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**FINANCIAL RESULTS FOR  
THE THREE MONTHS ENDED JUNE 2020**

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**Mitsubishi Corporation**

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**FINANCIAL HIGHLIGHTS FOR THE THREE MONTHS ENDED JUNE 30, 2020**  
(Based on IFRS) (Consolidated)

1. Consolidated operating results for the three months ended June 30, 2020

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

(1) Revenues and income

	Revenues		Profit before tax		Profit for the period		Profit for the period 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 three months ended										
June 30, 2020	2,667,435	(32.3)	55,975	(74.9)	40,221	(76.9)	36,661	(77.3)	112,583	529.1
June 30, 2019	3,941,312	1.7	222,618	(17.7)	174,152	(20.8)	161,239	(21.1)	17,896	(92.3)

	Profit for the period attributable to owners of the Parent per share (basic)	Profit for the period attributable to owners of the Parent per share (diluted)
	Yen	Yen
For the three months ended		
June 30, 2020	24.79	24.74
June 30, 2019	101.89	101.69

Note: Profit for the period attributable to owners of the Parent per share (basic) and Profit for the period attributable to owners of the Parent per share (diluted) are calculated based on Profit for the period attributable to owners of the Parent.

(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
	Millions of Yen	Millions of Yen	Millions of Yen	%
As of				
June 30, 2020	17,801,058	6,192,760	5,214,967	29.3
March 31, 2020	18,049,661	6,216,894	5,227,359	29.0

2. Dividends

(Record date)	Cash dividend per share (Yen)				
	1Q end	2Q end	3Q end	4Q end	Annual
Fiscal Year ended March 31, 2020	—	64.00	—	68.00	132.00
Fiscal Year ending March 31, 2021	—				
Fiscal Year ending March 31, 2021 (Forecast)		67.00	—	67.00	134.00

Note: Change from the latest released dividend forecasts: No

3. Consolidated forecasts for the fiscal year ending March 31, 2021 (April 1, 2020 to March 31, 2021)

Note:  
% change from the previous year.

	Profit attributable to owners of the Parent		Profit attributable to owners of the Parent per share
	Millions of Yen	%	Yen
For the year ending			
March 31, 2021	200,000	(62.6)	135.47

Note: Change from the latest released earnings forecasts: Yes

4. Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries causing changes in scope of consolidation): None

New companies: -

Excluded companies: -

(2) Changes in accounting policies and accounting estimates

-1- Changes in accounting policies required by IFRS : None

-2- Changes in accounting policies other than -1- : None

-3- Changes in accounting estimates : None

Please refer to page 12, "3. Changes in Accounting Policies and Accounting Estimates."

(3) Number of shares issued (Common stock)

-1- Number of shares issued at quarterly-end (including treasury stock) (June 30, 2020) 1,485,723,351 (March 31, 2020) 1,590,076,851

-2- Number of treasury stock at quarterly-end (June 30, 2020) 10,126,969 (March 31, 2020) 105,580,338

-3- Average number of shares during each of the three months ended June 30, 2020 and 2019 (June 30, 2020) 1,478,725,488 (June 30, 2019) 1,582,512,416

Disclosure Regarding Quarterly Review Procedures

This earnings release is not subject to independent Auditor's review procedures.

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. The achievement of said forecasts cannot be promised. Actual results may therefore differ materially from these statements for various reasons. For cautionary notes concerning assumptions for earnings forecasts, please refer to "1(4) Forecasts for the Year Ending March 2021" on page 5.

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\* Mitsubishi Corporation will hold an earnings conference call for the three months ended June 2020, inviting institutional investors and analysts to join.

The conference material can be accessed live in Japanese from our website (Investor Relations section) at the following URL:

<https://www.mitsubishicorp.com/jp/ja/ir/index.html>

Time and date of the earnings conference call:

From 17:00 to 18:00 on Thursday, August 13, 2020 (Japan Time)

## 1. Qualitative Information

(Profit for the period, as used hereinafter, refers to profit for the period attributable to owners of the Parent.)

### (1) Results of Operations

Revenues was ¥2,667.4 billion, a decrease of ¥1,273.9 billion, or 32% year over year. This was mainly due to decreased transaction volumes in the Petroleum business and the Steel business.

Gross profit was ¥379.7 billion, a decrease of ¥104.2 billion, or 22% year over year, mainly due to decreased market prices in the Australian metallurgical coal business and a decrease in franchise commissions from franchise stores in the convenience store business.

Selling, general and administrative expenses was ¥344.9 billion, a decrease of ¥9.8 billion, or 3% year over year, mainly due to reductions in business activities due to the impact of COVID-19.

