***NOTICE OF 2020 ORDINARY GENERAL MEETING OF SHAREHOLDERS***

Mitsubishi Corporation

(Note)
This is an unofficial translation of the Japanese language original version, 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 version is the sole official version.
If minor amendments are required to matters contained in the Business Report, the financial statements, the Matters for Resolution or other documents, Mitsubishi Corporation will post revisions on its website (https://www.mitsubishicorp.com).

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(Note)
"Mitsubishi Corporation Group" in the Business Report represents Mitsubishi Corporation's "group of enterprises" pursuant to Article 120, Paragraph 2 of the Ordinance for Enforcement of the Companies Act.

(Translation)

**June 4, 2020**

# *Notice of 2020 Ordinary General Meeting of Shareholders*

*Dear Shareholders,*

This is to notify you that an ordinary general meeting of the shareholders of Mitsubishi Corporation for the fiscal year ended March 31, 2020 will be held as described below.

**1. Date and Time:** Friday, June 19, 2020 at 10:00 a.m.
**2. Place:** The Prince Park Tower Tokyo, Convention hall (B2 floor), 8-1, Shibakoen 4-chome, Minato-ku, Tokyo
**3. Agenda for the Meeting:**

[Matters for Reporting]

1. *Report on the consolidated statement of financial position and the non-consolidated balance sheet as of March 31, 2020, the consolidated statement of income, the non-consolidated statement of income, and the consolidated and the non-consolidated statement of changes in equity for the fiscal year ended March 31, 2020 (from April 1, 2019 to March 31, 2020) and business report for the same fiscal year.*
2. *The audit reports of the independent auditors and the Audit & Supervisory Board concerning the consolidated financial statements.*

[Matters for Resolution]

1. *To Approve the Proposed Appropriation of Surplus*
2. *To Elect 11 Directors*
3. *To Elect 3 Audit & Supervisory Board Member*

You can exercise your voting right by mail or via the Internet. If exercising your right by mail, please complete the required procedures and ensure we receive the form no later than 5:30 p.m. on Thursday, June 18, 2020 (Japan Time). Procedures for exercising your voting right via the Internet must also be completed by 5:30 p.m. on Thursday June 18, 2020 (Japan Time). Please refer to the "Information on Exercising Voting Right" on the last two pages of this Notice.
If you attend the meeting, please bring the enclosed voting form to the reception desk. You are also requested to bring with you this booklet as relevant documents for the proceedings.

* If there are any changes, we will notify you on our website.
https://www.mitsubishicorp.com/jp/en/ir/adr/sh_meeting/

Takehiko Kakiuchi
Representative Director, President and Chief Executive Officer
Mitsubishi Corporation

(Translation)

# Reference Documents

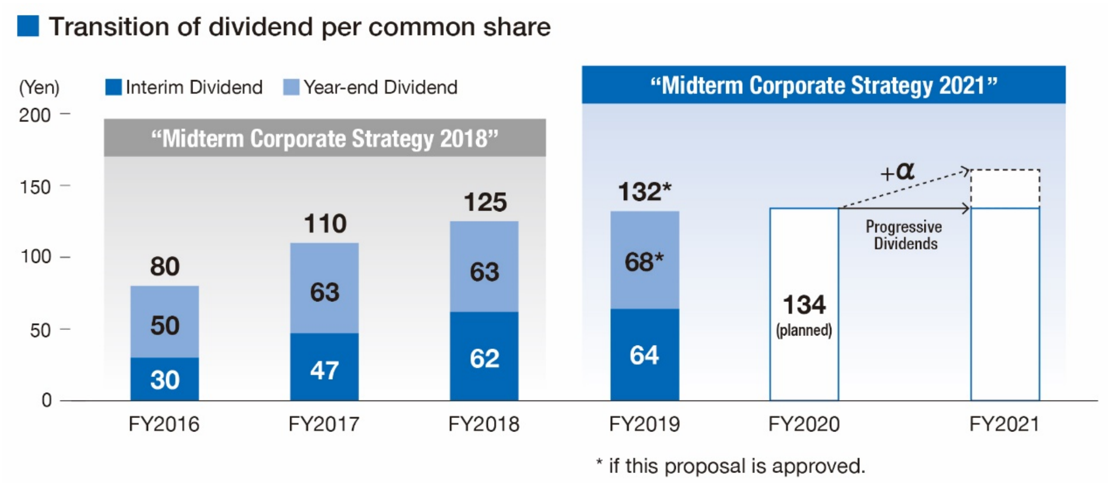
## Details of Each Proposal

### *1. To Approve the Proposed Appropriation of Surplus*

The proposed appropriation of surplus for the fiscal year ended March 31, 2020 is as follows.
Under "Midterm Corporate Strategy 2021", which covers the period from the fiscal year ended March 31, 2020 to the fiscal year ending March 31, 2022, Mitsubishi Corporation continues to increase dividends flexibly in line with sustainable earnings growth based on a progressive dividend scheme. In consideration of consolidated business results and other factors such as progress on share repurchase, the Board of Directors proposes the year-end dividend of ¥68 per common share. As a result, total dividends for the fiscal year ended March 31, 2020, including the interim dividend of ¥64 per common share, will be increased by ¥7 from the previous fiscal year to become ¥132 per common share.

1. Year-end dividends
   (1) Dividends to be paid
       Cash
   (2) Allotment of dividend assets for shareholders and total amount
       ¥68 per common share of Mitsubishi Corporation
       Total amount: ¥101,181,717,716
   (3) Effective date of payment of surplus available for dividends
       June 22, 2020

2. Other retained earnings
   (1) Increase in retained earnings and amount
       General reserve: ¥163,000,000,000
   (2) Decrease in retained earnings and amount
       Unappropriated retained earnings: ¥163,000,000,000



(Translation)

## 2. *To Elect 11 Directors*

The term of all 13 Directors will expire at the close of this Ordinary General Meeting of Shareholders. Accordingly, the Board proposes the following 11 candidates for election as Directors, reducing the number of in-house Directors by 2, as detailed on the following pages. Of the 11 candidates, 5 are candidates for Outside Director. All such candidates meet the requirements of independent director, as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Directors specified by Mitsubishi Corporation. (See page 27 for the Selection Criteria for Outside Directors.)
The composition and size of the Board of Directors and the policy and process for appointing nominated Directors are deliberated at the Governance, Nomination and Compensation Committee with Outside Directors and/or Outside Audit & Supervisory Board Members in the majority , and then decided by the Board of Directors as follows:

**Composition and Size of the Board of Directors and the Policy and Process for Appointing Nominated Directors**

| | | |
|---|---|---|
| Composition and Size | | In principle, the Board of Directors is an appropriate size for conducting deliberations, with one third or more being made up of Outside Directors. |
| Appointment Policy | | To ensure decision-making and management oversight are appropriate for Mitsubishi Corporation which is involved in diverse businesses and industries in a wide range of fields, and from the perspective of ensuring diverse standpoints, several Directors are appointed from both within and outside Mitsubishi Corporation with the depth of experience and high levels of knowledge and expertise needed for fulfilling their duties. |
| | In-house Directors | In addition to Chairman of the Board and President & CEO, Mitsubishi Corporation’s in-house Directors are appointed from executive officers responsible for companywide management, Corporate Staff operations, and other areas. |
| | Outside Directors | Outside Directors are appointed from those who possess a practical perspective of highly experienced company officers and those who possess an objective and professional perspective with a deep insight on global situation and socio-economic trends. |
| Appointment Process | | The President & CEO proposes a list of nominated Directors, which is then deliberated at the Governance, Nomination and Compensation Committee and resolved by the Board of Directors before being presented at the Ordinary General Meeting of Shareholders. |

(Translation)

| Number | Name | Age | | Present position and responsibilities at Mitsubishi Corporation | Years served as Director | Member of Governance, Nomination and Compensation Committee |
|---|---|---|---|---|---|---|
| 1 | Ken Kobayashi | 71 | Renomination | Chairman of the Board | 10 years | ○ |
| 2 | * Takehiko Kakiuchi | 64 | Renomination | Member of the Board,<br>President & CEO | 4 years | ○ |
| 3 | * Kazuyuki Masu | 61 | Renomination | Member of the Board,<br>Executive Vice President,<br>Corporate Functional Officer,<br>CFO | 4 years | - |
| 4 | * Shinya Yoshida | 59 | Renomination | Member of the Board,<br>Executive Vice President,<br>Corporate Functional Officer,<br>Business Development for Japan,<br>General Manager, Kansai Branch | 1 year | - |
| 5 | Akira Murakoshi | 61 | Renomination | Member of the Board,<br>Executive Vice President,<br>Corporate Functional Officer, CDO,<br>Human Resources, Global Strategy | 3 years | - |
| 6 | *Masakazu Sakakida | 61 | Renomination | Member of the Board,<br>Executive Vice President,<br>Corporate Functional Officer,<br>Corporate Communications,<br>Corporate Sustainability & CSR,<br>Corporate Administration, Legal,<br>Chief Compliance Officer,<br>Officer for Emergency Crisis Management Headquarters | 3 years | - |
| 7 | Akihiko Nishiyama | 67 | Renomination,<br>Outside Director,<br>Independent Director | Member of the Board | 5 years | ○ |
| 8 | Akitaka Saiki | 67 | Renomination,<br>Outside Director,<br>Independent Director | Member of the Board | 3 years | ○ |
| 9 | Tsuneyoshi Tatsuoka | 62 | Renomination,<br>Outside Director,<br>Independent Director | Member of the Board | 2 years | ○ |
| 10 | Shunichi Miyanaga | 72 | Renomination,<br>Outside Director,<br>Independent Director | Member of the Board | 1 year | ○ (Planned) |
| 11 | Sakie Akiyama | 57 | New Election,<br>Outside Director,<br>Independent Director | - | - | ○ (Planned) |

(Notes)

1. Each candidate denoted by an asterisk is supposed to be appointed as Representative Director at Board of Director Meeting which will be held after this Ordinary General Meeting of Shareholders if this resolution is approved.
2. Mitsubishi Corporation has concluded agreements with Messrs. Ken Kobayashi, Akihiko Nishiyama, Akitaka Saiki, Tsuneyoshi Tatsuoka and Shunichi Miyanaga limiting their liability according to Article 423, Paragraph 1 of the Companies Act. According to the agreements, the maximum liability of each is the minimum amount stipulated under Article 425, Paragraph 1 of the Companies Act. If this proposal is approved, Mitsubishi Corporation will extend agreements limiting their liability with the above-mentioned 5 individuals and conclude a new agreement with Ms. Sakie Akiyama to the same effect.

(Translation)

1. Ken Kobayashi <Date of Birth Feb. 14, 1949 71 years old>

Renomination
Number of shares owned:
145,310
Years served as Director:
10 years (as of close of this Ordinary General Meeting of Shareholders)

**Job History, Positions and Responsibilities**

| | |
|---|---|
| Jul. 1971 | Joined Mitsubishi Corporation |
| Apr. 2003 | Senior Vice President, General Manager, Singapore Branch |
| Jun. 2004 | Senior Vice President, Division COO, Plant Project Div. |
| Apr. 2006 | Senior Vice President, Division COO, Ship, Aerospace & Transportation Systems Div. |
| Apr. 2007 | Executive Vice President, Group CEO, Industrial Finance, Logistics & Development Group |
| Jun. 2007 | Member of the Board, Executive Vice President, Group CEO, Industrial Finance, Logistics & Development Group |
| Jun. 2008 | Executive Vice President, Group CEO, Industrial Finance, Logistics & Development Group |
| Apr. 2010 | Senior Executive Vice President, Executive Assistant to President |
| Jun. 2010 | Member of the Board, President & CEO |
| Apr. 2016 | Chairman of the Board (present position) |

**Important Concurrent Positions**

Outside Director, Nissin Foods Holdings Co., Ltd.
Outside Director, Mitsubishi Motors Corporation
Outside Director, Mitsubishi Heavy Industries, Ltd.

**Reason for Nomination as Director**

Mr. Kobayashi has contributed to increasing the corporate value of Mitsubishi Corporation (or the Company) by serving as President & CEO for approximately 6 years from June 2010, prior to which he held several important positions that included General Manager, Singapore Branch and Group CEO, Industrial Finance, Logistics & Development Group. He has served in the plant business, machinery-related businesses such as ship, transportation systems, and aerospace businesses, and the industrial finance, logistics and development businesses. He has held the position of Chairman of the Board since April 2016 with responsibility for management oversight functions from a non-executive standpoint. He has abundant business experience at Mitsubishi Corporation and insight on management of the Company in general and on global business management as well as supervisory and administrative operation. Accordingly, he has been nominated to continue in the position of Director.

(Translation)

2. Takehiko Kakiuchi <Date of Birth Jul. 31, 1955 64 years old>

Renomination

Number of shares owned:
165,180

Years served as Director:
4 years (as of close of this Ordinary General Meeting of Shareholders)

**Job History, Positions and Responsibilities**

| | |
|---|---|
| Apr. 1979 | Joined Mitsubishi Corporation |
| Apr. 2010 | Senior Vice President, Division COO, Foods (Commodity) Div. |
| Apr. 2011 | Senior Vice President, General Manager, Living Essential Group CEO Office, Division COO, Foods (Commodity) Div. |
| Apr. 2013 | Executive Vice President, Group CEO, Living Essentials Group |
| Apr. 2016 | President & CEO |
| Jun. 2016 | Member of the Board, President & CEO (present position) |

**Reason for nomination as Director**

Mr. Kakiuchi has served in living essentials-related businesses such as the foods (commodity) business, and when he was stationed in Australia, he contributed to increasing the corporate value of a business investee. Thereafter, he has held important positions including Group CEO, Living Essentials Group. He has served as President & CEO of Mitsubishi Corporation since April 2016. Currently, Mr. Kakiuchi is advancing “Midterm Corporate Strategy 2021” to realize triple-value growth (simultaneously generating economic, societal and environment value) through its business management model. He has abundant business experience at Mitsubishi Corporation and insight on management of the Company in general and on global business management as well as supervisory and administrative operation. Accordingly, he has been nominated to continue in the position of Director.

(Translation)

## 3. Kazuyuki Masu <Date of Birth Feb. 19, 1959 61 years old>

Renomination

Number of shares owned:
55,354

Years served as Director:
4 years (as of close of this Ordinary General Meeting of Shareholders)

**Job History, Positions and Responsibilities**

| | |
|---|---|
| Apr. 1982 | Joined Mitsubishi Corporation |
| Apr. 2013 | Senior Vice President, General Manager, Corporate Accounting Dept. |
| Apr. 2016 | Executive Vice President, Chief Financial Officer, CFO |
| Jun. 2016 | Member of the Board, Executive Vice President, Chief Financial Officer, CFO |
| Apr. 2017 | Member of the Board, Executive Vice President, Corporate Functional Officer, CFO, IT |
| Apr. 2019 | Member of the Board, Executive Vice President, Corporate Functional Officer, CFO (present position) |

**Reason for nomination as Director**

Mr. Masu has been Chief Financial Officer, CFO since April 2016, prior to which he held important positions such as General Manager, Corporate Accounting Dept., serving in finance and accounting-related operations. At present, in his role as Corporate Functional Officer, CFO, Mr. Masu is contributing to raising Mitsubishi Corporation's corporate value by working to build a robust financial structure that will serve as the foundation of growth investments and assessing investment and finance proposals and monitoring the overall business investment portfolio. He has abundant business experience at Mitsubishi Corporation, and insight on management of the Company in general and on supervisory and administrative operation. Accordingly, he has been nominated to continue in the position of Director.

(Translation)

4. Shinya Yoshida <Date of Birth Dec. 8, 1960 59 years old>

Renomination
Number of shares owned:
15,772
Years served as Director:
1 year (as of close of this Ordinary General Meeting of Shareholders)

**Job History, Positions and Responsibilities**

| | |
|---|---|
| Apr. 1985 | Joined Mitsubishi Corporation |
| Apr. 2013 | Senior Vice President, General Manager, Corporate Strategy & Planning Dept. |
| Apr. 2016 | Executive Vice President, Group CEO, Industrial Finance, Logistics & Development Group |
| Apr. 2019 | Executive Vice President, Corporate Functional Officer, Regional Strategy for Japan, General Manager, Kansai Branch |
| Jun. 2019 | Member of the Board, Executive Vice President, Corporate Functional Officer, Regional Strategy for Japan, General Manager, Kansai Branch |
| Apr. 2020 | Member of the Board, Executive Vice President, Corporate Functional Officer, Business Development for Japan, General Manager, Kansai Branch (present position) |

**Reason for nomination as Director**

Mr. Yoshida has contributed to the global expansion of Mitsubishi Corporation's asset finance & investment, real estate, urban development and logistics businesses by serving as Group CEO, Industrial Finance, Logistics & Development Group from April 2016, prior to which he held the post of General Manager of the Corporate Planning & Strategy Dept. He has served in Mitsubishi Corporation's IT & electronics businesses (including satellite communications operations). At present, Mr. Yoshida is leveraging local networks to help develop the domestic market in his role as Corporate Functional Officer, Business Development for Japan, and General Manager of the Kansai Branch. He has abundant business experience at Mitsubishi Corporation, and insight on management of the Company in general and supervisory and administrative operation. Furthermore, Mr. Yoshida occupies a critical position as General Manager of the Kansai Branch, which will function as an alternate headquarters in the event of a major disruption in Mitsubishi Corporation's headquarters during major disasters or other times of emergency. Accordingly, he has been nominated to continue in the position of Director.

(Translation)

5. Akira Murakoshi <Date of Birth Jun. 27, 1958 61 years old>

Renomination

Number of shares owned:
62,046

Years served as Director:
3 years (as of close of this Ordinary General Meeting of Shareholders)

**Job History, Positions and Responsibilities**

| | |
|---|---|
| Apr. 1982 | Joined Mitsubishi Corporation |
| Apr. 2012 | Senior Vice President, Division COO, General Merchandise Div. |
| Apr. 2014 | Senior Vice President,<br>President, Mitsubishi Company (Thailand), Ltd.,<br>President, Thai-MC Company, Limited |
| Apr. 2017 | Executive Vice President, Corporate Functional Officer, Corporate Communications, Human Resources |
| Jun. 2017 | Member of the Board, Executive Vice President, Corporate Functional Officer, Corporate Communications, Human Resources |
| Apr. 2020 | Member of the Board, Executive Vice President, Corporate Functional Officer, CDO, Human Resources, Global Strategy (present position) |

**Reason for nomination as Director**

Mr. Murakoshi has served in living essentials-related businesses such as the materials business. He has held the position of President, Mitsubishi Company (Thailand), Ltd. since April 2014. In this role, he has contributed to maximizing the competitiveness of the Mitsubishi Corporation Group in Thailand. Currently, Mr. Murakoshi serves as Corporate Functional Officer, CDO, Human Resources, Global Strategy. In this role, he is taking advantage of digital technologies to add value to Mitsubishi Corporation's existing businesses and develop new ones, reforming the Company's HR systems to ensure that it continuously generates management professionals, and promoting global business development. He has abundant business experience at Mitsubishi Corporation, and insight on management of the Company in general and supervisory and administrative operation. Accordingly, he has been nominated to continue in the position of Director.

(Translation)

6. <u>Masakazu Sakakida</u> <Date of Birth Nov. 11, 1958 61 years old>

Renomination

Number of shares owned:
75,328

Years served as Director:
3 years (as of close of this Ordinary General Meeting of Shareholders)

**Job History, Positions and Responsibilities**

| | |
|---|---|
| Apr. 1981 | Joined Mitsubishi Corporation |
| Apr. 2013 | Senior Vice President,<br>Chairman & Managing Director, Mitsubishi Corporation India Private Ltd., Deputy Regional CEO, Asia & Oceania (South Asia) |
| Apr. 2017 | Executive Vice President, Corporate Functional Officer, Corporate Administration, Legal, Chief Compliance Officer |
| Jun. 2017 | Member of the Board, Executive Vice President, Corporate Functional Officer, Corporate Administration, Legal, Chief Compliance Officer |
| Jul. 2017 | Member of the Board, Executive Vice President, Corporate Functional Officer, Corporate Administration, Legal, Chief Compliance Officer,<br>Officer, Emergency Crisis Management Headquarters (Japan & Overseas / New Infectious Diseases, Compliance) |
| Apr. 2019 | Member of the Board, Executive Vice President, Corporate Functional Officer, Corporate Sustainability & CSR, Corporate Administration, Legal, Chief Compliance Officer, Officer for Emergency Crisis Management Headquarters |
| Apr. 2020 | Member of the Board, Executive Vice President, Corporate Functional Officer, Corporate Communications, Corporate Sustainability & CSR, Corporate Administration, Legal, Chief Compliance Officer, Officer for Emergency Crisis Management Headquarters (present position) |

**Reason for nomination as Director**

Mr. Sakakida has served in the machinery-related business and has held the position of Chairman & Managing Director of Mitsubishi Corporation India Private Ltd. since April 2013. In this role, he has contributed to capturing internal demand and increasing investment in India, which continues to grow. In his present role as Corporate Functional Officer, Corporate Communications, Corporate Sustainability & CSR, Corporate Administration, Legal, Mr. Sakakida is taking steps to advance corporate branding and sustainability initiatives and strengthen the corporate governance of Mitsubishi Corporation. He also serves as Chief Compliance Officer. In this role, he is striving to build a stronger and more autonomous compliance structure within the Mitsubishi Corporation Group. As Officer for Emergency Crisis Management Headquarters, Mr. Sakakida is strengthening business continuity management on a consolidated basis. He has abundant business experience at Mitsubishi Corporation, and insight on management of the Company in general and on supervisory and administrative operation. Accordingly, he has been nominated to continue in the position of Director.

(Translation)

7. Akihiko Nishiyama <Date of Birth Jan. 4, 1953 67 years old>

Renomination | Outside Director | Independent Director

Number of shares owned:
6,373

Years served as Director:
5years (as of close of this Ordinary General Meeting of Shareholders)

Attendance at Board of Directors Meetings
(the fiscal year ended March 31, 2020)
Regular: 11 out of 11 held / Extraordinary: 3 out of 3 held

Attendance at Governance, Nomination and Compensation Committee Meetings
(the fiscal year ended March 31, 2020): 4 out of 4 held

**Job History, Positions and Responsibilities**

| | |
|---|---|
| Apr. 1975 | Joined Tokyo Gas Co., Ltd. (resigned in Mar. 2015) |
| Apr. 2001 | Visiting professor, Policy Studies, Graduate School of Social Sciences, Hosei University (resigned in Mar. 2003) |
| Apr. 2004 | Professor, Dept. of International Liberal Arts, Tokyo Jogakkan College |
| Apr. 2011 | Councilor, Tokyo Jogakkan College; Professor, Dept. of International Liberal Arts, Tokyo Jogakkan College (resigned in Mar. 2013) |
| Apr. 2013 | Adjunct Professor, Hitotsubashi University (resigned in Mar. 2018) |
| Jun. 2015 | Member of the Board, Mitsubishi Corporation (present position) |
| Apr. 2018 | Professor, Ritsumeikan University (present position) |

(Note)
Mr. Nishiyama served as Head of Nishiyama Research Institute, Tokyo Gas Co., Ltd. from April 2004 until March 2015. However, his primary position during this period was professor of the universities mentioned above, and he had no involvement with business execution of Tokyo Gas Co., Ltd.

**Important Concurrent Position**

Professor, Ritsumeikan University

**Reason for nomination as Outside Director**

Mr. Nishiyama has been offering advice to Mitsubishi Corporation’s management and properly oversees execution of business from an objective and professional perspective based on his research activities relating to corporate management and human resource development at universities, and many years of experience in the business. Accordingly, he has been nominated to continue in the position of Outside Director.

**Supplementary Information with respect to Independence and Important Concurrent Position**

1. Independence of Outside Director
Mr. Nishiyama meets the requirements of independent director as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Directors specified by Mitsubishi Corporation. There is no supplementary information in terms of independence.

2. Business relationships between Mitsubishi Corporation and entities where the candidate holds important concurrent position
Mitsubishi Corporation has no business relationship with The Ritsumeikan Trust.

(Translation)

**Message from the candidate for appointment as Outside Director**

I believe that my mission as an Outside Director is to do my utmost to increase medium- to long-term corporate value from the perspectives of shareholders and other investors. As part of the reforms of Directors' remuneration undertaken last year, I recommended the introduction of a performance-linked bonus (medium to long term) and stock-based remuneration linked to medium- and long-term share performances. As a result, Mitsubishi Corporation now has a remuneration composition that fosters greater awareness of the importance of increasing medium- to long-term corporate value. From April 2019, Mitsubishi Corporation has also fundamentally revised its human resources (HR) system to (1) Ensure that employees gain the right experience to become management professionals earlier in their careers; (2) Be more meritocratic to ensure that the right people are assigned to the right positions; and (3) Utilize management talent more widely and effectively throughout Mitsubishi Corporation. In the Board of Directors, I have requested that this system be operated meticulously, so that not only can talented young people be selected early in their careers, but opportunities can also be given to mid-level employees, thereby harnessing the full power of Mitsubishi Corporation. To understand real opinions from employees and officers, I held 26 interactive sessions with officers and employees. Apart from that, I also visited the LNG Canada project site, the Silicon Valley Branch and Mitsubishi Corporation offices and Mitsubishi Corporation Group companies in Hokkaido. The perspective and insights I have gained have led to recommendations to management. I will continue to make every effort to help Mitsubishi Corporation reach its full potential and achieve long-term growth.

(Translation)

8. Akitaka Saiki <Date of Birth Oct. 10, 1952 67 years old>

Renomination | Outside Director | Independent Director

Number of shares owned:
1,029

Years served as Director:
3 years (as of close of this Ordinary General Meeting of Shareholders)

Attendance at Board of Directors Meetings
(the fiscal year ended March 31, 2020)
Regular: 11 out of 11 held / Extraordinary: 3 out of 3 held

Attendance at Governance, Nomination and Compensation Committee Meetings
(the fiscal year ended March 31, 2020): 4 out of 4 held

**Job History, Positions and Responsibilities**

| | |
|---|---|
| Apr. 1976 | Joined the Ministry of Foreign Affairs of Japan<br>Held the position of:<br>Director-General, Asian and Oceanian Affairs Bureau,<br>Ambassador to the Republic of India, concurrently to the Kingdom of Bhutan,<br>Deputy Minister for Foreign Affairs, and Vice Minister for Foreign Affairs |
| Jun. 2016 | Retired from Ministry of Foreign Affairs of Japan |
| Sep. 2016 | Corporate Adviser, Mitsubishi Corporation (resigned in Jun. 2017) |
| Jun. 2017 | Member of the Board (present position) |

**Reason for nomination as Outside Director**

Mr. Saiki has been offering advice to Mitsubishi Corporation's management and properly oversees execution of business from an objective and professional perspective based on his international sensibility and extensive insight regarding global conditions developed through foreign diplomacy, having held key posts at the Ministry of Foreign Affairs of Japan. Accordingly, he has been nominated to continue in the position of Outside Director.

**Supplementary Information with respect to Independence and Important Concurrent Position**

1. Independence of Outside Director

Mr. Saiki meets the requirements of independent director as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Directors specified by Mitsubishi Corporation. Supplementary information in terms of independence is as follows:

- Mr. Saiki received compensation as Corporate Advisor of Mitsubishi Corporation from September 2016 to June 2017, having been appointed as a member of an advisory body to the Board of Directors (Governance, Nomination and Compensation Committee); however, this compensation was paid as consideration for the advice he offered regarding the management of Mitsubishi Corporation based on his experience and insight, and does not affect his independence.
- Mr. Saiki serves as the President(part-time position) of the Middle East Institute of Japan, Juridical Foundation, which conducts studies and research concerning the Middle East region. Mitsubishi Corporation pays membership fees and other dues of approximately ¥3.30 million per annum to the Middle East Institute of Japan. However, these payments are consistent with Mitsubishi Corporation's support for the principles of the Middle East Institute of Japan. In addition, Mr. Saiki receives no compensation from the Middle East Institute of Japan; therefore, he does not benefit personally.

