

Results for the Six Months Ended September 2019

November 6, 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.

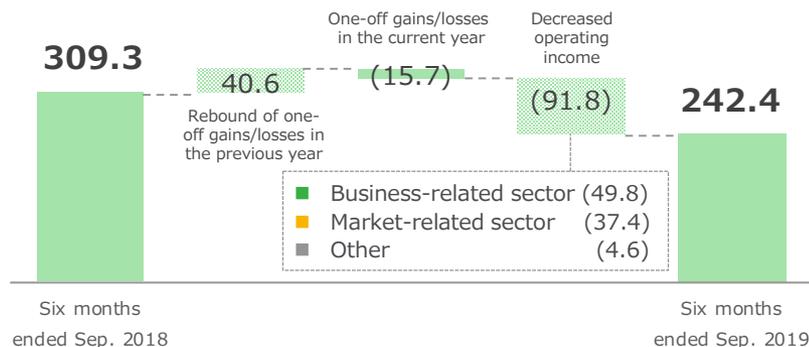
Results for the Six months Ended September 2019

(Billion Yen)	Six months ended September 2018	Six months ended September 2019	Fluctuation	Revised forecast for the year ending March 2020	Progress
Consolidated Net Income	309.3	242.4	(66.9)	520.0	47%
Business-related sector	171.8	148.2	(23.6)	358.0	41%
Market-related sector*	124.8	90.2	(34.6)	143.0	63%

* Market-related sector includes North American shale gas and E&P in Natural Gas segment, Mineral Resource business except for trading and business incubation in Mineral Resource segment, and Ships (commercial vessels) in Industrial Infrastructure segment.

<Year-over-Year fluctuation>

- ◎ Earnings decreased 66.9 billion yen year-over-year.
 - In the Business-related sector, despite the rebound of one-off losses in the previous year, net income decreased mainly due to loss related to crude oil trading derivatives in the current year as well as lower operating income in the Automotive-related business, the Petro-chemical business, the LNG related business, and the Salmon farming business, etc.
 - In the Market-related sector, net income decreased due to lower operating income mainly in the Australian metallurgical coal business and decreased business revenue due to the disposal of the Australian thermal coal asset.



<Revision of the forecast for the year>

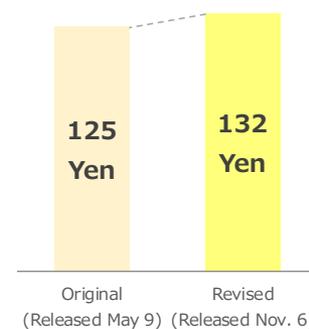
(Billion Yen)

- ◎ Net income forecast for the year is revised to 520.0 billion.
 - The Business-related sector is revised to 358.0 billion due to lower operating income mainly in the Automotive-related business and the LNG related business, as well as the loss related to crude oil trading derivatives.
 - The Market-related sector is revised to 143.0 billion due to lower operating income mainly in the Australian metallurgical coal business.
- ◎ Dividend forecast for the year is revised to 132 yen considering the progress of share repurchase.

<Net income forecast>

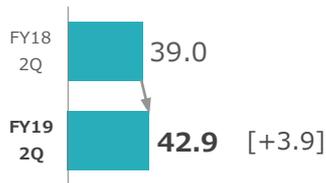


<Dividend forecast>

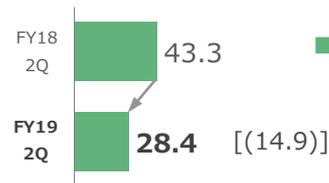


Year-over-Year Segment Net Income

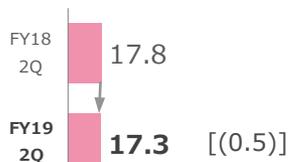
Consolidated Net Income : Six months ended September 2018 (FY18 2Q): **309.3** (Billion Yen)
 Six months ended September 2019 (FY19 2Q): **242.4** [YoY (66.9)]



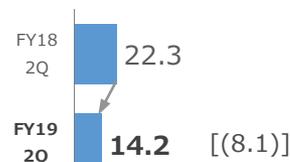
Natural Gas [YoY +10%]
 Rebound of one-off losses related to resource-related asset replacements in the previous year, etc.



