

# Results for the Nine Months Ended December 2015 [IFRS]

February 2, 2016

Mitsubishi Corporation

### **(Forward-Looking Statements)**

- This release contains forward-looking statements about Mitsubishi Corporation's future plans, strategies, beliefs and performance that are not historical facts. Such statements are based on the company's assumptions and beliefs in light of competitive, financial and economic data currently available and are subject to a number of risks, uncertainties and assumptions that, without limitation, relate to world economic conditions, exchange rates and commodity prices.
- Accordingly, Mitsubishi Corporation wishes to caution readers that actual results may differ materially from those projected in this release and that Mitsubishi Corporation bears no responsibility for any negative impact caused by the use of this release.

### **(Notes Regarding these Presentation Materials)**

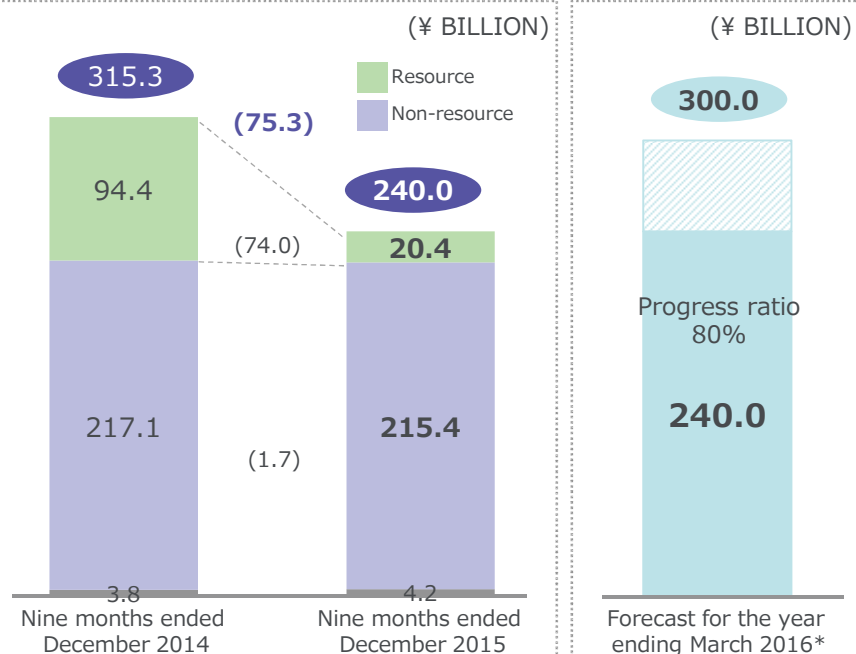
- Consolidated net income in this presentation shows the amount of net income attributable to owners of the Parent, excluding noncontrolling interests. Equity shows the amount of equity attributable to owners of the Parent, excluding noncontrolling interests, which is a component of total equity.

## Consolidated Operating Results for the Nine Months Ended December 2015

(¥ BILLION)	Nine months ended December 2014	Nine months ended December 2015	Changes	Forecast for the year ending March 2016*	Progress
<b>Consolidated net income</b>	<b>315.3</b>	<b>240.0</b>	<b>(75.3)</b>	<b>300.0</b>	<b>80%</b>
Resource	94.4	20.4	(74.0)	20.0	102%
Non-resource	217.1	215.4	(1.7)	276.0	78%

### Overview

- ✓ Consolidated net income decreased 75.3 billion yen year over year. Earnings from the resource field decreased 74.0 billion yen due to lower market prices, despite leveling off in the non-resource field.
- ✓ We achieved 80 percent progress towards the forecast 300.0 billion yen.
- ✓ Although we maintain our forecast at the moment, we will review the value of our assets diligently, considering the uncertainties in natural-resource markets over the next three months.



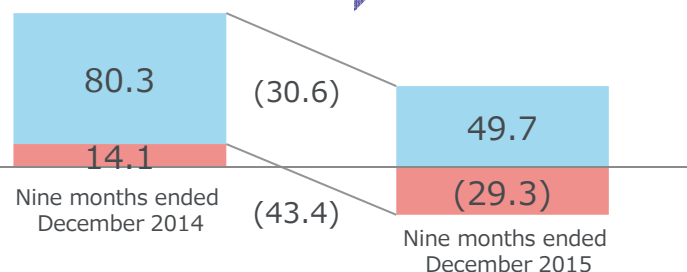
\* Released on November 5, 2015

## Year-over-Year Net Income by Operating Segment

### [Resource]

(¥ BILLION)

94.4 30%  $\rightarrow$  (74.0) 20.4 9%



### Energy Business -38%

Decreased dividend income and equity earnings from resource-related business, caused by lower market prices.