2. Business relationships between Mitsubishi Corporation and entities where the candidate holds important concurrent position

Not applicable

(Translation)

**Message from the candidate for appointment as Outside Director**

The recent outbreak of the COVID-19 has spread around the world in a short space of time, taking many lives and forcing many countries to drastically curtail their economic and social activities. As a result, the global economy as a whole, not to mention the economies of each country, has fallen into an unprecedented state of dysfunction. In this common crisis that we all face, it is crucial for the international community to endeavor to reactivate trade, investment, services and other flows through international cooperation, rather than turning more strongly inward and giving priority to their own countries. In these difficult times, I would like Mitsubishi Corporation to fully demonstrate the spirit of the Three Corporate Principles (Corporate Responsibility to Society, Integrity and Fairness, and Global Understanding Through Business) and play a leadership role in Japan’s business community. I also look forward to keeping watch over and advising employees as an Outside Director so that they can maintain a high level of motivation and morale in their respective departments as they conduct a wide range of business activities.

(Translation)

9. Tsuneyoshi Tatsuoka <Date of Birth Jan. 29, 1958 62 years old>

Renomination | Outside Director | Independent Director

Number of shares owned:
4,651
Years served as Director:
2 years (as of close of this Ordinary General Meeting of Shareholders)
Attendance at Board of Directors Meetings
(the fiscal year ended March 31, 2020)
Regular: 11 out of 11 held / Extraordinary: 3 out of 3 held
Attendance at Governance, Nomination and Compensation Committee Meetings
(the fiscal year ended March 31, 2020): 4 out of 4 held

**Job History, Positions and Responsibilities**

| | |
|---|---|
| Apr. 1980 | Joined the Ministry of International Trade and Industry (present Ministry of Economy, Trade and Industry (METI))<br>Held the position of:<br>Counsellor, Cabinet Secretariat (Office of Assistant Chief Cabinet Secretary), Deputy Vice-Minister of Economy, Trade and Industry, and Vice Minister of METI |
| Jul. 2015 | Retired from METI |
| Jan. 2018 | Corporate Adviser, Mitsubishi Corporation (resigned in Jun. 2018) |
| Jun. 2018 | Member of the Board (present position) |

**Important Concurrent Positions**

Outside Director, Asahi Kasei Corp.
Outside Director (Audit and Supervisory Committee member), NITORI Holdings Co., Ltd.

**Reason for nomination as Outside Director**

Mr. Tatsuoka has been offering advice to Mitsubishi Corporation's management and properly oversee the execution of business from an objective and professional perspective based on his extensive insight regarding domestic and global trends, having held key posts primarily at METI and other. Accordingly, he has been nominated to continue in the position of Outside Director.

**Supplementary Information with respect to Independence and Important Concurrent Positions**

1. Independence of Outside Director

Mr. Tatsuoka meets the requirements of independent director as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Directors specified by Mitsubishi Corporation. Supplementary information in terms of independence is as follows:

- Mr. Tatsuoka has been offering advice to the Company and receiving compensation as Corporate Advisor of Mitsubishi Corporation from January 2018 to June 2018, having been appointed to a member of an advisory body to the Board of Directors (Governance, Nomination and Compensation Committee); however, this compensation was paid as consideration for the advice he offers regarding the management of Mitsubishi Corporation based on his experience and insight, and does not affect his independence.

2. Business relationships between Mitsubishi Corporation and entities where the candidate holds important concurrent position

Mitsubishi Corporation has business transactions with Asahi Kasei Corp., but there is no special relationship (specified related party, etc). Also, Mitsubishi Corporation has no business relationship with NITORI Holdings Co., Ltd.

(Translation)

**Message from the candidate for appointment as Outside Director**

Uncertainty in the global economy has increased markedly due to the global COVID-19 pandemic, in addition to heightened geopolitical risks between major countries. Going forward, these conditions may cause even greater structural upheaval in society and the economy than what we saw during the global financial crisis. Mitsubishi Corporation is pushing ahead with major reforms, such as Business Group restructuring and portfolio transformation. As an Outside Director, I will work to improve medium- to long-term corporate value, while constantly remaining highly receptive to pursuit of emerging business opportunities and risk avoidance in response to various changes in the future.

(Translation)

10. Shunichi Miyanaga <Date of Birth Apr. 27, 1948 72 years old>

Renomination | Outside Director | Independent Director

Number of shares owned:
6,372

Years served as Director:
1 year (as of close of this Ordinary General Meeting of Shareholders)

Attendance at Board of Directors Meetings
(the fiscal year ended March 31, 2020)
Regular: 8 out of 8 held / Extraordinary: 2 out of 2 held
* Mr. Miyanaga's attendance at Board of Directors Meetings indicates attendance after his appointment as Outside Director on June 21, 2019.

**Job History, Positions and Responsibilities**

| | |
|---|---|
| Apr. 1972 | Joined Mitsubishi Heavy Industries, Ltd. ("MHI") |
| Apr. 2006 | Senior Vice President, MHI |
| Apr. 2008 | Executive Vice President, MHI |
| Jun. 2008 | Member of the Board, Executive Vice President, MHI |
| Apr. 2011 | Member of the Board, Senior Executive Vice President, MHI |
| Apr. 2013 | Member of the Board, President and CEO, MHI |
| Apr. 2014 | Member of the Board, President and CEO, MHI |
| Apr. 2019 | Chairman of the Board, MHI (present position) |
| Jun. 2019 | Member of the Board, Mitsubishi Corporation (present position) |

**Important Concurrent Positions**

Chairman of the Board, MHI
Outside Director, Mitsubishi Motors Corporation ("MMC")

**Reason for nomination as Outside Director**

Mr. Miyanaga has been offering advice to Mitsubishi Corporation's management and properly oversees the execution of business from a practical perspective based on his extensive insight and advanced management experience, having served as Member of the Board, President and CEO of MHI, a manufacturer that conducts business around the world, for many years. Accordingly, he has been nominated to continue in the position of Outside Director.

(Translation)

**Supplementary Information with respect to Independence and Important Concurrent Positions**

1. Independence of Outside Director

Mr. Miyanaga meets the requirements of independent director as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Directors specified by Mitsubishi Corporation. Supplementary information in terms of independence is as follows:

- Mr. Miyanaga was Member of the Board, President and CEO of MHI, from April 2013 to March 2019 and has been Chairman of the Board of MHI since April 2019. MHI, where Mr. Miyanaga was an executive in the past, and Mitsubishi Corporation have a relationship of cross-directorship whereby each has an outside director assigned from the other. In addition, the two companies have business transactions, though these transactions do not exceed 2% of Mitsubishi Corporation's consolidated revenues.

2. Business relationships between Mitsubishi Corporation and entities where the candidate holds important concurrent position

- Mitsubishi Corporation has business transactions with MHI, but there is no special relationship (specified related party, etc).
- Mr. Miyanaga has been appointed as an outside director of MMC since June 2014. MMC is a specified related party to Mitsubishi Corporation.

**Message from the candidate for appointment as Outside Director**

Political, economic and social trends and values are in a state of flux, and the medium-term outlook is shrouded in uncertainty. Under these conditions, I would like to do my utmost as an Outside Director to enable the Mitsubishi Corporation Group to drive steady growth and steadily increase its contributions to society. In particular, my experience in management lies in the conglomerate-style manufacturing industry, which has gone through lots of different changes. I intend to take full advantage of this experience in providing advice and asking questions at meetings of the Board of Directors and other forums. In doing so, I would like to play a part in improving corporate governance.

*** Violations of either applicable laws or ordinances, or the articles of incorporation, etc. at other companies where the Outside Director candidate concurrently serves as a corporate officer**

In April 2016, evidence of improper conduct concerning fuel consumption and emissions testing was found at MMC while Mr. Miyanaga was serving as Outside Director at the company. In September 2016, MMC was informed by the Ministry of Land, Infrastructure, Transport and Tourism that improper conduct was found in testing to reconfirm the fuel consumption values of vehicles that had previously been involved in improper conduct. In January and July 2017, MMC received an administrative order and an order for payment of surcharge from the Consumer Affairs Agency for conduct in violation of the Act against Unjustifiable Premiums and Misleading Representations with respect to labeling in product catalogues, etc. for MMC vehicles that were involved in improper conduct concerning fuel consumption tests. Moreover, in May 2018, it was found that MMC was not providing technical training to certain foreign technical trainees at the Okazaki Plant in accordance with the technical training plan accredited by the Organization for Technical Intern Training. In January 2019, MMC received a notice of cancellation of the technical training plan and an improvement order in accordance with the Act on Proper Technical Intern Training and Protection of Technical Intern Trainees. While Mr. Miyanaga was not directly aware of the facts of either case, he had regularly urged caution from a legal compliance standpoint in meetings of the Board of Directors and other forums. In addition, after the facts of each case came to light, Mr. Miyanaga has fulfilled his duty by taking actions such as instructing thorough investigations of the facts of each case and measures to prevent a reoccurrence.

(Translation)

11. Sakie Akiyama <Date of Birth Dec. 1, 1962 57 years old>

New Election | Outside Director | Independent Director

Number of shares owned:
0

**Job History**

Apr. 1987 Joined Arthur Andersen & Co. (currently Accenture PLC) (resigned in Apr. 1991)

Apr. 1994 Founder and CEO, Saki Corporation

Oct. 2018 Founder, Saki Corporation (present position)

**Important Concurrent Positions**

Founder, Saki Corporation
Outside Director, ORIX Corporation
Outside Director, Sony Corporation
Outside Director, JAPAN POST HOLDINGS Co., Ltd.

**Reason for nomination as Outside Director**

Mitsubishi Corporation expects that Ms. Akiyama will offer advice to Mitsubishi Corporation's management and properly oversee the execution of business from a practical perspective based on her extensive insight and advanced management experience, having founded and grown a robotics firm dedicated to industrial automation, after working as an international management consultant. Accordingly, she has been nominated for the position of Outside Director.

**Supplementary Information with respect to Independence and Important Concurrent Positions**

1. Independence of Outside Director
Ms. Akiyama meets the requirements of independent director as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Directors specified by Mitsubishi Corporation. There is no supplementary information in terms of independence.

2. Business relationships between Mitsubishi Corporation and entities where the candidate holds important concurrent position

- Mitsubishi Corporation has business transactions with ORIX Corporation and Sony Corporation, but there is no special relationship (specified related party, etc.). Also, Mitsubishi Corporation has no business relationship with Saki Corporation and JAPAN POST HOLDINGS Co., Ltd.
- Ms. Akiyama was appointed as Outside Director of Lawson, Inc. from May 2014 to May 2018. Lawson, Inc. is a specified related party to Mitsubishi Corporation. The company became a wholly owned subsidiary of Mitsubishi Corporation in February 2017

(Translation)

**Message from the candidate for appointment as Outside Director**

At a time when we are experiencing major changes not only in the economy but also in society, Mitsubishi Corporation's management policy of simultaneously realizing triple-value growth based on the managing businesses model is appropriate for a top runner. In order to ensure that Mitsubishi Corporation can continue to achieve sustainable growth together with society, I will do my utmost to provide a diverse perspective and contribute to even better corporate governance. In the past, I have started a global business based on a core of proprietary cutting-edge technology. I would like to make full use of this experience in nurturing management professionals.

(Translation)

## 3. *To Elect 3 Audit & Supervisory Board Member*

The term of Audit & Supervisory Board Members Tadashi Kunihiro, Ikuo Nishikawa and Yasuko Takayama will expire at the close of this Ordinary General Meeting of Shareholders.

Accordingly, the Board proposes the following 3 candidates for election as Audit & Supervisory Board Member, as detailed below. The Audit & Supervisory Board has already given consent to this proposal. All such candidates meet the requirements of independent auditors, as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Audit & Supervisory Board Members specified by Mitsubishi Corporation. (See page 27 for the Selection Criteria for Outside Audit & Supervisory Board Members)

The composition and size of the Audit & Supervisory Board and the policy and process for appointing nominated Audit & Supervisory Board Members are deliberated by the Governance, Nomination and Compensation Committee with Outside Directors and/or Outside Audit & Supervisory Board Members in the majority, and then decided by the Board of Directors as follows:

**Composition and Size of the Audit & Supervisory Board and the Policy and Process for Appointing Nominated Audit & Supervisory Board Members**

| | | |
|---|---|---|
| Composition and Size | | In principle, the total number of Audit & Supervisory Board Members is 5, with more than half their number being made up of Outside Audit & Supervisory Board Members. |
| Appointment Policy | | To ensure Mitsubishi Corporation's sound business development and improve its social credibility through audits, several Audit & Supervisory Board Members are appointed from within and outside Mitsubishi Corporation with the depth of experience and high level of expertise needed for conducting audits. |
| | Full-Time Audit & Supervisory Board Members | Full-Time Audit & Supervisory Board Members are appointed from those with knowledge and experience in corporate management, finance, accounting, risk management, or other areas. |
| | Outside Audit & Supervisory Board Members | Outside Audit & Supervisory Board Members are appointed from those with rich knowledge and experience across various fields. |
| Appointment Process | | Having consultations with the Full-Time Audit & Supervisory board Members, the President & CEO creates a proposal for nominated Audit & Supervisory Board Members, which is then deliberated by the Governance, Nomination and Compensation Committee and approved by the Audit & Supervisory Board before being resolved by the Board of Directors and presented at the Ordinary General Meeting of Shareholders. |

| Number | Name | Age | | Present position at Mitsubishi Corporation | Years served as Audit & Supervisory Board Member |
|---|---|---|---|---|---|
| 1 | Yasuko Takayama | 62 | Renomination<br>Outside Audit & Supervisory Board Member, Independent Auditor | Audit & Supervisory Board Member | 4 |
| 2 | Rieko Sato | 63 | New Election<br>Outside Audit & Supervisory Board Member, Independent Auditor | — | — |
| 3 | Takeshi Nakao | 54 | New Election<br>Outside Audit & Supervisory Board Member, Independent Auditor | — | — |

(Note) Rieko Sato's name on the family register is Rieko Kamata.

If this proposal is approved, the aforementioned Yasuko Takayama, Rieko Sato and Takeshi Nakao will join the following 2 people to comprise Mitsubishi Corporation's 5 Audit & Supervisory Board Members.

| Name | Age | Present position at Mitsubishi Corporation | Years served as Audit & Supervisory Board Member | Member of Governance, Nomination and Compensation Committee |
|---|---|---|---|---|
| Shuma Uchino | 65 | Full-Time Audit & Supervisory Board Member | 2 | ○ |
| Hajime Hirano | 64 | Full-Time Audit & Supervisory Board Member | 1 | — |

(Note) Mitsubishi Corporation has executed agreements with Shuma Uchino, Hajime Hirano and Yasuko Takayama limiting their liability for damages set forth in Article 423, Paragraph 1 of the Companies Act. Based on these agreements, liability for damages is limited to the minimum amount set forth in Article 425, Paragraph 1 of the Companies Act. If this proposal is approved, the Company plans to newly execute identical agreements with Rieko Sato and Takeshi Nakao.

(Translation)

1. Yasuko Takayama　　< Date of Birth Mar. 8, 1958 62 years old >

Renomination | Outside Audit & Supervisory Board Member | Independent Auditor

Number of shares owned:
0
Years served as Audit & Supervisory Board Member
4 years (as of the close of this Ordinary General Meeting of Shareholders)
Attendance at Board of Directors Meetings
(the fiscal year ended March 31, 2020)
Regular: 11 out of 11 held / Extraordinary: 3 out of 3 held
Attendance at Audit & Supervisory Board Meetings
(the fiscal year ended March 31, 2020): 12 out of 12 held

**Job History and Positions**

| | |
|---|---|
| Apr. 1980 | Joined Shiseido Company, Limited<br>Successively held posts of:<br>General Manager, Consumer Information Center,<br>General Manager, Consumer Relations Department,<br>General Manager, Social Affairs and Consumer Relations Department, and<br>General Manager, Corporate Social Responsibility Department |
| Jun. 2011 | Full-Time Audit & Supervisory Board Member, Shiseido Company, Limited (resigned Jun. 2015) |
| Jun. 2015 | Advisor (part-time position), Shiseido Company, Limited (resigned Jun. 2017) |
| Jun. 2016 | Audit & Supervisory Board Member, Mitsubishi Corporation (present position) |

**Important Concurrent Position**

Outside Director, The Chiba Bank, Ltd.
Outside Director (Audit and Supervisory Committee member), Cosmo Energy Holdings Co., Ltd.
Outside Audit & Supervisory Board Member, Yokogawa Electric Corporation

**Reasons for nomination as Audit & Supervisory Board Member**

Ms. Takayama has been renominated as an Outside Audit & Supervisory Board Member as she has been executing audits with neutral and objective perspectives, based on her extensive experience as a Full-Time Audit & Supervisory Board Member at Shiseido Company, Limited as well as on her management viewpoint obtained through her career as an Outside Director or an Outside Audit & Supervisory Board Member on numerous other boards.

**Supplementary Information with respect to Independence and Important Concurrent Positions**

1. Independence of Outside Audit & Supervisory Board Member

Ms. Takayama meets the requirements of independent auditor as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Audit & Supervisory Board Members specified by Mitsubishi Corporation. Supplementary information in terms of independence is as follows:

- Ms. Takayama worked as an employee at Shiseido Company, Limited until June 2011. Although Mitsubishi Corporation has business transactions with that company, the amount of annual transactions has been approximately ¥1.3 million. And it has been about 9 years since Ms. Takayama left her position as a direct employee, and there is no relationship between her and that company.

2. Business relationships between Mitsubishi Corporation and entities where the candidate holds important concurrent position

Mitsubishi Corporation has business transactions with The Chiba Bank, Ltd., but there is no special relationship (specified related party, etc.). Also, Mitsubishi Corporation has no business relationship with Cosmo Energy Holdings Co., Ltd. and Yokogawa Electric Corporation.

(Translation)

**Message from the candidate for appointment as Audit & Supervisory Board Member**

Guided by Midterm Corporate Strategy 2021, Mitsubishi Corporation has been pushing ahead with portfolio strategies that adapt to changes in today's industrial structure. At present, Mitsubishi Corporation faces with the global challenge of the corona crisis. In this environment, Mitsubishi Corporation bears growing responsibilities for the Group's business management activities. I will focus on various risks associated with these responsibilities, as I strive to monitor the frontlines closely through the eyes of an outside observer, and listen closely to various stakeholders say. By making observations and recommendations from the perspectives of a wide range of stakeholders, I would like to work on enhancement Group governance even further.

(Translation)

2. Rieko Sato < Date of Birth Nov. 28, 1956 63 years old >

New Election | Outside Audit & Supervisory Board Member | Independent Auditor

Number of shares owned:
100

**Job History**

| | |
|---|---|
| Apr. 1984 | Admitted to the Bar of Japan |
| Aug. 1989 | Shearman & Sterling LLP (resigned in Jul.1990) |
| Jul. 1998 | Partner, ISHII LAW OFFICE (present position) |

**Important Concurrent Position**

Partner, ISHII LAW OFFICE
Outside Audit & Supervisory Board Member, NTT DATA Corporation
Outside Director, J. FRONT RETAILING, Co., Ltd.
Outside Director (Audit & Supervisory Committee Member), Dai-Ichi Life Holdings, Inc.

**Reasons for nomination as Audit & Supervisory Board Member**

Ms. Sato has been nominated as an Outside Audit & Supervisory Board Member as she is found capable to execute audits with neutral and objective perspectives based on her extensive experience, as an attorney and her thorough understanding of corporate law practice (Companies Act, Financial Instruments & Exchange Act, compliance, etc.), as well as on her management viewpoint obtained through serving as an Outside Director or an Outside Audit & Supervisory Board Member on numerous other boards.

**Supplementary Information with respect to Independence and Important Concurrent Positions**

1. Independence of Outside Audit & Supervisory Board Member
Ms. Sato meets the requirements of independent auditor as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Audit & Supervisory Board Members specified by Mitsubishi Corporation. There is no supplementary information in terms of independence.

2. Business relationships between Mitsubishi Corporation and entities where the candidate holds important concurrent position
Mitsubishi Corporation has business transactions with NTT DATA Corporation, but there is no special relationship (specified related party, etc.). Also, Mitsubishi Corporation has no business relationship with J. FRONT RETAILING, Co., Ltd. and Dai-Ichi Life Holdings, Inc

**Message from the candidate for appointment as Audit & Supervisory Board Member**

As an Outside Director or an Outside Audit & Supervisory Board Member, I have so far discussed a wide range of projects with various companies. In those discussions, I have found that the most important thing is to keep the broadest possible perspective and to not ignore your intuition when “something doesn’t feel right.” Although I don’t have experience as a business executive, if I find that “something seems strange” or “something is not right,” I would like to fulfill my duty and speak up without being overly concerned about what others might think.

(Translation)

3. Takeshi Nakao < Date of Birth Oct. 18, 1965 54 years old >

New Election | Outside Audit & Supervisory Board Member | Independent Auditor

Number of shares owned:
0

**Job History**

| | |
|---|---|
| Oct. 1989 | Joined KPMG Minato Audit Corporation (currently KPMG AZSA LLC) (resigned in Mar. 1996) |
| Aug. 1993 | Admitted to Certified Public Accountant of Japan |
| Sep. 2006 | CEO, PARTNERS HOLDINGS, Co. Ltd. (present position) |

**Important Concurrent Position**

CEO, PARTNERS HOLDINGS, Co. Ltd.

**Reasons for nomination as Audit & Supervisory Board Member**

Mr. Nakao has been nominated as an Outside Audit & Supervisory Board Member as he is found capable to execute audits with neutral and objective perspectives based on his deep knowledge of financing and accounting, as a certified public accountant and his experience serving as an advisory on M&A activity, corporate revitalizations, and internal control for many years.

**Supplementary Information with respect to Independence and Important Concurrent Positions**

1. Independence of Outside Audit & Supervisory Board Member
Mr. Nakao meets the requirements of independent auditor as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Audit & Supervisory Board Members specified by Mitsubishi Corporation. There is no supplementary information in terms of independence.

2. Business relationships between Mitsubishi Corporation and entities where the candidate holds important concurrent position
Mitsubishi Corporation has no business relationship with PARTNERS HOLDINGS, Co. Ltd.

**Message from the candidate for appointment as Audit & Supervisory Board Member**

Taking into account that Mitsubishi Corporation conducts an expansive range of businesses on a global scale, the Outside Audit & Supervisory Board Members are expected to fulfill certain roles to first understand the essence of Mitsubishi Corporation's businesses even with the limited time and resources available, and to accurately grasp the actual status quo of risks associated with its businesses and the expected returns. Based on this, I must then make timely and appropriate judgments as an Audit & Supervisory Board Member. To this end, I will strive to gather a wide range of information from both within and outside the company and to keep a macro perspective on a daily basis. With this in mind, I will fulfill my duties in order to improve governance and to increase medium- to long-term corporate value.

(Translation)

**[Selection Criteria for Outside Directors and Outside Audit & Supervisory Board Members]**

To make the function of Outside Directors and Outside Audit & Supervisory Board Members stronger and more transparent, Mitsubishi Corporation has set forth Selection Criteria for Outside Directors and Outside Audit & Supervisory Board Members as follows, after deliberation by the Governance, Nomination and Compensation Committee, which is composed with Outside Directors and/or Outside Audit & Supervisory Board Members in the majority.

**[Selection Criteria for Outside Directors]**

1. Outside Directors are elected from among those individuals who have an eye for practicality founded on a wealth of experience as corporate executive officers, as well as an objective and specialist viewpoint based on extensive insight regarding global conditions and social and economic trends. Through their diverse perspectives, Outside Directors help ensure levels of decision-making and management oversight appropriate to the Board of Directors.

2. To enable Outside Directors to fulfill their appointed task, attention is given to maintain their independency*; individuals not ensuring this independency in effect will not be selected to serve as Outside Directors.

3. Mitsubishi Corporation's operations span a broad range of business domains; hence there may be cases of conflict of interest stemming from business relationships with firms home to a corporate executive officer appointed as Outside Directors. Mitsubishi Corporation appropriately copes with this potential issue through the procedural exclusion of the director in question from matters related to the conflict of interest, and by preserving a variety of viewpoints through the selection of numerous Outside Directors.

**[Selection Criteria for Outside Audit & Supervisory Board Members]**

1. Outside Audit & Supervisory Board Members are selected from among individuals who possess wealth of knowledge and experience across various fields that is helpful in performing audits. Neutral and objective auditing, in turn, will ensure sound management.

2. To enable Outside Audit & Supervisory Board Members to fulfill their appointed task, attention is given to maintain their independency*; individuals not ensuring this independency will not be selected to serve as Outside Audit & Supervisory Board Members.

(Notes)

Independency for the purpose of Selection Criteria for Outside Directors and Outside Audit & Supervisory Board Members

To make a judgment of independence, Mitsubishi Corporation checks if the person concerned meets the conditions for independent directors and independent auditors as specified by stock exchanges in Japan such as the Tokyo Stock Exchange, Inc., and whether the person concerned is currently any of the following items (1) to (7) and whether they have been at any time in the past 3 fiscal years.

(1) A major shareholder of Mitsubishi Corporation (a person or entity directly or indirectly holding 10% or more of the voting rights), or a member of business personnel of such shareholder (*1).
  *1 A member of business personnel refers to a managing director, corporate officer, executive officer, or other employee of a company (Hereinafter the same).

(2) A member of business personnel of a creditor of Mitsubishi Corporation exceeding the threshold set by Mitsubishi Corporation (*2).
  *2 Creditors exceeding the threshold set by Mitsubishi Corporation refer to creditors to whom Mitsubishi Corporation owes an amount exceeding 2% of Mitsubishi Corporation's consolidated total assets.

(3) A member of business personnel of a supplier or a customer of Mitsubishi Corporation exceeding the threshold set by Mitsubishi Corporation (*3).
  *3 Suppliers or customers exceeding the threshold set by Mitsubishi Corporation refer to suppliers or customers whose transaction amounts with Mitsubishi Corporation exceed 2% of Mitsubishi Corporation's consolidated revenues.

(4) A provider of professional services, such as a consultant, lawyer, or certified public accountant, receiving cash or other financial benefits from Mitsubishi Corporation, other than directors' or audit & supervisory board members ' remuneration, where the amount exceeds ¥10 million per fiscal year.

(5) A representative or partner of Mitsubishi Corporation's independent auditor.

(6) A person belonging to an organization that has received donations exceeding a certain amount (*4) from Mitsubishi Corporation.
*4 Donations exceeding a certain amount refer to donations of more than ¥20 million per fiscal year.

(7) A person who has been appointed as an Outside Director or Outside Audit & Supervisory Board Member of Mitsubishi Corporation for more than 8 years.

If a person is still judged to be effectively independent despite one or more of the above items (1) to (7) applying, Mitsubishi Corporation will explain and disclose the reason at the time of their appointment as an Outside Director or Outside Audit & Supervisory Board Members.

