Mitsubishi International GmbH
Düsseldorf/Germany

Management Report and
Financial Statements as at
March 31, 2017 as well as
[Independent] Auditors' Report

Mitsubishi International GmbH, Düsseldorf/Germany

Management report for the financial year 2016/2017

Basics of the entity

Mitsubishi International GmbH (hereafter called "MIG") was founded in 1955. The purpose of business of the entity is primarily the import and export trade. In addition to transactions on own account, it is engaged in agency and brokerage business of all kinds as well as in therewith related financing transactions.

The main selling and buying markets are Germany, further European countries as well as Japan and other Asian countries.

MIG maintains a head office in Düsseldorf/Germany and branches in Brussels/Belgium, Berlin and Frankfurt am Main (both in Germany).

All of the entity's branch establishments are located in rented premises, while the corporate headquarter has been housed in an entity-owned building since June 30, 1988.

Since MIG is included via Mitsubishi Corporation International Europe Plc, London/Great Britain in the consolidated financial statements of Mitsubishi Corporation, Tokyo/Japan, its financial year corresponds to the financial year of Mitsubishi Corporation, which runs from April 1 of a year to March 31 of the following year.

Economic report

Overall economic environment

In Germany, the economic growth in the financial year 2016/2017 was further supported by a robust domestic economic development. In particular the industry contributed to the higher overall economic expansion. Also the remaining low oil price supports the economic development.

On account of the still positive domestic demand, German economy and the employment market are in a solid boom that benefits from the favorable situation on the employment market and the increasing income of the private households.

Overall, the gross domestic product in Germany rose by 1.9% in 2016.

In 2016, global economy has been growing slower than in the prior year. The reason was a weaker economic development in the United States, China and the EU. The development on the international financial markets was characterized by the British vote for a leave of the European Union and the expected hard Brexit, the President's election in the United States, the thereof arising uncertainty and the expected rising American interest.

The growth of worldwide trade remained on a low level in 2016. This was due, amongst others, to the weaker economic development in the large emerging countries China and Brazil but also to lower imports of the United States.

In light of these developments, the ECB has been keeping the interbank interest at a negative level (penalty interest) and the securities purchase programs for government bonds were further expanded compared to the prior year. This led to a weak development of the euro compared to all other lead currencies and to a considerable expansion of the ECB balance sheets.

A negative impact on the overall European development arose from the lasting strong inflow of refugees from Syria, Afghanistan and the Maghreb states, whose acceptance and integration will be a social, financial and logistic challenge for most countries of the European Union, also in the medium term.

Business development

Compared to the prior year, only lower revenue of mEUR 1,168.3 (prior year: mEUR 1,305.3) could be realized in the financial year 2016/2017. This decline when compared to the prior year primarily results from the discontinuation of the Textile segment, the completion of the major project in Vietnam and the price declines in the Chemical segment.

Nevertheless, the revenue fell only slightly below the expected level for the financial year (planned revenue was mEUR 1,212).

The strongest-selling segment is still the Chemical segment with approx. 64% followed by the segments Other Merchandise (graphic materials, paper products, tires etc.) with 21% and carbon products with 8%. The sundry business segments count for a revenue share of 7% in total revenue.

In the past financial year, one business segment was transferred against payments from the Chemical segment to a sister company in the Netherlands.

An analysis of the revenue development under geographical aspects shows that the revenue share in Europe amounts to 85% and thus remained almost unchanged (prior year: 82%), while the revenue share in Asia declined from 14% to 12% following the completion of the major project in Vietnam.

The revenue as material financial performance indicator declined by 10.5% compared with the prior year. The gross profit amounts to mEUR 53.8 (prior year: mEUR 51.4) and the gross profit margin clearly rose to 4.6% (prior year: 3.9%). The increase notably results from the initial application of the German Law on Implementation of the EU Accounting Directive (BilRUG), under which the intragroup cost transfers and rental income are included in the new definition of revenue (Sec. 277 German Commercial Code (HGB)) and are thus disclosed as revenue in the financial year (prior year: disclosure under the other operating income). This incidental income is matched by low expenses leading to an improved gross profit margin. In addition, due to an active purchase management, the gross profit in the Methanol segment could be increased despite declining revenue.

Thanks to these effects, the planned gross profit could be exceeded despite the missed revenue targets.

Principally, the employee benefit expenses showed a further decline and reduced to mEUR 14.3 (prior year: mEUR 15.2) compared to the prior year. Amortization of intangible assets and depreciation on property, plant and equipment declined to mEUR 0.4 (prior year: mEUR 0.9) in the reporting period. This development results from the amortization of a goodwill that was acquired in 2011 and were the amortization ended in the prior year.