Gains on investments decreased ¥6.0 billion, or 41% year over year, to ¥8.7 billion, mainly due to worsened fund evaluation profit and loss and the rebound from gains on sales due to asset replacements and business reorganization in the previous year.

Impairment losses on property, plant and equipment and others remained nearly the same year over year at ¥1.3 billion.

Other income (expense)-net improved ¥7.6 billion, or 52% year over year, to an expense amount of ¥7.0 billion, mainly due to gains and losses related to foreign currency exchange.

Finance income decreased ¥32.3 billion, or 63% year over year, to ¥18.6 billion, mainly due to decreased dividend income from resource-related investments.

Share of profit of investments accounted for using the equity method decreased ¥46.4 billion, or 76% year over year, to ¥14.8 billion, mainly due to impairment losses on property, plant and equipment and decreased vehicle sales in Mitsubishi Motors Corporation.

As a result, profit before tax decreased ¥166.6 billion, or 75% year over year, to ¥56.0 billion.

Accordingly, profit for the period decreased ¥124.5 billion, or 77% year over year, to ¥36.7 billion.

## **(2) Financial Position**

Total assets at June 30, 2020 was ¥17,801.1 billion, a decrease of ¥248.6 billion, or 1%, from March 31, 2020.

Current assets was ¥6,546.8 billion, a decrease of ¥390.6 billion, or 6%, from March 31, 2020. This was mainly due to a decrease in trade and other receivables attributable in part to decreased transaction volumes in the Steel business and the Petroleum business.

Non-current assets was ¥11,254.3 billion, an increase of ¥142.0 billion, or 1%, from March 31, 2020. This was mainly due to exchange translation of property, plant and equipment resulting from the appreciation of the Australian dollar in the Australian metallurgical coal business.

Total liabilities was ¥11,608.3 billion, a decrease of ¥224.5 billion, or 2%, from March 31, 2020.

Current liabilities was ¥4,943.8 billion, a decrease of ¥402.5 billion, or 8%, from March 31, 2020. This was mainly due to a decrease in trade and other payables attributable in part to decreased transaction volumes in the Asian automotive business and the Petroleum business.

Non-current liabilities was ¥6,664.5 billion, an increase of ¥178.0 billion, or 3%, from March 31, 2020. This was mainly due to an increase in bonds and borrowings due to new fund procurements.

Total equity was ¥6,192.8 billion, a decrease of ¥24.1 billion, or 0%, from March 31, 2020.

Equity attributable to owners of the Parent was ¥5,215.0 billion, a decrease of ¥12.4 billion, or 0%, from March 31, 2020. This was mainly due to a decrease in retained earnings as result of the payment of dividends, despite an increase in exchange differences on translating foreign operations resulting from the appreciation of the Australian dollar and retained earnings accumulated by profit for the period.

Non-controlling interests decreased ¥11.7 billion, or 1%, from March 31, 2020, to ¥977.8 billion.

Net interest-bearing liabilities (excluding lease liabilities), which is gross interest-bearing liabilities minus cash and cash equivalents and time deposits, increased ¥13.3 billion, or 0%, from March 31, 2020, to ¥4,349.6 billion.

## **(3) Cash Flows**

Cash and cash equivalents at June 30, 2020 was ¥1,487.7 billion, an increase of ¥164.9 billion from March 31, 2020.

### **(Operating activities)**

Net cash provided by operating activities was ¥296.4 billion, mainly due to cash flows from operating transactions, dividend income and decreases in working capital requirements due to decreases in transaction volume by the impact of COVID-19, despite the payment of income taxes.

### **(Investing activities)**

Net cash used in investing activities was ¥123.9 billion. The main uses of cash were payments for investments and loans to affiliated companies and the purchase of property, plant and equipment, which exceeded such inflows as the sale of listed stocks and the sale of investments in affiliated companies.

Main items (Segments) included in investing cash flows were as follows.

New/Sustaining Investments

- Investment in HERE Technologies (Other)
- European integrated energy business (Power Solution)
- Australian metallurgical coal business (Mineral Resources)
- Copper business (Mineral Resources)

#### Sales and Collection

- Listed stocks (Food Industry/Consumer Industry)

As a result, free cash flows, the sum of operating and investing cash flows, was positive ¥172.5 billion.

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

Net cash used in financing activities was ¥16.3 billion. The main uses of cash were payments of dividends, repayments of lease liabilities and the acquisition of treasury stock, which exceeded cash provided by financing activities.

The dividends were paid in compliance with the shareholder returns policy of progressive dividends in line with sustained profit growth. The acquisition of treasury stock was carried out in consideration of the cash flows during the period of Midterm Corporate Strategy 2018 and the appropriate capital standards, and with the aim of improving capital efficiency. Regarding financing through debt, the policy is to maintain debts at an appropriate level in light of liquidity and financial soundness.