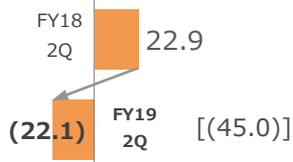
Automotive & Mobility [YoY (34%)]
 Decreased earnings from equity method investees, etc.



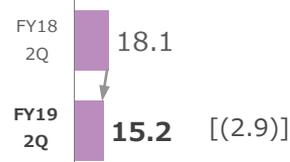
Industrial Materials [YoY (3%)]
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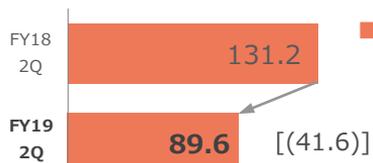
Food Industry [YoY (36%)]
 Decreased earnings in the Salmon farming business, etc.



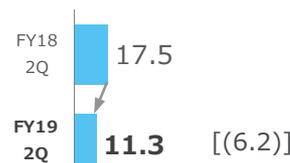
Petroleum & Chemicals
 Loss related to crude oil trading derivatives at the Singapore petroleum subsidiary as well as decrease in earnings in the Petrochemical business, etc.



Consumer Industry [YoY (16%)]
 Decreased earnings in the Logistics business, etc.



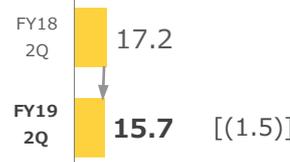
Mineral Resources [YoY (32%)]
 Decrease in business revenue due to increased production cost and decreased market price in the Australian metallurgical coal business, the disposal of the Australian thermal coal asset, as well as decreased dividend income in the Copper business, etc.



Power Solution [YoY (35%)]
 Rebound of one-off gains related to the Overseas power business in the previous year, etc.



Industrial Infrastructure
 Rebound of one-off losses related to Chiyoda Corporation in the previous year, etc.



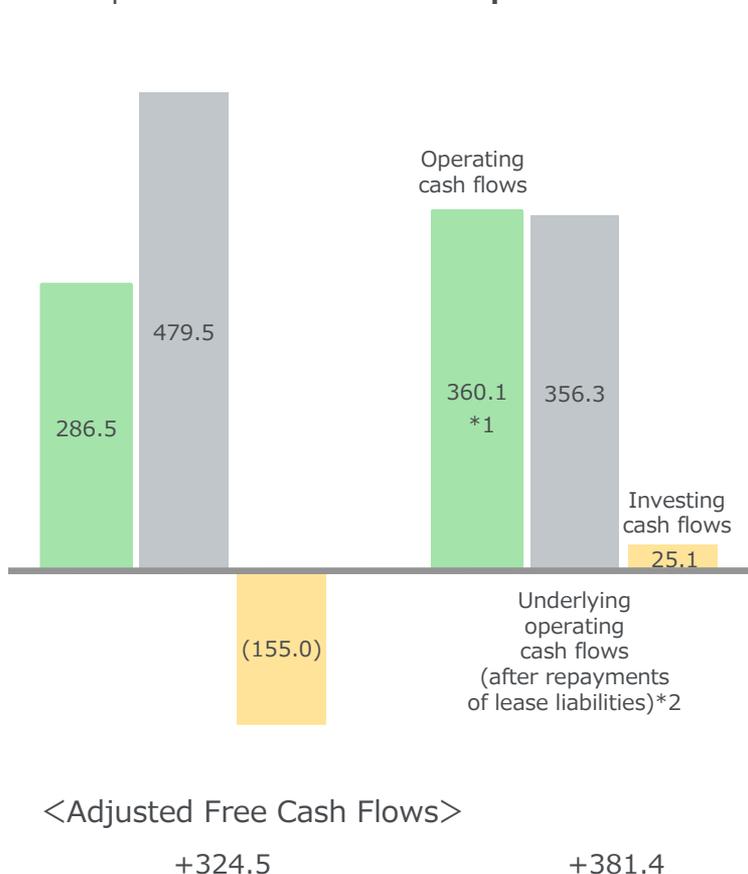
Urban Development [YoY (9%)]
 Rebound of sales gain of a fund management company stock in the previous year, etc.

