(Translation)

Other Electronic Provision Measures Matters of 2025 Ordinary General Meeting of Shareholders (Items Excluded From Notice of 2025 Ordinary General Meeting of Shareholders)

Mitsubishi Corporation

(Note)

- This is an unofficial translation of the Japanese language original, and is provided for your convenience only, without any warranty as to its accuracy or as to the completeness of the information. The Japanese original is the sole official version.
- If amendments are required to matters contained in the Business Report, the Financial Statements or other documents, Mitsubishi Corporation will post revisions on its website (2025 Ordinary General Meeting of Shareholders | Mitsubishi Corporation).
- In accordance with relevant laws and regulations, as well as the Company's Article of Incorporation, the contents herein are posted on the Company's website.
- The contents herein, except for those described as "Reference only," have been audited by the Audit & Supervisory Committee and the Accounting Auditor.

(Translation)

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Business Report

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(Translation)

■ Business Report

■ General Information about the MC Group (As of March 31, 2025)

● Office Network of the MC Group

Mitsubishi Corporation	Head Office	Mitsubishi Shoji Building: 3-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo, Japan (Registered headquarters) Marunouchi Park Building: 6-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo, Japan
	Domestic Office Network	11 offices, including Hokkaido (Sapporo), Tohoku (Sendai), Chubu (Nagoya), Kansai (Osaka), Chugoku (Hiroshima), Kyushu (Fukuoka) branches, etc.
	Overseas Office Network	47 offices, including Johannesburg Branch, Headquarters for the Middle East, Kuala Lumpur Branch, Singapore Branch, Manila Branch, etc.

Regional Subsidiaries	34 regional subsidiaries including: Mitsubishi Corporation (Americas), Mitsubishi International Corporation, Mitsubishi de Mexico S.A. de C.V., Mitsubishi Corporation do Brasil S.A., Mitsubishi Corporation International (Europe) Plc., Mitsubishi International GmbH, Mitsubishi Corporation India Private Ltd., Mitsubishi Company (Thailand), Ltd., Thai-MC Company Limited, IDN, PT. MC Trading Indonesia, Mitsubishi Corporation (Korea) Ltd., Mitsubishi Australia Limited, Mitsubishi Corporation China Co., Ltd., Mitsubishi Corporation (Shanghai) Ltd., Mitsubishi Corporation (Hong Kong) Ltd., Mitsubishi Corporation (Taiwan) Ltd., etc. (58 locations if it includes the branches and offices of those subsidiaries)

(Note) In addition to the above, the MC Group companies have annex and project offices, and factories and other bases in Japan and overseas. A summary of major Group companies is shown under "Status of Major Subsidiaries and Affiliated Companies" described in "Notice of 2025 Ordinary General Meeting of Shareholders."

● Number of Employees of the MC Group

(Number of employees)

	Environm-ental Energy Group	Materials Solution Group	Mineral Resources Group	Urban Development & Infrastructure Group	Mobility Group	Food Industry Group	Smart-Life Creation Group	Power Solution Group	Others	Total (YoY change)
The MC Group	1,225	11,439	936	9,523	6,353	17,250	7,749	4,815	2,772	62,062 (▲17,975)
MC	513	572	211	518	363	343	468	197	1,292	4,477 (+77)

(Note) The number of employees does not include individuals seconded to other companies and includes individuals seconded from other companies.

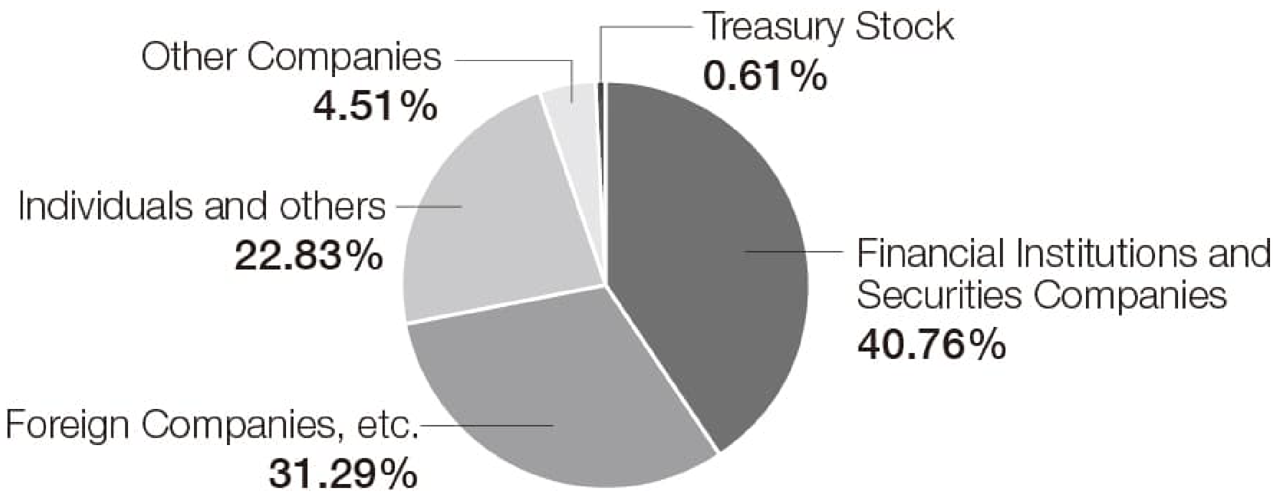
(Translation)

● Stock Information

	As of March 31, 2025	YoY change
1. Number of shares authorized for issuance	7,500,000,000 shares	-
2. Shares of common stock issued	4,022,391,153 shares	-156,627,000
3. Number of shareholders	859,698	+324,782

(Note) The decrease in the number of shares of common stock issued is due to the cancellation of treasury stock on October 31, 2024 (156,627,000 shares decrease).

4. Shareholder Composition



● Principal Shareholders

Name of shareholder	No. of shares (Thousands)	Investment ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	619,726	15.50
BNYM AS AGT／CLTS 10 PERCENT	411,385	10.29
Custody Bank of Japan, Ltd. (Trust Account)	212,905	5.32
Meiji Yasuda Life Insurance Company	140,084	3.50
The Master Trust Bank of Japan, Ltd. (Retirement Benefit Trust Account, Voting Trust)	96,830	2.42
Tokio Marine & Nichido Fire Insurance Co., Ltd.	85,851	2.14
STATE STREET BANK WEST CLIENT – TREATY 505234	69,802	1.74
JPMorgan Securities Japan Co., Ltd.	58,603	1.46
STATE STREET BANK AND TRUST COMPANY 505001	58,285	1.45
JP MORGAN CHASE BANK 385781	52,559	1.31

(Figures less than 1,000 shares are rounded down)

(Note)
The investment ratio is computed by excluding 24,724,298 shares of treasury stock held by MC and rounded to two decimal points.

（Translation）

● Major Lenders

The MC Group has a group finance policy in which domestic and overseas finance subsidiaries, overseas subsidiaries and other entities raise their own funds for distribution to affiliates. The MC Group's borrowing from financial institutions is conducted mainly by MC. The following is a list of major lenders as of March 31, 2025.

Name of lender	Loans payable (Million yen)
Japan Bank for International Cooperation	373,822
MUFG Bank, Ltd	304,472
Meiji Yasuda Life Insurance Company	177,000
Nippon Life Insurance Company	160,000
Development Bank of Japan Inc.	120,000
Mizuho Bank, Ltd.	94,856
Sumitomo Mitsui Trust Bank, Limited	84,952
The Norinchukin Bank	84,952

(Figures less than one million yen are rounded to the nearest million)

(Note)
In addition to the above, MC has procured subordinated loans of 286,000 million yen through syndication.

(Translation)

● Matters Concerning Outside Directors

■ Status of Main Activities of Outside Directors

(1) Outside Directors (excluding Audit & Supervisory Committee Members)

Name	Statements at Board of Directors' Meeting and Audit & Supervisory Board Meetings Summary of expectations and roles	Attendance at Board of Directors' Meetings, Audit & Supervisory Board Meetings and other Committees
Shunichi Miyanaga	Mr. Miyanaga properly oversees the execution of business and offers advice to MC's management from a practical perspective, based on his global business management experience, having long served as Director, President and CEO and as Chairman of the Board of a listed manufacturing conglomerate that conducts business around the world, in addition to his deep insight in energy-related and other various technologies.	Board of Directors' meetings (Regular): 11 of 11 meetings Board of Directors' meetings (Extraordinary): 2 of 2 meetings Governance, Nomination & Compensation Committee: 1 of 1 Corporate Governance & Nomination Committee: 3 of 3
Sakie Akiyama	Ms. Akiyama properly oversees the execution of business and offers advice to MC's management from a practical perspective, based on her profound knowledge of innovation from her experience founding an industrial inspection robotics firm and growing it into a global company, in addition to her deep insight in the IT and digital technologies, having worked as an international business consultant.	Board of Directors' meetings (Regular): 11 of 11 meetings Board of Directors' meetings (Extraordinary): 2 of 2 meetings Governance, Nomination & Compensation Committee: 1 of 1 Corporate Governance & Nomination Committee: 3 of 3 Compensation Committee: 3 of 3
Mari Sagiya	Ms. Sagiya properly oversees the execution of business and offers advice to MC's management from a practical perspective, based on her work in top management at multiple global IT companies and extensive expertise in leading corporate transformations, as well as her deep insight into IT and digital technologies, and human resource strategy, including diversity promotion.	Board of Directors' meetings (Regular): 11 of 11 meetings Board of Directors' meetings (Extraordinary): 2 of 2 meetings Governance, Nomination & Compensation Committee: 1 of 1 Corporate Governance & Nomination Committee: 3 of 3
Mari Kogiso	Ms. Kogiso properly oversees the execution of business and offers advice to MC's management from a professional perspective, based on her profound knowledge of ESG and finance gained through extensive business experience in the financial industry, including operations at an international organization, as well as her experience in diversity promotion and other sustainability-related initiatives at global companies and public interest incorporated foundations and in the establishment and management of an ESG impact fund.	Board of Directors' meetings (Regular): 11 of 11 meetings Board of Directors' meetings (Extraordinary): 2 of 2 meetings Audit & Supervisory Board meetings: 3 of 3 meetings Corporate Governance & Nomination Committee: 3 of 3 Compensation Committee: 3 of 3

(Translation)

(2) Outside Audit & Supervisory Committee Members

Name	Statements at Board of Directors' Meeting, Audit & Supervisory Board Meetings, and Audit & Supervisory Committee Meetings Summary of expectations and roles	Attendance at Board of Directors' Meetings, Audit & Supervisory Board' Meetings, Audit & Supervisory Committee Meetings and other Committees
Tsuneyoshi Tatsuoka	Mr. Tatsuoka properly oversees the execution of business and offers advice to MC's management from an objective and professional perspective, and conducts audits from a neutral perspective, based on his keen knowledge about the country's industrial sector as a whole developed through years of experience in economics and industrial policies, having held key posts primarily at the Ministry of Economy, Trade and Industry of Japan, as well as his deep insight into sustainability including environment and energy policies.	Board of Directors' meetings (Regular): 11 of 11 meetings Board of Directors' meetings (Extraordinary): 2 of 2 meetings Audit & Supervisory Committee meetings: 9 of 9 Governance, Nomination & Compensation Committee: 1 of 1 Corporate Governance & Nomination Committee: 3 of 3 Nomination Committee: 3 of 3
Rieko Sato	Ms. Sato properly oversees the execution of business and offers advice to MC's management from an objective and professional perspective, and conducts audits from a neutral perspective, based on her extensive knowledge of corporate law (Companies Act, Financial Instruments & Exchange Act, compliance, etc.), having worked as an attorney for many years, and management perspectives gained through extensive experience as an Outside Director and Outside Audit & Supervisory Board Member.	Board of Directors' meetings (Regular): 11 of 11 meetings Board of Directors' meetings (Extraordinary): 2 of 2 meetings Audit & Supervisory Board meetings: 3 of 3 meetings Audit & Supervisory Committee meetings: 9 of 9 Corporate Governance & Nomination Committee: 3 of 3
Takeshi Nakao	Mr. Nakao properly oversees the execution of business and offers advice to MC's management from an objective and professional perspective, and conducts audits from a neutral perspective, based on his profound knowledge of finance, accounting and auditing as a certified public accountant, as well as extensive insight gained through many years of experience in advisory work on M&A deals, corporate revitalization, and internal control.	Board of Directors' meetings (Regular): 11 of 11 meetings Board of Directors' meetings (Extraordinary): 2 of 2 meetings Audit & Supervisory Board meetings: 3 of 3 meetings Audit & Supervisory Committee meetings: 9 of 9 Corporate Governance & Nomination Committee: 3 of 3

* Based on the resolution of 2024 Ordinary General Meeting of Shareholders (held on June 21, 2024), MC has transitioned to a company with Audit & Supervisory Committee. In accordance with the transition, Ms. Mari Kogiso retired from her position as Audit & Supervisory Board Member and assumed the position of Director as of the same date. Ms. Rieko Sato and Mr. Takeshi Nakao retired from their positions as Audit & Supervisory Board Members and assumed the position of Director (Audit & Supervisory Committee

Member) as of the same date. Attendance of Ms. Kogiso, Ms. Sato and Mr. Nakao described above includes attendance when they were Audit & Supervisory Board Members prior to June 21, 2024.

(Translation)

● **Internal Control System (summary of systems necessary to ensure the proper operations of the Company)** (Article 399-13 of the Companies Act)

On May 2, 2024, the Board of Directors of MC resolved the basic policy of establishing the following internal control systems for the entire MC Group (MC and its subsidiaries) to improve corporate value through proper and efficient business operations in conformity with laws and its Articles of Incorporation. MC checks the operating status of these systems and endeavors to continuously improve and strengthen them.

Basic Policy of Establishing the Internal Control System

1. System to Ensure that the Execution of Duties by Directors and Employees Is in Conformity with the Laws and Regulations and Articles of Incorporation

(1) System to Ensure Compliance

MC shall establish internal rules and regulations for such matters as codes of conduct for officers and employees; Companywide lateral management systems; and measures for prevention, correction, and improvement; and internal whistleblower systems. After informing all parties, MC shall rigorously reflect the rules and regulations in operations. Further, MC shall realize its compliance capabilities as the MC Group by encouraging subsidiaries to establish similar systems.

(2) System to Ensure Proper Reporting

MC shall establish internal rules and regulations for such matters as the establishment of persons responsible for each organization and procedures for the preparation of reports in conformity with laws and standards. After informing all parties, MC shall rigorously reflect the rules and regulations in operations and ensure reporting within and outside the organization and proper and timely disclosure.

(3) System to Ensure Robust Audits and Monitoring

MC shall establish internal rules and regulations for such matters as the systems and main points of internal auditing. After informing all parties, MC shall rigorously reflect the rules and regulations in operations and objectively inspect, evaluate, and improve the execution of duties as the MC Group.

2. System for the Storage and Management of Information Related to Directors' Execution of Duties

After establishing internal rules and regulations in relation to such matters as persons responsible for management of information in the course of execution of duties and methods and informing all parties, MC shall rigorously reflect the rules and regulations in operations and prepare, process, and store information appropriately.

3. Regulations and Other Systems Concerning Management of Loss Risk

MC shall establish internal rules and regulations for such matters as risk classes, persons responsible for management and methods for each class, and systems. After informing all parties, MC shall rigorously reflect the rules and regulations in operations. In addition, MC shall encourage each subsidiary to develop necessary risk management systems in accordance with its business lines or the size of its operations, thereby appropriately controlling, on a corporate group basis, risk accompanying the execution of duties.

4. System for Ensuring that Directors Perform Duties Efficiently

(1) The President and CEO shall establish management policies and goals as the MC Group, prepare management plans aimed at achieving them, and then endeavor to execute duties efficiently by implementing these plans.

(2) MC shall establish internal rules and regulations for such matters as standards and main points relating to reorganization, the division of duties, personnel allocation, and authority. After informing all parties, MC shall rigorously reflect the rules and regulations in operations. Further, in accordance with the business lines or size of subsidiaries, MC shall ensure efficiency by encouraging the establishment of similar internal rules and regulations and other measures.

5. System to Ensure the Suitability of Business Conducted by the Stock Company and the Corporate Group Comprising the Parent Company and Subsidiaries

To ensure the suitability of the business activities conducted by the MC Group, MC shall establish basic policies as the MC Group while, for each subsidiary and affiliate, establishing internal rules and regulations for such matters as persons responsible, important management-related items, management methods, and the exercise of shareholder rights. After informing all parties, MC shall rigorously reflect the rules and regulations in operations. Further, the persons responsible shall receive reports required by the Parent Company concerning the status of the execution of duties by directors and others at subsidiaries and shall understand the qualitative and quantitative status and issues of subsidiaries.

6. Items Concerning Employees Assisting in the Duties of Audit & Supervisory Committee Members and Items Concerning Their Independence from Directors (excluding Audit & Supervisory Committee Members)

An organization is established directly under the Audit & Supervisory Committee for supporting the duties of employees assisting in the duties of Audit & Supervisory Committee Members, and employees assigned exclusively to this organization assist the duties of the Audit & Supervisory Committee Members. Furthermore, regarding personnel matters concerning these employees, such as evaluations and transfers, MC shall seek the opinions of Audit & Supervisory Committee Members and shall respect these opinions.

7. System to Enable Directors, Employees, and Others to Report to Audit & Supervisory Committee Members and Other Systems for Reporting to Audit & Supervisory Committee Members

(1) The Audit & Supervisory Committee may request explanations or state its opinions regarding the execution of duties from Directors (excluding Audit & Supervisory Committee Members), executive officers, or employees. For this purpose, a system shall be established whereby Audit & Supervisory Committee Members can attend important meetings deemed necessary by the Audit & Supervisory Committee.

(2) MC shall establish internal rules and regulations for such matters as persons responsible, standards, and methods in relation to reporting to Audit & Supervisory Committee Members if there is a risk of substantial detriment occurring.

(3) MC shall encourage the construction of systems, including a system for enabling the persons responsible or officers and employees of respective subsidiaries to report if Audit & Supervisory Committee Members request reports relating to subsidiaries and a system to enable the reporting of important matters, including subsidiaries' significant compliance matters, to Audit & Supervisory Committee Members.

(4) MC shall prohibit the disadvantageous treatment of officers and employees as a result of having reported to Audit & Supervisory Committee Members and shall rigorously inform subsidiaries of this policy.

8. Other Systems to Ensure That Audit & Supervisory Committee Members' Audits Are Executed Effectively

(1) Audit & Supervisory Committee and Committee Members shall endeavor to communicate with related internal departments and independent auditors, collect information, and conduct investigations. The related departments shall cooperate with these efforts.

(2) MC will bear the necessary expenses for the Audit & Supervisory Committee and Committee Members' execution of duties.

Operating Status of the Internal Control System

Every year, MC monitors the status of development and operations of its internal control system in place for the Group. Based on results of such monitoring, MC enhances said system while assisting its subsidiaries in their efforts to improve internal control. The operating status of the internal control system is reported to the Board of Directors. The main content of this reporting is as follows.

1. System to Ensure that the Execution of Duties by Directors and Employees Is in Conformity with the Laws and Regulations and Articles of Incorporation

(1) System to Ensure Compliance

MC considers compliance, namely, acting in accordance with laws and social norms, to be a matter of the utmost priority in business conduct. Accordingly, MC strives to ensure that its corporate philosophy is embraced by every Group member while establishing and disseminating the Code of Conduct and other basic compliance principles to be observed by all officers and employees.