In addition to the aforementioned operating cash flows for financial accounting purpose, in order to present the source of funds for future investments and shareholder returns appropriately, Mitsubishi Corporation defined “Underlying operating cash flows (after repayments of lease liabilities)”, which is operating cash flows excluding changes in working capitals whilst including repayments of lease liabilities which are necessary in the ordinary course of business activities, and “Adjusted free cash flows”, which is the sum of “Underlying operating cash flows (after repayments of lease liabilities)” and investing cash flows.

Underlying operating cash flows (after repayments of lease liabilities) was positive ¥114.9 billion.

As a result, Adjusted free cash flows was negative ¥9.0 billion.

#### **(4) Forecasts for the Year Ending March 2021**

For the year ending March 2021, profit for the year is expected to be ¥200.0 billion. For the segment-specific forecasts and market condition assumptions, please refer to Supplementary Information for financial results for the three months ended June 2020 (Results for the Three Months Ended June 2020 and Forecasts for the Year Ending March 2021).

#### Note:

Earnings forecast and other forward-looking statements in this release are based on data currently available to management and certain assumptions that management believes are reasonable. Therefore, they do not constitute a guarantee that they will be achieved. Actual results may differ materially from these statements for various reasons.

## 2. Condensed Consolidated Financial Statements

(1) Condensed Consolidated Statement of Financial Position  
March 31, 2020 and June 30, 2020

ASSETS	Millions of Yen	
	March 31, 2020	June 30, 2020
Current assets		
Cash and cash equivalents	1,322,812	1,487,697
Time deposits	101,016	98,645
Short-term investments	49,331	54,236
Trade and other receivables	3,168,074	2,821,245
Other financial assets	308,468	172,101
Inventories	1,294,479	1,292,836
Biological assets	58,871	60,804
Advance payments to suppliers	45,776	46,153
Assets classified as held for sale	46,595	11,359
Other current assets	541,968	501,750
Total current assets	6,937,390	6,546,826
Non-current assets		
Investments accounted for using the equity method	3,219,594	3,202,757
Other investments	1,708,071	1,726,411
Trade and other receivables	655,267	675,324
Other financial assets	134,220	109,829
Property, plant and equipment	2,248,160	2,343,683
Investment property	96,709	95,815
Intangible assets and goodwill	1,422,812	1,441,597
Right-of-use assets	1,429,288	1,462,165
Deferred tax assets	36,146	36,753
Other non-current assets	162,004	159,898
Total non-current assets	11,112,271	11,254,232
<b>Total</b>	<b>18,049,661</b>	<b>17,801,058</b>



LIABILITIES AND EQUITY	Millions of Yen	
	March 31, 2020	June 30, 2020
Current liabilities		
Bonds and borrowings	1,472,769	1,498,454
Trade and other payables	2,547,012	2,262,263
Lease liabilities	205,780	239,367
Other financial liabilities	213,181	167,467
Advances from customers	178,689	169,776
Income tax payables	40,000	24,506
Provisions	87,564	70,669
Liabilities directly associated with assets classified as held for sale	1,167	190
Other current liabilities	600,109	511,154
Total current liabilities	5,346,271	4,943,846
Non-current liabilities		
Bonds and borrowings	4,287,354	4,437,497
Trade and other payables	56,692	56,283
Lease liabilities	1,297,530	1,292,187
Other financial liabilities	40,286	51,524
Retirement benefit obligation	123,690	123,992
Provisions	162,622	170,467
Deferred tax liabilities	485,551	497,909
Other non-current liabilities	32,771	34,593
Total non-current liabilities	6,486,496	6,664,452
Total liabilities	11,832,767	11,608,298
Equity		
Common stock	204,447	204,447
Additional paid-in capital	228,153	228,161
Treasury stock	(294,580)	(28,118)
Other components of equity		
Other investments designated as FVTOCI	359,974	372,162
Cash flow hedges	(27,422)	(49,936)
Exchange differences on translating foreign operations	82,634	154,250
Total other components of equity	415,186	476,476
Retained earnings	4,674,153	4,334,001
Equity attributable to owners of the Parent	5,227,359	5,214,967
Non-controlling interests	989,535	977,793
Total equity	6,216,894	6,192,760
<b>Total</b>	<b>18,049,661</b>	<b>17,801,058</b>

(2) Condensed Consolidated Statement of Income  
for the three months ended June 30, 2019 and 2020

