

# Appendix

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## One-off Gains/Losses

(Billion Yen)

Year ended Mar. 2017			
Total (23)			
【Main one-off gains】 114		【Main one-off losses】 (137)	
L	Profit related to acquisition of Lawson, Inc. as a subsidiary	30	M Impairment losses etc. / ship business (31)
N	Profit related to shale gas business restructuring	16	K Impairment losses in thermal coal business (25)
N	Reversal of impairment loss and sale of investment securities	9	N Impairment losses in African exploration business (12)
N	Tax benefit etc.related to exploration business	9	E Chiyoda Corp. decrease in equity-method income (10)
K	Profit related to withdrawal of nickel business in Indonesia	8	N Provision for additional decommissioning costs etc. / North Sea oil fields (6)
L	Gains related to meat business affiliated company restructuring	7	M Other impairment losses (6)
L	Gains on stock swap/ meat-related business	5	N Impairment losses on fixed assets / petroleum business (5)
E	Gains on sales of overseas power generation asset, FPSO leasing related	5	K Other mineral resource-related impairment losses (5)
N	Foreign exchange gain due to capital reduction	4	N Provision related to exploration business (3)
N	Tax benefits etc. related to withdrawal / shale gas business	3	N Impairment losses in North American exploration business (3)
S	Gains related to sales of fixed assets in logistics center	3	K Impairment losses in Australian uran business (Kintyre) (3)
E	Foreign currency TA due to disposal of overseas power generation asset	2	K Impairment losses in Chilean copper business (AAS) (3)
L	Profit related to conversion of loyalty marketing company into a subsidiary	1	C Impairment losses on fixed assets etc. (3)
N	Partial reversal of provision	1	L Impairment losses on fixed assets / UK food-related business (3)
N	Tax benefit related to withdrawal	1	K Other one-off losses (2)
E	Compensation for delay in completion of construction works	1	K Provision (2)
E	Tax refund related to currency exchange losses at power generation asset holding company	1	K Impairment losses in Australian iron ore business (2)
			L Losses related to merger of salmon farming businesses (2)
			C Other one-off losses (2)
			L Other one-off losses (2)
			L Losses related to withdrawal (1)
			S Impairment losses on goodwill in an overseas lease-related business (1)
			L Impairment losses in Australian grain business (1)
			N Other one-off losses (1)
			K Impairment losses (1)

(E) Global Environmental &amp; Infrastructure Business (S) Industrial Finance, Logistics &amp; Development (N) Energy Business (K) Metals

(M) Machinery (C) Chemicals (L) Living Essentials (X) Corporate

## One-off Gains/Losses

(Billion Yen)