To this end, a Chief Compliance Officer is appointed to supervise relevant matters. Moreover, MC appoints persons responsible for compliance at each business unit and subsidiary while holding periodic Compliance Committee meetings to facilitate information sharing. Through these and other initiatives, MC develops a robust compliance promotion structure for the entire Group. As part of measures aimed at preventing and correcting compliance violation and other incidents, MC implements necessary training for Group members to ensure adherence to various laws and regulations. The MC Code of Conduct mandates that all officers and employees undergo such training on an annual basis, in addition to submitting a written oath on compliance. Furthermore, round table sessions addressing compliance matters are regularly being held to facilitate free and in-depth discussion between individuals from Group companies, with the aim of raising compliance awareness among officers and employees.

The status of compliance is reported to the Board of Directors from relevant officers and employees at each business unit and subsidiary, and MC has in place an external whistleblower system run by outside attorney as well as whistleblowing systems that cover each region. In these ways, MC endeavors to swiftly identify and resolve compliance issues and ensure that relevant information is quickly shared by Group members, with the Board of Directors and the Audit & Supervisory Committee Members receiving proper reporting on a regular basis. MC also made it a strict rule to protect whistleblowers, regardless of what business unit or subsidiary they belong to, so that they will not be subjected to detrimental treatment on the grounds of whistleblowing.

(2) System to Ensure Proper Reporting

With regard to internal control for ensuring proper financial reporting, to maintain the appropriate and timely disclosure of financial statements, MC appoints persons responsible for accounting and thereby ensures that its

financial statements are prepared in conformity with laws, regulations and accounting standards. These statements are publicly disclosed in accordance with the Corporate Disclosure Policy that has been discussed and confirmed by the Disclosure Committee.
MC promotes and monitors internal control activities in line with internal control reporting systems stipulated by the Financial Instruments and Exchange Act. Thus, MC implements initiatives to secure the effectiveness of internal control on a consolidated basis.
In addition to disclosing information in accordance with laws and regulations, including non-financial reports, MC strives to disclose information in a timely, appropriate, and fair manner through enhancement of disclosure materials and engagement in dialogues, etc., to fulfill the corporate accountability. MC also actively promotes the disclosure and provision of information in English to enhance information disclosure to overseas investors and other parties.
With the transition to a Company with an Audit & Supervisory Committee in June 2024, the internal reporting system has been comprehensively reviewed by the Board of Directors and the Management Committee to ensure that internal reporting continues to be conducted in a timely and appropriate manner.

(3) System to Ensure Robust Audits and Monitoring
Having established bodies tasked with internal audits, MC performs periodic audits of each business unit and subsidiary to inspect and evaluate the status of their operations from an objective standpoint.

2. System for the Storage and Management of Information Related to Directors' Execution of Duties
MC appoints persons responsible for managing information related to directors' execution of duties and for instructing individuals who use such information based on classification defined by the importance of the content. In this way, MC maintains information security in a way that enables it to efficiently process relevant administrative tasks while ensuring that necessary information is shared by all individuals involved.

Said persons are also responsible for storing information it is mandatory to preserve or that is deemed important by MC due to its relevance to internal management. In addition to ensuring that this information is preserved for a prescribed period of time, such persons decide on the handling of other information and, to this end, determine whether or not to preserve it, and the necessary period for preservation.

Aware of threats posed by cyberattacks aimed at exploiting or destroying information stored by businesses, MC implements robust systemic countermeasures while providing ongoing employee education. Moreover, MC regularly confirms the status of incident-response systems in place at Group companies, including key subsidiaries, and helps them develop said systems while acting in collaboration with external specialist organizations to obtain the latest insights which will, in turn, inform the introduction of more effective countermeasures.

3. Regulations and Other Systems Concerning Management of Loss Risk
Risks associated with MC's operations are classified into credit risk, market risk, investment risk, country risk, compliance risk, legal risk, information management risk and environmental risk, as well as risk arising from the emergence of a crisis that causes harm to human life, results in business interruption, etc. The classification of each risk is determined in light of the Group's business lines and the size of its operations exposed to each relevant risk. Moreover, MC maintains departments responsible for addressing each risk class. Were a novel risk to emerge, the Company would promptly designate a department in charge of that risk. In these and other ways, MC establishes risk management policies, systems and procedures, along with crisis management and business continuity frameworks in preparation for emergencies, so that all risk management matters are properly handled on a consolidated basis.
In response to growing geopolitical risks and increasing volatility in international affairs, MC is currently developing an even more robust management structure so that the Company can secure the safety of its employees, provide them with timely updates about sanctions and other relevant regulations that may affect them, and otherwise take appropriate steps to handle changes in circumstances.
In addition, each project proposal is greenlighted or declined by heads of related departments based on the prescribed decision-making authority assigned to them. These decisions are made based on results of the analysis and assessment of risk and return associated with each project in accordance with Companywide policies and procedures. While a greenlighted project is thus promoted, the verification of its risk and return is periodically conducted in a way that takes its progress into account and gives due consideration to changes in the external environment. In addition to managing risks associated with each project, MC assesses, quantifies and appropriately manages the overall status of the various risks relevant to the Group as a whole while implementing reviews of such risks as necessary.

4. System for Ensuring that Directors Perform Duties Efficiently
The President and CEO of MC identifies basic policies for the management of the MC Group, spearheading the determination of specific management targets as well as the formulation of management plans and other endeavors

to efficiently achieve such targets. To ensure that management targets are met in the most efficient way, these endeavors include flexible reorganization and the allocation of optimal human resources to each operation in addition to the clarification of organizational reporting lines. To this end, the President and CEO also delegates authority to the heads of each business unit and its members to an extent necessary to the achievement of said targets while mandating that they report the status of their tasks on an as necessary basis. Also, the Board of Directors Office is in place to secure the sufficiency and efficiency of supervisory functions provided by directors. This office is tasked with providing directors with information necessary to the execution of their duties and otherwise assisting them in an appropriate and timely manner. In step with the sophistication of its consolidated management, MC implemented various rules to further enhance and improve the oversight function and the efficiency of the Board of Directors since FY2018, which expanded deliberations on company-wide management. Based on the resolution of 2024 Ordinary General Meeting of Shareholders (held on June 21, 2024), MC transitioned to a Company with an Audit & Supervisory Committee and stipulated in its Articles of Incorporation that all or a portion of important business execution decisions may be delegated to Directors, and at the same time, amended the Board of Directors regulations to further accelerate decision-making through the delegation of authority. In accordance with this, the Board of Directors has ensured the efficiency of the execution of duties by Directors through enhanced deliberations centered on management policies and strategies, and by strengthening the monitoring function. Based on the above, the roles and responsibilities of the Board of Directors and its Directors—including roles and responsibilities of the Chairman of the Board, Executive Directors, Outside Directors (excluding Audit & Supervisory Committee Members), Full-time Audit & Supervisory Committee Members, and Outside Audit & Supervisory Committee Members—were reaffirmed by the Board of Directors in conjunction with the transition to this new corporate governance system.
MC regularly follows up on the progress of the implementation of the management plan and reviews the plan repeatedly in consideration of the degree of achievement and the external environment. Specifically, based on Midterm Corporate Strategy 2024 formulated in May 2022, Global Intelligence Committee, etc. analyze geopolitics, technology and innovation, etc.,and Business Strategy Committee discusses the strategies of each Business Group, Corporate Staff Section and overseas and domestic offices, thereby implementing the growth strategies and measures set forth in the Midterm Corporate Strategy 2024.

5. System to Ensure the Suitability of Business Conducted by the Stock Company and the Corporate Group Comprising the Parent Company and Subsidiaries
MC establishes internal rules for subsidiary management and designates departments in charge of managing every subsidiary. In addition to assessing each subsidiary's business results, management efficiency and other quantitative indicators on an annual basis, the heads of these departments request directors at each subsidiary report regularly on the execution of its operations. Furthermore, these heads strive to identify the qualitative issues each subsidiary is facing, including those associated with compliance and risk management, and confirm the status of the development and operation of its internal control systems, as well as whether or not such systems need to be improved.
MC also engages with each subsidiary to ensure that its operations are appropriate and in conformity with laws, regulations, its articles of incorporation and internal rules by, for example, dispatching officers, signing joint venture agreements and exercising voting rights. MC also implements various measures to help each subsidiary efficiently execute its operations and thereby achieve sustainable growth, with the aim of improving corporate value on a consolidated basis.

6. Items Concerning Employees Assisting in the Duties of Audit & Supervisory Committee Members and Items Concerning Their Independence from Directors (excluding Audit & Supervisory Committee Members)
7. System to Enable Directors, Employees, and Others to Report to Audit & Supervisory Committee Members and Other Systems for Reporting to Audit & Supervisory Committee Members
8. Other Systems to Ensure That Audit & Supervisory Committee Members' Audits Are Executed Effectively
In addition to attending meetings of the Board of Directors and important management meetings, the Audit & Supervisory Committee cooperates as necessary to communicate with MC's independent auditors, Internal Audit Department, Directors, Executive Officers, employees, as well as directors and corporate auditors of consolidated subsidiaries to enable the committee to convey its opinions, collect information, and conduct investigations. Regular monthly meetings are held between MC's independent auditors and the Audit & Supervisory Committee as well as during quarterly settlement. Opportunities to exchange opinions are also provided as needed between the independent auditors of consolidated subsidiaries and affiliates and the Audit & Supervisory Committee. The Internal Audit Department works closely with the Audit & Supervisory Committee through regular monthly meetings and liaison meetings involving the internal audit departments and auditors of consolidated subsidiaries and affiliates, in addition to quarterly Audit & Supervisory Committee meetings, and is continuously working to strengthen the consolidated basis of three-way audits. Expenses incurred to ensure the effectiveness of the audit are borne by MC.MC made it a rule that, if there is a potential incident that could result in the recording of a loss above a certain threshold or another serious problem, the heads of relevant departments must swiftly report this to Audit

& Supervisory Committee in accordance with the prescribed criteria and procedures. Moreover, MC also maintains and operates a structure in which subsidiaries are obliged to submit reports to its Audit & Supervisory Committee through departments charged with managing these entities should they recognize similar possibilities. MC prohibits the detrimental treatment of officers and employees on the grounds of reporting to Audit & Supervisory Committee, and obliges all of its subsidiaries to similarly enforce this prohibition.
To enhance the effectiveness of audits by Audit & Supervisory Committee, MC maintains an organization tasked with assisting Audit & Supervisory Committee in the execution of their duties. This organization is operated directly under the Audit & Supervisory Committee, with employees being assigned exclusively to it in order to flexibly support activities of the Audit & Supervisory Committee Members. The evaluation and transfer of these employees is decided in a way that gives due consideration to the independence of this organization and, to this end, honors the opinions of Audit & Supervisory Committee Members. In addition, the Audit & Supervisory Committee appoints external specialists and invites them to attend periodic discussions, utilizing the expertise and insights offered by these individuals to improve its auditing activities.

(Translation)

● Matters Concerning Independent Auditors

1. Name of MC's Independent Auditors

Deloitte Touche Tohmatsu LLC

2. Independent Auditors' Fees for the Fiscal Year Ended March 31, 2025

	Amount paid (Million yen)
Amount of fees for services in accordance with Article 2, Paragraph 1 of the Certified Public Accountants Act of Japan (Act No. 103 of 1948) (Note 1)	1,000
Amount of fees for services other than those prescribed in Article 2, Paragraph 1 of the Certified Public Accountants Act of Japan (Note 2)	47
Total amount of fees paid by MC to the independent auditors for the fiscal year ended March 31, 2025	1,047
Total amount of fees to be paid by the Parent and its subsidiaries (Note 3)	2,884

(Figures less than one million yen are rounded to the nearest million.)

(Note 1) Fees for services prescribed in Article 2, Paragraph 1 of the Certified Public Accountants Act of Japan (Act No. 103 of 1948) are fees, etc., for audit engagement for Financial statement audit based on the Companies Act and the Financial Instruments and Exchange Act and for English Financial statement in compliance with IFRS accounting standards.

(Note 2) Fees for services other than those prescribed in Article 2, Paragraph 1 of the Certified Public Accountants Act of Japan are fees for a comfort letter for the issuance of Company bonds, training, etc.

(Note 3) Some subsidiaries are audited by certified public accountants or independent audit firms (including persons with qualifications equivalent to these qualifications in overseas countries) other than MC's independent auditors.

3. Reason for Agreement of the Audit & Supervisory Committee with the Remuneration of Independent Auditors, etc.

As a result of confirming such items as details of the audit plans, status of the execution of duties, and the basis for calculation of the remuneration estimates of the independent auditors, these were deemed to be reasonable in light of the perspectives of ensuring the quality of the audits performed by the independent auditors and ensuring independence. Therefore, an agreement in accordance with Article 399, Paragraph 1 of the Companies Act was concluded with respect to the amount of such items as fees of independent auditors.

4. Policy for the Dismissal or Non-reappointment of Independent Auditors

MC has a policy to dismiss independent auditors based on the unanimous agreement of all Directors who are Audit & Supervisory Committee Members if any of the items set forth in Article 340, Paragraph 1 of the Companies Act is applicable to the independent auditors. In this instance, at the Ordinary General Meeting of Shareholders first convened after the dismissal, a Director who is an Audit & Supervisory Committee Member selected by the Audit & Supervisory Committee will report on the dismissal of the independent auditors and the reason for this action.
Furthermore, if the Audit & Supervisory Committee decides it is appropriate to dismiss or not to reappoint the independent auditors after comprehensively taking into consideration and evaluating the independent auditors' execution of duties and other circumstances, the Audit & Supervisory Committee will submit a proposal to the Ordinary General Meeting of Shareholders to dismiss or not to reappoint the independent auditors concerned and to appoint new independent auditors.

(Translation)

● **Stock Acquisition Rights**

1. Stock Acquisition Rights as of March 31, 2025

＜Stock Options Held by Directors (excluding Audit & Supervisory Committee Members and Outside Directors), Audit & Supervisory Committee Members and Executive Officers＞

Stock Acquisition Rights as Stock Options for Stock-linked Compensation Plan with Market Conditions

Fiscal year issued	No. of stock options	Class and number of shares to be issued upon exercise of stock options	Issue price	Price per share due upon exercise of stock options (exercise price)	Stock option term
FY 2019	44	13,200 shares of the Company's common stock	Issued in gratis	¥1	From July 9, 2022 through July 8, 2049
FY 2020	1,272	381,600 shares of the Company's common stock	Issued in gratis	¥1	From July 7, 2023 through July 6, 2050
FY 2021	3,968	1,190,400 shares of the Company's common stock	Issued in gratis	¥1	From July 13, 2024 through July 12, 2051
For FY 2021 (issued June 6, 2022)	151	45,300 shares of the Company's common stock	Issued in gratis	¥1	From July 13, 2024 through July 12, 2051
FY 2022	3,471	1,041,300 shares of the Company's common stock	Issued in gratis	¥1	From July 12, 2025 through July 11, 2052
FY 2023	3,201	960,300 shares of the Company's common stock	Issued in gratis	¥1	From July 11, 2026 through July 10, 2053
FY 2024	1,950	585,000 shares of the Company's common stock	Issued in gratis	¥1	From July 9, 2027 through July 8, 2054

(Note)

"Class and number of shares to be issued upon exercise of stock option" was adjusted due to a three-for-one common stock split on January 1, 2024, pursuant to a resolution of the Board of Directors at an extraordinary meeting held on November 2, 2023.

(Translation)

＜Breakdown＞

Stock Acquisition Rights as Stock Options for Stock-linked Compensation Plan with Market Conditions

Fiscal year issued	Directors (excluding Audit & Supervisory Committee Members and Outside Directors)		Audit & Supervisory Committee Members		Executive Officers	
	No. of stock options	No. of holders	No. of stock options	No. of holders	No. of stock options	No. of holders
FY 2019	44	1	-	-	-	-
FY 2020	423	2	60	1	789	6
FY 2021	1,702	4	377	2	1,889	13
For FY 2021 (issued June 6, 2022)	-	-	-	-	151	1
FY 2022	1,147	5	-	-	2,324	23
FY 2023	897	5	-	-	2,304	27
FY 2024	518	5	-	-	1,432	32

(Notes)

1. Holdings by Executive Officers who also serve as Directors are listed in the Directors column.
2. Stock acquisition rights held by an Audit & Supervisory Committee Members were granted during their term as Executive Officers, not while they served as an Audit & Supervisory Board Members or Audit & Supervisory Committee Members.
3. Stock options for stock-linked compensation plan with market conditions for FY2021(issued June 6, 2022) is for Executive Officers who returned to Japan from overseas and were granted stock options during their service overseas.
4. The total number of shares for the purpose of stock acquisition rights as of March 31, 2025 was 9,138,900 including stock acquisition rights held by retirees.

(Translation)

2. Stock Acquisition Rights Granted During the Fiscal Year Ended March 31, 2025

Stock Acquisition Rights as Stock Options for Stock-linked Compensation Plan with Market Conditions

	FY 2024 Stock Option Plan D
Issuance resolution date	June 21, 2024
No. of stock options	1,987
No. of allottees and rights granted	Directors (excluding Audit & Supervisory Committee Members and Outside Directors) 5 people 518 units Executive Officers 33 people 1,469 units (Note 1)
Class and number of shares to be issued upon exercise of stock options	596,100 shares of the Company's common stock
Issue price of stock options	Issued in gratis
Price per share due upon exercise of stock acquisition rights (Exercise Price)	¥1
Stock option term	From July 9, 2027 through July 8, 2054
Other conditions for exercise of stock options	a. Initial number of allotted stock options calculated for rank as of April 1, 2024
	b. Performance evaluation period is three-year period starting on July 8, 2024
	c. A stock option holder may exercise the number of exercisable stock options from among the allocated stock options, within the stock option term in accordance with the growth rate in the Company's shares during the performance evaluation period (calculated by dividing the Company's Total Shareholder Return (TSR) by the growth rate in the Tokyo Stock Price Index (TOPIX) index during the evaluation period). (Note 2)
	d. A stock option holder may not exercise their stock options after 10 years from the day after losing their positions as either Director or Executive Officer of MC.
	e. In the event that a stock option holder relinquishes their stock options, such stock options cannot be exercised.

(Notes)

1. The above figures include individuals who retired in FY2024. In addition, the above figures include 18 units of stock options (5,400 shares to be issued upon exercise of stock options) which were forfeited due to the retirement of one Executive Officer.
2. Details for share price conditions are as follows.