	Millions of Yen	
	Three months ended June 30, 2019	Three months ended June 30, 2020
Revenues	3,941,312	2,667,435
Cost of revenues	(3,457,459)	(2,287,707)
Gross profit	483,853	379,728
Selling, general and administrative expenses	(354,749)	(344,949)
Gains on investments	14,659	8,702
Gains on disposal and sale of property, plant and equipment and others	719	1,536
Impairment losses on property, plant and equipment and others	(560)	(1,315)
Other income (expense)-net	(14,629)	(7,045)
Finance income	50,856	18,605
Finance costs	(18,740)	(14,091)
Share of profit of investments accounted for using the equity method	61,209	14,804
Profit before tax	222,618	55,975
Income taxes	(48,466)	(15,754)
Profit for the period	174,152	40,221
Profit for the period attributable to:		
Owners of the Parent	161,239	36,661
Non-controlling interests	12,913	3,560
	174,152	40,221
Profit for the period attributable to Owners of the Parent per share (in Yen)		
Basic	101.89	24.79
Diluted	101.69	24.74

(3) Condensed Consolidated Statement of Comprehensive Income  
for the three months ended June 30, 2019 and 2020

	Millions of Yen	
	Three months ended June 30, 2019	Three months ended June 30, 2020
Profit for the period	174,152	40,221
Other comprehensive income (loss), net of tax		
Items that will not be reclassified to profit or loss for the period:		
(Losses) gains on other investments designated as FVTOCI	(42,783)	31,808
Remeasurement of defined benefit pension plans	957	(196)
Share of other comprehensive income (loss) of investments accounted for using the equity method	2,787	(7,562)
Total	(39,039)	24,050
Items that may be reclassified to profit or loss for the period:		
Cash flow hedges	(3,018)	(5,460)
Exchange differences on translating foreign operations	(98,892)	83,294
Share of other comprehensive (loss) of investments accounted for using the equity method	(15,307)	(29,522)
Total	(117,217)	48,312
Total other comprehensive (loss) income	(156,256)	72,362
Total comprehensive income	17,896	112,583
Comprehensive income attributable to:		
Owners of the Parent	15,099	108,111
Non-controlling interests	2,797	4,472
	17,896	112,583

(4) Condensed Consolidated Statement of Changes in Equity  
for the three months ended June 30, 2019 and 2020

	Millions of Yen	
	Three months ended June 30, 2019	Three months ended June 30, 2020
Common stock:		
Balance at the beginning of the period	204,447	204,447
Balance at the end of the period	204,447	204,447
Additional paid-in capital:		
Balance at the beginning of the period	228,340	228,153
Compensation costs related to share-based payment	494	106
Sales of treasury stock upon exercise of share-based payment	(513)	(190)
Equity transactions with non-controlling interests and others	(1,465)	92
Balance at the end of the period	226,856	228,161
Treasury stock:		
Balance at the beginning of the period	(8,279)	(294,580)
Sales of treasury stock upon exercise of share-based payment	793	274
Purchases and sales-net	(82,040)	(19,774)
Cancellation	—	285,962
Balance at the end of the period	(89,526)	(28,118)
Other components of equity:		
Balance at the beginning of the period	914,807	415,186
Other comprehensive income (loss) attributable to owners of the Parent	(146,140)	71,450
Transfer to retained earnings	(13,549)	(10,160)
Balance at the end of the period	755,118	476,476
Retained earnings:		
Balance at the beginning of the period	4,356,931	4,674,153
Cumulative effects of change in accounting policy	(9,079)	—
Adjusted balance at the beginning of the period	4,347,852	4,674,153
Profit for the period attributable to owners of the Parent	161,239	36,661
Cash dividends paid to owners of the Parent	(99,982)	(100,957)
Sales of treasury stock upon exercise of share-based payment	(279)	(54)
Cancellation of treasury stock	—	(285,962)
Transfer from other components of equity	13,549	10,160
Balance at the end of the period	4,422,379	4,334,001
Equity attributable to owners of the Parent	5,519,274	5,214,967
Non-controlling interests:		
Balance at the beginning of the period	940,674	989,535
Cumulative effects of change in accounting policy	(2,677)	—
Adjusted balance at the beginning of the period	937,997	989,535
Cash dividends paid to non-controlling interests	(21,122)	(19,624)
Equity transactions with non-controlling interests and others	1,346	3,410
Profit for the period attributable to non-controlling interests	12,913	3,560
Other comprehensive income (loss) attributable to non-controlling interests	(10,116)	912
Balance at the end of the period	921,018	977,793
Total equity	6,440,292	6,192,760
Comprehensive income attributable to:		
Owners of the Parent	15,099	108,111
Non-controlling interests	2,797	4,472
Total comprehensive income	17,896	112,583

(5) Condensed Consolidated Statement of Cash Flows  
for the three months ended June 30, 2019 and 2020

