

FY2017 First Half Financial Results



Mitsubishi Motors Corporation
November 7, 2017

Eclipse Cross

1. FY2017 1H Results Summary

2. FY2017 1H Results Detail

3. Progress on Growth Strategy

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

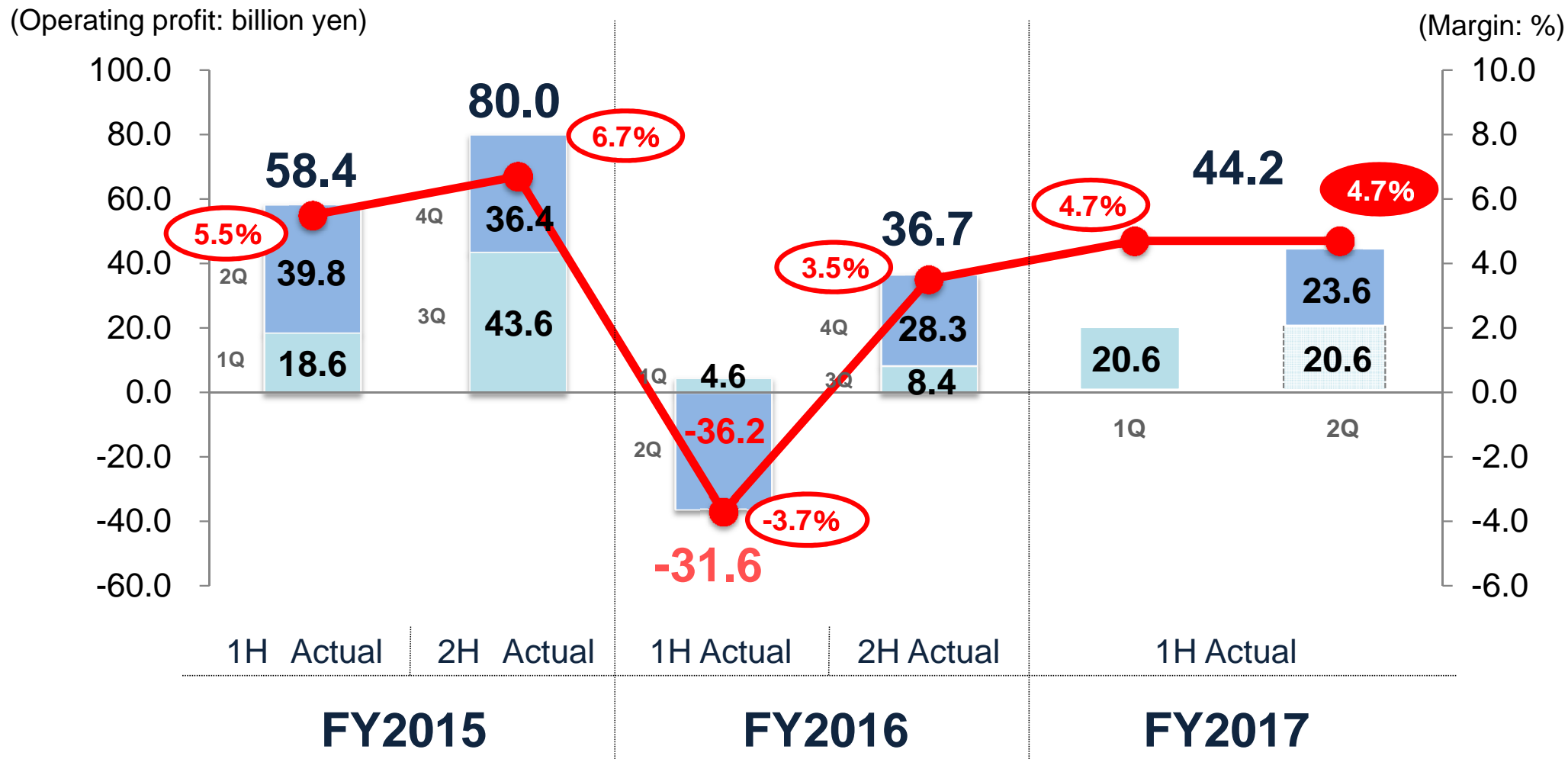


(billion yen, thousand units)

	FY16 (Apr-Sep 2016) Actual	FY17 (Apr-Sep 2017) Actual	Variance	
			Amount	Ratio
Net sales	864.9	947.7	+82.8	+10%
Operating profit (Margin)	-31.6 (-3.7%)	44.2 (4.7%)	+75.8	-
Net income*	-219.6	48.4	+268.0	-
Free Cash Flow	-97.8	-36.8	+61.0	-
Sales Volume (Retail)	436	498	+62	+14%

*Net income attributable to owners of the parent

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



FY2017 Full-Year Forecast 【vs. FY2016 Actual】



- No change from the initial 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

DRIVE FOR GROWTH (FY17 - FY19)

KPI

**FY19
Retail sales: 1.3 M
(+40% vs. FY16)**

**FY19
Net revenue:
2.5 trillion JPY
(+30% vs. FY16)**

**FY19
COP: 6% or more**

**FY17-19
Positive free cash
flow**

Strategic Levers

Product renewal

**Revenue growth
through focus on core
markets**

Cost optimization

Foundations

Organizational enablers for sustainability

Alliance leverage for long-term growth

New Global Tagline “Drive your Ambition”



<New Communication Mark>



**MITSUBISHI
MOTORS**

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TOKYO MOTOR SHOW 2017 “MITSUBISHI e-EVOLUTION CONCEPT”

Launching 2 new models



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(billion yen, thousand units)

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

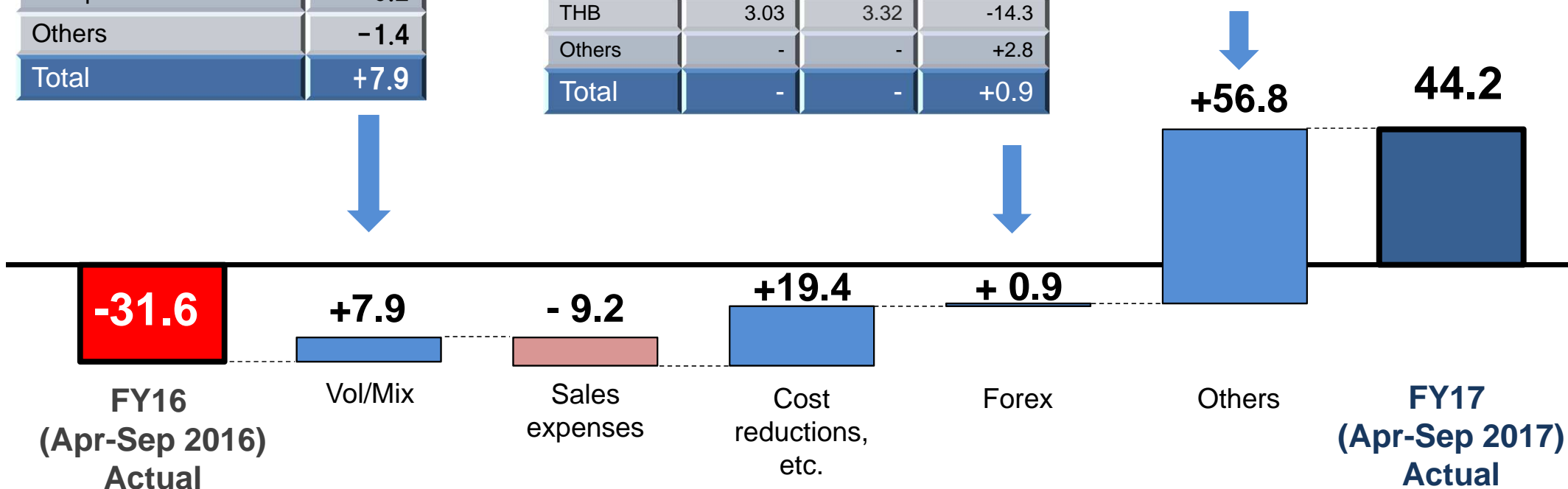


(billion yen)