The other operating expense increased on account of general price rises of the direct selling expenses, higher general allowance (prior year: reduction) as well as on account of losses from the valuation of receivables on balance sheet date from mEUR 27.6 in the prior year to mEUR 29.1 in the current financial year.

The profit from operations as further material financial performance indicator declined by mEUR 0.7 to mEUR 10.7 (prior year: mEUR 11.6). This decline also roughly corresponds to the reduction in revenue of the entity as a whole when compared to the prior year.

The financial result declined from mEUR -0.9 in the prior year to mEUR -1.3 in the current financial year. The decline is primarily due to the lapse of the extraordinary items under the German Law on Implementation of the EU Accounting Directive (BilRUG). Within the scope of the initial application, the pro rata temporis addition of the difference from the valuation of the pension commitment under the BilMoG is re-disclosed under the interest expenses.

Based on the aforementioned effects, the earnings after taxes declined by mEUR 0.7 to mEUR 6.3 (prior year: mEUR 7.0).

The gross profit that declined in line with the revenue decline (under neglecting the BilRuG adjustments) could be only in parts compensated through cost savings. The planned result for the financial year could, however, be exceeded since the administration costs in the current financial year could be clearly reduced when compared to the planned values.

The balance sheet total rose to mEUR 339.0 after mEUR 310.4 in the prior year. The increase primarily results from an increase in trade receivables on the assets-side as well as in liabilities to affiliated companies on the liabilities-side.

In line with the reduced profit for the period, also the equity declined by mEUR 0.7 to mEUR 85.1 (prior year: mEUR 85.8). In connection with the increased balance sheet total in the financial year, the equity ratio thus declines from 27.6% in the prior year to 25.1% in the reporting year.

Compared to the prior year, the debt ratio of current liabilities slightly declined from 67% to 65%. The ratio of liabilities to affiliated companies to balance sheet total slightly rose from 26% to 31%.

Property, plant and equipment and financial assets are completely covered by equity.

The inventories amount to mEUR 69.6 (prior year: mEUR 68.8). The inventory turnover rate declined from 19 days in the previous year to now 17 days.

As at the balance sheet date, no lawsuits or other litigations were pending that could materially affect the entity's economic situation.

Financial position

The entity is participating in the cash pooling of Mitsubishi Corporation International (Europe) Plc via the European Treasury Center (ETC) in London/Great Britain.

On the one hand, the financial management of the entity includes the monitoring of incoming payments in due time and, on the other hand, the daily liquidity monitoring.

The current liquidity need of the entity is covered with the cash flow from current business activities. If this would lead to a surplus or underfunding, such differences are balanced within the scope of the cash pooling with the ETC. The entity does not disclose any liabilities to other banks.

No material capital investments were made in the financial year 2016/2017.

Staff and corporate social responsibility

The number of persons employed at MIG declined to 149 persons in the annual average (prior year: 158).

The employees of MIG have an excellent qualification. For the further education and for the purpose of increasing the corporate loyalty of these employees, MIG offers a number of internal and external training options.

Mentionable here are in particular the global and regional programs ("Global Management Program", "Gateway Program", "Business Management Seminar"), where the numerous basics of the decision finding and corporate culture are communicated. Also on expert level, numerous trainings and education options are offered on a regular basis as well as situation-related. For all courses offered within the training portfolio, the corporate principles are used.

For supporting the identification of the employees with their firm, the entity offers joint events. Mentionable here are for example the in the current year initially initiated Family Day or the possibility to participate as member of the company relay in the Metro Marathon.

MIG is active with many actions in the field of CSR (Corporate Social Responsibility). Exemplary, we only mention the "JAPAN DAY" as well as the "DRECK-WEG-TAG" (literally: clean-up day), where many employees engage voluntarily.

The corporate principles of Mitsubishi Corporation are considered to be material non-financial performance indicators:

- Corporate Social Responsibility
- Fairness & Integrity
- International understanding through trade

These are also reflected in the Code of Conduct of MIG being a binding guideline for each employee that is lived on a daily basis.

Hence, all acting of the employees is directed to a sustainable growth under taking into account the needs of environment and of society. Thus, MIG for example offered to its employees the participation in the Earthwatch program, financed by Mitsubishi Corporation, aiming for protecting the environment as well as supporting the research and education concerning the environment protection and fight against poverty.

Overall statements on the economic situation

Overall, the profit for the period declined in the financial year in line with the revenue decline. Realized cost savings led to the fact that the planned result could be exceeded.