	Millions of Yen	
	Three months ended June 30, 2019	Three months ended June 30, 2020
Operating activities:		
Profit for the period	174,152	40,221
Adjustments to reconcile profit for the period to net cash provided by (used in) operating activities:		
Depreciation and amortization	109,332	131,850
(Gains) on investments	(14,659)	(8,702)
(Gains) on property, plant and equipment and others	(159)	(221)
Finance (income) -net of finance costs	(32,116)	(4,514)
Share of (profit) of investments accounted for using the equity method	(61,209)	(14,804)
Income taxes	48,466	15,754
Changes in trade receivables	18,191	385,210
Changes in inventories	(45,994)	(709)
Changes in trade payables	(18,392)	(336,325)
Other-net	(37,658)	95,471
Dividends received	97,631	48,139
Interest received	24,426	19,711
Interest paid	(24,880)	(19,646)
Income taxes paid	(78,562)	(55,059)
Net cash provided by (used in) operating activities	158,569	296,376
Investing activities:		
Payments for property, plant and equipment and others	(73,723)	(98,597)
Proceeds from disposal of property, plant and equipment and others	10,603	12,687
Purchases of investments accounted for using the equity method	(38,953)	(92,937)
Proceeds from disposal of investments accounted for using the equity method	47,701	20,400
Acquisitions of businesses-net of cash acquired	(3,365)	—
Proceeds from disposal of businesses-net of cash divested	6,172	4,936
Purchases of other investments	(8,859)	(8,687)
Proceeds from disposal of other investments	55,608	42,835
Increase in loans receivable	(44,414)	(27,161)
Collection of loans receivable	11,978	20,672
Net (increase) decrease in time deposits	(7,509)	1,957
Net cash provided by (used in) investing activities	(44,761)	(123,895)
Financing activities:		
Net increase (decrease) in short-term debts	268,424	175,371
Proceeds from long-term debts	47,277	479,205
Repayments of long-term debts	(102,141)	(462,178)
Repayments of lease liabilities	(64,941)	(70,352)
Dividends paid to owners of the Parent	(99,982)	(100,957)
Dividends paid to non-controlling interests	(21,122)	(19,624)
Payments for acquisition of subsidiary's interests from the non-controlling interests	(4,029)	(2,311)
Proceeds from disposal of subsidiary's interests to the non-controlling interests	3,417	4,320
Net (increase) decrease in treasury stock	(81,766)	(19,743)
Net cash provided by (used in) financing activities	(54,863)	(16,269)
Effect of exchange rate changes on cash and cash equivalents	(11,288)	8,673
Net increase (decrease) in cash and cash equivalents	47,657	164,885
Cash and cash equivalents at the beginning of the period	1,160,582	1,322,812
Cash and cash equivalents at the end of the period	1,208,239	1,487,697

### **3. Changes in Accounting Policies and Accounting Estimates**

The significant accounting policies applied to the condensed consolidated financial statements for the three months ended June 2020 are identical to the accounting policies applied to the consolidated financial statements for the previous fiscal year.

### **4. Notes Concerning Going Concern Assumption**

None

# Results for the Three Months Ended June 2020 and Forecasts for the Year Ending March 2021

August 13, 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 Three Months Ended June 2020 and Forecasts for the Year Ending March 2021

(Billion Yen)	Three Months ended June 2019	Three Months ended June 2020	Fluctuation	Forecasts for the year ending March 2021	Progress	<Reference> Results for the Year ended March 2020
<b>Consolidated Net Income</b>	<b>161.2</b>	<b>36.7</b>	<b>(124.5)</b>	<b>200.0</b>	<b>18%</b>	<b>535.4</b>
Business-related sector	95.8	11.5	(84.3)	130.4	9%	320.4
Market-related sector*	60.1	19.4	(40.7)	51.6	38%	199.0
Annual dividend per share				134 yen		132 yen

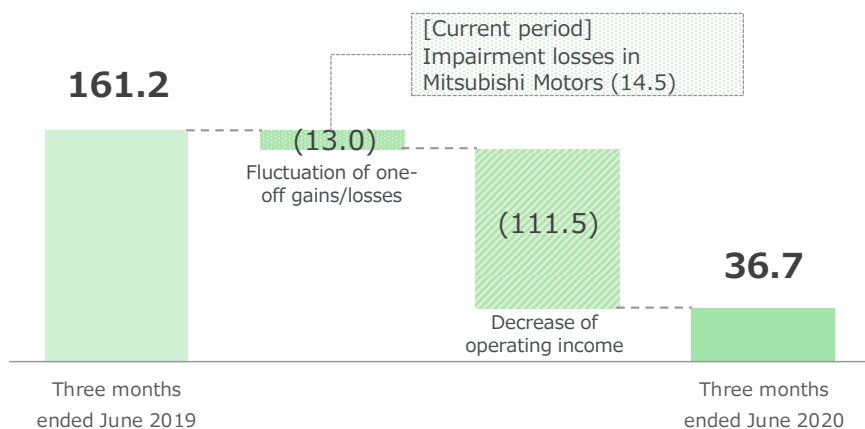
\* Market-related sector includes North American shale gas and E&P in Natural Gas segment, Mineral Resource business except for trading and business incubation in Mineral Resource segment, and Ships (commercial vessels) in Industrial Infrastructure segment.

