

# Results for the Nine Months Ended December 2018

February 5, 2019

Mitsubishi Corporation

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

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

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

- Consolidated net income in this presentation shows the amount of net income attributable to owners of the Parent, excluding non-controlling interests.

# Results for the Nine Months Ended December 2018

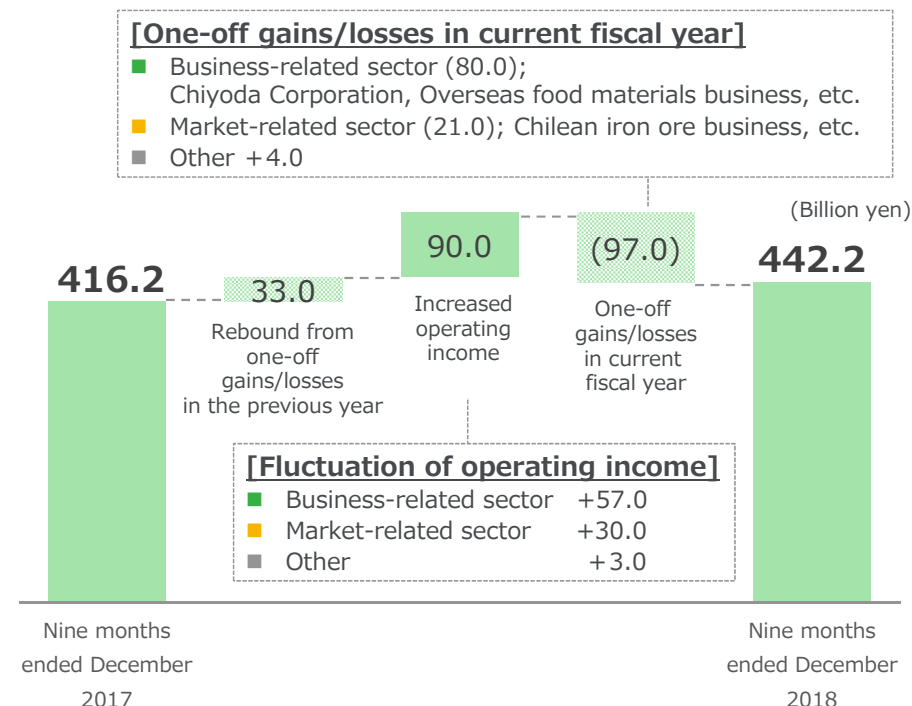
| (Billion yen)                  | Nine months ended December 2017 | Nine months ended December 2018 | Fluctuation  | Forecast for the year ending March 2019 (Released Nov. 2) | Progress   |
|--------------------------------|---------------------------------|---------------------------------|--------------|---|------------|
| <b>Consolidated Net Income</b> | <b>416.2</b>                    | <b>442.2</b>                    | <b>+26.0</b> | <b>640.0</b>  | <b>69%</b> |
| Business-related sector        | 294.3                           | 276.4                           | (17.9)       | 392.0   | 71%        |
| Market-related sector*         | 120.6                           | 157.9                           | +37.3        | 243.0   | 65%        |

\* Market-related sector includes North American shale gas and E&P in the Energy Business segment, Mineral resources in the Metals segment, and Ships (commercial vessels) in the Machinery segment.

