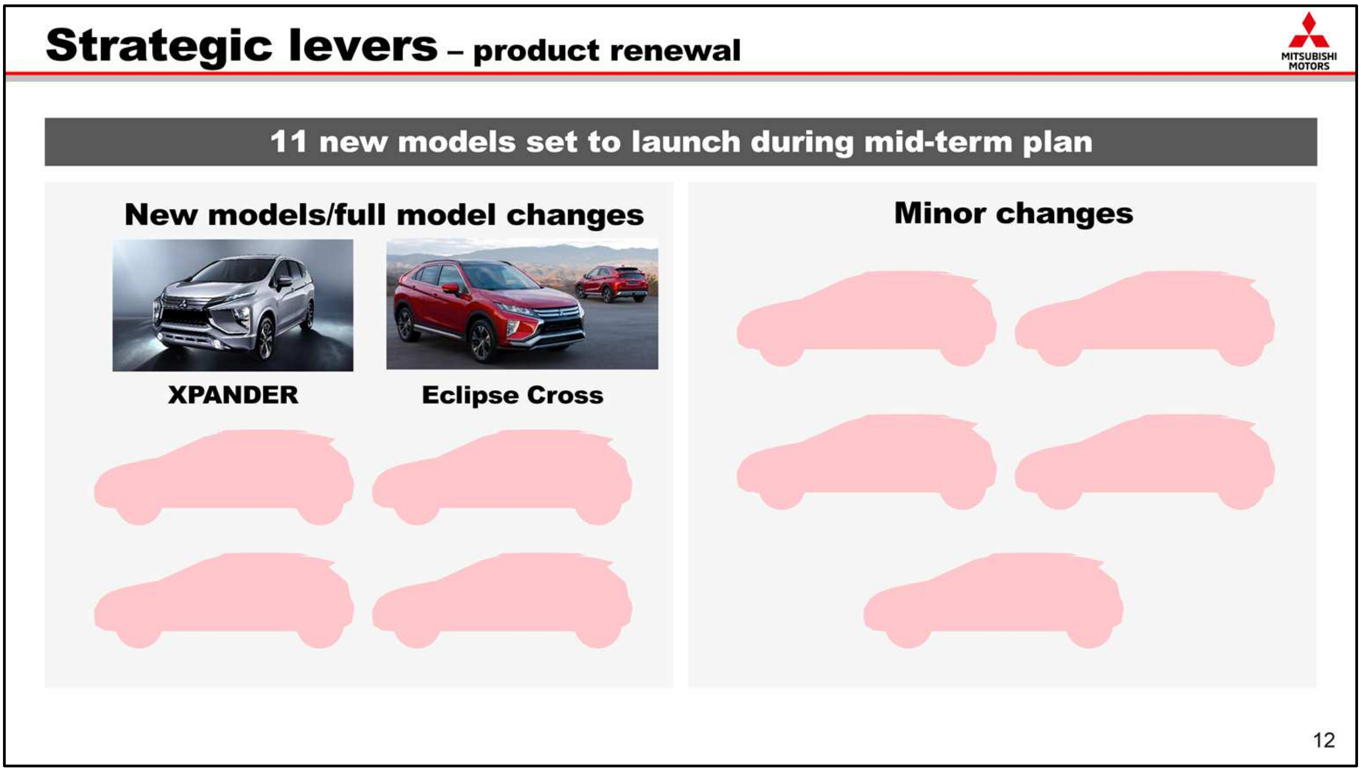
Eclipse Cross

11

That brings me to the first of the strategic levers behind DRIVE FOR GROWTH - product renewal.
We will accelerate our schedule to introduce new models and lay the groundwork for a stronger future.

Our program of product renewal has already begun with the recent launch in Indonesia of the Mitsubishi XPANDER. The XPANDER is off to a very good start with more than 26,000 orders. This all-new multi-purpose vehicle will soon be rolled out to the rest of south-east Asia.

The launch of the XPANDER will be followed by the Eclipse Cross, a global SUV that will go on sale in Europe in the winter before being rolled out to other markets. Shipments of the Eclipse Cross have already begun.

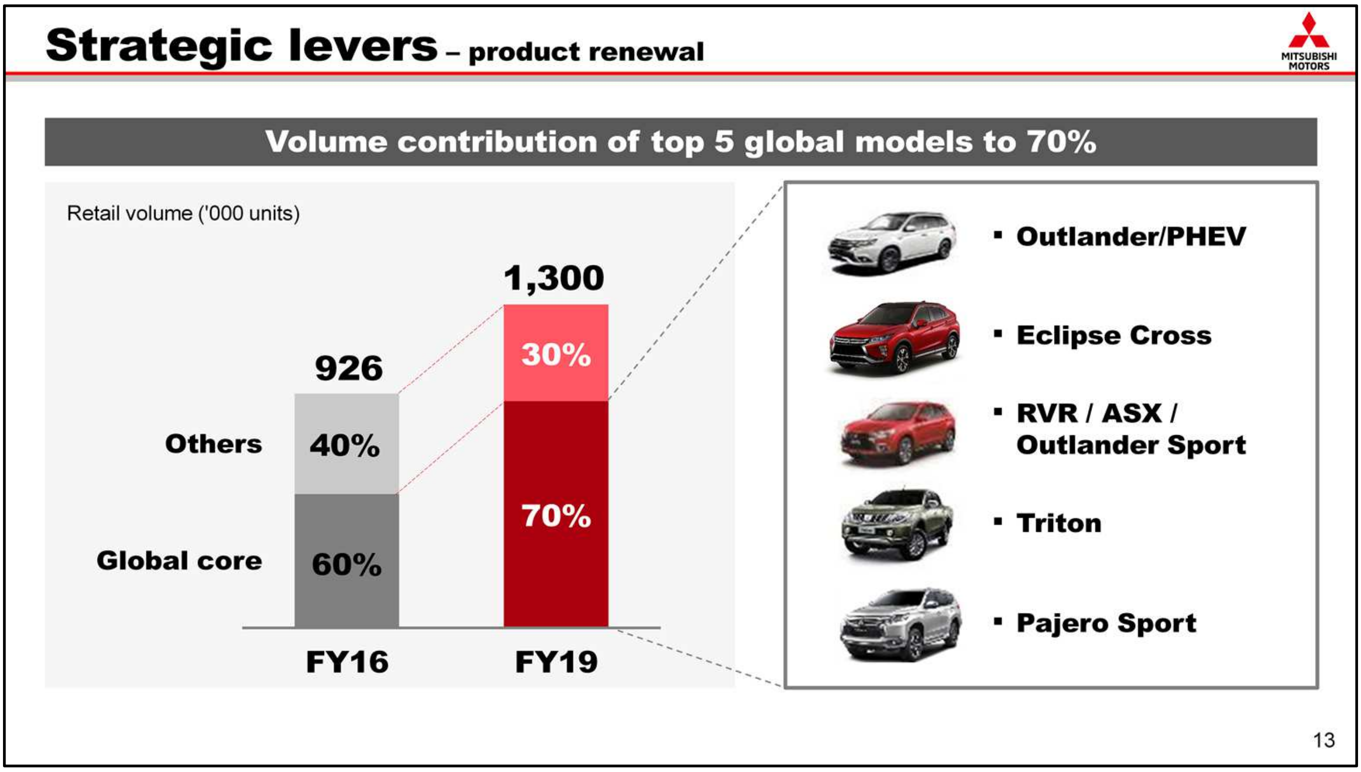


Over the three years of the plan, we will launch 11 vehicles including XPANDER and Eclipse Cross. Six of these 11 vehicles will be entirely new models or full model changes, with a launch schedule of two each year. The remainder will be substantial product refreshments across our core models.

