

MITSUBISHI MOTORS CORPORATION

Securities Code: 7211

Report on the Year Ended March 31, 2018

Business Report

(April 1, 2017 to March 31, 2018)



**MITSUBISHI
MOTORS**

Drive your Ambition

CEO Message



While continuing to work to recover trust, we will press ahead with establishing a foundation for profitable and sustainable growth.

D. Masuko

Member of the Board,
Representative Director, CEO

In FY2017, the first year of the mid-term plan (MTP) "DRIVE FOR GROWTH," we were able to make a good start, achieving the targets which were even revised upward during the fiscal year. I also find it very encouraging that our new products, *XPANDER* and *Eclipse Cross*, have been launched successfully.

To reassure that we are on the right track in continuing reform initiatives to 'rebuild credibility,' FY2018, the second year of the MTP, is a very important year. While making aggressive investments continuously to establish a foundation for profitable and sustainable growth, we will use our best endeavors to 'expand our size,' 'improve COP margin' and 'maintain healthy cash flow,' all of which are the goals of business.

Financial Overview

Review of FY2017 (Ended March 31, 2018)

Mitsubishi Motors reported net sales up 15% year-on-year to 2.19 trillion yen for FY2017. Operating profit rose sharply to 98.2 billion yen, representing an operating margin of 4.5%, compared with operating profit of 5.1 billion yen in the same period of FY2016. The Company generated net income attributable to owners of the parent of 107.6 billion yen for the latest 12-month period, reversing a net loss of 198.5 billion yen in the prior fiscal year.

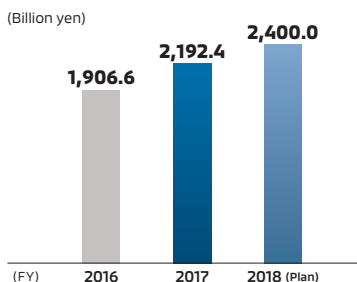
Global sales volume for FY2017 increased 19% year-on-year to 1,101 thousand units.

Sales in Japan increased 23% year-on-year to 98 thousand units. The growth was driven by encouraging demand for Kei car models, the *eK Wagon* and *eK Space*, as well as for the *Delica D:5* and

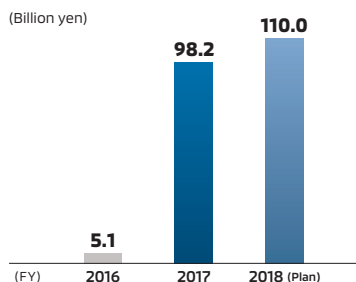
other "Active Gear" series. ASEAN sales increased by 33% to 275 thousand units, driven by orders for pick-up trucks in Thailand and the strong performance of the new *XPANDER* MPV, launched in Indonesia last September. In China, sales rose 55% year-on-year to 136 thousand units due to demand for the localized *Outlander*, of which local production began in 2016.

In addition, our new-model compact SUV, the *Eclipse Cross*, got off to a good start. Following its launch in Europe in late 2017, we rolled out the *Eclipse Cross* in Oceania, North America, and Japan in 2018. It has been well-received in various countries, and its sales volume outlook is bright.

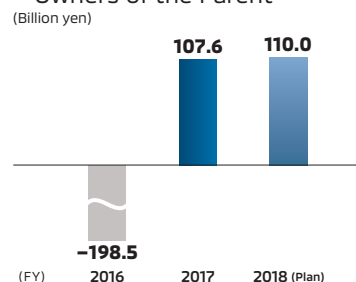
◆ Net Sales



◆ Operating Profit



◆ Net Income Attributable to Owners of the Parent



Outlook for FY2018 (Ending March 31, 2019)

For the year ending March 31, 2019, we forecast net sales of 2.40 trillion yen. Moreover, despite foreign currency exchange projections taking into account a tougher market climate than a year ago, we expect to secure solid earnings with operating profit of 110.0 billion yen, an operating profit margin of 4.6%, and projected net income of 110.0 billion yen.

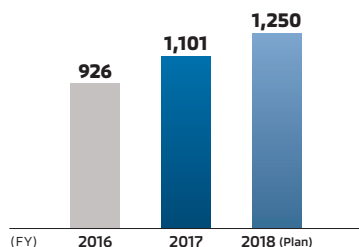
In the year ending March 31, 2019, we target global sales volume growth of 14% year-on-year to

1,250 thousand units. We expect new models launched in the previous year, including the *Eclipse Cross* and *XPANDER*, to contribute to sales volume growth. Regionally, our growth will be driven strongly by ASEAN, and by China in which production capacity will be increased by our local joint venture and the dealer network will be enhanced. The sales recovery in Japan will also support the growth.