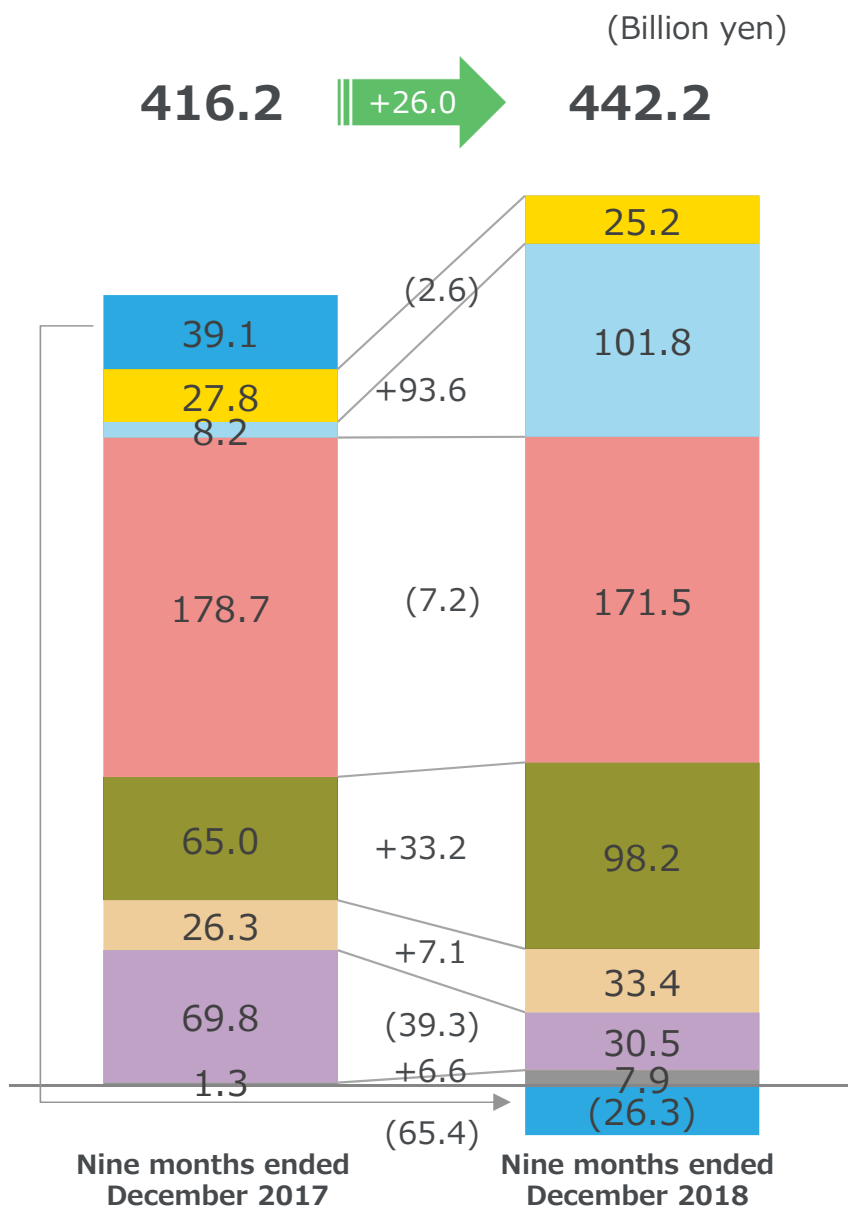
## Takeaways from results for the nine months ended December 2018

✓ Earnings increased 26.0 billion yen year over year, due to increased operating income in both Business-related and Market-related sectors, despite large one-off losses.

- In the Business-related sector, despite increased operating income in the LNG-related business and the Asia automotive business, etc., net income decreased due to one-off losses related to Chiyoda Corporation and the Overseas food materials business.
- In the Market-related sector, despite impairment loss on the Chilean iron ore business, net income increased due to rebound from one-off losses in the previous year and higher operating income in the Australian coal business, etc.



## Year over Year Segment Net Income (Loss)



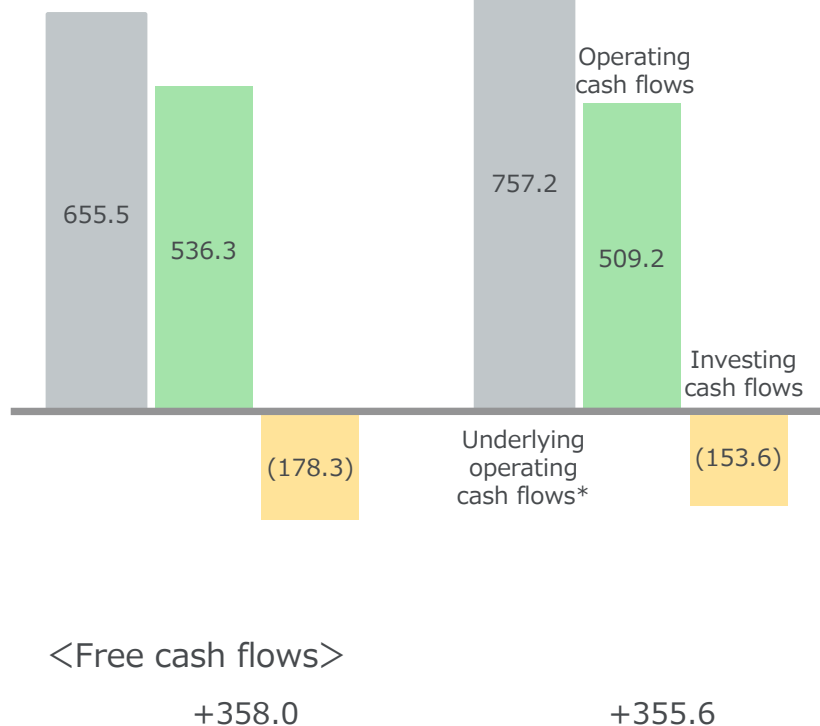
# Cash Flows

Nine months ended  
December 2017

Nine months ended  
December 2018

[Breakdown of cash flows]