In addition to the mentioned cost savings, the result driver was the active purchase management in the Methanol segment.

Risk and opportunity reporting

Apart of the general market risk, MIG is not facing any further special risks in the single business segments. These market risks in particular comprise price fluctuations at commodities, currency risks and – to a low extent – storage risks. MIG has established a balanced risk management system for minimizing these risks.

The risk management system aims to identify the risks early and completely, to communicate these promptly to the decision takers as well as to monitor and control these consistently. It includes classic controlling instruments, such as, for example, short-term and long-term planning, their monthly or quarterly comparison with the current results and those of the prior year.

Each identified risk is adequately described and assessed as regards the probability of occurrence and the possible amount of damage. The management team is included in the risk analysis and the assessment and is in charge of the different areas. The annual budget is regularly adjusted under taking into account the current development.

The short ways and the flat hierarchies within the companies assure a fast and efficient risk management. Together with the controlling instruments it is assured that the impacts of the identified risks on the result and the liquidity are monitored on an ongoing basis.

For hedging the existing risks, transactions are performed, as far as possible, without storage, i.e. a sales contract has already been closed with the end customer as at the date of purchase of the goods (back-to-back business). In all cases, where stock is required, the acceptance conditions are agreed in advance with the end customer (stock business).

With respect to existing currency risks, arising from trade receivables and payables, Management aims to reduce these as far as possible. Hence, open currency positions that are not covered by appropriate offsetting items are hedged by means of forward exchange contracts (micro hedges). In this respect, we refer to our explanations in the Notes.

Outlook

After a positive start into the year 2017, a lasting slight positive development is expected for global economy in the year 2017. For the year 2017, the ECB expects a GDP growth for Europe of 1.8% and almost unchanged growth rates for the upcoming years.

With low interest, the improved situation on the employment market and an increasing confidence in the markets, the framework conditions in the industrial countries remain principally positive.

Contrary impacts on the markets arise from political factors. In the last financial year, the British pro-vote on the leave from the European Union, with hardly foreseeable impacts at the moment, came even on top of the remaining risks in Europe such as the weak economic development as well as the reform bottlenecks in France and Italy. In addition, Donald Trump's election as U.S. President leads to high uncertainties on many global fields. Although no concrete plans have been stated so far, his words up to now let expect threats for free trading, protectionist measures for the American economy and less stability in crisis regions (Middle East, Korea).

The business development of MIG notably depends on the economic developments on the international procurement and sales markets. Here, in particular the development of the core markets Europe and Asia is significant. In this context, respective risks can be derived for MIG.

The planning for the next financial year provides for unchanged revenue and slightly lower gross profits. This revenue planning is based on a further reduced product portfolio since, after the closure of the textile business in the prior year, another product segment was transferred to a sister company in the past financial year and since a further business segment will be sold to an external entity at the beginning of the current financial year. As regards the result it cannot be planned, whether the positive effects from the active purchase management in the Methanol business can be repeated, so that a lower result is planned here.

In light of the aforementioned framework conditions with the expected development of the markets in Germany, Europe, Japan and the rest of the world as well as the current price level on the commodity markets, we expect a lower result from operations at unchanged revenue. In case of a positive development of the international commodity markets positive result effects could be realized to exceed the planned result.

The strong position in Germany being one of the most stable markets in Europe, the still broad product portfolio and the inclusion in a strong corporate affiliation allow MIG to limit the numerous risks of the economic development.

Possible risks with regard to the existing investment portfolio are addressed by an adequate investment controlling and respective portfolio strategies.

Apart from the already mentioned aspects, no facts are evident, neither currently nor in the foreseeable future that could directly or materially threaten the entity's continued existence.

Post-Balance-Sheet-Date Events

There have been no major post-balance-sheet date events.