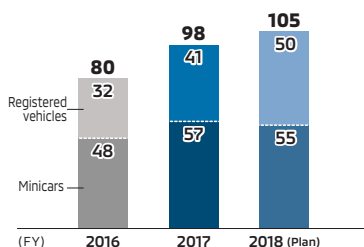
Sales Volume (Retail)

(Thousand units)

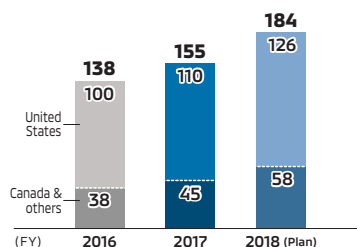
◆ Total



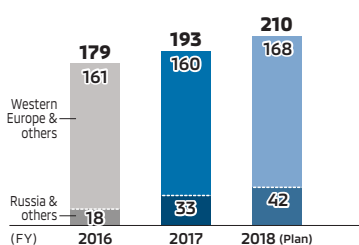
◆ Japan



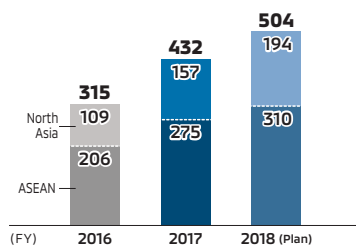
◆ North America*



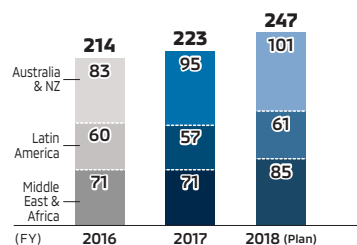
◆ Europe*



◆ Asia*



◆ Other Regions*



* From FY2017, the regional classification of Puerto Rico was changed from "Other Regions" to "North America." Also, from FY2018, the regional classification of some countries in ASEAN and Europe was changed to "Other Regions."

Information

◆ April 2017

New Plant in Indonesia Comes Online

The manufacturing plant in Indonesia is a production site for popular models like the *Pajero Sport* and *XPANDER*, and the aim is to expand business in ASEAN.



◆ August 2017

Next-Generation Crossover MPV *XPANDER* Unveiled

The *XPANDER* fuses the comfort and utility of an MPV with the stylishness and road performance of an SUV. In Indonesia, the *XPANDER* has continued to maintain robust sales since orders started being taken in August 2017, and it was named Car of the Year in March 2018.



◆ October 2017

New Brand Message “Drive your Ambition” Created

This message paves the road for us into the next century. Our concept car embodying this new brand message, the *MITSUBISHI e-EVOLUTION CONCEPT*, made its world debut.



2017

2018



◆ April 2017

New-Model Compact SUV *Eclipse Cross* Debuted

This coupe SUV fuses the stylish coupe form with dynamic SUV mobility. It was launched in October 2017 as a global strategic vehicle. The model will now be rolled out throughout the world.



◆ October 2017

Mid-Term Plan—“DRIVE FOR GROWTH” Announced

We target growth in key markets as we revamp product lineups and expand investment. We will constantly evolve over the three years of the plan.

◆ June 2017

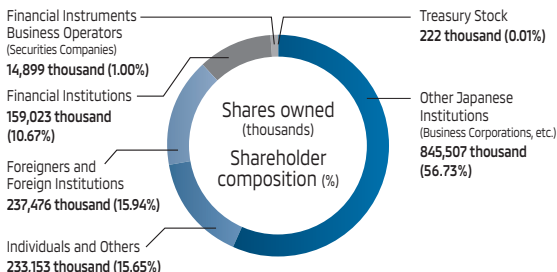
Nissan and Mitsubishi Motors Join Forces to Offer Financial Services

Nissan Motor Co., Ltd. and Mitsubishi Motors Corporation team up to launch a branded sales finance operation for Mitsubishi Motors in Australia, New Zealand, and Canada.

Investor Information (as of March 31, 2018)

Total Number of Issuable Shares	1,575,000,000 shares
Total Number of Issued Shares	1,490,282,496 shares
Number of Shareholders	269,522

Distribution of Shares by Shareholder (as of March 31, 2018)



Stock Procedure Information

Fiscal Year	From April 1 to March 31 of the following year
Ordinary General Meeting of Shareholders	June of each year
Record Date Determining Voting Rights at Ordinary General Meeting of Shareholders	March 31
Record Date Determining Shareholders to Receive Year-End Dividend	March 31
Record Date Determining Shareholders to Receive Interim Dividend	September 30
Other Record Date	If other record date is required to be set, it will be decided by resolution of the Board of Directors and informed in advance through a public notice.