(1) The number of exercisable stock options is determined using the formula below. Provided, however, that numbers less than one stock option are rounded.
- (Initial number of allotted stock options) x (vesting ratio)

(2) The vesting ratio for stock options varies, as shown below, depending on the growth rate in the Company's shares over the evaluation period. Provided, however, that numbers less than 1% are rounded.
- Growth rate of at least 125% in the Company's shares: 100%
- Growth rate between 75% and 125% in the Company's shares:
  40% + {the Company's share growth rate (%) – 75 (%)} x 1.2 (amounts less than 1% rounded to the nearest whole number)
- Growth rate less than 75% in the Company's shares: 40%

(3) The growth rate in the Company's shares is as follows.
Growth rate in the Company's shares = the Company's TSR/TOPIX growth rate
The Company's TSR during the evaluation period = (A＋B)/C; TOPIX growth rate during the evaluation period = D/E
A: Average closing price for shares of the Company's common stock on the Tokyo Stock Exchange on each trading day during the three months preceding the month when the exercise period began
B: Total amount of dividends per share of the Company's common stock from the date of allotment of stock options to the date when the exercise period began
C: Average closing price for shares of the Company's common stock on the Tokyo Stock Exchange on each trading day during the three months preceding the month when stock options are allotted

D: Average closing price for TOPIX on the Tokyo Stock Exchange on each trading day during the three months preceding the month when the exercise period began

E: Average closing price for TOPIX on the Tokyo Stock Exchange on each trading day during the three months preceding the month when stock options are allotted

* A, C, D and E exclude days on which there were no trades.

(Translation)

■ Consolidated Financial Statements

■ Consolidated Statement of Financial Position (Prepared based on IFRS Accounting Standards)

(Millions of Yen)

ASSETS			LIABILITIES AND EQUITY		
Item	As of March 31, 2024 (Reference only)	As of March 31, 2025	Item	As of March 31, 2024 (Reference only)	As of March 31, 2025
Current assets			Current liabilities		
Cash and cash equivalents	¥1,251,550	¥1,536,624	Bonds and borrowings	¥1,733,684	¥1,338,274
Time deposits	94,113	33,227	Trade and other payables	2,848,897	2,879,696
Short-term investments	5,388	75,337	Lease liabilities	111,821	116,937
Trade and other receivables	4,242,973	4,167,850	Other financial liabilities	254,441	260,231
Other financial assets	269,269	227,454	Advances from customers	321,400	350,316
Inventories	1,724,221	1,763,496	Income tax payables	64,942	103,130
Biological assets	122,558	119,399	Provisions	177,840	116,994
Advance payments to suppliers	151,437	135,662	Liabilities directly associated with assets classified as held for sale	1,916,404	—
Assets classified as held for sale	3,072,964	48,733	Other current liabilities	702,652	717,442
Other current assets	742,026	644,588	Total current liabilities	8,132,081	5,883,020
Total current assets	11,676,499	8,752,370			
			Non-current liabilities		
Non-current assets			Bonds and borrowings	3,394,268	3,278,748
Investments accounted for using the equity method	4,500,877	5,142,978	Trade and other payables	31,872	42,704
Other investments	1,814,773	1,984,157	Lease liabilities	446,818	605,343
Trade and other receivables	1,096,313	866,267	Other financial liabilities	108,482	107,576
Other financial assets	121,894	67,725	Retirement benefit obligation	110,356	120,475
Property, plant and equipment	2,692,368	2,873,011	Provisions	287,572	333,997
Investment property	28,754	34,391	Deferred tax liabilities	789,857	899,608
Intangible assets and goodwill	742,893	758,905	Other non-current liabilities	63,437	70,311
Right-of-use assets	456,406	688,967	Total non-current liabilities	5,232,662	5,458,762
Deferred tax assets	43,345	39,117	Total liabilities	13,364,743	11,341,782
Other non-current assets	285,450	288,216	Equity		
Total non-current assets	11,783,073	12,743,734	Common stock	204,447	204,447
			Additional paid-in capital	226,781	228,013
			Treasury stock	(187,011)	(99,055)
			Other components of equity		
			Other investments designated as FVTOCI	471,147	457,688
			Cash flow hedges	87,004	70,240
			Exchange differences on translating foreign operations	1,789,444	1,869,853
			Total other components of equity	2,347,595	2,397,781
			Retained earnings	6,452,055	6,637,528
			Equity attributable to owners of the Parent	9,043,867	9,368,714
			Non-controlling interests	1,050,962	785,608
			Total equity	10,094,829	10,154,322
Total assets	¥23,459,572	¥21,496,104	Total liabilities and equity	¥23,459,572	¥21,496,104

(Figures less than one million yen are rounded to the nearest million.)

(Translation)

■ Consolidated Statement of Income (Prepared based on IFRS Accounting Standards)

(Millions of Yen)

Item	Fiscal year ended March 31, 2024 (Reference only)	Fiscal year ended March 31, 2025
Revenues	¥19,567,601	¥18,617,601
Cost of revenues	(17,207,892)	(16,781,207)
Gross profit	2,359,709	1,836,394
Selling, general and administrative expenses	(1,692,282)	(1,465,297)
Gains (losses) on investments	233,007	305,629
Gains (losses) on disposal and sale of property, plant and equipment and others	37,215	134,578
Impairment losses and reversals on property, plant and equipment, intangible assets, goodwill and others	(29,556)	(3,876)
Other income (expense)-net	(104,117)	76,538
Finance income	305,374	342,596
Finance costs	(191,141)	(170,619)
Share of profit (loss) of investments accounted for using the equity method	444,385	337,482
Profit (loss) before tax	1,362,594	1,393,425
Income taxes	(337,736)	(317,179)
Profit (loss) for the year	¥1,024,858	¥1,076,246
Profit (loss) for the year attributable to:		
Owners of the Parent	964,034	950,709
Non-controlling interests	60,824	125,537
	¥1,024,858	¥1,076,246

(Figures less than one million yen are rounded to the nearest million.)

(Translation)

■ Consolidated Statement of Comprehensive Income (Reference only) (Prepared based on IFRS Accounting Standards)

(Millions of Yen)

Item	Fiscal year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)	Fiscal year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)
Profit (loss) for the year	¥1,024,858	¥1,076,246
Other comprehensive income (loss), net of tax		
Items that will not be reclassified to profit or loss for the year:		
Gains (losses) on other investments designated as FVTOCI	102,553	(1,486)
Remeasurement of defined benefit pension plans	79,260	36,881
Share of other comprehensive income (loss) of investments accounted for using the equity method	(5,336)	19,896
Total	176,477	55,291
Items that may be reclassified to profit or loss for the year:		
Cash flow hedges	36,904	(23,292)
Exchange differences on translating foreign operations	479,396	18,319
Share of other comprehensive income (loss) of investments accounted for using the equity method	83,214	59,622
Total	599,514	54,649
Total other comprehensive income (loss)	775,991	109,940
Total comprehensive income (loss)	1,800,849	1,186,186
Comprehensive income (loss) attributable to:		
Owners of the Parent	1,714,019	1,061,129
Non-controlling interests	86,830	125,057
	¥1,800,849	¥1,186,186

(Figures less than one million yen are rounded to the nearest million.)

(Translation)

■ Consolidated Statement of Changes in Equity (Prepared based on IFRS Accounting Standards)

(Millions of Yen)

Item	Fiscal year ended March 31, 2024 (Reference only)	Fiscal year ended March 31, 2025
Common stock:		
Balance at the beginning of the year	¥204,447	¥204,447
Balance at the end of the year	204,447	204,447
Additional paid-in capital:		
Balance at the beginning of the year	225,858	226,781
Compensation costs related to share-based payment	3,284	1,953
Sales of treasury stock upon exercise of share-based payment	(1,099)	(1,322)
Equity transactions with non-controlling interests and others	(1,262)	601
Balance at the end of the year	226,781	228,013
Treasury stock:		
Balance at the beginning of the year	(124,083)	(187,011)
Sales of treasury stock upon exercise of share-based payment	5,240	8,455
Purchases and sales-net	(445,026)	(395,004)
Cancellation	376,858	474,505
Balance at the end of the year	(187,011)	(99,055)
Other components of equity:		
Balance at the beginning of the year	1,715,540	2,347,595
Other comprehensive income (loss) attributable to owners of the Parent	749,985	110,420
Transfer to retained earnings	(117,930)	(57,734)
Transfer to non-financial assets or non-financial liabilities	—	(2,500)
Balance at the end of the year	2,347,595	2,397,781
Retained earnings:		
Balance at the beginning of the year	6,043,878	6,452,055
Profit (loss) for the year attributable to owners of the Parent	964,034	950,709
Cash dividends paid to owners of the Parent	(293,433)	(342,247)
Sales of treasury stock upon exercise of share-based payment	(3,496)	(6,218)
Cancellation of treasury stock	(376,858)	(474,505)
Transfer from other components of equity	117,930	57,734
Balance at the end of the year	6,452,055	6,637,528
Equity attributable to owners of the Parent	9,043,867	9,368,714
Non-controlling interests:		
Balance at the beginning of the year	1,053,396	1,050,962
Cash dividends paid to non-controlling interests	(84,771)	(66,012)
Equity transactions with non-controlling interests and others	(4,493)	(324,314)
Profit (loss) for the year attributable to non-controlling interests	60,824	125,537
Other comprehensive income (loss) attributable to non-controlling interests	26,006	(480)
Transfer to non-financial assets or non-financial liabilities	—	(85)
Balance at the end of the year	1,050,962	785,608
Total equity	¥10,094,829	¥10,154,322
Comprehensive income (loss) attributable to:		
Owners of the Parent	1,714,019	1,061,129
Non-controlling interests	86,830	125,057
Total comprehensive income (loss)	¥1,800,849	¥1,186,186

(Figures less than one million yen are rounded to the nearest million.)

(Translation)

Notes

Significant matters on basis of preparing Consolidated Financial Statements

Notes Concerning Material Accounting Policies and Others (for the fiscal year ended March 31, 2025)

1. Basis of Preparing Consolidated Financial Statements

(1) **Standards of preparing consolidated financial statements**

The consolidated financial statements of Mitsubishi Corporation (the "Parent") and its consolidated subsidiaries (collectively, the "Company") have been prepared under IFRS Accounting Standards ("IFRS") in accordance with the first paragraph of Article 120 of the Ordinance on Company Accounting of Japan. Pursuant to the second sentence of the paragraph, certain disclosures and notes required by IFRS have been omitted.

(2) **Changes in Accounting Policies**

The material accounting policies applied to the consolidated financial statements for the year ended March 31, 2025 are identical to those for the previous fiscal year.

2. Scope of Consolidation and Application of the Equity Method

	Number of companies*	Major companies
Consolidated subsidiaries	843	Mitsubishi Corporation (Americas) Diamond LNG Canada Ltd. Metal One Corporation Mitsubishi Development Pty Ltd Chiyoda Corporation Tri Petch Isuzu Sales Co., Ltd. Cermaq Group AS Mitsubishi Shokuhin Co., Ltd. N.V. Eneco Diamond Generating Corporation
Investments accounted for using the equity method	362	Japan Australia LNG (MIMI) Pty. Ltd. Lawson, Inc. Mitsubishi HC Capital Inc.

*The number of companies shown above include 817 associates directly consolidated by companies subject to consolidation. If these associates were to be excluded, the number of companies subject to consolidation amounts to 388.

(Translation)

Entity of which the Company has control regardless of the possession of less than half of the voting rights:

Chiyoda Corporation

The Company has class A preferred shares issued via third-party allotment by Chiyoda Corporation, an integrated engineering operating company. The Company holds 33.46% of the voting rights to Chiyoda Corporation and if it were to exercise the conversion request rights attached to the class A preferred shares, it would hold 81.99% of the voting rights to Chiyoda Corporation. Regarding these as effective potential voting rights, the Company accounts for Chiyoda Corporation as a consolidated subsidiary.

Entities of which the Company does not have control regardless of the possession of more than half of the voting rights:

MI Berau B.V. (“MI Berau”)

The Company holds a 56% ownership interest in MI Berau, a Netherlands corporation. MI Berau is a joint venture, participating in the Tangguh LNG Project in Indonesia, which was established with INPEX CORPORATION ("INPEX"), which holds a 44% ownership interest. Under the shareholder's agreement with INPEX, significant decisions regarding MI Berau's operations require unanimous consent by the Company and INPEX. The rights given to INPEX in the shareholder's agreement are considered substantive participating rights, and control over the operations or assets of MI Berau does not rest with the Company. Accordingly, the Company accounts for its investment in MI Berau using the equity method as a joint venture.

Sulawesi LNG Development Ltd. (“Sulawesi LNG Development”)

The Company holds a 75% ownership interest in Sulawesi LNG Development, a UK corporation. Sulawesi LNG Development is a holding company with an investment in the Donggi Senoro LNG Project in Indonesia, which was established with Korea Gas Corporation ("KOGAS") holding a 25% ownership interest. Under the shareholder's agreement with KOGAS, significant decisions regarding Sulawesi LNG Development's operations require unanimous consent by the Company and KOGAS. The rights given to KOGAS in the shareholder's agreement are considered substantive participating rights, and control over the operations or assets of Sulawesi LNG Development does not rest with the Company. Accordingly, the Company accounts for its investment in Sulawesi LNG Development using the equity method as a joint venture.

DRI-GP2 Co. Ltd.

The Company holds 51% of the voting rights in DRI-GP2 Co. Ltd. (a Japanese company), which invested in an urban development project known as Grand Park Phase 3 in the suburbs of Ho Chi Minh City, Vietnam. Nomura Real Estate Development Co., Ltd. holds the remaining 49% ownership interest. Under the shareholder’s agreement with Nomura Real Estate Development Co., Ltd., significant decisions regarding DRI-GP2 Co. Ltd.’s operations require unanimous consent by the Company and Nomura Real Estate Development Co., Ltd. The rights given to Nomura Real Estate Development Co., Ltd. in the shareholder’s agreement are considered substantive participating rights, and control over the operations or assets of DRI-GP2 Co. Ltd. does not rest with the Company. Accordingly, the Company accounts for its investment in DRI-GP2 Co. Ltd. using the equity method as a joint venture.

Nexamp, Inc. (“Nexamp”)

The Company holds 53.78% ownership interests in Nexamp, which is engaged in the distributed solar power generation business in the United States. The shareholders’ agreement of Nexamp stipulates that significant decisions regarding Nexamp’s operations require consent of Manulife Investment Management and Generate Capital, in addition to the Company. Manulife Investment Management and Generate Capital have substantive participation rights in Nexamp, and control over the operations or assets of Nexamp does not rest with the Company. Accordingly, the Company accounts for its investments in Nexamp using the equity method as a joint venture.

3. Primary Changes in the Scope of Consolidation and the Application of the Equity Method

Consolidated subsidiaries	Inclusion	-
	Exclusion	PRINCES LIMITED
Investments accounted for using the equity method	Inclusion	Lawson, Inc. (*)
	Exclusion	Japan KFC Holdings Co., Ltd.

* Lawson, Inc. has been reclassified from a consolidated subsidiary to investments accounted for using the equity method due to a partial share sale.

4. Material Accounting Policies

(1) Basis of consolidation

(i) Subsidiaries

The Parent consolidates the investees that it directly or indirectly controls. Therefore, the Company generally consolidates its majority-owned subsidiaries. However, even in cases where the Company does not own the majority of voting rights, if the Company is deemed to substantively control the decision-making body, the investee is treated as a consolidated subsidiary. In cases where the Company has the majority of voting rights in an investee but other shareholders have substantive rights to participate in the decision-making over the ordinary course of business of the investee, the Company does not have control, and the equity method is applied.

Changes in ownership interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Parent's interest and non-controlling interest is adjusted to reflect changes in their relative interest in the subsidiaries. Any difference between the amount of non-controlling interest and the fair value of the consideration paid or received is recognized directly in equity and attributed to the Parent.

If control over a subsidiary is lost, the difference between (a) the sum of the fair value of consideration received and the fair value of remaining interest and (b) assets (including goodwill), liabilities, and the previous carrying amount of non-controlling interest of the subsidiary is recognized in profit or loss. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9, "Financial Instruments," or the cost on initial recognition of investment in associates or joint ventures.

(ii) Business combinations

Business combinations (acquisition of businesses) are accounted for using the acquisition method.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, with several exemptions.

In cases where the sum of the consideration transferred, the amount of non-controlling interest in the acquiree, and the fair value of equity interest in the acquiree held previously by the Company exceeds the net amount of identifiable assets and liabilities at the acquisition date, the excess amount is recognized as goodwill. In cases where the above sum is below the net amount of identifiable assets and liabilities, the deficient amount is immediately recognized in profit or loss as a bargain purchase gain.

(iii) Associates and joint ventures

The equity method is applied to investments in associates and joint ventures. An associate is an entity that is not controlled solely or jointly by the Company but for which the Company is able to exert significant influence over the decisions on financial and operating or business policies. If the Company has 20% or more but no more than 50% of the voting rights of another entity, the Company is presumed to have significant influence over that entity. Entities over which the Company is able to exert significant influence on their decisions regarding financial and operating or business policies even if it holds less than 20% of the voting rights are also included in associates. In contrast, the equity method is not applied in cases where the Company is deemed not to have significant influence even if it holds 20% or more of the voting rights.

A joint venture is a joint arrangement (i.e., arrangement of which two or more parties have joint control) whereby the parties that have joint control have rights to the net assets of an independent entity. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions on activities that have a significant impact on the returns of the arrangement require the unanimous consent of the parties sharing control and those activities are undertaken jointly by the parties.

(iv) Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control have rights to the assets, and obligations for the liabilities, relating to the contractual arrangement. For investments in joint operations, only the Company's share of assets, liabilities, revenues and expenses arising from the jointly controlled operating activities is recognized.

(v) Investment entities

An investment entity is defined as an entity that satisfies the following conditions: (a) the entity obtains funds from investors for the purpose of providing those investors with investment management services; (b) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and (c) measures and evaluates the performance of substantially all of its investments on a fair value basis. In principle, investment entities measure all of their investments at fair value through profit or loss in accordance with IFRS 9, “Financial Instruments.”

If an associate or joint venture of the Company qualifies as an investment entity, upon applying the equity method by the Company, the Company elects to maintain the fair value measurement applied by the investment entity to its equity in such subsidiaries, and does not reclassify those equity to conform to the ordinary consolidation process, while the said reclassification is required if a subsidiary of the Company qualifies as an investment entity.

(vi) Reporting date

When the Company prepares the consolidated financial statements, certain subsidiaries, associates and joint arrangements prepare financial statements with a fiscal year end on or after December 31, but prior to the Parent's fiscal year end of March 31 for which unification of the fiscal year end is impracticable, since the local legal system or contractual terms among shareholders requires the fiscal year end to be different from that of the Parent. It is also impracticable for such entities to provide the provisional settlement of accounts at the end of the reporting period of the Parent due to the characteristics of the business, operations or other practical factors. In such case, adjustments have been made to the consolidated financial statements of the Company for the effects of significant transactions or events that occurred between the end of the reporting period of the subsidiaries, associates or joint arrangements and that of the consolidated financial statements.

(2) Foreign currency translation

Items denominated in foreign currencies in the financial statements are translated at the exchange rate at the transaction date, and monetary items are retranslated at the exchange rate as at the fiscal year end. The difference arising from the retranslation is recognized in "Other income (expense)-net" in the consolidated statement of income.

The assets and liabilities of foreign operations, such as foreign subsidiaries and associates, are translated into Japanese yen at the respective year-end exchange rates. Exchange differences arising from translation are recognized in other comprehensive income and accumulated in "Other components of equity" on a post-tax basis. Income and expense items of foreign operations are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period.

In the event of a loss of control due to the disposal of foreign operations, the cumulative amount of exchange difference is reclassified into profit or loss. In the case of partial disposal that led to the loss of significant influence or joint control, the amount proportionate to the disposal of the cumulative amount of exchange difference is reclassified into profit or loss.