(Translation)

**<Reference>**

## ●Corporate Framework and Policies

## Approaches to Corporate Governance

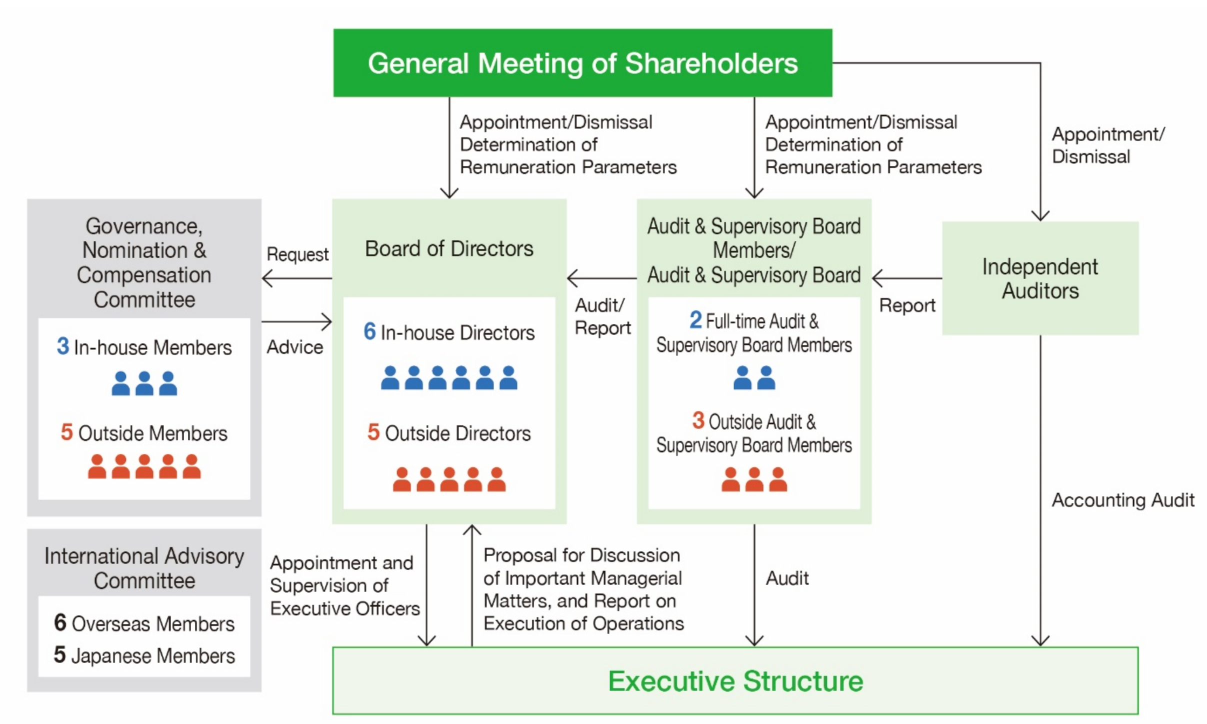
-Mitsubishi Corporation's Corporate Governance System Supporting Sustainable Growth

[Basic Policy]

Mitsubishi Corporation's corporate philosophy is enshrined in the Three Corporate Principles. Through corporate activities rooted in the principles of fairness and integrity, Mitsubishi Corporation strives to continuously raise corporate value. Mitsubishi Corporation believes that by helping to enrich society, both materially and spiritually, it will also meet the expectations of shareholders, customers and all other stakeholders.

In order to achieve these goals, Mitsubishi Corporation recognizes strengthening corporate governance on an ongoing basis as its important subject concerning management as it is foundation for ensuring sound, transparent and efficient management. Mitsubishi Corporation, based on the Audit & Supervisory Board Member System, is thus working to put in place a corporate governance system that is even more effective. This includes strengthening management supervision through such measures as appointing Outside Directors and Outside Audit & Supervisory Board Members who satisfy the conditions for Independent Directors or Independent Audit & Supervisory Board Members, and establishing advisory bodies to the Board of Directors where the majority of members are Outside Directors and Outside Audit & Supervisory Board Members and other experts from outside Mitsubishi Corporation. At the same time, Mitsubishi Corporation uses the executive officer system etc. for prompt and efficient decision-making and business execution.

**■Corporate Governance Framework**




*This diagram indicates the number of Directors and Audit & Supervisory Board Members after the Ordinary General Meeting of Shareholders if resolutions No.2 and No.3 are approved.

(Translation)

## Initiatives to Enhance the Effectiveness of the Board of Directors

In order for each member to perform his/her duties to further enhance Mitsubishi Corporation's governance for its sustained growth, Mitsubishi Corporation continues to strengthen information provision and support necessary for Outside Directors and Outside Audit & Supervisory Board Members.

### Board of Directors and Board of Directors' Advisory Bodies

#### Board of Directors

The Board of Directors is responsible for making decisions concerning important management issues and overseeing business execution. In-house Directors utilize their rich experience of working within Mitsubishi Corporation, and Outside Directors utilize their practical, objective, and professional perspectives to ensure appropriate decision-making and management oversight.

#### Governance, Nomination and Compensation Committee

Jul. Oct. Jan. Mar.

Advisory body to the Board of Directors; a majority of members are Outside Directors and Outside Audit & Supervisory Board Members

#### President's Performance Evaluation Committee

May

A subcommittee of the Governance, Nomination and Compensation Committee

#### International Advisory Committee

Oct.

An advisory body to the Board of Directors made up of overseas experts

### Record of Meetings Held in the Fiscal Year Ended March 2020

● Board of Directors
● Meetings of Independent Outside Directors and Independent Outside Audit & Supervisory Board Members
■ Governance, Nomination and Compensation Committee

2019: April, May, June, July, Aug., Nov.

2020: Oct., Nov., Dec., Jan., Feb., Mar.

### Information and Support for Outside Directors and Outside Audit & Supervisory Board Members

#### Briefing Sessions Before Board of Directors' Meetings

Prior to each Board of Directors' meeting, management executives explain agenda items and respond to questions and comments from Outside Directors and Outside Audit & Supervisory Board Members.

#### Informal Meetings of the Board of Directors

Informal meetings of the Board of Directors are held as necessary with all Directors and Audit & Supervisory Board Members to provide a forum for free discussion outside of Board of Directors' meetings.

#### Meetings of Independent Outside Directors and Independent Outside Audit & Supervisory Board Members

May Sep. Nov. Dec. Feb.

Meetings are held at least once per quarter to provide a forum for free discussion among Outside Directors and Outside Audit & Supervisory Board Members on a wide range of themes.

#### Orientation upon Assumption of Office

To deepen understanding of Mitsubishi Corporation, all Business Groups and the Corporate Staff Section conduct orientation sessions for newly appointed Outside Directors and Outside Audit & Supervisory Board Members when they assume office.

#### Site Visits to Business Investees

Every year Outside Directors and Outside Audit & Supervisory Board Members participate in visits to domestic and overseas business sites and hold dialogues with the management of Group companies and others.

#### Dialogues and Interactions with Officers and Employees

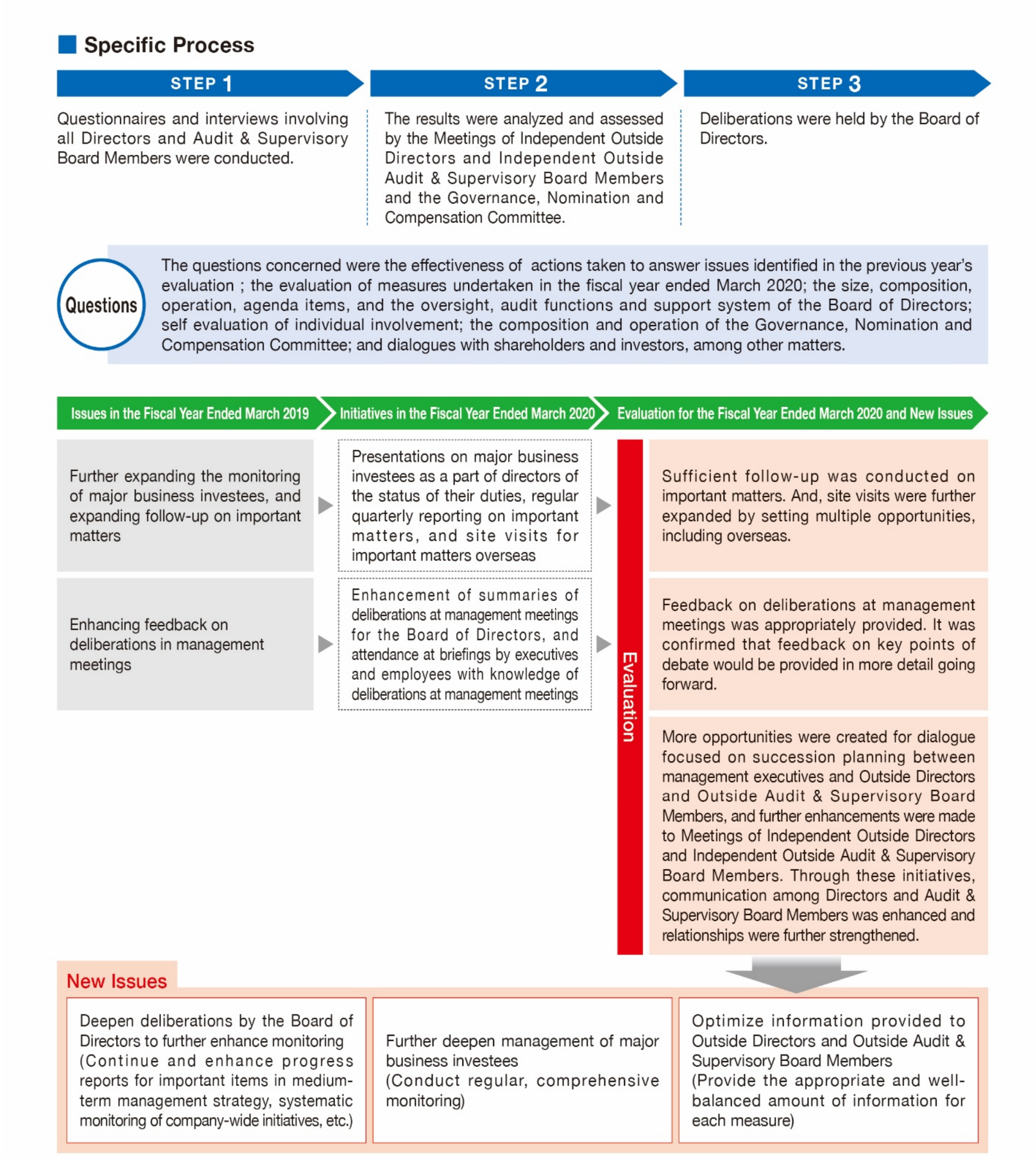
Opportunities are provided for Outside Directors and Outside Audit & Supervisory Board Members to engage in dialogue with Group CEOs, Division COOs, candidates for next-term management executives, mid-level employees and junior employees.

(Translation)

**Evaluation of the Effectiveness of the Board of Directors**

The Governance, Nomination and Compensation Committee held deliberations* in October 2019, and, in the fiscal year ended March 2020, Director Akitaka Saiki and Audit & Supervisory Board Member Tadashi Kunihiro who serve as Independent Outside Director and Independent Outside Audit & Supervisory Board Member, respectively, took the lead in formulating questions, conducting interviews, and analyzing and evaluating responses.

*An evaluation process led by Outside Directors and Outside Audit & Supervisory Board Members was confirmed to be effective after verifying the adequacy of evaluation methods, which included verifying whether external evaluation would be needed or not; and the Board of Directors decided to continue using the similar method as the previous year. The evaluations were led by Outside Directors and Outside Audit & Supervisory Board Members in order to maintain objectivity and neutrality.



(Translation)

## Board of Directors' Advisory Bodies

### Governance, Nomination and Compensation Committee

The committee meets at least three times a year and a majority of its members are Outside Directors and Outside Audit & Supervisory Board Members. It deliberates on matters related to governance, nomination and compensation.

■Main Discussion Themes

- Composition of the Board of Directors and Audit & Supervisory Board, policy on appointment of and proposals for appointment of Directors and Audit & Supervisory Board Members
- Requirements for the President and CEO and basic policies concerning the appointment and dismissal of the President and CEO, as well as personnel proposal of the President and CEO
- Review of the remuneration package including the policy for setting remuneration and appropriateness of remuneration levels and composition
- Evaluation of the effectiveness of the Board of Directors

■Composition of Committee (*Committee Chairman)

| Outside members (5): | Inhouse members (3): |
|---|---|
| Akihiko Nishiyama, Outside Director | Ken Kobayashi, Chairman of the Board |
| Akitaka Saiki, Outside Director | Takehiko Kakiuchi, Member of the Board, President & CEO |
| Tsuneyoshi Tatsuoka, Outside Director | Shuma Uchino, Audit & Supervisory Board Member (full-time) |
| Shunichi Miyanaga, Outside Director | |
| Sakie Akiyama, Outside Director | |

Note: The committee composition listed here is premised on approval of Agenda Item No. 2 for resolution by the Ordinary General Meeting of Shareholders for the fiscal year ended March 2020.

■Percentage of Outside Directors and Outside Audit & Supervisory Board Members
63% (5 of 8)

### President's Performance Evaluation Committee

The President's Performance Evaluation Committee has been established as a subcommittee to the Governance, Nomination and Compensation Committee, comprising the same Chairman and Outside Directors as the parent committee to deliberate the assessment of the President's performance. The President is not a member.

(Translation)

**International Advisory Committee**

The committee is comprises overseas experts of various backgrounds, including politics, business, government and academia, and provides recommendations and advice from an international perspective.

■**Main discussion themes and keynote speakers** (Fiscal year ended March 31, 2020)
Opposing forces of populism and globalism, Professor Nye
Geopolitical impact on the global economy, Ambassador Armitage
Emerging markets in the digital age, Mr. FitzGerald

■**Composition of Committee** (*Committee Chairman) (as of June 30, 2020)
Overseas members (6):
Ambassador Richard Armitage, Former United States Deputy Secretary of State (U.S.A.)
Professor Joseph S. Nye, Harvard University Distinguished Service Professor (U.S.A.)
Mr. Ratan N. Tata, Chairman, Tata Trusts (India)
Mr. George Yeo, Former Chairman of Kerry Logistics Network (Singapore)
Mr. Niall FitzGerald, KBE, Former CEO & Chairman, Unilever (Ireland)
Mr. Jaime Augusto Zobel de Ayala II, Chairman and CEO, Ayala Corporation (The Philippines)

Japanese members (5):
Ken Kobayashi,* Chairman of the Board
Takehiko Kakiuchi, Member of the Board, President & CEO
Akira Murakoshi, Member of the Board, Executive Vice President
Akitaka Saiki, Outside Director
Tsuneyoshi Tatsuoka, Outside Director

(Translation)

**Information and Support for Outside Directors and Outside Audit & Supervisory Board Members**

**Briefing Sessions Before Board of Directors' Meetings**

Prior to each Board of Directors meeting, opportunities are created for the management executives of the Corporate Staff Section and Business Groups to provide explanatory summaries of the agenda items for which they are responsible to Outside Directors and Outside Audit & Supervisory Board Members in order to facilitate substantive deliberations at the meetings. The sessions are also utilized to appropriately share timely information that helps enhance deliberations. A total of 33 hours were held in the fiscal year ended March 2020.

**Meetings of Independent Outside Directors and Independent Outside Audit & Supervisory Board Members**

Mitsubishi Corporation endeavors to enhance cooperation among Independent Outside Directors and Independent Outside Audit & Supervisory Board Members by providing opportunities for free discussion about a wide range of themes related to the Company's business management and corporate governance, and these discussions are reported to the Board of Directors as necessary.

■ Main Discussion Themes (Fiscal Year Ended March 2020)

- Planned agenda items for the Governance, Nomination and Compensation Committee
- Enhancement of Mitsubishi Corporation governance and further contribution to be provided by Outside Directors and Outside Audit & Supervisory Board Members
- Future issues based on evaluation of the effectiveness of the Board of Directors

**Site Visits to Business Investees**

For further understanding of the Mitsubishi Corporation Group's wide range of business lines, every year Outside Directors and Outside Audit & Supervisory Board Members participate in site visits to Group companies and other sites, and hold dialogues with the management of Group companies and others.

In August 2019, site visits were made to the Montney shale gas production and development site in Canada and to the LNG Canada project* development site. Through meetings with the local state government, city mayors and tribal leaders, Outside Directors and Outside Audit & Supervisory Board Members confirmed initiatives aimed at simultaneously generating economic, societal and environmental value while taking into account local stakeholders and the natural environment. They also visited a business development site where the Silicon Valley Branch of Mitsubishi Corporation (Americas) operates with a partner company.

* A joint-venture business owned by five companies: Mitsubishi Corporation, Royal Dutch Shell plc and state-operated energy enterprises from Malaysia, China, and South Korea. The business intends to export and sell LNG to East Asia countries, including Japan.

■Visits to Overseas Business Investees (Past Three Years)

August 2019 Montney shale gas production and development site and LNG Canada project* development site (Canada)

August 2018 Cermaq Group AS (Norway) / Offshore wind farm facility (North Sea)

April 2018 Large mixed-use redevelopment project / The Mandalay International Airport (Myanmar)

September 2017 Australia coking coal project (Australia)

**Dialogues and Interactions with Officers and Employees**

Through arranging dialogues and interactions, opportunities are created for Outside Directors and Outside Audit & Supervisory Board Members to strengthen connection with Group CEOs, Division COOs and candidates for next-term management executives. Opportunities are also set up for dialogue with mid-level and junior employees and used to collect information from the frontlines.

(Translation)

**Audit & Supervisory Board**

The Audit & Supervisory Board comprises all of the Audit & Supervisory Board Members responsible for auditing the decision-making processes and management performances of Directors in compliance with the Companies Act and other laws / regulations as well as Mitsubishi Corporation's Articles of Incorporation and internal rules / regulations. Full-time Audit & Supervisory Board Members and Outside Audit & Supervisory Board Members ensure the soundness of the management by executing audits with abundant working experience at the Company, and with various experiences in their particular field as well as a neutral and objective perspective, respectively. In addition to resolutions of matters required by law and other important issues, the Audit & Supervisory Board strives to enhance information-sharing among the Members through briefings on key matters and reporting status on the auditing activities of each of the Members.

**Main Activities of Directors (Board of Directors)**

1. Dialogues with Executive Officers
   Opportunities are created for all Audit & Supervisory Board Members, including Outside Audit & Supervisory Board Members, to engage in dialogues with the Chairman of the Board, President and CEO, Corporate Functional Officers, Business Group CEOs, Business Division COOs, Administrative Department General Managers, and the General Manager of the Corporate Staff Section.
2. Attendance at Important Meetings
   Besides the Audit & Supervisory Board, the Full-time Audit & Supervisory Board Members attend meetings of major internal management bodies, including Board of Directors, Governance, Nomination and Compensation Committee, Executive Committee, Business Strategy Committee and Management Strategy Meeting, and provide necessary opinions. Besides the Audit & Supervisory Board, the Outside Audit & Supervisory Board Members attend meetings of the Board of Directors after being briefed of discussions in the Executive Committee and lower conference bodies, and provide necessary opinions.
3. Onsite Audits and Observations
   Through onsite audits and observations in the fiscal year ended March 2020, Audit & Supervisory Board Members met with the CEOs and executive officers of 49 companies in 12 countries overseas and 10 domestic Mitsubishi Corporation companies, as well as the regional chiefs of 28 overseas and domestic officers, and reported the results of the audits to the Chairman of the Board, the President and CEO, and relevant executive officers.

■Number of dialogues with CEOs and other Executive Officers* 60 (48**)
■Number of major meetings* 139 (30**)
■Number of onsite audits and visits 87 companies/locations (25 companies/locations**)
*Number for the fiscal year ended March 2020
**Number with the participation of at least one Outside Audit & Supervisory Board Member

(Translation)

**Remuneration Package for Directors and Audit & Supervisory Board Members**

■ Basic Approach

| | |
|---|---|
| Remuneration levels | ・Remuneration levels are set based on the functions and roles of Directors and Audit & Supervisory Board Members and the Company's level of performance and others.<br>・Remuneration levels are globally competitive and based on performance targets to motivate career growth in human resources who will be responsible for the next generation of management and to further raise organizational vitality. |
| Remuneration composition | ・Remuneration for Directors responsible for business execution is linked to medium/long-term corporate value and shareholder value and designed for greater focus on increasing medium/long-term corporate value.<br>・The Chairman of the Board of Directors and Outside Directors responsible for management oversight and Audit & Supervisory Board Members responsible for auditing are paid only fixed monthly remuneration to ensure their independence. |
| Governance of remuneration | ・The remuneration package and its provision are continually discussed and monitored by the Governance, Nomination and Compensation Committee, a majority of which is Outside Directors and Outside Audit & Supervisory Board Members. |

■ Remuneration Package for Directors and Audit & Supervisory Board Members

| Remuneration Item / Composition | | Key Performance Indicator (KPI) | Remuneration Details | Executive Directors | Chairman of the Board | Outside Directors | Audit & Supervisory Board Members |
|---|---|---|---|---|---|---|---|
| Base salary | Fixed; About 20-50% | | •An amount determined according to position; paid monthly | 1 | 1 | 1 | 5 |
| Annual deferral for retirement remuneration | | | •Fixed amount of annual deferral for retirement remuneration set aside each year; to be paid in full upon retirement | 1 | — | — | — |
| Individual performance bonus | Variable (single year); About 25-35% | Individual Performance (single year) | •Payment amount determined for each Executive Director based on performance assessments by the President<br>•The performance assessment of the President is determined by the President's Performance Evaluation Committee | 1 | – | — | — |
| Performance-linked bonus (short term) | | Consolidated net income (single year) | •Variable payment linked to performance if consolidated net income for the fiscal year exceeds earnings levels for increased corporate value (consolidated capital cost)<br>•Not paid if consolidated net income is lower than consolidated capital cost | 2 | — | — | — |
| Performance-linked bonus (medium to long term) | Variable (medium to long term), About 25-45% | Consolidated net income (medium to long term) | •Variable payment linked to performance if the average of consolidated net income for the relevant fiscal year and subsequent two fiscal years exceeds the average consolidated capital cost for that same period<br>•Not paid if the average is lower than the average capital cost | 3 | — | — | — |
| Stock-based remuneration linked to medium- to long-term share performances | | Share Price/ Growth rate in shares (medium to long term) | •Stock options cannot be exercised within three years of their allocation; this three year period is the performance evaluation period. The number of stock options that can be exercised varies according to the share growth rate (calculated as the company's TSR divided by the TOPIX benchmark growth rate over the same period)<br>•As a basic policy, Directors are obliged to retain possession of the shares; sales of the shares are restricted until their aggregate market value exceeds approximately 300% of the base salary of each position | 4 | — | — | — |

Note: 1) to 5) in the table indicate the numbers of limits on remuneration that correspond to each remuneration item. See the next table for details.

(Translation)

(Figures rounded down to nearest million yen)

| | Item type | Item details | Total remuneration (Note 2) (Fiscal Year Ended March 2020) |
|---|---|---|---|
| 1 | Director remuneration (Note 1) | Base salary, annual deferral for retirement remuneration, and Individual performance bonuses totaling up to ¥1.5 billion annually (for Outside Directors, base salary totaling up to ¥180 million yen) | ¥1.372 billion (of which, ¥140 million for Outside Directors) |
| 2 | | Performance-linked bonus (short term) up to 0.06% of consolidated net income (attributable to owners of the Company) for the relevant fiscal year (annual amount) | ¥164 million |
| 3 | | Performance-linked bonus (medium to long term) up to 0.06% of the average of consolidated net income (attributable to owners of the Company) for the relevant fiscal year and subsequent three fiscal years (annual amount) | ¥164 million |
| 4 | | Stock-based remuneration linked to medium- to long-term share performances up to ¥600 million annually (up to 400,000 shares annually) | ¥463 million (278,500 shares) |
| 5 | Audit & Supervisory Board Member remuneration (Note 1) | Base salary for Audit & Supervisory Board Members totaling up to ¥250 million annually | ¥225 million (of which, ¥59 million for Outside Audit & Supervisory Board Members) |
| | | Total | ¥2.391 billion |

Note 1 It was approved at the general shareholder's meeting in fiscal 2018.
Note 2 Please see page 76 to understand Directors' and Audit & Supervisory Board Members' Remuneration.

## ■ Calculation Method for Performance-Linked Remuneration (Fiscal Year Ended March 2020)

### 1. Performance-linked bonus (short term)

(1) Upper limit on total payment

The upper limit is the lower of i) ¥600 million or ii) the maximum total of individual payment amounts prescribed in (2) below

(2) Individual payments

| | |
|---|---|
| President and CEO | (Consolidated net income - ¥440 billion) × 0.025% + 0.35 (¥100 million) |
| Executive Vice President | (Consolidated net income - ¥440 billion) × 0.0075% + 0.105 (¥100 million) |

*No bonus is paid if consolidated net income is lower than the consolidated capital cost.
Consolidated capital cost for the fiscal year ended March 2020 was ¥440 billion.

■ Maximum Payment and Total for Each Position

| Position | Maximum payment amount | Number of persons | Total |
|---|---|---|---|
| President and CEO | ¥175 million | 1 | ¥175 million |
| Executive Vice President | ¥52.5 million | 6 | ¥315 million |
| Total | | 7 | ¥490 million |

### 2. Performance-linked bonus (medium to long term)

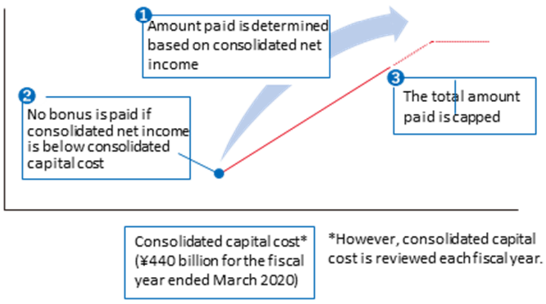
(1) Upper limit on total payment

Same as performance-linked bonus (short term)

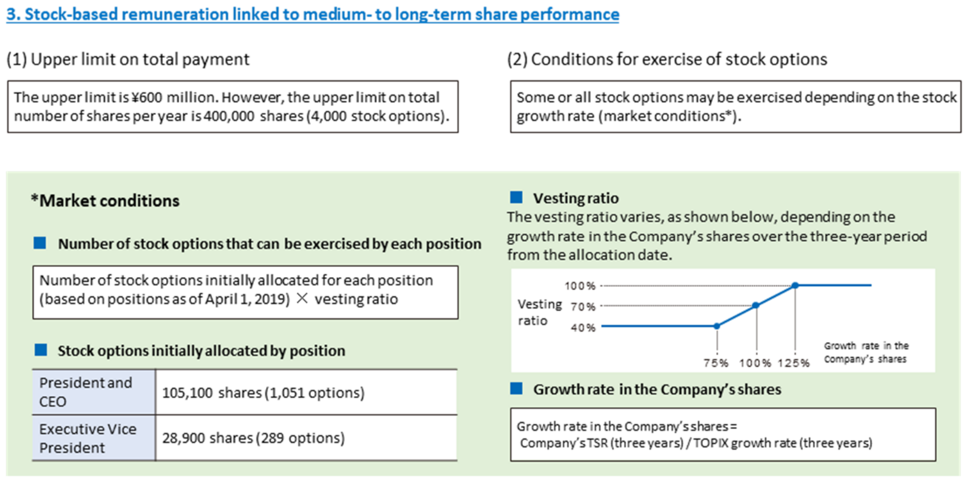
(2) Individual payments

| | |
|---|---|
| President and CEO | (Average consolidated net income for three fiscal years - ¥440 billion) × 0.025% + 0.35 (¥100 million) |
| Executive Vice President | (Average consolidated net income for three fiscal years - ¥440 billion) × 0.0075% + 0.105 (¥100 million) |

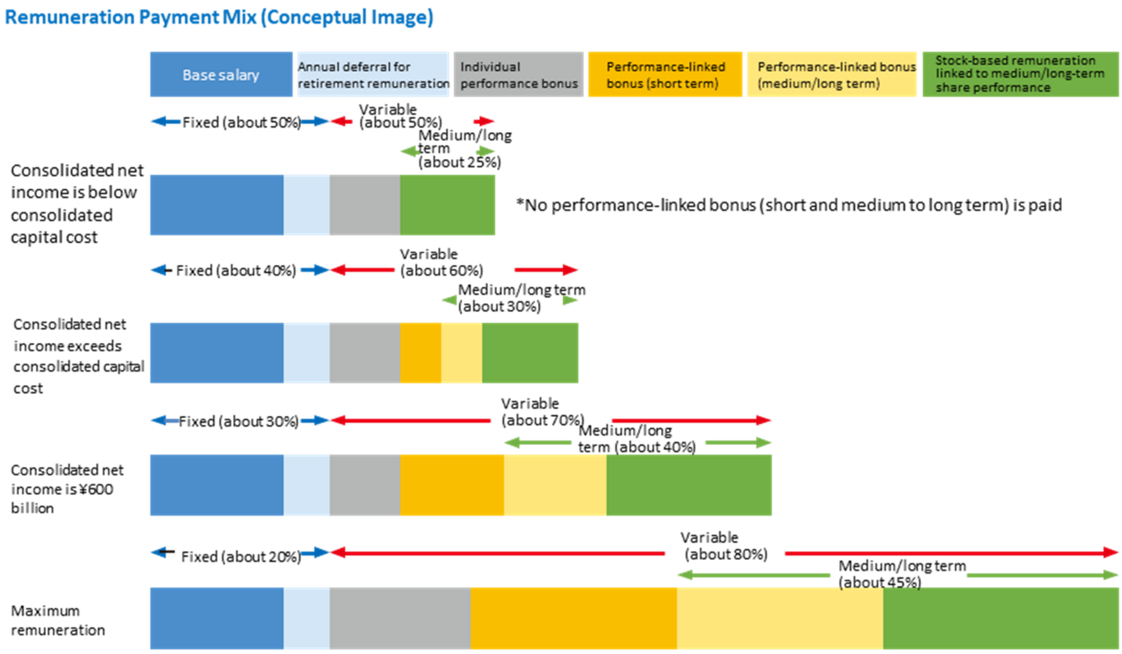
*No bonus is paid if consolidated net income for the three fiscal years is lower than the consolidated capital cost for the same period.