Japan will be a particular beneficiary of our product launch program. Over the next three years, in addition to Eclipse Cross we will launch two kei-cars and a new model of the Delica D:5.

We are looking to add to this. First and foremost, Mitsubishi will bring to market its own vehicles, with the driving characteristics, performance and reliability that customers expect.

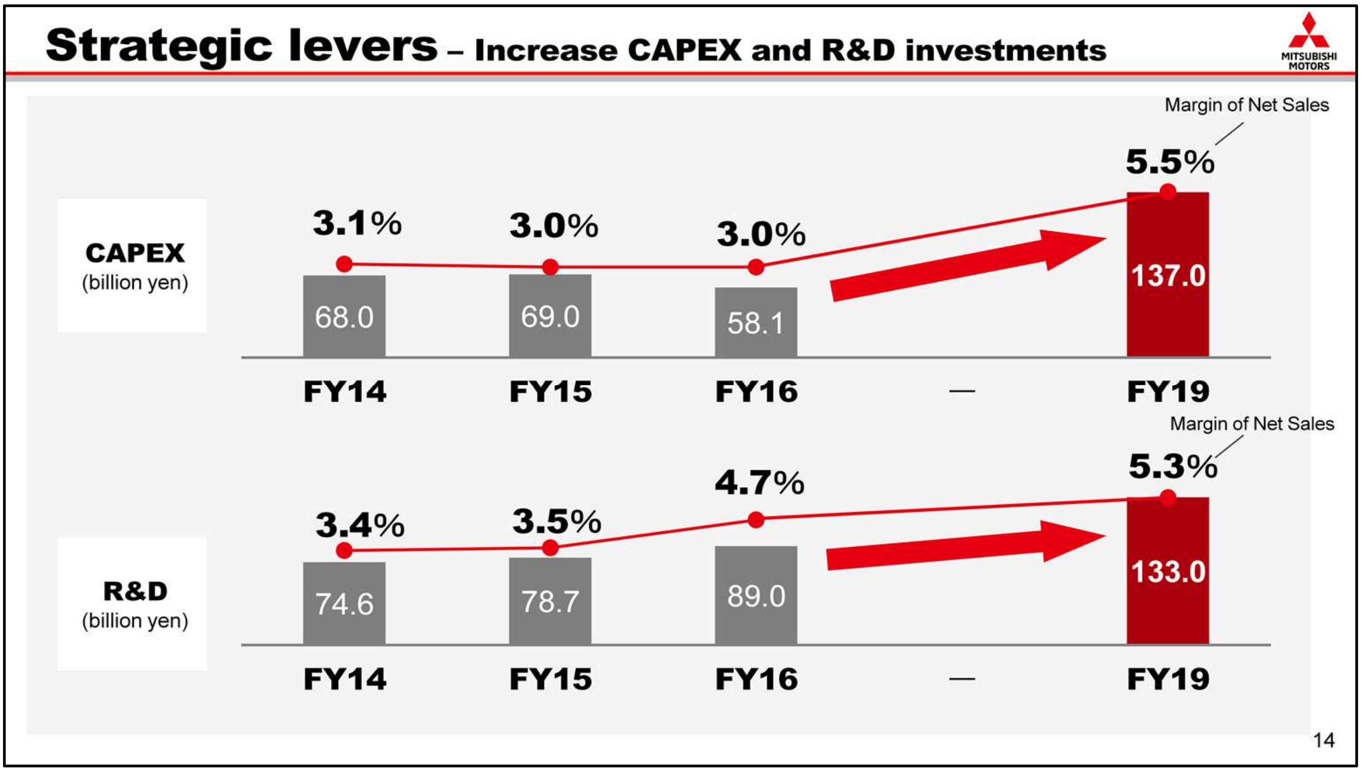
But we will also draw on the capabilities of the Renault-Nissan-Mitsubishi Alliance to identify other opportunities to broaden the range of Mitsubishi-branded vehicles and to enter new market segments by utilizing shared platforms, technologies and powertrains.



Our strategy is to have a very focused, efficient line-up.
By the end of Fiscal 2019, we expect our five best-selling cars to account for 70 per cent of our total sales volume, up 10 percentage points from FY2016.
Sales of these five vehicles will increase by more than 900,000 units in FY19, including a significant contribution from Eclipse Cross

This will create economies of scale; it will ensure we are serving the areas of greatest customer demand; and will focus our efforts on models that will contribute to growth and profitability.

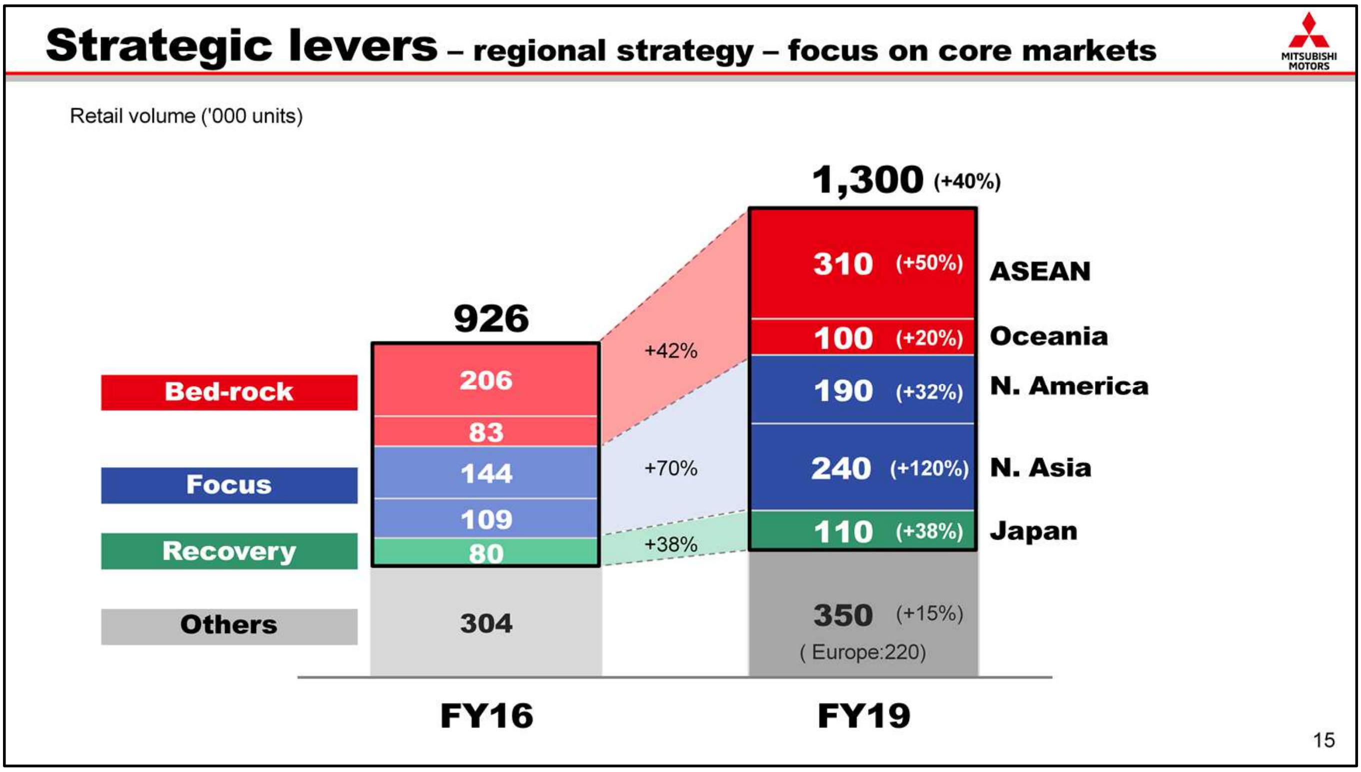
In the first half of this year, even without the introduction of new models we have seen growth in sales volumes of more than 10 per cent.