## <Takeaways of results for FY2020 1Q>

(Billion Yen)

◎ Earnings decreased 124.5 billion yen year-over-year.

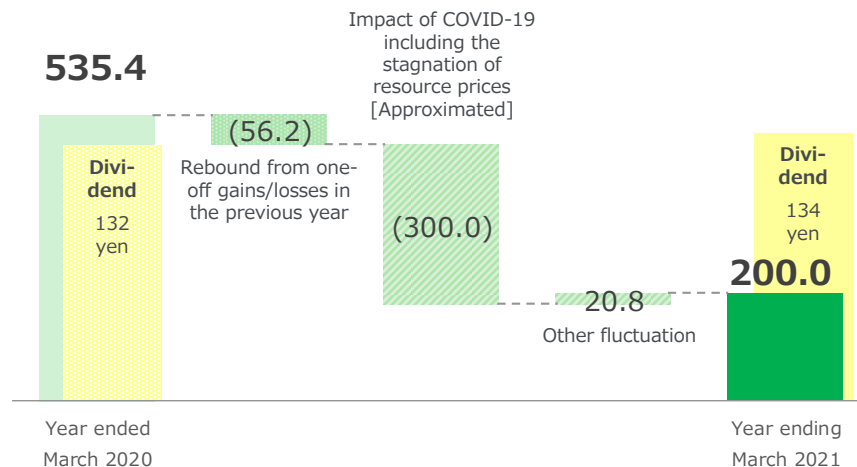
- ✓ In the Business-related sector, net income decreased mainly due to lower operating income in the Automotive-related business and in the LNG-related business, in addition to impairment losses in Mitsubishi Motors, etc.
- ✓ In the Market-related sector, net income decreased mainly due to lower operating income in the Australian metallurgical coal business and the Copper business, etc.



## <Forecasts for the year ending March 2021>

(Billion Yen)

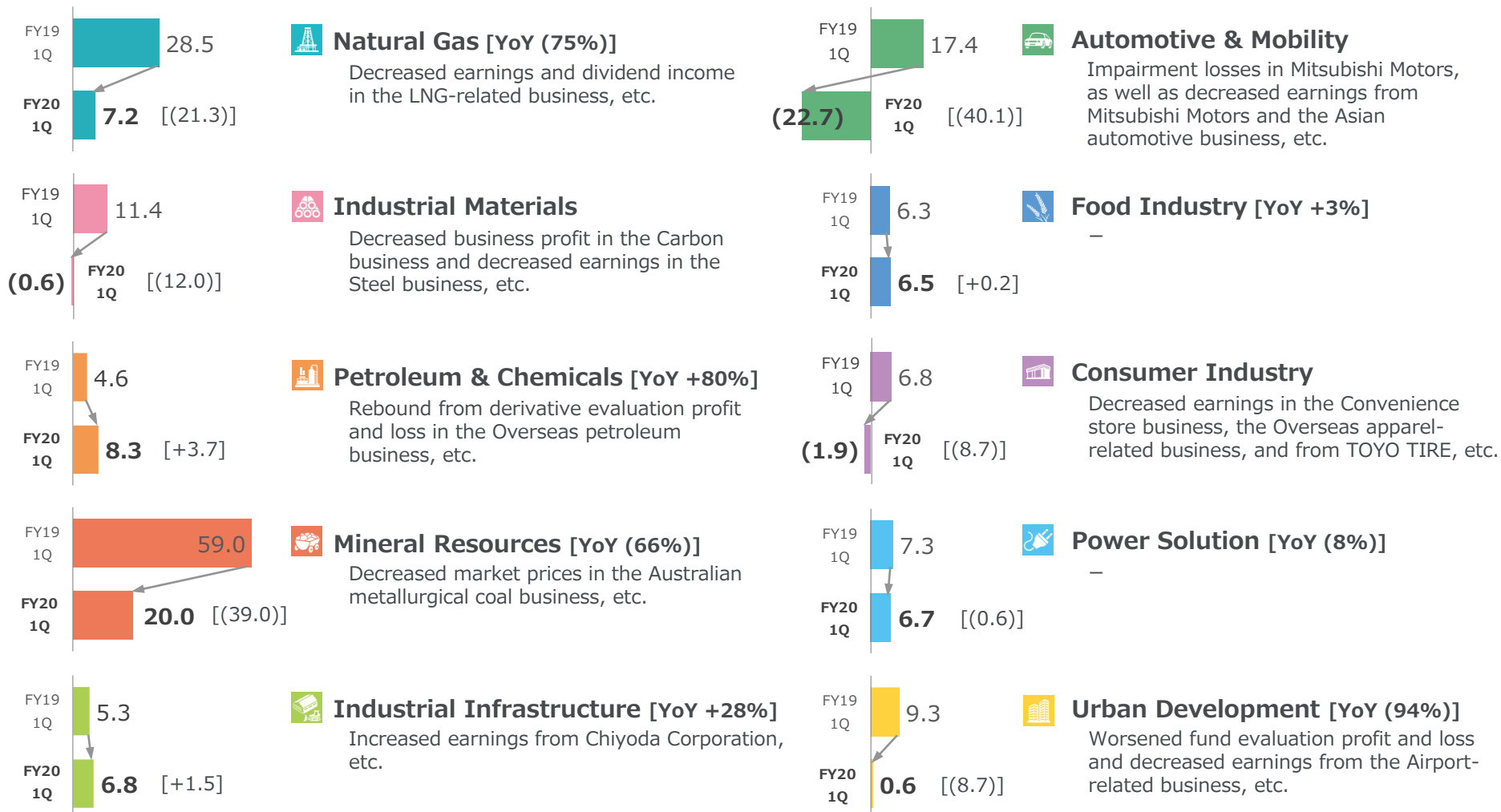
- ◎ Earnings for the year ending March 2021 is forecasted to become 200.0 billion yen, taking into account the negative impact of COVID-19, including the stagnation of resource prices, of approx. 300.0 billion yen.
- ◎ Annual dividend is forecasted to be 134 yen as announced at March 8, 2020.