(Translation)




■ Remuneration Payment Mix (Conceptual Image)




The above diagram shows a remuneration mix calculated based on certain values for consolidated earnings and the share price for illustrative purposes only. The actual mix will vary depending on changes in the Company's consolidated performance, stock market conditions and other factors.

■ Governance of Remuneration

The Board of Directors decide the policy for setting Directors' remuneration and the remuneration amount (actual payment amount) upon deliberations by the Governance, Nomination and Compensation Committee.

The total remuneration amount (actual payment amount) and individual payment amounts for Directors, excluding individual performance bonuses, are determined by a resolution of the Board of Directors within the upper limits for each type of remuneration decided by resolution of the 2019 Ordinary General Meeting of Shareholders.

The payment amounts of individual performance bonuses paid to Directors based on their individual performance assessment, including qualitative assessment, is determined and paid on an individual basis after the President's yearly performance assessment of Directors responsible for business execution for the relevant fiscal year, for which the President has been delegated authority by the Board of Directors. The assessment on the President's performance is decided by the President's Performance Evaluation Committee, a subcommittee to the Governance, Nomination and Compensation Committee. The subcommittee is comprised of the Chairman, who also serves as the Chairman of the Governance, Nomination and Compensation

Committee, and Outside Directors sitting on the committee. Results of the performance assessment are reported to the Board of Directors to ensure objectivity, fairness, and transparency.
The total remuneration amount and individual payment amounts for Audit & Supervisory Board Members are determined upon discussion by the Audit & Supervisory Board Members and within the upper limits decided by resolution of the 2019 Ordinary General Meeting of Shareholders.
Please see our 2019 Annual Report for further details.

**Stance on Acquisition, Holding and Reduction in Listed Stocks**
Mitsubishi Corporation may acquire and hold shares acquired for other than pure investment as a means of creating business opportunities and building, maintaining and strengthening business and partner relationships. When acquiring these shares, Mitsubishi Corporation confirms the necessity of its acquisition based on the significance and economic rationale of the purchase in accordance with internal company rules. Also, Mitsubishi Corporation periodically reviews the rationality of continuing to hold the shares and promotes reducing holdings of stocks with decreased significance. Shareholdings in the fiscal year ended March 2020 were reduced by around 10% compared to the previous year as a result of selling shares with a market value of approximately ¥0.1 trillion.

[Verification policy for holding individual shares]

The Board of Directors verifies all of the listed shares held by Mitsubishi Corporation from the perspectives of both economic rationale and qualitative significance of holding them every year.

The economic rationale is confirmed based on whether or not the related earnings from each stock, such as dividends and related business profits on transactions, exceed Mitsubishi Corporation's target capital cost (weighted average cost of capital) for the market price of each individual share.

The qualitative significance is confirmed based on the achievement or status of progress of the expected purpose for holding the stock, etc.

(Translation)

# Fiscal 2019 Business Report (From April 1, 2019 to March 31, 2020)

## Review of Operations

**●Summary of Operating Results for the Mitsubishi Corporation Group**

**[Business Lines]**

Our businesses range from the upstream businesses of developing natural resources through manufacturing and marketing a variety of products to the downstream businesses of providing products and services to consumers in the fields of Living, Mobility & Infrastructure, and Energy & Power Generation through our domestic and overseas network. Furthermore, we are also engaged in diversified businesses such as creating new business models and new technologies using our collective capabilities to adopt a holistic view across numerous industries including financial and logistics businesses.

**[Consolidated Results]**

**1. Summary of the Year Ended March 2019 Results**

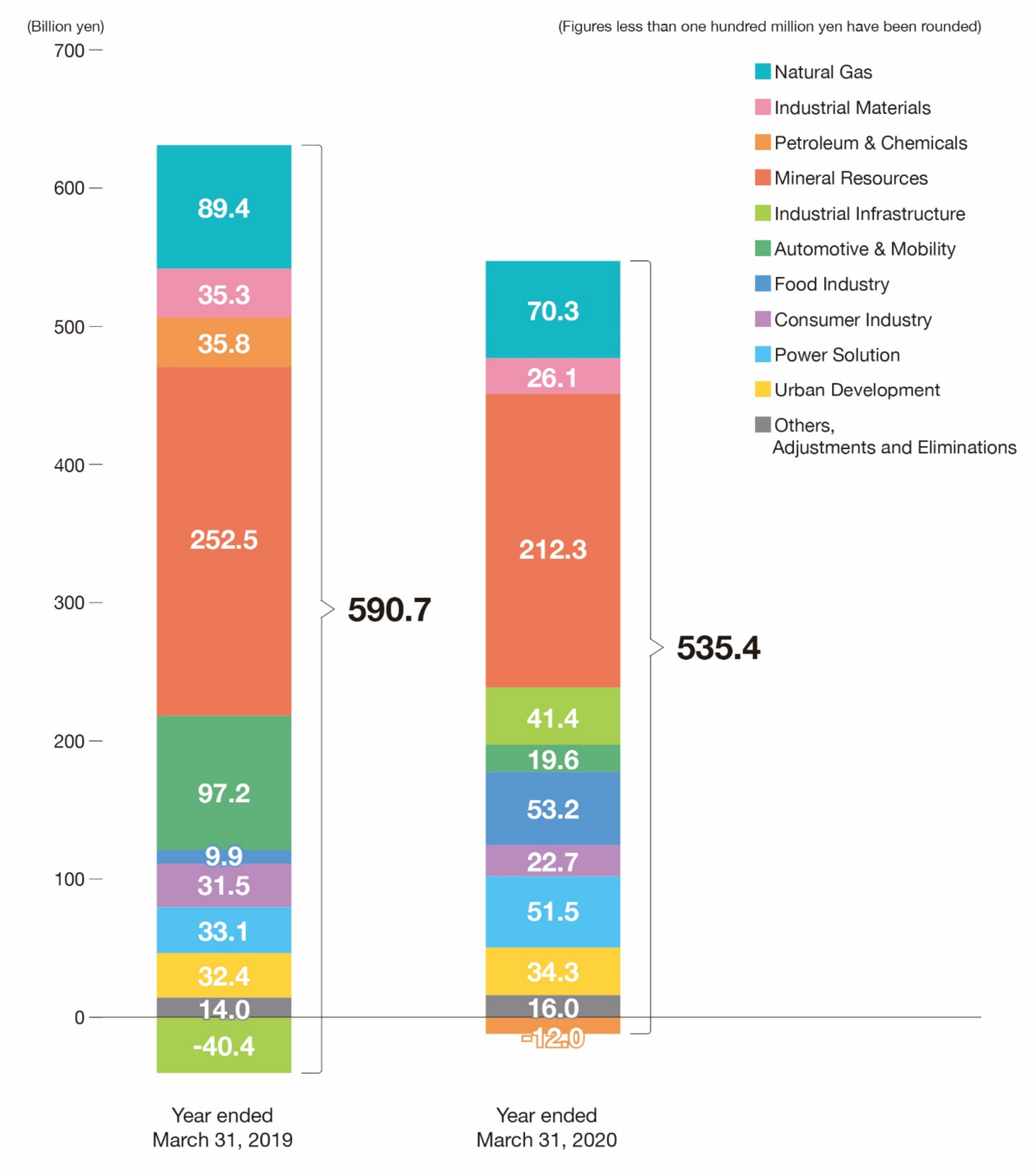
Revenues were 14,779.7 billion yen, a decrease of 1,324.1 billion yen, or 8% year over year. This was mainly due to decreased transaction volumes in the Petrochemicals business and falling sales price related to falling market price.
Gross profit was 1,789.1 billion yen, a decrease of 198.7 billion yen, or 10% year over year, mainly due to decreased market price and increased production cost in the Australian metallurgical coal business as well as loss related to crude oil trading derivatives.
Selling, general and administrative expenses remained nearly the same as in the previous year at 1,431.2 billion yen.
Gains on investments increased 47.0 billion yen, or 236% year over year, to 66.9 billion yen, mainly due to sales and valuation gains on shares of subsidiaries and associates in the power and the food industry businesses.
Gains on disposal and sale of property, plant and equipment and others decreased 44.2 billion yen, turning into a loss amount of 0.1 billion yen, mainly due to a rebound from gains on sales associated with resource-related assets recorded in the previous year.
Impairment losses on property, plant and equipment and others amounted to 32.9 billion yen, a decreased loss of 10.9 billion yen, or 25% year over year, mainly due to a rebound from impairment losses on exploration and development assets recorded in the previous year.
Other income (expense)-net deteriorated 5.7 billion yen, or 29% year over year, to an expense amount of 25.6 billion yen, mainly due to changes in foreign exchange gains (losses).
Finance income decreased 25.7 billion yen, or 13% year over year, to 173.3 billion yen, mainly due to decreased dividend income from resource-related investments.
Share of profit of investments accounted for using the equity method increased 42.0 billion yen, or 31% year over year, to 179.3 billion yen, mainly due to increases rebounds from both one-off losses due to worsening construction-related losses at Chiyoda Corporation and one-off losses related to the Chilean iron ore business recorded in the previous year, despite a decrease due to impairment losses on investment in Mitsubishi Motors Corporation.
As a result, profit before tax decreased 202.9 billion yen, or 24% year over year, to 648.9 billion yen.
Accordingly, profit for the year declined 55.3 billion yen, or 9% year over year, to 535.4 billion yen.

(Notes)
1. This Business Report for the fiscal year ended March 31, 2020 is prepared based on International Financial Reporting Standards (IFRS).
2. “Profit” (consolidated) in this Business Report represents net income attributable to owners of Mitsubishi Corporation, excluding non-controlling interests.

(Translation)

**2. Segment Information**

■Consolidated Net Income by Segment

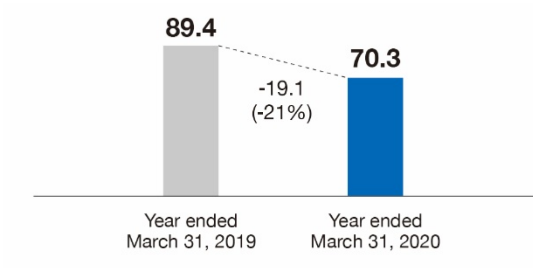


(Translation)

**Natural Gas Group**

The Natural Gas Group conducts the natural gas business, crude oil production and development businesses and liquefied natural gas (LNG) business in places including North America, Southeast Asia, Australia and Russia.

■ **Consolidated Net Income**（Billion yen）




【Main Factors】

＜Positive＞

・Rebound from one-off losses accompanying the asset reshuffling recorded in the previous fiscal year

＜Negative＞

・Decreased equity earnings in LNG-related business

・One-off losses from the North American shale gas business

【TOPICS】**Promoting the LNG Canada Project**

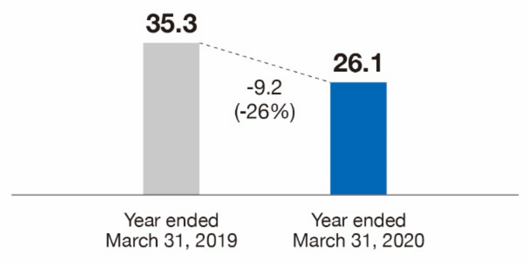
Mitsubishi Corporation is moving forward with partners toward commencing production in the mid-2020s on the LNG Canada Project on which a final investment decision was made in October 2018. This will be Canada's first large-scale LNG project with construction of natural gas liquefaction plant at Kitimat, British Columbia, with production capacity of 14 million tons per annum (Mitsubishi Corporation's share is 15%), contributing to expanding employment and economic development in western Canada and supplying Asia with LNG, which has a lower environmental burden.

(Translation)

**Industrial Materials Group**

The Industrial Materials Group engages in sales transactions, business developments and investments in the automotive, mobility, construction, and infrastructure sectors, in which it handles various materials such as carbon, steel products, and functional materials.

■**Consolidated Net Income** (Billion yen)




【Main Factors】

＜Negative＞

・Decreased equity earnings in the steel products business

・Decreased trading profit in the carbon business

【TOPICS】**Developing the Silica Sand Mining Business in Australia**

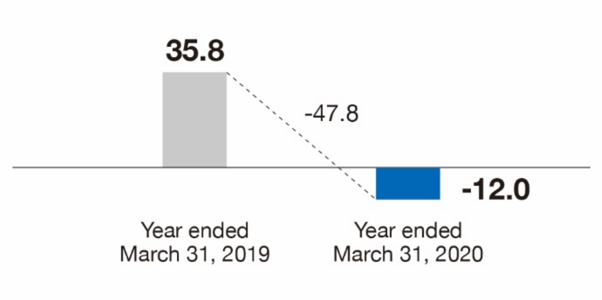
Cape Flattery Silica Mines, wholly owned by Mitsubishi Corporation and based in Australia, is one of the world's largest silica sand mines, mining and refining high quality silica sand used as a raw material in items like glass. Mitsubishi Corporation utilizes its proprietary distribution and sales network to get involved in transport and sales of silica sand that Cape Flattery Silica Mines ships, building a consistent supply chain. Cape Flattery Silica Mines ships about 3 million tons of silica sand annually to countries throughout Asia, including Japan, and seeks to provide a stable supply of silica sand in a market projected to see firm demand going forward, while also striving to preserve the natural environment and co-existing with communities.

(Translation)

**Petroleum & Chemicals Group**

The Petroleum & Chemicals Group engages in sales transactions, business developments, and investments in a wide area in petroleum and chemical-related fields, including crude oil, petroleum products, LPG, ethylene, methanol, salt, ammonia, plastics, and fertilizers.

■ **Consolidated Net Income (Net Loss)** (Billion yen)




【Main Factors】

＜Negative＞

・To record loss of 34.3 billion yen related crude oil derivative transactions by a Singaporean crude oil and petroleum products company mainly as “Cost of revenues”

・Decreased equity earnings in the petrochemicals business

【TOPICS】**Joining the PET Chemical Recycling Business**

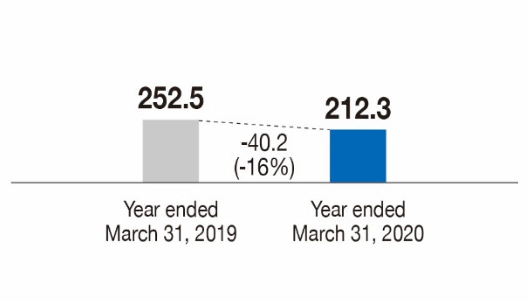
Mitsubishi Corporation reached an agreement with Taiwan’s Shinkong Synthetic Fibers Corporation (Shinkong), a Taiwan-based major producer of polyester fiber and PET in January 2020 to accept a third-party allotment of shares in the Shinkong subsidiary Thai Shinkong Industry Corporation Ltd., a Thailand-based producer of PET used to make plastic beverage bottles, raising its stake to 34%. There has been growing pressure around the world to transition to circular economies and Mitsubishi Corporation has strengthened its response to “Procuring and Supplying in a Sustainable Manner” by leveraging Shinkong’s technical capabilities and expertise to participate in recycled PET production.

(Translation)

**Mineral Resources Group**

The Mineral Resources Group engages in business management through investment and development in mineral resources such as coking coal, copper, iron ore, and aluminum and strengthens the supply capabilities leveraging high-quality services and functions through a global network for ferrous raw materials and non-ferrous metals.

■**Consolidated Net Income** (Billion yen)




【Main Factors】

＜Positive＞

・To record one-off gains of 76.7billion yen from restructuring the Chile copper business as "Income tax"

・Rebound from the impairment loss in the Chile iron ore business recoded in the previous fiscal year

＜Negative＞

・Decreased business revenue in the Australian coking coal business

・Impairment loss in the overseas smelting business

【TOPICS】**Developing a Copper Business with a Competitive Edge Globally**

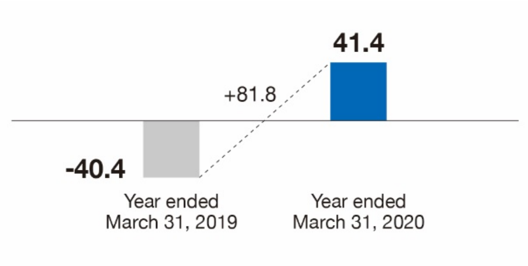
The Mineral Resources Group has positioned copper, demand of which is expected to grow due to growing infrastructure demand in emerging countries and the spread of electric vehicles, as earnings pillars along with coking coal and is involved in the operation and development of mines with a highly competitive edge globally in terms of mineral reserves, quality, and expansion capacity. Mitsubishi Corporation uses renewable energies and desalinated seawaters as effective resources in its mine management and aims to co-exist with local communities, contribute to future stable copper supply and strives to improve environment and social value.

(Translation)

**Industrial Infrastructure Group**

The Industrial Infrastructure Group engages in businesses and related transactions in a wide variety of fields, including energy infrastructure, industrial plants, machine tools, agricultural machinery, mining equipment, elevators, escalators, shipping, and aerospace-related equipment.

■ Consolidated Net Income (Net Loss) (Billion yen)




【Main Factors】

＜Positive＞

・Rebound from one-off losses recorded by Chiyoda Corporation in the previous fiscal year

【TOPICS】**Support for Chiyoda Corporation's Restructuring**

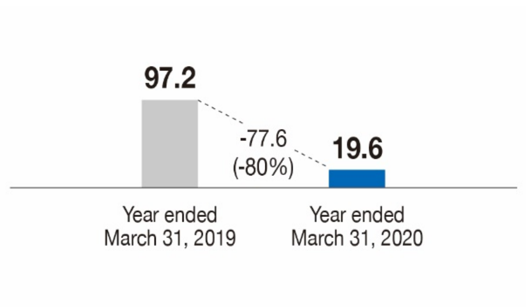
In 2008, Mitsubishi Corporation accepted third-party allotment by Chiyoda Corporation and made it an equity-method affiliate and has provided Chiyoda Corporation with management support and sales support. In response to a request by Chiyoda Corporation to shore up its financial situation, Mitsubishi Corporation decided to support restructuring Chiyoda Corporation in May 2019 and the company became Mitsubishi Corporation's consolidated subsidiary in September 2019. To strengthen Chiyoda Corporation's management and risk management structure, Mitsubishi Corporation dispatched human resources to the company and will combine the utilization of Mitsubishi Corporation's strengths of business and management capabilities together with Chiyoda Corporation's strengths of technical capability to devote their abilities to rebuilding Chiyoda Corporation.

(Translation)

**Automotive & Mobility Group**

The Automotive & Mobility Group is deeply involved in one series of the value chain business, focusing on sales and sales finance of passenger and commercial vehicles and including production and after-sales services. The Group is also involved in mobility-related businesses to resolve people-and-goods mobility issues.

■**Consolidated Net Income** (Billion yen)




【Main Factors】

＜Negative＞

・Impairment loss in investment in Mitsubishi Motors Corporation

・Decreased equity earnings at equity-method affiliates and in the Asian automotive business

【TOPICS】**Sales Start in Thailand for the All New Isuzu D-Max Pickup Truck**

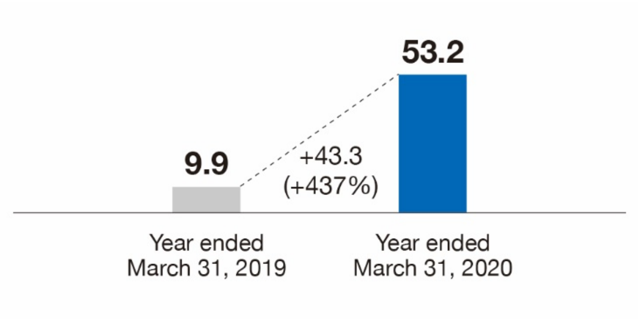
Sales of the All New Isuzu D-MAX, a new pickup truck and the first model change in Thailand in eight years, started in October 2019 through Tri Petch Isuzu Sales Co., Ltd., the sole distributor and importer for Isuzu Motors Limited in Thailand, and in which Mitsubishi Corporation holds an 88.73% share. Mitsubishi Corporation will continue to expand business in Thailand, where demand for pickups is projected to continue to be strong, and to contribute to Thai economic development.

(Translation)

**Food Industry Group**

The Food Industry Group engages in sales transactions and business developments in fields related to food, including food resources, fresh foods, consumer products, ingredients, and other products across a wide domain from the production and procurement of raw materials through to the production of finished food products.

■Consolidated Net Income (Billion yen)




【Main Factors】

＜Positive＞

・Rebound from the impairment loss recorded the previous fiscal year in the overseas food materials business

・One-off gains from the overseas food business

【TOPICS】**Promoting DX in the Salmon Farming Business**

Cermaq Group AS, wholly owned by Mitsubishi Corporation, is engaged in the salmon farming business in Norway, Chile, and Canada. In Norway, it is moving ahead with new farming technologies that apply image recognition technology to identify and manage the health and weight of individual fish in the water, and has received government approval to conduct testing and verification using this technology.

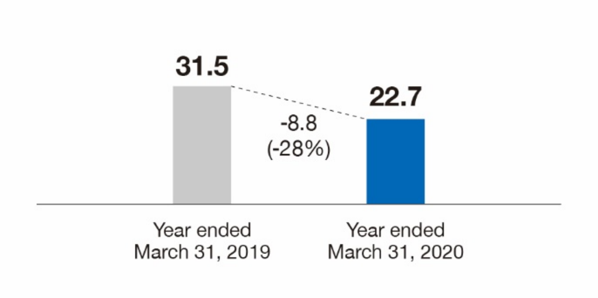
These technologies are projected to enhanced productivity through such means as individual management and selection by weight, reducing the burden on the environment by improving animal welfare and reducing the amount of chemical agents used.

(Translation)

**Consumer Industry Group**

The Consumer Industry Group engages in providing products and services and business developments across a wide range of domains, such as retail, apparel, SPA, healthcare, food distribution and logistics, tire industries, consumer marketing, and paper and packaging.

■**Consolidated Net Income** (Billion yen)




【Main Factors】

＜Negative＞

・Increased stores in the CVS business closed for being unprofitable

・Decreased equity earnings in the logistics business due to a rebound from the gain on sale of a warehouse in the previous fiscal year

【TOPICS】**Creating a New Consumer Experience Fusing the Online and Real Worlds**

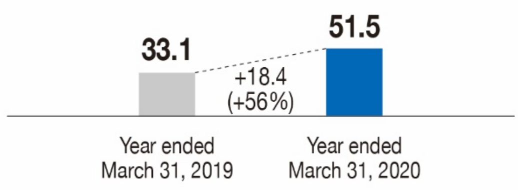
Mitsubishi Corporation, Lawson, Inc. (in which Mitsubishi Corporation has a 50.12% share), Loyalty Marketing, Inc. (in which Mitsubishi Corporation has a 22.37% share), and KDDI Corporation agreed on a business alliance in December 2019 to create a new consumer experience fusing the online and real worlds. The structure of consumer society is changing dramatically due to the increase of online customer contact points. To respond to these changes and provide sustained value to customers, the four companies are working to create consumer experiences that are pleasant and convenient as well as highly sustainable.

(Translation)

**Power Solution Group**

The Power Solution Group engages in a wide array of fields related to the power business that forms the foundation of industry in Japan and overseas. Specifically, in addition to the power generation and transmission, power trading, retail, and sales of power generation or transmission-related device businesses, the Group also produces lithium-ion batterie, conducts storage battery businesses such as developing off-grid distributed power supplies, and develops hydrogen energy.

■ **Consolidated Net Income** （Billion yen）




【Main Factors】

＜Positive＞

・Valuation gain accompanying making Eneco Groep N.V. a subsidiary

【TOPICS】**Acquiring a Dutch Energy Company**

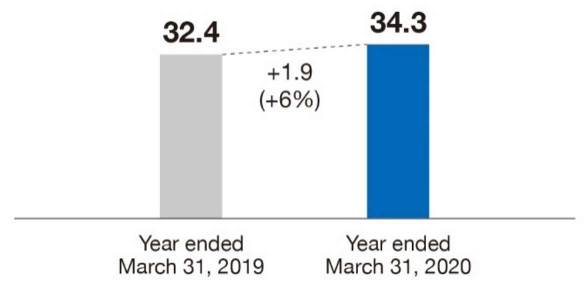
Diamond Chubu Europe B.V., a Dutch company jointly established by Mitsubishi Corporation (which has an 80% share) and Chubu Electric Power Co., Ltd. (Chubu) acquired Eneco Groep N.V., a company engaged in comprehensive energy business throughout Europe, focusing on renewable energy development and customer-oriented retail businesses with digital technologies. Mitsubishi Corporation will leverage Eneco's technological capabilities and expertise to further accelerate renewable energy development within and outside of Europe and make a contribution to the transition toward a low-carbon society and to preserve the global environment.

(Translation)

**Urban Development Group**

The Urban Development Group engages in business development, operation and management businesses in fields such as urban development, real estate, business investment, leasing, and infrastructure.

