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**FINANCIAL RESULTS FOR  
THE YEAR ENDED MARCH 2015**

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**Mitsubishi Corporation**

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**FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED MARCH 31, 2015**

(Based on IFRS) (Consolidated)

1. Consolidated operating results for the year ended March 31, 2015

(1) Revenues and income

Note:  
Figures less than one million yen are rounded.  
% change from the previous year

	Revenues		Income before income taxes		Net income		Net income attributable to owners of the Parent		Comprehensive income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the year ended										
March 31, 2015	7,669,489	0.4	574,722	8.0	406,391	5.2	400,574	10.9	714,825	4.6
March 31, 2014	7,635,168	27.0	531,954	20.2	386,359	12.4	361,359	11.7	683,323	(22.0)

	Net income attributable to owners of the Parent per share (basic)	Net income attributable to owners of the Parent per share (diluted)	Return on equity attributable to owners of the Parent	Pre-tax income to total assets ratio
For the year ended	Yen	Yen	%	%
March 31, 2015	246.39	245.83	7.5	3.5
March 31, 2014	219.30	218.80	7.5	3.4

Income from investments accounted for using the equity method for the years ended March 31, 2015 and 2014 were ¥ 203,818 million and ¥ 168,356 million respectively.

(2) Financial position

	Total assets	Total equity	Equity attributable to owners of the Parent	Ratio of equity attributable to owners of the Parent to total assets	Equity per share attributable to owners of the Parent
As of	Millions of Yen	Millions of Yen	Millions of Yen	%	Yen
March 31, 2015	16,774,366	6,055,555	5,570,477	33.2	3,437.75
March 31, 2014	15,901,125	5,539,370	5,067,666	31.9	3,074.03

(3) Cash Flows

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the end of year
For the year ended	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
March 31, 2015	798,264	(154,852)	(305,334)	1,725,189
March 31, 2014	381,576	(300,502)	(118,845)	1,332,036

2. Dividends

(Record date)	Cash dividends per share (Yen)					Cash dividends (annual)	Payout ratio (consolidated)	Dividends on equity attributable to owners of the Parent (consolidated)
	1Q end	2Q end	3Q end	4Q end	Annual			
March 31, 2014	—	30.00	—	38.00	68.00	112,089	25.2	2.3
March 31, 2015	—	40.00	—	30.00	70.00	113,404	28.4	2.1
March 31, 2016 (Forecast)	—	28.00	—	28.00	56.00	—	24.6	—

(1) Regarding the above dividend for the year ended March 31, 2015, please refer to page 7, “(2) Capital Structure Policy and Dividend Policy” under “3. Basic Policy Regarding the Appropriation of Profits” under “Operating Results and Financial Position” of the consolidated financial statements.

(2) Payout ratio (consolidated) applicable for the year ended March 31, 2014 are calculated by net income at the time of dividend declaration based on U.S.GAAP.

(3) Breakdown of 2Q end dividend for the year ended March 31, 2015: Regular dividend 30.00Yen; commemorative dividend 10.00Yen

3. Outlook for the year ending March 31, 2016

Note:  
% change from the previous year.

For the year ending	Net income attributable to owners of the Parent		Net income attributable to owners of the Parent per share
	Millions of Yen	%	Yen
March 31, 2016	360,000	(10.1)	227.67

Consolidated forecasts for the six months ending September 30, 2015 have been omitted because MC tracks performance against targets on an annual basis only.

#### 4. Other

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries causing changes in scope of consolidation) : Yes

New companies : 0

Excluded companies : 1 (MCX GULF OF MEXICO, LLC)

For details, please see "(3) Significant Changes in Subsidiaries During the Period (IFRS)" under "7. Notes Concerning Consolidated Financial Statements (IFRS)" of consolidated financial statements on page 28.

(2) Changes in accounting principles, and accounting estimate

-1- Changes in accounting principles required by IFRS: Yes

-2- Changes other than -1-: None

-3- Changes in accounting estimate: Yes

Regarding the number of shares that serve as the basis for calculating consolidated net income attributable to Mitsubishi Corporation per share, please refer to page 27, "(1) Changes in Accounting Policies and Changes in Accounting Estimates (IFRS)" under "7. Notes Concerning Consolidated Financial Statements (IFRS)" of the consolidated financial statements.

(3) Number of shares issued (Common stock)

-1- Number of shares issued at year-end (including treasury stock)	(March 31, 2015)	1,624,036,751	(March 31, 2014)	1,653,505,751
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-2- Number of treasury stock at year-end	(March 31, 2015)	3,653,124	(March 31, 2014)	4,964,444
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-3- Average number of shares during each of the following fiscal years	(March 31, 2015)	1,625,754,309	(March 31, 2014)	1,647,786,046
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Please refer to "(5) Earnings Per Share (IFRS)" under "7. Notes Concerning Consolidated Financial Statements (IFRS)" of the consolidated financial statements on page 30 regarding the number of shares that serve as the basis for calculating consolidated net income attributable to Mitsubishi Corporation per share.

#### Disclosure Regarding Audit Procedures

As of the date of disclosure of this earnings release, an audit of the consolidated financial statements is being carried out in accordance with the Financial Instruments and Corporate Exchange Act.

#### Forward-looking Statements

Earnings forecasts and other forward-looking statements in this release are based on data currently available to management and certain assumptions that management believes are reasonable, and there may be latent risks, uncertainties and other factors embedded. Actual results may therefore differ materially from these statements for various reasons. For cautionary notes concerning assumptions for earnings forecasts and use of earnings forecasts, please refer to "(3) Forecasts for the Year Ending March 2016" under "2. Consolidated Results (IFRS)" of "Operating Results and Financial Position" on page 5.

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※ Mitsubishi Corporation will hold an earnings conference in Tokyo for the year ended March 2015 on May 11, 2015 (Monday) from 13:30 to 15:00 (Japan Time), inviting institutional investors and analysts to join.

The conference material will be accessible in English from the following URL:

<http://www.mitsubishicorp.com/jp/en/ir/index.html>

(English interpretation of the conference call will be posted on our web site as soon as it becomes available.)

## **Operating Results and Financial Position**

### **1. General Operating Environment**

In the year ended March 2015, the U.S. economy continued to experience a solid recovery, driven by consumer spending. In Europe, there were continuing signs of an upturn in overall economic conditions, albeit at a gradual pace of recovery. Certain emerging nations experienced a slowdown in economic growth. The Japanese economy followed a moderate recovery path, despite a pull-back from last-minute demand ahead of the increase in the consumption tax rate. In the latter half of 2014, resource prices such as crude oil prices decreased, while the yen depreciated at a faster pace.

### **2. Consolidated Results**

(Consolidated net income, as used hereinafter, refers to “Consolidated net income attributable to owners of the Parent.”)

#### **(1) Summary of the Year Ended March 2015 Results**

Revenues were 7,669.5 billion yen, nearly flat year over year.

Gross profit increased 23.9 billion yen, or 2%, to 1,209.9 billion yen.

Selling, general and administrative expenses increased 45.9 billion yen, or 5%, to 998.8 billion yen, due mainly to the impact of business expansion (new consolidations).

Reversal of impairment loss from investment accounted for using the equity method was 94.2 billion yen in the year ended March 2015 due to a reversal of impairment losses recognized in prior years in the Living Essentials Group and the Global Environmental & Infrastructure Business Group.

In other P/L items, impairment losses on long-lived assets increased mainly due to the recording of impairment losses in the gas and oil development business in Oceania, North America and Europe, while other (expense) income-net and finance income increased mainly due to an improvement in foreign exchange gains and losses, as well as to higher dividend income from resource-related investees (non-ferrous metals).

Income from investments accounted for using the equity method increased 35.4 billion yen, or 21%, to 203.8 billion yen.

As a result, consolidated net income for the year ended March 2015 increased 39.2 billion yen, or 11%, to 400.6 billion yen.

#### **(2) Segment Information**

##### **1) Global Environmental & Infrastructure Business Group**

The Global Environmental & Infrastructure Business Group conducts infrastructure projects, related trading operations and other activities in power generation, water, transportation and other infrastructure fields that serve as a foundation for industry.

The segment recorded consolidated net income of 20.4 billion yen, an increase of 4.2 billion yen year over year.

The higher earnings mainly reflected increased earnings from Asian and North American power generation businesses and the FPSO business, in addition to earnings from a reversal of impairment losses recognized in prior fiscal years. These factors were partly offset by provision for losses on guarantee obligations in connection with loans and guarantees for oil field production and development businesses.

## **2) Industrial Finance, Logistics & Development Group**

The Industrial Finance, Logistics & Development Group is developing shosha-type industrial finance business. These businesses range from asset management, infrastructure investment, and buyout investment to leasing, real estate development and logistics services.

The segment recorded consolidated net income of 40.1 billion yen, an increase of 10.4 billion yen year over year.

The higher earnings mainly reflected increased earnings in the fund investment business.

## **3) Energy Business Group**

The Energy Business Group conducts a number of activities including oil and gas exploration, development and production (E&P) business; investment in natural gas liquefaction projects; trading of crude oil, petroleum products, carbon materials and products, LNG (Liquefied Natural Gas), and LPG (Liquefied Petroleum Gas); and planning and development of new energy business.

The segment recorded consolidated net income of 82.3 billion yen, a decrease of 36.3 billion yen year over year.

This decrease mainly reflected the recording of impairment losses in the gas and oil development business in Oceania, North America and Europe in line with changes in the business environment and other factors.

## **4) Metals Group**

The Metals Group trades, develops business and invests in a range of fields. These include steel products such as steel sheets and thick plates, steel raw materials such as coking coal and iron ore, and non-ferrous raw materials and products such as copper and aluminum.

The segment recorded consolidated net income of 13.9 billion yen, an increase of 5.9 billion yen year over year.

The increase mainly reflected higher dividend income and equity-method earnings from resource-related investees (non-ferrous metals), and lower impairment losses on resource-related investments.

## **5) Machinery Group**

The Machinery Group handles sales, finance and logistics across many different sectors, in which it also invests. These fields include machine tools, agricultural machinery, construction machinery, mining machinery, elevators, escalators, ships, aerospace-related equipment and

motor vehicles.

The segment recorded consolidated net income of 91.3 billion yen, a decrease of 7.5 yen billion year over year.

This decrease mainly reflected the rebound of a one-off gain associated with the revaluation of assets recorded in the previous fiscal year.

### **6) Chemicals Group**

The Chemicals Group trades chemical products in a broad range of fields, in which it also develops business and invests. These fields extend from basic materials such as ethylene, methanol, and salt produced from crude oil, natural gas, minerals, plants, marine resources and so forth, to midstream and downstream products such as plastics, electronic materials, food ingredients, fertilizer and fine chemicals.

The segment recorded consolidated net income of 31.4 billion yen, an increase of 9.7 billion yen year over year.

