

Results for the Nine Months Ended December 2019

February 5, 2020

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 2019

(Billion Yen)	Nine months ended December 2018	Nine months ended December 2019	Fluctuation	Forecast for the year ending March 2020 (Released Nov. 6)	Progress
Consolidated Net Income	442.2	373.3	(68.9)	520.0	72%
Business-related sector	276.4	253.1	(23.3)	358.0	71%
Market-related sector*	157.9	113.6	(44.3)	143.0	79%

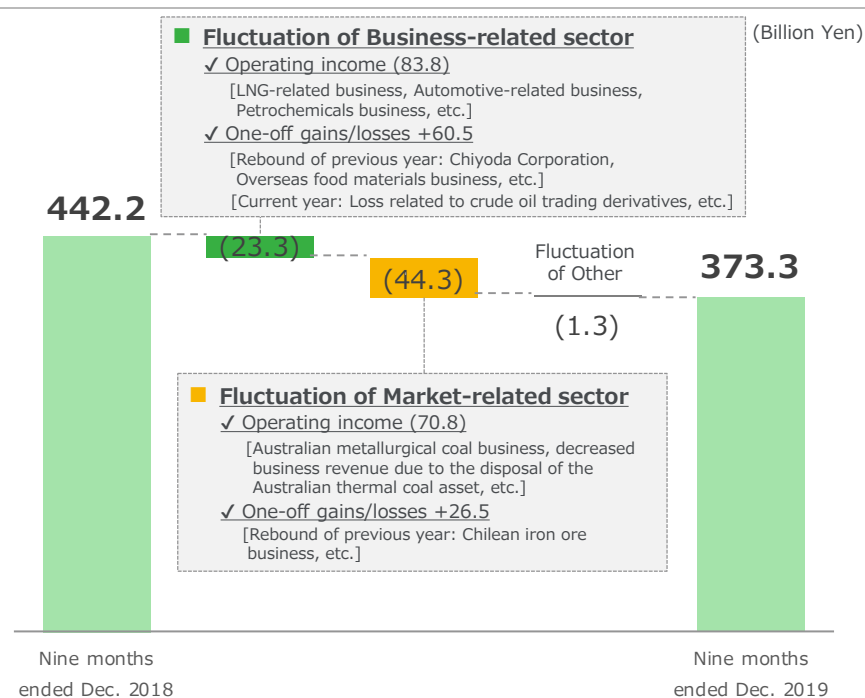
* Market-related sector includes North American shale gas and E&P in Natural Gas segment, Mineral Resource business except for trading and business incubation in Mineral Resource segment, and Ships (commercial vessels) in Industrial Infrastructure segment.

<Year-over-Year fluctuation>

- ◎ Earnings decreased 68.9 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 LNG-related business, the Automotive-related business, and the Petrochemicals business, etc.
 - In the Market-related sector, despite the rebound of one-off losses in the previous year, 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, etc.

<Progress against the forecast (released Nov. 6) for the year>

- ◎ Progress of 72% against the forecast for the year.
 - In the Business-related sector, net income progress was 71% mainly due to the impact of loss related to crude oil trading derivatives in Q2, weak results in the Automotive-related business, as well as forecasted disposal gains due to asset replacements in Q4.
 - In the Market-related sector, net income progress was 79% mainly due to market factors in the Iron ore business and the Shale gas business, etc.

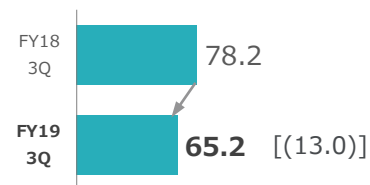


Year-over-Year Segment Net Income

Consolidated Net Income : **Nine months ended December 2018 (FY18 3Q): 442.2**

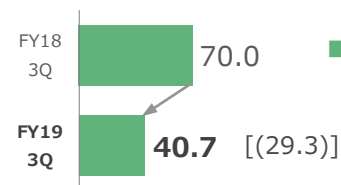
(Billion Yen)

Nine months ended December 2019 (FY19 3Q): 373.3 [YoY (68.9)]



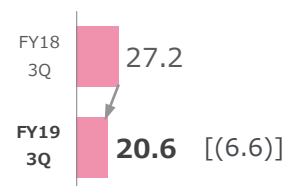
■ Natural Gas [YoY (17%)]

Decreased earnings in the LNG-related business, etc.



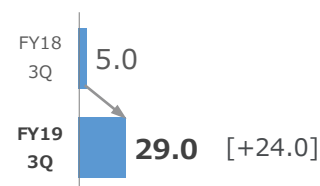
■ Automotive & Mobility [YoY (42%)]

Decreased earnings from Mitsubishi Motors and the Asian Automotive business, etc.



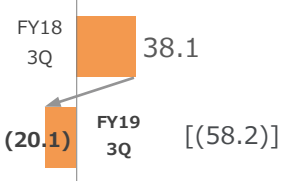
■ Industrial Materials [YoY (24%)]

Decreased earnings in the Steel business, etc.