■**Consolidated Net Income** (Billion yen)




【Main Factors】

＜Positive＞

・Increased gains on property sales in the real estate business in Japan

【TOPICS】**Developing an Urban Project in the Eastern Jakarta Metropolitan Area**

Mitsubishi Corporation is developing a residential complex consisting of approximately 6,400 units, partnering with Indonesian developer, PT Vasanta Indo Properti, in Bekasi, the eastern part of the Indonesian capital of Jakarta. To cope with the chronic traffic congestion in the Jakarta metropolitan area, the Indonesian government is upgrading its transportation infrastructure and Mitsubishi Corporation is moving ahead on comfortable urban development, utilizing the features of the highly convenient location. Going forward, Mitsubishi Corporation will leverage its comprehensive capabilities and expertise acquired through real estate developments throughout the world to undertake urban development projects that raise added values for entire areas.

(Translation)

**[Consolidated Financial Position]**

**1. Changes in Assets, Liabilities and Equity**

Total assets as of March 31, 2020 were 18,049.7 billion yen, an increase of 1,516.9 billion yen, or 9%, from March 31, 2019.

Current assets were 6,937.4 billion yen, a decrease of 101.5 billion yen, or 1%, from March 31, 2019. The decrease was mainly due to a decline in trade and other receivables stemming from decreased transaction volumes in the Petroleum & Chemicals business.

Non-current assets were 11,112.3 billion yen, an increase of 1,618.4 billion yen, or 17%, from March 31, 2019. The increase was mainly due to an increase in right-of-use assets as a result of the adoption of IFRS 16 “Leases,” and an increase in intangible assets and goodwill as Chiyoda Corporation and Eneco Groep N.V. became subsidiaries.

Total liabilities were 11,832.8 billion yen, an increase of 1,936.9 billion yen, or 20%, from March 31, 2019. Current liabilities were 5,346.3 billion yen, an increase of 192.6 billion yen, or 4%, from March 31, 2019. This increase was mainly attributable to an increase in lease liabilities as a result of the adoption of IFRS 16 “Leases,” and an increase in other current liabilities in line with a rise in prices in precious metals leasing transactions.

Non-current liabilities were 6,486.5 billion yen, an increase of 1,744.3 billion yen, or 37%, from March 31, 2019. This increase was mainly due to an increase in lease liabilities as a result of the adoption of IFRS 16 “Leases,” and an increase in bonds and borrowings in connection with new financing activities.

Total equity was 6,216.9 billion yen, a decrease of 420.0 billion yen, or 6%, from March 31, 2019.

Equity attributable to owners of the Parent was 5,227.4 billion yen, a decrease of 468.8 billion yen, or 8%, from March 31, 2019. This decrease was mainly attributable to a decrease in exchange differences on translating foreign operations due to the depreciation of the Australian dollar and the US dollar, the purchase of treasury stock, and a decline in retained earnings due to the payment of dividends, which was partially offset by an increase in retained earnings due to the accumulation of profit for the period.

Non-controlling interests amounted to 989.5 billion yen, an increase of 48.8 billion yen, or 5% from March 31, 2019.

Net interest-bearing liabilities (excluding lease liabilities), which are gross interest-bearing liabilities minus cash, cash equivalents and time deposits, increased 612.7 billion yen, or 16%, from March 31, 2019 to 4,336.3 billion yen.

**2. Cash Flows**

Cash and cash equivalents as of March 31, 2020 were 1,322.8 billion yen, up 162.2 billion yen from March 31, 2019.

**Operating activities**

Net cash provided by operating activities was 849.7 billion yen, mainly due to cash flows from operating transactions and dividend income, despite the payment of income taxes and interest.

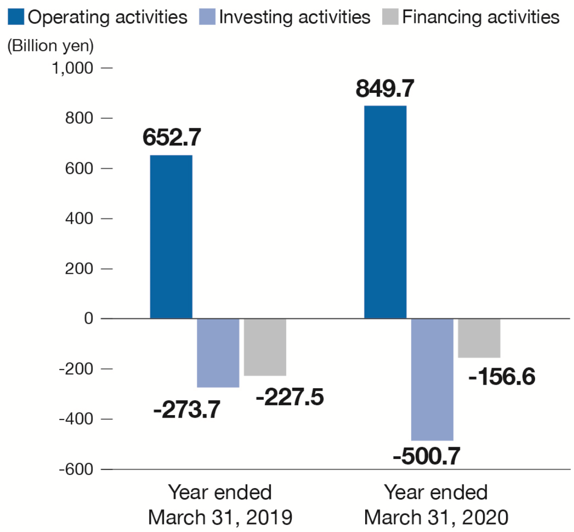
**Investing activities**

Net cash used in investing activities was 500.7 billion yen.

The main uses of cash were the acquisition of Eneco Groep N.V. shares, payments for the purchase of property, plant and equipment, investments in and loans to affiliated companies, which exceeded cash provided by the sale of listed stocks and investments in affiliated companies.

**Financing activities**

Net cash used in financing activities was 156.6 billion yen, mainly due to the acquisition of treasury stock, repayments of lease liabilities, and payment of dividends, which exceeded cash provided by financing activities.




Mitsubishi Corporation plans to increase dividends flexibly in line with sustainable earnings growth based on a progressive dividend scheme. The purchase of treasury stock was undertaken to enhance capital efficiency, taking into consideration factors such as cash flows and appropriate levels of capital during the Midterm Corporate Strategy 2018 period. Mitsubishi Corporation plans to keep debt financing at an appropriate level based on liquidity and financial soundness.

(Translation)

**[Capital Expenditures]**

There were no significant capital expenditures in the fiscal year ended March 31, 2020.

**[Issuance of Corporate Bonds]**

The Mitsubishi Corporation Group flexibly issues bonds as its primary means of procuring funds.

During the fiscal year ended March 31, 2020, Mitsubishi Corporation issued U.S. dollar-denominated straight bonds, totaling 540 million dollars (approximately 58.8 billion yen).

Furthermore, Mitsubishi Corporation Finance PLC, a wholly owned subsidiary of Mitsubishi Corporation based in the U.K., issued foreign currency bonds totaling equivalent to 21.5 billion yen as part of the Euro Medium Term Note Programme.

**[Important Business Combinations]**

●Acquisition of Chiyoda Corporation Shares

Mitsubishi Corporation has accepted a capital increase through third-party allotment, acquired the A-class preferred shares convertible into common stock of Chiyoda Corporation, an integrated engineering company, and obtained the necessary approvals for exercising the conversion right. As a result, by converting all the A-class preferred shares to common stock, Mitsubishi Corporation raised its ratio of voting rights in Chiyoda from 33.57% to 82.06% and in the consolidated financial statements made Chiyoda Corporation a consolidated subsidiary of Mitsubishi Corporation.

●Acquisition of Eneco Groep N. V. Shares

Mitsubishi Corporation has acquired 100% of the shares of Eneco Groep N.V.(Eneco), a Dutch energy company, through Diamond Chubu Europe B.V., a Netherlands-based company Mitsubishi Corporation and Chubu Electric Power Co., Inc. jointly established and in which Mitsubishi Corporation has an 80% share. As a result, Mitsubishi Corporation made it into a consolidated subsidiary of Mitsubishi Corporation. With the consolidation of Eneco into subsidiaries, part of the joint venture between Eneco and the consolidated subsidiaries, which conducts the European power business in Mitsubishi Corporation, has also become the consolidated subsidiaries of Mitsubishi Corporation.

(Translation)

**●Operating Results and Financial Position**

**Mitsubishi Corporation Group Consolidated Operating Results and Financial Position**（Note1）

(Million yen)

| | Item＼Fiscal Year Ended | March 31, 2017 | March 31, 2018 | March 31, 2019 | March 31, 2020 |
|---|---|---|---|---|---|
| Consolidated | Revenues (Note 2) | 6,425,761 | 7,567,394 | 16,103,763 | 14,779,734 |
| | Profit attributable to owners of Mitsubishi Corporation | 440,293 | 560,173 | 590,737 | 535,353 |
| | Equity attributable to owners of Mitsubishi Corporation | 4,917,247 | 5,332,427 | 5,696,246 | 5,227,359 |
| | Total Assets | 15,753,557 | 16,036,989 | 16,532,800 | 18,049,661 |
| | Basic Profit attributable to owners of Mitsubishi Corporation per share (yen) | ¥277.79 | ¥353.27 | ¥372.39 | ¥348.50 |
| | R O E | 9.3 % | 10.9% | 10.7% | 9.8% |

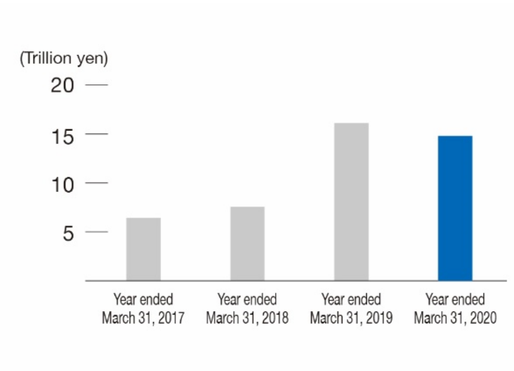
(Figures less than one million yen are rounded to the nearest million)

(Notes)

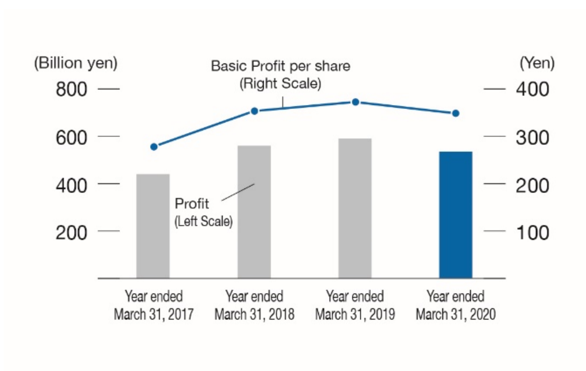
1. Figures in the above table are derived from financial information included in the consolidated financial statements based on IFRS in accordance with Article 120, Paragraph 1 of the Ordinance on Company Accounting of Japan.
2. Effective from the fiscal year ended March 31, 2019, Mitsubishi Corporation has recognized revenues based on IFRS 15.

## Mitsubishi Corporation Group (Consolidated)

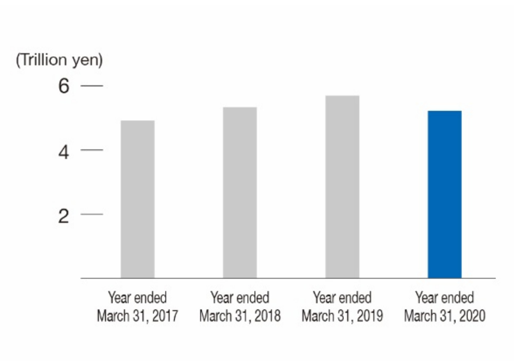
《Revenues》



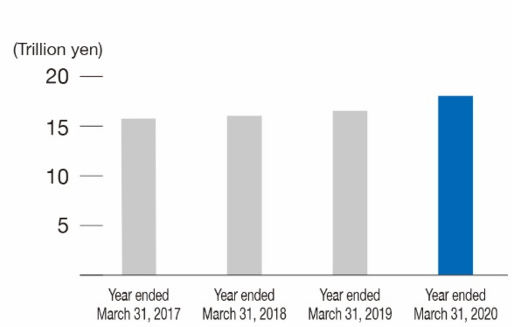

《Profit attributable to owners of Mitsubishi Corporation and Basic Profit attributable to owners of Mitsubishi Corporation per share》




《Equity attributable to owners of the Parent》




《Total Assets》



(Translation)

**Mitsubishi Corporation Non-Consolidated Operating Results and Financial Position**

(Million yen)

| | Item＼Fiscal Year Ended | March 31, 2017 | March 31, 2018 | March 31, 2019 | March 31, 2020 |
|---|---|---|---|---|---|
| Non-consolidated | Net Sales (Note 1) | 5,216,706 | 5,233,193 | — | — |
| | Revenues (Note 1) | — | — | 2,497,837 | 1,737,893 |
| | Profit | 127,805 | 364,143 | 396,117 | 364,663 |
| | Total Equity (Note 2) | 2,410,021 | 2,688,097 | 2,828,602 | 2,566,871 |
| | Total Assets (Note 2) | 7,433,705 | 7,383,315 | 7,429,597 | 7,521,438 |
| | Basic Profit per share (yen) | ¥80.63 | ¥229.64 | ¥249.70 | ¥237.36 |
| | Dividend per share (yen) (Note 3) | ¥80 | ¥110 | ¥125 | ¥132 (Including interim ¥64) |

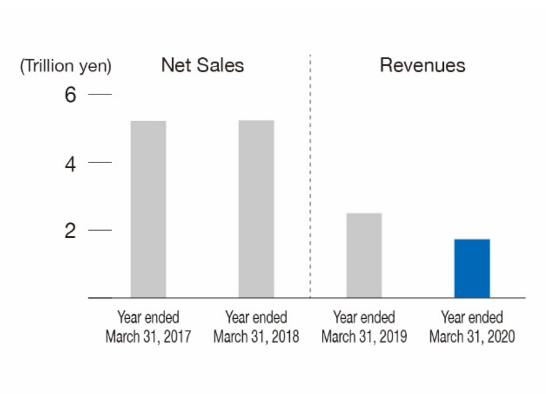
(Figures less than one million yen are rounded down)

(Note)

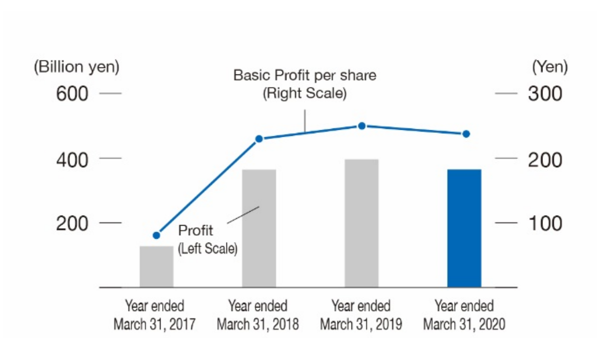
1. Upon the early adoption of “Accounting Standard for Revenue Recognition” (Accounting Standards Board of Japan No. 29) from the fiscal year ended March 31, 2019, the “Net sales” line item has been changed to “Revenues” in the Non-consolidated Statement of Operations. In “Net Sales,” consideration for all transactions is presented as the gross amount. In contrast, in “Revenues,” the net amount of consideration, or the commission or fee amount, is presented for transactions conducted as an agent.
2. The Parent has adopted “Partial Amendments to Accounting Standard for Tax Effect Accounting” (ASBJ Statement No. 28) and “Implementation Guidance on Tax Effect Accounting” (Accounting Standards Board of Japan Guidance No. 28) from the fiscal year ended March 31, 2019. Accordingly, the amounts for the fiscal year ended March 31, 2018 have been retrospectively adjusted to reflect this accounting standard and implementation guidance.
3. The year-end dividend applicable to the fiscal year ended March 31, 2020 is proposed at 68 yen per share and approval will be sought at the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2020.

## Mitsubishi Corporation (Non-consolidated)

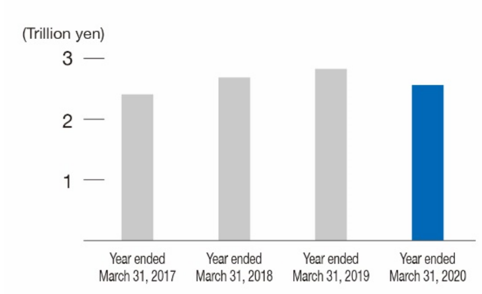
《Net Sales》



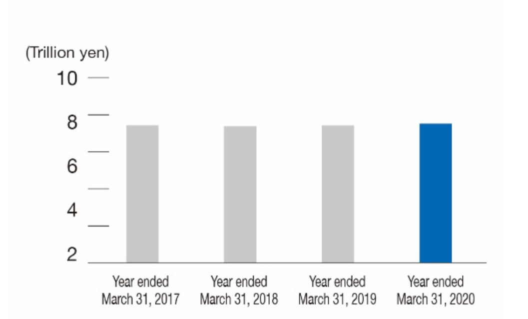

《Profit and Basic Profit per share》




《Total Equity》




《Total Assets》



(Translation)

**●Key Themes for the Mitsubishi Corporation Group**

**"Midterm Corporate Strategy 2021" —Achieving Growth Through Business Management Model—**

In November 2018, Mitsubishi Corporation formulated its Midterm Corporate Strategy 2021, laying out a new management direction for the three years commencing the fiscal year ended March 31, 2020.
Hegemonic tensions between the U.S. and China, advances in digital technology and the emergence of platform companies have driven business model transformations at a level that can be described as the Fourth Industrial Revolution. The Midterm Corporate Strategy 2021 sets out management policies that will navigate Mitsubishi Corporation to sustainable business growth through these trends.
Mitsubishi Corporation will realize triple-value growth* through its business management model, underpinned by the four pillars of the Midterm Strategy; (1) Business Portfolio, (2) Growth Mechanisms, (3) HR System Reforms and (4) Financial Targets & Capital Policy.

* Simultaneously generating economic value, societal value, and environmental value

**[Progress on Midterm Corporate Strategy 2021]**

In the fiscal year ended March 31, 2020, the business environment came under pressure due to a global economic slowdown, compounded by the additional impact of the coronavirus 2019 (COVID-19) pandemic. In this challenging environment, Mitsubishi Corporation steadily pushed ahead with asset replacements and other measures to build up its customer base in downstream businesses and the Services sector, including IT and logistics.

| | | |
|---|---|---|
| 1 | Business Portfolio | • Progress with Asset Replacements in the Business Portfolio Sustains Mitsubishi Corporation's Resilience in a Worsening Business Environment<br>• Progress on Measures in Downstream Businesses and the Services Sector<br>— Expansion of downstream businesses with measures such as the acquisition of Eneco, an integrated European energy business<br>— Steady strides in the Services sector, such as an agreement to invest in HERE Technologies, a leading provider of location information services |
| 2 | Growth Mechanisms | • Value-Added Cyclical Growth Model & Enhanced ROE<br>— Steadily executed replacement of value added assets, such as the sale of overseas power generation assets<br>• Enhancement of New Business Creation & Digital Strategies<br>— Progressed digital transformation (DX) from planning to the implementation stage Collaborating with NTT Corporation in a business partnership and establishing a company-wide Industrial DX Task Force. |
| 3 | HR System Reforms | • Commenced Operation of a New HR System for Continuous Development of Highly Skilled Management Professionals<br>• Completed the Deployment of Redesigned Evaluation and Compensation Systems to Ensure Reciprocal Growth Between the Company and Employees |
| 4 | Financial Targets & Capital Policy | • FY2019 Consolidated Net Income: 535.4 Billion Yen, FY2020 Forecasts Not Yet Determined<br>• Financial Discipline and Continuation of the Progressive Dividend Scheme<br>— FY2019 dividend: 132 yen; FY2020 dividend outlook: 134 yen |

Changes in External Environment

- Rapid spread of COVID-19 amid a global economic slowdown, compounded by a sudden fall in crude oil prices. Sharp contraction in economic activity from a double shock to supply and demand.
- With rising geopolitical uncertainty, arising from a power struggle between the U.S. and China as well as mounting nationalistic policies there is a possible shift from the pursuit of greater economic efficiency which defined globalization.
- Digitalization will transcend national and industry boundaries and become a vital infrastructure component that supports flexible and interactive collaboration, driven by such things as advances in technology advances, changes in people's values.

(Translation)

**[Business Impacts of COVID-19 Influence]**

At present, it is still difficult to estimate the infection of COVID-19, but the main factors influencing businesses in the business groups assumed at this moment are shown below.

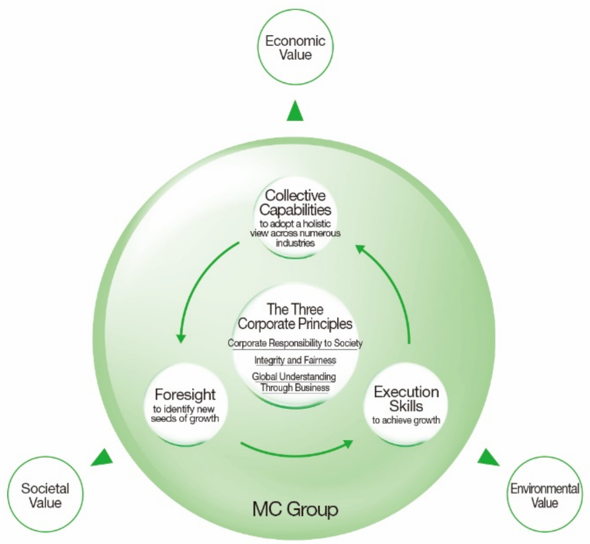
| | Main factors influencing each business area | |
|---|---|---|
| Market decline | Natural Gas | Decline of LNG sales prices linked to crude oil prices. There is a half-year time lag until crude oil prices are reflected in price results. |
| | Mineral Resources | Mineral resource demand and prices are declining, but are expected to normalize, along with mining operations, when the impact of COVID-19 subsides. |
| Decrease in demand | • Groups subject to larger impact: Impacts stemming from worldwide transportation restriction and decrease in demand due to lockdowns are larger | |
| | Automotive & Mobility | Worldwide stagnant demand for automobiles (decrease of unit sales, lower production, factory closures). Cost reduction and sales promotion after impact of COVID-19 subsides to be examined. |
| | Industrial Infrastructure | Possibility of delay in plant construction progress, stagnant demand in rental business, etc. Countermeasures to minimize these impacts to be examined. |
| | Industrial Materials | Decrease in demand for steel products etc. However, assumed to recover as economic recovery progresses since these are fundamental industrial materials. |
| | • Groups subject to limited impact: Relatively stable due to demand related to lifelines | |
| | Consumer Industry | Amid impacts of decrease in transaction volume of tires etc., lifeline-related businesses such as supermarkets (selling daily necessities) are solid. |
| | Food Industry | Despite overall decrease in transaction volumes, limited level of decrease assumed, as food is the major product handled. |
| | Petroleum & Chemicals | Decrease in petroleum and petrochemical product demand. However, demand for product groups related to daily necessities such as food packaging and synthetic fiber assumed to recover as the impact of COVID-19 subsides. |
| Decline in investing | Urban Development | Possibility of delay of divestiture progress of residences and commercial facilities, etc. On the other hand, tenant demands for data centers and logistic facilities are solid. |
| | Power Solution | Possibility of delay of construction and divestiture progress of power assets. However, power business itself should have limited impact in terms of earnings as it has an aspect of a lifeline. |

**[Mitsubishi Corporation Group Corporate Vision]**

**The Mitsubishi Corporation Group Will Deliver Sustainable Growth by Fulfilling Societal Needs**

The Mitsubishi Corporation Group aims to deliver sustainable growth by adapting to changes in the business environment and fulfilling societal needs in due consideration of the United Nations' Sustainable Development Goals (SDGs). To achieve this aim, the Mitsubishi Corporation Group shall rely on three core strengths, namely its collective capabilities to adopt a holistic view of industry, its foresight to identify new seeds of growth, and its execution skills to germinate them.

Simultaneously generating economic value, environmental value and societal value through our businesses



(Translation)

**●Efforts toward Achieving Sustainable Growth**

Mitsubishi Corporation regards its corporate philosophy, the Three Corporate Principles, as the cornerstone of all of its activities. With this in mind, Mitsubishi Corporation has laid out the purpose and ideals of its activities in the Corporate Standards of Conduct, along with upholding the importance of consideration for the global environment and respect for human rights in the Environmental Charter and Social Charter. These concepts are guiding Mitsubishi Corporation forward as it pushes ahead with its business activities.

Midterm Corporate Strategy 2021 also re-emphasizes the need to simultaneously generate economic value, societal value and environmental value to achieve growth for the Mitsubishi Corporation Group through its business management model. Specifically, Mitsubishi Corporation will strive to create businesses that generate value for societies by addressing key sustainability issues through its business activities, thereby ensuring sustainable growth for the company.

**Key Sustainability Issues (Materiality)**

Mitsubishi Corporation recognizes that its response to global sustainability issues will have a significant impact on its prospects for long-term growth. In order to actively push ahead with the simultaneous generation of the three values referred to above, the company has identified a number of Key Sustainability Issues as specific themes to be incorporated into management and is committed to pursuing sustainable growth in line with each of those themes. As part of this, Mitsubishi Corporation will also endeavor to contribute towards the achievement of the SDGs*.

* The SDGs are a set of 17 global goals adopted at the UN summit held in September 2015 as the core of “The 2030 Agenda for Sustainable Development”.


## Past Initiatives to Address the Key Sustainability Issues

▼ 1st Period: 2016 onward

**Identification of Management issues**

**Deliberation by the Board of Directors**
MC identified the Key Sustainability Issues and positioned them as management issues.

▼ 2nd Period: 2017 to 2018

**Incorporation into business strategy**

**Start of Sustainability Dialogues**
MC held dialogues and exchanged ideas on how each Business Group can tackle the Key Sustainability Issues.

▼ 3rd Period: 2019 onward

**Strengthening of initiatives through goal setting**

**Setting of goals towards 2030**
MC further strengthened its initiatives by setting goals rooted in the business of each Business Group.

- Since 2016, we have been strengthening our initiatives, and in 2019, we set goals around the Key Sustainability Issues.
- While monitoring the status of our initiatives in relation to these goals, we will further ensure the realization of triple-value growth.

(Translation)

**Transitioning to a Low-carbon Society: Addressing Climate Change**

Mitsubishi Corporation has identified “Transitioning to a Low-carbon Society” as one of the key issues for management to address and respond to as the company strives to achieve sustainable growth. Mitsubishi Corporation aims to fulfill its mandate to meet the demand for energy while at the same time helping to achieve international objectives such as the SDGs and the 2℃ target laid out in the Paris Agreement. To realize that aim, Mitsubishi Corporation works in collaboration with a wide range of stakeholders including Mitsubishi Corporation Group companies, governments, other businesses and industry associations.

**Capturing Business Opportunities and Mitigating Risks related to Climate Change**

Environmental changes associated with climate change may have a significant impact on Mitsubishi Corporation’s business over the medium to long-term. Mitsubishi Corporation has adopted a flexible portfolio capable of adapting to future changes in its operating environment and believes it is vital to capture business opportunities associated with climate change and take appropriate action to mitigate risks. From this standpoint, Mitsubishi Corporation conducts analyses of the impacts of climate-related risks and opportunities on the company’s businesses, strategy, and financial planning (scenario analyses). Mitsubishi Corporation discloses to stakeholders the results of its scenario analyses and response to climate change in accordance with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)*.

* Task Force on Climate-Related Financial Disclosures. This task force established by the Financial Stability Board(FSB) proposes items that companies should disclose to markets. The General Manager of Mitsubishi Corporation’s Corporate Sustainability & CSR Department is a member of this task force.

**Mitsubishi Corporation’s Recognition of Main Opportunities and Risks Associated with Climate Change**

### Transition Risks and Opportunities

| | |
|---|---|
| Regulations | • Low-carbon and carbon-free products / proliferation of service-related subsidies<br>• Growing operational and systems-related costs due to carbon pricing mechanisms (carbon taxes, etc.) and increasing regulations |
| Technologies | • More new business opportunities due to the development and proliferation of renewable energy sources, electric vehicles and other new technologies or alternative products<br>• Obsolescence of products and services that rely on older technologies |
| Market | • Shifting demand from fossil-fuel products and services to low-carbon products and services |

### Physical Risks

| | |
|---|---|
| Increase in Unusual Weather Patterns | • Risks of water shortages, floods and other resulting phenomena having an adverse impact on business operations |
| Climate Change | • Risk of rising temperatures, etc. having an adverse impact on agricultural and marine products |

* The impacts of the above risks and opportunities will depend on both the relevant regions and products.
* With respect to physical risks, it is important to consider environmental changes (or possibilities thereof) on a region-by-region or product-by-product basis. Accordingly, Mitsubishi Corporation’s responses to phenomena such as floods and water shortages are tailored to the on-the-ground characteristics and needs of each of its businesses.