This increase mainly reflected higher earnings on transactions at the Parent, as well as at methanol, plastics, food science and other related business companies.

### **7) Living Essentials Group**

The Living Essentials Group provides products and services, develops businesses and invests in various fields closely linked with people's lives, including food products and food, textiles, essential supplies, healthcare, distribution and retail. These fields extend from the procurement of raw materials to the consumer market.

The segment recorded consolidated net income of 120.5 billion yen, an increase of 61.3 billion yen year over year.

Earnings increased mainly due to a reversal of impairment losses recognized in prior fiscal years.

### **(3) Forecasts for the Year Ending March 2016**

For the year ending March 2016, we forecast the consolidated net income of 360.0 billion yen. Please note that the basic assumptions for this forecast are as follows.

Reference: Change of basic assumptions

	Year Ended March 2015 (Actual)	Year Ending March 2016 (Forecasts)	Change
Exchange rate	109.8 JPY/USD	120.0 JPY/USD	10.2 JPY/USD
Crude oil price	83.5 US\$/BBL	65.0 US\$/BBL	-18.5 US\$/BBL
Interest rate (TIBOR)	0.20 %	0.20 %	-



#### **(4) Changes in Assets, Liabilities and Equity**

Total assets at March 31, 2015 were 16,774.4 billion yen, an increase of 873.2 billion yen from March 31, 2014. Total assets rose mainly because of an increase in cash and cash equivalents due to collection of working capital and an increase in investments accounted for using the equity method due to the impact of the yen's depreciation and reversal of impairment losses, as well as increases in various asset items associated with the acquisition of new subsidiaries.

Total liabilities were 10,718.8 billion yen, an increase of 357.1 billion yen. This mainly reflected an increase in long-term debt due to the impact of the yen's depreciation and the procurement of funds for making new and additional investments, as well as increases in various liabilities associated with the acquisition of new subsidiaries.

Interest-bearing liabilities (net), which are interest-bearing liabilities (gross) minus cash and cash equivalents and time deposits, decreased 133.4 billion yen from March 31, 2014 to 4,467.7 billion yen. The net debt-to-equity ratio, which is net interest-bearing liabilities divided by equity attributable to owners of the Parent, was 0.8.

Equity attributable to owners of the Parent increased 502.8 billion yen to 5,570.5 billion yen. In addition to an increase in retained earnings because of the consolidated net income, this increase was mainly due to an increase in exchange differences on translating foreign operations in line with the yen's depreciation, despite the payment of dividends at the Parent.

#### **(5) Cash Flows**

Cash and cash equivalents at March 31, 2015 were 1,725.2 billion yen, an increase of 393.2 billion yen from March 31, 2014.

##### **(Operating activities)**

Net cash provided by operating activities was 798.3 billion yen, mainly due to cash flows from operating transactions and dividend income, as well as the recovery of working capital, despite the payment of income taxes.

##### **(Investing activities)**

Net cash used in investing activities was 154.9 billion yen. Investing activities used net cash mainly due to an investment in a salmon farming company and capital expenditures in the Australian coal business, despite cash provided by the sale of aircraft, the collection of loans receivable at subsidiaries, and proceeds from a paid-in capital reduction at an affiliated company.

As a result, free cash flow, the sum of operating and investing cash flows, was a positive 643.4 billion yen.

##### **(Financing activities)**

Net cash used in financing activities was 305.3 billion yen. Financing activities used net cash mainly due to the purchase of treasury stock and the payment of dividends at the Parent, in addition to the repayment of debt in line with asset sales and the recovery of working capital.

### **3. Basic Policy Regarding the Appropriation of Profits**

#### **(1) Investment Plans**

We will accelerate divestments selectively and free up capital for new investments, while continuing to invest at a rate in line with the average of the three years under Midterm Corporate Strategy 2012, in order to improve our earnings base.

#### **(2) Capital Structure Policy and Dividend Policy**

Our basic policy is to sustain growth and maximize corporate value by balancing earnings growth, capital efficiency and financial soundness. For this, we will continue to utilize retained earnings for investments to drive growth, while maintaining our financial soundness.

Moreover, under New Strategic Direction, we introduced a two-staged dividend policy to ensure a certain amount of return to shareholders regardless of changes in the external environment. Accordingly, we plan to pay a yearly base dividend of 50 yen per common share, regardless of our earnings level each year, as the stable portion of this two-staged dividend. On top of that, we will pay a performance based variable dividend at a consolidated dividend payout ratio of at least 30% on consolidated net income above 350.0 billion yen each year, while taking our capital demand for investing in further growth into consideration.

In light of the 400.6 billion yen in consolidated net income we recorded for the year ended March 2015, the Board of Directors today passed a resolution setting a total dividend per common share applicable to the fiscal year ended March 2015 of 60 yen (making the year-end dividend 30 yen per common share, having paid an interim dividend of 30 yen per common share). This is a base dividend of 50 yen per common share, and a performance based variable dividend of 10 yen per common share for a payout ratio of 32.0% on the 50.6 billion yen in excess of 350.0 billion yen. We have paid the dividend commemorating the 60th anniversary of our founding of 10 yen per common share, and therefore total dividend for the year ended March 2015 will become 70 yen per share.

Furthermore, we plan to pay a total dividend of 56 yen per common share for the year ending March 2016. This will consist of a base dividend of 50 yen per common share, and a performance based variable dividend of 6 yen per common share (for a payout ratio of 94.9% on the performance).

[For Reference: Annual Ordinary Dividend Per Common Share]

Year ended March 2008 = 56 yen

Year ended March 2009 = 52 yen

Year ended March 2010 = 38 yen

Year ended March 2011 = 65 yen

Year ended March 2012 = 65 yen

Year ended March 2013 = 55 yen

Year ended March 2014 = 68 yen

Year ended March 2015 = 70 yen

#### **4. Business Risks**

##### **(1) Risks of Changes in Global Macroeconomic Conditions**

As we conduct businesses on a global scale, our operating results are impacted by economic trends in overseas countries as well as those in Japan.

For instance, a decline in prices of energy and metal resources could have a large impact on our resource-related import transactions and earnings from business investments. Furthermore, the worldwide economic slowdown could affect our entire export-related business, including plants, construction machinery parts, automobiles, steel products, ferrous raw materials, chemical products, and other products.

In Thailand and Indonesia, we have various automobile businesses, including automobile assembly plants, distribution and sales companies and financial services companies jointly established with Japanese automakers. Because automobile sales volume reflects internal demand in each of these countries, economic trends in both Thailand and Indonesia may have a significant bearing on earnings from our automobile operations.

In the year ended March 2015, the global economy saw an increase in volatility in the financial and commodity markets, mainly due to concerns about the outlook for the Chinese economy and the Greek debt crisis, along with rising geopolitical risk as a result of the situation in Ukraine and the Middle East and other developments. Volatility in the financial and commodity markets also increased due to expectations of an interest rate hike in the U.S. In emerging countries, the pace of economic growth has slowed even among major countries such as China and Brazil, mainly due to slower growth in investment and exports, compounded by structural problems within these countries.

##### **(2) Market Risks**

Unless otherwise stated, calculations of effects on future consolidated net income are based on consolidated net income for the year ended March 2015.

###### **1) Commodity Market Risk**

In the course of our business activities, we are exposed to various risks relating to movements in prices of commodities as a trader, an owner of rights to natural and energy resources, and a producer and seller of industrial products of our investees. Product categories that may have a large impact on our operating results are as follows:

###### **(Energy Resources)**

We hold upstream rights to LNG and crude oil, and/or liquefaction facilities in Australia, Malaysia, Brunei, Sakhalin, Indonesia, Gulf of Mexico (United States), Gabon, Angola and other regions. Movements in LNG and crude oil prices may have a significant impact on operating results in these businesses. From the latter half of 2014, crude oil prices have decreased sharply. The main reasons for the drastic decline in crude oil prices were a decision by OPEC members, primarily Saudi Arabia, to maintain crude oil production, and supply-side changes such as increased shale oil production in the U.S. Another reason was economic slowdowns in countries centered on China, as well as in developed countries. Crude oil prices are forecast to gradually recover from the latter half of 2015 to 2016 based on an anticipated recovery in demand driven

by the lower crude oil prices. However, considering that the outlook for crude oil prices remains uncertain, future developments must be watched closely.

Fundamentally, LNG prices are linked to crude oil prices. It is estimated that a US\$1/BBL fluctuation in the price of crude oil would have an approximate 1.5 billion yen effect on consolidated net income for LNG and crude oil combined in a given year, mainly through a change in equity-method earnings. However, fluctuations in the price of LNG and crude oil might not be immediately reflected in our operating results because of timing differences.

### **(Metal Resources)**

Through wholly owned Australian subsidiary Mitsubishi Development Pty Ltd (MDP), we sell coking coal, which is used for steel manufacturing, and thermal coal, which is used for electricity generation. Fluctuations in the price of coking coal may affect our consolidated operating results through MDP's earnings. MDP's operating results cannot be determined by the coal price alone since MDP's results are also significantly affected by fluctuations in exchange rates for the Australian dollar, U.S. dollar and yen, as well as adverse weather and labor disputes.

In addition, as a producer, we are exposed to the risk of price fluctuations in copper. A US\$100 fluctuation in the price per MT of copper would have a 1.4 billion yen effect on our consolidated net income for the year. However, variables beside price fluctuations can also have an impact. These include the grade of mined ore, the status of production operations, and reinvestment plans (capital expenditures). Therefore, the impact on earnings cannot be determined by the copper price alone.

### **(Petrochemical Products)**

We are engaged in a broad range of trading activities for petrochemical products manufactured from raw materials such as naphtha and natural gas. The prices of petrochemical products are largely determined for each product on an individual basis based on the prices of the above raw materials, supply-demand dynamics and other factors. Fluctuations in the prices of these raw materials may affect earnings from these trading transactions.

We have made investments in manufacturing and sales companies for petrochemicals such as ethylene glycol, paraxylene and methanol in Saudi Arabia, Malaysia and Venezuela. Our equity-method earnings would be affected by changes in the operating results of these companies due to price movements.

## **2) Foreign Currency Risk**

We bear risk of fluctuations in foreign currency rates relative to the yen in the course of our trading activities, such as export, import and offshore trading. While we use forward contracts and other hedging strategies, there is no assurance that we can completely avoid foreign currency risk.

In addition, dividends received from overseas businesses and equity in earnings of overseas consolidated subsidiaries and affiliates are relatively high in proportion to our consolidated net income. Because most of these earnings are denominated in foreign currencies, which are converted to yen solely for reporting purposes, an appreciation in the yen relative to foreign

currencies has a negative impact on consolidated net income. In terms of sensitivity, a 1 yen change relative to the U.S. dollar would have an approximate 2.5 billion yen effect on consolidated net income.