(3) Financial instruments

(i) Non-derivative financial assets

The Company recognizes trade and other receivables at the transaction date, including amounts calculated by applying IFRS 15. The Company recognizes all other financial assets at the trade date at fair value on which the Company became a party to the contract concerning such financial instruments. After initial recognition, financial assets are measured either at amortized cost or at fair value.

(ii) Financial assets measured at amortized cost

Financial assets are measured at amortized cost using the effective interest method if both of the following conditions are met:

• The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets measured at fair value

The details of fair value measurements are as described in (17) “Fair value measurements”.

Among financial assets other than financial assets measured at amortized cost, debt instruments meeting both of the following requirements are measured at fair value through other comprehensive income (FVTOCI).

• The asset is held within a business model whose objective is to hold assets for both the collection of contractual cash flows and for sale.

• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The cumulative changes in the fair value of debt instruments measured at FVTOCI are recognized in profit or loss in the event of the derecognition of such assets.

Financial assets, other than those measured at amortized cost and debt instruments measured at FVTOCI, are measured at fair value, and changes in their fair value are recognized as profit or loss (FVTPL). However, the Company elects irrevocably to designate equity instruments as financial assets measured at FVTOCI if the investments are not held for trading, but rather for purposes such as generating business opportunities and maintaining/strengthening trading/cooperative relationships.

The cumulative changes in the fair value of equity instruments as financial assets measured at FVTOCI are directly transferred from other comprehensive income to retained earnings in the event of derecognition of such assets, and are not recognized in profit or loss. Dividend income from financial assets measured at FVTOCI is recognized in profit or loss, as part of finance income at the time when the right to receive payment of the dividend is established.

(iv) Impairment of financial assets measured at amortized cost and debt instruments measured at FVTOCI

Expected credit losses are estimated on financial assets measured at amortized cost and debt instruments measured at FVTOCI, and loss allowances are recognized and measured accordingly.

Loss allowances, based on information such as changes in external and/or internal credit ratings and past due information as of the reporting date, is measured at an amount equal to expected credit losses resulting from all possible default events over the expected lifetime if the credit risk on those financial instruments has increased significantly since initial recognition, or otherwise, at an amount equal to the corresponding expected credit losses within 12 months after the reporting date.

Expected credit losses are measured by reflecting factors such as credit ratings, current financial conditions, and forward-looking information. For financial assets showing evidence of credit impairment as of the reporting date, such as significant financial difficulty of the issuer or the borrower and breach of contracts including past due events, the Company estimates expected credit losses individually after taking into overall consideration such as credit ratings, the states of collateral, and evaluations based on discounted cash flow.

(v) Derecognition of financial assets

The Company derecognizes financial assets when and only when the contractual rights to the cash flows from the financial assets expire, or when the financial assets and substantially all the risks and rewards of ownership are transferred. In cases where the Company neither transfers nor retains substantially all the risks and rewards of ownership but continues to control the assets transferred, the Company recognizes the retained interest in assets and related liabilities that might be payable.

(vi) Cash equivalents

Cash equivalents, which are mainly related to time deposits, are original maturities of three months or less, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(vii) Non-derivative financial liabilities

The Company initially recognizes debt securities and subordinated debt instruments issued by the Company on the issue date. All other financial liabilities are recognized on the transaction date. Financial liabilities are

initially recognized at fair value, net of direct transaction costs. After initial recognition, financial liabilities are measured at amortized cost using the effective interest method.
The Company derecognizes financial liabilities when the obligation specified in the contract is discharged, canceled or expired.

(viii) Equity

The amount of equity instruments issued by the Parent is recognized in “Common stock” and “Additional paid-in capital,” and direct issue costs (net of tax) are deducted from “Additional paid-in capital.”

When the Company acquires treasury stock, the sum of the consideration paid and direct transaction costs (after tax) is recognized as a deduction from equity.

(ix) Hedge accounting and derivatives

The Company utilizes derivative instruments primarily to manage interest rate and foreign exchange risks, and to hedge the commodity price risk of various inventory and trading commitments. All derivative instruments are reported at fair value as assets or liabilities. In the case where transactions which can mitigate market risk caused by accounting mismatch, the Company applies hedge accounting by designating such derivatives and non-derivative financial instruments such as foreign currency-denominated debt as a hedging instrument of either a fair value hedge, a cash flow hedge or a hedge on net investment in foreign operations, to the extent that hedging criteria are met.

Fair value hedges

Derivatives designated as hedging instruments for fair value hedges primarily include interest rate swaps that convert non-current assets and liabilities to floating rate financial assets and liabilities and certain commodity futures contracts that hedge commodity price risk. Changes in the fair value of derivative instruments that are hedging instruments are recorded as net gains or losses, net of changes in the fair value of hedged financial assets, financial liabilities, inventories and firm commitments, and reported in “Other income (expense)-net” or “Cost of revenues” in the consolidated statement of income.

Cash flow hedges

Derivative instruments designated as hedging instruments of cash flow hedges include interest rate swaps to convert floating-rate financial liabilities to fixed-rate financial liabilities, and forward exchange contracts to offset variability in functional currency-equivalent cash flows on forecasted sales transactions. Additionally, commodity swaps and futures contracts that qualify as cash flow hedges are utilized. The effective portion of changes in the fair values of derivatives that are designated as cash flow hedges are deferred and accumulated in "Other components of equity." In cases where the hedged item is recognized as a non-financial asset or non-financial liability, the amount recognized in “Other components of equity” is reclassified as an adjustment of the initial carrying amount of the non-financial asset or non-financial liability. Derivative unrealized gains and losses included in "Other components of equity" other than the above are reclassified into profit or loss at the time that the associated hedged transactions are recognized in profit or loss.

Hedges of net investment in foreign operations

The Company uses forward exchange contracts and non-derivative financial instruments, such as foreign currency-denominated debt, in order to reduce the foreign currency exposure in the net investment in a foreign operation. The effective portion of changes in fair values of the hedging instruments are accumulated in "Exchange differences on translating foreign operations" within "Other components of equity."

Derivative instruments used for other than hedging activities

The Company enters into commodity and financial derivative instruments as part of its brokerage services in commodity futures markets and its trading activities.
Changes in fair value of derivatives not designated as hedging instruments or held for trading purposes are recognized in profit or loss.

(4) Inventories

Inventories are recognized at the lower of cost or net realizable value based on the weighted average cost formula or identified cost method.

Inventories acquired with the purpose of generating a profit from short-term price fluctuations (“the inventory held for trading purposes”) are measured at fair value less costs to sell.

The Company has contracts to borrow commodities from or lend commodities to counterparties mainly in Mineral Resources segment (“Commodity loan transaction”). In the commodity borrowing transactions, the Company borrows the commodities from the counterparties and is required to return the same quality and quantity of the commodities to the counterparties on the date mutually agreed by both parties. The Company recognizes and measures the commodities borrowed at the time of transaction implementation as the inventory held for trading purposes. The obligation to return the commodities is recognized in other current liabilities or other non-current liabilities and remeasured at fair value at the end of each reporting period. Also, in the commodity lending transactions, the inventory held for trading purposes is reclassified to other current assets or other non-current assets at the time of lending implementation, and measured at fair value less costs to sell at the end of each reporting period. The Company earns profit and manages commodity price risks combined with these transactions and commodity derivative transactions including contracts to purchase and sell non-financial instruments in accordance with IFRS 9 “Financial Instruments”.

(5) Biological assets

Biological assets are measured at fair value less costs to sell, with any changes therein recognized in profit or loss, except in the case where fair value cannot be measured reliably.

(6) Property, plant and equipment

Property, plant and equipment are recognized at cost, net of accumulated depreciation and accumulated impairment losses.

Depreciation of property, plant and equipment other than assets that are not depreciated such as land and mineral resources-related property, is calculated principally using the straight-line method for buildings and structures, the straight-line or declining-balance method for machinery and equipment, and the straight-line method for vessels and vehicles mainly over the following estimated useful lives.

The estimated useful life of each asset is mainly as follows.

Buildings and structures	2 to 65 years
Machinery and equipment	2 to 50 years
Vessels and vehicles	2 to 25 years

Assets related to mineral rights, exploration and evaluation, development, and production of oil and gas or mining resources are classified as mineral resources-related property. Among these, assets related to mineral rights, exploration and evaluation after the start of production are depreciated using the unit-of-production method based on the proven or probable reserves. Depreciation of mineral resources-related property other than the above is calculated principally using the straight-line method over its estimated useful life, which is mainly 2 to 42 years.

(7) Investment property

The Company applies the cost method to investment property, and measures investment property at cost, net of accumulated depreciation and accumulated impairment losses. Investment property is depreciated using the straight-line method over its estimated useful life, which is mainly 2 to 60 years.

(8) Intangible assets and goodwill

Intangible assets with finite useful lives acquired by the Company are measured at cost, net of accumulated amortization and accumulated impairment losses. These intangible assets are amortized under the straight-line method over their estimated useful lives from the date on which the assets became available for use.

The estimated useful life of each asset is mainly as follows:

Software	2 to 15 years
Customer relationships	4 to 20 years
Sustainable energy subsidy	10 to 13 years

At N.V. ENECO, the rights to receive subsidies for sustainable energy producers from governments (“Sustainable energy subsidy”) are recognized as intangible assets.

Development costs are capitalized only if they are reliably measurable, the product or process is technically and commercially feasible, it is probable that future economic benefits will be generated, and the Company

has the intention and sufficient resources to complete the development and to use or sell them, which are mainly related to software. Other development costs, mainly related to software, are recognized as an expense as incurred.
Intangible assets with indefinite useful lives and goodwill are not amortized but measured at cost, net of accumulated impairment losses.

(9) Leases
(i) Lease as lessee
At the commencement date of the lease, lease liabilities are initially measured at the present value of future lease payments over the lease term, and right-of-use assets, representing the right to use an underlying asset, are initially measured at the initial amount of lease liabilities adjusted for prepaid lease payments, etc.
Subsequent to initial recognition, right-of-use assets are depreciated over the lesser of the useful life or the lease term, mainly on a straight-line basis. Interest costs and lease payments are reflected in the carrying amount of lease liabilities based on the interest method. The lease term is determined, at the commencement date of the lease, by evaluating the enforceability of options to terminate and/or extend the lease as well as the economic incentives such as past practical records of exercise, the importance of underlying assets in the corresponding business, etc. The Company also subsequently remeasures the carrying amount of lease liabilities and right-of-use assets to reflect the change in lease payments when necessary based on the actual results of exercise etc. Regarding the impairment of right-of-use-assets, refer to (12) "Impairment of non-financial assets."
The Company elects the recognition exemption for short-term leases (leases having lease terms of 12 months or less). For these leases, neither right-of-use assets nor lease liabilities are recognized, and lease payments are recognized as an expense on a straight-line basis over the lease term. In addition, as a practical expedient regarding the separation of components of contracts is elected for the classes of underlying asset of real estates and vessels in which non-lease components are not separately accounted from lease components, lease components and any associated non-lease components are accounted as a single lease component.

(ii) Lease as lessor
Leases as lessor are classified as finance leases if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Amounts due from lessees under finance leases are recognized as part of "Trade and other receivables" at an amount equal to the net investment in the lease, and its finance income is allocated and recognized over the lease term on a rational basis against the gross investment in the lease. Leases other than finance leases are classified as operating leases, and operating lease income is recognized over the term of underlying leases on a straight-line basis.

(10) Mining operations
Mining exploration costs are recognized as an expense as incurred until the mining project has been established as technically feasible and commercially viable by a final feasibility study. Once established as technically feasible and commercially viable, costs are capitalized and are depleted using the unit-of-production method based on the proven and probable reserves.
The stripping costs incurred during the production phase of a mine are accounted for as variable production costs and are included in the costs of the inventory produced during the period that the stripping costs are incurred. To the extent the benefit is improved access to ore, the stripping costs are mainly recognized as property, plant and equipment.
For capitalized costs related to mining operations, impairment loss is recognized based on the fair value less cost of disposal if it is determined that commercial production cannot commence or capitalized costs are not recoverable.

(11) Non-current assets or disposal groups held for sale
If the carrying amount of non-current assets or disposal groups will be recovered principally through a sale transaction rather than through continuing use, the Company classifies such non-current assets or disposal groups as held for sale, and reclassifies them into current assets and current liabilities.
Non-current assets or disposal groups classified as held for sale are measured at the lower of their carrying amount or fair value less costs to sell. However, this excludes those that are subject to measurement requirements in accordance with standards other than IFRS 5 "Non-current Asset Held for Sale and Discontinued Operations."

(12) Impairment of non-financial assets
If there are any events or changes in circumstances indicating that the carrying amount of the Company's non-financial assets excluding inventories and deferred tax assets may not be recoverable, the recoverable amount of such assets are estimated by assuming that there are indications of impairment. In addition, goodwill and

intangible assets with indefinite useful lives are tested for impairment at least annually, principally at the same time every year, irrespective of whether there is any indication of indication of impairment.

The smallest unit that generates cash inflows largely independently from cash inflows of other assets or groups of assets is referred to as a cash-generating unit, and assessment for impairment is performed with respect to each asset, cash-generating unit or group of cash-generating units. If the carrying amount of the asset, cash-generating unit, or group of cash-generating units exceeds its recoverable amount, an impairment loss is recognized in profit or loss.

The recoverable amount of the asset, cash-generating unit or group of cash-generating units is the higher of the value in use or the fair value less cost of disposal.

Goodwill that constitutes part of the carrying amount of investments accounted for using the equity method is not recognized separately, and is not tested for impairment on an individual basis. However, the total amount of investments accounted for using the equity method is assessed for indications of impairment and tested for impairment by treating it as a single asset. Non-financial assets other than goodwill that constitute a portion of the carrying amount of investments accounted for using the equity method are tested for impairment by investee asset, cash-generating unit, or group of cash-generating units on the basis of the carrying amounts that reflect fair value adjustment upon application of the equity method.

Impairment recognized in the past is reversed if there are indications of reversal of impairment and changes in the estimates used to determine the asset's recoverable amount, and the reversal of impairment losses are recognized in profit or loss. However, impairment loss recognized for goodwill is not reversed. Reversal of impairment loss is recognized up to the carrying amount which is calculated on the basis that no impairment loss for the asset had been recorded in prior years.

(13) Post-employment benefits

The Company has adopted defined benefit plans and defined contribution plans.

Obligations related to defined benefit plans are recognized in the consolidated statement of financial position as the net amount of benefit obligations under such plans and the fair value of pension assets. Benefit obligations are calculated, by involving qualified actuaries, at the discounted present value of the amount of estimated future benefits corresponding to the consideration for services already provided by employees with respect to each plan.

The Company recognizes the increases or decreases in obligations due to the remeasurement of benefit obligations and pension assets of defined benefit plans in other comprehensive income and such increases or decreases are recorded in "Other components of equity", which are immediately reclassified into "Retained earnings."

Obligations to make contributions under defined contribution plans are recognized in profit or loss as expenses in the period during which services were provided by employees.

(14) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period considering the risks and uncertainties surrounding the obligations, and is discounted when the time value of money is material.

The provision for decommissioning and restoration is reviewed in each period and adjusted to reflect developments that could include changes in closure dates, legislation, discount rate or estimated future costs. The amount recognized as a liability for decommissioning and restoration is calculated as the present value of the estimated future costs determined in accordance with local conditions and requirements. An amount corresponding to the provision is capitalized as part of "Property, plant and equipment", "Investment property" and "Right-of-use assets" and is depreciated over the estimated useful life of the corresponding asset.

(15) Revenues

(i) Revenue recognition criteria (five-step approach)

In line with the application of IFRS 15 “Revenue from Contracts with Customers,” the Company recognizes revenue based on the five-step approach outlined below.

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligations in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

In identifying performance obligations, the Company performs principal versus agent considerations. If the

nature of the promise is a performance obligation for the Company to provide the specified goods or services by itself, the Company is a principal and the total amount of consideration is presented as revenue in its consolidated statement of income. If its nature is a performance obligation to arrange for those goods or services to be provided by other parties, the Company is an agent and the commission, fee amount or the net amount of consideration is presented as revenue in its consolidated statement of income.
The Company adopts the practical expedient which allows it not to adjust the financing component if the period between the transfer of goods or services and receipt of payment from a customer is expected to be one year or less at the contract inception.

(ii) Revenue recognition in major transactions
Revenue recognition at a point in time (all segments)
The Company trades a wide variety of products and commodities, including metals, machinery, chemicals, and consumer goods. In the sale of products and commodities as a principal, the Company recognizes revenue when the terms of delivery have been satisfied as it is considered that the customer has obtained control of the products or commodities and therefore, the identified performance obligations (delivery of products and commodities) have been satisfied at that point. When the Company acts as an agent in the sale of products and commodities, the Company recognizes revenue when the terms of delivery have been satisfied as it is considered that the customer has obtained control of the products or commodities and therefore, the identified performance obligations (arrangement for the delivery of products and commodities) have been satisfied at that point.
The Company also performs service-related activities. In service-related activities, the Company provides a variety of services including logistics, telecommunications, technical support and others. Revenue for service-related activities is recognized when the customer has obtained the benefits as it is considered that the performance obligations (providing services) have been satisfied.

Revenue recognition over time (mainly Smart-Life Creation segment and Urban Development & Infrastructure segment)

The Company mainly performs the services based on franchise contracts and plant constructions based on construction contracts. If the control of the goods or services is transferred to the customer over time, revenue from franchise contracts is recognized by the profits recognized for each franchisee. Revenue from other contract like construction contract is recognized by measuring progress towards complete satisfaction of the performance obligations (providing services) with mainly the input methods (in the case of construction contracts, it is mainly the progress of the costs), which faithfully depict the Company’s performance.

Revenue recognition of service-related activities performed by the Company as an agent is also measured by progress towards complete satisfaction of the performance obligations as an agent (arrangements related to providing services) with mainly the input methods (mainly the progress of costs incurred by arrangements).

(16) Income taxes
Income tax expenses consist of current and deferred taxes and are recognized in profit or loss, excluding those related to other comprehensive income etc.
Deferred taxes are recognized for temporary differences between the tax base of an asset or liability and its carrying amount in the statement of financial position. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
Deferred tax assets are recognized only with respect to unused tax losses, unused tax credits, and deductible temporary differences where it is probable that future taxable income will be reduced, and the recoverability of those deferred tax assets is reviewed at the end of each reporting period.
For taxable temporary differences concerning subsidiaries, associates, and joint arrangements, deferred tax liabilities are recognized. However, deferred tax liabilities are not recognized in cases where the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.
Deferred tax assets arising from deductible temporary differences concerning subsidiaries, associates, and joint arrangements are recognized only to the extent that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

The Company retrospectively applies the temporary exception under IAS 12 Income Taxes (Amended), issued on May 23, 2023, to recognize deferred tax assets and liabilities arising from legislations enacted to implement Pillar Two model published by OECD.

(17) Fair value measurements

Certain assets and liabilities are required to be recognized at fair value. The estimated fair values of those assets and liabilities have been determined using market information such as quoted market price and valuation methodologies, such as market approach, income approach, and cost approach. There are three levels of inputs that may be used to measure fair value.

(i) Level 1

Quoted prices (unadjusted) in active markets (markets in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis) for identical assets or liabilities that the Company can access at the measurement date.

(ii) Level 2

Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include: quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

(iii) Level 3

Unobservable inputs for the asset or liability. The Company develops unobservable inputs using the best information available in the circumstances, which might include the Company's own data.