To achieve our goals, we need to increase the amount we spend on capital expenditure and research and development.
This will address one of the reasons for the weak volume growth in the past. We will make a substantial investment in our future.

By FY2019, the last year of the plan, we will have increased our annual CAPEX to 137.0 billion yen.
This will lift CAPEX to 5.5% of sales, putting us in line with the industry and our closest Japanese peers.

We will also increase our investment in R&D to 133.0 billion yen, which represents 5.3% of sales.
These investments will build a foundation for profitable and sustainable growth.

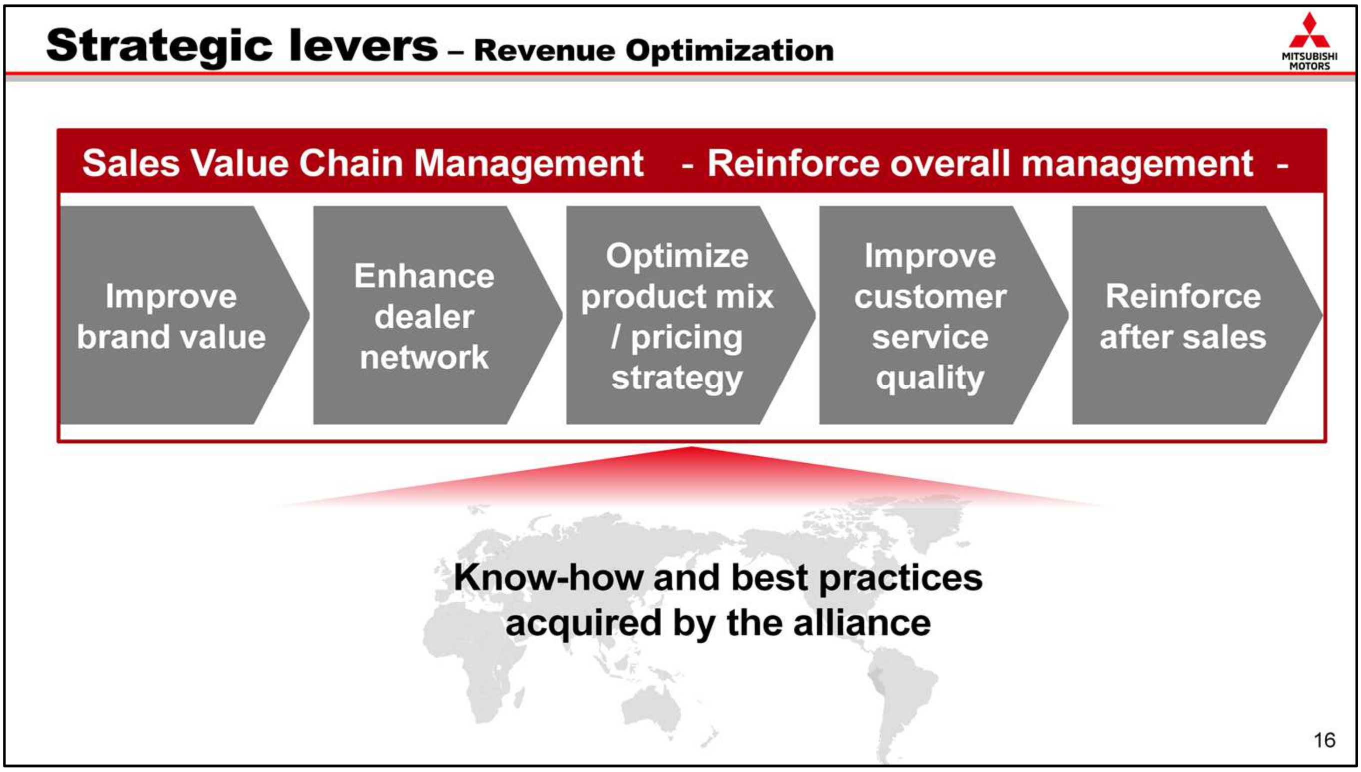


The second strategic driver behind DRIVE FOR GROWTH is an increased focus on our core markets.
These are ASEAN, Oceania, North America, North Asia and Japan which will account for the majority of the growth.

ASEAN and Oceania are our two bedrock regions, where we have a strong presence and opportunity for growth.