Cash Flows

In order to present the source of funds for future investments and shareholder returns appropriately, "Adjusted Free Cash Flows" is introduced, which is free cash flows excluding changes in working capitals whilst including repayments of lease liabilities which are necessary in the ordinary course of business activities.

Six months ended
September 2018

Six months ended
September 2019



[Breakdown of cash flows]

(Billion Yen)

	Underlying operating cash flows (after repayments of lease liabilities)	Investing CF			Adjusted Free Cash Flows
		New/Sustaining Investments *3	Sales and Collection	Net	
Six months ended Sep. 2019	356.3	(233.3)	258.4	25.1	381.4

[Main items included in Investing CF for the six months ended September 2019]

New/Sustaining Investments	Sales and Collection
<ul style="list-style-type: none"> Chiyoda Corporation preferred stock (Industrial Infrastructure) Australian metallurgical coal business (Mineral Resources) Convenience store business (Consumer Industry) 	<ul style="list-style-type: none"> Australian thermal coal interest (Mineral Resources) Overseas power business (Power Solution) Listed stocks (Food Industry/Consumer Industry/Other)

*1 Due to adoption of IFRS16, repayments of lease liabilities for the six months ended September 2019 (130.6 Billion) are not included.

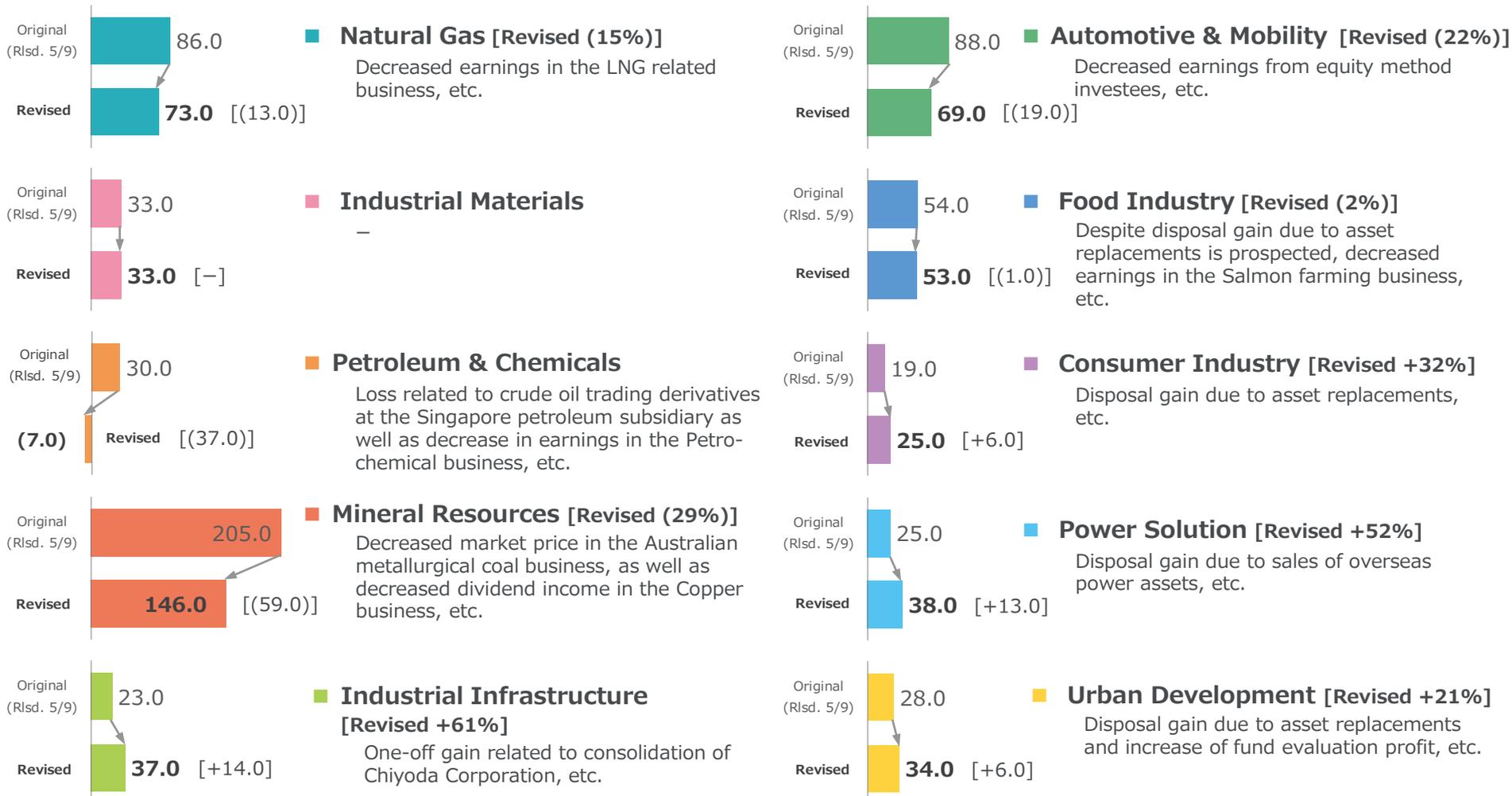
*2 Underlying operating cash flows (after repayments of lease liabilities) :
Operating cash flows excluding changes in working capitals
(=Net income (including non-controlling interests) – DD&A – profits and losses related to investing activities – equity in earnings of affiliated companies not recovered through dividends – allowance for bad debt etc. – deferred tax)