Regarding our investments in overseas businesses, an appreciation in the yen poses the risk of lowering shareholders' equity through a negative effect on exchange differences on translating foreign operations. Consequently, we implement various measures to prevent increased exposure to foreign currency risk on investments, such as by hedging foreign currency risks with respect to new large investments. However, there is no assurance that we can completely avoid these risks.

### **3) Stock Price Risk**

As of March 31, 2015, we owned approximately 1,470.0 billion yen (market value basis) of marketable securities, mostly equity issues of customers, suppliers and affiliated companies. These investments expose us to the risk of fluctuations in stock prices. The valuation above represented net unrealized gains of approximately 510.0 billion yen based on market prices, a figure that could change depending on future trends in stock prices. In our corporate pension fund, some of the pension assets managed are marketable stocks. Accordingly, a fall in stock prices could cause an increase in pension expenses by reducing pension assets.

### **4) Interest Rate Risk**

As of March 31, 2015, we had gross interest-bearing liabilities of 6,349.0 billion yen. Because almost all of these liabilities bear floating interest rates, there is a risk of an increase in interest expenses caused by a rise in interest rates.

The vast majority of these interest-bearing liabilities are corresponding to trade receivables, loans receivable and other operating assets that are positively affected by changes in interest rates. Because a rise in interest rates produces an increase in income from these assets, while there is a timing difference, interest rate risk is offset. For the remaining interest-bearing liabilities exposed to interest rate risk without such offsets, commensurate asset holdings such as investment securities, property and equipment generate trading income as well as other income streams such as dividends that are strongly correlated with economic cycles. Accordingly, even if interest rates increase as the economy improves, leading to higher interest expenses, we believe that these expenses would be offset by an increase in income from the corresponding asset holdings. However, our operating results may be negatively affected temporarily if there is a rapid rise in interest rates because increased income from commensurate asset holdings would fail to offset the effects of a preceding increase in interest expenses.

To monitor market movements in interest rates and respond flexibly to market risks, we established the ALM (Asset Liability Management) Committee. This committee establishes fund procurement strategy and manages the risk of interest rate fluctuations.

### **(3) Credit Risk**

We extend credit to customers in the form of trade credit, including accounts receivables and advance payments, finance, guarantees and investments due to our various

operating transactions. We are therefore exposed to credit risk in the form of losses arising from deterioration in the credit of or bankruptcy of customers. Furthermore, we utilize derivative instruments, primarily swaps, options and futures, for the purpose of hedging risks. In this case, we are exposed to the credit risk of the counterparties to these derivative instruments.

To manage this risk, we have established credit and transaction limits for each customer as well as introduced an internal rating system. Based on internal rules determined by internal ratings and the amount of credit, we also require collateral or a guarantee depending on the credit profile of the counterparty. There is no guarantee that we will be able to completely avoid credit risk with these risk hedging strategies. We reduce transactions and take measures to protect our receivables when there is deterioration in the credit condition of customers. We also have a policy for dealing with bankrupt customers and work to collect receivables. However, failure to collect receivables and other credit could affect our operating results.

#### **(4) Country Risk**

We bear country risk in relation to transactions and investments with overseas companies in the form of delays or inability to collect cash or conduct business activities due to political and socioeconomic conditions in the countries where they are domiciled.

We take appropriate risk hedging measures that involve, in principle, hedges via third parties through such means as taking out insurance, depending on the nature of the project. Furthermore, we have established a Country Risk Committee, under which country risk is managed through a country risk countermeasure system. The country risk countermeasure system classifies countries with which we conduct business into six categories based on risk money in terms of the sum total of the amount of investments, advances, and guarantees, and the amount of trade receivables, net of hedges, as well as creditworthiness by country (country rating). Country risk is controlled through the establishment of risk limits for each category.

However, even with these risk hedging measures, it is difficult to completely avoid risks caused by deterioration in the political, economic, or social conditions in the countries or regions where our customers, portfolio companies or we have ongoing projects. Such eventualities may have an impact on our operating results.

#### **(5) Business Investment Risk**

We participate in the management of various companies by acquiring equity and other types of interests. These business investment activities are carried out with the aim of increasing our commercial rights and deriving capital gains. However, we bear various risks related to business investments, such as the possible inability to recover our investments and exit losses and being unable to earn the planned profits. Regarding the management of business investment risk, in the case of new business investments, we clarify the investment meaning and purpose, quantitatively grasp the downside risk of investments and evaluate whether the return on our investments made based on the characteristics of a business exceeds the minimum expected rate of return. After investing, we manage risk on an individual basis with respect to business investments to achieve the investment goals set forth in the Business Plan formulated every year. Furthermore, we apply Exit Rules for the early sale of our equity interest or the liquidation of the investee in order to efficiently replace assets in our portfolio.

Notwithstanding these initiatives, although we follow strict standards for the selection and management of investments, it is difficult to completely avoid the risk of investments not delivering the expected profits. Therefore, our operating results could be affected by such actions as the withdrawal from an investment.

## **(6) Risks Related to Specific Investments**

### **(Investment in and Operations with Mitsubishi Motors Corporation)**

Following requests from Mitsubishi Motors Corporation (MMC), we injected equity totaling 140.0 billion yen in MMC from June 2004 through January 2006 by subscribing to ordinary and preferred MMC shares. Based on the Mitsubishi Motors Capital Restructuring Plan announced by MMC on November 6, 2013, we invested part of MMC's preferred shares that we own in an anonymous association, and converted all the remaining shares into MMC's common shares on March 5, 2014. Furthermore, we cooperate with MMC developing business at sales companies mainly outside of Japan and across the related value chain. Our risk exposure to MMC proper was approximately 160.0 billion yen as of March 31, 2015. Our risk exposure in connection with investments in businesses, finance, trade receivables and other related business was approximately 190.0 billion yen as of March 31, 2015 (of which, risk exposure in connection with the sales finance business was approximately 95.0 billion yen). Our total MMC-related risk exposure, including both the aforementioned risk exposure to MMC proper and our risk exposure to related business, was thus around 350.0 billion yen as of March 31, 2015.

For the year ended March 2015, MMC posted consolidated sales of 2,180.7 billion yen, operating profit of 135.9 billion yen and a net profit of 118.2 billion yen.

### **(Acquisition of Interest in Chilean Copper Asset)**

On November 10, 2011, we completed the acquisition of 24.5% of Anglo American Sur, S.A. (AAS) for US\$5.39 billion (approximately 420.0 billion yen). AAS is a Chilean copper mining and smelting company, wholly owned by Anglo American plc (AAC). The acquisition is the result of a sales process initiated by AAC.

Thereafter, on August 23, 2012, we agreed to transfer 4.1% of its 24.5% shareholding in AAS to AAC for the sum of US\$895 million. As a result of this deal, our risk exposure to this project on March 31, 2015 was approximately 350.0 billion yen.

AAC sold a 29.5% shareholding in AAS to a joint venture between Chile's state-run copper producer Corporación Nacional del Cobre de Chile and Mitsui & Co., Ltd., comprising this 4.1% share from us and 25.4% owned by AAC. Following completion of these transactions, AAC has a 50.1% shareholding in AAS, the aforementioned joint venture has a 29.5% shareholding, and we have a 20.4% shareholding, thereby forming a strong 4-company partnership.

AAS holds a significant portfolio of copper assets in Chile, including the Los Bronces mine, the El Soldado mine, the Chagres smelter and large-scale prospective exploration properties. (AAS' total copper production was approximately 440,000 tonnes in 2014.)

We have designated the expansion of high-quality resource investments and the expansion of its

resource portfolio with sustainable growth as an important area. We will continue to grow its business in this area.

### **(7) Risks Related to Compliance**

We are engaged in businesses in all industries through our many offices around the world. These activities subject us to a wide variety of laws and regulations. Specifically, we must comply with the Companies Act, tax laws, Financial Instruments and Exchange Act, anti-monopoly laws, international trade-related laws, environmental laws and various business laws in Japan. In addition, in the course of conducting business overseas, we must abide by the laws and regulations in the countries and regions where we operate.

We have established a Compliance Committee, which is headed by a Chief Compliance Officer, who is at the forefront of our efforts to raise awareness of compliance. This officer also directs and supervises compliance with laws and regulations on a consolidated basis.

Notwithstanding these initiatives, compliance risks cannot be completely avoided. Failure to fulfill our obligations under related laws and regulations could affect our businesses and operating results.

### **(8) Risks From Natural and Other Types of Disasters**

An unforeseeable event, such as a natural disaster like an earthquake, heavy rain or flood, or infectious diseases such as a new strain of influenza or a large-scale accident, that affects our employees and damages our offices, facilities or systems could hinder sales and production activities.

We have established adequate countermeasures, having implemented an employee safety check system; formulated a disaster contingency manual and a business contingency plan (BCP); implemented earthquake-proof measures for buildings, facilities or systems (including backup of data); introduced a program of disaster prevention drills; prepared stocks of necessary goods; and collaborated and shared information with offices, subsidiaries and related companies both in Japan and overseas. However, no amount of preparation of this sort can completely avoid the risk of damage caused by a natural disaster. Accordingly, damage from a natural disaster could affect our businesses and operating results.

#### Note:

Earnings forecasts and other forward-looking statements in this release are based on data currently available to management and certain assumptions that management believes are reasonable. Actual results may therefore differ materially from these statements for various reasons.



## Subsidiaries and Affiliated Companies

Mitsubishi Corporation's subsidiaries and affiliates are diverse organizations engaged in a wide variety of activities on a global scale. We manufacture and market a wide range of products, including energy, metals, machinery, chemicals and living essentials through our domestic and overseas network. We are also involved in diverse businesses by actively investing in areas such as natural resources development and infrastructure, and we are engaged in finance businesses. We are also engaged in diversified businesses such as creating new business models in the fields of new energy and the environment, and new technology-related businesses. Some of our basic functions enhance the above activities and enable us to provide various services to customers.

Mitsubishi Corporation organizes business groups according to products and services. Products and services are managed through the business groups of the Parent company, subsidiaries, and Affiliated companies (Subsidiaries: 398; Affiliated companies, etc.: 216).

The following table shows products and services by business groups and major subsidiaries and affiliated companies.