Düsseldorf/Germany, June 30, 2017

Mitsubishi International GmbH,
Signed: T. Yamaguchi
Managing Director

Mitsubishi International GmbH, Düsseldorf/Germany

Balance sheet as at March 31, 2017

Assets

		Mar. 31, 2017 EUR	Prior year kEUR
A.	**Fixed assets**		
I.	**Intangible assets**		
	Goodwill, data processing programs, licenses and other rights acquired for a consideration	24,922.57	153
II.	**Property, plant and equipment**		
1.	Land, land rights and buildings, including buildings on third-party land	4,944,326.93	4,986
2.	Other equipment, operating and office equipment	613,203.84	646
		5,557,530.77	5,632
III.	**Financial assets**		
1.	Shares in affiliated companies	7,077,845.72	7,078
2.	Other long-term equity investments	1,827,763.11	1,828
		8,905,608.83	8,906
		14,488,062.17	14,691
B.	**Current assets**		
I.	**Inventories**		
1.	Merchandise	63,268,249.23	53,729
2.	Prepayments made	6,349,758.81	15,112
		69,618,008.04	68,841
II.	**Receivables and other assets**		
1.	Trade receivables	232,447,955.67	197,681
2.	Receivables from affiliated companies	4,416,741.91	20,135
3.	Receivables from other long-term investees and investors	1,150,321.95	742
4.	Other assets	6,950,526.81	3,637
		244,965,546.34	222,195
III.	**Cash-in-hand and bank balances**	6,657,666.80	2,913
		321,241,221.18	293,949
C.	**Prepaid expenses**	459,584.22	278
D.	**Deferred tax assets**	2,746,658.35	1,505
		338,935,525.92	310,423

Equity and Liabilities

		Mar. 31, 2017 EUR	Prior year kEUR
A.	**Equity**		
I.	**Issued capital**	32,000,000.00	32,000
II.	**Retained profits brought forward**	46,824,244.40	46,795
III.	**Profit for the period**	6,289,348.87	7,029
		85,113,593.27	85,824
B.	**Provisions**		
1.	Provisions for retirement benefit obligations and similar commitments	21,527,317.48	20,086
2.	Provisions for taxes	4,866,139.01	1,245
3.	Other provisions	5,446,210.00	5,139
		31,839,666.49	26,470
C.	**Liabilities**		
1.	Payments received on account of orders	8,710,472.13	18,066
2.	Trade payables	107,039,323.68	97,424
3.	Liabilities to affiliated companies	103,293,374.16	80,916
4.	Liabilities to other long-term investees and investors	197,817.49	251
5.	Other liabilities	2,741,278.70	1,472
		221,982,266.16	198,129
		338,935,525.92	310,423

Mitsubishi International GmbH, Düsseldorf/Germany

Income statement for the period from April 1, 2016 to March 31, 2017

		Mar. 31, 2017 EUR	Prior year kEUR
1.	Revenue	1,168,315,489.86	1,305,283
2.	Other operating income	954,527.07	4,105
3.	Cost of materials		
	Cost of purchased services	1,114,505,659.36	1,253,905
4.	Employee benefit expense		
a)	Wages and salaries	11,789,689.99	12,134
b)	Social security, post-employment costs and other employee benefits	2,525,826.31	3,054
	thereof post-employment costs: EUR 966,339.00 (prior year: kEUR 1,650)		
5.	Amortization of and write-downs on intangible assets and depreciation and write-downs on property, plant and equipment	375,522.60	827
6.	Other operating expenses	29,145,346.84	27,618
7.	Income from other long-term equity investments	33,352.80	39
8.	Other interest and similar income	43,979.53	87
9.	Interest and similar expenses	1,372,471.86	1,365
	thereof from accumulation of interest on provisions: EUR 938,020.00 (prior year: kEUR 931)		
10.	Taxes on income	3,097,384.40	3,377
11.	Earnings after taxes	6,535,447.90	7,234
12.	Other taxes	246,099.03	205
13.	Profit for the period	6,289,348.87	7,029

Mitsubishi International GmbH, Düsseldorf/Germany

Notes to the financial statements for the financial year 2016/2017

General information

1. Application of German Commercial Code (HGB)

Mitsubishi International GmbH (hereafter referred to as "MIG" or "entity") is a large corporation within the meaning of Sec. 267 (3) German Commercial Code (HGB), resident in Düsseldorf/Germany, which is entered in the commercial register of Düsseldorf local court (HRB 713).

The financial statements were prepared on the basis of the German Commercial Code (HGB) in the version from January 1, 2017. The classifications of the balance sheet and the income statement comply with Sec. 266 and 275 German Commercial Code (HGB) as well as Sec. 42 German Law on Limited Liability Companies (GmbHG), with the nature-of-expense format being applied to the income statement.

In the interest of a clear and understandable presentation, the disclosures required to be made according to the legal regulations with respect to the balance sheet and income statement items which can be optionally disclosed either in the balance sheet or income statement or in the notes to the financial statements are fully disclosed in the notes to the financial statements.

The classification scheme of the income statement (Sec. 275 (2) and (3) German Commercial Code (HGB)) as well as the definition of revenue (Sec. 277 German Commercial Code (HGB) changed on account of the German Law on Implementation of the EU Accounting Directive (BilRUG). The single income statement values for the prior year were not adjusted. Thus, due to the new definition of the revenue, the respective amounts of the financial year are not comparable with those of the prior year.