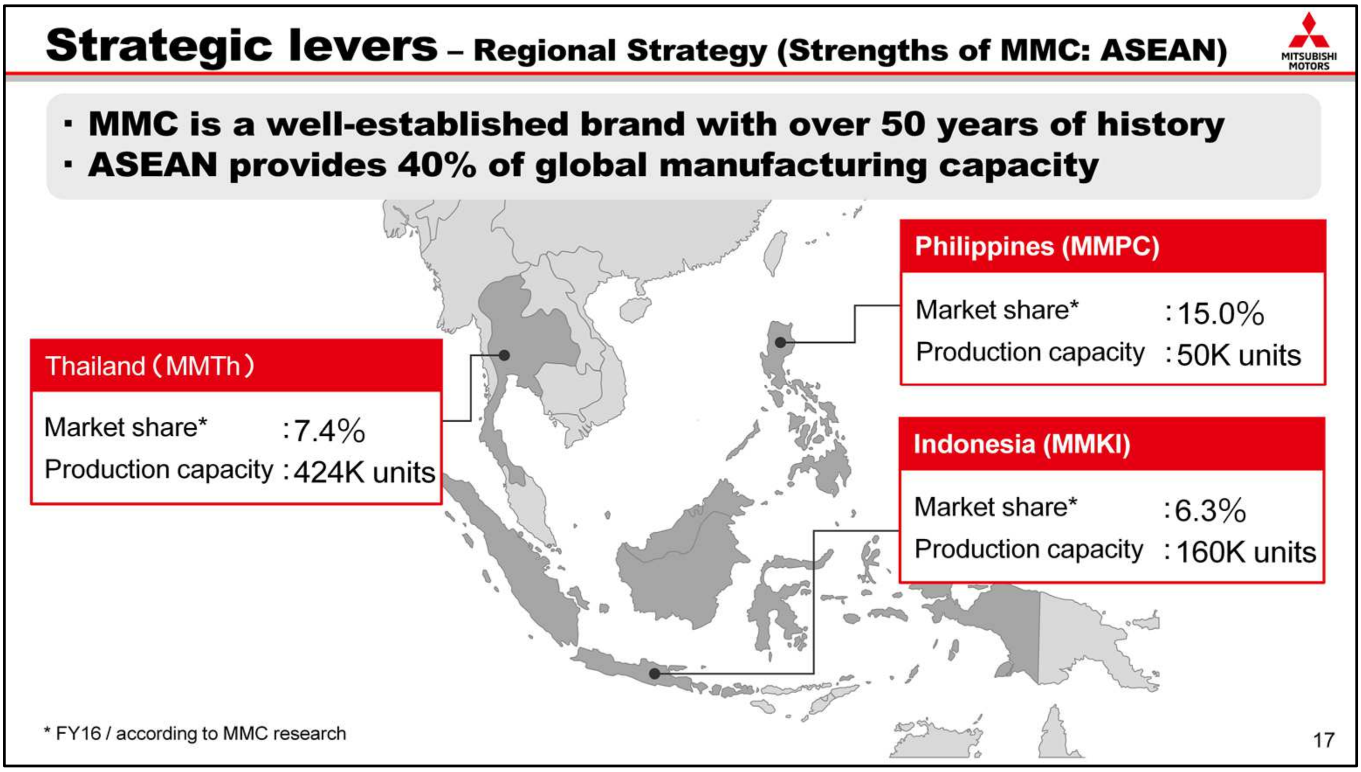
Our focus markets are China and the United States, the largest and second largest markets in the world.

We also have a substantial opportunity in Japan, which we define as a recovery market. We will work hard to restore customers' trust and rebuild sales.



As a member of the Alliance, we can now tap into a wealth of experience and understanding to optimize our revenues.

We will use this knowledge and expertise to build a better brand, develop a stronger dealer network, optimize our product mix and pricing strategy, improve our customer service quality, extend our after sales business and enhance our sales-finance offering. This will enable us to harness the best aspects of the Alliance.



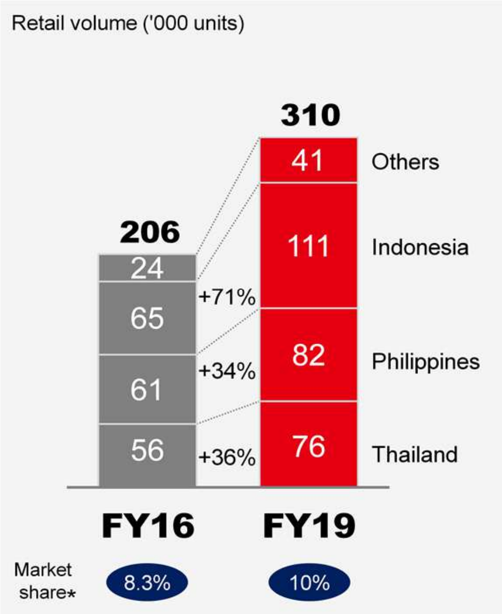
Another of Mitsubishi’s strengths is our strong position in the markets of south-east Asia, and particularly in Thailand, Indonesia and the Philippines.

These are big, populous markets, full of ambitious young people eager to own their first car.

After more than 50 years in the region, our ASEAN business is the largest and most profitable in the group.

With a global manufacturing hub in Thailand, and our new plant in Indonesia, almost 40 per cent of the group’s total capacity is concentrated in the ASEAN region.

Strategic levers – Regional Strategy (ASEAN)



* According to MMC research. Thailand, Indonesia and the Philippines.

- Successful launch of XPANDER
- Frequent changes to existing models
- Raise customer satisfaction to improve retention
- Cost reduction for local plants

XPANDER

Indonesia plant

18

We aim to have a market share of 10 per cent in ASEAN by FY2019.

In Thailand, demand has been recovering gradually since last year helped by strong sales of pick-up trucks. To expand sales further, we will improve the quality of our network and plan to increase our sales by more than a third.

In the Philippines, we are the number 2 in the market. We were the first to participate in the government's Comprehensive Automotive Resurgence Strategy, known as the CARS Program. This supported the production of the Mirage G4 from February 2017, followed this May by the Mirage. These initiatives have helped increase sales steadily. We plan to increase sales by one-third.

In Indonesia, our new plant entered production in April this year and supported this month's launch of XPANDER.
We expect our sales to grow substantially in the coming years and plan an increase in volume by more than two-thirds, primarily driven by the XPANDER, which is our new entry into the largest segment.

Our other bedrock market is Oceania.

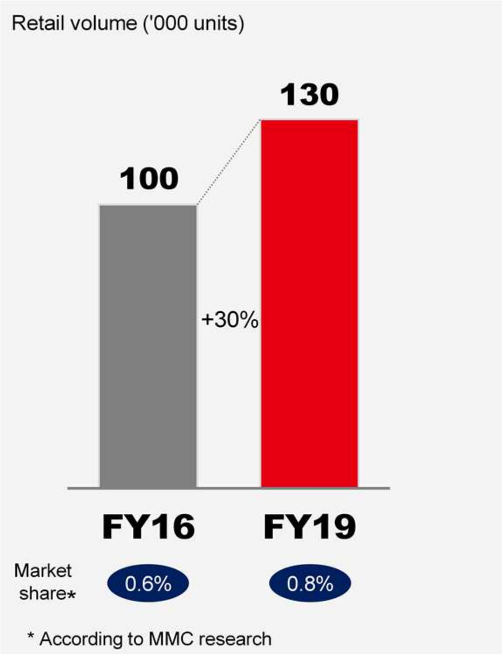
We have a market share of 6-7 per cent in both Australia and New Zealand, which are large profit contributors.

We will launch the Eclipse Cross this year to strengthen our product line-up.

We have also launched a sales finance business, supported by the Alliance, to enable us to offer more attractive plans to customers.

Through these initiatives, we plan to increase our sales in Oceania by 20%, expanding our market share to 7.6 percent.

Strategic levers – Regional Strategy (U.S.)



- Launch new products - Eclipse Cross and Outlander PHEV in FY17
- Maximize volumes of global core models
- Expand and improve dealer coverage


Eclipse Cross

20

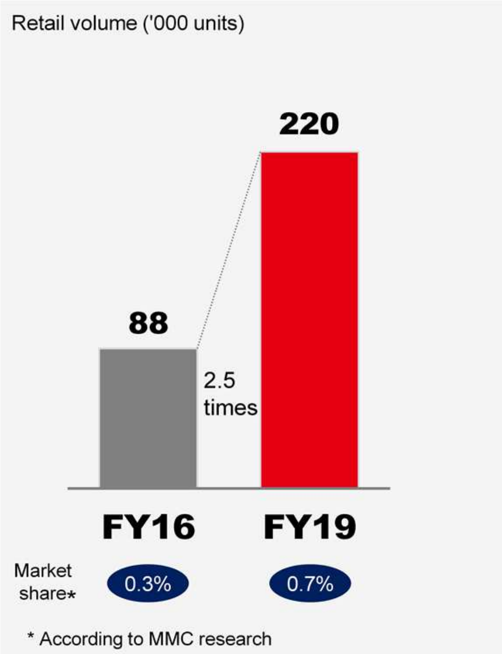
With new confidence in the company, Mitsubishi Motors will also make a renewed effort to extend its presence in the world's two largest auto markets, the United States and China.