Vol/Mix by region	
Japan	+4.0
ASEAN	+7.7
China and others	+3.4
North America	-0.6
Europe	-5.2
Others	-1.4
Total	+7.9

	Forex rate(yen)		Effect (billion yen)
	FY16 1H	FY17 1H	
USD	108	111	+2.8
EUR	119	126	+3.9
AUD	80	86	+5.7
THB	3.03	3.32	-14.3
Others	-	-	+2.8
Total	-	-	+0.9

Others	
R&D expenses	-1.9
Cost on quality measures in market and Others	+58.7
Total	+56.8



FY2017 1H Balance Sheet Summary



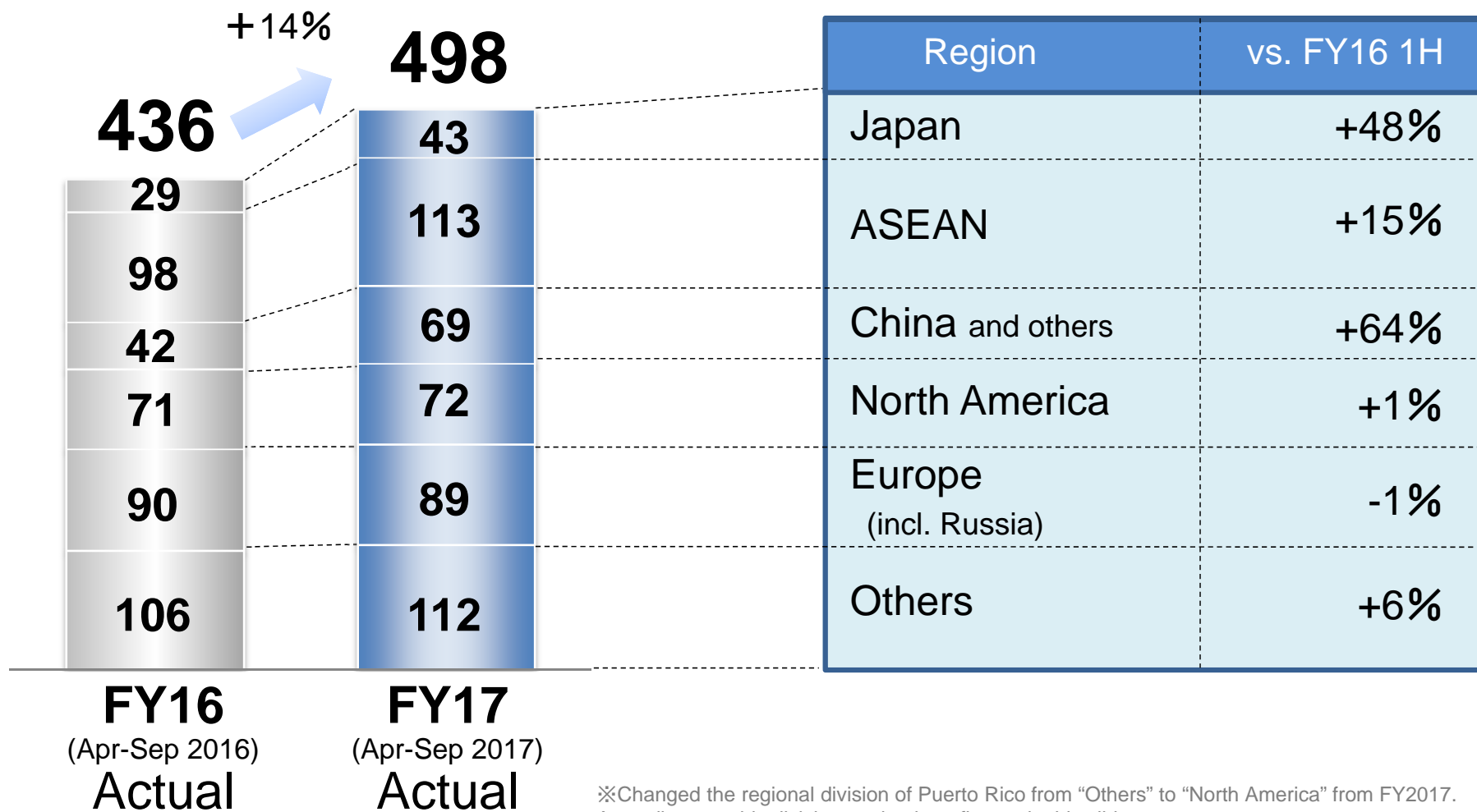
(billion yen)

	FY16 (end of Mar. 2017) Actual	FY17 1H (end of Sep. 2017) Actual	Variance
Total assets	1,484.4	1,533.9	+49.5
Cash and deposits	556.8	523.0	-33.8
Total liabilities	780.9	782.3	+1.4
Interest-bearing debt	15.6	29.8	+14.2
Total net assets	703.5	751.6	+48.1
Shareholders' Equity (Equity ratio)	690.5 (46.5%)	734.7 (47.9%)	+44.2
Net Cash	541.2	493.2	-48.0

FY2017 1H Retail Sales Volume (vs. FY2016 1H)



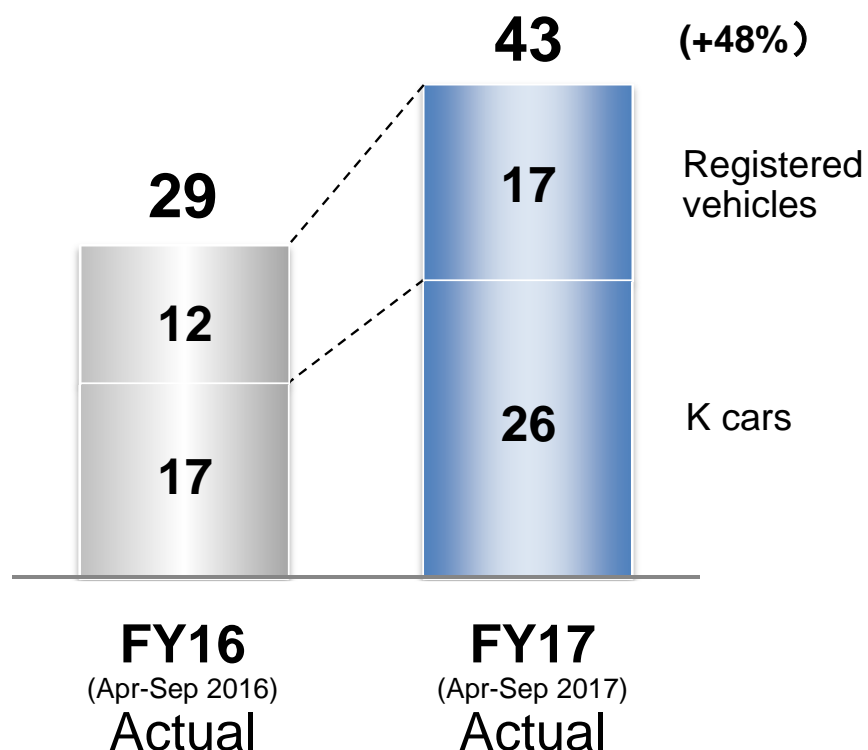
Retail sales volume(thousand units)



※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.