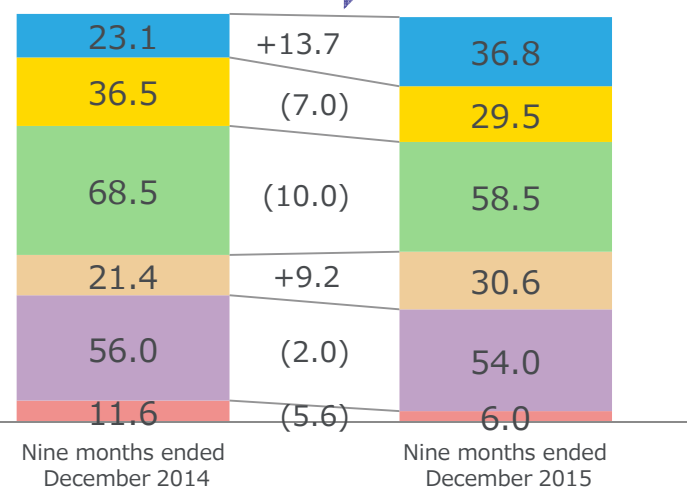
### Metals - Resource

Decreased dividend income and equity earnings from resource-related business caused by lower market prices.

### [Non-resource]

(¥ BILLION)

217.1 70%  $\rightarrow$  (1.7) 215.4 91%



### Global Environmental & Infrastructure Business +59%

Reversal of provision for losses on guarantee obligations for the North Sea oil project.

### Industrial Finance, Logistics & Development -19%

Decreased earnings mainly in fund-related businesses.

### Machinery -15%

Slowdown of the motor vehicle business in Asia and the deteriorating shipping market.

### Chemicals +43%

Growth of petrochemical-related business and gain on revaluation of investment.

### Living Essentials -4%

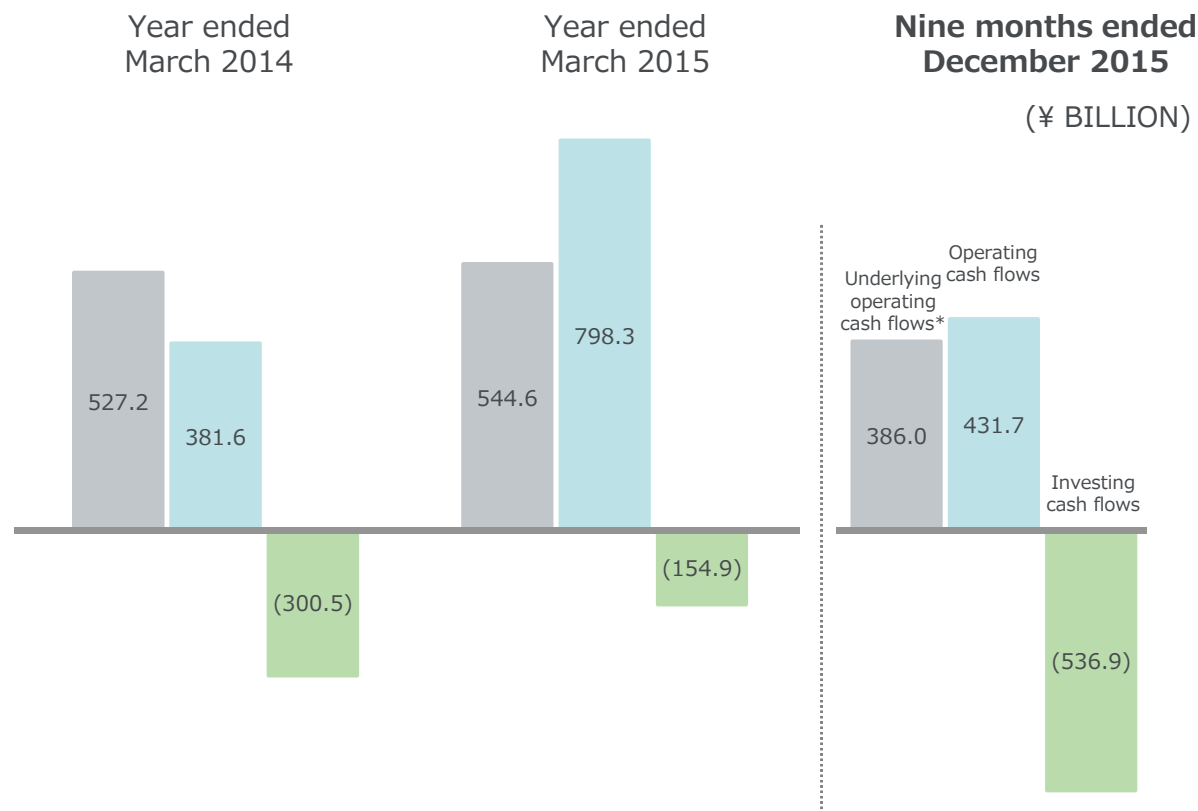
Stagnant salmon market, despite gains on the disposal of food-service and paper pulp related subsidiaries.