In the United States, a focus market for us, we will launch the Eclipse Cross and Outlander PHEV as we continue to build a strong SUV brand.

We will re-energise our dealership network. We are reviewing our incentive plans, both to attract new dealers and to encourage existing ones to achieve better sales.

We plan to increase our sales in the United States by 30 per cent.

Strategic levers – Regional Strategy (China)



- Increase sales of localized Outlander
- Enhance product lineup: Eclipse Cross
- Double size of dealer network (to 400 in FY19)

GMMC dealer

21

In China, we will double our dealer network and double our sales.

Our sales have grown substantially since we began local production of the Outlander in August 2016. We intend to continue this momentum .
We will launch the Eclipse Cross as we plan to more than double volume and strengthen our SUV brand image.

We will also double the number of dealers from the current 200 to 400 in the next three years to strengthen our dealership network.

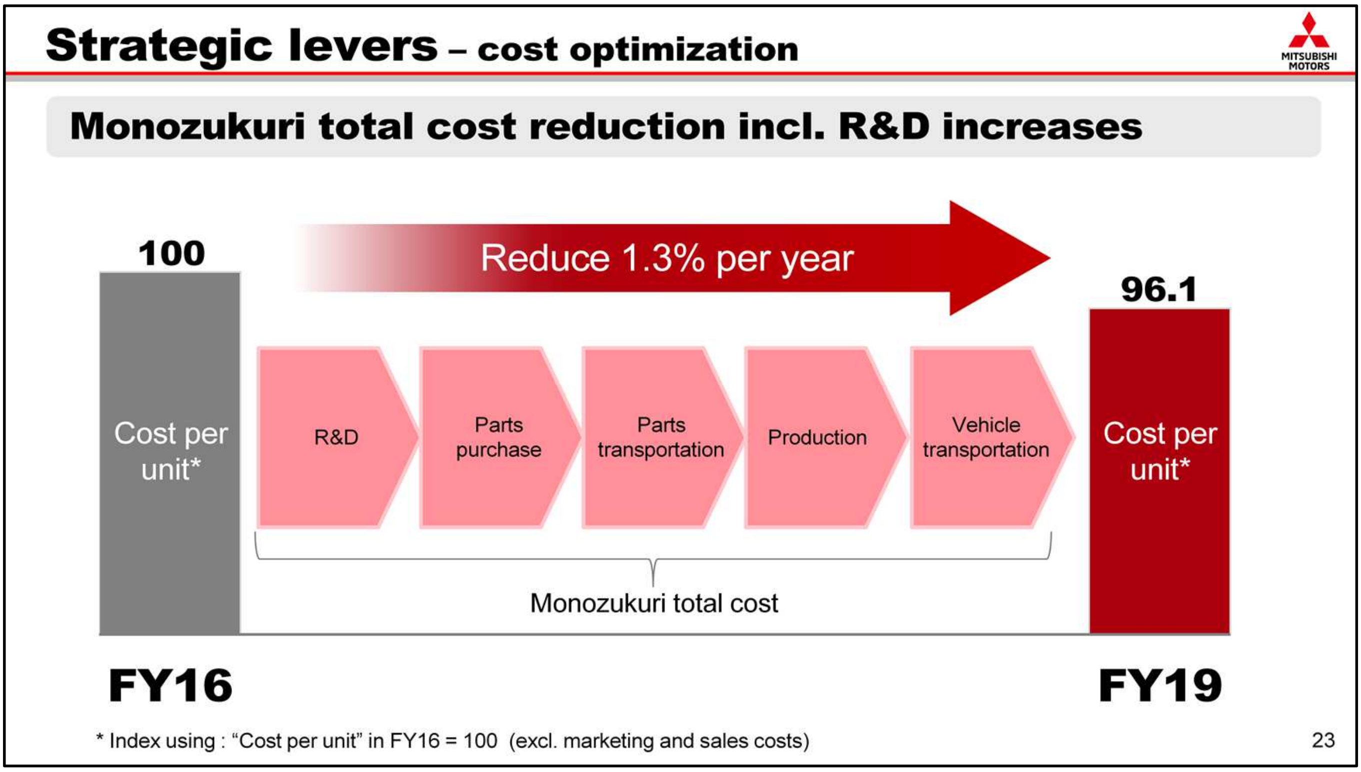
To address the growth of the Chinese market, we will localize our engines and consider expanding the production capacity for our vehicles during the three-year plan.

Our home market of Japan is another important opportunity for revenue growth. Our sales are steadily recovering after last year's setback. We are working hard to regain customer trust, to recover lost market share and return our Japanese business to sustainable profitability.
We will invest in our dealership networks to attract new customers and improve the purchasing experience.
One important initiative will be the continued expansion of our popular Dendo Drive Stations, our dedicated EV dealerships. We opened the first in Setagaya last year and intend to increase their numbers substantially [to 200] by 2020.

As we rebuild our reputation, we are taking every effort to improve our customer satisfaction scores, and aim to be among the top domestic brands. We will generate more profit by helping our dealers to increase their revenues from servicing, parts, used cars, insurance and credit.

In addition to the Eclipse Cross, we will launch new models of the Delica D:5 and kei-cars.

We plan to increase our sales in Japan by 38 per cent to 110,000 units.