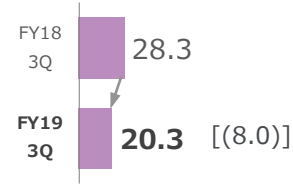
■ Food Industry [YoY +480%]

Rebound of impairment loss in the Overseas food materials business in the previous year, etc.



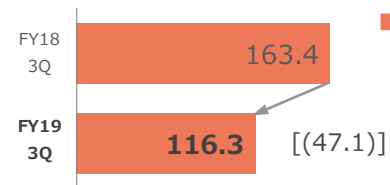
■ Petroleum & Chemicals

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



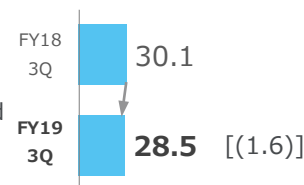
■ Consumer Industry [YoY (28%)]

Decreased earnings in the Logistics business, decreased trading profit in the Apparel business, and one-off loss in the Healthcare business, etc.



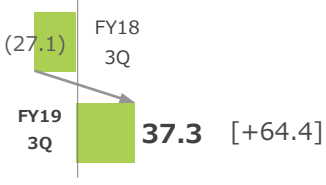
■ Mineral Resources [YoY (29%)]

Despite the rebound of impairment loss in the Chilean iron ore business in the previous year, decrease in business revenues due to decreased market price and increased production cost in the Australian metallurgical coal business and the disposal of the Australian thermal coal asset, etc.



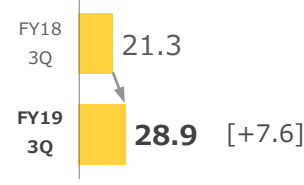
■ Power Solution [YoY (5%)]

Decreased disposal gains of overseas power generating assets, etc.



■ Industrial Infrastructure

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

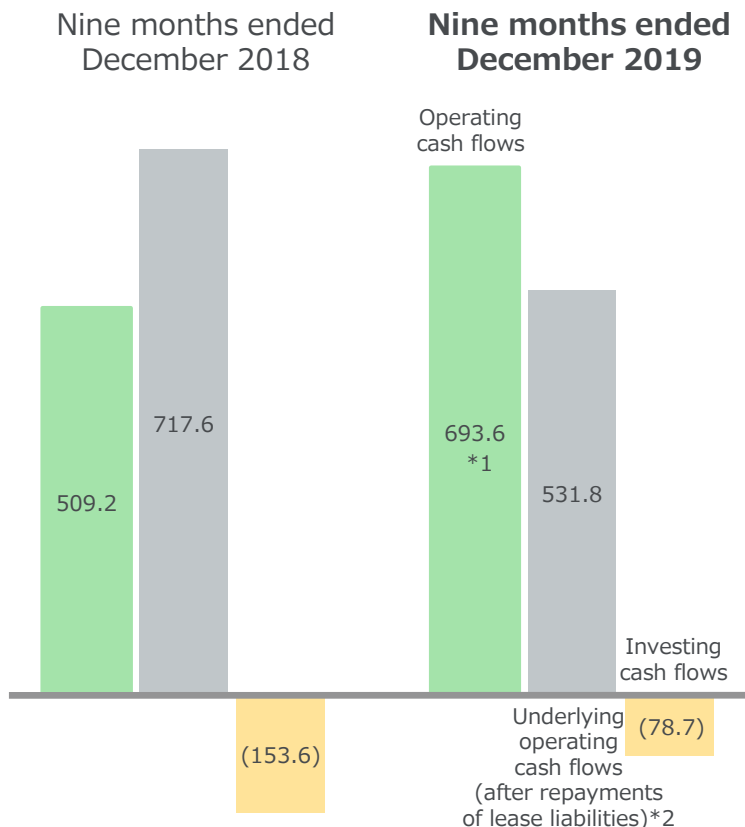


■ Urban Development [YoY +36%]

Increased earnings in the North American real estate business and the Leasing business, 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.



[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	
Nine months ended Dec. 2019	531.8	(412.0)	333.3	(78.7)	453.1

[Main items included in Investing CF for the nine months ended December 2019]

New/Sustaining Investments	Sales and Collection
<ul style="list-style-type: none"> • Chiyoda Corporation preferred stock (Industrial Infrastructure) • Copper business (Mineral Resources) • Australian metallurgical coal business (Mineral Resources) • Convenience store business (Consumer Industry) • LNG-related business (Natural Gas) 	<ul style="list-style-type: none"> • North American real estate business (Urban Development) • 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 nine months ended December 2019 (200.1 billion yen) 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.

<Adjusted Free Cash Flows>

+564.0

+453.1

(Reference) Market Conditions

[Foreign Exchange, Commodity Prices and Interest Rates]

	Nine months ended December 2019	Forecast for the year ending March 2020* (Released Nov. 6)	Variance	Consolidated Net Income Sensitivities for the year ending March 2020
Foreign Exchange (YEN/US\$)	108.65	106.80 (2 nd Half:105.00)	+1.85	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)	66	65	+1	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]	5,928 [269]	5,842 [265] (2 nd Half:[260])	+86 [+4]	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 (%)	0.07	0.09	(0.02)	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 (%)	2.21	2.48	(0.27)	

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