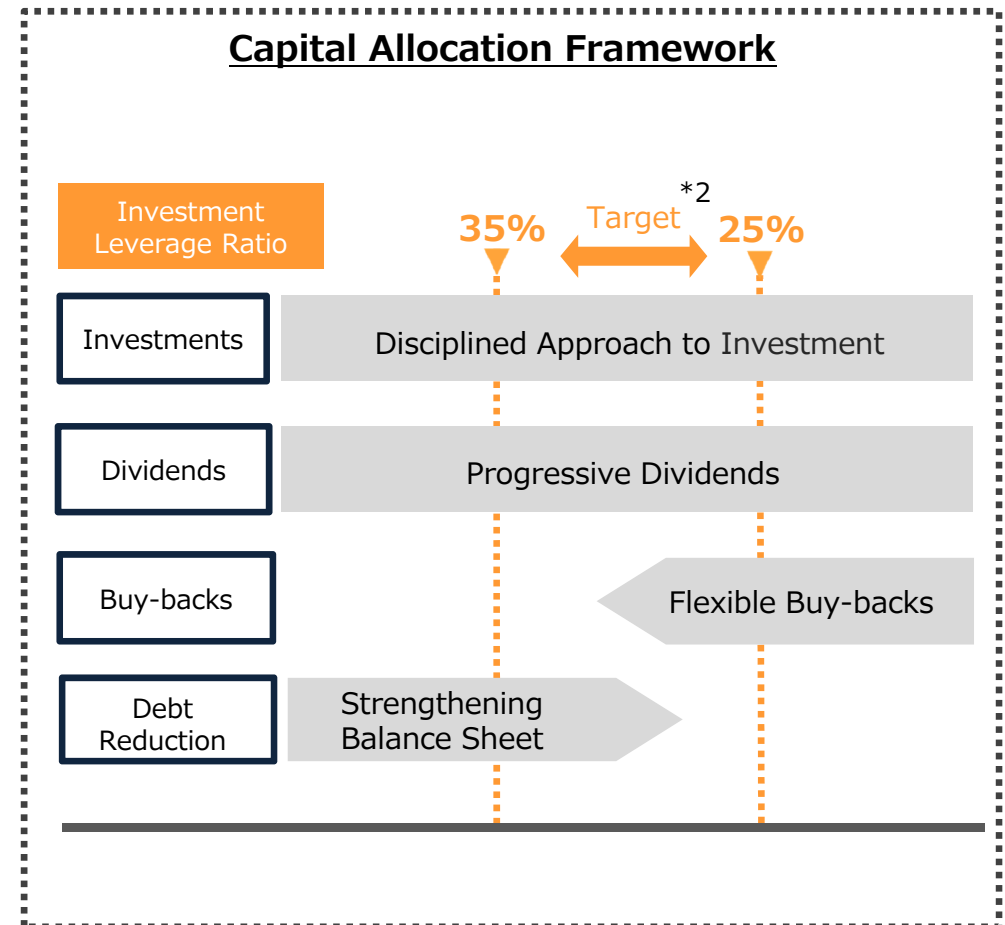
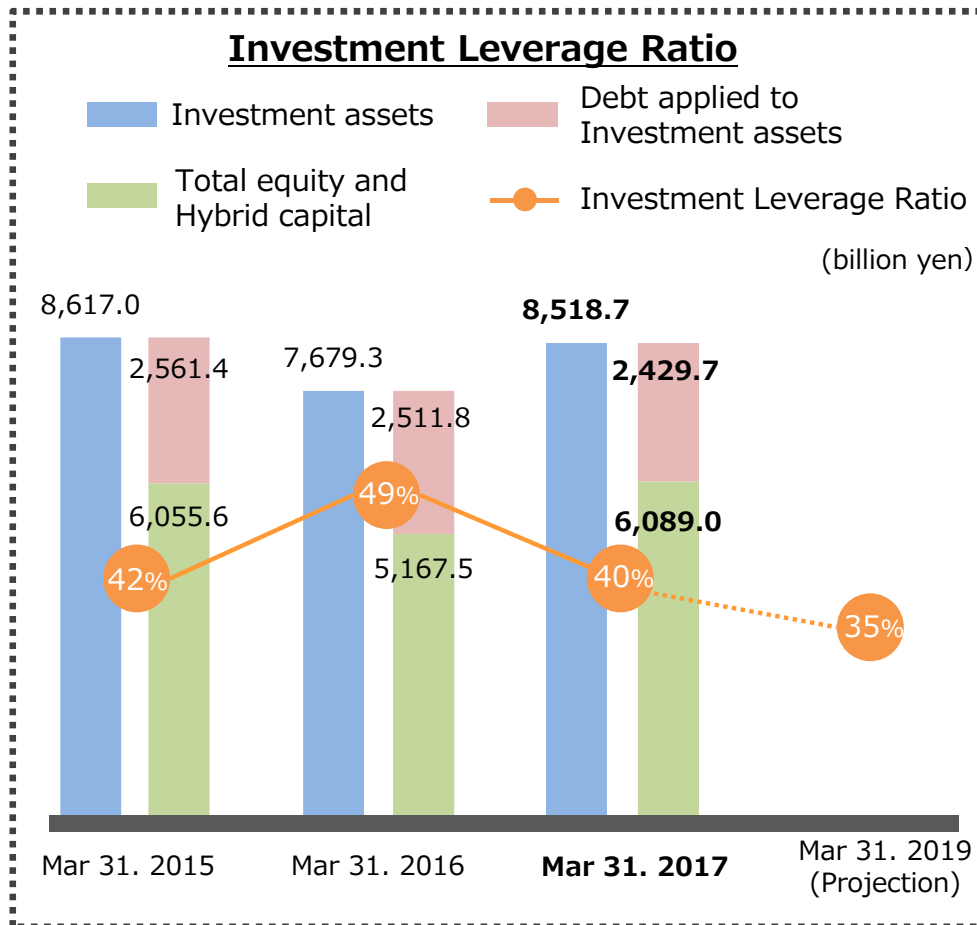
Year ended Mar. 2016			
Total (350)			
【Main one-off gains】 56		【Main one-off losses】 (406)	
E	Reversal of provision for loss on guarantee obligations/North Sea oil fields	14	K Impairment losses on Chilean copper mine (AAS) (271)
L	Gains on sale of investment securities of a foodservice-related subsidiary operations	8	N Impairment losses on Browse LNG (Western Australia) (40)
L	Gains related to the sale of investment securities	5	K Impairment losses on Australian iron ore business (29)
K	Tax benefits etc. related to withdrawal /platinum group metals mining operations	4	X Reversal of DTA (18)
N	Profit related to shale gas equipment	3	K Impairment losses on South African Ferrochrome business (17)
K	Gains on sale of MetalOne business investment	3	M Impairment losses, provisions etc. on ship business (17)
C	Unrealized gains on investment securities	2	N Impairment losses etc. (8)
E	Partial reversal of provision/offshore power transmission business	1	N Impairment losses etc. on E&P business in Papua New Guinea (8)
X	Gains on sale of fixed assets	1	E Impairment losses etc. on overseas power generation businesses (5)
			N Impairment losses on North American E&P business (4)
			N Provision for operation cost etc. related to shutdown of oil production/North Sea oil fields (4)
			N Impairment losses on idle shale gas assets (4)
			C Impairment losses, etc. (3)
			E Impairment losses on goodwill of a UK subsidiary of Chiyoda Corp. etc. -