Please refer to the ESG Data Book for details about the scenario analyses.

(Translation)

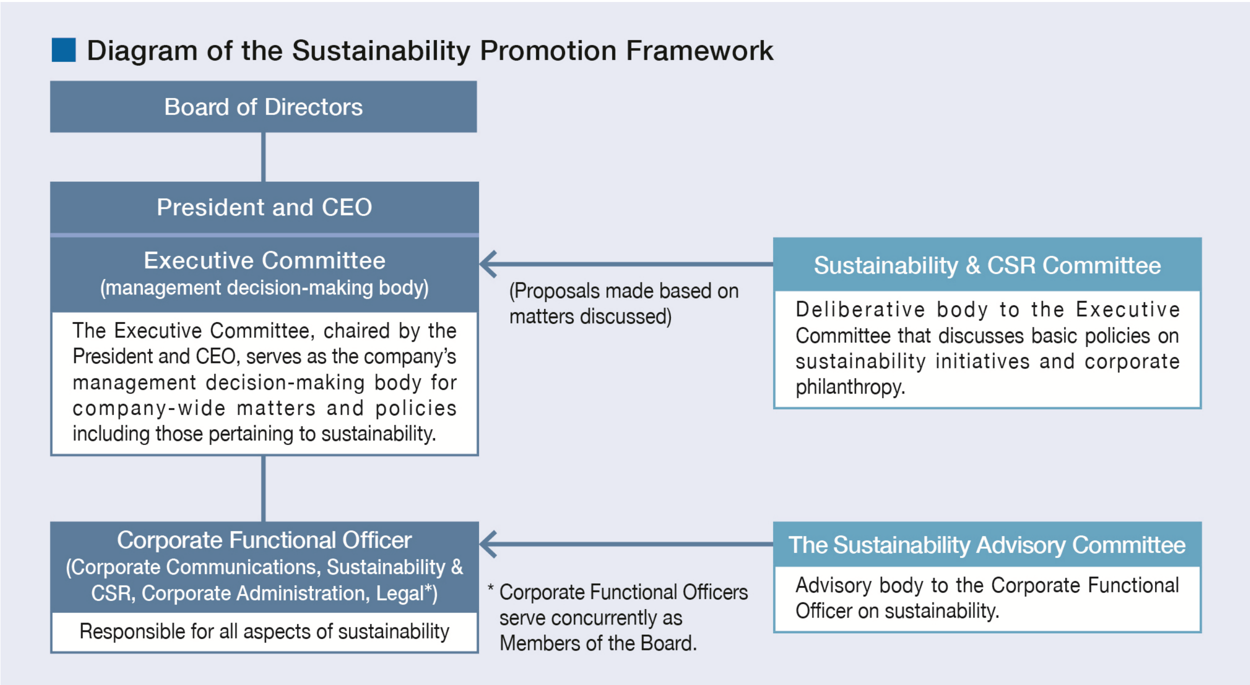
**Case Study of Capturing Business Opportunities related to Climate Change**

Distributed Power Generation Businesses in Off-grid Areas

According to UN statistics, the population of Sub-Saharan Africa will increase from the current 1 billion to 2 billion by 2045. Among the current population, more than 600 million people are living in off-grid areas(without access to electricity) where transmission and distribution networks have yet to been established, and this number is predicted to rise. Mitsubishi Corporation is promoting a distributed power supply business using battery storage in these off-grid regions of Africa. The Company provides equipment that combines power sources (solar panels, battery storage) with appliances (lighting, radios, TVs, etc.) as a service for households in order to supply power to off-grid areas. This also plays a role in reducing the health and environmental impacts of kerosene lamps, which at present are commonly used for lighting in these areas.

**Governance/Risk Management**

Mitsubishi Corporation's basic policy on climate change and important matters therein are deliberated and decided upon by its Executive Committee, the company's officer-level decision-making body. As stipulated in the regulations governing Mitsubishi Corporation's board of directors, the Executive Committee reports its findings regularly (at least once a year) to the board, appropriate supervision of which is facilitated by the structure of Mitsubishi Corporation's governance framework. Before the Executive Committee has addressed basic policy and important matters pertaining to climate change, actions are taken by Mitsubishi Corporation's Sustainability Advisory Committee and Sustainability & CSR Committee. The former fields opinions and advice from outside experts, and the latter (which reports directly to the Executive Committee) holds extensive hearing with all of the Business Group CEOs.



(Translation)

# General Information about the Mitsubishi Corporation Group (As of March 31, 2020)

## ●Office Network of the Mitsubishi Corporation Group

| | | |
|---|---|---|
| Mitsubishi Corporation | Head Office | Mitsubishi Shoji Building: 3-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo, Japan (Registered headquarters)<br>Marunouchi Park Building: 6-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo, Japan |
| | Domestic Office Network | 9 offices, including Hokkaido (Sapporo), Tohoku (Sendai), Chubu (Nagoya), Kansai (Osaka), Chugoku (Hiroshima), Kyushu (Fukuoka) branches, etc. |
| | Overseas Office Network | 53 offices, including Johannesburg Branch, Mitsubishi Corporation Headquarters for the Middle East & Central Asia, Kuala Lumpur Branch, Singapore Branch, Manila Branch, etc. |

| | |
|---|---|
| Regional Subsidiaries | 40 regional subsidiaries including:<br>Mitsubishi Corporation (Americas), Mitsubishi International Corporation,<br>Mitsubishi de Mexico S.A. de C.V., Mitsubishi Corporation do Brasil S.A.,<br>Mitsubishi Corporation International (Europe) Plc.,<br>Mitsubishi International GmbH, Mitsubishi Corporation India Private Ltd.,<br>Mitsubishi Company (Thailand), Ltd., Thai-MC Company Limited,<br>PT. Mitsubishi Corporation Indonesia,<br>Mitsubishi Corporation (Korea) Ltd., Mitsubishi Australia Limited,<br>Mitsubishi Corporation China Co., Ltd., Mitsubishi Corporation (Shanghai) Ltd.,<br>Mitsubishi Corporation (Hong Kong) Ltd., Mitsubishi Corporation (Taiwan) Ltd., etc.<br>(64 locations if it includes the branches and offices of those subsidiaries) |

(Note 1) The number of offices does not include annex and project offices.

(Note 2) In addition to the above, the Mitsubishi Corporation Group companies have factories and other bases in Japan and overseas. A summary of major Group companies is shown under “Status of Major Subsidiaries and Affiliated Companies.”

■Network

Head Office 1/Domestic 9/Overseas117(Offices53/Regional Subsidiaries40,Branches24)

## ●Number of Employees of the Mitsubishi Corporation Group（Note1）

(Number of employees)

| | Natural Gas Group | Industrial Materials Group | Petroleum & Chemicals Group | Mineral Resources Group | Industrial Infrastructure Group | Automotive & Mobility Group | Food Industry Group | Consumer Industry Group | Power Solution Group | Urban Development Group | Others | Total (YoY change) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| The Mitsubishi Corporation Group | 812 | 10,852 | 4,559 | 827 | 9,609 | 6,557 | 24,443 | 20,197 | 4,248 | 762 | 3,232 | 86,098 (+6,104) （Note2） |
| Mitsubishi Corporation | 319 | 261 | 458 | 180 | 320 | 291 | 416 | 409 | 274 | 320 | 1,381 | 4,629 (-197) |

(Note 1) The number of employees does not include individuals seconded to other companies and includes individuals seconded from other companies.

(Note 2) The increase in the number of employees in the Mitsubishi Corporation Group is mainly due to the consolidation of Chiyoda Corporation and Eneco Group N.V. into subsidiaries.

(Translation)

**●Status of Major Subsidiaries and Affiliated Companies**

**■Major consolidated subsidiaries and equity-method affiliates**(Note1)

| Name of Company | Capital stock (Amounts rounded to the nearest million yen or thousand foreign currency) | Voting rights percentage | Main business |
|---|---|---|---|
| Mitsubishi Corporation (Americas) | US$1,428,032 | 100 | Operational support and management for North American companies subject to consolidation |
| Mitsubishi Corporation International (Europe) Plc. | £ 154,323 | 100 | Trading |
| Mitsubishi Corporation (Shanghai) Ltd. | US$91,000 | 100 | Trading |
| Mitsubishi Corporation Finance PLC | US$90,000 | 100 | Financial investment company |
| Japan Australia LNG (MIMI) Pty. Ltd. | US$2,604,286 | 50 | Development and sales of LNG |
| Metal One Corporation | ¥100,000 | 60 | Steel products operations |
| Mitsubishi Development Pty Ltd | AUS$450,586 | 100 | Investment, production and sales of coals and other metals resources |
| Chiyoda Corporation | ¥78,396 | 33.57 | Integrated engineering business |
| Tri. Petch Isuzu Sales Co., Ltd. | THB 3,000,000 | 88.73 | Import/Distribution of automobiles |
| MITSUBISHI MOTORS CORPORATION | ¥284,382 | 20.02 | Manufacture and sales of motor vehicles and their parts |
| Mitsubishi Shokuhin Co., Ltd | ¥10,630 | 61.99 | Wholesale of food products |
| Lawson, Inc. | ¥58,507 | 50.12 | Operation of a convenience store chain |
| Eneco Groep N.V.(Note2) | €50 | 100 | Integrated energy business |

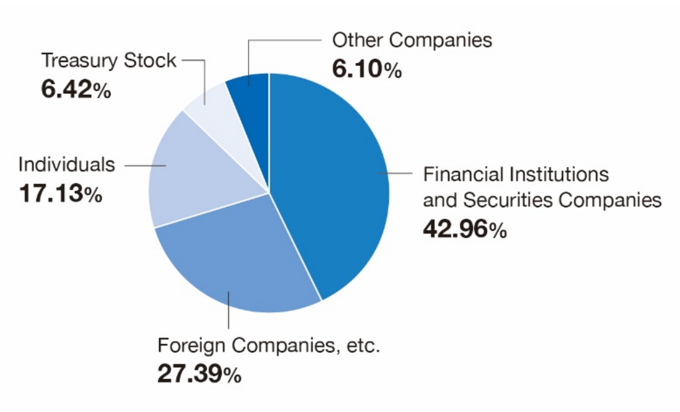
(Note1) As of March 31, 2020, 1,703 companies are subject to consolidation (1,257 consolidated subsidiaries and 446 equity-method affiliates). This includes 1,188 companies directly consolidated by subsidiaries.

(Note2) Mitsubishi Corporation owns 100% of voting rights through Diamond Chubu Europe B.V., in which Mitsubishi Corporation has an 80% share.

**●Stock Information**

| | As of March 31, 2020 | YoY change |
|---|---|---|
| 1. Number of shares authorized for issuance | 2,500,000,000 shares | — |
| 2. Shares of common stock issued | 1,590,076,851 shares | — |
| 3. Number of shareholders | 287,296 | +56,990 |

**4. Shareholder Composition**



(Translation)

**●Stock Acquisition Rights**

1. Stock Acquisition Rights at Fiscal Year-end
Stock Acquisition Rights as Stock Options for a Stock-option-based Remuneration
Directors,' Audit & Supervisory Board Members,' and Executive Officers' Holdings

| Fiscal Year issued | No. of stock options | Class and number of shares to be issued upon exercise of stock options | Issue price of stock options | Price per share due upon exercise of stock options (Exercise Price) | Stock option term |
|---|---|---|---|---|---|
| FY 2005 | 54 | 5,400 shares of the Company's common stock | Issued in gratis | ¥1 | From August 11, 2005 through June 24, 2035 |
| FY 2006 | 28 | 2,800 shares of the Company's common stock | Issued in gratis | ¥1 | From August 11, 2006 through June 27, 2036 |
| For FY 2011 (Issued June 4, 2012) | 94 | 9,400 shares of the Company's common stock | Issued in gratis | ¥1 | From June 5, 2012 through August 1, 2041 |
| FY 2012 | 137 | 13,700 shares of the Company's common stock | Issued in gratis | ¥1 | From August 7, 2012 through August 6, 2042 |
| FY 2014 | 147 | 14,700 shares of the Company's common stock | Issued in gratis | ¥1 | From June 3, 2014 through June 2, 2044 |
| FY 2015 | 167 | 16,700 shares of the Company's common stock | Issued in gratis | ¥1 | From June 2, 2015 through June 1, 2045 |
| FY 2016 | 717 | 71,700 shares of the Company's common stock | Issued in gratis | ¥1 | From June 7, 2016 through June 6, 2046 |
| FY 2017 | 1,443 | 144,300 shares of the Company's common stock | Issued in gratis | ¥1 | From June 6, 2017 through June 5, 2047 |
| FY 2018 | 2,317 | 231,700 shares of the Company's common stock | Issued in gratis | ¥1 | From June 5, 2018 through June 4, 2048 |
| For FY 2018 (Issued June 3, 2019) | 602 | 60,200 shares of the Company's common stock | Issued in gratis | ¥1 | From June 4, 2019 through June 4, 2048 |
| FY 2019 | 8,835 | 883,500 shares of the Company's common stock | Issued in gratis | ¥1 | From July 9, 2022 through July 8, 2049 |

(Translation)

**Breakdown**

| Fiscal Year issued | Directors (Excluding Outside Directors) | | Audit & Supervisory Board Member | | Executive Officers | |
|---|---|---|---|---|---|---|
| | No. of stock options | No. of holders | No. of stock options | No. of holders | No. of stock options | No. of holders |
| FY 2005 | 54 | 1 | － | － | － | － |
| FY 2006 | 28 | 1 | － | － | － | － |
| For FY 2011 (Issued June 4, 2012) | － | － | － | － | 94 | 1 |
| FY 2012 | － | － | － | － | 137 | 1 |
| FY 2014 | 96 | 1 | 51 | 1 | － | － |
| FY 2015 | 68 | 1 | 99 | 1 | － | － |
| FY 2016 | 141 | 1 | － | － | 576 | 6 |
| FY 2017 | 346 | 3 | 129 | 1 | 968 | 12 |
| FY 2018 | 855 | 7 | － | － | 1,462 | 22 |
| For FY 2018 (Issued June 3, 2019) | － | － | － | － | 602 | 5 |
| FY 2019 | 2,785 | 7 | － | － | 6,050 | 30 |

(Notes)

1. The number of stock acquisition rights granted to Directors who also have duties as Executive Officers are shown in the column titled “Directors.”
2. Stock acquisition rights held by the Audit & Supervisory Board Member were granted while the individual was a Director, or Executive Officer. No stock acquisition rights have been granted during the individual’s tenure as an Audit & Supervisory Board Member.
3. The total number of shares for the purposes of stock acquisition rights at March 31, 2020 was 2,762,700 including stock acquisition rights held by retirees.

(Translation)

2. Stock Acquisition Rights Granted During the Fiscal Year Ended March 31, 2020

Stock Acquisition Rights as Stock-option-based Remuneration in the Fiscal Year Ended March 31, 2020

| | |
|---|---|
| Date of the resolution on issuance of stock options | May 17, 2019 |
| Number of stock options | 1,425 |
| Number of allottees and rights granted | Executive Officers* 8 people 1,291 units<br>Senior Vice President ("Riji")* 1 person 134 units |
| Class and number of shares to be issued upon exercise of stock options | 142,500 shares of the Company's common stock |
| Issue price of stock options | Issued in gratis |
| Price per share due upon exercise of stock options (Exercise Price) | ¥1 |
| Stock option term | From June 4, 2019 through June 4, 2048 |
| Other conditions for exercise of stock options | a. A stock option holder may exercise his/her stock options from June 5, 2020 or the day after losing his/her position as either Director, Executive Officers or Senior Vice President ("Riji") of Mitsubishi Corporation, whichever is earlier, within the Stock Option Term above. |
| | b. A stock option holder may not exercise his/her stock options after 10 years from the day after losing his/her position as either Director, Executive Officers or Senior Vice President ("Riji") of Mitsubishi Corporation. |
| | c. In the event that a stock option holder forfeits his/her stock options, such stock options cannot be exercised. |

(Notes)

*includes people who retired in the fiscal year ended March 31, 2019. The Senior Vice President (“Riji”) position has been abolished as of March 31, 2019.

＜Stock Acquisitions for Stock Options for a Stock-linked Compensation Plan with Market Conditions＞

| | |
|---|---|
| Date of the resolution on issuance of stock options | June 21, 2019 |
| Number of stock options | 8,835 |
| Number of allottees and rights granted | Directors 7 people 2,785 units<br>Executive Officers 30people 6,050 units |
| Price per share due upon exercise of stock options (Exercise Price) | 883,500 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, 2022 through July 8, 2049 |
| Other conditions for exercise of stock options | a. A stock options 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 over the three-year period from the allocation date (calculated by dividing the Company's Total Shareholder Return (TSR) during the evaluation period by the growth rate in the Tokyo Stock Price Index (TOPIX) index during the evaluation period). (Note) |

| | |
|---|---|
| | b. A stock option holder may not exercise his/her stock options after 10 years from the day after losing his/her position as either Director or Executive Officer of Mitsubishi Corporation. |
| | c. In the event that a stock option holder forfeits his/her stock options, such stock options cannot be exercised. |

(Note) Details of s Market Conditions are as follows.

A Stock Options 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 over the three-year period from the Allotment Date (calculated by dividing the Company's Total Shareholder Return (TSR) during the evaluation period by the growth rate in the Tokyo Stock Price Index (TOPIX) index during the evaluation period).

(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)

*The initial number of allotted stock options is determined based on the title of the eligible recipient held as of April 1, 2019.

(2) The vesting ratio for stock options varies, as shown below, depending on the growth rate in the Company's shares over the three-year period. Provided, however, that amounts less than 1% are rounded to the nearest whole number.

・ 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 no transactions were made.

(Translation)

**●Principal Shareholders**

| Name of shareholder | No. of shares (Thousands) | Investment ratio (%) |
|---|---|---|
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 111,717 | 7.50 |
| Japan Trustee Services Bank, Ltd. (Trust Account) | 91,698 | 6.16 |
| BNYM RE NORWEST／WELLS FARGO OMNIBUS | 71,495 | 4.80 |
| Meiji Yasuda Life Insurance Company | 64,846 | 4.35 |
| Tokio Marine & Nichido Fire Insurance Co., Ltd. | 62,111 | 4.17 |
| Japan Trustee Services Bank, Ltd. (Trust Account 9) | 34,692 | 2.33 |
| The Master Trust Bank of Japan, Ltd. (Mitsubishi Heavy Industries, Limited Account, Retirement Benefit Trust Account) | 32,276 | 2.16 |
| Japan Trustee Services Bank, Ltd. (Trust Account 5) | 28,152 | 1.89 |
| JP MORGAN CHASE BANK 385151 | 21,103 | 1.41 |
| Japan Trustee Services Bank, Ltd. (Trust Account 7) | 20,300 | 1.36 |

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

(Note)
The investment ratio is computed by excluding 102,110,414 shares of treasury stock held by Mitsubishi Corporation and rounded to two decimal points.

**●Major Lenders**

The Mitsubishi Corporation 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 Mitsubishi Corporation Group's borrowing from financial institutions is conducted mainly by Mitsubishi Corporation. The following is a list of major lenders as of March 31, 2020.

| Name of lender | Loans payable (Million yen) |
|---|---|
| MUFG Bank, Ltd. | 603,841 |
| Japan Bank for International Cooperation | 287,899 |
| Meiji Yasuda Life Insurance Company | 192,000 |
| Nippon Life Insurance Company | 160,000 |
| Sumitomo Mitsui Trust Bank, Limited | 137,064 |
| Mizuho Bank, Ltd. | 128,830 |
| Sumitomo Life Insurance Company | 95,000 |
| The Norinchukin Bank | 91,766 |

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

(Note)
In addition to the above, Mitsubishi Corporation has borrowings of 60,000 million yen from a syndicated loan, facility arranged by MUFG Bank, Ltd. and Mizuho Bank, Ltd.

(Translation)

**●Internal Control System (System for Ensuring Proper Business)**

(Article 362, Paragraph 4, Item 6 of the Companies Act)

On May 9, 2019, the Board of Directors of Mitsubishi Corporation resolved the basic policy of establishing the following internal control systems (pursuant to items enumerated in Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act) for Mitsubishi Corporation, as a whole Mitsubishi Corporation group including its subsidiaries, to improve the corporate value through proper and efficient business operations in conformity with laws and its Articles of Incorporation. Mitsubishi Corporation checks the operating status of these systems and endeavors to continuously improve and strengthen them.

**<Basic Policy for the Construction of an 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) Compliance System

Mitsubishi Corporation shall establish internal rules, regulations and other requirements 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, Mitsubishi Corporation shall rigorously reflect the rules, regulations and other requirements in operations. Further, Mitsubishi Corporation shall realize its compliance capabilities as the Mitsubishi Corporation Group by encouraging subsidiaries to establish similar systems.

(2) Financial Reporting System

Mitsubishi Corporation shall establish internal rules, regulations and other requirements for such matters as the establishment of persons responsible for each accounting organization and procedures for the preparation of financial statements in conformity with laws and accounting standards. After informing all parties, Mitsubishi Corporation shall rigorously reflect the rules, regulations and other requirements in operations and ensure proper and timely disclosure of financial information of the Mitsubishi Corporation Group.

(3) Audit and Monitoring System

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

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

After establishing internal rules, regulations and other requirements 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, Mitsubishi Corporation shall rigorously reflect the rules, regulations and other requirements in operations and prepare, process, store and otherwise manage information appropriately.

**3. Regulations and Other Systems Concerning Management of Loss Risk**

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

**4. System for Ensuring that Directors Perform Duties Efficiently**

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

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

(Translation)

**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 Mitsubishi Corporation Group, Mitsubishi Corporation shall establish basic policies as the Mitsubishi Corporation Group while for each subsidiary and affiliate establishing internal rules, regulations and other requirements for such matters as persons responsible, important management-related items, management methods, and the exercise of shareholder rights. After informing all parties, Mitsubishi Corporation shall rigorously reflect the rules, regulations and other requirements in operations. Further, these 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 Board Members and Items Concerning Their Independence from Directors**

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

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

(1) Audit & Supervisory Board Members shall attend meetings of the Board of Directors and other important management meetings and shall state opinions.

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

(3) Mitsubishi Corporation 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 Board Members request reports relating to subsidiaries and a system to enable the reporting of important matters, including subsidiaries' significant compliance matters, addressed to Audit & Supervisory Board Members.

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

**8. Other Systems to Ensure That Audit & Supervisory Board Member' Audits Are Executed Effectively**

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

(2) Mitsubishi Corporation will bear the necessary expenses for the Audit & Supervisory Board Members' execution of duties.

**<Operating Status of Internal Control System>**

Every year, the Mitsubishi Corporation Group conducts monitoring of the development and operating status of its internal control system and, in light of these results, implements necessary improvements or helps subsidiaries implement such improvements. Further, details of the operating status of the internal control system are reported to the Board of Directors.

The main details of the operating status of the internal control system are 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) Compliance System

Compliance, which is defined as acting in compliance with laws and regulations and in conformity with social norms, is regarded as a matter of the highest priority in conducting business activities. Mitsubishi Corporation has formulated a Code of Conduct for all officers and employees, which specifies basic matters in relation to compliance. Efforts are made to ensure that all officers and employees are familiar with the Code of Conduct and that Mitsubishi Corporation’s corporate philosophy is understood and practiced throughout the entire Mitsubishi Corporation Group.

To accomplish this, Mitsubishi Corporation has built a Group-wide compliance promotion framework that includes the appointment of the Chief Compliance Officer, who has overall control; the appointment of compliance officers in each organization and subsidiary; and information sharing at regularly convened meetings of the Compliance Committee. Also, Mitsubishi Corporation takes preventive and corrective measures, such as offering any needed training on a consolidated basis regarding the various laws and regulations. Regarding Codes of conduct for officers and employees, for all officers and employees every year Mitsubishi Corporation conducts training seminars and requires the submission of compliance pledges. In addition, to heighten the compliance awareness of officers and employees, the Mitsubishi Corporation Group regularly holds compliance discussions, which enable officers and employees to discuss compliance freely in small groups.

Regarding the status of compliance, in addition to a framework for receiving reports from all officers and employees in internal organizations and subsidiaries throughout the Mitsubishi Corporation Group, Mitsubishi Corporation has established a global internal whistleblower system covering any breach (or potential breach) of anti-trust laws and anti-bribery laws, in addition to internal whistleblower systems for each region. Through these structures and systems, Mitsubishi Corporation identifies and resolves problems and shares information. Regular reports are also made to the Board of Directors and to the Audit & Supervisory Board Members on the status of compliance. Moreover, Mitsubishi Corporation rigorously protects people making reports from internal organizations and subsidiaries to ensure that they do not suffer any disadvantage.

(2) Financial Reporting System

To ensure proper and timely disclosure in financial statements, Mitsubishi Corporation has appointed personnel responsible for financial reporting and for preparing financial statements in conformity with legal requirements and accounting standards. These financial statements are released in line with the information disclosure policy that was examined and confirmed by the Disclosure Committee.

For the internal control system governing financial reporting, Mitsubishi Corporation conducts internal control activities and monitoring in accordance with the internal control system based on the Financial Instruments and Exchange Act. Mitsubishi Corporation develops activities to ensure the effectiveness of internal controls on a consolidated basis.

(3) Auditing and Monitoring System

To more objectively review and evaluate business activities, Mitsubishi Corporation conducts regular audits of each organization and subsidiary through an internal audit organization.

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

For information related to business activities, the person responsible for managing business activities classifies information individually in accordance with its degree of importance. They also instruct users on the handling of this information. The aim is to ensure information security while promoting efficient administrative processing and the sharing of information.

The responsible person retains, for a predetermined period, documents that must be stored by law and information that Mitsubishi Corporation specifies as important in terms of internal management. For all other information, the responsible person determines the necessity and period for storage of information, and stores such information accordingly.

Regarding countermeasures for cyber-attacks with such aims as the exploitation or destruction of corporate information, Mitsubishi Corporation takes systemic countermeasures, continuously educates employees, and checks and establishes incident-response systems that include major subsidiaries. Also, Mitsubishi Corporation collaborates with outside specialist bodies to access the latest information and implement appropriate, effective countermeasures.

**3. Regulations and Other Systems Concerning Management of Risk**

Mitsubishi Corporation has designated categories of business activity risk, corresponding to the details and scale of the Mitsubishi Corporation Group's businesses—such as credit, market, business investment, country, compliance, legal, information management, and environmental risks, and risks related to events including natural disasters, emerging infectious diseases, terrorism, and social unrest—and has specified departments responsible for each category. Furthermore, Mitsubishi Corporation also has in place policies, systems and procedures for managing risk on a consolidated basis, and crisis management and business continuity systems for emergencies. For example, Mitsubishi Corporation responds to new risks by immediately designating a responsible department to manage such risks. Operations are executed based on the aforementioned policies, systems, and procedures.