FY2017 1H Results by Region: Japan

Retail sales volume(thousand units)



RVR 'ACTIVE GEAR' (Launched in November)

■ Retail sales volume: 43,000 units

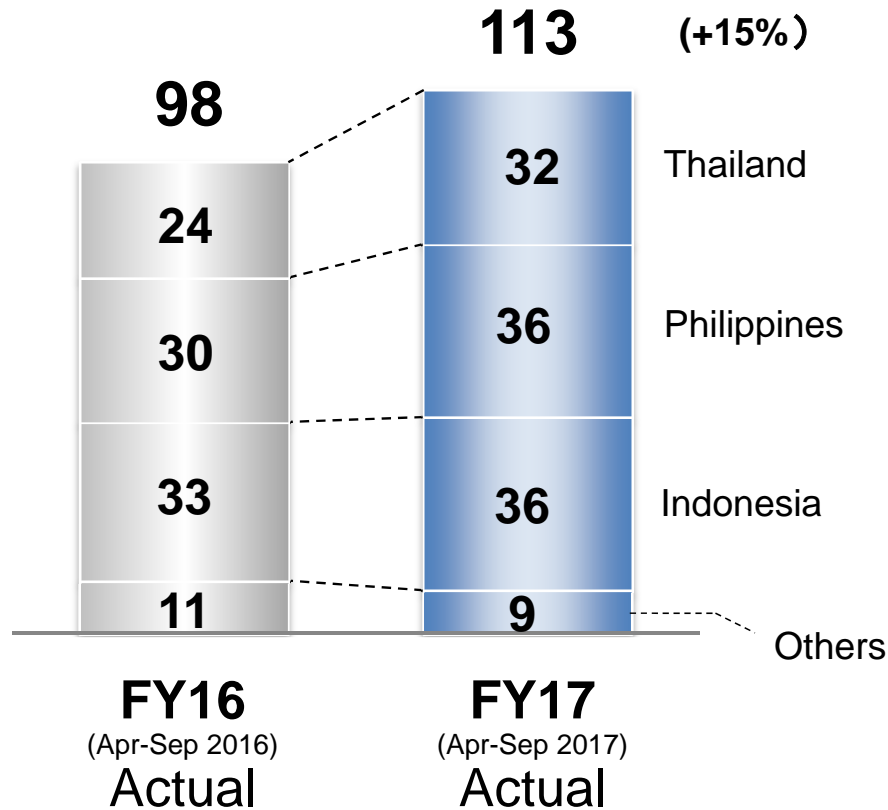
- Volume substantially dropped due to improper fuel economy testing
- Both registered vehicles and mini cars recovered to the FY2015 level
- Accelerated brand rebuilding

TIV:	2,306	2,483	(+8%)
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TIV : According to our research.

FY2017 1H Results by Region: ASEAN

Retail sales volume(thousand units)



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■ Retail sales volume: 113,000 units

Thailand : Economy recovery led to sales rebound

Philippines : Local production models supported sales increase

Indonesia : Strong orders of *XPANDER*

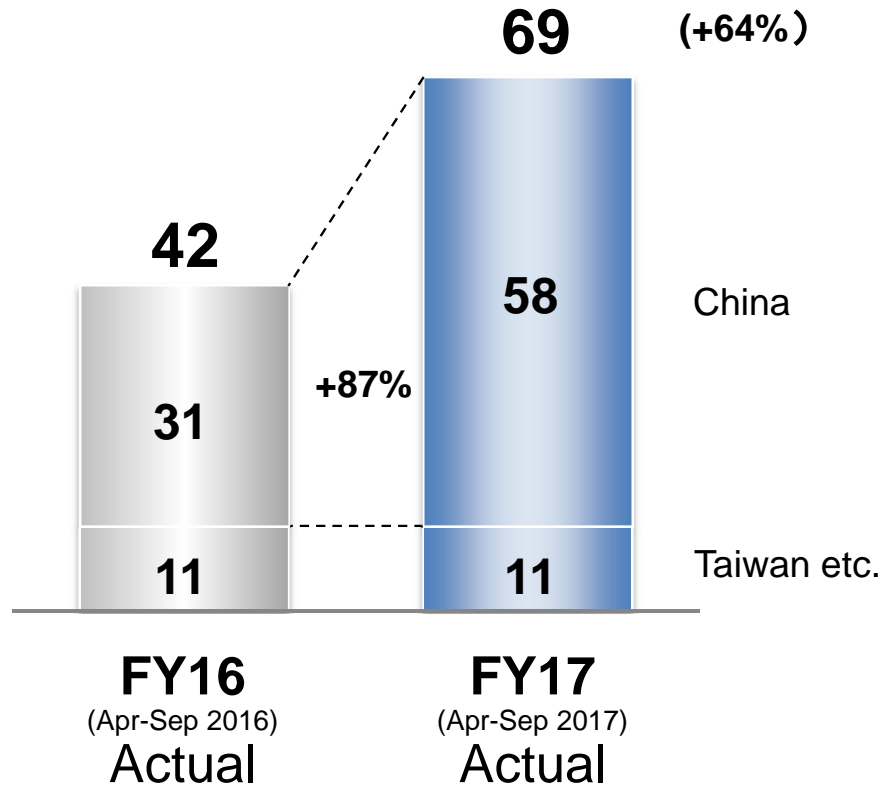
- We have accelerated the launch of 2nd shift

TIV* : 1,067 1,119 (+5%)

TIV : According to our research. *:Thailand + Philippines + Indonesia

FY2017 1H Results by Region: China

Retail sales volume(thousand units)



Outlander

■ Retail sales volume: 69,000 units

- Sales of *Outlander* remain strong
- Dealer network expansion accelerating

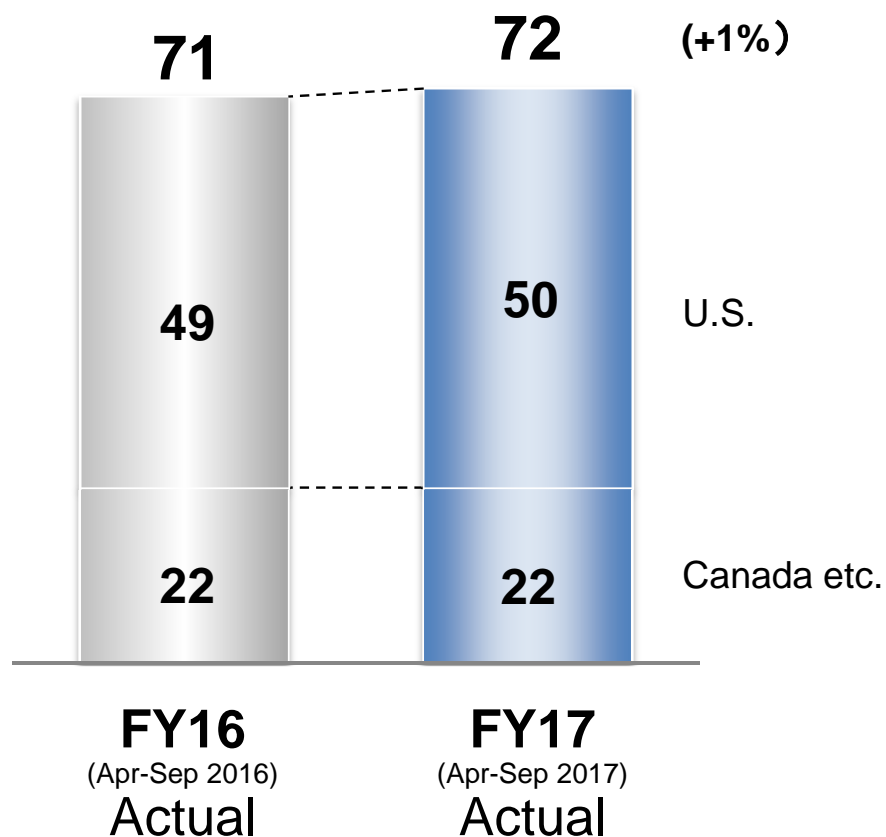
TIV* : 12.8 M 13.2 M (+3%)