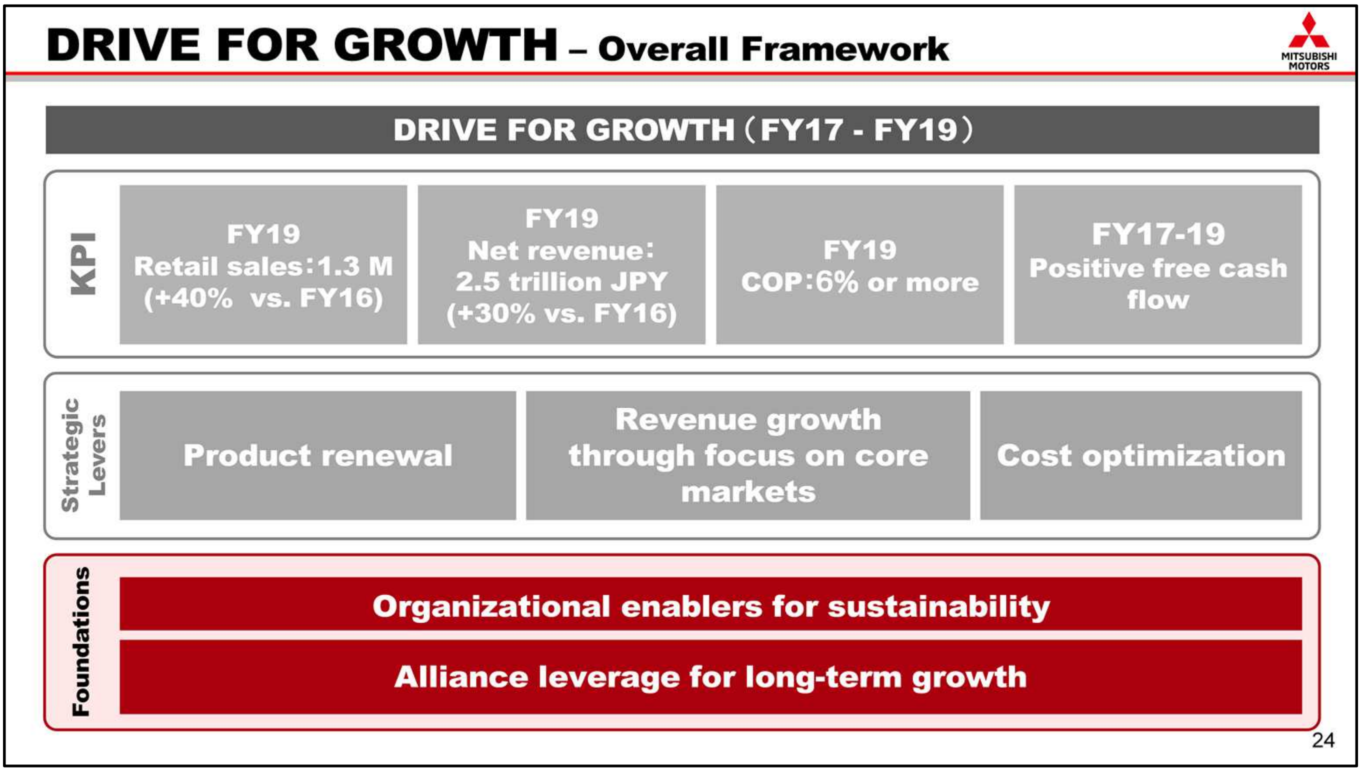
The third and final strategic priority for Drive Growth is cost optimization.

We have adopted the total delivered cost methodology and plan to achieve a reduction of 1.3 per cent per year on our Monozukuri total costs.

You can see here the different areas where we will become more efficient and leaner.

This is a very challenging objective because we are planning for large increases in R&D and capex.

We will achieve the objective by continuing to benchmark our activities against the Alliance.

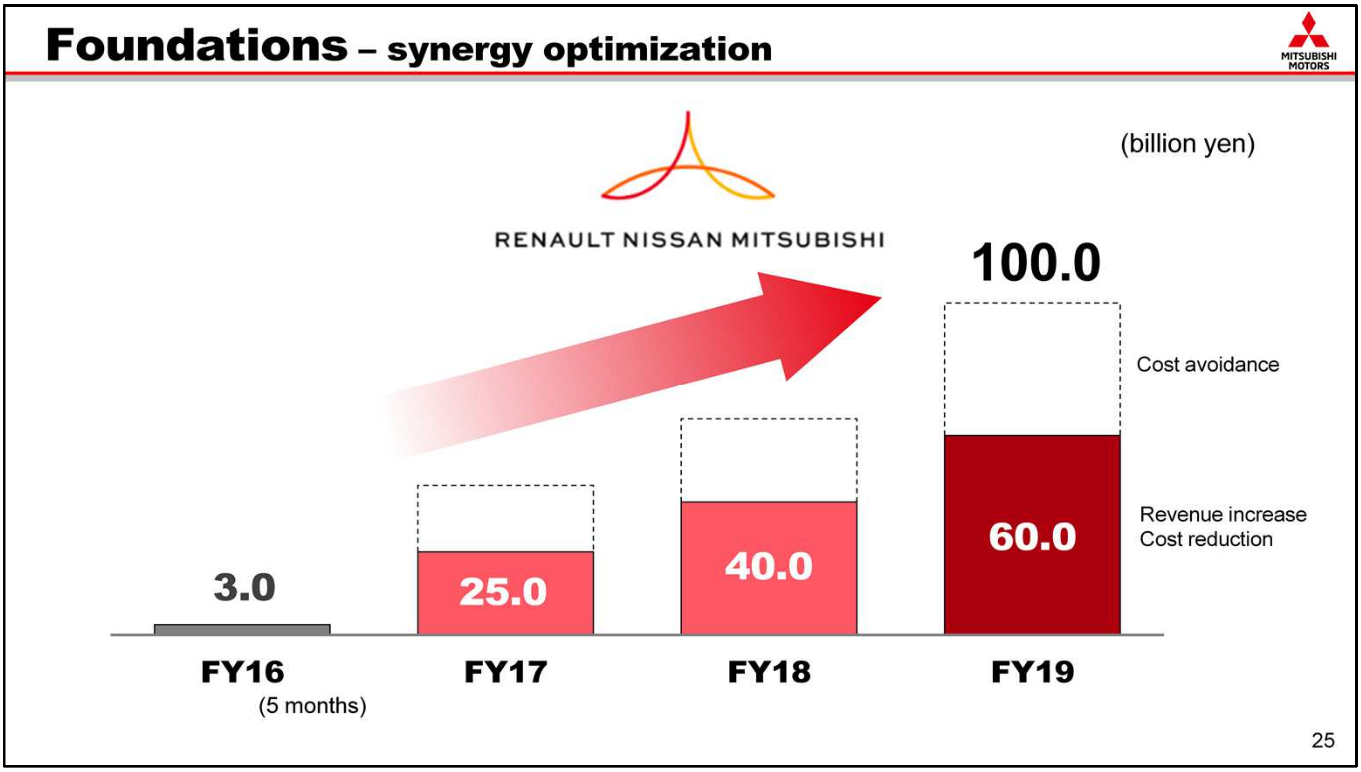


I hope I have made it clear that our goals for DRIVE FOR GROWTH are backed up by a multitude of carefully targeted initiatives.

Mitsubishi Motors is absolutely committed to delivering sustained volume and revenue growth, and to generating the profits that will guarantee a prosperous future.

We have developed the KPIs, the strategic levels and the foundations that will help us to deliver on our Drive for Growth strategy.

With that, let me hand back to Masuko-san.