	PRODUCTS OR SERVICES	MAJOR SUBSIDIARIES	MAJOR EQUITY-METHOD AFFILIATED COMPANIES
GLOBAL ENVIRONMENTAL & INFRASTRUCTURE BUSINESS	New Energy, Power Generation, Water, Transportation, Plants, Engineering, etc.	Diamond Generating Asia, Limited Diamond Generating Corporation Diamond Generating Europe Limited Diamond Transmission Corporation Limited Mitsubishi Corporation Machinery, Inc.	Chiyoda Corporation Guara Norte S.A.R.L.
INDUSTRIAL FINANCE, LOGISTICS & DEVELOPMENT	Asset Management, Buyout Investment, Leasing, Real Estate (Development & Finance), Logistics, etc.	Diamond Realty Investments, Inc. MC Aviation Partners Inc. Mitsubishi Corp.-UBS Realty Inc. Mitsubishi Corporation LT, Inc. Mitsubishi Corporation Urban Development, Inc.	Mitsubishi Auto Leasing Holdings Corporation Mitsubishi UFJ Lease & Finance Company Ltd.
ENERGY BUSINESS	Petroleum Products, Carbon, Crude Oil, LPG, LNG, etc.	Cutbank Dawson Gas Resources Ltd. Diamond Gas Sakharin B.V. Diamond Gas Netherlands B.V. Mitsubishi Shoji Sekiyu Co., Ltd. Petro-Diamond Inc.	Brunei LNG Sendirian Berhad Japan Australia LNG (MIMI) Pty Ltd MI Berau B.V.
METALS	Steel Products, Coals, Iron Ore, Non-Ferrous Metals & Minerals, Non-Ferrous Metal Products, etc.	JECO Corporation Metal One Corporation Mitsubishi Corporation RtM Japan Ltd. Mitsubishi Development Pty Ltd	Anglo American Sur S.A. Compania Minera Del Pacifico S.A. Iron Ore Company of Canada Mozal S.A.R.L.
MACHINERY	Industrial Machinery, Ships, Satellite & Aerospace, Automobiles, etc.	Diamond Star Shipping Pte. Ltd. Isuzu UTE Australia Pty Ltd. Nikken Corporation P.T. Dipo Star Finance Tri Petch Isuzu Sales Co., Ltd. The Colt Car Company Ltd.	FF Sheffe B.V. GUARA MV23 B.V. P.T. Krama Yudha Tiga Berlian Motors
CHEMICALS	Petrochemical Products, Raw Material for Synthetic Fiber, Fertilizer, Functional Chemicals, Synthetic Raw Materials and Plastics, Food Additives, Feed Additives, Pharmaceuticals and Agricultural Chemicals, Electronic Materials, etc.	Chuo Kagaku Co., Ltd. MC Ferticom Co., Ltd. Mitsubishi Corporation Life Science Limited Mitsubishi Shoji Chemical Corporation Mitsubishi Corporation Plastics Ltd.	Exportadora de Sal, S.A de C.V. Metanol de Oriente, METOR, S.A. Petronas Chemicals Aromatics Sdn. Bhd. SPDC Ltd.
LIVING ESSENTIALS	Foods, Textiles, Daily Necessities, Healthcare, Distribution, Retail, etc.	Cermaq Group AS Indiana Packers Corporation MC Healthcare, Inc. Mitsubishi Shokuhin Co., Ltd. Princes Limited	Lawson, Inc. Life Corporation MCC Development Corporation
OTHER	Finance, Accounting, Human Resources Management, General Affairs, IT, Insurance, etc.	MC Finance Australia Pty Ltd. MC Finance & Consulting Asia Pte. Ltd. Mitsubishi Corporation Financial & Management Services (Japan) Ltd. Mitsubishi Corporation Finance PLC	SIGMAXYZ Inc. Tata Consultancy Services Japan, Ltd.
REGIONAL SUBSIDIARIES	Handling of a broad range of products, similar to the Parent company in Japan	Mitsubishi Corporation (Americas) Mitsubishi Corporation International (Europe) Plc. Mitsubishi Corporation (Shanghai) Ltd.	

Note:

- The total number of consolidated subsidiaries and equity-method affiliates represents companies which the Company directly consolidates or to which it applies the equity method. 617 companies directly consolidated by subsidiaries as of March 31, 2015 are excluded from this total.
- Affiliated companies, etc. include joint ventures (jointly controlled companies) and joint operations (jointly controlled businesses).
- The Global Environmental & Infrastructure Business includes only the infrastructure-related businesses in the Global Environmental & Infrastructure Business Group that are managed and controlled as an independent business segment.

4. On July 1, 2014, IT Frontier Corporation (ITF) merged with Tata Consultancy Services Japan Limited and Nippon TCS Solution Center Limited, with ITF as the surviving company. ITF was subsequently renamed as Tata Consultancy Services Japan Limited.

## **Management Policies**

### **New Strategic Direction**

In May 2013, Mitsubishi Corporation developed its new management strategy, entitled New Strategic Direction (charting a new path toward sustainable growth). It went into effect in the year ended March 2014. Amidst major changes in Mitsubishi Corporation's business models and the external environment, we have abolished our traditional "midterm management plan" concept of committing to fixed financial targets three years in the future, in favor of a long-term, circa 2020 growth vision. To realize this vision we have set down our "New Strategic Direction," which consists of basic concepts on management policy together with our business and market strategies. New Strategic Direction seeks to recognize our value and upside potential as a *sogo shosha* capable of "providing stable earnings throughout business cycles by managing a portfolio diversified by business model, industry, market and geography." As we continuously optimize our portfolio, we will strive to realize our growth vision and enhance the Mitsubishi Corporation's overall corporate value.

#### ■ Mitsubishi Corporation circa 2020: Double Business

Mitsubishi Corporation's ability to maintain stable earnings is based on its improved concept of portfolio management. Acknowledging both this strength and our company's upside potential, we have set down our circa 2020 growth vision as follows:

Resource (LNG, coking coal, copper): Double Equity Production  
(compared to the year ended March 2013)

Non-Resource: Double Earnings Level  
(compared to the year ended March 2013)

#### ■ Mitsubishi Corporation circa 2020 Portfolio Vision: Optimal Diversification & Winning Businesses

To intensively allocate management resources to current and future "winning businesses" while ensuring optimal diversification, we envision reducing the number of business sub-segments from the current total of 47 to between 35 and 40.

To strengthen these "winning businesses," we also envision reshaping the portfolio to consist of at least 10 business sub-segments earning more than 20 billion yen in net income, and between 10 and 15 business sub-segments earning between 10 and 20 billion yen in net income.

#### ■ Management Policies

Our basic management policy is to create sustainable corporate value through business activities and strengthen "winning businesses" through the proactive reshaping of the portfolio in order to win competition at a global scale.

Our investment policy is to accelerate divestments selectively and free up capital for new investments, while continuing to invest at a rate in line with the average of the 3 years under Midterm Corporate Strategy 2012, in order to improve our earnings base.

Our financial policy is to increase our focus on financial discipline including funding our investments within our own cash flow assuming a base earnings level of 350.0 billion yen per annum. Furthermore, we will strive to deliver a return on equity of 12-15% in the medium to long term.

With regard to dividend policy, we will introduce a two-staged dividend policy with a base dividend and a performance based variable dividend in order to provide a stable return to shareholders, regardless of changes in the external environment.

#### ■ Market Strategy / Business Strategy

In terms of our market strategy, we will accelerate our global business development by leveraging our shift towards Asian markets, which are gaining greater international presence not only as resource and industrial markets, but as consumer markets as well. Our objective will be to ensure sustainable growth by capturing growth in Asia. This will entail securing global supply sources to meet the increasing demand for raw materials and other commodities in Asia, and establishing a local presence within the region, through M&As, strategic alliances, and other proactive initiatives.

In terms of our business strategy, our resources business will be transitioning to the project development stage toward full operation, which will primarily entail upgrading and expanding our existing asset base (coking coal, copper, LNG and other core assets). At the same time, we will refocus on productivity and cost, be it capital or operational, to make more efficient use of our management resources.

In non-resource fields, we will accelerate the shift of management resources to current and future “winning businesses” to realize our growth vision circa 2020, which aims to build multiple robust and large-scale earnings drivers. While selectively growing businesses (automotive, foods, retail, power generation and life sciences), we will be transforming our business models, such as developing downstream shale gas operations in North America and shifting to industrial finance’s asset management business.

Looking at the outlook for the global business environment, the global economy is expected to remain shrouded in uncertainty, with the economies of developed countries still on a path to recovery, and signs of a slowdown in economic growth evident even in emerging countries such as China, India and Brazil.

Conscious of these conditions, we will forge ahead with New Strategic

Direction as we work to create an even stronger earnings base and financial position. In tandem, through our diverse businesses, we aim to create sustainable corporate value while helping solve global problems. Moreover, guided by the spirit of the Three Corporate Principles, which form our corporate philosophy, we are determined to support economic activities and contribute to society through our businesses.

## **Basic Concept Regarding Selection of Accounting Standards**

Mitsubishi Corporation has applied IFRS from the fiscal year ending March 31, 2014.

## Consolidated Financial Statements

Mitsubishi Corporation and subsidiaries

### 1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IFRS) March 31, 2014 and 2015

ASSETS	Millions of Yen	
	March 31, 2014	March 31, 2015
Current assets		
Cash and cash equivalents	1,332,036	1,725,189
Time deposits	142,705	156,090
Short-term investments	23,533	31,913
Trade and other receivables	3,751,865	3,473,352
Other financial assets	136,398	203,348
Inventories	1,287,959	1,301,547
Biological assets	18,059	69,600
Advance payments to suppliers	236,493	243,939
Assets classified as held for sale	55,874	77,045
Other current assets	285,121	326,667
Total current assets	7,270,043	7,608,690
Non-current assets		
Investments accounted for using the equity method	2,833,576	3,220,455
Other investments	2,122,444	2,243,344
Trade and other receivables	623,686	603,908
Other financial assets	93,174	112,434
Property and equipment	2,509,918	2,395,261
Investment property	103,725	80,524
Intangible assets and goodwill	213,729	329,081
Deferred tax assets	45,822	38,728
Other non-current assets	85,008	141,941
Total non-current assets	8,631,082	9,165,676
Total	15,901,125	16,774,366

Mitsubishi Corporation and subsidiaries  
**1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IFRS)**  
 March 31, 2014 and 2015

LIABILITIES AND EQUITY	Millions of Yen	
	March 31, 2014	March 31, 2015
Current liabilities		
Borrowings	1,381,980	1,513,876
Trade and other payables	2,680,954	2,511,142
Other financial liabilities	110,557	161,916
Advances from customers	220,041	232,165
Income tax payables	86,251	41,204
Liabilities directly associated with assets classified as held for sale	9,043	9,071
Other current liabilities	363,765	509,611
Total current liabilities	4,852,591	4,978,985
Non-current liabilities		
Borrowings	4,693,855	4,835,117
Trade and other payables	91,361	74,123
Other financial liabilities	32,966	25,851
Accrued pension and retirement benefits	65,452	69,482
Provisions	128,913	153,596
Deferred tax liabilities	462,391	544,483
Other non-current liabilities	34,226	37,174
Total non-current liabilities	5,509,164	5,739,826
Total liabilities	10,361,755	10,718,811
Equity		
Common stock	204,447	204,447
Additional paid-in capital	265,356	266,688
Treasury stock	(14,081)	(7,796)
Other components of equity		
Other investments designated as FVTOCI	625,151	677,672
Cash flow hedges	(4,119)	(18,609)
Exchange differences on translating foreign operations	638,220	856,628
Total other components of equity	1,259,252	1,515,691
Retained earnings	3,352,692	3,591,447
Equity attributable to owners of the Parent	5,067,666	5,570,477
Non-controlling interest	471,704	485,078
Total equity	5,539,370	6,055,555
Total	15,901,125	16,774,366