The valuation complies with the general requirements under Secs. 252 to 256 German Commercial Code (HGB) under taking into account the special regulations of Secs. 279 to 283 German Commercial Code (HGB).

2. Consolidated financial statements

The entity does not prepare consolidated financial statements, since the subsidiaries, listed under Note 5, both individually and together, are of minor importance for the presentation of the Group's net asset position, financial position and results of operations (Sec. 296 (2) German Commercial Code (HGB)).

Information on accounting and valuation rules

3. Accounting and valuation rules

Intangible assets and property, plant and equipment are recognized at acquisition cost, less straight-line depreciation or amortization, respectively, or at their lower fair values on balance sheet date. Buildings are depreciated on a straight-line basis with the amounts required under tax law. Other property, plant and equipment and intangible assets are depreciated or amortized on a straight-line basis over the estimated useful life of the assets. Assets acquired between January 1, 2008 and March 31, 2013 with a value between EUR 150.00 and EUR 1,000.00 are depreciated in the year of acquisition and over the four following years with 1/5th in each year. Assets acquired after March 31, 2013 with acquisition costs of up to EUR 150.00 are immediately depreciated. Assets with acquisition costs between EUR 150.01 and EUR 410.00 are depreciated within a period of one year.

The estimated useful lives of the individual fixed assets are shown in the following table:

	Useful life Years
Intangible assets	
Data-processing programs, licenses and other rights	3 to 15
Goodwill	5
Property, plant and equipment	
Buildings	25 to 50
Fittings and fixtures and other equipment	4 to 15
Other operating and office equipment	2 to 10
Vehicles	5

Financial assets are recognized at acquisition cost or at lower fair value on balance sheet date.

Inventories are recognized at acquisition cost or at the effective values on balance sheet date, where these are lower.

Receivables and other assets are recognized at nominal values. Identifiable risks are taken into account by making specific allowances and the general credit risk by making a general allowance of 2% on the accounts receivable portfolio. The other assets include a corporate income tax refund claim, capitalized at present value according to the Law on Fiscal Accompanying Measures Regarding the Introduction of the Societas Europaea and Further Amendments of Fiscal Regulations (SEStEG).

Cash and cash equivalents and **equity** have been recognized at nominal value.

Deferred taxes were set up for temporary differences between the balance sheet values of assets, liabilities and accrued items recognized under commercial and under tax law that will presumably reverse in the future. In line with the option under Sec. 274 (1) Sentence 3 German Commercial Code (HGB), deferred taxes are disclosed in a balanced form.

The **provisions for retirement benefit obligations and similar commitments** are discounted at a general rate in accordance with Sec. 253 (2) Sentence 2 German Commercial Code (HGB) at the average market interest rate of the last seven years determined by the German Central Bank, assuming a residual term of 15 years.

The **provisions** cover all risks and contingent liabilities identifiable on balance sheet date and are set up in the amount of the anticipated settlement.

The **liabilities** have been recognized at the amounts at which they will be repaid.

4. Currency translation

Currency items within the balance sheet are translated into Euro at the rate in effect on balance sheet date March 31, 2017.

Hedged currency items are summarized with the basic transactions to form valuation units and the hedges are disclosed within the balance sheet with their hedging rate.

Income statement items denominated in foreign currencies are translated at the rate in effect on the date of transaction.

The exchange gains and exchange losses result from the measurement of the outstanding currency receivables and liabilities as of balance sheet date.

Notes to the balance sheet

5. Fixed assets

The movements in the single fixed asset items are disclosed under indication of the amortizations and depreciations of the financial year within the statement of movements in fixed assets in accordance with Sec. 284 (3) German Commercial Code (HGB) (Appendix to the Notes).

The following investment of less than 20% is disclosed, which is, however, of material significance for the entity:

Entity	Location	Shareholding %	Share Capital EUR	Equity EUR	Result of the last financial year EUR	Reporting date of available information
MCE Bank	Flörsheim	10	40,903,360.00	158,248,144.51	5,407,785.25	Mar. 31, 2016

The amounts disclosed in the financial statements under the item "Other long-term equity investments" refer to minority investments in foreign corporations. They do not include minority investments of more than 20%.

6. Receivables and other assets

The other assets include receivables with a residual term of more than one year of EUR 0 (prior year: kEUR 410).

All sundry receivables are due within one year. In single cases, the trade payables are collateralized by bank guarantees.