(Billion yen)



| Ref. | Year ended                             | Underlying Operating CF | Investing CF               |                      |                | Underlying Operating CF + Investing CF |
|------|--|-------------------------|----------------------------|----------------------|----------------|--|
|      |  |                         | New/Sustaining Investments | Sales and Collection | Net            |  |
|      | March 2017                             | 703.5                   | (569.6)                    | 390.0                | (179.6)        | 523.9                                  |
|      | March 2018                             | 857.8                   | (796.0)                    | 478.4                | (317.6)        | 540.2                                  |
|      | <b>Nine months ended December 2018</b> | <b>757.2</b>            | <b>(689.0)</b>             | <b>535.4</b>         | <b>(153.6)</b> | <b>603.6</b>                           |

[Main items included in Investing CF for the nine months ended December 2018]

| New/Sustaining Investments   | Sales and Collection   |
|--|--|
| <ul style="list-style-type: none"> <li>• Copper business (Metals)</li> <li>• Shale gas-related business (Energy Business)</li> <li>• Australian coal business (Metals)</li> <li>• Convenience store business (Living Essentials)</li> <li>• Overseas power generation business (Global Environmental &amp; Infrastructure Business)</li> <li>• Real estate business (Industrial Finance, Logistics &amp; Development)</li> </ul> | <ul style="list-style-type: none"> <li>• Aircraft leasing business (Industrial Finance, Logistics &amp; Development)</li> <li>• Australian coal business (Metals)</li> <li>• Listed stocks (Living Essentials/Other)</li> <li>• Time deposits (Other)</li> </ul> |

\* Underlying operating cash flows

Operating cash flows excluding changes in assets and liabilities.

- ( = Net income (including non-controlling interests) – DD&A
- profits and losses related to investing activities
- equity in earnings of affiliated companies not recovered through dividends
- allowance for bad debt etc. – deferred tax)

## (Reference) Market Conditions

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

|  | Nine months ended<br>December 2018 | Forecast for<br>the year ending<br>March 2019<br><small>(Released on Nov. 2)</small> | Variance      | Consolidated Net Income Sensitivities<br>for the year ending March 2019  |
|--|------------------------------------|--|---------------|--|
| Foreign Exchange<br>(YEN/US\$)           | 111.14                             | 110.00   | +1.14         | Depreciation/appreciation of 1 yen per US\$1 has a 3.0 billion yen positive/negative impact on a full-year earnings.   |
| Crude Oil Price<br>(Dubai)<br>(US\$/BBL) | 65                                 | 67   | (2)           | <p>A US\$1 rise/decline per barrel increases/reduces full-year earnings by 2.5 billion yen.</p> <p>To better account for the differences in fiscal year-ends of consolidated companies and the timing when crude oil price is actually reflected in sales price, <u>the average price for the preceding 6 month period (e.g. For the year ending March: average price from Oct. to Sep.)</u> is utilized. (Changed from this quarter)</p> <p>In addition to changes in crude oil price, other factors could also affect crude oil-related earnings, such as dividend policy, foreign currency movements, and production/sales volume. Therefore, the impact on earnings cannot be determined by the crude oil price alone.</p> |
| Copper Price<br>(US\$/MT)<br>[¢/lb]      | 6,378<br>[ 289 ]                   | 6,283<br>[ 285 ]   | +95<br>[ +4 ] | <p>A US\$100 rise/decline per MT increases/reduces full-year earnings by 1.4 billion yen (A US¢10 rise/decline per lb increases/reduces full-year earnings by 3.2 billion yen).</p> <p>In addition to changes in copper price, other variables affect earnings from copper mines, such as the grade of mined ore, the status of production operations, and reinvestment plans (capital expenditure). Therefore, the impact on earnings cannot be determined by the copper price alone.</p>   |
| YEN Interest<br>TIBOR 3M (%)             | 0.07                               | 0.10   | (0.03)        | The effect of rising interest rates is mostly offset by an increase in operating and investment profits. However, a rapid rise in interest rates could have a temporary negative effect.   |
| US\$ Interest<br>LIBOR 3M (%)            | 2.43                               | 2.50   | (0.07)        |  |