whilst including repayments of lease liabilities

*3 In "New/Sustaining Investments", a positive cash flow of 134.2 billion related to consolidation of cash held by Chiyoda Corporation is included.

Segment Forecasts for the Year Ending March 2020

Consolidated Net Income : **Original forecast (Released May 9):** **600.0** (Billion Yen)

Revised forecast (Released November 6): **520.0** **[Revised (80.0)]**



(Reference) Market Conditions

[Foreign Exchange, Commodity Prices and Interest Rates]

	Forecast for the year ending March 2020 (Released May 9)	Forecast for the year ending March 2020* (Revised Nov. 6)	Variance	Six months ended September 2019	Consolidated Net Income Sensitivities for the year ending March 2020
Foreign Exchange (YEN/US\$)	110.00	106.80 (2 nd Half: 105.00)	(3.20)	108.60	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 (Dubai) (US\$/BBL)	65	65	±0	65	A US\$1 rise/decline per barrel increases/reduces full-year earnings by 2.5 billion Yen. To better account for the differences in fiscal year-ends of consolidated companies and the timing when crude oil price is actually reflected in LNG sales price, the average price for the preceding 6 month period (e.g. For the year ending March: average price from Oct. to Sep.) is utilized. 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.
Copper Price (US\$/MT) [US¢/lb]	6,504 [295]	5,842 [265] (2 nd Half:[260])	(662) [(30)]	5,952 [270]	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). 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.
YEN Interest TIBOR 3M (%)	0.10	0.09	(0.01)	0.07	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 LIBOR 3M (%)	2.60	2.48	(0.12)	2.35	

* The annual average are shown for the forecast for the year.