# Year-over-Year Segment Net Income

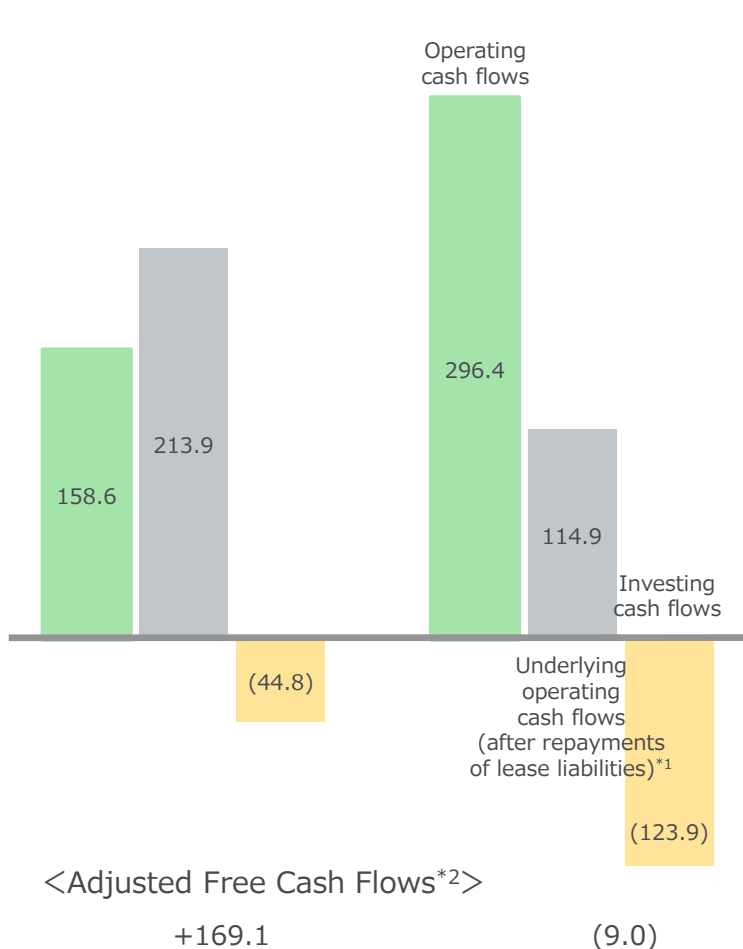
Consolidated Net Income : Three months ended June 2019 (FY19 1Q): 161.2 (Billion Yen)  
 Three months ended June 2020 (FY20 1Q): 36.7 [YoY (124.5)]



# Cash Flows

Three months ended  
June 2019

Three months ended  
June 2020



[Breakdown of cash flows]