The valuation methods for all fair value measurements of assets and liabilities are determined based on the valuation policies and procedures, which include the valuation methods for fair value measurements, approved by the proper accounting personnel. The business plans and development plans that provide a basis for cash flows are decided through internal verification procedures, which include analyses of the variance between plans and results in the previous fiscal year, as well as discussions with business partners and hearings with external specialists. The discount rates properly reflect the risk premium, the risk-free rate and the unlevered rate, with due consideration to the external environment, such as geopolitical risks. Future resource prices are a significant unobservable input for the fair value measurements of resource-related investments and are calculated based on comprehensive consideration of such factors as present prices, forecasts of supply and demand, and the price forecasts of independent third parties. Short-term prices are more likely to be significantly affected by the present price, and medium- to long-term prices are more likely to be significantly affected by forecasts of supply and demand and the price forecasts of independent third parties. These inputs are analyzed in comparison with those from the prior year, and reports issued by the independent third parties in order to analyze changes in fair value. The results of fair value measurements and analyses of changes in fair value are reviewed quarterly by the accounting department of the relevant segment of the Company (which is independent of the segment’s sales department) or that of the relevant subsidiary and then approved by the authorized accounting officer. The valuation policies and procedures, including the valuation methods for fair value measurements, are decided and periodically reviewed by the corporate accounting department of the Parent, based on its accounting manual.

(Translation)

5. Accounting Estimates

In preparing IFRS-compliant consolidated financial statements, management is required to make judgments, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.
The estimates and underlying assumptions are reviewed on an ongoing basis. Changes in accounting estimates are recognized in the period in which the estimate is changed, and the future periods affected by such revisions.

(1) Impact of the Russia-Ukraine Situation
Regarding the impact of the Russia-Ukraine situation as shown in the economic forecasts issued by public institutions, the global economic growth is expected to be under downward pressure due to inflation. Specifically, as the situation escalates, financial and economic sanctions imposed by major countries against Russia and countermeasures taken by Russia in response, such as restrictions on international remittances and export controls, etc., are likely to remain in place and target an even broader range of items, resulting in restrictions on the supply of goods as well as inflation induced by energy price surges and other factors. Under these circumstances, the direct and indirect impact of this situation will vary by Company's business segments and regions it operates. The assumptions made by the Company are based on a projection that the impact will remain in place for some time in fiscal year ending March 31, 2026. It is assumed that it will take time to lift financial and economic sanctions and restrictions on international remittances, and resolve unforeseen supply situation and normalize trade and supply chains. The Company's main business in Russia consist of financial service business in the Mobility segment and investment in the LNG-related business in the Environmental Energy segment. As of March 31, 2025, the carrying amount of total assets related to the Company's business in Russia amount to ¥140,808 million (of which, the balance of cash and cash equivalents restricted on international remittances was ¥66,267 million).

(LNG-related business in Russia)
The Company holds a 10% ownership interest in Sakhalin Energy LLC. ("SELLC"), which has been engaged in LNG-related business in Russia, and accounts for this investment as other investments (financial asset measured at FVTOCI). The Russian Governmental Resolution issued on March 23, 2024 (No. 701) finalized all LLC Members of SELLC. The details related to the operation of SELLC, including the SELLC's Corporate Charter as well as the terms of the LLC Members Agreement, are being discussed. As such, there remains uncertainty surrounding this investment. Under these circumstances, the Company continues to measure the fair value of this investment with the income approach using the probability-weighted average expected present value technique. The discount rate used for the measurement is determined considering the country risk premium for Russia. While the Company anticipates receiving dividends from the investment in SELLC over the project life, taking into account other scenarios, the Company measured the fair value (Level 3) for this investment at ¥55,010 million as of March 31, 2025.
It may be necessary to reassess the scenarios used in the probability-weighted average expected present value technique depending on the future circumstances which may partially resolve uncertainties previously considered in other scenarios. As a result, there is a possibility that the fair value of the investment in SELLC may increase or decrease.

(2) Impact of Climate Change
The impact of climate change and a transition toward decarbonized society is considered in the Company's consolidated financial statements through estimating for impairment of non-financial assets, fair value of financial instruments, useful lives of property, plant and equipment along with the estimation of asset retirement obligations (ARO) and other items. "The Roadmap to a Carbon Neutral Society", established by the Company in October 2021, was designed to ensure that the Company contributes to the realization of the international targets set forth in the Paris Agreement and other initiatives. The decarbonization scenarios developed by external institutions in line with the Paris Agreement are considered one of important references in these accounting estimates. However, as the decarbonization scenarios generally assume market-wide trends in terms of supply and demand, the trends may not

directly provide the degree of the impact on the business of the Company due to the superiority or subordination of its assets or the peculiarities of its sales contracts. In addition, while the scenario analysis based on the decarbonization scenario analyzes the super-long-term impact on a decades-long basis, a medium- to long-term time horizon of several years to 10 years, which more strongly reflects the current business environment, has a significant impact on the measurement of assets and liabilities in the consolidated financial statements. Therefore, even if the decarbonization scenario analysis implies indications of loss in the value of assets or an increase in liabilities related to our business, it does not immediately mean that the implication also has an impact on the measurement of assets and liabilities in the consolidated financial statements. In considering the accounting estimates, in addition to the decarbonization scenarios, the Company's policies, policy in each country, the results of analyses by external institutions, and other factors that affect each project are comprehensively taken into account to reflect the impact of climate change. Also, the accounting estimate may be affected significantly by future changes in the Company’s strategies or a shift in global trend toward decarbonization.

The Company conduct scenario analyses by referring to a scenario that limits the temperature increase to 1.5°C above pre-industrial levels (“1.5°C scenario”) as part of a discussion on the effect of significant climate-related risks and opportunities on the Company’s business and resilience of the Company’s strategy. LNG-related business in the Environmental Energy segment and Australian steelmaking coal business in the Mineral Resources segment, which have a high transition risk of climate change and have relatively a large scale of assets, are selected from a risk perspective in the scenario analyses.

In LNG-related business, although there is uncertainty in natural gas and LNG demand in the market-wide trends under the 1.5°C scenario, an increase in LNG demand is expected over the long-term mainly in Asia. For the purpose of fair value measurement and impairment testing, including judgements about presence of indications of impairment or reversal of impairment, future cash flow is estimated based on the long-term contracts which accounts for a majority of production in the Company’s existing LNG project, and the forecast of the spot market, where the Company sells the remaining production volume.

In the Australian steelmaking coal business, the demand is likely to remain steady over the long-term even under the 1.5°C scenario since emerging economies such as India and many Southeast Asian countries are expected to sustain the trade volumes. While the demand for steel, which plays a vital role as an essential basic material in the development of infrastructure for achieving decarbonization, is expected to remain robust, it would take many years for any low-carbon steelmaking method to be adopted worldwide. Therefore, during the transitional period lasting several decades, blast furnace steelmaking using steelmaking coal is expected to remain as the primary method and the need for high-quality steelmaking coal, which is the Australian steelmaking coal business’s main product, will likely increase since it contributes to the reduction of emissions in blast furnace steel making process. For the scale of assets, which is the criteria of the implementation of the scenario analyses, the book value of MDP’s property, plant and equipment is ¥994,579 million as of March 31, 2025. Though there are uncertainties in the realization of the above 1.5°C scenario, a certain level of demand is expected to continue even under the environment the scenario assumes. Therefore, the Company determines that there is no indication of impairment due to the impact of climate change as of March 31, 2025. The ARO, consisting primarily of costs associated with mine reclamation, landfills and dismantlement of facilities are estimated based on the remaining operating life mine that can be commercially mined, taking into account the supply and demand, and medium- to long-term price assumption for steelmaking coal. The book value of the ARO is ¥197,221 million as of March 31, 2025. For details of the ARO, refer to “6. Changes in Accounting Estimates (2) Provisions.”

Regarding carrying amount of investments in LNG-related business and Shale gas business, and medium- to long-term price assumption for crude oil which LNG prices are closely linked with, refer to “(3) Medium- to long-term price assumption for copper and crude oil”.

(3) Medium- to long-term price assumption for copper and crude oil

The Company holds interests in entities that are engaged in copper business in the Mineral Resources segment. The Company also holds interests in entities that are engaged in LNG-related business and shale gas business in the Environmental Energy segment. The carrying amount of these investments as of March 31, 2024, and March 31, 2025, are as follows.

(Millions of Yen)

	March 31, 2024	March 31, 2025
Copper business		
Other investments (financial assets measured at FVTOCI)	¥292,020	¥439,966
Investments accounted for using the equity method	406,130	449,894
LNG-related business		
Other investments (financial assets measured at FVTOCI)	¥217,842	¥182,419
Other investments (financial assets measured at FVTPL)	－	30,650
Investments accounted for using the equity method	522,974	596,431
Property, plant and equipment	341,939	423,604
Right-of-use assets	－	283,885
Shale gas business		
Investments accounted for using the equity method	¥250,110	¥268,344

The fair value of these financial assets measured at FVTOCI and FVTPL are determined using the discounted cash flow model. Investments accounted for using the equity method, property, plant and equipment, and right-of-use assets are tested for impairment. If there are indications of impairment or reversal of impairment, the recoverable amount is measured, which is the higher of the value in use or the fair value less costs of disposal. The Company uses the discounted cash flow model to estimate value in use. With regard to the copper business, the medium- to long-term copper price forecast is the most significant unobservable input for fair value measurement and impairment testing, including judgements about the presence of indications of impairment or reversal of impairment. With regard to the LNG-related business, the medium- to long-term crude oil price forecast is the most significant unobservable input for fair value measurement and impairment testing, including judgements about the presence of indications of impairment or reversal of impairment, as LNG prices are closely linked with crude oil prices. In addition, with regard to the shale gas business, the impairment testing, including judgements about the presence of indications of impairment or reversal of impairment, is partially affected by crude oil prices as the prices of some shale gas products are linked with crude oil.

The FVTOCI financial assets principally included Minera Escondida and Compania Minera Antamina for copper business as well as Sakhalin Energy LLC and Basrah Gas Company for LNG business. The FVTPL financial assets included Malaysia LNG Tiga. The Company made an irrevocable election to designate a part of equity instruments as financial assets measured at FVTOCI individually, based on its policy at initial recognition.

For details on the measurement of fair value, refer to “Notes Concerning Financial Instruments”.

The medium- to long-term copper price assumptions are determined based on forecasts of future global demand, production volume and cost assumption. Following the Company’s examination of the consistency between the Company’s price assumption and the information published by several external institutions, the person responsible for determining the price assumption authorizes this estimate. Although uncertainties regarding global conditions and macroeconomic trends remain in short-term, the Company anticipates a further increase in demands for copper in future, which has superior electrical conductivity, given the circumstances that more progress on renewable power generation, including wind and solar power, the associated development of power transmission as well as a wide

spread of electric vehicles (EVs), and the expected increase in demand for data centers due to the development of generative AI, by accelerating the countermeasure of decarbonized society. On the other hand, there will be a decline in production at existing mines and increasing difficulties in developing in both existing and new mines. The Company thus, forecasts that production costs will rise over the medium- to long-term and the copper market will also be tightening in the medium- to long-term.
The Company’s estimate for the medium- to long-term price assumption for copper after 2030, which is reviewed every year, is similar to price forecasts disclosed by third parties (approximately US$4.3/lb., the mean of the price forecasts as of March 2025 disclosed by analysts in financial institutions excluding inflationary effects). In addition, the Company’s estimate at the close of the year ended March 31, 2024, for the medium- to long-term price assumption for copper after 2029 was similar to price forecasts disclosed by third parties (approximately US$3.9/lb., the mean of the price forecasts as of March 2024 disclosed by analysts in financial institutions excluding inflationary effects).

The medium- to long-term crude oil price assumptions are determined based on forecasts of future global demand, production volume, and cost assumption. Upon the Company’s examination of the consistency between the Company’s price assumption and the information published by several external institutions, the person responsible for determining the price assumption authorizes this estimate. From the long-term perspective, the Company forecasts that crude oil demand will peak in the 2030s as efforts toward a decarbonized society are expected to be supported by the development of electrification, as represented by the popularization of EVs, and the growing trend toward countering global climate change risks. In terms of a medium- to long-term timespan, while taking into account the decarbonization scenarios announced by external organizations, such as IEA, the Company also gives comprehensive consideration to uncertainties regarding progress in decarbonization, the impact of the current global conditions and other factors. The medium- to long-term price assumption for Brent crude oil, which is reviewed every year, will reach about US$75/BBL in 2029, excluding inflationary effects, as of March 31, 2025. At the close of the year ended March 31, 2024, the Company similarly estimated that the medium- to long-term price assumptions of crude oil would reach about US$75/BBL in 2028, excluding inflationary effects. Accordingly, the Company has made no significant changes in price assumptions.

(4) Impact of the Introduction of Tariff Policies by the United States
The impact of the policies following the change of administration in the United States on the economic environment, as outlined in economic forecasts issued by public institutions, is expected to exert downward pressure on economic growth prospects, particularly through the introduction of tariff policies, which may slow down the international flow of goods, accelerate inflation in the United States, and slow down China's economic growth.
In such an environment, the introduction of tariff policies by the United States may continue to have significant impacts on trade and supply chains in the fiscal year ending March 31, 2026. The direct and indirect impacts on the Company are uncertain as they vary depending on the industry and region, and are also influenced by the progress of future negotiations between governments. If the impacts continue for an extended period, it may affect accounting estimates.

(5) Fair value of financial instruments
For methods used to calculate the fair value for each class of financial instruments measured at fair value, refer to “Notes Concerning Financial Instruments”, “Note 4 Material Accounting Policies (3) Financial instruments (iii) Financial assets measured at fair value” and “Note 4 Material Accounting Policies (17) Fair value measurements”.

(6) Impairment losses on financial assets
In the year ended March 31, 2025, the Company recorded loss allowance of 96,135 million yen, included in “Trade and other receivables” of 5,034,117 million yen in the Consolidated Statement of Financial Position. For methods

used to calculate the allowance, refer to "Note 4 Material Accounting Policies (3) Financial instruments (iv) Impairment of financial assets measured at amortized cost and debt instruments measured at FVTOCI".

(7) Impairment losses on non-financial assets
In the year ended March 31, 2025, the Company recorded impairment losses on non-financial assets of 3,876 million yen, in "Impairment losses and reversals on property, plant and equipment, intangible assets, goodwill and others" in the Consolidated Statement of Income. The carrying amount after the impairment losses for "Property, plant and equipment", "Investment property", "Intangible assets and goodwill", and "Right-of-use assets" were 2,873,011 million yen, 34,391 million yen, 758,905 million yen, and 688,967 million yen, respectively. For methods used to calculate the losses, refer to "Note 4 Material Accounting Policies (12) Impairment of non-financial assets".

(8) Measurement of defined benefit plan obligations
In the year ended March 31, 2025, the Company recorded "Retirement benefit obligations" in the Consolidated Statement of Financial Position for 120,475 million yen. For methods used to calculate the retirement benefit obligations, refer to "Note 4 Material Accounting Policies (13) Post-employment benefits".

(9) Provisions
In the year ended March 31, 2025, the Company recorded "Provisions" in the Consolidated Statement of Financial Position for 450,991 million yen. For methods used to calculate the provisions, refer to "Note 4 Material Accounting Policies (14) Provision".

(10) Recoverability of deferred tax assets
In the year ended March 31, 2025, the Company recorded "Deferred tax asset" in the Consolidated Statement of Financial Position for 39,117 million yen. For methods used to calculate the recoverable deferred tax assets, refer to "Note 4 Material Accounting Policies (16) Income taxes".

6. Changes in Accounting Estimates
Significant changes in accounting judgments, estimates and assumptions in the consolidated financial statements for the fiscal year ended March 31, 2025, are as follows:

(1) Sales of Disposal Groups Held for Sale

On April 2, 2024, Mitsubishi Development Pty Ltd, a consolidated subsidiary in the Mineral Resources segment, completed the divestment of all interests in the Blackwater and Daunia mines, in which it held a 50% interest.
The purchase price is US$1.6 billion (US$0.05 billion has been received on signing of the Asset Sale Agreement, US$1.00 billion upon completion, and the remaining US$0.55 billion to be received over three years following completion), with coal price and sales volume linked contingent consideration of an aggregate of up to US$0.45 billion payable over three years.
The resulting gain of ¥131,648 million and a related income tax expense of ¥38,703 million are recorded in "Gains (losses) on disposal and sale of property, plant and equipment and others" as well as in "Income taxes" in the consolidated statement of income.
As the part of the purchase price may differ due to fluctuations in coal prices and sales volume after April 2, 2024, the above gain includes the effect of the change in estimate of such variable consideration as of March 31, 2025.
Contingent consideration of an aggregate of up to US$0.45 billion will be received if the average realized sales price of the two mines exceeds the threshold of US$159/ton for the first 12 months after the sale's completion and US$134/ton between one and three years after the sale's completion.
The consideration to be received in the future, including the above variable consideration, is recorded in the total amount of ¥103,244 million in the consolidated statement of financial position as of March 31, 2025.

(2) Provisions

Provision for decommissioning and restoration
The Company's consolidated subsidiaries in the Mineral Resources segment recognize provision for asset retirement obligations based on costs they expect to incur to restore mining sites to the original state in the future. During the year ended March 31, 2025, the Company reviewed its plans for the restoration of such assets' original state by reflecting the most recent external environment and other factors. As a result, the amount of asset retirement obligations increased by ¥54,103 million to ¥197,221 million as of March 31, 2025, which is included in "Provision" in the consolidated statement of financial position.

Provision relating to onerous contracts
In the year ended March 31, 2025, Chiyoda Corporation, a consolidated subsidiary in the Urban Development & Infrastructure segment, recorded ¥28,379 million yen as a provision related to construction contracts. This amount includes construction losses from the Golden Pass LNG Project.
In the year ended March 31, 2024, the Parent estimated and recorded a provision for the construction losses of the project in light of the possibility that a partner who jointly operates the project may withdraw from the project. In the year ended March 31, 2025, the provision was re-estimated and recorded based on revised estimation of losses that reflects the progress of the construction and written agreements with the customers and the other partner of the project.

(3) Impairment Losses on Investments Accounted for Using the Equity Method
During the year ended March 31, 2025, the Company recorded losses of ¥51,255 million and ¥1,183 million respectively in "Share of profit (loss) of investments accounted for using the equity method" and "Gains (losses) on investments - net" in the consolidated statement of income on all joint venture investments in Japanese offshore wind power business and within the scope of related legal or constructive obligations. These losses are a result of the significant and prolonged deterioration in the business environment for offshore wind power due to factors such as inflation, the depreciation of the yen, tight supply chains, and rising interest rates. These losses are included in consolidated net loss for the Power Solution segment.

(4) Gains (Losses) associated with the Loss of Control of Subsidiaries

During the year ended March 31, 2025, the Company and KDDI Corporation (KDDI) adjusted their ownership ratios of Lawson Inc. (Lawson), a consolidated subsidiary in the Smart-Life Creation segment, to 50% through a tender offer for shares of Lawson by KDDI and a squeeze-out procedure by means of a reverse stock split of Lawson shares on August 15, 2024. Upon completion of all of the above transactions, the shareholders' agreement became effective and the Company lost sole control over Lawson, which is classified as a joint venture.
As a result, the Company recorded gains on sales of ¥473 million and the gains associated with the remeasurement of investment retained in the former subsidiary at its fair value by the loss of control of ¥182,070 million in "Gains (losses) on investments" and the related income tax expenses of ¥60,074 million in "Income taxes" in the consolidated statement of income.