The receivables from affiliated companies include receivables from shareholders of EUR 3,763.03 (prior year: kEUR 10).

7. Equity

On balance sheet date, the equity is almost unchanged and amounts to kEUR 85,113 (prior year: kEUR 85,824). It comprises the issued capital of kEUR 32,000 (prior year: kEUR 32,000), the retained profits brought forward of kEUR 46,824 (prior year: kEUR 46,795) and the profit for the period of kEUR 6,289 (prior year: kEUR 7,029). An amount of kEUR 29 from the prior year's profit for the period was allocated to the retained earnings and an amount of kEUR 7,000 was distributed to the shareholder.

8. Provisions for retirement benefit obligations

The provisions for retirement benefit obligations were computed under actuarial aspects under applying the projected unit credit method. When discounting the provisions for retirement benefit obligations, the entity used a general market interest rate in case of an assumed residual term of 15 years. The computation is thereby based on an anticipated salary rise of 2.5% (prior year: 2.5%). The anticipated pension increase amounts again to 1.8%. In addition, the entity used the 2005 G Standard Tables of Prof. Dr. Klaus Heubeck. On account of the option under Article 67 (1) Sentence 1 Introductory Law to the German Commercial Code (EGHGB), an amount of kEUR 294 (prior year: kEUR 294; corresponding to 1/15th of the difference determined as of April 1, 2011) was added to the provisions for retirement benefit obligations in the financial year. The remaining deficit as of March 31, 2017 thus amounts to kEUR 2,354 (prior year: kEUR 2,648).

The amounts blocked for distribution under Sec. 268 (8) German Commercial Code (HGB) can be analyzed as follows:

Following an increase of the average interest rate from 3.11% to 3.94% within the scope of the expansion of the average interest rate from seven to ten years, the amount blocked for distribution amounts to kEUR 3,303.

9. Other provisions

The item includes still outstanding charges from own-account transactions and agency business, including existing contingent liabilities from old transactions, anniversary and vacation commitments towards employees as well as other outstanding administrative costs.

The provisions for long-service awards were computed under actuarial aspects under applying the projected unit credit method. The computation was based on a computation interest rate of 3.11% and on a salary trend of 2.5%.

In addition, the entity used the 2005 G Standard Tables of Prof. Dr. Klaus Heubeck.

As regards the provisions for early retirement benefit obligations, the settlement amount corresponds, under valuations aspects, to the expected value of the cut off services on the basis of the experience available on balance sheet date. The thereof resulting uncertain liability was determined in form of a present value and must thus principally be discounted with a computation rate that corresponds to its residual term, namely 1.59% in the financial year. Furthermore, also the 2005 G Standard Tables of Prof. Dr. Klaus Heubeck were used and the computation was based on a salary trend of 2.5%.

10. Liabilities

Terms and other notes:

	Mar. 31, 2017 EUR	Prior year EUR
Payments received on account of orders	8,710,472,13	18,066,144.74
Trade payables	107,039,323.68	97,424,397.11
Liabilities to affiliated companies	103,293,374.16	80,916,354,27
thereof to shareholders:		
EUR 27,484.19 (prior year: EUR 0)		
Liabilities to other long-term		
investees and investors	197,817.49	250,796.51
Other liabilities	2,741,278.70	1,471,505.64
thereof from taxes:		
EUR 2,516,764.56 (prior year: EUR 1,545)		
thereof wage and church tax:		
EUR 0.00 (prior year: EUR 0)		
	221,982,266.16	198,129,198.27

Like in the prior year, all liabilities are due within one year and are not collateralized.

11. Deferred tax assets

The deferred tax assets of EUR 2,746,658.35 notably result from temporary differences as regards the pension provisions, amortization of goodwill and property, plant and equipment.

The combined income tax rate of 30 % was used for measuring the deferred taxes.

	Mar. 31, 2016 EUR	Variance EUR	Mar. 31, 2017 EUR
Deferred tax assets	1,504,723.83	1,241,934.52	2,746,658.35

12. Other financial commitments

	Mar. 31, 2017 EUR	Prior year EUR
Commitments under tenancy agreements and leases	228,417.64	170,108.00

Annual commitments under tenancy agreements and leases of EUR 33,927 (prior year: kEUR 27) relate to commitments towards affiliated companies. For the financial years 2017 and 2018, the financial commitments under existing tenancy agreements and leases amount to kEUR 102 and kEUR 70.

13. Derivative financial instruments

We use derivative financial instruments to hedge and reduce risks from fluctuations in foreign currency items. Our strategy for dealing with exchange risks exclusively consists in closing forward exchange dealings to assure the economic value of the cash flows in foreign currencies. We therefore do not take any risks that might have a serious impact on our operative result.