TIV : According to our research. *: China

FY2017 1H Results by Region: North America



Retail sales volume(thousand units)



Outlander

■ Retail sales volume: 72,000 units

- Strong *Outlander* sales
- Aim to improve presence in the market

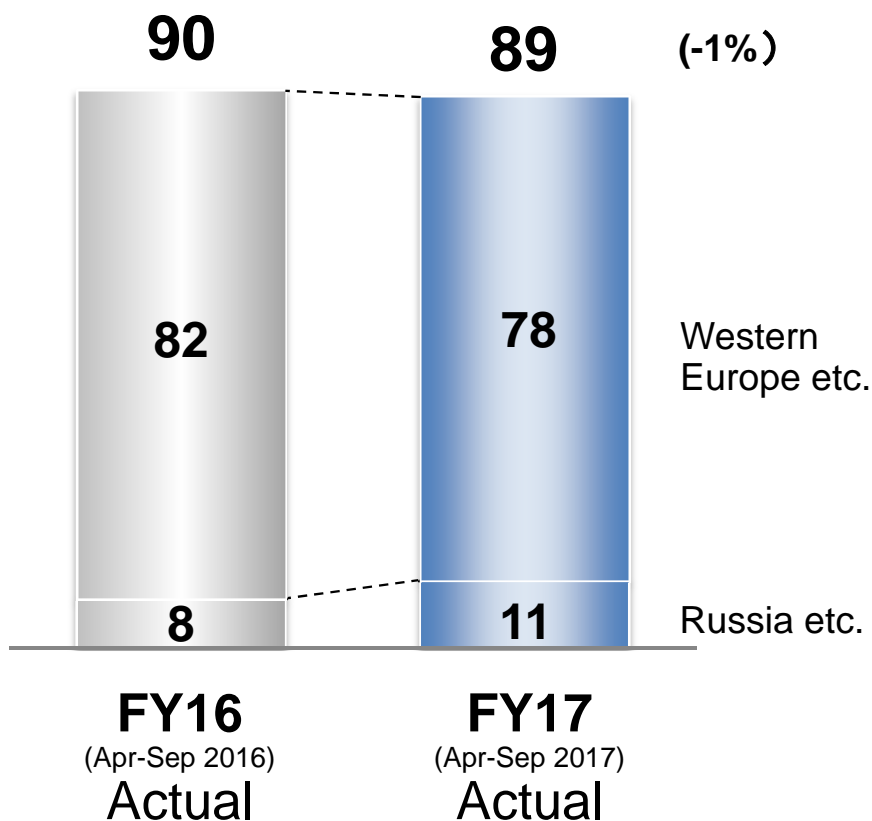
TIV* : 9.1M 8.8M (-3%)

TIV : According to our research. *: U.S.

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FY2017 1H Results by Region: Europe

Retail sales volume(thousand units)



Eclipse Cross

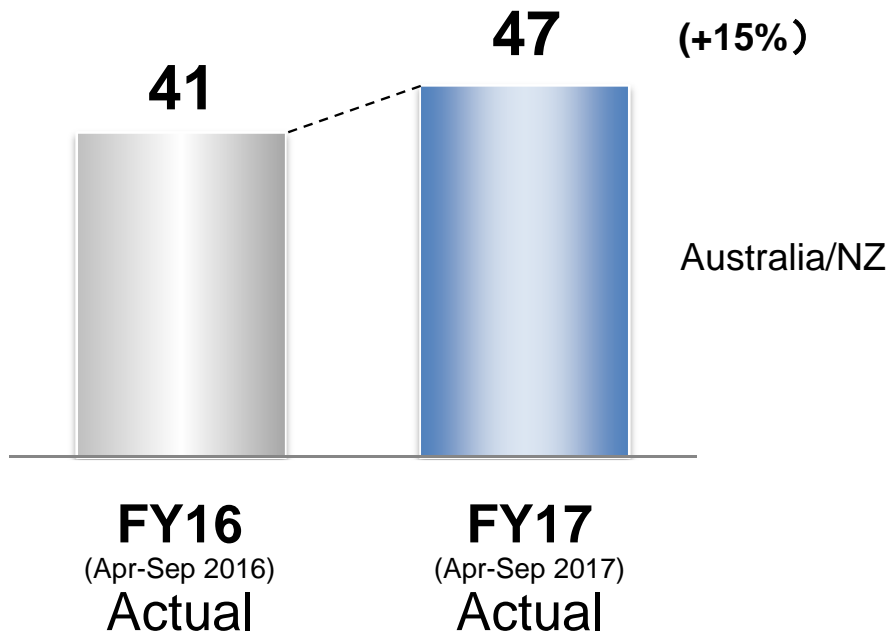
- Retail sales volume: 89,000 units
- Germany and UK maintaining steady sales
- Demand in Russia on a recovery trend
- Started shipping of *Eclipse Cross*

TIV*	8.7M	8.8M	(+1%)
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TIV : According to our research. *:EU + EFTA

FY2017 1H Results by Region: Australia/NZ

Retail sales volume(thousand units)



Triton

■ Retail sales volume: 47,000 units

- MMC Sales remaining strong
- SUV/LCV* markets have been expanding

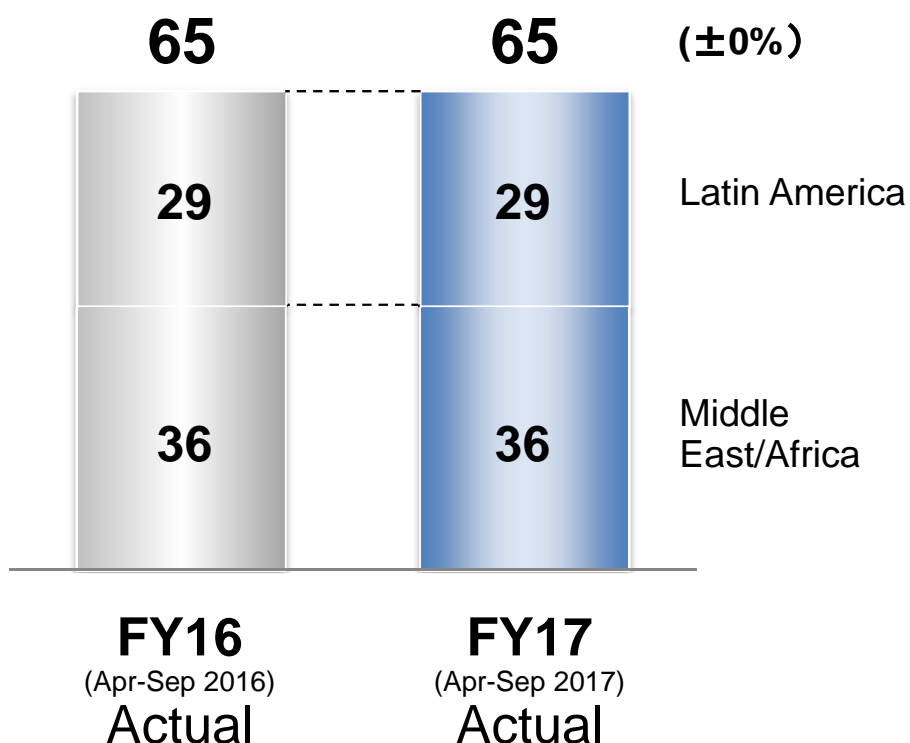
* LCV : Light Commercial Vehicle

TIV:	655	667	(+2%)
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TIV : According to our research.