(Translation)

Notes Concerning Consolidated Statement of Financial Position

1. Assets pledged as collateral

(1) Pledged assets

Trade and other receivables (current and non-current)	151,192 million yen
Other investments (current and non-current)	264,204 million yen
Property, plant, and equipment (net of accumulated depreciation and accumulated impairment losses)	77,290 million yen
Other	9,415 million yen
Total	502,101 million yen

(2) Liabilities with the pledged assets listed above

Short-term debt	81 million yen
Long-term debt	85,461 million yen
Guarantees of contracts and others	416,559 million yen
Total	502,101 million yen

Transfer transactions that do not involve the derecognition of non-financial assets and financial assets can be viewed as an effective pledge of collateral. However, these transactions differ in nature from the ordinary pledge of collateral, in which legal ownership of the pledged assets is retained. Accordingly, such transfer transactions are not included in the amounts above.
As of March 31, 2025, as an example of transfer transactions for such assets that do not involve derecognition, the Company has repurchase agreements for bonds and precious metals. The balance of assets for such transactions stood at 124,767 million yen as of March 31, 2025.

2. Accumulated depreciation and impairment losses on property, plant, and equipment	2,123,072 million yen
3. Accumulated depreciation and impairment losses on investment properties	37,621 million yen
4. Accumulated amortization and impairment losses on intangible assets	407,793 million yen

5. Guarantees

Financial guarantees	382,345 million yen
Performance guarantees	243,072 million yen
Total	625,417 million yen

These guarantees are credit enhancements in the form of standby letters of credit and performance guarantees in order to enable the Company's customers, suppliers, and associates to execute transactions or obtain desired financing arrangements with third parties.

(Translation)

Notes Concerning Consolidated Statement of Changes in Equity

1. Number of shares issued as of March 31, 2025 Common stock 4,022,391,153 shares

2. Matters concerning dividends

(1) Matters concerning dividends paid during the fiscal year ended March 31, 2025

Resolution	Class of shares	Amount of dividends	Dividends per share	Record date	Effective date
Ordinary general meeting of shareholders held on June 21, 2024	Ordinary shares	144,146 million yen	35.00 yen	March 31, 2024	June 24, 2024
November 1, 2024 Board of Directors Meeting	Ordinary shares	199,825 million yen	50.00 yen	September 30, 2024	December 2, 2024

(2) Matters concerning dividends to be paid after the end of the fiscal year ended March 31, 2025
The Parent plans to submit the following proposal for approval at the Ordinary General Meeting of Shareholders on June 20, 2025.

Amount of dividends:	199,883,342,750 yen
Dividend per share of ordinary shares:	50.00 yen
Effective date:	June 23, 2025
Source of dividends:	Retained earnings

The record date of dividends is March 31, 2025.

3. Number of shares resulting from the potential exercise of stock acquisition rights at the end of the fiscal year
5,473,800 shares of ordinary shares (excluding shares for which the exercise period has not commenced)

(Translation)

Notes Concerning Financial Instruments

1. Matters concerning financial instruments

The Company, in the normal course of its business, deals with various financial instruments. The Company engages in business transactions with a significant number of customers in a wide variety of industries all over the world, and its receivables from, and guarantees to, such parties are broadly diversified. Consequently, in management's opinion, there is no significant concentration of credit risk in any particular region or to any specific customer. The Company manages credit risk of these financial instruments by setting and approving credit limits and by periodically monitoring the credit standing of counterparties based on the Company's credit risk management policies. The Company requires collateral to the extent considered necessary.

As for derivative transactions, the Company enters into various derivative contracts in accordance with its risk management policy to mitigate specific risks.

2. Matters concerning fair value of financial instruments and breakdown by the level of fair value hierarchy

Assets and liabilities measured at fair value on a recurring basis

The following table categorizes assets and liabilities that are measured at fair value on a recurring basis as of March 31, 2025.

(March 31, 2025) (Millions of Yen)

Classification	Level 1	Level 2	Level 3	Netting	Total
Assets					
Cash and cash equivalents	812,279	―	―	―	812,279
Short-term investments and other investments					
Financial assets measured at FVTPL	21,251	434	252,552	―	274,237
Financial assets measured at FVTOCI					
Marketable securities	543,636	―	―	―	543,636
Non-marketable securities	―	301	944,418	―	944,719
Trade and other receivables					
Financial assets measured at FVTPL	―	161,785	24,870	―	186,655
Derivatives					
Interest rate contracts	―	29,002	―	(175)	28,827
Foreign exchange contracts	―	41,416	―	(4,027)	37,389
Commodity contracts and others	281,632	542,708	30,553	(625,930)	228,963
Inventories	8,438	625,112	―	―	633,550
Total assets	1,667,236	1,400,758	1,252,393	(630,132)	3,690,255
Liabilities					
Derivatives					
Interest rate contracts	―	55,997	―	(175)	55,822
Foreign exchange contracts	16	32,360	―	(4,059)	28,317
Commodity contracts and others	308,942	563,317	37,339	(625,930)	283,668
Total liabilities	308,958	651,674	37,339	(630,164)	367,807

Notes: There were no material transfers between different levels during the fiscal year ended March 31, 2025.

(Translation)

The following tables represent the changes in the balance of the major Level 3 assets and liabilities measured at fair value on a recurring basis for the fiscal year ended March 31, 2025.

(Fiscal year ended March 31, 2025) (Millions of Yen)

Classification	Balance at the beginning of the year	Net realized/ unrealized gains (losses) included in profit for the year	Net realized/ unrealized gains (losses) included in other comp-rehensive income (loss)	Increase due to purchases and other	Decrease due to sales and other	Redemptions and Settlements	Balance at the end of the year	Net change in unrealized gains (losses) of assets and liabilities still held at the end of the year
Short-term investments and other investments								
Financial assets measured at FVTPL	189,567	(2,033)	(1,381)	97,859	(18,836)	(12,624)	252,552	(1,289)
Financial assets measured at FVTOCI (Non-marketable equity securities, etc.)	831,518	—	90,522	34,327	(11,925)	(24)	944,418	—
Other financial assets (Derivatives)								
Commodity contracts and others	38,249	31,670	(903)	4,342	—	(42,805)	30,553	2,153
Other financial liabilities (Derivatives)								
Commodity contracts and others	43,607	13,128	(456)	—	—	(18,940)	37,339	8,343

Notes:

1. "Increase due to purchases and other" and "Decrease due to sales and other" include changes due to consolidation, deconsolidation, capital increase, paid-in capital reduction and transfer from (to) other accounts.

2. There are no material transfers between different levels during the fiscal year ended March 31, 2025.

3. In the Malaysia LNG business of the Environmental Energy Group, MC entered into an agreement with Petroliam Nasional Berhad ("PETRONAS") to reinvest in Malaysia LNG Tiga ("TIGA") in September 2024. Although Company sold all of its shares in TIGA (5% stake) held through Diamond Gas Netherlands B.V. (liquidated in December 2023) to PETRONAS in March 2023, in accordance with the aforementioned agreement, MC acquired shares for a purchase price of 65,462 million yen in the current fiscal year, resulting in a 10% equity interest in TIGA. As a result of the decision to designate the changes in the fair value of half of the shares acquired as equity financial assets to be recognized in other comprehensive income (FVTOCI), half of the shares acquired were classified as "Financial assets measured at FVTOCI" and the other half as "Financial assets measured at FVTPL," with 32,731 million yen included respectively in "Increases due to purchases and other."

Net realized/unrealized gains (losses) on short-term investments and other investments (FVTPL) included in profit for the year are recognized in "Gains (losses) on investments" in the consolidated statement of income. The amount recognized as other comprehensive income (loss) is included in "Exchange differences on translating foreign operations" in the consolidated statement of comprehensive income.

The amount of net realized/unrealized gains (losses) on short-term investments and other investments (FVTOCI) recognized as other comprehensive income (loss) is included in "Gains on other investments designated as FVTOCI" and "Exchange differences on translating foreign operations" in the consolidated statement of comprehensive income.

The amount recorded in other comprehensive income (loss) for the fiscal year ended March 31, 2025 includes a increase in the fair value of investments in the copper business of ¥147,946 million, mainly due to a revision in the medium to long-term business plan, and a ¥24,589 million decrease in fair value of investment in the LNG-related business in Russia. Refer to Material Accounting Policies Note 5. Accounting Estimates "(1) Impact of the Russia Ukraine Situation" for the estimates and the underlying assumptions used regarding LNG-related business in

Russia.

Fair value measurement of assets and liabilities measured at fair value on a recurring basis

Cash and cash equivalents

Level 1 cash and cash equivalents consist of cash and current accounts, for which the carrying amount approximates fair value.

Short-term investments and other investments

Level 1 short-term investments and other investments mainly consist of marketable equity securities valued at the quoted market price in an active market. Level 3 short-term investments and other investments primarily consist of non-marketable equity securities valued by discounted future cash flows, making comparisons with similar transactions and modified net asset value per share of investees, etc.

The fair values of short-term investments and other investments classified in Level 3 are measured by personnel in the accounting department of the Company who manage the investments with information on discounted cash flows of the investees, information on the net modified asset value per share of the investees, or independent external appraisals.

Trade and other receivables

Trade and other receivables measured at fair value on a recurring basis primarily consist of restricted cash which will be transferred to third parties through a Receivable Purchase Facility, valued by discounted cash flows using the interest rate applied in cases where loans or credit with the same terms and remaining maturities are provided to borrowers or customers with a similar credit rating. Trade and other receivables are classified in Level 3 if the amount affected by unobservable inputs covers a significant proportion of fair value, and Level 2 if the amount affected by unobservable inputs does not cover a significant proportion of fair value.

The fair values of trade and other receivables classified in Level 3 are measured by personnel in the accounting department of the Company who manage the corresponding assets, or personnel in charge of accounting at a subsidiary that possesses such assets, with information on discounted cash flows from such receivables.

Derivatives

Derivatives classified in Level 1 are comprised principally of commodity derivative contracts traded on exchange market, which are valued using quoted market prices. Derivatives classified in Level 2 are comprised principally of commodity derivative contracts traded in over-the-counter markets, which are valued mainly by market approach using observable market inputs such as interest rates, foreign exchange rates and commodity prices. Derivatives classified in Level 3 are valued by the income approach based on unobservable inputs such as estimated future market prices. For long-term electric power contract and related derivatives (sales and procurement) that are considered to primary transactions, the future market prices are estimated by unobservable inputs such as government energy policy and forecasts of electricity supply and demand, in addition to observable inputs such as market prices.

The fair value of derivative contract is measured after adjusting the credit risk in the net balance of derivative assets and liabilities.

Inventories

Level 1 and Level 2 inventories primarily consist of inventories of nonferrous metals held for trading purposes, which are classified in Level 1 if they are valued using quoted market prices, and Level 2 if they are valued mainly by market approach using observable inputs such as commodity prices. The fair values of these inventories include costs to sell, which are immaterial.

Quantitative Information about Level 3 Fair Value Measurements

The following table represents main information about valuation methods and unobservable inputs used for the major Level 3 assets measured at fair value as of March 31, 2025.

(March 31, 2025)

Classification	Valuation method	Unobservable input	Weighted average
Non-marketable equity securities	Discounted cash flow	Discount rate	12.2%

The significant unobservable input used in measuring the fair value of non-marketable equity securities is the discount rate. Substantial increase (decrease) in such inputs cause the fair value to substantially fall (rise).

Even if there is no change in the discount rate on the individual non-marketable equity securities, the weighted average mentioned above may change due to fluctuations in the fair value of each equity securities. Please refer to "tables representing the changes in the balance of the major Level 3 assets and liabilities measured at fair value on a recurring basis" for the changes in the fair value of non-marketable equity securities classified in Level 3.

The non-marketable equity securities primarily consist of those related to Copper business and LNG-related business. The medium-to long-term copper and crude oil price forecast is one of the significant unobservable inputs used in measuring the fair value of these securities. Please refer to Material Accounting Policies Note 5. Accounting Estimates (3) Medium- to long-term price assumption for copper and crude oil, for the fair values and estimates of those for non-marketable equity securities related to copper business and LNG-related business.

(Translation)

Fair value of financial instruments measured at amortized cost

The following is the carrying amounts and information about fair values of financial instruments that are measured at amortized cost as of March 31, 2025.

Cash equivalents and time deposits

The carrying amount of cash equivalents and time deposits measured at amortized cost was 757,572 million yen. The carrying amount approximates their fair values due to most of these instruments having relatively short maturities.

Short-term investments and other investments

Short-term investments and other investments measured at amortized cost mainly consist of domestic and foreign debt securities and non-marketable assets such as guarantee deposits in domestic business. The carrying amount was 296,902 million yen. The carrying amount approximates the fair values because debt securities are hedged through fair value hedge with interest rate swap as hedging instruments so that the hedge effects are included in the carrying amounts. The discount rates applied to fair value measurement of guarantee deposits have not changed materially since initial recognition due to domestic interest rate having been staying low.

Trade and other receivables

The carrying amount of trade and other receivables was 4,196,522 million yen. The carrying amount approximates the fair values due to most of these instruments having relatively short maturities. The amount of the instruments with relatively long maturities are immaterial which could cause significant difference between carrying amounts and fair values.

Bonds and borrowings

The carrying amount of bonds and borrowings was 4,617,022 million yen. The carrying amount approximates the fair values, provided the carrying amounts are measured taking into account the effects of fair value hedges, where the hedging instruments of interest rate swap are applied for fixed-rate debts with long maturities that are vulnerable to interest rate volatilities.

Trade and other payables

The carrying amount of trade and other payables was 2,919,280 million yen. The carrying amount approximates the fair values due to most of these instruments having relatively short maturities. The amounts of the instruments with long maturities are immaterial which could cause significant difference between carrying amounts and fair values.

(Translation)

Notes Concerning Investment Property

1. Matters concerning investment property

The Company holds investment property throughout Japan, including commercial facilities (along with the land) and other property for rent.

2. Matters concerning fair value of investment property

As of March 31, 2025, the carrying amount of investment property was 34,391 million yen and the fair value was 45,282 million yen.

The carrying amount is calculated as the acquisition cost, net of accumulated depreciation and accumulated impairment losses.

The fair value is determined based on evaluations obtained from independent appraisers with recent appraisal experience in relation to the location and real estate type and with publicly certified qualifications suited to a specialist, such as a real estate appraiser, or other similar evaluations. These evaluations are based on an income approach utilizing input information, such as anticipated rental fees and discount rates.

(Translation)

Notes Concerning Per-Share Information

Total equity attributable to owners of the Parent per share	2,355.22 yen
Basic profit for the year attributable to owners of the Parent per share	236.97 yen
Diluted profit for the year attributable to owners of the Parent per share	235.80 yen

(Translation)

Notes Concerning Revenue Recognition

1. The disaggregation of revenue recognized from contracts with customers

The following is the disaggregation of "Revenues" for the fiscal year ended March 31, 2025.

Fiscal year ended March 31, 2025 (Millions of Yen)

	Environmental Energy	Materials Solution	Mineral Resources	Urban Development & Infrastructure	Mobility	Food Industry
Revenues recognized from contracts with customers	1,748,741	3,978,475	1,219,273	786,423	672,507	1,790,685
Revenues from other sources of revenue	1,301,890	30,500	2,003,787	111,358	78,709	452,837
Total	3,050,631	4,008,975	3,223,060	897,781	751,216	2,243,522

(Millions of Yen)

	Smart-Life Creation	Power Solution	Total	Other	Adjustments and Eliminations	Consolidated
Revenues recognized from contracts with customers	3,053,346	1,321,653	14,571,103	6,290	―	14,577,393
Revenues from other sources of revenue	15,294	45,833	4,040,208	―	―	4,040,208
Total	3,068,640	1,367,486	18,611,311	6,290	―	18,617,601

Revenues recognized from contracts with customers include revenues recognized at a point in time (sales of products or providing services, etc. as principal or agent), as well as revenues recognized over time (providing services based on franchise contracts, plant constructions based on construction contracts, etc.).
Revenues recognized from contracts with customers in the Smart-Life Creation segment include franchise commissions from franchised stores based on franchise agreements, the amount of which was 148,731 million yen for the fiscal year ended March 31, 2025. The commission includes lease income attributable to property and store equipment leases.
Revenues recognized from contracts with customers in the Urban Development & Infrastructure segment include revenues recognized by measuring progress of construction based on construction contracts, the amount of which was 430,600 million yen for the fiscal year ended March 31, 2025.
Revenues other than the above items are mainly from the sale of goods and related services.
Revenues from other sources of revenue include revenues recognized in the scope of IFRS9 “Financial Instruments” (including the gross amount of revenues recognized from contracts to buy or sell a non-financial item that can be settled net in cash or other financial instruments, or by exchange for financial instruments at the timing of delivery) and lease income based on IFRS16 “Leases”.
The portion of the Company’s revenues accounted for by variable consideration is immaterial.

2. Contract balance

Contract assets are an entity's right to consideration in exchange for goods or services that the entity has transferred to a customer (except receivables) when the right is conditioned on something other than the passage of time (for example, the entity's future performance). It is presented as "Trade and other receivables".
Contract liabilities represent an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from said customer and is presented mainly as "Advances from customers".
The following is a breakdown of carrying amounts of "Contract assets" and "Contract liabilities" at the beginning and the end of the fiscal year ended March 31, 2025. Both contract balances were mainly recognized from construction contracts in which there was a difference between the point in time when performance obligations were satisfied (progress of construction) and the right to claim arose or consideration was received. Contract assets increased due to performance obligations being satisfied before rights to claim arose (and decreased due to transfer to trade receivables when the rights to claim arose). Contract liabilities increased due to rights to claim arising before performance obligations were satisfied (and decreased due to transfer to revenues when the performance obligations were satisfied).

(Millions of Yen)

	Fiscal year ended March 31, 2025	
	Contract assets	Contract liabilities
Balance at the beginning of the year	45,849	356,490
Changes during the year	25,283	29,509
Balance at the end of the year	71,132	385,999

Revenues recognized for the fiscal year ended March 31, 2025 that were included in the contract liabilities balance at the beginning of the year were 173,035 million yen. Revenues for the fiscal year ended March 31, 2025 recognized (or partially recognized) from the performance obligations satisfied in the previous years were immaterial.

3. Transaction price allocated to the remaining performance obligations

Following are the aggregate amounts of the transaction price allocated to the performance obligations that were unsatisfied (or partially unsatisfied) at the end of the fiscal year ended March 31, 2025, and the breakdown by expected duration of the remaining performance obligation in the future.
The amounts of the transaction price are calculated based on the contracts with the customers with reference to commodity prices such as crude oil or gas, and if the consideration is variable, it is included in the transaction price only to the extent that a significant reversal in the amount of cumulative revenues recognized will not occur.
The transaction price allocated to the remaining performance obligations at the end of the fiscal year ended March 31, 2025, was derived to a large extent from a long-term LNG sales contract with customers mainly in Japan through participating in Cameron LNG LLC at Louisiana Terminal in the U.S. and the LNG Canada Project in British Columbia, Canada.
Contracts for which the original expected duration of revenue recognition from contract conclusion is one year or less are not included in the table below under the provisions of practical expedient adopted.