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# “Investment Leverage Ratio” and Capital Allocation Framework

- “Investment Leverage Ratio”<sup>\*1</sup> set as our indicator for capital allocation and balance sheet strength.
- Target ratio (range): 25-35%.



\*1 Investment Leverage Ratio (%) : 
$$\frac{\text{PP\&E} + \text{Investments} + \text{Lending} + \text{Intangible assets and goodwill}}{\text{Total equity} + \text{Hybrid capital (50\% of the Hybrid finance amount)}} - 100\%$$

\*2 Determination of the target range;  
 i. Analysis of capital structures of corporates in major countries with a focus on capital adequacy assessment employed in credit rating,  
 ii. Conversion of capital structures adequate for “solid A” rated corporates into a target range for Investment Leverage Ratio.

## Performance at Principal Subsidiaries and Affiliates

\* Please refer to the Operating segment information of financial results presentation materials since the following data only contains principal subsidiaries and affiliates out of the total number of subsidiaries and affiliates of MC.

\* Hyphens appear in the equity in earnings columns for subsidiaries and affiliates in case of listed companies that have not yet announced earnings.

\* In case of listed companies, earnings appear as figures prior to MC's consolidation adjustment.

\* Some subsidiaries' and affiliates' earnings are consolidated with a time lag due to differences in the fiscal reporting periods, however significant transactions occurred during the lag period are covered in MC's consolidated earnings.

### < Global Environmental & Infrastructure Business Group >

(Billion Yen)

Subsidiary/ Affiliate	Company Name (Country)	Main Business	MC's Voting Rights (%)	Equity in Earnings		Increase or Decrease
				Year Ended March, 2016 4Q	Year Ended March, 2017 4Q	
Affiliate (listed)	Chiyoda Corporation (Japan)	Plant engineering business	33.57	3.7	(13.1)	-16.8
Subsidiary	Diamond Generating Asia, Limited (Hong Kong) (*)	Independent Power Producer	100.00	4.8	6.5	1.7
Subsidiary	Diamond Generating Corporation (U.S.A.)	Independent Power Producer	100.00	4.7	7.4	2.7
Subsidiary	Diamond Generating Europe Limited (U.K.)	Independent Power Producer	100.00	7.0	2.7	-4.3
Subsidiary	Diamond Transmission Corporation (U.K.)	Transmission System Operator	100.00	8.3	6.0	-2.3
Subsidiary	Mitsubishi Corporation Machinery, Inc. (Japan)	Export, import and domestic trading of machine parts	100.00	2.3	2.9	0.6
Subsidiary	Mitsubishi Corporation Power Ltd. (Japan)	Independent Power Producer	100.00	2.8	3.8	1.0

(\*) This includes 8 companies which are administrated by Diamond Generation Asia, Limited.