Mitsubishi Corporation and subsidiaries  
**2. CONSOLIDATED STATEMENT OF INCOME (IFRS)**  
Years ended March 31, 2014 and 2015

	Millions of Yen	
	Year ended March 31, 2014	Year ended March 31, 2015
Revenues	7,635,168	7,669,489
Costs of revenues	(6,449,163)	(6,459,595)
Gross profit	1,186,005	1,209,894
Selling, general and administrative expenses	(952,898)	(998,751)
Gains on investments	46,335	45,351
Reversal of impairment loss from investment accounted for using the equity method	—	94,247
Gains on sale and disposal of long-lived assets	5,964	21,937
Impairment losses on long-lived assets	(20,517)	(115,208)
Other (expense) income —net	(66,794)	(45,411)
Finance income	197,231	204,920
Finance costs	(31,728)	(46,075)
Income from investments accounted for using the equity method	168,356	203,818
Income before income taxes	531,954	574,722
Income taxes	(145,595)	(168,331)
Net income	386,359	406,391
Net income attributable to:		
Owners of the Parent	361,359	400,574
Non-controlling interest	25,000	5,817
	386,359	406,391



Mitsubishi Corporation and subsidiaries  
**3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)**  
 Years ended March 31, 2014 and 2015

	Millions of Yen	
	Year ended March 31,2014	Year ended March 31,2015
Net income	386,359	406,391
Other comprehensive income (loss), net of tax		
Items that will not be reclassified to net income:		
Gains (losses) on other investments designated as FVTOCI	(7,177)	62,063
Remeasurement of defined benefit pension plans	14,640	28,447
Share of other comprehensive income of investments accounted for using the equity method	7,969	(2,498)
Total	15,432	88,012
Items that may be reclassified to net income:		
Cash flow hedges	(3,856)	(6,588)
Exchange differences on translating foreign operations	197,043	180,211
Share of other comprehensive income of investments accounted for using the equity method	88,345	46,799
Total	281,532	220,422
Total other comprehensive income, net of tax	296,964	308,434
Total comprehensive income	683,323	714,825
Comprehensive income attributable to:		
Owners of the Parent	643,850	686,900
Non-controlling interest	39,473	27,925
	683,323	714,825

Mitsubishi Corporation and subsidiaries  
**4. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)**  
Years ended March 31, 2014 and 2015

	Millions of Yen	
	Year ended March 31,2014	Year ended March 31,2015
Common stock:		
Balance, beginning of year	204,447	204,447
Balance, end of year	204,447	204,447
Additional paid-in capital:		
Balance, beginning of year	261,987	265,356
Compensation costs related to stock options	1,322	1,346
Sales of treasury stock upon exercise of stock options	(1,412)	(1,379)
Equity transactions with non-controlling interests and others	3,459	1,365
Balance, end of year	265,356	266,688
Treasury stock:		
Balance, beginning of year	(17,970)	(14,081)
Sales of treasury stock upon exercise of stock options	3,628	2,989
Purchases and sales—net	261	(60,013)
Cancellation	—	63,309
Balance, end of year	(14,081)	(7,796)
Other components of equity:		
Balance, beginning of year	1,046,595	1,259,252
Other comprehensive income attributable to owners of the Parent	282,491	286,326
Transfer to retained earnings	(69,834)	(29,887)
Balance, end of year	1,259,252	1,515,691
Retained earnings:		
Balance, beginning of year	3,022,048	3,352,692
Net income attributable to owners of the Parent	361,359	400,574
Cash dividends paid to owners of the Parent	(98,862)	(127,437)
Sales of treasury stock upon exercise of stock options	(1,687)	(960)
Cancellation of treasury stock	—	(63,309)
Transfer from other components of equity	69,834	29,887
Balance, end of year	3,352,692	3,591,447
Equity attributable to owners of the Parent	5,067,666	5,570,477
Non-controlling interest:		
Balance, beginning of year	414,668	471,704
Cash dividends paid to non-controlling interest	(23,328)	(24,212)
Equity transactions with non-controlling interest and others	40,891	9,661
Net income attributable to non-controlling interest	25,000	5,817
Other comprehensive income attributable to non-controlling interest	14,473	22,108
Balance, end of year	471,704	485,078
Total equity	5,539,370	6,055,555

Mitsubishi Corporation and subsidiaries  
**5. CONSOLIDATED STATEMENT OF CASH FLOWS (IFRS)**  
Years ended March 31, 2014 and 2015

	Millions of Yen	
	Year ended March 31, 2014	Year ended March 31, 2015
<b>Operating activities:</b>		
Net income	386,359	406,391
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	184,726	206,559
Gains on investments	(46,335)	(45,351)
Reversal of impairment loss from investment accounted for using the equity method	—	(94,247)
Losses on long-lived assets	14,553	93,271
Finance income —net of finance costs	(165,503)	(158,845)
Income from investments accounted for using the equity method	(168,356)	(203,818)
Income taxes	145,595	168,331
Changes in notes and accounts receivable—trade	(62,304)	249,283
Changes in inventories	(67,397)	71,875
Changes in notes, acceptance and accounts payable—trade	(95,022)	(156,622)
Other—net	48,653	57,860
Dividends received	314,067	383,007
Interest received	77,398	79,706
Interest paid	(48,360)	(67,683)
Income taxes paid	(136,498)	(191,453)
Net cash provided by operating activities	381,576	798,264
<b>Investing activities:</b>		
Expenditures for property and equipment	(496,108)	(307,539)
Proceeds from sales of property and equipment	84,857	147,181
Expenditures for investment property	(1,571)	(17,586)
Proceeds from sales of investment property	31,021	38,135
Purchases of investments accounted for using the equity method	(194,220)	(167,203)
Proceeds from sales of investments accounted for using the equity method	89,788	164,642
Acquisitions of businesses—net of cash acquired	(36,627)	(154,449)
Proceeds from sales of businesses—net of cash divested	10,264	8,889
Purchases of other investments	(98,148)	(76,359)
Proceeds from sales of other investments	299,232	79,448
Increase in loans receivable	(93,441)	(72,913)
Collection of loans receivable	124,890	213,007
Net increase in time deposits	(20,439)	(10,105)
Net cash used in investing activities	(300,502)	(154,852)

	Millions of Yen	
	Year ended March 31,2014	Year ended March 31,2015
Proceeds from long-term debts—net of issuance costs	845,112	1,080,358
Repayment of long-term debts	(745,558)	(1,097,693)
Payment of dividends	(98,862)	(127,437)
Payment of dividends to the non-controlling interest	(23,328)	(24,212)
Payment for acquisition of subsidiary's interests from the non-controlling interest	(5,556)	(12,873)
Proceeds from sales of subsidiary's interests to the non-controlling interest	35,472	9,762
Net decrease (increase) in treasury stock	790	(59,363)
Net cash used in financing activities	(118,845)	(305,334)
Effect of exchange rate changes on cash and cash equivalents	23,887	55,075
Net (decrease) increase in cash and cash equivalents	(13,884)	393,153
Cash and cash equivalents, beginning of year	1,345,920	1,332,036
Cash and cash equivalents, end of year	1,332,036	1,725,189

6. Notes Concerning Going Concern Assumption (IFRS)  
None

## 7. Notes Concerning Consolidated Financial Statements (IFRS)

### (1) Changes in Accounting Policies and Changes in Accounting Estimates (IFRS)

The important accounting policies applied to the consolidated financial statements for the year ended March 2015 are identical to the accounting policies applied to the consolidated financial statements for the previous fiscal year, except for the following:

The adoption of new standards and interpretation guidelines, including those below, had no significant impact on the consolidated financial statements for the year ended March 2015.

New standards and interpretation guidelines applied

Standard and interpretation guideline	Outline
IFRIC 21 Levies	Accounting treatment of liabilities related to levies
IAS 36 Impairment of Assets (Amended)	Disclosure requirements for the recoverable amount of impaired assets
IFRS 9 Financial Instruments (Hedge)	Accounting treatment and disclosure requirements of hedge accounting
IAS 1 Presentation of financial statements (Amended)	Clarification of presentation methods of financial statements, etc.

Significant changes in accounting estimates in the consolidated financial statements for the year ended March 2015 are as follows:

(Reversal of impairment losses on investments accounted for using the equity method)

In the year ended March 2015, the Company recognized a gain from reversal of the full amount of the accumulated impairment losses of 84,517 million yen on the Company's investment in Lawson, Inc., in which the Company holds a 32.4% equity interest, reflecting the strong quoted market prices of the shares and other factors.

The Company considered the investment in Lawson, Inc. to be an independent cash-generating unit in the assessment of the reversal and recognized the gain because the fair value less costs of disposal based on quoted market prices (Level 1) exceeded the gross carrying amount including the reversal of all accumulated impairment losses. The gain from reversal was included in "reversal of impairment losses from investment accounted for using the equity method" in the Living Essentials Segment.

(Impairment losses on long-lived assets)

In the year ended March 2015, the Company recorded impairment losses of 115,208 million yen in line with changes in the business environment as "impairment losses on long-lived assets."

In the course of recognizing and measuring impairment losses, the Company measured the recoverable amount primarily using value in use. For the discount rate, the Company used a rate that reasonably reflects the rate of return that is considered to be the market-average rate that incorporates the risks specific to the cash-generating units.

These impairment losses included impairment losses of 38,309 million yen on shale gas development assets in Canada held by Cordova Gas Resources Ltd., impairment losses of 27,722 million yen on gas exploration and development assets in Papua New Guinea held by Diamond Gas Niugini B.V. and other entities, and impairment losses of 15,787 million yen on assets held by MCX DUNLIN (UK) Limited and MCX OSPREY (UK) Limited in connection with North Sea oil field projects, which are consolidated subsidiaries in the Energy Business Segment.

## (2) Scope of Consolidation and Application of the Equity Method (IFRS)

### 1) Number of consolidated subsidiaries and equity-method affiliates

	As of March 31,2014	As of March 31,2015	Change
Consolidated subsidiaries	409	398	-11
Equity-method affiliates	217	216	-1
Total	626	614	-12

Note: The total number of consolidated subsidiaries and equity-method affiliates represents companies which the Company directly consolidates or to which it applies the equity method. 602 companies and 617 companies directly consolidated by subsidiaries as of March 31, 2014 and March 31, 2015, respectively, are excluded from this total.