FY2017 1H Results by Region: Other Regions

Retail sales volume(thousand units)



Pajero

- Retail sales volume: 65,000 units
- Continuing sluggish demands
- Our sales are on recovery trend
- Focus on sales of SUV / Pick-up truck

TIV* :	2,611	2,571	(-2%)
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TIV : According to our research. *:Latin America + GCC

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3. Progress on Growth Strategy

CAPEX and R&D Expenses

R&D Facility



New aero-acoustic wind tunnel



New climatic wind tunnel

Sales Network



Product Renewal

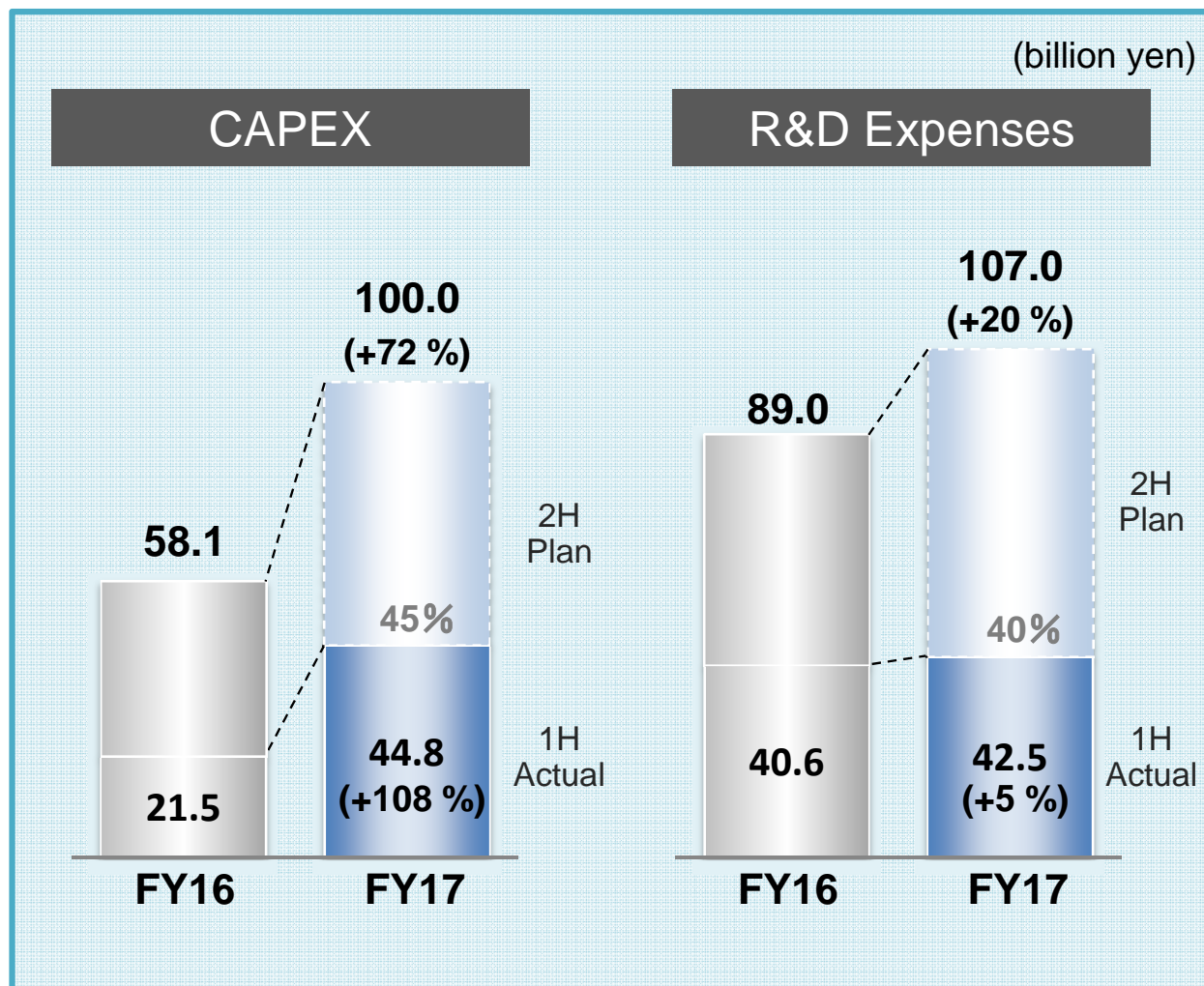


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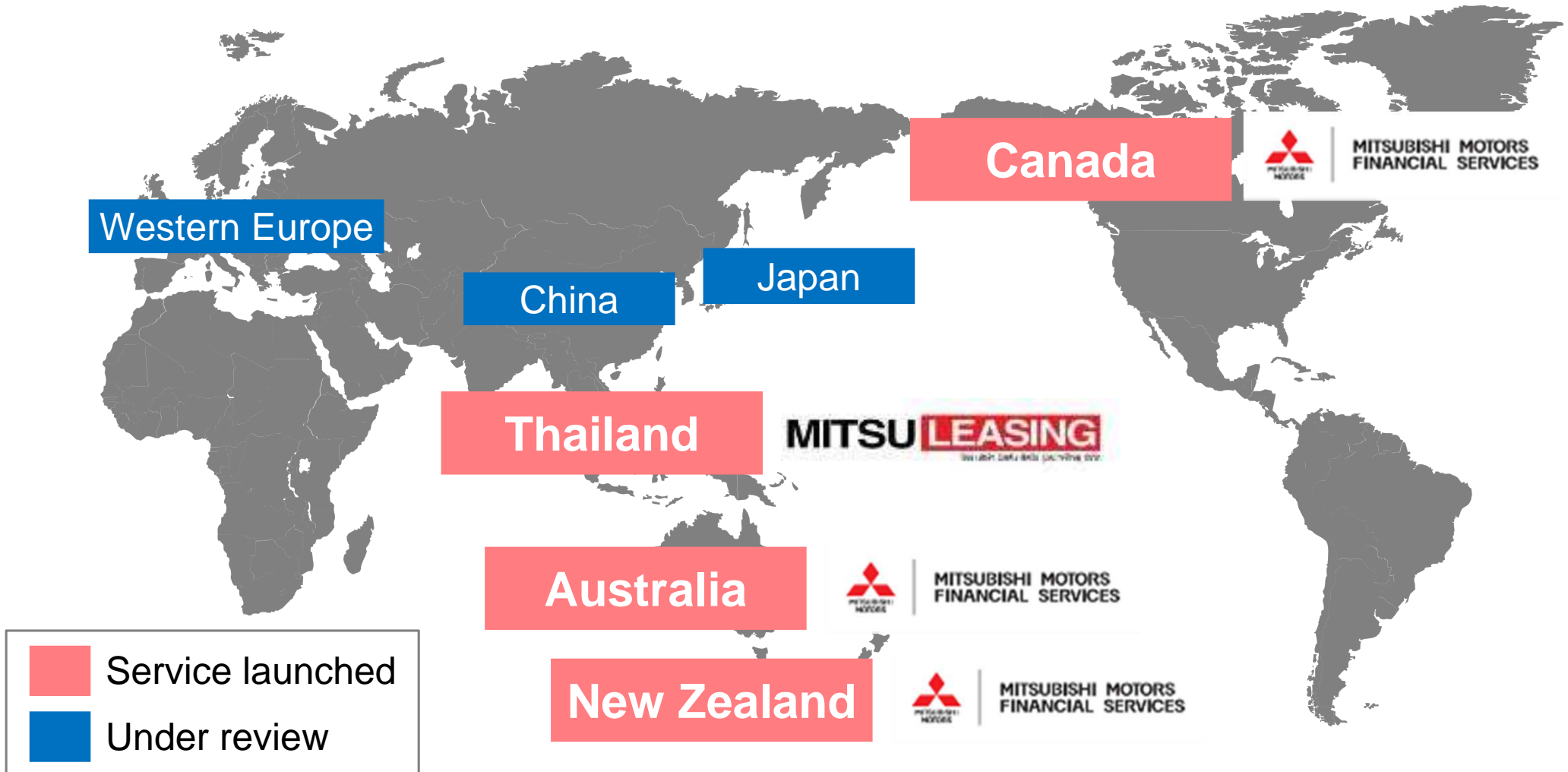