### < Industrial Finance, Logistics & Development Group >

(Billion Yen)

Subsidiary/ Affiliate	Company Name (Country)	Main Business	MC's Voting Rights (%)	Equity in Earnings		Increase or Decrease
				Year Ended March, 2016 4Q	Year Ended March, 2017 4Q	
Affiliate (listed)	AGP Corporation (Japan)	Supply of airport ground power, maintenance of airport facilities, manufacture and sale of food carts	26.81	0.2	0.2	0.0
Subsidiary	Diamond Realty Investments, Inc. (U.S.A.)	Real estate investment	100.00	1.2	1.5	0.3
Subsidiary	Diamond Realty Management Inc. (Japan)	Real estate asset management and investment advisory	100.00	2.2	2.3	0.1
Subsidiary	MC Asset Management Holdings, Inc. (U.S.A)	Asset management business	100.00	(1.4)	(1.8)	-0.4
Subsidiary	MC Aviation Partners Inc. (Japan)	Aircraft leasing and management services	100.00	4.2	4.5	0.3
Subsidiary	MC Capital Inc. (U.S.A)	Private Equity Investment	100.00	0.4	2.1	1.7
Subsidiary	MC GIP-UK LTD. (U.K.)	Infrastructure Investment	100.00	5.0	4.0	-1.0
Affiliate	Mitsubishi Auto Leasing Holdings Corporation (Japan)	Auto leases, installment sales and other financial services through subsidiaries	50.00	1.5	1.5	0.0
Subsidiary	Mitsubishi Corporation LT, Inc. (Japan)	Warehousing and general logistics services	100.00	3.7	5.3	1.6
Subsidiary	Mitsubishi Corp.-UBS Realty Inc. (Japan)	Investment management business	51.00	1.6	1.7	0.1
Subsidiary	Mitsubishi Corporation Urban Development, Inc. (Japan)	Development & operating of commercial properties	100.00	2.8	7.4	4.6
Affiliate (listed)	Mitsubishi UFJ Lease & Finance Company Ltd. (Japan)	Leasing, installment sales and other financing	20.15	11.1	10.7	-0.4
-	Other fund related business companies in total (*)	-	-	4.0	4.1	0.1

(\*)Including items after deduction of parent company's income tax

< Energy Business Group >

(Billion Yen)

Subsidiary/ Affiliate	Company Name (Country)	Main Business	MC's Voting Rights (%)	Equity in Earnings		Increase or Decrease
				Year Ended March, 2016 4Q	Year Ended March, 2017 4Q	
Subsidiary	Angola Japan Oil Co., Ltd (Japan)	Exploration, development and production of oil	65.70	(0.6)	(2.9)	-2.3
Affiliate	Astomos Energy Corporation (Japan)	Import, trading, domestic distribution and sales of LPG	49.00	1.8	1.7	-0.1
Subsidiary	JAPAN LNG INVESTMENT, LLC (U.S.A.)	Investment company for Cameron LNG project (MC's equity holding in Cameron LNG Holdings, LLC: 11.62%)	70.00	(0.2)	(0.2)	0.0
Subsidiary	MCX Exploration (USA) LLC (U.S.A.)	Exploration, development and production of oil and natural gas	100.00	(7.5)	(6.3)	1.2

Note: Encore Energy Pte. Ltd. has been excluded from the scope of consolidation.

		(Billion Yen)		
		Year Ended March, 2016 4Q	Year Ended March, 2017 4Q	Increase or Decrease
(Reference)	Energy Business Group equity method income	(4.0)	25.3	29.3
	of which, natural gas related	(1.0)	23.1	24.1
	Energy Business Group dividend income (before tax)	45.3	40.9	-4.4
	of which, natural gas related (before tax)	43.1	39.1	-4.0

< Metals Group >

(Billion Yen)