(Billion Yen)

Ref.	Year ended March 2020	Underlying operating cash flows (after repayments of lease liabilities)	Investing CF			Adjusted Free Cash Flows
			New/Sustaining Investments	Sales and Collection	Net	
		672.1	(1,051.4)	550.7	(500.7)	171.4
	Three months ended June 2020	114.9	(227.5)	103.6	(123.9)	(9.0)

[Main items included in Investing CF for the three months ended June 2020]

New/Sustaining Investments	Sales and Collection
<ul style="list-style-type: none"> <li>Investments in HERE Technologies (Other)</li> <li>European integrated energy business (Power Solution)</li> <li>Australian metallurgical coal business (Mineral Resources)</li> <li>Copper business (Mineral Resources)</li> </ul>	<ul style="list-style-type: none"> <li>Listed stocks (Food Industry/Consumer Industry)</li> </ul>

\*1 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

\*2 Adjusted Free Cash Flows : Total of Underlying operating cash flows (after repayments of lease liabilities) and Investing CF

# Impact of COVID-19

## <Assumptions upon estimating qualitative impact (as of August 2020)>

**Estimated annual impact**  
**Approx. (300.0) billion yen**  
(Including the impact of stagnant resource prices)

✓ Despite it differs according to the business areas and regional environment, while the impact of COVID-19 shall continue to remain throughout the first half, the economic environment is assumed to gradually recover through the latter half of the fiscal year.

## <Impact on segments>

### (Major impacts)

<b>Automotive &amp; Mobility</b>	<p>Larger ratio comprising the impact</p>	<p>In addition to the decrease of vehicle sales due to a significant decline in worldwide automobile demand, decreased earnings from Mitsubishi Motors.</p>	<p><b>Sharp decrease in demand</b></p>
<b>Mineral Resources</b>		<p>Lower metallurgical coal prices due to decreased demand of steel, as a result of stagnant economic activity in Europe, India, Japan, etc.</p>	<p><b>Stagnant market prices</b></p>
<b>Natural Gas</b>		<p>Lower crude oil prices due to decreased demand for petroleum as a result of mobility restrictions and stagnant economic activity. (* There is a half-year time lag until the crude oil price is reflected in results)</p>	
<b>Consumer Industry</b>		<p>Fewer customers in convenience and retail businesses. On the other hand, lifeline-related businesses such as supermarkets (selling daily necessities) are performing solidly.</p>	
<b>Industrial Materials</b>		<p>Stagnant prices of steel products etc. reflecting decreased demand due to the sharp decrease of automobile demands, the stagnant construction/infrastructure market, etc.</p>	
<b>Urban Development</b>		<p>Lower revenues in airport-related and leasing business due to decrease in passengers as a result of mobility restrictions etc. On the other hand, tenant demand for data centers and logistic facilities is solid.</p>	
<b>Petroleum &amp; Chemicals</b>		<p>Lower petroleum and petrochemical product prices due to decreased worldwide demand, in general. However, demand is solid for product groups related to daily necessities.</p>	
<b>Power Solution</b>		<p>Possibility of delays of construction schedule and various negotiations. However, the power business should have limited impact since its earnings is largely based on long-term contracts.</p>	
<b>Food Industry</b>		<p>Lower salmon prices due to decreased demand of dining out in Europe and America. However, limited negative impact by taking in solid demand for meat etc. from at-home consumption.</p>	
<b>Industrial Infrastructure</b>		<p>Lower revenues in the entire segment due to delays of construction and cancelled events. Especially, lower demand in domestic machinery rental business.</p>	



## (Reference) Market Conditions

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

	Year ended March 2020	Forecast for the year ending March 2021*	Fluctuation	Three months ended June 2020	<b>Consolidated Net Income Sensitivities for the year ending March 2021</b> [For crude oil and copper price, preliminary sensitivities at this time are shown for reference, since there is a possibility of significant revision due to changes in production levels etc.]
Foreign Exchange (YEN/US\$)	108.71	108.00	(0.71)	107.63	Depreciation/appreciation of 1 yen per US\$1 has a 1.5 billion yen positive/negative impact on a full-year earnings.
Crude Oil Price (Dubai) (US\$/BBL)	65	46 [ Jul.-Sep. 2020 : 43 ]	(19)	62	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 ]	5,858 [ 266 ]	5,864 [ 266 ]	+6 [ ±0 ]	5,356 [ 243 ]	A US\$100 rise/decline per MT increases/reduces full-year earnings by 1.3 billion yen (A US¢10 rise/decline per lb increases/reduces full-year earnings by 2.8 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	0.10	+0.03	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 (%)	2.04	0.50	(1.54)	0.61	

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