### 2) Main changes in the scope of consolidation and application of the equity method

[Consolidated subsidiaries]

New: CERMAQ GROUP

## (3) Significant Changes in Subsidiaries During the Period (Changes in Specified Subsidiaries Causing Changes in Scope of Consolidation) (IFRS)

From the year ended March 2015, MCX GULF OF MEXICO, LLC is excluded from the scope of consolidation due to its extinguishment following the execution of an absorption-type merger in which MCX EXPLORATION (USA), LLC, a group company of Mitsubishi International Corporation (U.S.A.), was the surviving company and MCX GULF OF MEXICO, LLC was the extinguished company. Mitsubishi International Corporation (U.S.A.) is a U.S. subsidiary of Mitsubishi Corporation.

## (4) Segment Information (IFRS)

Year ended March 31, 2014

	Millions of Yen										
	Global Environmental & Infrastructure Business	Industrial Finance, Logistics & Development	Energy Business	Metals	Machinery	Chemicals	Living Essentials	Total	Other	Adjustments and Eliminations	Consolidated
Gross profit	28,493	67,168	62,150	241,898	186,680	102,589	480,928	1,169,906	22,846	(6,747)	1,186,005
Income (loss) from investments accounted for using the equity method	18,433	16,189	65,743	1,193	30,026	17,290	22,649	171,523	(3,516)	349	168,356
Net income attributable to owners of the Parent	16,156	29,674	118,574	8,047	98,835	21,689	59,155	352,130	10,005	(776)	361,359
Total assets	866,996	1,031,393	2,464,014	4,703,943	1,891,157	1,008,397	2,662,090	14,627,990	3,143,721	(1,870,586)	15,901,125

Year ended March 31, 2015

	Millions of Yen										
	Global Environmental & Infrastructure Business	Industrial Finance, Logistics & Development	Energy Business	Metals	Machinery	Chemicals	Living Essentials	Total	Other	Adjustments and Eliminations	Consolidated
Gross profit	31,608	75,692	59,155	199,347	197,280	110,870	525,354	1,199,306	13,710	(3,122)	1,209,894
Income (loss) from investments accounted for using the equity method	28,910	33,096	71,598	2,704	32,244	18,756	20,566	207,874	(3,729)	(327)	203,818
Net income attributable to owners of the Parent	20,448	40,126	82,262	13,856	91,301	31,360	120,514	399,867	(14,931)	15,638	400,574
Total assets	996,202	895,759	2,253,567	4,796,811	1,999,106	975,467	3,144,562	15,061,474	3,555,574	(1,842,682)	16,774,366

### NOTES:

\*1. "Other" represents the corporate departments which primarily provide services and operational support to the Company and Affiliated companies.

This column also includes certain revenues and expenses from business activities related to financing and human resource services that are not allocated to reportable operating segments.

Unallocated corporate assets categorized in "Other" consist primarily of cash, time deposits and securities for financial and investment activities.

\*2. "Adjustments and Eliminations" includes certain income and expense items that are not allocated to reportable operating segments and intersegment eliminations.

\*3. The Company determines the infrastructure-related business of the "Global Environmental & Infrastructure Business Group" as an operating segment and is thus presented as the Global Environmental & Infrastructure Business. The environment-related business categorized in the "Other."

\*4. Effective from April 1 and July 1, 2014 the part of environment-related business in the "Other" was transferred to the "Global Environment & Infrastructure Business." With this change, the consolidated financial position and the results of operations of related reportable operating segments for the year ended March 31, 2014 have also been reclassified accordingly.



## (5) Earnings Per Share (IFRS)

Reconciliations of the basic and diluted net income attributable to owners of the Parent per share are as follows:

	Year ended March 31,2014	Year ended March 31,2015
Net income attributable to owners of the Parent per share (Yen)		
Basic	219.30	246.39
Diluted	218.80	245.83
Numerator (Millions of Yen):		
Net income attributable to owners of the Parent	361,359	400,574
Denominator (Thousands of shares):		
Basic weighted average common shares outstanding	1,647,786	1,625,754
Effect of dilutive securities:		
Stock options	3,794	3,720
Diluted outstanding shares	1,651,581	1,629,474

## (6) Subsequent Events (IFRS)

The Company resolved at the Board of Directors meeting held on May 8, 2015 that it would acquire its own shares of stock based on the provisions of Article 156 of the Companies Act that is applied in an alternative interpretation of Article 165, Section 3 of the Companies Act.

The repurchases of shares are to be executed as describe below;

Type of shares:	Ordinary shares of the Company
No. of shares to be repurchased:	Up to 45 million shares (2.8% of the common shares outstanding)
Total value of stock repurchased:	Up to 100,000 million of yen
Period of acquisitions:	May 11, 2015 - August 31, 2015

**Results for the Year Ended March 2015  
and Forecasts for the Year Ending March 2016**

May 8, 2015

Mitsubishi Corporation

## (Forward-Looking Statements)

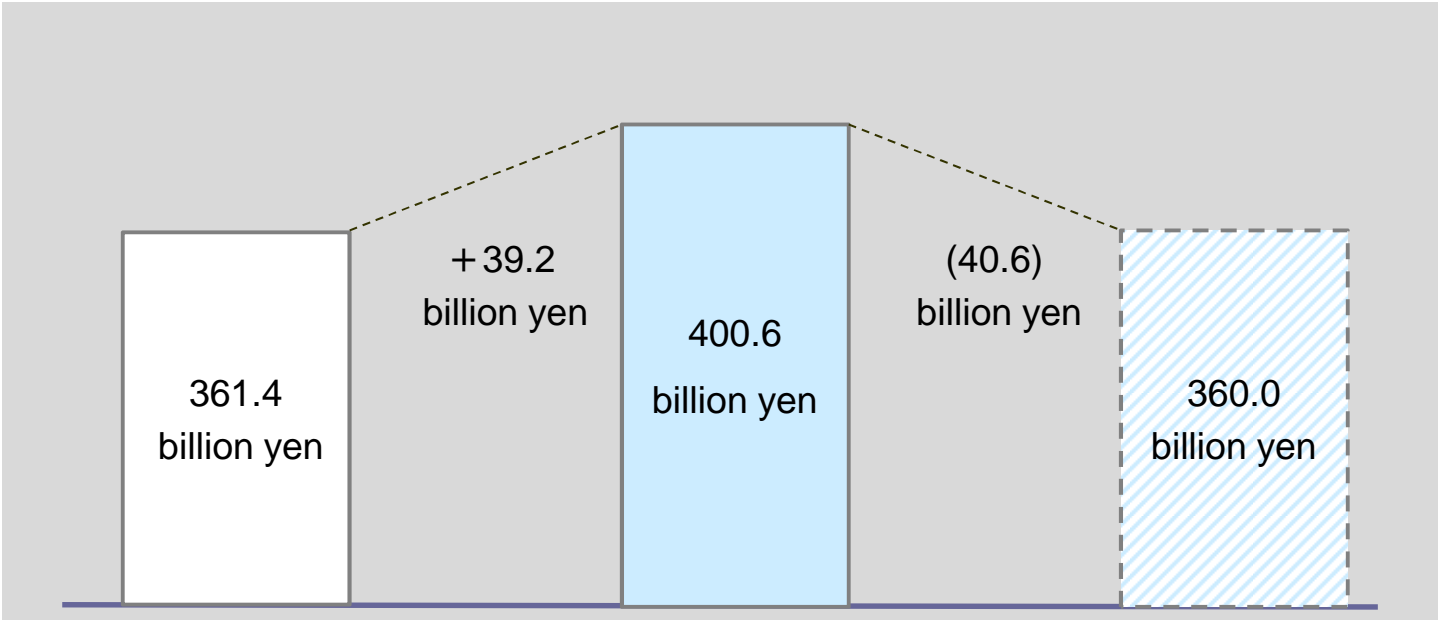
- This presentation contains forward-looking statements about Mitsubishi Corporation's future plans, strategies, beliefs and performance that are not historical facts. Such statements are based on the company's assumptions and beliefs in light of competitive, financial and economic data currently available 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 presentation and that Mitsubishi Corporation bears no responsibility for any negative impact caused by the use of this presentation.

## (Notes Regarding this Presentation Material)

- "Consolidated net income" in this presentation shows the amount of consolidated net income attributable to Mitsubishi Corporation, excluding noncontrolling interests. "Total shareholders' equity" shows the amount of total equity attributable to Mitsubishi Corporation, excluding noncontrolling interests.

**Results for the Year Ended March 2015 and Forecasts for the Year Ending March 2016**

	Year ended March 2014 result	Year ended March 2015 result	Year ending March 2016 forecast
<b>Consolidated net income</b>	361.4 billion yen	<b>400.6 billion yen</b>	<b>360.0 billion yen</b>



# Shareholder Returns and Capital Structure Policy

**Annual dividend per share**

**Purchase of treasury stock**

**Year ended March 2015 result**

**60 yen**  
+ 10 yen (60th anniversary commemorative dividend)

**60.0 billion yen**

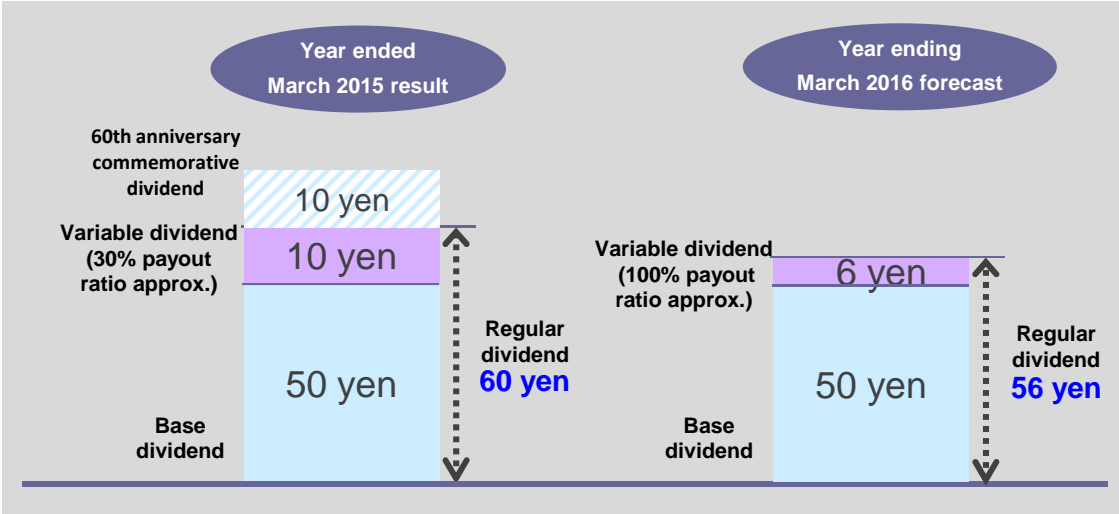
**Year ending March 2016 forecast**

**56 yen**

**100.0 billion yen**

**Dividend policy under New Strategic Direction**

We will provide shareholder returns by delivering a base dividend per share of 50 yen, plus a performance based variable dividend at a consolidated dividend payout ratio of at least 30% on earnings above 350.0 billion yen. This is in order to provide a stable dividend to shareholders regardless of changes in the business environment.