In response to the global spread of COVID-19, Mitsubishi Corporation’s Emergency Crisis Management Headquarters, including relevant departments and occupational health physicians, has been rigorously enforcing occupational health management practices, shifting to work arrangements based on telework, in principle, and rapidly carrying out other necessary measures in accordance with changing conditions in Japan and overseas. These measures have been carried out in order to prevent the infection of employees and the spread of infection, and to ensure appropriate business

continuity.
With respect to individual projects, personnel responsible for the applicable department makes decisions within the scope of their prescribed authority after analyzing and assessing the risk-return profile of each project in accordance with company-wide policies and procedures. Projects are executed and managed on an individual basis in accordance with this approach. Further, in response to the progress of projects or changes in the external environment, Mitsubishi Corporation conducts periodic verification of risk-return profiles.
In addition to managing risk on an individual project basis, Mitsubishi Corporation assesses risk on a consolidated basis with respect to risks that are capable of being monitored quantitatively and manages these risks properly, making reassessments as necessary.
With regard to losses from an incident at an overseas subsidiary that occurred in the fiscal year ended March 31, 2020, Mitsubishi Corporation has decided on plans to liquidate the subsidiary, along with reconfirming that sufficient internal controls are in place. Mitsubishi Corporation shall continue the subsidiary's operations within its Head Office organization. In doing so, it has reconfirmed that its risk management systems are both sound and thoroughly enforced, taking all possible measures to prevent similar incidents from occurring in the future. In addition, Mitsubishi Corporation has performed investigations at major in-house business departments and subsidiaries engaged in derivatives trading to determine whether or not there is a risk of similar improprieties taking place. These investigations have confirmed that there are no such problems or risks at present.

**4. System for Ensuring that Directors Perform Duties Efficiently**
The President and CEO delineates basic management policies for the Mitsubishi Corporation Group and sets specific management goals. At the same time, the President and CEO formulates management plans and oversees progress in achieving targets efficiently. The organization is realigned and resources are deployed as necessary so as to achieve management targets in the most efficient manner possible. Furthermore, the organizational chain of command is clearly laid out and authority is delegated to managers and staff of internal organizational bodies to the extent necessary to accomplish targets. These people are required to submit reports regularly. In parallel, to ensure that the Directors are able to perform their management supervision functions adequately and efficiently, the Board of Directors Office has been established, and has been providing necessary information and support appropriately and in a timely manner for them to perform their duties.
As consolidated management has deepened, Mitsubishi Corporation has sought to further enhance monitoring and to improve and streamline the operating processes of the Board of Directors. To this end, since the fiscal year ended March 31, 2019, the Board of Directors has raised the current level of monetary threshold standards for individual investments and loans, and established a decision-making process on newly entering specific business fields that could potentially impair Mitsubishi Corporation's sustainable corporate value. In cases determined to be significant, the policy on entering such business fields are reported to the Board of Directors. Moreover, Mitsubishi Corporation undertakes an evaluation of the Board of Directors every year in order to continuously enhance the effectiveness of corporate governance. In the fiscal year ended March 31, 2020, Independent Outside Directors and Independent Outside Audit & Supervisory Board Members took the lead in formulating questions, conducting interviews, and analyzing and evaluating the results.
In addition, the President and CEO works in a cycle where he conducts regular follow-up checks regarding the execution of management plans and repeatedly makes revisions to plans after giving consideration to such factors as the level of achievement and the external environment.
From the fiscal year ended March 31, 2020, based on "Midterm Corporate Strategy 2021—Achieving Growth Through Business Management Model," Mitsubishi Corporation has been responding to global developments such as changes in the geopolitical landscape and the rapid advance of digital technology, while aiming to realize triple-value growth by simultaneously generating economic, societal and environmental value through Mitsubishi Corporation's business management model.

**5. System to Ensure the Suitability of Business Conducted by the Stock Company and the Corporate Group Comprising the Parent Company and Subsidiaries**
Mitsubishi Corporation has established internal rules and regulations concerning the management of subsidiaries, and specifies a department that is responsible for the oversight of each subsidiary and affiliate. The person responsible in the specified department requires the directors of the subsidiaries to report the business execution and quantitatively monitor business performance, management efficiency and other operational aspects of each company every year. Efforts are also made to monitor qualitative issues such as compliance and risk management. In addition, checks are conducted in relation to the development and operating status of the internal control system and with regard to whether or not improvement is required.
Mitsubishi Corporation strives to ensure proper business conduct by subsidiaries that conform to laws, the Articles of

Corporation and internal regulations, by sending Directors to sit on their boards, executing joint venture agreements, exercising its voting rights and in other ways. Through various initiatives designed to sustain growth at each company through efficient business execution, Mitsubishi Corporation aims to raise corporate value on a consolidated basis.

**6. Items Concerning Employees Assisting in the Duties of Audit & Supervisory Board Members and Items Concerning Their Independence from Directors;**
**7. System to Enable Directors, Employees, and Others to Report to Audit & Supervisory Board Members and Other Systems for Reporting to Audit & Supervisory Board Members; and,**
**8. Other Systems to Ensure That Audit & Supervisory Board Members' Audits Are Executed Effectively**

The Audit & Supervisory Board Members attend and express opinions at meetings of the Board of Directors and other important management meetings. In addition, the Audit & Supervisory Board Members gather information and conduct surveys, keeping channels of communication open with independent auditors, Directors, Executive Officers and employees of Mitsubishi Corporation, directors and Audit & Supervisory Board Members of subsidiaries, and others, who cooperate with these efforts whenever necessary. Furthermore, the Audit & Supervisory Board Members hold regular meetings with independent auditors during the quarterly settlement of accounts and on a monthly basis, along with allowing for opportunities to exchange opinions, as necessary, with the independent auditors of subsidiaries and affiliates. The Audit & Supervisory Board Members also foster collaboration with the internal audit organizations through quarterly audit reports presented in quarterly Audit & Supervisory Board meetings, monthly meetings, and liaison meetings attended by the internal audit departments and Audit & Supervisory Board Members of subsidiaries and affiliates, among other forums. In these ways, the Audit & Supervisory Board Members are working to strengthen three-way audits on a consolidated basis. Moreover, Mitsubishi Corporation shall bear the necessary expenses to ensure auditing effectiveness.

If there is a risk of a certain level of financial loss or a major problem, personnel responsible in the department concerned are required to immediately report to Audit & Supervisory Board Members in accordance with predetermined standards and procedures, and subsidiaries are also required to report if necessary, going through the responsible department concerned or other channels. The aforementioned system is actually operating. Further, officers and employees shall not be treated disadvantageously as a result of reporting to Audit & Supervisory Board Members, and subsidiaries are informed rigorously of this policy.

To raise the effectiveness of audits conducted by Audit & Supervisory Board Members, an internal organization directly reporting to the Audit & Supervisory Board and personnel working only for Audit & Supervisory Board Members are appointed to assist Audit & Supervisory Board Members in carrying out their duties so that it can quickly respond in assisting Audit & Supervisory Board Members. Mindful of the need for independence, the opinions of Audit & Supervisory Board Members are respected and other factors taken into consideration when evaluating and assigning personnel to assist them. Moreover, the Audit & Supervisory Board regularly creates opportunities to hold discussions with respected individuals brought in from outside Mitsubishi Corporation. The knowledge gained and external perspectives are put to good use in audit activities.

(Translation)

**●Directors and Audit & Supervisory Board Members**

| Position | Name | Responsibilities at Mitsubishi Corporation and Important Concurrent Positions as of March 31, 2020 |
|---|---|---|
| Chairman of the Board | Ken Kobayashi | Outside Director, Nissin Foods Holdings Co., Ltd.,<br>Outside Director, Mitsubishi Motors Corporation,<br>Outside Director, Mitsubishi Heavy Industries, Ltd. |
| *Director,<br>President and CEO | Takehiko Kakiuchi | |
| *Director,<br>Executive Vice President | Kanji Nishiura | Corporate Functional Officer, Global Strategy |
| *Director,<br>Executive Vice President | Kazuyuki Masu | Corporate Functional Officer, CFO |
| *Director,<br>Executive Vice President | Shinya Yoshida | Corporate Functional Officer, Regional Strategy for Japan,<br>General Manager, Kansai Branch |
| Director,<br>Executive Vice President | Akira Murakoshi | Corporate Functional Officer, Corporate Communications,<br>Human Resources |
| *Director,<br>Executive Vice President | Masakazu Sakakida | Corporate Functional Officer, Corporate Sustainability & CSR, Corporate Administration, Legal, Chief Compliance Officer,<br>Officer for Emergency Crisis Management Headquarters |
| Director,<br>Executive Vice President | Hidenori Takaoka | Corporate Functional Officer, Business Investment Management, CDO |
| **Director | Akihiko Nishiyama | Professor, Ritsumeikan University |
| **Director | Toshiko Oka | CEO, Oka & Company Ltd.,<br>Outside Director, Happinet Corporation,<br>Outside Director, Sony Corporation,<br>Outside Director, Hitachi Metals, Ltd. |
| **Director | Akitaka Saiki | |
| **Director | Tsuneyoshi Tatsuoka | Outside Director, Asahi Kasei Corp.,<br>Outside Director (Audit and Supervisory Committee member), NITORI Holdings Co., Ltd. |
| **Director | Shunichi Miyanaga | Chairman of the Board, Mitsubishi Heavy Industries, Ltd.,<br>Outside Director, Mitsubishi Motors Corporation |
| Full time Audit & Supervisory Board Member | Shuma Uchino | |
| Full time Audit & Supervisory Board Member | Hajime Hirano | Outside Director, SHIZUOKA GAS Co., Ltd. |
| *** Audit & Supervisory Board Member | Tadashi Kunihiro | Attorney at T. Kunihiro & CO., Attorneys-at-Law,<br>Outside Audit & Supervisory Board Member, OMRON Corporation,<br>Outside Director, LINE Corporation |
| ***Audit & Supervisory Board Member | Ikuo Nishikawa | Outside Director, Daiwa Securities Group Inc.,<br>External Director (Audit and Supervisory Committee Member), Megmilk Snow Brand Co., Ltd. |
| ***Audit & Supervisory Board Member | Yasuko Takayama | Outside Director, The Chiba Bank, Ltd.<br>Outside Director (Audit and Supervisory Committee Member), Cosmo Energy Holdings Co., Ltd.<br>Outside Audit & Supervisory Board Member, Yokogawa Electric Corporation |

(Notes)

1. * indicates a Representative Director.

2. ** indicates the fulfillment of the conditions for Outside Directors as provided for in Article 2, Item 15 of the Companies Act.
3. *** indicates the fulfillment of the conditions for Outside Audit & Supervisory Board Members as provided for in Article 2, Item 16 of the Companies Act.
4. ** and *** also indicate fulfillment of the conditions for independent Directors or independent Audit & Supervisory Board Members as specified by the Tokyo Stock Exchange, Inc and other stock exchanges in Japan as well as Selection Criteria for Outside Directors and Outside Audit & Supervisory Board Members specified by Mitsubishi Corporation.
5. For Directors who also serve as Executive Officers, Position as Executive Officer is also indicated.
   Responsibilities of Directors Kanji Nishiura, Kazuyuki Masu, Shinya Yoshida, Akira Murakoshi, Masakazu Sakakida and Hidenori Takaoka indicate their responsibilities as Executive Officer.
6. Audit & Supervisory Board Member Shuma Uchino has extensive experience in Mitsubishi Corporation's finance and accounting departments and has a considerable degree of knowledge concerning finance and accounting.
7. Audit & Supervisory Board Member Ikuo Nishikawa has extensive experience as a certified public accountant and has a considerable degree of knowledge concerning finance and accounting.
8. Directors and an Audit & Supervisory Board Member who retired during the fiscal year ended March 31, 2020 are as follows:
   Directors Iwao Toide, Mitsumasa Icho and Hideaki Omiya
   Audit & Supervisory Board Member Hiroshi Kizaki (retired on June 21, 2019)
9. Director Shinya Yoshida retired as Outside Director of Mitsubishi UFJ Lease & Finance Company Limited on June 25, 2019.
10. Director Toshiko Oka retired as Outside Corporate Auditor of Happinet Corporation on June 20, 2019 and on the same day appointed as Outside Director of Happinet Corporation.
11. Audit & Supervisory Board Member Yasuko Takayama resigned as Outside Director of Nippon Soda Co., Ltd. on June 27, 2019 and appointed as Outside Director (Audit and Supervisory Committee Member), Cosmo Energy Holdings Co., Ltd. on June 20, 2019.
12. Mitsubishi Motors Corporation and Mitsubishi UFJ Lease & Finance Company Limited are affiliated companies of Mitsubishi Corporation and have business relationships with each of these companies.
13. Asahi Kasei Corp., The Chiba Bank, Ltd., SHIZUOKA GAS Co., Ltd., Sony Corporation, Nissin Foods Holdings Co., Ltd., Nippon Soda Co., Ltd., Hitachi Metals, Ltd., Mitsubishi Heavy Industries, Ltd. and Megmilk Snow Brand Co., Ltd. have business relationships with Mitsubishi Corporation. However, there are no special relationships (specified related party, etc.) between Mitsubishi Corporation and each of these companies.
14. There are no business relationships between Mitsubishi Corporation and entities at which the above Directors and Audit & Supervisory Board Members serve concurrently other than those mentioned in 12. and 13. above.
15. Mitsubishi Corporation has executed agreements with Ken Kobayashi, Akihiko Nishiyama, Toshiko Oka, Akitaka Saiki, Tsuneyoshi Tatsuoka, Shunichi Miyanaga, Shuma Uchino, Hajime Hirano, Tadashi Kunihiro, Ikuo Nishikawa and Yasuko Takayama limiting their liability for damages set forth in Article 423, Paragraph 1 of the Companies Act. Based on these agreements, liability for damages is limited to the minimum amount set forth in Article 425, Paragraph 1 of the Companies Act.

(Translation)

**●Matters Concerning Outside Directors and Audit & Supervisory Board Members**

■Status of Main Activities of Outside Directors and Audit & Supervisory Board Members

(1) Outside Directors

| Name | Participation in Board of Directors' Meetings | Attendance at Board of Directors' Meetings |
|---|---|---|
| Akihiko Nishiyama | Mr. Nishiyama made remarks from an objective and professional perspective as an Outside Director, based on his research activities relating to corporate management and human resources development at universities and many years of experience in business. | Board of Directors' meetings (Regular): 11 of 11 meetings<br>Board of Directors' meetings (Extraordinary): 3 of 3 meetings |
| Toshiko Oka | Ms. Oka made remarks from a practical and diversified perspective as an Outside Director, based on many years of experience in the consulting industry, and experience as outside director of various companies. | Board of Directors' meetings (Regular): 11 of 11meetings<br>Board of Directors' meetings (Extraordinary): 3 of 3 meetings |
| Akitaka Saiki | Mr. Saiki made remarks from an objective and professional perspective as an Outside Director, based on his international way of thinking and extensive insight regarding global conditions developed through foreign diplomacy, having held key posts at the Ministry of Foreign Affairs of Japan. | Board of Directors' meetings (Regular): 11 of 11 meetings<br>Board of Directors' meetings (Extraordinary): 3 of 3 meetings |
| Tsuneyoshi Tatsuoka | Mr. Tatsuoka made remarks from an objective and professional perspective based on his extensive insight regarding domestic and global economic trends, having held key posts primarily at the Ministry of Economy, Trade and Industry of Japan. | Board of Directors' meetings (Regular): 11 of 11 meetings<br>Board of Directors' meetings (Extraordinary): 3 of 3 meeting |
| Shunichi Miyanaga | Mr. Miyanaga made remarks based on his practical and extensive insight developed through many years in high-level management at a manufacturer that conducts business around the world, as President and CEO. | Board of Directors' meetings (Regular): 8 of 8 meetings<br>Board of Directors' meetings (Extraordinary): 2 of 2 meeting |

(Note)Attendance at Board of Directors' meetings of Mr. Miyanaga indicates after his appointment for Outside Director on June 21, 2019.

(2) Outside Audit & Supervisory Board Members

| Name | Participation in Board of Directors' and Board of Corporate Auditors' Meetings | Attendance at Board of Directors' and Audit & Supervisory Board' Meetings |
|---|---|---|
| Tadashi Kunihiro | Mr. Kunihiro made remarks from a neutral and objective perspective as an Outside Audit & Supervisory Board Member, based on his extensive insight regarding corporate-related laws (such as the Companies Act and the Financial Instruments and Exchange Act of Japan) developed through his many years of experience as an attorney. | Board of Directors' meetings (Regular): 11 of 11 meetings<br>Board of Directors' meetings (Extraordinary): 3 of 3 meetings<br>Audit & Supervisory Board' meetings: 12 of 12 meetings |
| Ikuo Nishikawa | Mr. Nishikawa made remarks from a neutral and objective perspective as an Outside Audit & Supervisory Board Member, based on his extensive insight regarding accounting developed through many years of experience as a certified public accountant. | Board of Directors' meetings (Regular): 11 of 11 meetings<br>Board of Directors' meetings (Extraordinary): 3 of 3 meetings<br>Audit & Supervisory Board' meetings: 12 of 12 meetings |
| Yasuko Takayama | Ms. Takayama made remarks from a neutral and objective perspective as an Outside Audit & Supervisory Board Member, based on her management perspective cultivated from abundant experience as Audit & Supervisory Board Member at Shiseido Company, Limited, and as an outside director at other companies. | Board of Directors' meetings (Regular): 11 of 11 meetings<br>Board of Directors' meetings (Extraordinary): 3 of 3 meetings<br>Audit & Supervisory Board' meetings: 12 of 12 meetings |

Each outside member of the Governance, Nomination and Compensation Committee (Mr. Akihiko Nishiyama, Ms. Toshiko Oka, and Messrs. Akitaka Saiki, Tsuneyoshi Tatsuoka and Tadashi Kunihiro), which serves as an advisory body to the Board of Directors, attended all four meetings of the committee held in the fiscal year ended March 31, 2020.

(Translation)

**●Directors' and Audit & Supervisory Board Members' Remuneration**

**Total Amounts of Remuneration for Directors and Audit & Supervisory Board Members and Number of Eligible People**

(Million yen)

| Title | Total Remuneration | Base Salary | | Annual Deferral for Retirement Remuneration | | Individual Performance Bonus | | Performance-linked Bonus (Short term) | | Performance-linked Bonus (Medium to long term) | | Stock-Based Remuneration Linked to Medium- and Long-term Share Performances | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Eligible Persons | Total | Eligible Persons | Total | Eligible Persons | Total | Eligible Persons | Total | Eligible Persons | Total | Eligible Persons | Total |
| Directors (In-house) | 2,025 | 10 | 745 | 9 | 97 | 7 | 390 | 7 | 164 | 7 | 164 | 9 | 463 |
| Directors (Outside) | 140 | 6 | 140 | — | — | — | — | — | — | — | — | — | — |
| Audit & Supervisory Board Members (Full-time) | 166 | 3 | 166 | — | — | — | — | — | — | — | — | — | — |
| Audit & Supervisory Board Members (Outiside) | 59 | 3 | 59 | — | — | — | — | — | — | — | — | — | — |

(Figures less than one million yen are rounded down)

(Notes)

1. The above figures include 3 Directors and 1 Audit & Supervisory Board Member who retired during the fiscal year ended March 31, 2020.
   Furthermore, there were 13 Directors (including 5 Outside Directors) and 5 Audit & Supervisory Board Members (including 3 Outside Audit & Supervisory Board Members) as of March 31, 2020.
2. The above amounts of Individual Performance Bonus represent the amounts provided for in the fiscal year ended March 31, 2020.
3. The above amounts for Performance-linked Bonus (Short term) is determined based on consolidated net income of 535.4 billion yen for the fiscal year ended March 31, 2020, based on a formula confirmed in advance by the Governance, Nomination and Compensation Committee and resolved by the Board of Directors.
4. The above amounts for Performance-linked Bonus (Medium to long-term) is paid on an average of the consolidated net income for the fiscal years ended March 31, 2020 to 2022, but as this cannot be decided currently, the amount shown is as of the fiscal year ended March 31, 2020.
   The actual amount paid will be based on a formula confirmed in advance by the Governance, Nomination and Compensation Committee and resolved by the Board of Directors, and the amount disclosed in the Fiscal 2021 Business Report.
5. The above amounts for Stock-Based Remuneration linked to Medium- and Long-term Share Performances (stock options with market conditions) is the amount recorded as an expense granted for the fiscal year ended March 31, 2020. In regard to Stock-Based Remuneration linked to Medium- and Long-term Share Performances, the number of exercisable shares will be determined according to the growth rate in the company's shares over three years from being granted, based on a formula confirmed in advance by the Governance, Nomination and Compensation Committee and resolved by the Board of Directors.
6. In addition to the above, Mitsubishi Corporation paid executive pensions to retired Directors and Audit & Supervisory Board Members. The amounts paid in the fiscal year ended March 31, 2020 were as follows:
   The retirement bonus system, including executive pensions for Directors and Audit &

Supervisory Board Members, was abolished at the close of the 2007 Ordinary General Meeting of Shareholders.

Mitsubishi Corporation paid 120 million yen to 70 Directors (Outside Directors were ineligible for payment).

Mitsubishi Corporation paid 6 million yen to 7 Audit & Supervisory Board Members (Outside Audit & Supervisory Board Members were ineligible for payment).

(Translation)

**●Executive Officers (as of April 1, 2020)**

| Title | Name | Position, etc. |
|---|---|---|
| President and CEO* | Takehiko Kakiuchi | |
| Executive Vice President* | Kazuyuki Masu | Corporate Functional Officer, CFO |
| Executive Vice President | Takeshi Hagiwara | Group CEO, Petroleum & Chemicals Group |
| Executive Vice President* | Shinya Yoshida | Corporate Functional Officer, Business Development for Japan,<br>General Manager, Kansai Branch |
| Executive Vice President | Yutaka Kyoya | Group CEO, Consumer Industry Group |
| Executive Vice President | Iwao Toide | Group CEO, Automotive & Mobility Group |
| Executive Vice President* | Akira Murakoshi | Corporate Functional Officer, CDO, Human Resources, Global Strategy |
| Executive Vice President* | Masakazu Sakakida | Corporate Functional Officer, Corporate Communications,<br>Corporate Sustainability & CSR, Corporate Administration, Legal,<br>Chief Compliance Officer,<br>Officer for Emergency Crisis Management Headquarters |
| Executive Vice President | Mitsumasa Icho | Group CEO, Urban Development Group |
| Executive Vice President | Norikazu Tanaka | Group CEO, Mineral Resources Group |
| Executive Vice President* | Hidenori Takaoka | President, Mitsubishi Corporation (Americas), General Manager, Corporate<br>Management Support Office (Americas) |
| Executive Vice President | Kotaro Tsukamoto | Group CEO, Industrial Materials Group |
| Executive Vice President | Katsuya Nakanishi | Group CEO, Power Solution Group |
| Executive Vice President | Jun Nishizawa | Group CEO, Natural Gas Group |
| Executive Vice President | Norio Saigusa | Group CEO, Food Industry Group |
| Executive Vice President | Aiichiro Matsunaga | Group CEO, Industrial Infrastructure Group |
| Executive Vice President | Yasuteru Hirai | President, Mitsubishi Corporation China Co., Ltd.,<br>General Manager, Beijing Branch, Mitsubishi Corporation China Co., Ltd. |
| Senior Vice President | Tsunehiko Yanagihara | EVP, Mitsubishi Corporation (Americas) [Work location: Silicon Valley] |
| Senior Vice President | Nodoka Yamasaki | Division COO, Healthcare Div. |
| Senior Vice President | Tatsuo Nakamura | Division COO, Automotive Business Div. |
| Senior Vice President | Osamu Takeuchi | General Manager, Petroleum & Chemicals Group CEO Office |
| Senior Vice President | Kazunori Nishio | Division COO, Retail Div. |
| Senior Vice President | Koji Kishimoto | Division COO, Food Sciences Div. |
| Senior Vice President | Eisuke Shiozaki | Division COO, Carbon Div. |
| Senior Vice President | Yoshinori Katayama | Managing Director, Mitsubishi Corporation International (Europe) Plc. |
| Senior Vice President | Yoshifumi Hachiya | General Manager, Business Investment Management Dept. |
| Senior Vice President | Hisashi Ishimaki | General Manager, Automotive & Mobility Group CEO Office |
| Senior Vice President | Takuya Kuga | General Manager, Urban Development Group CEO Office |
| Senior Vice President | Yasumasa Kashiwagi | Division COO, Fresh Food Products Div. |
| Senior Vice President | Hiroki Haba | Division COO, Petroleum Div. |
| Senior Vice President | Yutaka Kashiwagi | General Manager, Power Solution Group CEO Office |
| Senior Vice President | Keiichi Shiobara | Division COO, Mineral Resources Trading Div. |
| Senior Vice President | Takeshi Arakawa | Division COO, Consumer Products Div. |
| Senior Vice President | Shigeru Wakabayashi | Division COO, Isuzu Business Div. |
| Senior Vice President | Koichi Seri | Division COO, Mineral Resources Investment Div. |
| Senior Vice President | Yasuhiro Kawakami | Chair of the Board, Cermaq Group AS |
| Senior Vice President | Kenji Ota | General Manager, Headquarters for the Middle East |
| Senior Vice President | Yuzo Nouchi | General Manager, Corporate Accounting Dept. |
| Senior Vice President | Masaru Saito | Division COO, North America Div. (Natural Gas Group) |
| Senior Vice President | Koji Ota | Division COO, Plant Engineering Div. |
| Senior Vice President | Makoto Okawara | General Manager, Finance Dept. |
| Senior Vice President | Kiyotaka Kikuchi | General Manager, Consumer Industry Group CEO Office |
| Senior Vice President | Naoshi Ogikubo | Division COO, Urban Development Div. |
| Senior Vice President | Yoshiyuki Nojima | General Manager, Legal Dept. |
| Senior Vice President | Akihiko Takada | Division COO, Asia Pacific Div. (Natural Gas Group.) |
| Senior Vice President | Tetsuo Kawate | General Manager, Global Human Resources Dept. |
| Senior Vice President | Kyoya Kondo | Division COO, Mobility Business Div. |
| Senior Vice President | Yasuyuki Asakura | Division COO, International Power Div. |
| Senior Vice President | Ko Imamura | Division COO, Performance Materials Div. |
| Senior Vice President | Sadahiko Haneji | Managing Director & CEO, Mitsubishi Development Pty Ltd |

(Note)* indicates Executive Officers who serve concurrently as Directors.

(Translation)

## ●Matters Concerning Independent Auditors

1. Name of Mitsubishi Corporation's Independent Auditors
Deloitte Touche Tohmatsu LLC

2. Independent Auditors' Fees for the Fiscal Year Ended March 31, 2020

| | 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) | 796 |
| Amount of fees for services other than those prescribed in Article 2, Paragraph 1 of the Certified Public Accountants Act of Japan (Note 2) | 43 |
| Total amount of fees paid by Mitsubishi Corporation to the independent auditors for the fiscal year ended March 31, 2020 | 839 |
| Total amount of fees to be paid by the Parent and its subsidiaries (Note 3) | 2,629 |

(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 certification services relating to English language financial statements prepared based on accounting standards generally accepted in the International Financial Reporting Standards and audit certification based on the Companies Act and the Financial Instruments and Exchange Act.

(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 advice and guidance on the deployment of Mitsubishi Corporation's new system, training, overseas tax return work, etc.

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

**3. Reason for Agreement of the Audit & Supervisory Board 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 auditing of 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 remuneration of independent auditors.

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

Mitsubishi Corporation has a policy to dismiss independent auditors based on the unanimous agreement of all Audit & Supervisory Board 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, an Audit & Supervisory Board Member selected by the Audit & Supervisory Board will report on the dismissal of the independent auditors and the reason for this action.

Furthermore, if the Audit & Supervisory Board 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 Board 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 concerned and to appoint new independent auditors.