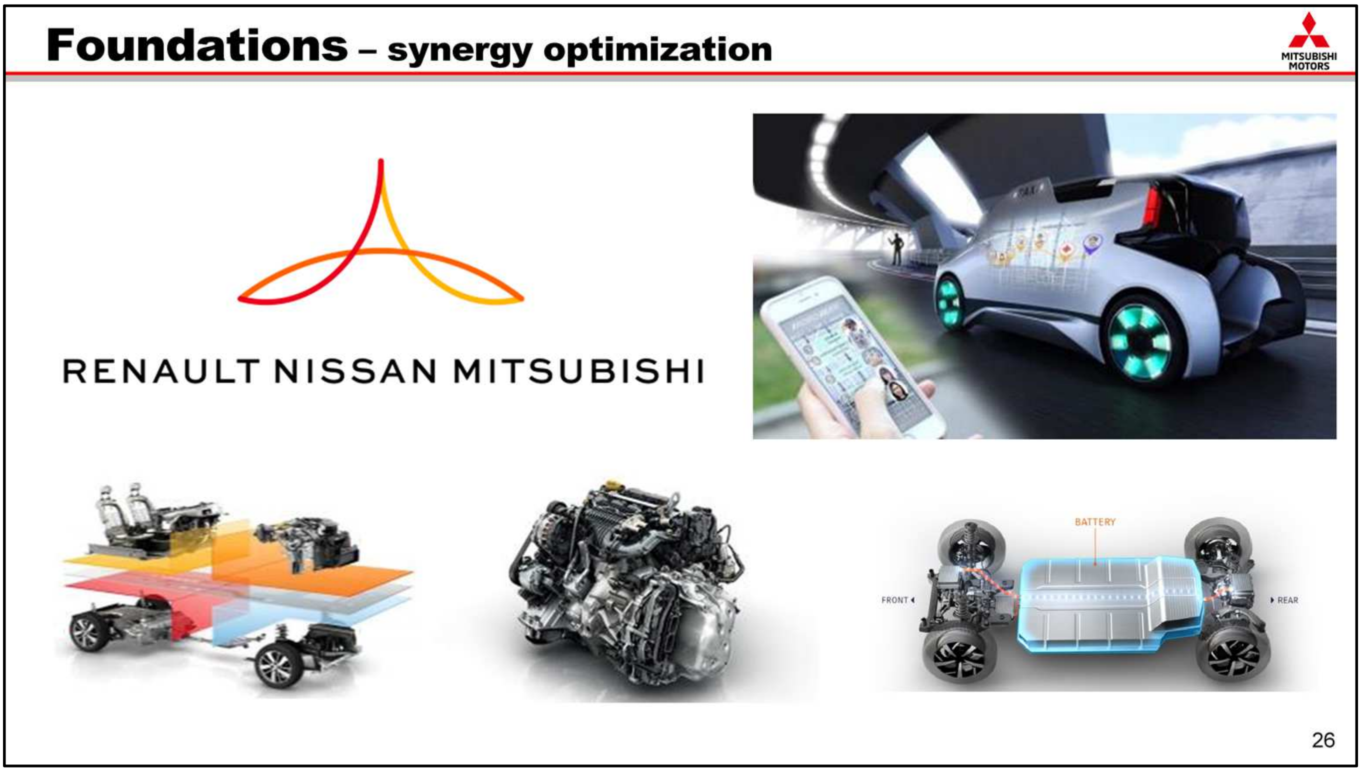


To achieve the goals of the MTP, MMC will work with all our strength, and further leverage the Alliance to strengthen our competitiveness.

The effect of the Alliance can be seen in various ways.

Vehicles built on common platforms will only appear after this MTP, but development has already started. We will be able to hold down development costs compared to Mitsubishi Motors as a stand-alone business.

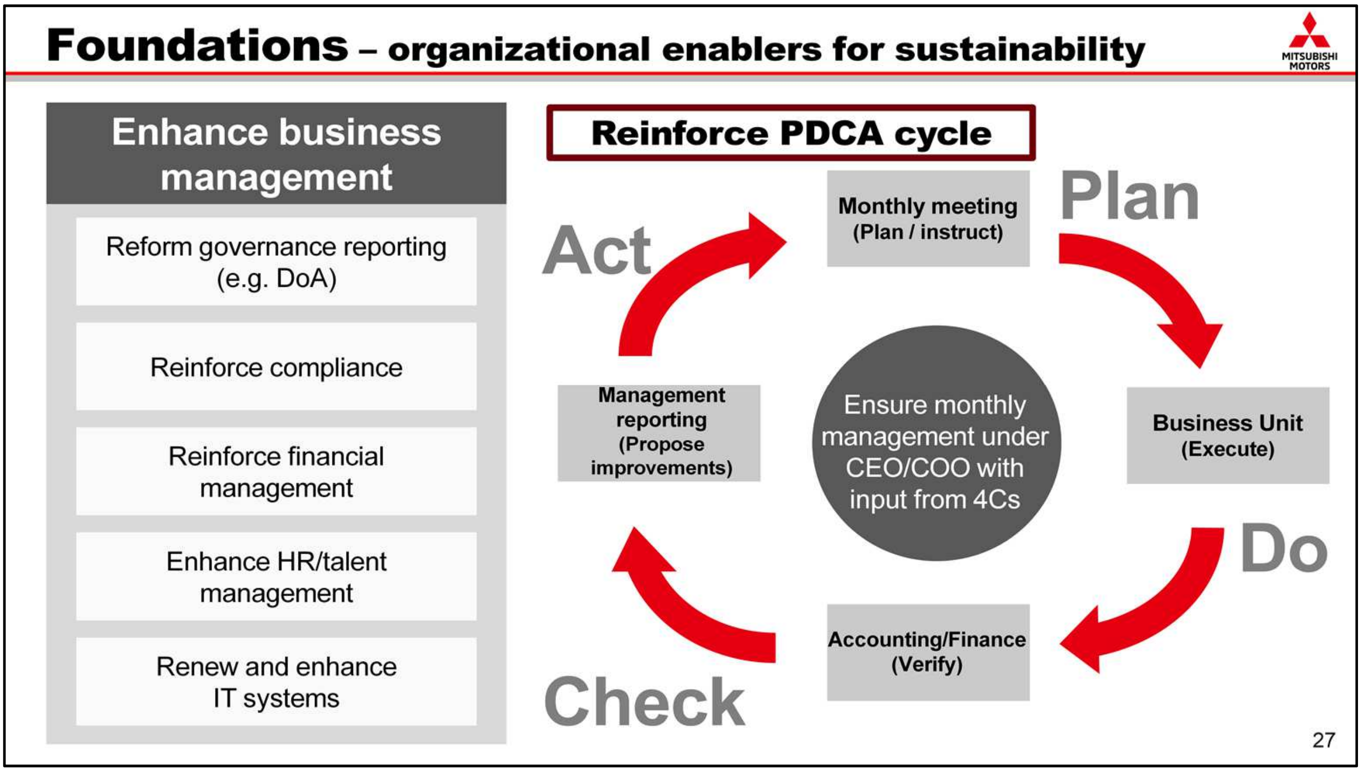
We will also benefit from the cost reduction effects of MONOZUKURI on production and procurements.



The full benefit from Alliance synergies will be felt after 2020 when we will start launching vehicles built using common vehicle platforms and common powertrains.

In the changing automotive industry, we will use the “toolbox” of technologies of the three companies that make up the Renault-Nissan-Mitsubishi Alliance. We will benefit from the electric and autonomous capabilities that the Alliance is already developing, and will be able to bring new vehicles to market more quickly.

The Alliance also makes it possible to benefit and generate profit from new businesses such as ride-sharing or telematics data.



After the fuel economy issue last year, we have implemented a wide variety of management reforms. Examples include the establishment of the PDCA cycle – plan, do, check, act, - the strengthening of financial and human resource management, and a reorganization of IT.

I want to stress that the reforms of compliance and governance are being implemented on a company-wide basis. From now on, we will challenge management to strengthen the effectiveness of our organization further in a simple and transparent way.