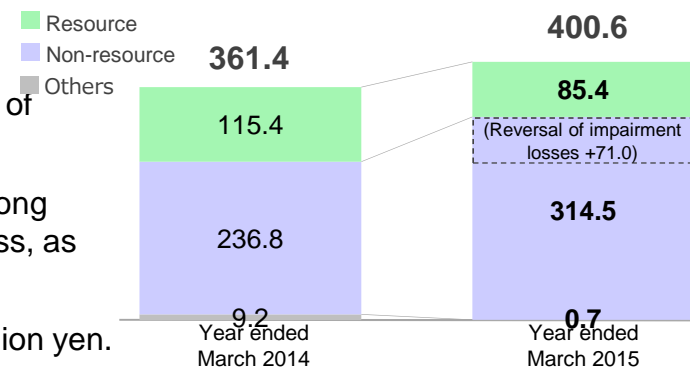


## Summary of Results for the Year Ended March 2015 and Earnings Forecasts for the Year Ending March 2016

(Billion yen)

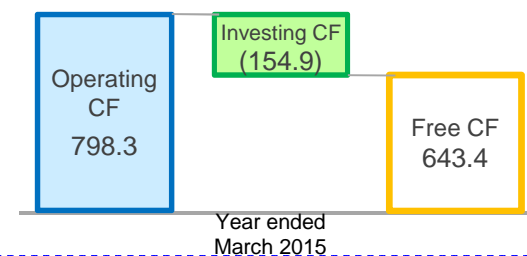
### Results for the year ended March 2015

- ✓ The resource field saw lower earnings year over year due to the impact of impairment losses.
- ✓ The non-resource field delivered record-high earnings mainly due to strong performances in the fund investment business and the livestock business, as well as the recording of a reversal of impairment losses.
- ✓ We achieved our full-year consolidated net income forecast of 400.0 billion yen.



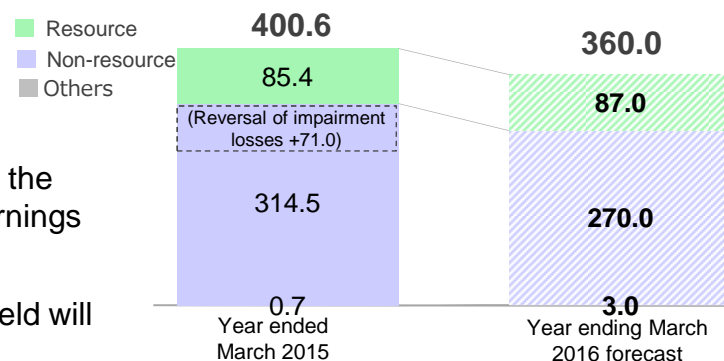
### Cash flows for the year ended March 2015

- ✓ Operating activities provided net cash of 798.3 billion yen, mainly reflecting the build-up of operating revenues, in addition to a decrease in working capital requirements due to lower oil prices.
- ✓ Investing activities used net cash of 154.9 billion yen, mainly reflecting progress on portfolio reshaping, despite the execution of new investments.



### Forecasts for the year ending March 2016

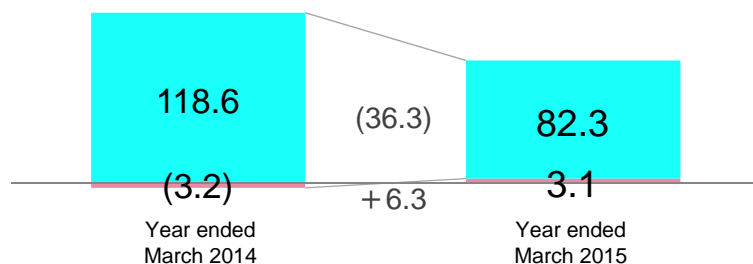
- ✓ The business environment is expected to remain challenging in the resource field.
- ✓ Excluding the impact of the reversal of impairment losses recorded in the previous fiscal year, the non-resource field expects to maintain an earnings growth trajectory.
- ✓ There will be no change in the earnings structure: the non-resource field will continue to prop up the sluggish resource field.



## Year-over-Year Segment Net Income by Resource and Non-resource Field

**[Resource]** (Billion yen)

115.4 (33%)  $\rightarrow$  (30.0)  $\rightarrow$  85.4 (21%)



### Energy Business (-31%)

Recording of impairment losses in the gas and oil development business in Oceania, North America and Europe in line with changes in the business environment.

### Metals – Resource

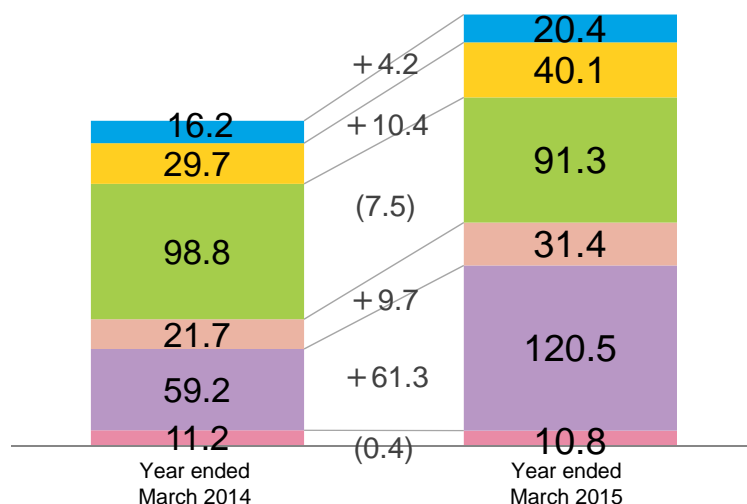
Reflects mainly higher dividend income and earnings from resource-related investees (non-ferrous metals), along with the recording of lower impairment losses on resource-related investments.

### Global Environmental & Infrastructure Business (+26%)

Reflects mainly higher earnings from Asian and North American power generation businesses and gains on the reversal of impairment losses recognized in prior fiscal years. These factors were partly offset by provision for losses on guarantee obligations for oil field businesses.

**[Non-resource]** (Billion yen)

236.8 (67%)  $\rightarrow$  +77.7  $\rightarrow$  314.5 (79%)



### Industrial Finance, Logistics & Development (+35%)

Increased earnings in the fund investment business.

### Machinery (-8%)

Rebound of a one-off gain associated with the revaluation of asset holdings recorded in the previous fiscal year.

### Chemicals (+45%)

Higher earnings on transactions at the Parent, as well as at methanol, plastics, food science and other related business companies.

### Living Essentials (+104%)

Gain on the reversal of impairment losses recognized in prior fiscal years.

### Metals – Non-resource (-4%)

\*Earnings related to steel products operations in Metals are counted in Non-resource fields.

**Major Losses in the Year Ended March 2015 (By Main Reason)**

(Billion yen)

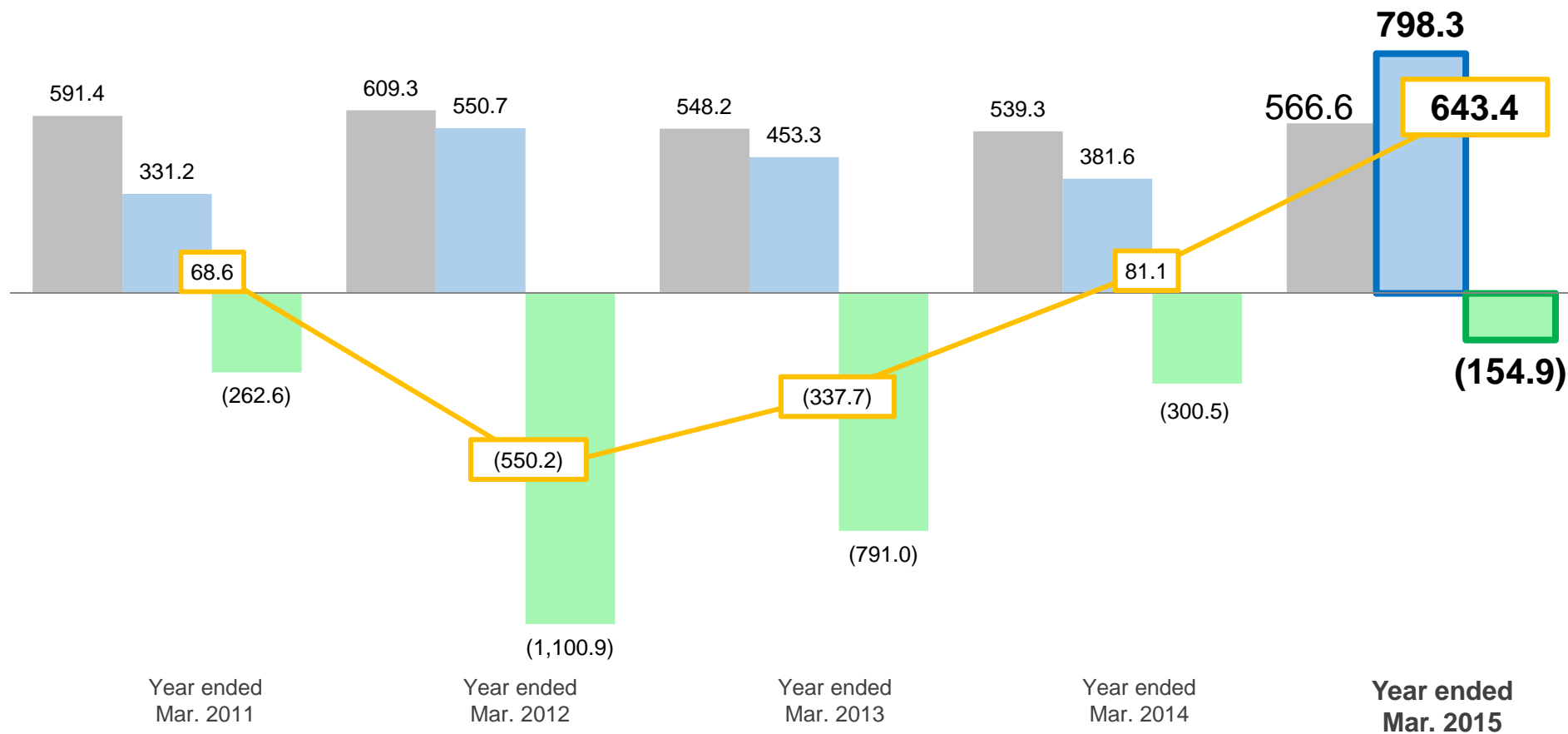
	<u>Nine Months ended Dec. 2014</u> (Apr.-Dec.)	<u>Three months ended Mar. 2015</u> (Jan.-Mar.)
Resource related * (Lower prices or productivity)	Shale gas development (23.0) <u>North Sea oil fields (12.0)</u> (35.0)	Gas exploration and development in Papua New Guinea (28.0) Provision for guarantee obligations/ North Sea oil fields (13.0) North Sea oil fields (additional) (4.0) Chilean small copper mine (5.0) <u>Other (10.0)</u> (60.0)
	<b>(95.0)</b>	
Other	Loss on disposal of shale gas facilities (7.0) North American pulp business (2.0) <u>Other (4.0)</u> (13.0)	MetalOne's affiliates (4.0) North American pulp business (additional) (3.0) <u>Other (12.0)</u> (19.0)
	<b>(32.0)</b>	
Total	<b>(127.0)</b>	

\* Different classification from segment information (profit and loss).