Subsidiary/ Affiliate	Company Name (Country)	Main Business	MC's Voting Rights (%)	Equity in Earnings		Increase or Decrease
				Year Ended March, 2016 4Q	Year Ended March, 2017 4Q	
Affiliate	Iron Ore Company of Canada (Canada)	Iron ore mining, processing and sales	26.18	0.5	3.6	3.1
Affiliate	JECO 2 LTD (U.K.)	Investment company for Escondida copper mine in Chile (*)	50.00	(0.3)	0.5	0.8
Subsidiary	JECO Corporation (Japan)	Investment company for Escondida copper mine in Chile (*)	70.00	0.0	3.5	3.5
Subsidiary	M.C. Inversiones Limitada (Chile)	Mineral resources management company in Latin America	100.00	(1.1)	1.3	2.4
Subsidiary	MC Copper Holdings B.V. (Netherlands)	Investment company for Los Pelambres copper mine in Chile (MC's shareholding in Los Pelambres through indirect investment: 5%)	100.00	1.5	2.4	0.9
Subsidiary	MC Resource Development Ltd.(U.K.)	Investment company for Anglo American Sur, S.A. (Chile) (MC's shareholding in Anglo American Sur through indirect investment: 20.4%)	100.00	(279.5)	(8.4)	271.1
Subsidiary	Metal One Corporation (Japan)	Steel products operations	60.00	10.0	13.5	3.5
Subsidiary	Mitsubishi Corporation RtM Japan Ltd (Japan)	Integrated subsidiary in metals resource trading	100.00	(2.7)	4.0	6.7
Subsidiary	Mitsubishi Development Pty Ltd (Australia)	Investment, production and sales of coal and other metals resources	100.00	(57.7)	127.1	184.8
Subsidiary	Triland Metals Ltd. (U.K.)	Commodity broker on the London Metal Exchange+G114 (LME)	100.00	1.5	0.8	-0.7

(\*) MC's indirect shareholding in Escondida copper mine is 8.25%, through both JECO Corporation and JECO 2 LTD.

Note: Besides JECO Corporation, JECO 2 LTD, MC COPPER HOLDINGS B.V. and MC RESOURCE DEVELOPMENT Ltd. Copper business includes dividend income from Antamina of 9.2 billion yen for the year ended March 2017 (5.0 billion yen increase from the year ended March 2016)

< Machinery Group >

(Billion Yen)

Subsidiary/ Affiliate	Company Name (Country)	Main Business	MC's Voting Rights (%)	Equity in Earnings		Increase or Decrease
				Year Ended March, 2016 4Q	Year Ended March, 2017 4Q	
Subsidiary	Mitsubishi Corporation Technos (Japan)	Sales of machine tools and industrial machinery	100.00	1.2	1.3	0.1
Subsidiary	MSK FARM MACHINERY CORPORATION (Japan)	Sales and service of agricultural machinery and facilities	100.00	0.4	0.9	0.5
Subsidiary	Nikken Corporation (Japan)	Rental and sales of construction machinery and other equipment	100.00	6.6	5.6	-1.0
-	Automobile related business companies in total	-	-	57.9	44.5	-13.4

(Main breakdown of the automobile related business companies)

Affiliate	FF Sheffe B.V. (Netherlands)	Automobile-related holding company	49.00	(0.5)	(0.4)	0.1
Subsidiary	MC Automobile (Europe) N.V. (Netherlands)	Automobile-related business	100.00	0.2	0.2	0.0
Subsidiary	MCE Bank GmbH (Germany)	Automobile finance	100.00	0.3	1.2	0.9
Affiliate	P.T. Krama Yudha Tiga Berlian Motors (Indonesia)	Distribution of automobiles	40.00	0.6	1.1	0.5
Subsidiary	Tri Petch Isuzu Sales Co, Ltd. (Thailand)	Distribution of automobiles	88.73	20.6	23.2	2.6

< Chemicals Group >

(Billion Yen)

Subsidiary/ Affiliate	Company Name (Country)	Main Business	MC's Voting Rights (%)	Equity in Earnings		Increase or Decrease
				Year Ended March, 2016 4Q	Year Ended March, 2017 4Q	
Subsidiary (listed)	Chuo Kagaku Co., Ltd. (Japan)	Manufacturing and sales of plastic food containers	60.59	0.4	(0.6)	-1.0
Subsidiary	Chuo Kasei Co., Ltd. (Japan)	Marketing of chemical products	100.00	0.3	0.3	0.0
Subsidiary	MC Ferticom Co., Ltd. (Japan)	Manufacturing of fertilizers	72.83	0.1	(1.0)	-1.1
Affiliate (listed)	Meiwa Corporation (Japan)	Trading company	33.05	0.7	0.7	0.0
Subsidiary	Mitsubishi Corporation Life Sciences Limited (Japan)	Production and sales of food ingredients	100.00	4.1	3.9	-0.2
Subsidiary	Mitsubishi Corporation Plastics Ltd. (Japan)	Marketing of synthetic raw materials and plastics	100.00	1.5	1.8	0.3
Subsidiary	Mitsubishi Shoji Chemical Corp (Japan)	Marketing of solvents, coating resins, silicones, fumed silica	100.00	1.3	1.3	0.0
Affiliate	SPDC Ltd. (Japan)	Investment and petroleum and petrochemicals-related businesses	33.34	13.7	8.9	-4.8
-	Other functional chemicals business companies in total	-	-	2.2	2.6	0.4