Major Shareholders (as of March 31, 2018)

Name of shareholder	Number of shares (Thousands of shares)	Ratio of shareholding (%)
NISSAN MOTOR CO., LTD.	506,620	34.00
MAI Corporation	160,329	10.75
Mitsubishi Corporation	137,682	9.24
The Master Trust Bank of Japan, Ltd. (Trust account)	29,984	2.01
Japan Trustee Services Bank, Ltd. (Trust account)	29,290	1.96
Mitsubishi Heavy Industries, Ltd.	21,572	1.44
BNYMSANV AS AGENT / CLIENTS LUX UCITS NON TREATY 1	18,574	1.24
JP MORGAN CHASE BANK 385632	15,864	1.06
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	14,877	0.99
Japan Trustee Services Bank, Ltd. (Trust account 9)	14,311	0.96

(Note) The above ratios of shareholding have been calculated excluding treasury stock (222,186 shares).

Method of Public Notice	Public notices are published electronically. In case the method of electronic public notice is not available due to any troubles or unavoidable circumstances, such a notice will be given by Nihon Keizai Shimbun published in Tokyo. [MMC's Website Address for Public Notices] (Japanese only) https://www.mitsubishi-motors.com/jp/investors/stockinfo/koukoku.html
Number of Shares per Unit	100 shares
Securities Code	7211
Administrator of Shareholder Registry Managing Agency for Special Accounts	Mitsubishi UFJ Trust and Banking Corporation
Handling Office	Mitsubishi UFJ Trust and Banking Corporation, Corporate Agency Division 1-4-5, Marunouchi, Chiyoda-ku, Tokyo, Japan Mitsubishi UFJ Trust and Banking Corporation, Corporate Agency Division
Postal Address	Shin-TOKYO Post Office post office box No.29
Telephone Contact	Phone: 0120-232-711 (toll-free in Japan)

Direct Dividend Payment System

Completing procedures to deposit dividends into a savings account at a financial institution, such as a bank, will enable safe and assured receipt of dividends deposited in an account designated by the shareholder on the day that dividend payments commence. Shareholders receiving their dividends through a dividend voucher should consider this opportunity.

Shares and the Social Security and Tax Number System

The social security and tax number assigned by the Japanese government is required in stock procedures for tax-related purposes. Please inform your brokerage of your number as soon as possible.

For inquiries about the above procedures or other stock-related procedures

- If you have an account in a securities company or other institution:
Please contact that securities company or institution you deal with.
- If your shares are registered in "special accounts":
Please contact Mitsubishi UFJ Trust and Banking Corporation (Phone: 0120-232-711 (toll-free in Japan)).

Corporate Profile (as of March 31, 2018)

Company Name	MITSUBISHI MOTORS CORPORATION
Head Office	5-33-8, Shiba, Minato-ku, Tokyo 108-8410, Japan Phone: +81-3-3456-1111
Established	April 22, 1970
Number of Employees	Consolidated: 30,507 Non-consolidated: 13,693
Capital	¥284,382 million

Members of the Board (as of June 22, 2018)

Directors

Chairman of the Board Representative Director	Carlos Ghosn
Member of the Board Representative Director CEO	Osamu Masuko
Member of the Board [Outside Director]	Shunichi Miyanaga
Member of the Board [Outside Director]	Ken Kobayashi
Member of the Board [Outside Director]	Hitoshi Kawaguchi
Member of the Board [Outside Director]	Hiroshi Karube
Member of the Board [Outside Director]	Setsuko Egami
Member of the Board [Outside Director]	Main Kohda

Audit & Supervisory Board Members

Audit & Supervisory Board Member [Full-Time]	Yoshikazu Nakamura
Audit & Supervisory Board Member [Full-Time]	Kozo Shiraji
Audit & Supervisory Board Member [Outside Audit & Supervisory Board Member]	Katsunori Nagayasu
Audit & Supervisory Board Member [Outside Audit & Supervisory Board Member]	Yaeko Takeoka
Audit & Supervisory Board Member [Outside Audit & Supervisory Board Member]	Yoshitsugu Oba

Notes: 1 Mr. Shunichi Miyanaga, Mr. Ken Kobayashi, Mr. Hitoshi Kawaguchi, Mr. Hiroshi Karube, Ms. Setsuko Egami and Ms. Main Kohda are outside directors as stipulated in Item 15 of Article 2 of the Companies Act of Japan.

2 Mr. Katsunori Nagayasu, Ms. Yaeko Takeoka and Mr. Yoshitsugu Oba are outside Audit & Supervisory Board Members as stipulated in Item 16 of Article 2 of the Companies Act of Japan.



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