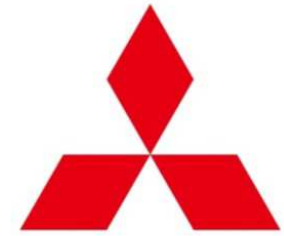
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IT Investment



Enhance Customer Service: Sales Finance





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Appendix

FY2017 1H Regional Actual(vs. FY2016 1H)



(billion yen)

	Net Sales			Operating Profit		
	FY16 Actual ('16/4-'16/9)	FY17 Actual ('17/4-'17/9)	Variance	FY16 Actual ('16/4-'16/9)	FY17 Actual ('17/4-'17/9)	Variance
Total	864.9	947.7	+82.8	-31.6	44.2	+75.8
- Japan	107.3	160.4	+53.1	-22.6	-12.7	+9.9
- ASEAN	156.3	216.4	+60.1	20.5	20.3	-0.2
- China and others	35.4	46.6	+11.2	0.1	8.4	+8.3
- North America	150.4	147.4	-3.0	-11.0	3.6	+14.6
- Europe	215.8	180.8	-35.0	-23.7	4.0	+27.7
- Others	199.7	196.1	-3.6	5.1	20.6	+15.5

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FY2017 2Q Analysis of Increase/Decrease of Operating Profit (vs. FY2016 2Q)

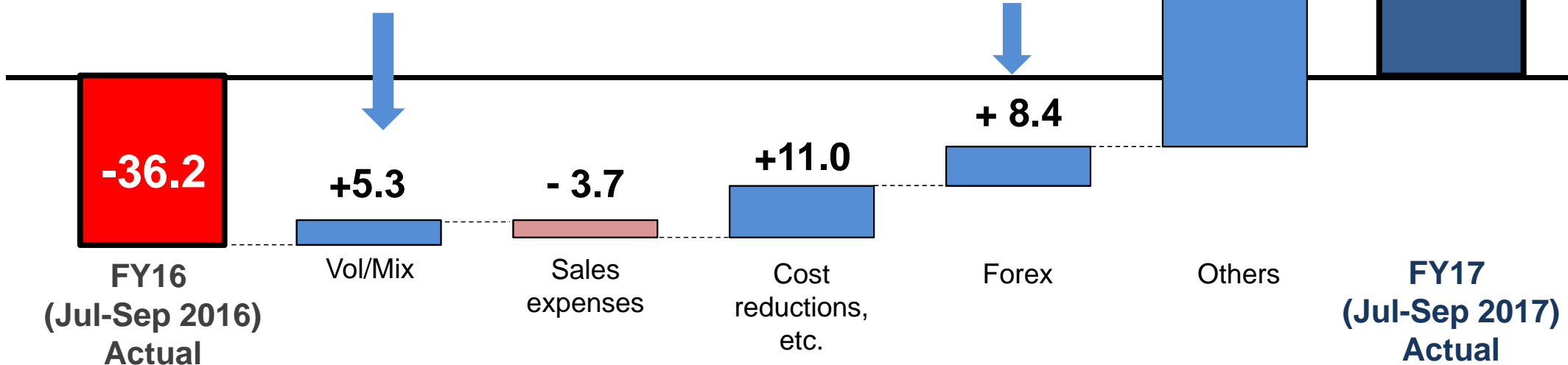


(billion yen)

Vol/Mix by region	
Japan	+1.0
ASEAN	+2.4
China and others	-0.6
North America	+0.6
Europe	-1.2
Others	+3.1
Total	+5.3

	Forex rate(yen)		Effect (billion yen)
	FY16 2Q	FY17 2Q	
USD	103	111	+2.8
EUR	115	130	+4.9
AUD	77	87	+5.2
THB	2.97	3.36	-10.2
Others			+5.7
Total	-	-	+8.4

Others	
R&D expenses	-1.2
Cost on quality measures in market and others	+40.0
Total	+38.8



Capital expenditure / Depreciation / R&D expense



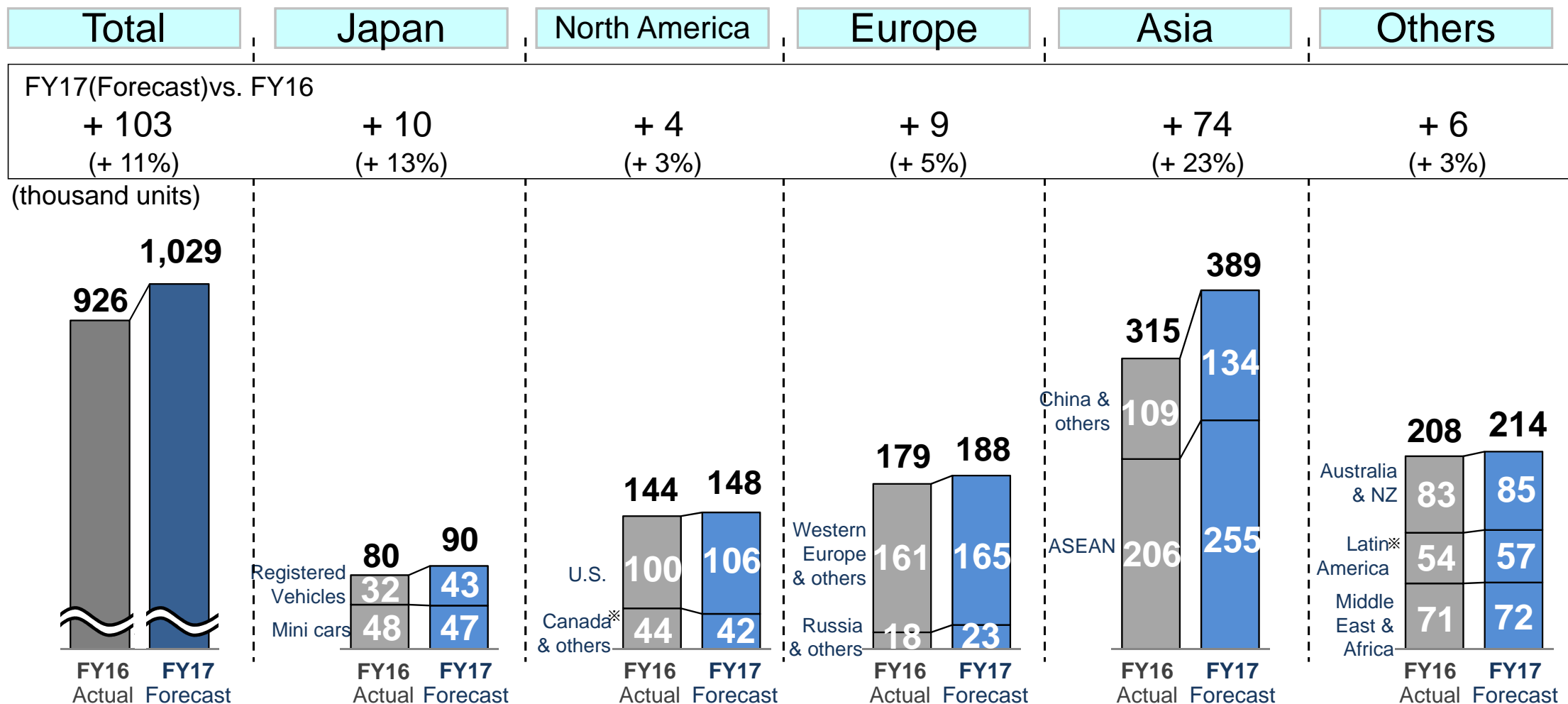
(billion yen)