The following table presents our derivative financial instruments as at March 31, 2017. Their fair value is determined from the difference between the forward rate and the effective rate on balance sheet date. Due to materiality reasons, interest and other possible parameters have been ignored when determining the values.

		Nominal value	Forward rate EUR	Effective rate on balance sheet date EUR	Fair value EUR
Forward exchange dealings Mar. 31, 2017					
Purchase contracts	JPY	40,722,000	338,580.61	341,668.99	3,088.38
	USD	11,985,293.79	11,222,792.39	11,205,398.08	-17,394.31
	GBP	37,729.58	44,601.71	44,110.62	-491.09
	RUB	2,748,513,333.91	41,872,409.46	45,608,410.66	3,736,001.20
	SEK	10,680,000.00	1,118,358.57	1,133,057.75	14,699.18
			54,596,742.74	58,332,646.10	3,735,903.36
Sale contracts	JPY	109,180,500	914,214.10	916,054.99	-1,840.89
	USD	3,935,980.80	3,665,939.90	3,679,862.38	-13,922.48
	GBP	344,834.46	400,136.16	403,154.84	-3,018.68
	RUB	2,770,436,627.02	49,742,933.41	45,972,202.44	-3,770,730.98
			47,181,761.62	50,971,274.65	-3,789,513.03

Notes to the income statement

14. Revenue[1]

	Apr. 1, 2016 to Mar. 31, 2017		Prior year	
	kEUR	%	kEUR	%
Classification by segments				
Chemical products	748,877	64.1	847,976	65.0
Other Merchandise	240,617	20.6	210,970	16.1
Renewable Energies	65	0.0	62,858	4.8
Fuels	89,638	7.7	82,959	6.4
Textiles	0	0.0	54,238	4.2
Machinery equipment and electronic equipment	86,485	7.4	46,282	3.5
Incidental revenue	2,634	0.2	0	0.0
	1,168,316	100.0	1,305,283	100.0
Classification by regions				
Germany	212,130	18.2	212,455	16.3
Europe (without Germany)	780,232	66.8	856,589	65.6
Asia	138,255	11.8	179,207	13.7
Other regions	37,699	3.2	57,032	4.4
	1,168,316	100.0	1,305,283	100.0

Due to the discontinuation of the Textile business and the conversion of the Renewable Energies business into a service department of the Group, none or only very low revenue was realized here.

15. Other operating income

The item also contains income from other periods from the release of provisions of EUR 427,769.19 (prior year: kEUR 114). The exchange gains amounted to EUR 0.00 in the financial year (prior year: kEUR 231).

[1] On account of the changed definition of the revenue following the application of the BilRuG, certain income that had so far been disclosed under the other operating income are now newly disclosed under the revenue as from the financial year 2016/2017. In case of a retrospective application of the new disclosure rules, the prior year's revenue would have been amounted to kEUR 1,307,875. In the prior year, the difference of kEUR 2 was disclosed under the other operating income.

16. Employee benefit expense

	Apr. 1, 2016 to Mar. 31, 2017 EUR	Prior year kEUR
Wages and salaries	11,789,689.99	12,134
Social security	1,385,959.43	1,454
Post-employment costs	1,139,866.88	1,600
	14,315,516.30	15,188

17. Other operating expenses

The other operating expenses notably include selling expenses as well as general business expenses. The exchange losses amounted to EUR 136,805.55 in the financial year (prior year: kEUR 0).

18. Financial result

	Apr. 1, 2016 to Mar. 31, 2017 EUR	Prior year EUR
Income from other long-term equity investments thereof from affiliated companies: EUR 0.00 (prior year: EUR 0)	33,352.80	38,555.40
Other interest and similar income thereof from affiliated companies: EUR 0.00 (prior year: EUR 0)	43,979.53	86,600.63
Interest and similar expenses thereof to affiliated companies EUR 119,711.58 (prior year: EUR 115)	1,372,471.86	1,070,912.60
	-1,295,139.53	-945,756.57

The interest income from the discounting of provisions and the interest expenses from the accumulation of interest on provisions amounted to EUR 949,209.99 (prior year: kEUR 939) in the financial year. Due to the lapse of the "extraordinary" items, the interest expenses for the first time include an item from the reduction of the difference of the pension provisions from the application of the BilMoG 2010 (kEUR -294; prior year: kEUR -294).

19. Taxes on income

The item includes the corporate income tax and the trade tax of the current year, the variance in deferred taxes as well as corrections from prior years.