We will also invest more in IT, which has not received sufficient emphasis in the past. There are two reasons for this. One is to avoid making the same mistakes again. So we will reinforce quality control with better IT.

While this could be considered a strengthening of our “defense,” the other purpose will support the “offense.” By sharing accurate management information more quickly, we can build a structure to make better decisions.

In this Mid-Term Plan, to achieve sustainable growth we will invest in talent and update IT systems to facilitate the reform initiative.

The Performance Revolution, or PRev activity, which is designed to encourage employees to act proactively in addressing issues, will help promote structural reform of the organization and raise awareness among individual employees.

We will not just encourage our employees to promote the reforms, but we will also set specific goals. Younger members of the company will play a leading role in proposing plans to create a worker-friendly environment when we relocate to a new headquarters.

To resolve management issues more efficiently, we have launched cross functional teams. Through this work, we will ensure that the reformed corporate culture is deeply rooted in our values.

Mid-Term Plan

MITSUBISHI MOTORS

DRIVE FOR GROWTH

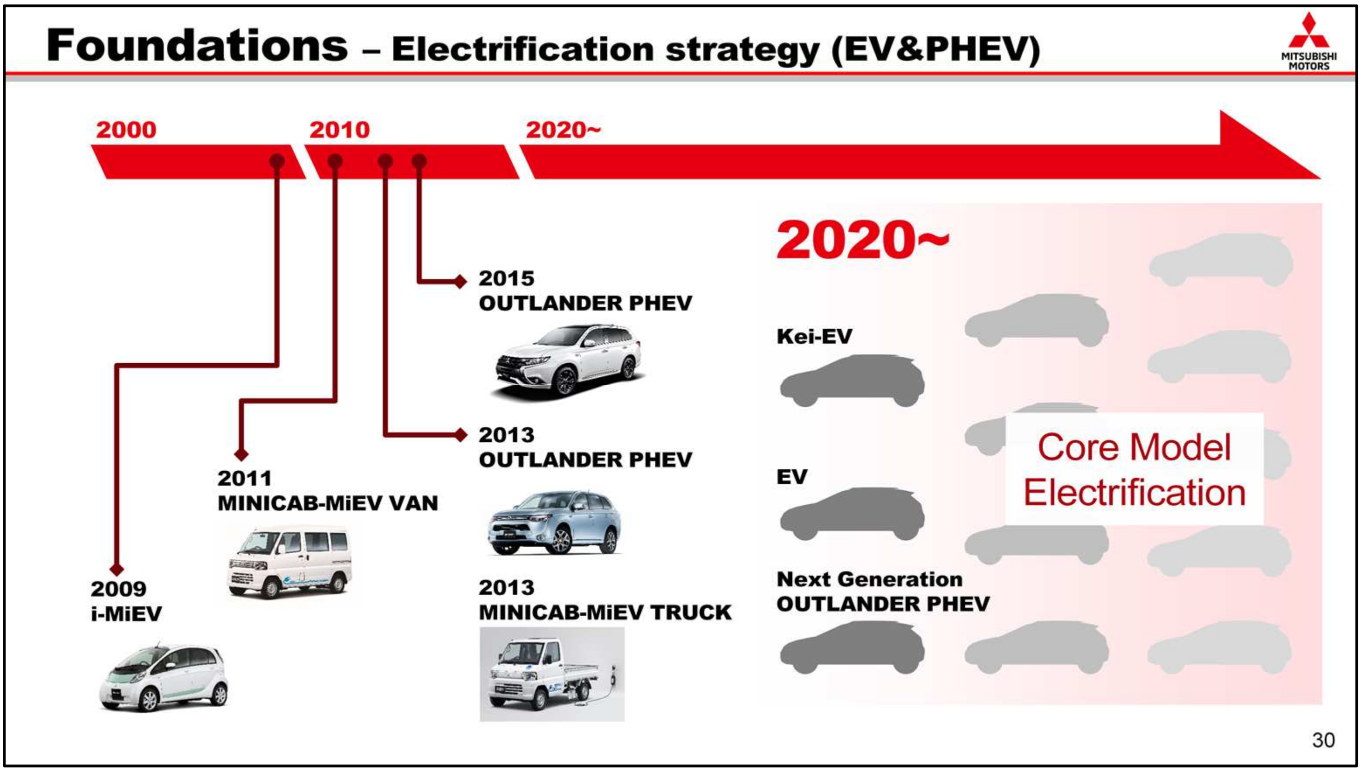
FY2017-FY2019

29

I want to talk now about some of our highest priorities.

In the wake of 2016, we will strive to restore the trust of our customers in the domestic market and of all other stakeholders. Our domestic sales have been making a recovery earlier than we had expected. We will be unstinting in our efforts, and will devote our best efforts to restoring trust.

Through the increased R&D spending in the Drive for Growth plan, we are determined to refresh our diversified product line-up in the medium term and deliver to our customers high-quality models equipped with leading-edge technologies.



As you may know from various news coverages, environmental regulations will certainly be tightened not only in North America and Europe, but in emerging markets as well.

To adapt to this changing environment, EVs will become increasingly important for MMC.
Beyond 2020, we will proceed with the electrification of our core models.

We will launch at least two electric vehicles, one of which will be a Kei-car.

We are planning a new plug-in hybrid Outlander model to maintain our leadership position in this segment.

Further, in the ASEAN region, where the company is strong, we will endeavor to be a leader in promoting electrification.

The same will be true in China, where we have begun deliberations on how to provide new energy vehicles at low prices.

The Alliance plans to offer a diverse range of products from pure EVs to PHEVs and we will enhance our product line-up in a similar way.

Our strengths are in SUV. And our strengths lie in pioneering electrification technology, launched ahead of competitors, as well as our ability to create a completely new category of vehicles. We are hoping to further refine our SUV and electrification technologies and combine them with AI, connectivity and other technologies to add new value to vehicles.“MITSUBISHI e-EVOLUTION CONCEPT,” a concept car that we will demonstrate at the Tokyo Motor Show, shows the direction in which we are heading.

With the arrival of game changers such as Tesla with EV, or Uber with "ride-sharing", the automobile industry is now embarking on an era of drastic and unprecedented change. I believe it would not be any exaggeration to say that a "disruptive innovation," that destroys the values of existing products to generate completely new values, is just beginning to take shape.

For MMC to survive and continue to grow, it needs to adapt to this transformation and with it, change its state of being. We have become a member of the Alliance which prides itself on having become the world's biggest auto company by sales volume. This is a big step forward, but it is not sufficient.

This era is not an easy era for a company that is dependent on others to survive.
To continue to be a company that creates valued new vehicles and plays a socially desirable role, MMC must continuously transform itself, without ever standing still.

We have an exciting future ahead of us.

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.**

Potential risks and uncertainties are not limited to the above and MMC is not under any obligation to update the information in this presentation to reflect any developments or events in the future.

If you are interested in investing in Mitsubishi Motors, you are requested to make a final investment decision at your own risk, taking the foregoing into consideration. Please note that neither Mitsubishi Motors nor any third party providing information shall be responsible for any damage you may suffer due to investment in Mitsubishi Motors based on the information shown in this presentation.