	FY16 (Apr-Sep 2016) Actual	FY17 (Apr-Sep 2017) Actual	FY17 (Apr 2017-Mar 2018) Forecasts
CAPEX (YoY)	21.5 (-39%)	44.8 (+108%)	100.0 (+72%)
Depreciation (YoY)	23.8 (-8%)	23.3 (-2%)	53.0 (+15%)
R&D expense (YoY)	40.6 (+5%)	42.5 (+5%)	107.0 (+20%)

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



~ Sales volume increase mainly in ASEAN, China and Japan ~



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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

(MTP) Strategic Levers – Product Renewal

11 new models launch during MTP Period

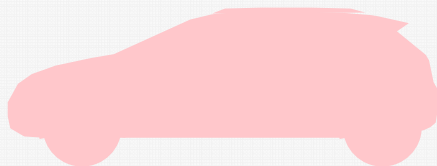
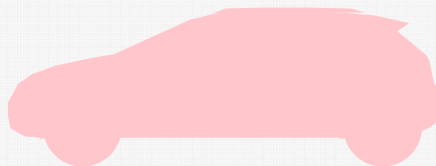
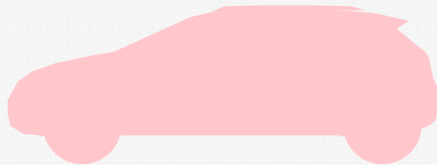
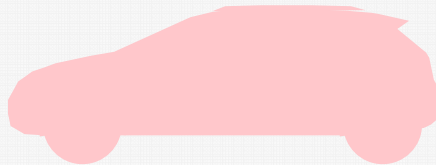
New models/full model changes



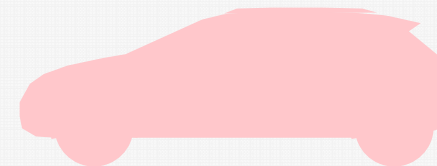
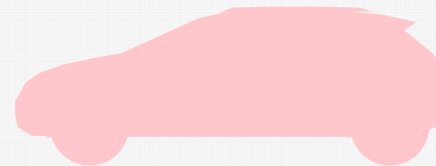
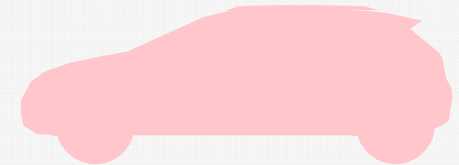
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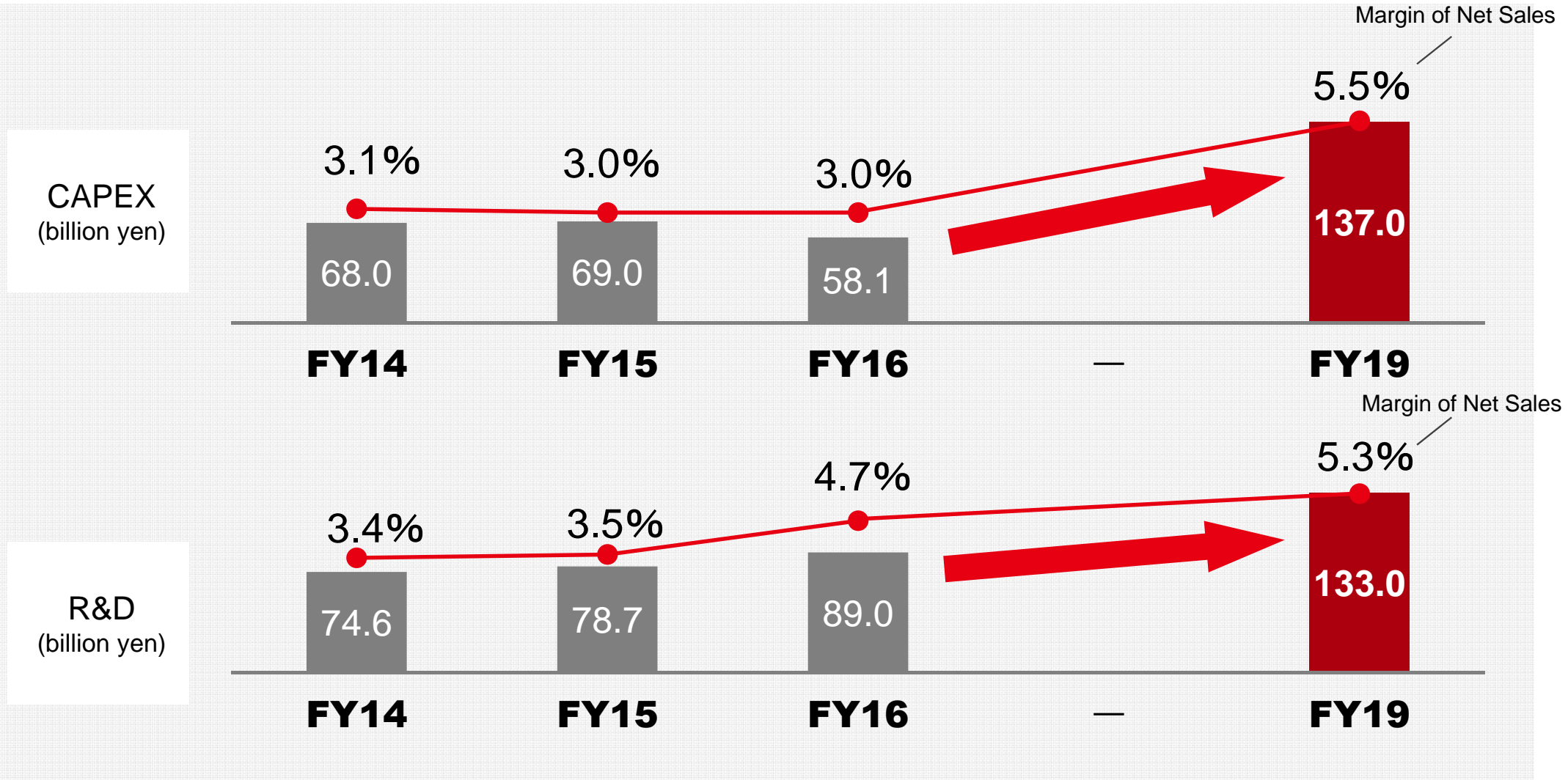
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Minor changes