Other disclosures

20. Employees

Employees in the annual average:

	2016/2017	Prior year
	EUR	EUR
Management	1	1
Trading departments	98	105
Administration	51	53
	150	159

21. Annual auditor fees

The annual audit fees, recognized in the income statement, amount to kEUR 160. The costs for other consulting services amount to kEUR 0.

22. Members of Management

Managing director in the reporting period was:

Mr. Toru Yamaguchi, business economist

The total remuneration paid to Management has not been disclosed in accordance with Sec. 286 (4) German Commercial Code.

23. Group affiliation

Mitsubishi International GmbH, Düsseldorf/Germany, belongs to the Group controlled by Mitsubishi Corporation, Tokyo/Japan. It is included in the consolidated financial statements prepared by Mitsubishi Corporation for the smallest and largest group of consolidated entities. The consolidated financial statements of Mitsubishi Corporation are available at the registered office of the entity.

24. Major post-balance-sheet-date events

Based on strategic concerns, Management of Mitsubishi International GmbH resolved to discontinue the business segment Graphical Products in the upcoming year.

25. Profit appropriation

The Management of MIG proposes to carry forward onto new account the profit for the period 2016 of EUR 6,289,348.37.

Düsseldorf/Germany, June 30, 2017

Mitsubishi International GmbH,

T. Yamaguchi
Managing Director

Movements in fixed assets in the financial year 2016/2017

	Acquisition or production costs				Accumulated amortization/depreciation/write-downs				Residual carrying amounts	
	Apr. 1, 2016 EUR	Additions EUR	Disposals EUR	Mar. 31, 2017 EUR	Apr. 1, 2016 EUR	Additions EUR	Disposals EUR	Mar. 31, 2017 EUR	Mar. 31, 2017 EUR	Prior year EUR
I. Intangible assets										
Goodwill, data processing programs, licenses and other rights acquired for a consideration	4,531,775.64	28,614.85	15,017.28	4,545,373.21	4,378,666.29	156,801.63	15,017.28	4,520,450.64	24,922.57	153,109.35
II. Property, plant and equipment										
1. Land, land rights and buildings, including buildings on third-party land	17,701,185.42	0.00	0.00	17,701,185.42	12,714,966.39	41,892.10	0.00	12,756,858.49	4,944,326.93	4,986,219.03
2. Other equipment, operating and office equipment	2,111,204.77	144,034.30	409,634.97	1,845,604.10	1,465,011.56	176,828.87	409,440.17	1,232,400.26	613,203.84	646,193.21
	19,812,390.19	144,034.30	409,634.97	19,546,789.52	14,179,977.95	218,720.97	409,440.17	13,989,258.75	5,557,530.77	5,632,412.24
III. Financial assets										
1. Shares in affiliated companies	7,077,845.72	0.00	0.00	7,077,845.72	0.00	0.00	0.00	0.00	7,077,845.72	7,077,845.72
2. Other long-term equity investments	3,254,472.25	0.00	0.00	3,254,472.25	1,426,709.14	0.00	0.00	1,426,709.14	1,827,763.11	1,827,763.11
	10,332,317.97	0.00	0.00	10,332,317.97	1,426,709.14	0.00	0.00	1,426,709.14	8,905,608.83	8,905,608.83
	34,676,483.80	172,649.15	424,652.25	34,424,480.70	19,985,353.38	375,522.60	424,457.45	19,936,418.53	14,488,062.17	14,691,130.42

Copy of auditors' report

We have audited the [annual] financial statements – comprising the balance sheet, the income statement and the notes to the financial statements – together with the bookkeeping system, and the management report of Mitsubishi International GmbH, Düsseldorf/Germany, for the financial year from April 1, 2016 to March 31, 2017. The maintenance of the books and records and the preparation of the [annual] financial statements and management report in accordance with German commercial law are the responsibility of the Company's management. Our responsibility is to express an opinion on the [annual] financial statements, together with the bookkeeping system, and on the management report based on our audit.

We conducted our audit of the [annual] financial statements in accordance with Sec. 317 German Commercial Code (HGB) and German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the [annual] financial statements in accordance with German principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the [annual] financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall presentation of the [annual] financial statements and management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the [annual] financial statements of Mitsubishi International GmbH, Düsseldorf/Germany, comply with the legal requirements and give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting. The management report is consistent with the [annual] financial statements, complies with the legal regulations and as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

Düsseldorf/Germany, June 30, 2017

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Signed: Dr. Reichmann	Signed: Leber
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]