### Metals - Non-resource -48%

Decreased operating income caused by stagnant steel demand and its deteriorating market conditions.

\* Net income related to steel products operation in Metals is counted in Non-resource field.

## Cash Flows



### OVERVIEW

✓ **Operating cash flows**  
**¥ 431.7 billion**

Operating transactions and dividends contributed to the positive operating cash flows, which were reduced by the payment of income taxes.

✓ **Investing cash flows**  
**(¥ 536.9 billion)**

Cash was spent mainly on investments in energy resource businesses and the acquisition of a stake in Olam International.

#### <Free cash flows>

First nine months	72.2	82.9	(105.2)
Full year	81.1	643.4	

\* Underlying operating cash flows : Operating cash flows excluding changes in assets and liabilities.  
( = Net income (including non-controlling interests) + DD&A – Profits and losses related to investing activities  
– equity in earnings of affiliated companies not recovered through dividends )

## New Investment and Portfolio Reshaping

(¥ BILLION)		Year ended March 2014	Year ended March 2015	Nine months ended December 2015	Main investment/divestiture areas in the nine months ended December 2015
New investment	Resource	330.0	220.0	250.0	LNG business Coal business in Australia
	Non- resource	470.0	540.0	520.0	Agricultural production-related business Infrastructure business Fund-related business
	Total	800.0	760.0	770.0	
Portfolio reshaping	Asset sales*	510.0	520.0	200.0	Collection of loans receivable Aircraft leasing business Ship business
	DD&A	170.0	200.0	160.0	-
	Total	680.0	720.0	360.0	
Net investment		120.0	40.0	410.0	

\* Profit and loss on sales is not included in the amount of "Asset sales."

## (Reference) Market Conditions

### [Foreign Exchange, Commodity Prices and Interest Rates]

	Nine months ended December 2015	Forecast for the year ending March 2016*	Changes	Consolidated Net Income Sensitivities
Foreign Exchange (YEN/US\$)	121.74	120.94	+ 0.80	Depreciation (appreciation) of 1 yen per US\$1 has a 2.5 billion yen positive (negative) impact on a full-year basis.
Crude Oil Price (Dubai) (US\$/BBL)	51	53	(2)	A US\$1 rise (decline) per barrel increases (reduces) full-year earnings by 1.5 billion yen. Current crude oil prices affect consolidated operating performance after 3 to 9 months, due to various formulas for selling prices and differences in the fiscal year-ends of consolidated companies. In addition to crude oil prices, other factors could also affect crude oil-related earnings, such as dividend policy, foreign currency movements, and production/sales volume.
Copper (US\$/MT) [¢ / lb]	5,397 [ 245 ]	5,600 [ 254 ]	(203) [ (9) ]	A US\$100 rise (decline) per MT increases (reduces) full-year earnings by 1.4 billion yen. Besides copper price fluctuations, other variables affect earnings from copper mines, such as the grade of mined ore, the status of production operations, and reinvestment plans (capital expenditure). Therefore, the impact on earnings cannot be determined by the copper price alone.
YEN Interest TIBOR (%)	0.17	0.19	(0.02)	The effect of rising interest rates is mostly offset by an increase in operating and investments profits. However, a rapid rise in interest rates could cause a temporary negative effect.
US\$ Interest LIBOR (%)	0.33	0.40	(0.07)	

\* Released on November 5, 2015