(Millions of Yen)

Transaction price allocated to the remaining performance obligations	Fiscal year ended March 31, 2025
Not later than 1 year	1,531,101
Later than 1 year and not later than 5 years	3,576,508
Later than 5 years and not later than 10 years	2,678,339
Later than 10 years	2,593,445
Total	10,379,393

In addition to the above, the Company has the substantially indefinite obligation to supply heat to the customers for district heating business in Europe as at March 31, 2025. The amount of estimated consideration was 65,228 million yen per year.

(Translation)

Notes Concerning Significant Subsequent Events

Repurchase and cancellation of shares

The Company has resolved at a meeting of the Board of Directors held on April 3, 2025 the repurchase of shares of its common stock pursuant to Article 156 of the Companies Act of Japan, as applied pursuant to Paragraph 3, Article 165 of the Companies Act, and has resolved to cancel treasury stock pursuant to Article 178 of the Companies Act, as described below.

1.Details of the Share Repurchase;

Class of shares to be repurchased	:	Common stock
No. of shares to be repurchased	:	Up to 689 million shares (Represents up to approximately 17.0% of the common shares outstanding (excluding treasury stock))
Total value of stock to be repurchased	:	Up to 1 trillion yen (Total number of shares to be repurchased through the Tender Offer and purchase on the market based on the closing price on April 2, 2025 represents approximately 10% of the common shares outstanding (excluding treasury stock))
Period of repurchase	:	April 4, 2025 to March 31, 2026 (planned)
Method of repurchase	:	Of the aggregate repurchase amount, approximately 213.3 billion yen is acquired through the Tender Offer. The remaining amount of approximately 786.7 billion yen (maximum), which was not acquired through the Tender Offer, will be acquired through the purchase on the market at the Tokyo Stock Exchange.

2. Details of the Cancellation of Treasury Stock;

Class of shares to be cancelled	:	Common Stock
No. of shares to be cancelled	:	The entire number of shares repurchased mentioned above
Date of cancellation (planned)	:	April 30, 2026

Commencement of tender offer for shares in Mitsubishi Shokuhin Co., Ltd.

The Company decided to acquire the additional common shares of Mitsubishi Shokuhin Co., Ltd. (Mitsubishi Shokuhin), a consolidated subsidiary of Smart-Life Creation, through a tender offer under the Financial Instruments and Exchange Act.

1. Purpose of the Tender Offer

The Parent holds 50.11% shares of Mitsubishi Shokuhin at the end of the year ended March 31, 2025. The purpose of the Tender Offer is to acquire all of the issued shares of Mitsubishi Shokuhin (excluding the shares owned by the Parent and the treasury shares owned by Mitsubishi Shokuhin itself) and make Mitsubishi Shokuhin a wholly-owned subsidiary of the Parent.

2. Outline of Mitsubishi Shokuhin

(1) Name	:	Mitsubishi Shokuhin Co., Ltd.
(2) Address	:	1-1, Koishikawa 1-chome, Bunkyo-ku, Tokyo
(3) Title and Name of Representative	:	Yutaka Kyoya, President and Representative Director
(4) Description of Business	:	Wholesale of processed foods, frozen and chilled

		foods, alcoholic beverages and confectioneries, as well as other business activities, including distribution and other services
(5) Capital	:	10,630 million yen (as of September 30, 2024)
(6) Date of Establishment	:	March 13, 1925

3. Outline of the Tender Offer

(1) Offering Period	:	From May 9, 2025 (Friday) to June 19, 2025 (Thursday) (30 business days)
(2) Price of Tender Offer	:	6,340 yen per share of common stock
(3) Number of shares to be purchased		
Number of shares to be purchased	:	21,718,995 shares
Minimum number of shares to be purchased	:	7,100,000 shares
Maximum number of shares to be purchased	:	－shares

(If the total number of tendered shares are less than the minimum number of shares to be purchased, the Parent will not purchase any tendered shares. If the total number of tendered shares are equal to or greater than the minimum number of shares to be purchased, the Parent will purchase all tendered shares.)

(4) Purchase Price	:	137,698 million yen

(Purchase price is the amount multiplying the number of shares to be purchased (21,718,995 shares) by Price of Tender Offer (6,340 yen).)

(5) Funding Method	:	Borrowings from financial institutions
(6) Commencement Date of Settlement	:	June 26, 2025 (Thursday)

(Translation)

■ Non-consolidated Financial Statements

■ Non-consolidated Balance Sheet

(Millions of Yen)

Item	As of March 31, 2024 (Reference only)	As of March 31, 2025
ASSETS		
Current assets	¥2,793,173	¥2,756,374
Cash and time deposits	681,832	832,117
Trade notes receivable	30,894	35,580
Trade accounts receivable	701,476	724,971
Short-term investments	0	128,464
Inventories	103,010	95,110
Advance payments to suppliers	105,696	83,396
Accounts receivable – Other	189,216	103,919
Short-term loans	908,619	684,036
Other current assets	74,126	71,222
Allowance for doubtful receivables	(1,699)	(2,443)
Fixed Assets	5,770,686	5,692,716
Net property, plant, and equipment	122,703	126,236
Buildings and structures	28,799	30,177
Land	85,642	85,642
Other property, plant, and equipment	8,262	10,417
Intangible assets	30,351	28,188
Software	28,150	23,978
Other intangible assets	2,200	4,210
Total investments and other assets	5,617,631	5,538,291
Investment securities	822,895	800,698
Investments in affiliates – stock	3,994,475	4,003,773
Other investments in affiliates	21,504	32,669
Investments into capital	15,616	13,083
Investments in affiliates into capital	283,155	280,725
Long-term loans receivable	375,853	294,959
Noncurrent trade receivables	18,128	17,040
Long-term prepaid expenses	12,795	13,684
Deferred tax assets	51,672	64,657
Other investments	40,056	34,605
Allowance for doubtful receivables	(18,522)	(17,606)
Deferred assets	1,415	1,925
Bond issuance cost	1,415	1,925
Total assets	¥8,565,275	¥8,451,015

Item	As of March 31, 2024 (Reference only)	As of March 31, 2025
LIABILITIES AND EQUITY		
Current liabilities	¥1,716,403	¥1,427,825
Trade notes payable	27,713	19,855
Trade accounts payable	504,862	565,049
Short-term borrowings	640,785	525,773
Commercial paper	29,998	—
Bonds due for redemption within one year	151,372	—
Accounts payable – other	120,413	103,098
Accrued expenses	61,839	62,593
Advances received	106,256	88,969
Deposit liabilities	15,706	27,685
Other current liabilities	57,455	34,800
Noncurrent liabilities	2,879,279	3,019,610
Long-term borrowings	2,283,200	2,289,173
Bonds	471,137	618,146
Accrued pension and severance liabilities	51,265	49,747
Provision for loss on guarantees of obligations	14,116	410
Provision for share-based compensation	10,448	12,627
Asset retirement obligations	5,347	5,598
Other noncurrent liabilities	43,763	43,906
Total liabilities	¥4,595,683	¥4,447,435
EQUITY		
Shareholders' equity	3,715,580	3,786,130
Common stock	204,446	204,446
Capital surplus	214,161	214,161
Additional paid-in capital appropriated for legal reserve	214,161	214,161
Retained earnings	3,483,937	3,466,539
Retained earnings appropriated for legal reserve	31,652	31,652
Other retained earnings	3,452,285	3,434,887
Reserve for deferred gains on sales of property	11,543	11,394
General reserve	2,620,760	2,701,760
Unappropriated retained earnings	819,981	721,733
Treasury stock	(186,965)	(99,017)
Valuation and translation adjustments	246,507	209,940
Unrealized gains and losses on other securities	327,813	282,799
Deferred hedging gains and losses	(81,306)	(72,858)
Stock acquisition rights	7,504	7,509
Total equity	¥3,969,592	¥4,003,580
Total liabilities and equity	¥8,565,275	¥8,451,015

(Figures less than one million yen are rounded down.)

(Translation)

■ Non-consolidated Statement of Income

(Millions of Yen)

Item	Fiscal year ended March 31, 2024 (From April 1, 2023 to March 31, 2024) (Reference only)	Fiscal year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)
Revenues	¥2,232,852	¥2,123,803
Cost of revenues	(2,133,386)	(2,030,787)
Gross profit	99,465	93,015
Selling, general, and administrative expenses	(231,494)	(280,171)
Operating loss	(132,028)	(187,155)
Non-operating income	1,226,135	1,166,771
Interest income	66,997	60,247
Dividend income	925,311	897,843
Gains on foreign exchange differences	35,631	20,996
Gains on sales of property, plant, and equipment	224	75
Gains on sales of investment securities	149,915	138,831
Gain on reversal of allowance for doubtful receivables from affiliates	—	12,817
Other income	48,054	35,958
Non-operating expenses	(169,827)	(161,284)
Interest expense	(99,978)	(81,713)
Loss on sales and disposals of property, plant and equipment	(306)	(410)
Impairment losses	(397)	(683)
Loss on sales of investment securities	(1,455)	(9,857)
Loss on write-down of investment securities	(45,388)	(61,652)
Provision for doubtful receivables from affiliates	(3,663)	—
Other expenses	(18,637)	(6,968)
Ordinary income	924,279	818,331
Income before income taxes	924,279	818,331
Income taxes – current	(39,219)	(8,504)
Income taxes – deferred	(21,049)	(2,529)
Net income	¥864,009	¥807,297

(Figures less than one million yen are rounded down.)

(Translation)

■ Non-consolidated Statement of Changes in Equity

(Millions of Yen)

Fiscal year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

	Shareholders' equity									Valuation and translation adjustments				
		Capital surplus		Retained earnings										
					Other retained earnings									
	Common stock	Additional paid-in capital appropriated for legal reserve	Other capital surplus	Retained earnings appropriated for legal reserve	Reserve for deferred gains on sales of property	General reserve	Unapprop-riated retained earnings	Treasury stock	Total shareholders' equity	Unrealized gains on other securities	Deferred hedging gains	Total valuation and translation adjustments	Stock acquisitionRights	Total Equity
Balance as of April 1, 2023	204,446	214,161	—	31,652	11,543	2,046,760	1,205,205	(124,036)	3,589,732	260,038	(70,700)	189,338	6,182	3,785,253
Changes during the fiscal year														
Dividends							(294,880)		(294,880)					(294,880)
Decrease in reserve due to change in tax rate									—					—
Transfer to general reserve						574,000	(574,000)		—					—
Net income							864,009		864,009					864,009
Purchase of treasury stock								(445,026)	(445,026)					(445,026)
Sales of treasury stock							(3,494)	5,239	1,745					1,745
Cancellation of treasury stock							(376,858)	376,858	—					—
Net changes in items other than shareholders' equity during the fiscal year									—	67,775	(10,606)	57,168	1,322	58,490
Total changes during the fiscal year	—	—	—	—	—	574,000	(385,223)	(62,928)	125,847	67,775	(10,606)	57,168	1,322	184,338
Balance as of March 31, 2024	204,446	214,161	—	31,652	11,543	2,620,760	819,981	(186,965)	3,715,580	327,813	(81,306)	246,507	7,504	3,969,592

(Figures less than one million yen are rounded down.)

(Millions of Yen)

Fiscal year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

	Shareholders' equity									Valuation and translation adjustments				
		Capital surplus		Retained earnings										
					Other retained earnings									
	Common stock	Additional paid-in capital appropriated for legal reserve	Other capital surplus	Retained earnings appropriated for legal reserve	Reserve for deferred gains on sales of property	General reserve	Unapprop-riated retained earnings	Treasury stock	Total shareholders' equity	Unrealized gains on other securities	Deferred hedging gains	Total valuation and translation adjustments	Stock acquisition Rights	Total Equity
Balance as of April 1, 2024	204,446	214,161	—	31,652	11,543	2,620,760	819,981	(186,965)	3,715,580	327,813	(81,306)	246,507	7,504	3,969,592
Changes during the fiscal year														
Dividends							(343,970)		(343,970)					(343,970)
Decrease in reserve due to change in tax rate					(149)		149		—					—
Transfer to general reserve						81,000	(81,000)		—					—
Net income							807,297		807,297					807,297
Purchase of treasury stock								(395,012)	(395,012)					(395,012)
Sales of treasury stock							(6,219)	8,454	2,235					2,235
Cancellation of treasury stock							(474,505)	474,505	—					—
Net changes in items other than shareholders' equity during the fiscal year									—	(45,014)	8,447	(36,566)	4	(36,561)
Total changes during the fiscal year	—	—	—	—	(149)	81,000	(98,248)	87,947	70,549	(45,014)	8,447	(36,566)	4	33,988
Balance as of March 31, 2025	204,446	214,161	—	31,652	11,394	2,701,760	721,733	(99,017)	3,786,130	282,799	(72,858)	209,940	7,509	4,003,580

(Figures less than one million yen are rounded down.)

(Translation)

Notes

Notes Concerning Significant Accounting Policies (Non-consolidated Financial Statements for the Fiscal Year Ended March 31, 2025)

1. Measurement and Valuation Method of Inventories

Inventories held for ordinary sale are measured at the lower of cost or net realizable value. Cost is determined by the average cost method or specific identification method.

2. Measurement and Valuation Method of Securities

Bonds held to maturity are valued using the amortized cost method. Shares held in subsidiaries and affiliates are valued using the moving average cost method. Other securities, excluding those without a quoted market price, are valued based on their market value, referring to market prices on the account closing date (valuation differences are reported as a component of shareholders' equity, and cost of sales is calculated using the moving average method). Other securities without quoted market prices are valued using the moving average cost method.

For bonds held to maturity, shares held in subsidiaries and affiliates, and other securities, excluding securities which do not have a quoted market price, unless there is a viable and rational business plan as well as sufficient evidence that supports the investee to recover, when the investment value deteriorates significantly due to consecutive loss by the investee, the Company must recognize the securities at fair value in the balance sheet and difference between the carrying amount is recognized as a loss in the current year. For investments without quoted market prices, when the investment value deteriorates significantly due to consecutive loss by the investee, unless there is a viable and rational business plan as well as sufficient evidence that supports the investee to recover, the Company must recognize the difference as a loss in the current year. Determinations of whether impairment is required for the shares without quoted market prices held in subsidiaries and affiliates in the copper business, LNG-related business and shale gas business are significantly impacted by the medium- to long-term price assumptions for copper and crude oil used by the management. For methods used to calculate these assumptions, please refer to the Material Accounting Policies Note 5 Accounting Estimates (3) Medium- to long-term price assumption for copper and crude oil" on the Consolidated Financial Statement.

3. Derivatives

Derivatives are measured at fair value.

For those derivative financial instruments used to manage exposures to fluctuations in interest rates, foreign exchange rates, and commodity prices, hedge accounting is applied when the hedge effectiveness requirements are met.

4. Depreciation Method of Property, Plant and Equipment

Depreciation of property, plant and equipment (excluding leased assets) is calculated using the declining-balance method. However, depreciation of buildings (excluding fixtures) acquired after March 31, 1998, as well as facilities attached to buildings and other structures acquired after March 31, 2016, is calculated using the straight-line method.

Intangible assets are amortized using the straight-line method. Software for internal use is amortized using the straight-line method, based on an estimated useful life of no more than 15 years.

Leased assets under finance leases other than those that transfer ownership are depreciated using the straight-line method, based on the lease term as the useful life, and residual value of zero.

5. Amortization Method of Deferred Assets

Bond issuance expenses are amortized by the interest method over the bond term.

6. Foreign Currency Translation of Assets and Liabilities

Monetary assets and liabilities denominated in foreign currencies are translated into Japanese yen at year-end exchange rates with the resulting exchange gains or losses recognized in the Non-consolidated Statement of Income.

7. Accounting for Allowance for Doubtful Receivables

Regarding the allowance for doubtful receivables, general allowance is established based on the Parent's past credit loss experience and allowance for individual doubtful receivables is based on evaluation of potential losses in the receivables outstanding.

8. Accounting for Accrued Pension and Severance Liabilities

Accrued pension and severance liabilities are accounted for based on the projected benefit obligations and the plan assets as at March 31, 2025.
The unrecognized net actuarial loss is amortized using the straight-line method over the average remaining service period of active employees in service from the following fiscal year. Prior service costs are amortized using the straight-line method over the average remaining service period of employees.

9. Accounting for Provision for Loss on Guarantees of Obligations
The Parent recorded contingent losses on guarantees of obligations of subsidiaries and other parties in the amount deemed necessary in consideration of financial conditions and other factors.

10. Accounting for Provision for Share-based Compensation
The provision for share-based compensation is recorded in the amount of estimated share-based compensation based on points awarded to employees according to the Share-Based Compensation Plan Rules under the compensation plan. Thus, the Company sets aside funds for the Employee Stock Ownership Plan (ESOP) Trust to grant the Company's shares to employees.

11. Income Taxes
The Company applies the group tax sharing system.

Notes Concerning Accounting Estimates

1. Accounting Method for Loss Allowances

In the year ended March 31, 2025, the Company recorded 20,049 million yen of "Allowance for doubtful receivables" on the balance sheet. For methods used to calculate the estimate, refer to Notes Concerning Significant Accounting Policies Note 7 Accounting for Allowance for Doubtful Receivables.

2. Accounting Method for Provisions for Retirement Benefits

In the year ended March 31, 2025, the Company recorded 49,747 million yen of "Accrued pension and severance liabilities" under Retirement benefit obligations on the balance sheet. For methods used to calculate the estimate, refer to Notes Concerning Significant Accounting Policies Note 8 "Accounting for Accrued Pension and Severance Liabilities."

3. Provisions

In the year ended March 31, 2025, the Company recorded the following provisions: "Provision for loss on guarantees of obligation" 410 million yen, and "Provision for share-based compensation" 12,627 million yen. For methods used to calculate the estimate, refer to Notes Concerning Significant Accounting Policies Note 9 "Accounting for Provision for Loss on Guarantees of Obligations", and Note 10 "Accounting for Provision for Share-based Compensation."

4. Recoverability of Deferred Tax Assets

For deferred tax assets recognized in the year ended March 31, 2025, refer to Notes Concerning Tax Income Tax Effect.

5. Loss on write-down of investment securities

In the year ended March 31, 2025, the Company recorded 61,652 million yen as a "Loss on write-down of investment securities" on the Statement of Income. The Company also recorded 4,003,773 million yen in "Investments in affiliates – stock" on the Balance Sheet. For methods used to calculate these estimates, refer to Notes Concerning Significant Accounting Policies Note 2 "Measurement and Valuation Method of Securities," and notes to the Consolidated Financial Statements under Notes Concerning Material Accounting Policies, Note 5 "Accounting Estimates (3) Medium- to long-term price assumption for copper and crude oil.

Changes in Accounting Estimates

(Other income (non-operating income))

In the year ended March 31, 2025, TVS Automobile Solutions Private Limited, an Indian automotive-related company in which the Parent held 24.09% of the voting rights, carried out the corporate split and the absorption-type merger through a stock exchange of its subsidiary, Ki Mobility Solutions Private Limited. As a result, the Parent holds 24.09% and 16.14% of the shares in TASL Automobile Solutions Private Limited and TVS Automobile Solutions Private Limited, respectively.

The investment in TASL Automobile Solutions Private Limited is recorded in "Investments in affiliates - stock", and the investment in TVS Automobile Solutions Private Limited is recorded in "Investment securities" in the balance sheet as of March 31, 2025.