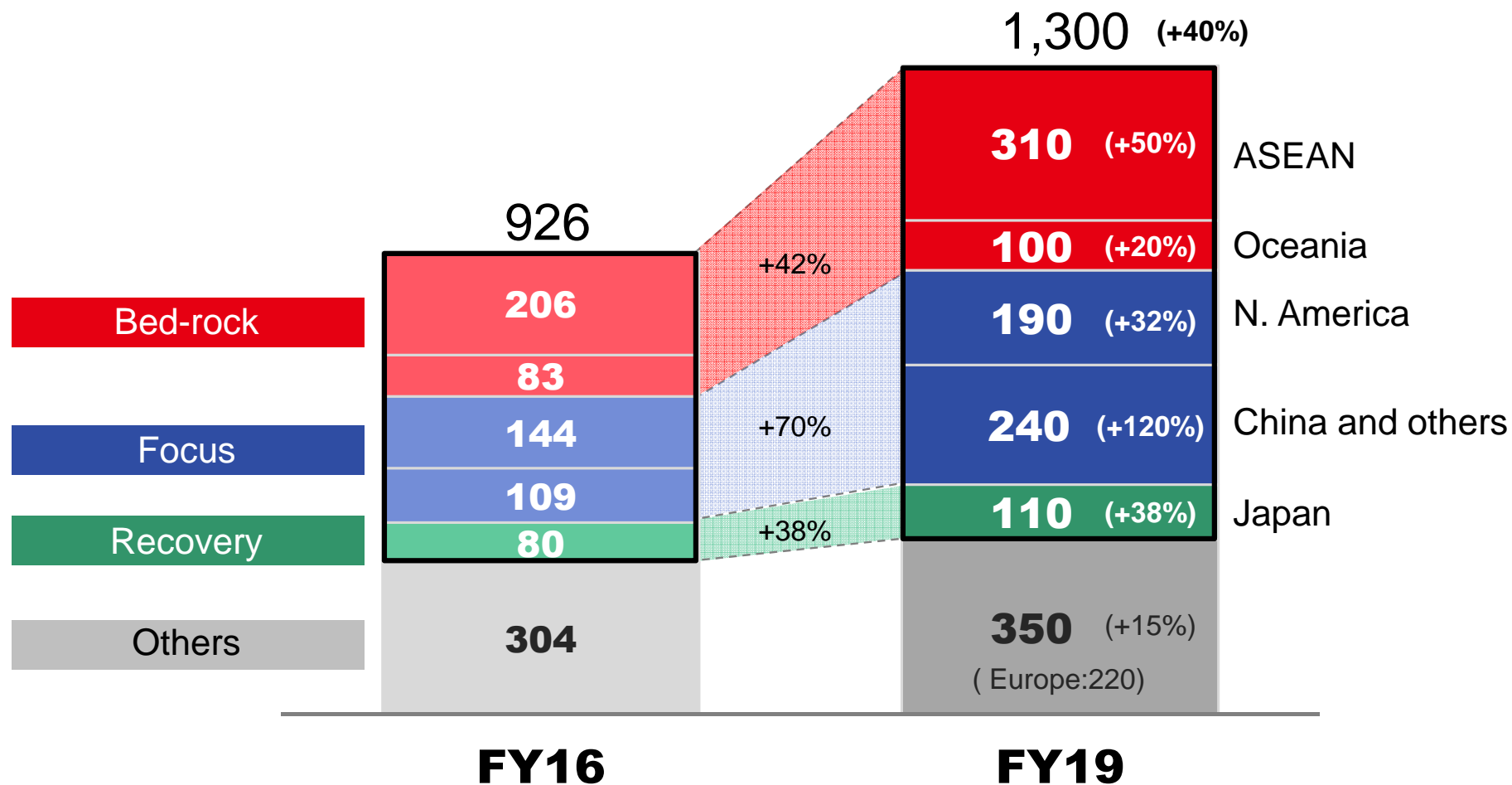
(MTP) Strategic Levers – Increase CAPEX and R&D substantially



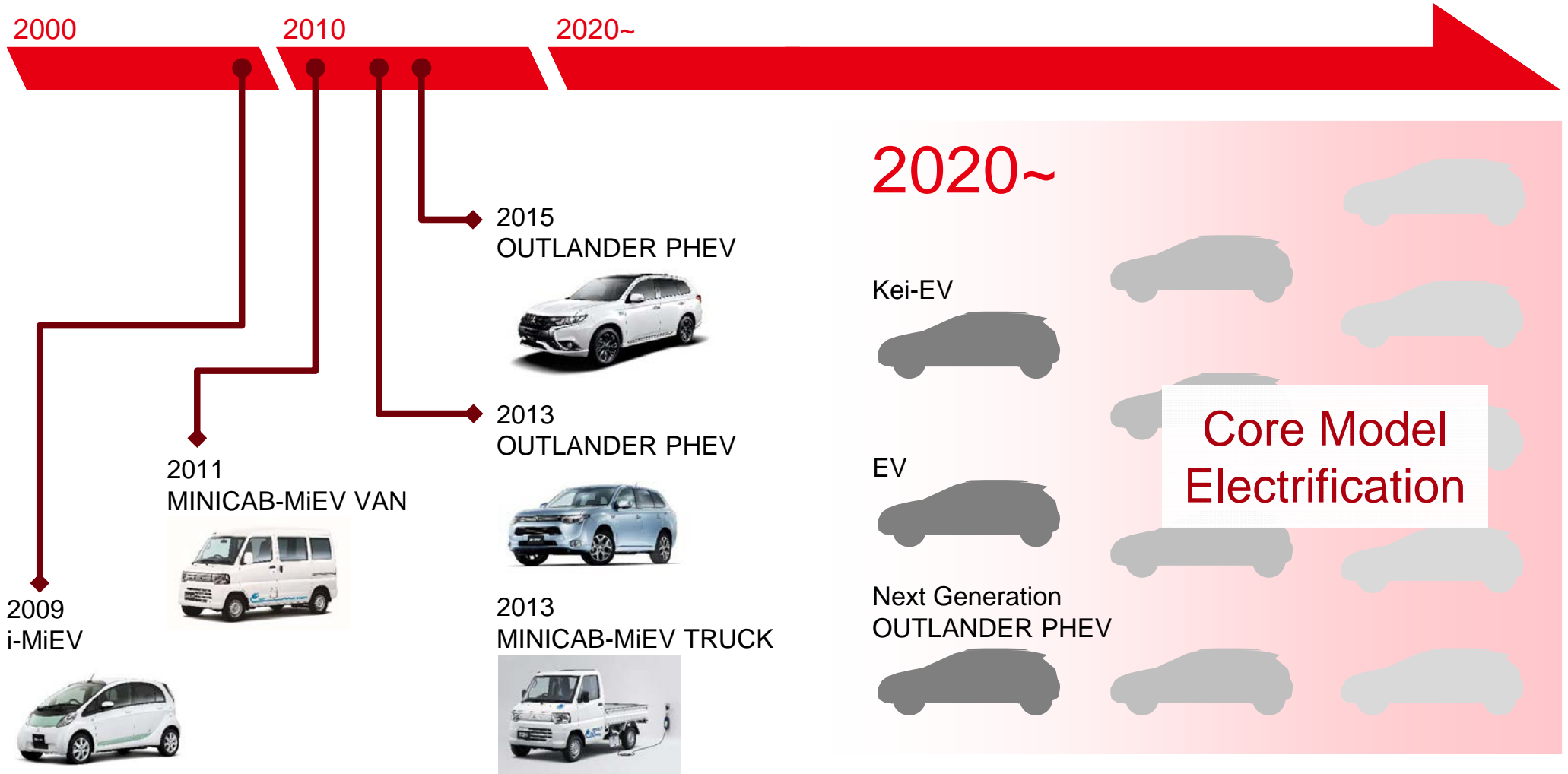
(MTP) Strategic Levers – Regional Strategy – Focus on core markets



Retail volume ('000 units)



(MTP) Foundations – Electrification strategy (EV&PHEV)



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- 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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