## Cash Flows

(Billion yen)



\*Years ended Mar. 2011 and 2012 are based on USGAAP.

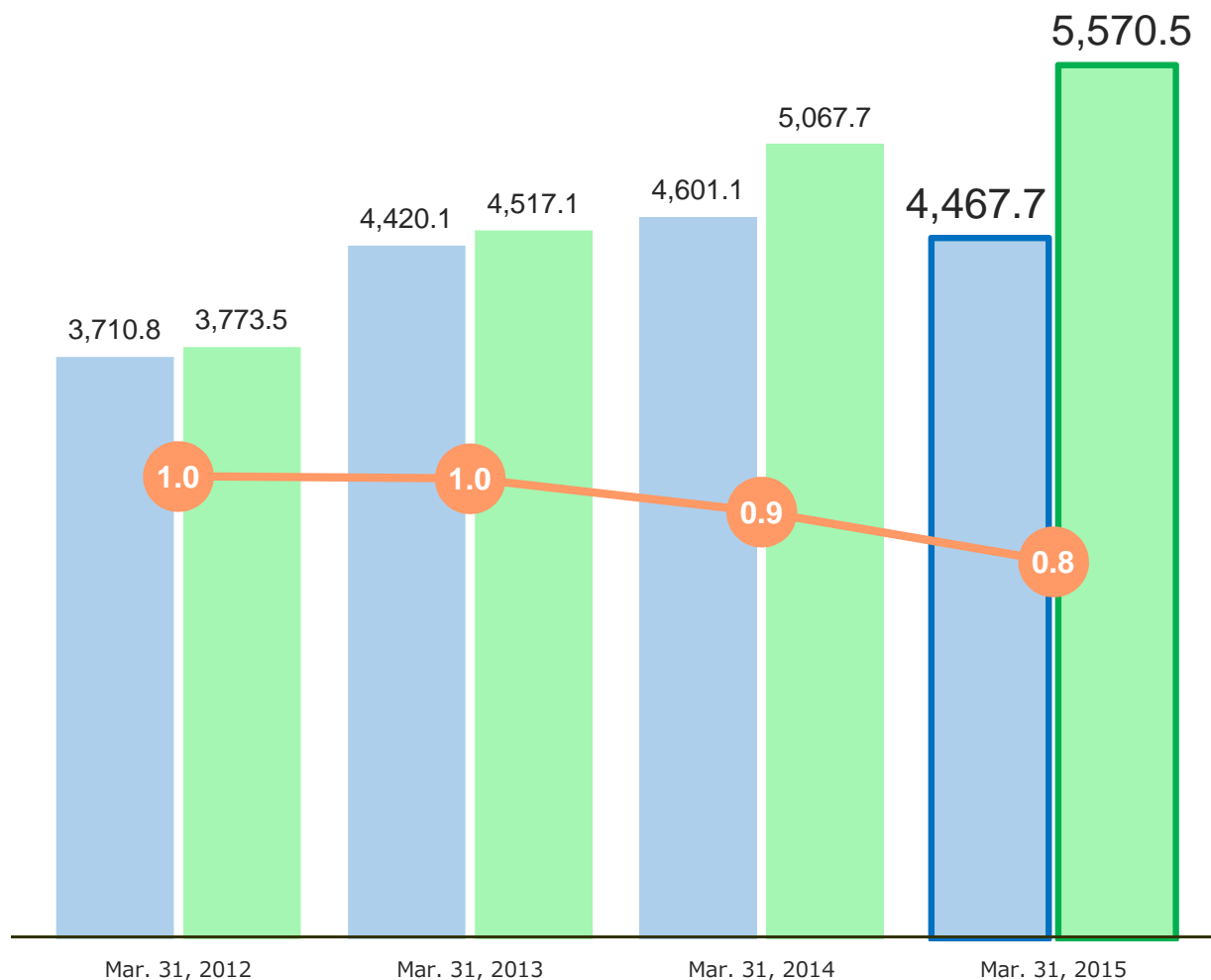
## New Investments and Portfolio Reshaping

(Billion yen)		Year ended Mar. 2014	Year ended Mar. 2015					Main investment and divestment areas in the year ended March 2015
		Cumulative total	1Q	2Q	3Q	4Q	Cumulative total	
New Investment	Resource	330.0	80.0	40.0	50.0	50.0	220.0	Coking coal/thermal coal business in Australia Shale gas and LNG business
	Non-resource	470.0	100.0	110.0	220.0	110.0	540.0	Salmon farming business Fund investment and real estate business Ship business
	Total	800.0	180.0	150.0	270.0	160.0	760.0	
Portfolio Reshaping	Asset sales*	510.0	70.0	110.0	80.0	260.0	520.0	Aircraft leasing business Fund investment and real estate business LNG business Ship business
	Depreciation	170.0	50.0	40.0	50.0	60.0	200.0	—
	Total	680.0	120.0	150.0	130.0	320.0	720.0	
Net Investment		120.0	60.0	0	140.0	(160.0)	40.0	

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

## Equity and Interest-Bearing Liabilities

■ Interest-bearing liabilities (net)    ■ Total shareholders' equity  
● Debt-to-equity ratio (net)    (Billion yen)



### [Main Drivers of the Change in Equity] (+502.8 billion yen increase against March 31, 2014)

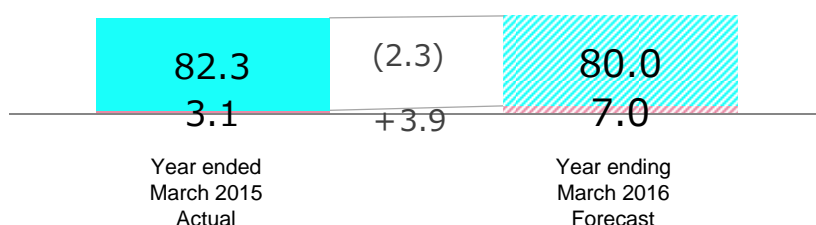
- Consolidated net income    +400.6 billion yen
- Exchange differences on translating foreign operations    +218.4 billion yen  
(USD : +200.0 billion yen, others)
- Other investments designated as FVTOCI, etc.    +70.6 billion yen
- Purchase and cancellation of treasury stock    (59.4) billion yen
- Payments of dividends    (127.4) billion yen

## Segment Forecasts for Year Ending March 2016

### [Resource]

(Billion yen)

85.4 (21%)  $\xrightarrow{+1.6}$  87.0 (24%)



#### Energy Business

Decreased earnings in line with lower prices, despite the rebound of impairment losses recorded in the previous fiscal year.

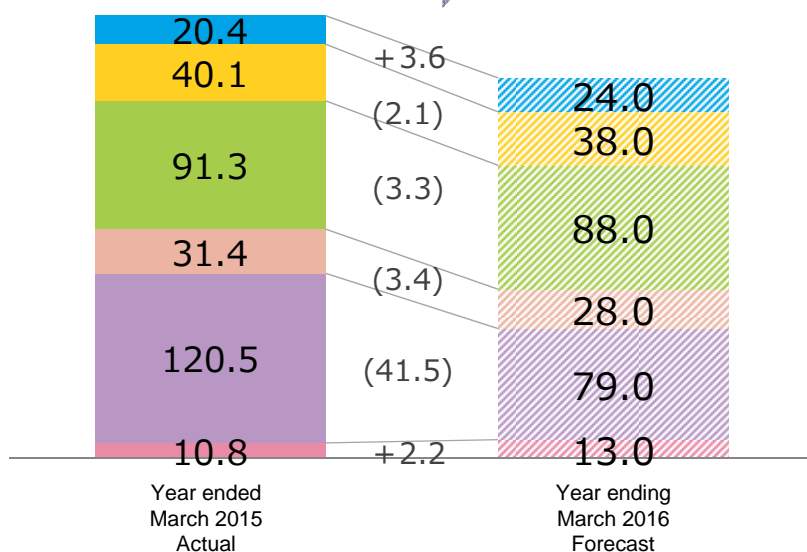
#### Metals Group - Resource

Rebound of one-off losses recorded in the previous fiscal year.

### [Non-resource]

(Billion yen)

314.5 (79%)  $\xrightarrow{(44.5)}$  270.0 (76%)



#### Global Environment & Infrastructure Business

Rebound of one-off losses recorded in the previous fiscal year.

#### Industrial Finance, Logistics & Development

Decreased earnings in the fund investment business.

#### Machinery

Lower sales in Asian automobile operations.

#### Chemicals

Lower earnings on transactions at a petrochemical business-related company.

#### Living Essentials

Rebound of the reversal of impairment losses recognized in prior fiscal years.

#### Metals Group - Non-Resource

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\*Earnings related to steel products operations in Metals are counted in Non-resource fields.

## (Reference) Market Conditions

### [Foreign Exchange, Interest Rate and Commodity Prices Sensitivities]

	Year ended Mar. 2015 Actual	Forecasts for year ending Mar. 2016	Increase and decrease	Net Income Sensitivities
Foreign Exchange (yen/US\$)	109.8	120.0	+ 10.2	Depreciation (appreciation) of 1 yen per US\$1 has a 2.5 billion yen positive (negative) impact on a full year basis.
Yen Interest(%) TIBOR	0.20	0.20	-	The effect of rising interest rates is mostly offset by an increase in operating and investment profits. However, a rapid rise in interest rates can cause a temporary negative effect.
US\$ Interest(%) LIBOR	0.24	0.50	+0.26	
Crude Oil (US\$/BBL) (Dubai)	83.5	65.0	(18.5)	A US\$1 rise (decline) per barrel increases (reduces) full-year earnings by 1.5 billion yen. Several other variables could affect crude oil-related earnings, such as different closing dates in affiliates, timing of the reflection of the crude oil price in sales prices, dividend policy, foreign currency movements, and production and sales volume as well as crude oil price fluctuations. Therefore, the impact on earnings cannot be determined by the crude oil price alone.
Copper (US\$/MT) [ ¢ / lb ]	6,558 [ 297 ]	6,173 [ 280 ]	(385) [ (17) ]	A US\$100 rise (decline) per MT increases (reduces) full-year earnings by 1.4 billion yen. Other variables could affect copper mines earnings, such as grade of mined ore, condition of production operations, and reinvestment plans (capital expenditure) as well as copper price fluctuations. Therefore, the impact on earnings cannot be determined by the copper price alone.