As a result, for the difference between the carrying amount of the investment in TVS Automobile Solutions Private Limited, attributable to TVS Automobile Solutions Private Limited after the corporate split, and its fair value measured using the market approach based on the most recent funding round, the Parent recorded gains of ¥20,292 million as “Other income” (non-operating income) in the statement of income.

(Loss on write-down of investment securities)

In the year ended March 31, 2025, in light of the significant decline in the share price of Olam Group Limited (Olam), in which the Parent holds 14.63% of shares, the Parent recorded impairment losses of ¥29,018 million on its investment in Olam as “Loss on write-down of investment securities” and a corresponding tax effect of ¥7,417 million (gain) in “Income taxes – deferred” in the statement of income.

(Translation)

Notes to Non-consolidated Balance Sheet

1. Assets pledged as collateral and significant liabilities with collateral

(1) Assets pledged as collateral

Investments in affiliates – stock	74,743	million yen
Buildings and structures	3,358	million yen
Land	6,695	million yen
Other*	21,887	million yen
Total	106,685	million yen

(Note)
"Other" consists primarily of lease deposits and guarantees related to operating transactions and derivative transactions.

(2) Liabilities with collateral

Deposit liabilities and others	9,198	million yen
Total	9,198	million yen

2. Accumulated depreciation for property, plant, and equipment	99,929	million yen

3. Credit guarantee of indebtedness

Guarantees for borrowings from banks and others by customers and suppliers

Category	Guaranteed party	Voting rights held	Credit guarantee (Millions of Yen)
Consolidated subsidiary	Mitsubishi Corporation (Americas)	100%	360,873
Consolidated subsidiary	MITSUBISHI CORPORATION FINANCE PLC	100%	250,900
Consolidated subsidiary	DIAMOND LNG CANADA PARTNERSHIP	96.70%	240,306
Consolidated subsidiary	Mitsubishi Corporation RtM Japan Ltd.	100%	230,425
Consolidated subsidiary	TRI PETCH ISUZU LEASING CO., LTD.	93.50%	185,025
Consolidated subsidiary	PT. DIPO STAR FINANCE	95.00%	172,493
Consolidated subsidiary	DIAMOND REALTY INVESTMENTS, INC.	100%	137,403
Consolidated subsidiary	N.V. ENECO	100%	131,929
Consolidated subsidiary	DIAMOND GENERATING CORPORATION	100%	106,185
Affiliate	PE WHEATSTONE PTY LTD	39.66%	103,104
Consolidated subsidiary	SOUTHERN CROSS SEAFOODS S.A.	100%	96,327
Consolidated subsidiary	MITSUBISHI CORPORATION RTM INTERNATIONAL PTE. LTD.	100%	95,746
Others (122 companies)			1,031,011
Total			3,141,727

The table above includes quasi-guarantees on bank loans and other liabilities. The Company receives a guarantor fee from the individually listed companies based in part on prevailing market interest rates.

The above obligations include the Company's guarantees for borrowings of a subsidiary based in Russia. As of March 31, 2025, guarantees related to Russia amount to 48,264 million yen, all of which are guarantees for borrowings between subsidiaries.

In addition to the above-mentioned credit guarantees for borrowings from banks and others by customers and

suppliers, the Parent provides performance guarantees for Liquefied Natural Gas ("LNG") projects. These performance guarantees include guarantees for the future funding commitment and payment of usage fees in accordance with the joint venture agreement for natural gas liquefaction facilities.
These guarantees amounted to 1,061,447 million yen as of March 31, 2025. The main projects included in the preceding are those in North America.

4. Trade notes discounted 37,361 million yen

5. Due from/to affiliates:

Short-term receivables	860,143	million yen
Long-term receivables	303,050	million yen
Short-term payables	427,178	million yen
Long-term payables	9,869	million yen

(Translation)

Notes to Non-consolidated Statement of Income

1. Transactions with affiliates

Operating transactions[1]		
Sales[2]	1,307,478	million yen
Purchases	1,264,466	million yen
Transactions other than operating transactions	895,467	million yen

Note 1: The amount of operating transactions is presented on a gross basis.

Note 2: Under "Revenues" on the non-consolidated statement of income, some transaction amounts are presented on a net basis.

2. Gain on reversal of allowance for doubtful receivables from affiliates

Gain on reversal of allowance for doubtful receivables from affiliates includes reversal of provisions for affiliates' loss allowance and provision for loss on guarantees of obligations (net of provision).

Notes to Non-consolidated Statement of Changes in Equity

Number of shares of treasury stock as at March 31, 2025	Ordinary shares	44,506,202 shares

Note: The above figure for treasury stock includes 19,781,904 shares held in the trust account for the benefit share ESOP.

(Translation)

Notes Concerning Income Tax Effects

1. Breakdown of the significant components of deferred tax assets and liabilities

Deferred tax assets		
Provisions (allowance for doubtful receivables and provision for loss on guarantees)	6,329	million yen
Accrued expenses	16,058	million yen
Loss on write-down of investment securities	221,917	million yen
Deferred hedging gains and losses	30,624	million yen
Expenses related to accrued pension and severance liabilities	26,696	million yen
Tax loss carry forwards	8,743	million yen
Other	26,800	million yen
Subtotal	337,171	million yen
Valuation allowance for tax loss carry forwards	(8,743)	million yen
Valuation allowance for the total amount of deductible temporary differences, etc.	(118,295)	million yen
Less valuation allowance	(127,039)	million yen
Total deferred tax assets	210,131	million yen
Deferred tax liabilities		
Unrealized gains on other securities	(123,827)	million yen
Gains on write-up of investment securities	(19,050)	million yen
Other	(2,596)	million yen
Total deferred tax liabilities	(145,474)	million yen
Net deferred tax assets (liabilities)	64,657	million yen

Notes Concerning Transactions with Related Parties

CC	Name of Company	Ownership Interest of Voting Rights	Relationship with Related Party	Transactions	Transaction Amount (Million yen)	Financial Line Items	Year-End Balance (Million yen)
Associate	ANGLO AMERICAN QUELLAVECO S.A.	Indirectly held 40%	Advance of funds	Advance of funds (Notes 1 and 2) Interest received (Note 1)	344,768 25,953	Short-term loans Long-term loans	37,532 266,294
Subsidiary	Mitsubishi Corporation (Americas)	Directly held 100%	Advance of funds	Advance of funds (Notes 1 and 2) Interest received (Note 1)	309,691 1,958	Long-term loans Others (current assets)	354,664 346
Subsidiary	Mitsubishi Corporation Financial & Management Services (Japan) Ltd.	Directly held 100%	Advance of funds	Advance of funds (Notes 1 and 2) Interest received (Note 1)	170,319 423	Short-term loans Long-term loans Others (current assets)	1,425 6,165 41
			Borrowing of funds	Borrowing of funds (Notes 1 and 2) Interest received (Note 1)	1,376 6	Short-term borrowings Others (current liabilities)	103,124 6
Subsidiary	MC FINANCE & CONSULTING ASIA PTE. LTD.	Directly held 100%	Advance of funds	Advance of funds (Notes 1 and 2) Interest received (Note 1)	104,994 5,602	Short-term loans Others (current assets)	121,218 61
Subsidiary	MITSUBISHI DEVELOPMENT PTY LTD	Directly held 100%	Borrowing of funds	Borrowing of funds (Notes 1 and 2) Interest received (Note 1)	167,017 7,715	Short-term borrowings Others (current liabilities)	101,487 506
Subsidiary	DIAMOND GENERATING EUROPE LIMITED	Directly held 100%	Borrowing of funds	Borrowing of funds (Notes 1 and 2) Interest received (Note 1)	102,415 293	Short-term borrowings Others (current liabilities)	99,588 2

Transaction terms and policies

(Notes)

1. The Parent determines conditions of advances and borrowings reasonably based on market interest rates.
2. Transaction amount of the advances and borrowings are determined based on their average balance during the period.
3. Refer to the notes to the Non-consolidated Balance Sheet under "3. Credit guarantee of indebtedness" for details about significant related party transactions regarding guarantees.

(Translation)

Notes Concerning Per Share Information

Net assets per share	1,004.57	yen
Basic net income per share	201.23	yen
Diluted net income per share	200.23	yen

Notes Concerning Revenue Recognition

Refer to the Notes Concerning Material Accounting Policies, 4 Material Accounting Policies (15). Revenues for details about performance obligations and the timing at which they are satisfied.

(Translation)

Notes Concerning Significant Subsequent Events

Repurchase and cancellation of shares

The Company has resolved at a meeting of the Board of Directors held on April 3, 2025 the repurchase of shares of its common stock pursuant to Article 156 of the Companies Act of Japan, as applied pursuant to Paragraph 3, Article 165 of the Companies Act, and has resolved to cancel treasury stock pursuant to Article 178 of the Companies Act, as described below.

1.Details of the Share Repurchase;

Class of shares to be repurchased	:	Common stock
No. of shares to be repurchased	:	Up to 689 million shares (Represents up to approximately 17.0% of the common shares outstanding (excluding treasury stock))
Total value of stock to be repurchased	:	Up to 1 trillion yen (Total number of shares to be repurchased through the Tender Offer and purchase on the market based on the closing price on April 2, 2025 represents approximately 10% of the common shares outstanding (excluding treasury stock))
Period of repurchase	:	April 4, 2025 to March 31, 2026 (planned)
Method of repurchase	:	Of the aggregate repurchase amount, approximately 213.3 billion yen is acquired through the Tender Offer. The remaining amount of approximately 786.7 billion yen (maximum), which was not acquired through the Tender Offer, will be acquired through the purchase on the market at the Tokyo Stock Exchange.

2. Details of the Cancellation of Treasury Stock;

Class of shares to be cancelled	:	Common Stock
No. of shares to be cancelled	:	The entire number of shares repurchased mentioned above
Date of cancellation (planned)	:	April 30, 2026

Commencement of tender offer for shares in Mitsubishi Shokuhin Co., Ltd.

The Company decided to acquire the additional common shares of Mitsubishi Shokuhin Co., Ltd. (Mitsubishi Shokuhin), a consolidated subsidiary of Smart-Life Creation, through a tender offer under the Financial Instruments and Exchange Act.

1. Purpose of the Tender Offer

The Parent holds 50.11% shares of Mitsubishi Shokuhin at the end of the year ended March 31, 2025. The purpose of the Tender Offer is to acquire all of the issued shares of Mitsubishi Shokuhin (excluding the shares owned by the Parent and the treasury shares owned by Mitsubishi Shokuhin itself) and make Mitsubishi Shokuhin a wholly-owned subsidiary of the Parent.

2. Outline of Mitsubishi Shokuhin

(1) Name	:	Mitsubishi Shokuhin Co., Ltd.
(2) Address	:	1-1, Koishikawa 1-chome, Bunkyo-ku, Tokyo
(3) Title and Name of Representative	:	Yutaka Kyoya, President and Representative Director
(4) Description of Business	:	Wholesale of processed foods, frozen and chilled foods, alcoholic beverages and confectioneries, as well as other business activities, including distribution and other services
(5) Capital	:	10,630 million yen (as of September 30, 2024)
(6) Date of Establishment	:	March 13, 1925

3. Outline of the Tender Offer

(1) Offering Period	:	From May 9, 2025 (Friday) to June 19, 2025 (Thursday) (30 business days)

(2) Price of Tender Offer : 6,340 yen per share of common stock

(3) Number of shares to be purchased

Number of shares to be purchased : 21,718,995 shares

Minimum number of shares to be purchased : 7,100,000 shares

Maximum number of shares to be purchased : －shares

(If the total number of tendered shares are less than the minimum number of shares to be purchased, the Parent will not purchase any tendered shares. If the total number of tendered shares are equal to or greater than the minimum number of shares to be purchased, the Parent will purchase all tendered shares.)

(4) Purchase Price : 137,698 million yen

(Purchase price is the amount multiplying the number of shares to be purchased (21,718,995 shares) by Price of Tender Offer (6,340 yen).)

(5) Funding Method : Borrowings from financial institutions

(6) Commencement Date of Settlement : June 26, 2025 (Thursday)

(Translation)

■ **Independent Auditor's Report (Consolidated Financial Statements)**

INDEPENDENT AUDITOR'S REPORT

May 13, 2025

To the Board of Directors of
Mitsubishi Corporation

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant:

Yuki Higashikawa

Designated Engagement Partner,
Certified Public Accountant:

Hirofumi Otani

Designated Engagement Partner,
Certified Public Accountant:

Sogo Ito

Designated Engagement Partner,
Certified Public Accountant:

Keisuke Okubo

Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of Mitsubishi Corporation and its consolidated subsidiaries (the "Group"), namely, the consolidated statement of financial position as of March 31, 2025, and the consolidated statements of income and changes in equity for the fiscal year from April 1, 2024 to March 31, 2025, and significant matters on basis of preparing Consolidated Financial Statements and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2025, and its consolidated financial performance for the year then ended in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

(Translation)

Other Information
The other information comprises the information included in the Business Report and the accompanying supplemental schedules. Management is responsible for the other information. The Audit & Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit & Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under IFRS Accounting Standards.

The Audit & Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under IFRS Accounting Standards, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit & Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit & Supervisory Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

<u>Notes to the Readers of Independent Auditor's Report</u>

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. The other information in "the accompanying supplemental schedules" referred to in the "Other Information" section of this English translation is not translated.

(Translation)

■ **Independent Auditor's Report (Non-consolidated Financial Statements)**

INDEPENDENT AUDITOR'S REPORT

May 13, 2025

To the Board of Directors of
Mitsubishi Corporation

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant:

Yuki Higashikawa

Designated Engagement Partner,
Certified Public Accountant:

Hirofumi Otani

Designated Engagement Partner,
Certified Public Accountant:

Sogo Ito

Designated Engagement Partner,
Certified Public Accountant:

Keisuke Okubo

Opinion

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the nonconsolidated financial statements of Mitsubishi Corporation (the "Company"), namely, the nonconsolidated balance sheet as of March 31, 2025, and the nonconsolidated statements of income and changes in equity for the fiscal year from April 1, 2024 to March 31, 2025, and significant accounting policies and other explanatory information, and the accompanying supplemental schedules.

In our opinion, the accompanying nonconsolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2025, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the information included in the Business Report and the accompanying supplemental schedules. Management is responsible for the other information. The Audit & Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information.

Our opinion on the nonconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the nonconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the nonconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit & Supervisory Committee for the Nonconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the nonconsolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of nonconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the nonconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

The Audit & Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the nonconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these nonconsolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the nonconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the nonconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the nonconsolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the nonconsolidated financial statements, including the disclosures, and whether the nonconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit & Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit & Supervisory Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

<u>Notes to the Readers of Independent Auditor's Report</u>

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. "The accompanying supplemental schedules" referred to in the "Opinion" section of this English translation are not included in the attached financial documents. The other information in "the accompanying supplemental schedules" referred to in the "Other Information" section of this English translation is not translated.

(Translation)

■ Audit Report of the Audit & Supervisory Committee

AUDIT REPORT OF THE AUDIT & SUPERVISORY COMMITTEE

Audit & Supervisory Committee audited the conduct of the Directors during the Company's fiscal year from April 1, 2024 to March 31, 2025. The methods and details, and results of the audit are as follows.

1. Methods and Details of Audits

The Audit & Supervisory Committee regularly received reports from Directors, employees and others about the operation of the internal control system, which was designed based on resolution of the Board of Directors regarding the matters listed in Article 399-13, Paragraph 1, Item 1, (b) and (c) of the Companies Act, and the status of the construction and operation of the system; requested explanations when deemed necessary; expressed opinions; and conducted audits in the following manner.

(1) In accordance with the audit policies and division of duties, etc., and in conformity with standards for audits determined by the Audit & Supervisory Committee, its Members directly and indirectly (by telephone, the Internet, etc.), in cooperation with the Internal Audit Division and other divisions in charge of internal control, etc., attended meetings of the Board of Directors and other important meetings, received reports on matters related to the execution of duties from Directors and employees, requested explanations when deemed necessary, examined important documents supporting decisions and other records, and surveyed the status of operations and assets related to the Head Office and main offices. In addition, the Audit & Supervisory Committee maintained open channels of communication and exchanged information with directors, audit & supervisory board members, and other employees of subsidiaries, and also received business reports from subsidiaries when deemed necessary.

(2) Moreover, the Audit & Supervisory Committee monitored and verified whether the independent auditors, Deloitte Touche Tohmatsu LLC, maintained independence and conducted proper audits. At the same time, reports were received from the independent auditor regarding the status of the execution of its duties, and explanations were requested where deemed necessary. The Audit & Supervisory Committee also received notification from the independent auditors that it had established an assurance system to ensure that duties are performed properly, as prescribed by items in Article 131 of the Accounting Ordinance of the Companies Act, in accordance with the Standards for Quality Control of Audit, as issued by the Business Accounting Council on November 16, 2021. Explanations were requested where deemed necessary.

Based on the above approach, the Audit & Supervisory Committee examined the accompanying supplemental schedules of the Company as well as the business reports and the consolidated financial statements (consolidated statement of financial position, consolidated statement of profit or loss, and consolidated statement of change in equity, and a summary of significant accounting policies for consolidated financial statements and other explanatory information) and non-consolidated financial statements (balance sheet, statement of operations, statement of changes in equity, and a summary of significant accounting policies and other explanatory information) and the accompanying supplemental schedules for the fiscal year under review.

2. Audit Results

(1) Results of Audit of Business Reports, etc.

As a result of these activities, we certify that:

(a) the business report and the accompanying supplemental schedules present the Company's situation correctly in accordance with laws and ordinances and the Articles of Incorporation of the Company;

(b) there was no improper behavior detected on the part of Directors in the conduct of their duties and no grave instances of violations of either applicable laws and ordinances or the Articles of Incorporation of the Company; and

(c) the details of the Board of Directors' resolutions concerning the internal control system were appropriate and adequate. Furthermore, there was nothing we must point out regarding the content of the business report or the performance of duties by Directors in connection with said internal control system.

(2) Results of Audit of Consolidated Financial Statements

We confirm that the auditing method and results of the independent auditors, Deloitte Touche Tohmatsu LLC, are appropriate and adequate.

(3) Results of Audit of Non-consolidated Financial Statements and the Accompanying Supplemental Schedules

We confirm that the auditing method and results of the independent auditors, Deloitte Touche Tohmatsu LLC, are appropriate and adequate.

(Translation)

May 13, 2025

Mitsubishi Corporation Audit & Supervisory Committee
Mitsumasa Icho
Audit & Supervisory Committee Member (full-time)

Akira Murakoshi
Audit & Supervisory Committee Member (full-time)

Tsuneyoshi Tatsuoka
Audit & Supervisory Committee Member

Rieko Sato
Audit & Supervisory Committee Member

Takeshi Nakao
Audit & Supervisory Committee Member

(Note)
Audit & Supervisory Committee Members Tsuneyoshi Tatsuoka, Rieko Sato, and Takeshi Nakao fulfill the conditions for Outside Audit & Supervisory Committee Members as provided for in Article 2-15 and Article 331, Paragraph 6 of the Companies Act.
MC transitioned from a Company with an Audit & Supervisory Board to a Company with an Audit & Supervisory Committee as of June 21, 2024, through a resolution at the 2024 Ordinary General Meeting of Shareholders held on June 21, 2024. The status from April 1, 2024 to June 20, 2024 is based on content taken over from the Audit & Supervisory Board.