< Living Essentials Group >

(Billion Yen)

Subsidiary/ Affiliate	Company Name (Country)	Main Business	MC's Voting Rights (%)	Equity in Earnings		Increase or Decrease
				Year Ended March, 2016 4Q	Year Ended March, 2017 4Q	
Subsidiary	Agrex, Inc. (U.S.A)	Grain & Oilseeds Procurement	100.00	0.5	(0.2)	-0.7
Subsidiary	CERMAQ GROUP AS (Norway) (*)	Farming, processing and sales of salmon	100.00	(7.2)	15.1	22.3
Subsidiary	Dai-Nippon Meiji Sugar Co., Ltd. (Japan)	Manufacturing and wholesale of sugar products	100.00	1.6	0.8	-0.8
Subsidiary	Foodlink Corporation (Japan)	Sales of meat and meat products	99.42	2.2	2.8	0.6
Subsidiary	INDIANA PACKERS CORPORATION (U.S.A.)	Processing and sales of pork	80.00	2.4	4.8	2.4
Affiliate (listed)	Itoham Yonekyu Holdings Inc. (Japan)	Manufacturing and sales of meats and processed foods	38.94	-	6.7	-
Subsidiary	Japan Farm Holdings, Ltd. (Japan)	Poultry /Swine breeding, chicken processing	92.66	-	1.0	-
Affiliate (listed)	Kadoya Sesame Mills, Inc. (Japan)	Manufacturing and sales of sesame oil and sesame	26.35	0.4	0.7	0.3
Affiliate (listed)	KFC Holdings Japan Ltd. (Japan)	Fast-food restaurant chain and home-delivery pizza stores	35.25	0.3	0.5	0.2
Subsidiary(listed)	LAWSON, INC.(**) (Japan)	Franchise chain of LAWSON convenience stores	50.14	10.5	12.2	1.7
Affiliate (listed)	Life Corporation (Japan)	Supermarket chain stores	23.49	1.8	1.9	0.1
Subsidiary	MC Healthcare, Inc. (Japan)	Hospital management solutions, medication & medical equipment distribution	80.00	2.7	2.5	-0.2
Subsidiary	MITSUBISHI CORPORATION FASHION (Japan)	OEM business for apparel goods	100.00	2.6	3.2	0.6
Subsidiary	Mitsubishi Shoji Packaging Corporation (Japan)	Sales and marketing of packaging products/systems & paper products	92.15	2.5	2.7	0.2
Subsidiary (listed)	Mitsubishi Shokuhin Co., Ltd (Japan)	Wholesale of processed foods, frozen and chilled foods etc.	61.99	7.7	7.7	0.0
Subsidiary (listed)	Nihon Shokuhin Kako Co., Ltd. (Japan)	Manufacturing of corn starch and related processed products	59.82	0.4	1.2	0.8
Subsidiary (listed)	Nippon Care Supply Co., Ltd. (Japan)	Nursing care equipment rental	74.78	0.6	0.8	0.2
Subsidiary (listed)	Nitto Fuji Flour Milling Co., Ltd. (Japan)	Flour miller	64.48	1.0	1.1	0.1
Subsidiary	Nosan Corporation (Japan)	Manufacturing and marketing of livestock feed	100.00	1.2	2.1	0.9
Affiliate (listed)	OLAM INTERNATIONAL LIMITED (Singapore) (**)	Farming, procuring, processing and sales of agriproducts	20.33	(1.5)	3.0	4.5
Subsidiary	Princes Limited (U.K.)	Manufacturing of food products and soft drinks	100.00	7.8	0.1	-7.7
Subsidiary	TH FOODS, Inc. (U.S.A)	Manufacturing of rice crackers	53.16	1.4	1.4	0.0
Subsidiary	Toyo Reizo Co., Ltd. (Japan)	Processing and sales of marine products	88.70	0.8	1.4	0.6

(\*) SOUTHERN CROSS SEAFOODS is integrated into CERMAQ GROUP AS. Profit/loss related to the integration of Chilean salmon business is excluded from equity in earnings.

(\*\*) Olam International Limited appears as after MC's consolidation adjustment.

(\*\*\*) Equity in earnings of Lawson, Inc. is based on voting rights of 33.50%. Consolidation of profit/loss based on voting rights 50.14% starts from fiscal year 2017.