(Translation)

## Consolidated Financial Statements

## Consolidated Statement of Financial Position (Prepared based on IFRS)

(Millions of Yen)

**ASSETS**

| Item | As of March 31, 2019 (Reference only) | As of March 31, 2020 |
|---|---|---|
| Current assets | | |
| Cash and cash equivalents | ¥1,160,582 | ¥1,322,812 |
| Time deposits | 207,949 | 101,016 |
| Short-term investments | 7,798 | 49,331 |
| Trade and other receivables | 3,722,719 | 3,168,074 |
| Other financial assets | 93,139 | 308,468 |
| Inventories | 1,213,742 | 1,294,479 |
| Biological assets | 70,687 | 58,871 |
| Advance payments to suppliers | 43,797 | 45,776 |
| Assets classified as held for sale | 105,586 | 46,595 |
| Other current assets | 412,925 | 541,968 |
| Total current assets | 7,038,924 | 6,937,390 |
| Non-current assets | | |
| Investments accounted for using the equity method | 3,191,145 | 3,219,594 |
| Other investments | 2,108,983 | 1,708,071 |
| Trade and other receivables | 599,619 | 655,267 |
| Other financial assets | 100,326 | 134,220 |
| Property, plant and equipment | 2,168,962 | 2,248,160 |
| Investment property | 69,293 | 96,709 |
| Intangible assets and goodwill | 1,035,898 | 1,422,812 |
| Right-of-use assets | – | 1,429,288 |
| Deferred tax assets | 31,431 | 36,146 |
| Other non-current assets | 188,219 | 162,004 |
| Total non-current assets | 9,493,876 | 11,112,271 |
| Total assets | ¥16,532,800 | ¥18,049,661 |

**LIABILITIES AND EQUITY**

| Item | As of March 31, 2019 (Reference only) | As of March 31, 2020 |
|---|---|---|
| Current liabilities | | |
| Bonds and borrowings | ¥1,522,878 | ¥1,472,769 |
| Trade and other payables | 2,862,954 | 2,547,012 |
| Lease liabilities | 54,276 | 205,780 |
| Other financial liabilities | 83,589 | 213,181 |
| Advances from customers | 43,481 | 178,689 |
| Income taxes payable | 63,497 | 40,000 |
| Provisions | 33,023 | 87,564 |
| Liabilities directly associated with assets classified as held for sale | 29,062 | 1,167 |
| Other current liabilities | 460,922 | 600,109 |
| Total current liabilities | 5,153,682 | 5,346,271 |
| Non-current liabilities | | |
| Bonds and borrowings | 3,569,221 | 4,287,354 |
| Trade and other payables | 60,304 | 56,692 |
| Lease liabilities | 231,001 | 1,297,530 |
| Other financial liabilities | 15,198 | 40,286 |
| Retirement benefit obligations | 86,401 | 123,690 |
| Provisions | 178,928 | 162,622 |
| Deferred tax liabilities | 585,952 | 485,551 |
| Other non-current liabilities | 15,193 | 32,771 |
| Total non-current liabilities | 4,742,198 | 6,486,496 |
| Total liabilities | 9,895,880 | 11,832,767 |
| Equity | | |
| Common stock | 204,447 | 204,447 |
| Additional paid-in capital | 228,340 | 228,153 |
| Treasury stock | (8,279) | (294,580) |
| Other components of equity | | |
| Other investments designated as FVTOCI | 541,970 | 359,974 |
| Cash flow hedges | (6,291) | (27,422) |
| Exchange differences on translating foreign operations | 379,128 | 82,634 |
| Total other components of equity | 914,807 | 415,186 |
| Retained earnings | 4,356,931 | 4,674,153 |
| Equity attributable to owners of the Parent | 5,696,246 | 5,227,359 |
| Non-controlling interests | 940,674 | 989,535 |
| Total equity (net assets) | 6,636,920 | 6,216,894 |
| Total liabilities and equity | ¥16,532,800 | 18,049,661 |

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

(Translation)

Consolidated Statement of Income (Prepared based on IFRS)

(Millions of Yen)

| Item | Fiscal year ended March 31, 2019 (Reference only) | Fiscal year ended March 31, 2020 |
|---|---|---|
| Revenues | ¥16,103,763 | ¥14,779,734 |
| Cost of revenues | (14,115,952) | (12,990,603) |
| Gross profit | 1,987,811 | 1,789,131 |
| Selling, general, and administrative expenses | (1,403,322) | (1,431,232) |
| Gains on investments | 19,852 | 66,929 |
| Gains (losses) on sale and disposal of property, plant, and equipment | 44,058 | (62) |
| Impairment losses on property, plant and equipment and others | (43,781) | (32,862) |
| Other income (expenses) – net | (19,890) | (25,605) |
| Finance income | 198,964 | 173,278 |
| Finance costs | (69,148) | (70,038) |
| Share of profit of investments accounted for using the equity method | 137,269 | 179,325 |
| Profits before income taxes | 851,813 | 648,864 |
| Income taxes | (206,029) | (56,713) |
| Profit for the year | ¥645,784 | ¥592,151 |
| Profit for the year attributable to: | | |
| Owners of the Parent | 590,737 | 535,353 |
| Non-controlling interests | 55,047 | 56,798 |
| | ¥645,784 | ¥592,151 |

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

(Translation)

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

(Millions of Yen)

| Item | Fiscal year ended March 31, 2019 (Reference only) | Fiscal year ended March 31, 2020 |
|---|---|---|
| Common stock | | |
| Balance, beginning of year | ¥204,447 | ¥204,447 |
| Balance, end of year | 204,447 | 204,447 |
| Additional paid-in capital | | |
| Balance, beginning of year | 229,423 | 228,340 |
| Compensation costs related to share-based payment | 1,205 | 2,568 |
| Sales of treasury stock upon share-based payment | (1,775) | (2,215) |
| Equity transactions with non-controlling interests and others | (513) | (540) |
| Balance, end of year | 228,340 | 228,153 |
| Treasury Stock | | |
| Balance, beginning of year | (10,970) | (8,279) |
| Sales of treasury stock upon share-based payment | 2,796 | 3,706 |
| Purchases and sales – net | (105) | (290,007) |
| Balance, end of year | (8,279) | (294,580) |
| Other components of equity | | |
| Balance, beginning of year | 925,611 | 914,807 |
| Cumulative effects of change in accounting policy | 53 | — |
| Adjusted balance at the beginning of the period | 925,664 | 914,807 |
| Other comprehensive income attributable to owners of the Parent | (25,607) | (509,514) |
| Transfer to retained earnings | 14,750 | 9,893 |
| Balance, end of year | 914,807 | 415,186 |
| Retained earnings | | |
| Balance, beginning of year | 3,983,916 | 4,356,931 |
| Cumulative effects of change in accounting policy | (3,677) | (9,079) |
| Adjusted balance at the beginning of the period | 3,980,239 | 4,347,852 |
| Profit for the year attributable to the owners of the Parent | 590,737 | 535,353 |
| Cash dividends paid to owners of the Parent | (198,276) | (197,704) |
| Sales of treasury stock upon share-based payment | (1,019) | (1,455) |
| Transfer from other components of equity | (14,750) | (9,893) |
| Balance, end of year | 4,356,931 | 4,674,153 |
| Equity attributable to owners of the Parent | 5,696,246 | 5,227,359 |
| Non-controlling interests | | |
| Balance, beginning of year | 932,784 | 940,674 |
| Cumulative effects of change in accounting policy | (521) | (2,677) |
| Adjusted balance at the beginning of the period | 932,263 | 937,997 |
| Cash dividends paid to non-controlling interests | (53,800) | (41,540) |
| Equity transactions with non-controlling interests and others | 6,896 | 56,491 |
| Profit for the year attributable to non-controlling interests | 55,047 | 56,798 |
| Other comprehensive income (loss) attributable to non-controlling interests | 268 | (20,211) |
| Balance, end of year | 940,674 | 989,535 |
| Total equity | ¥6,636,920 | ¥6,216,894 |
| | | |
| Comprehensive income attributable to: | | |
| Owners of the Parent | ¥565,130 | ¥25,839 |

| | | |
|---|---|---|
| Non-controlling interests | 55,315 | 36,587 |
| Total comprehensive income | ¥620,445 | ¥62,426 |

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

(Translation)

**Basis of Preparing Consolidated Financial Statements**

**Notes Concerning Significant Accounting Policies (for the fiscal year ended March 31, 2020)**

**1. Basis of Preparing Consolidated Financial Statements**

(1) Standards of preparing consolidated financial statements

These consolidated financial statements of Mitsubishi Corporation (the "Parent") and its consolidated subsidiaries (collectively, the "Company") have been prepared under International Financial Reporting 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) New major standards and interpretations applied

The new major standards and interpretations applied from the fiscal year ended March 31, 2020 are as follows:

| Standard and interpretation guideline | Outline |
|---|---|
| IFRS 16, "Leases" | Changes in accounting and disclosure requirements for primarily operating leases in the financial statements of lessees |

The Company has applied IFRS 16 beginning with the fiscal year ended March 31, 2020. Of the accepted transitional provisions under this standard, the Company has adopted the method of recognizing the cumulative effect of initially applying this standard as an adjustment to the opening balance of retained earnings of the fiscal year ended March 31, 2020. Consequently, the opening balance of retained earnings for the fiscal year ended March 31, 2020 has decreased 9,079 million yen.

In transitioning to IFRS 16, the Company has chosen the practical expedient stated in IFRS 16 paragraph C3 and has not reassessed whether the contracts, which were not previously identified as contracts containing leases applying IAS 17 "Leases" (hereafter, "IAS 17") and IFRIC 4 "Determining whether an Arrangement contains a Lease," contain leases. From the date of application, this assessment is determined based on the provisions of IFRS 16.

For leases that the Company as lessee previously classified as operating leases applying IAS 17, right-of-use assets and lease liabilities are recognized at the date of initial application. These lease liabilities have been measured at the present value of the remaining lease payments discounted by using the lessee's incremental borrowing rate at the date of initial application. The weighted average of the lessee's incremental borrowing rates is 0.8%.
For some of these leases where the Company has elected to recognize the right-of-use assets recognized at the date of initial application in the carrying amounts as if IFRS 16 had been applied from the lease commencement dates in the past, the Company has recognized the leases by separately identifying the acquisition cost, accumulated depreciation and accumulated impairment loss.
The remaining lease payments include lease payments. under cancellable leases corresponding to the terms of which the lessee is reasonably certain not to exercise the option to terminate those leases, in addition to future minimum lease payments under non-cancellable leases. In addition, right-of-use assets are initially measured at the initial measurement amount of the lease liability adjusted for prepaid lease payments etc.

For leases that the Company as lessee previously classified as finance leases applying IAS 17, the carrying amounts of right-of-use assets and lease liabilities at the date of initial application are the carrying amounts of lease assets and lease liabilities based on IAS 17, respectively, immediately before the application date.
The carrying amounts of right-of-use assets are determined by separately identifying the acquisition cost, accumulated depreciation and accumulated impairment loss of the lease assets based on IAS 17, immediately before the application date.
The following is a reconciliation of the disclosed non-cancellable operating lease contracts applying IAS 17 as of March 31, 2019 and lease liabilities recognized in the consolidated statement of financial position at the date of initial application.

| | (Millions of yen) |
|---|---|
| Non-cancellable operating lease contracts as of March 31, 2019 | 351,557 |
| Finance lease liabilities as of March 31, 2019 | 285,277 |
| Cancellable operating lease contracts, etc. (*) | 867,414 |

| | |
|---|---|
| Lease liabilities as of April 1, 2019 | 1,504,248 |

(*) Includes the effect of discounting non-cancellable operating lease contracts as of March 31, 2019 by the incremental borrowing rate at the date of initial application.

Right-of-use assets recognized at the date of initial application in the consolidated statement of financial position was 1,434,275 million yen.
The Company uses the following practical expedients in the application of IFRS 16.
(a) Leases for which the lease term ends within 12 months as of the date of initial application are accounted for in the same way as short-term leases.
(b) Initial direct costs are excluded from the measurement of right-of-use assets at the date of initial application.
(c) A lessee elects, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.
(d) As an alternative to perform an impairment test of right-of-use assets, the Company relies on its assessment of whether leases are onerous applying IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" immediately before the date of initial application.
(e) The Company uses hindsight to calculate the lease term for lease contracts including options to extend or terminate the lease.

"Lease liabilities" in the consolidated statement of financial position as of March 31, 2020 is presented separately as "Repayments of lease liabilities" in the consolidated statement of cash flows, in light of its monetary importance and based on IFRS 16. In conjunction with this change, lease liabilities based on IAS 17 included in "Trade and other payables" in the consolidated statement of financial position as of March 31, 2019 and repayments of lease liabilities based on IAS 17 included in "Repayments of long-term debts" in the consolidated statement of cash flows are restated and presented separately as "Lease liabilities" and "Repayments of lease liabilities," respectively.

The adoption of the new major standards and interpretations other than those above had no significant impact on the consolidated financial statements for the fiscal year ended March 31, 2020.
For details on this accounting policy, please see "Note 5. Significant Accounting Policies, (9) Leases."

(3) Significant accounting judgments, estimates, and assumptions

In preparing IFRS-based 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 those estimates.
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods that are affected.
The Company expects the overall impact of coronavirus disease 2019 (COVID-19) to continue through the first half of the fiscal year ending March 31, 2021 and conditions are expected to gradually return to a recovery path thereafter based on economic forecasts issued by public institutions although the impact will vary with industry and region.

Significant changes in accounting judgments, estimates and assumptions in the consolidated financial statements for the fiscal year ended March 31, 2020 are as follows:

(Impairment losses on investments accounted for using the equity method and related matters)
In the fiscal year ended March 31, 2020, the Company recorded an impairment loss of 25,865 million yen as "Share of profit of investments accounted for using the equity method" and 8,366 million yen as "Losses on investments" on its investment in Mitsubishi Motors Corporation, in which the Company holds a 20.02% equity interest, as a result of a review of the business plan in consideration of the latest demand trends in the automobile market. These losses are mainly a result of a review of the plan formulated when the investment was made, in light of factors such as the latest trends in demand in the automobile market. The Company measures the amount of impairment loss on the individual assets recognized in the investment in Mitsubishi Motors Corporation as an asset group that generates cash inflows more or less independently from other assets and asset groups, and measures the amount of impairment loss on goodwill included in the carrying amount of whole investment in Mitsubishi Motors Corporation as an independent cash-generating unit. The Company estimates the recoverable amount of individual assets based on the fair value determined by the income approach and estimates the recoverable amount of the goodwill included in the carry amount based on the value in use determined by the discounted present value of the future cash flows of Mitsubishi Motors Corporation, and records the difference between the

respective carrying amounts and the recoverable amounts as an impairment loss. These losses are included in the consolidated net income of the Automotive & Mobility segment.
The Company has also reflected the impact of coronavirus disease 2019 (COVID-19) in the estimated future cash flows that serve as the basis for estimating the value in use. The Company expects the downturn in demand caused by the impact of COVID-19 to continue through the first half of the fiscal year ending March 31, 2021 and demand is expected to gradually return to a recovery path thereafter. By the fiscal year ending March 31, 2023, the Company anticipates that demand will recover to the same level as in the fiscal year ended March 31, 2020, and that demand will continue to increase thereafter.

In the fiscal year ended March 31, 2020, the Company recorded a loss of 10,409 million yen as “share of loss on investments accounted for using the equity method” on its investment in certain wells held by CUTBANK RIDGE PARTNERSHIP (CRP), in which CUTBANK DAWSON GAS RESOURCES LTD., a wholly owned subsidiary of the Company, holds an 40% equity interest. This loss is primarily a result of the recent decline in crude oil prices. This loss is included in the consolidated net income of the natural gas segment.
The Company recorded the loss as a result of overall evaluation of the profitability of wells in the fiscal year ended March 31, 2020, taking into consideration the recent decline in crude oil market prices under the business environment of spread of COVID-19 infections and global oversupply for crude oil. Although crude oil prices have been sluggish recently, the prices are expected to gradually return to a recovery path. In terms of the medium- to long-term price outlook for the price of crude oil (Dubai crude oil), the Company foresees a price of approximately US$75 per barrel, excluding the impact of inflation.
Because CRP’s production and development time frame extends over the long term, the investment assessment is impacted more significantly by the medium- to long-term price outlook than by short-term price trends. Accordingly, the Company has developed its price outlook by taking into consideration of factors such as economic fundamentals, including the future supply and demand environment, and data supplied by public institutions and other entities. The book value of investments made to CRP at the end of the current fiscal year was 243.5 billion yen.

Moreover, in the fiscal year ended March 31, 2020, the Company recorded an impairment loss of 4,698 million yen as “share of loss on investments accounted for using the equity method” on its investment in an overseas smelting company. The Company also recorded an impairment loss of 5,455 million yen as “Losses on investments”. These losses are primarily due to the revision of the medium to the medium- to long-term price outlook. These losses are included in the consolidated net income of the Mineral Resources segment.

(Income taxes)
The Company holds a 20.4% equity interest in Anglo American Sur, S.A., which holds Chilean copper resource interests, through MC Resource Development Ltd. (MCRD), a wholly owned consolidated subsidiary. The Company has decided to liquidate MCRD after transferring its interest in Anglo American Sur, S.A. to Chile-based M.C. Inversiones Limitada, the core company in the mineral resource development business in Latin America. This decision came against the backdrop of a review of the business implementation framework. Consequently, income taxes in the Mineral Resources segment decreased by 76,747 million yen due to the recognition of deferred tax assets for items such as prior-year losses at MCRD. In addition, deferred tax liabilities of 32,267 million yen were recognized for exchange differences on translating foreign operations in connection with the investment in MCRD.

(Fair value of financial instruments)
Please refer to “Notes Concerning Financial Instruments.”

**2. Scope of Consolidation and Application of the Equity Method**

(Number of Companies)

| | As of March 31, 2019 | As of March 31, 2020 | Increase (decrease) |
|---|---|---|---|
| Number of consolidated subsidiaries | 1,022 | 1,257 | 235 |
| Number of investments accounted for using the equity method | 403 | 446 | 43 |
| Total | 1,425 | 1,703 | 278 |

Note: The numbers of companies shown above include associates directly consolidated by companies subject to consolidation (March 31, 2019: 898 companies; March 31, 2020: 1,188 companies).

(Translation)

Entities in which the Company does not hold more than half of the voting rights but has control:

Chiyoda Corporation

The Company has subscribed to a capital increase through private placement of shares by Chiyoda Corporation, which conducts an integrated engineering business. As a result, the Company holds Class A preferred shares that are convertible into ordinary shares.

If all of the Class A preferred shares are converted into ordinary shares, the Company would have held 82.06% of the voting rights combined with 33.57% of its voting rights of ordinary shares that the Company already holds separately. In determining the scope of consolidation under IFRS, the potential exercisable voting rights held by an entity are also taken into consideration. Given that the Company is in a position where it can substantially exercise sole effective control of Chiyoda Corporation, the Company has treated Chiyoda Corporation as a consolidated subsidiary.

Entities in which the Company holds more than half of the voting rights but does not have control:

MI Berau B.V. (“MI Berau”)

The Company holds 56% of the voting rights in MI Berau, a company located in the Netherlands that participates in the Tangguh LNG Project in Indonesia, and INPEX CORPORATION (“INPEX”) holds the remaining 44% of the voting rights. Under the joint venture 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 joint venture agreement are considered substantive participating rights, and MI Berau is not controlled solely by the Company. Accordingly, the Company accounts for its investment in MI Berau as a joint venture using the equity method.

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

The Company holds 75% of the voting rights in Sulawesi LNG Development, a UK corporation. Sulawesi LNG Development is a holding company which invested in the Donggi Senoro LNG Project in Indonesia. It was established with Korea Gas Corporation (“KOGAS”), which holds the remaining 25% ownership interest. Under the shareholders’ 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 shareholders’ agreement are considered substantive participating rights, and Sulawesi LNG Development is not controlled solely by the Company. Accordingly, the Company accounts for its investment in Sulawesi LNG Development as a joint venture using the equity method.

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

| | | |
|---|---|---|
| Consolidated subsidiaries | [New] | Chiyoda Corporation<br>ENECO GROEP N.V. |
| | [Exclusion] | MC Food Specialties Inc.<br>KOKUSAI Bulk Terminal CO., LTD. |
| Investments accounted for using the equity method | [New] | TH FOODS, INC.<br>Loyalty Marketing, Inc.<br>DRIGP Inc.<br>Metal One Sumisho Tubular Products Co., Ltd. |
| | [Exclusion] | AREVA MONGOL XXK<br>Tata Consultancy Services Limited. |

(Notes)

1. MC Food Specialties Inc. has been excluded from the scope of consolidation from the fiscal year ended March 31, 2020 following its dissolution as a result of its integration with KOHJIN Life Sciences Co., Ltd. and Mitsubishi Shoji Foodtech Co., Ltd. (the surviving company was renamed as Mitsubishi Corporation Life Sciences Limited).
2. TH FOODS, INC. has been reclassified from a consolidated subsidiary to an investment accounted for using the equity method from the fiscal year ended March 31, 2020 as a result of the sale of some of its shares.
3. Loyalty Marketing, Inc. has been reclassified from a consolidated subsidiary to an investment accounted for using the equity method from the fiscal year ended March 31, 2020 as a result of the sale of some of its shares.

(Translation)

**4. Significant Consolidated Subsidiaries and Investments Accounted for Using the Equity Method**

| | |
|---|---|
| Consolidated subsidiaries | Mitsubishi Corporation (Americas)<br>Mitsubishi Corporation International (Europe) Plc<br>Mitsubishi Corporation (Shanghai) Ltd.<br>MITSUBISHI CORPORATION FINANCE PLC<br>Metal One Corporation<br>MITSUBISHI DEVELOPMENT PTY LTD<br>Chiyoda Corporation<br>TRI PETCH ISUZU SALES COMPANY LIMITED<br>Mitsubishi Shokuhin Co., Ltd.<br>Lawson, Inc.<br>ENECO GROEP N.V. |
| Investments accounted for using the equity method | Japan Australia LNG (MIMI) Pty. Ltd.<br>Mitsubishi Motors Corporation |

**5. Significant 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 effectively 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.

The consolidated financial statements include profit or loss and other comprehensive income of subsidiaries from the day on which control was obtained to the day on which control was lost. Adjustments have been made to the financial statements of subsidiaries to adhere to the accounting policies adopted by the Company.

All intercompany accounts and transactions have been eliminated.

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.

The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the fair values at the acquisition date (i.e., the day on which the Company obtains control) of the assets transferred by the Company, the liabilities incurred by the Company to former owners of the acquiree and the equity interests issued by the Company. The Company accounts for acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except as follows:

· Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements, are recognized and measured in accordance with IAS 12, "Income Taxes," and IAS 19, "Employee Benefits," respectively.

·Assets or disposal groups that are classified as held for sale in accordance with IFRS 5, "Non-current Assets Held for Sale and Discontinued Operations," are measured in accordance with the Standard.

· Liabilities or equity instruments related to share-based remuneration of the acquiree or share-based remuneration of the Company entered into to replace such arrangements of the acquiree are measured in accordance with IFRS 2, "Share-based Payment".

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, goodwill is measured at the excess amount.

If the net amount of identifiable assets and liabilities at the acquisition date exceeds 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, the excess amount is immediately recognized in profit or loss as a bargain purchase gain.

In the case of a business combination achieved in stages, equity interest in the acquiree held previously by the Company is re-measured at fair value at the acquisition date (i.e., the day on which the Company obtains control), and gains or losses incurred are recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss or other comprehensive income where such treatment would be appropriate if the interests were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. During the measurement period, which does not exceed one year, the Company retrospectively adjusts the provisional amounts recognized at the acquisition date or recognizes additional assets or liabilities to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognized as of that date.

(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% in the voting rights are also included in associates. 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.

Under the equity method, the investment in an associate or a joint venture is recognized initially at cost and the carrying amount is increased or decreased to recognize the Company's share of the net assets of the associate or the joint venture after the date of acquisition. The Company's share of the profit or loss of the associate or the joint venture is recognized in the Company's profit or loss. The Company's share of the other comprehensive income of the associate or the joint venture is recognized in the Company's other comprehensive income. When the Company's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture, the Company discontinues recognizing its share of further losses. After the Company's interest, including any long-term interests that, in substance, form part of the Company's net investment in the associate or joint venture, is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. All profits associated with intercompany transactions, excluding business transfers, have been eliminated in proportion to interests in associates and joint ventures.

An associate or a joint venture is accounted for using the equity method from the date it becomes an associate or joint venture. On initial recognition, the amount of investment in excess of interests with respect to the net fair value of assets, liabilities, and contingent liabilities of associates and joint ventures is recognized as the amount corresponding to goodwill, and is included in the carrying amount of investments.

In cases where significant influence over associates or joint control over joint ventures is lost and the application of the equity method is discontinued, remaining investments are measured at fair value at the disposal date, and are accounted for as financial assets in accordance with IFRS 9, "Financial Instruments." The difference between the previous carrying amount and fair value of the remaining investments is recognized in profit or loss as a gain or loss on disposal of such investments. The amount previously recognized as other comprehensive income by associates and joint ventures is accounted for by determining whether or not they should be reclassified into profit or loss as if related assets or liabilities had been directly disposed of.

(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, according 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. All intercompany accounts and transactions have been eliminated in proportion to interests.

(v) Investment entities

An investment entity is defined as an entity that satisfies the following conditions: the entity (a) obtains funds from investors for the purpose of providing those investors with investment management services; (b) commits to its investors 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, including equity in the subsidiaries of the investment entities, at fair value through profit or loss in accordance with IFRS 9, “Financial Instruments.” However, if a subsidiary of the Company qualifies as an investment entity, when the Company consolidates the investment entity, the fair value measurement applied by the investment entity to equity in its subsidiaries is reclassified to conform to the ordinary consolidation process.

Meanwhile, if an associate or joint venture of the Company qualifies as an investment entity, when the Company applies the equity method, the fair value measurement applied by the investment entity to equity in its subsidiaries is maintained.

(vi) Reporting date

When the Company prepares 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 require 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. Where this is the 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. Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The difference arising from the retranslation of monetary items 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. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period. Exchange differences arising from translation are recognized in other comprehensive income and accumulated in "Other components of equity" on a past-tax basis.

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 does not lead to the loss of control of a subsidiary, the ratio of ownership interest in the cumulative amount of exchange difference is reallocated to non-controlling interests, but no amount is recognized in profit or loss. In other cases of partial disposal that lead 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.

Goodwill and fair value adjustments resulting from the acquisition of foreign operations are retranslated as assets and liabilities of such foreign operations as at the end of the reporting period, and exchange differences are recognized in "Other components of equity" and accumulated in equity.

(3) Financial instruments

(i) Non-derivative financial assets

The Company recognizes trade and other receivables on the trade date. The Company recognizes all other financial assets at the trade date on which the Company became a party to the contract concerning such financial instruments.

The Company initially recognizes financial assets at fair value. Financial assets not recorded at fair value through profit or loss also include transaction costs that are directly attributable to the acquisition of the financial assets. 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.

The effective interest rate is the rate that discounts estimated future cash receipts (including all fees paid or received, transaction costs, and other premium/discounts) through the expected life of a financial asset, or where appropriate, a shorter period to the net carrying amount on initial recognition.

In cases where a financial asset measured at amortized cost is derecognized, the difference between the carrying amount and the consideration received or receivable is recognized in profit or loss.

(iii) Financial assets measured at fair value

Debt instruments other than those measured at amortized cost are measured at fair value through other comprehensive income (FVTOCI) if both the following conditions are met:

(a) The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

(b) 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.
Changes in the fair value of debt instruments measured at FVTOCI are recognized in profit or loss in the event of derecognition of such assets.
Financial assets other than those measured at amortized cost are measured at fair value, and changes in their fair value are recognized as profit or loss (FVTPL). However, the Company has elected to designate some equity instruments as financial assets measured at fair value through other comprehensive income (FVTOCI) if the investments are not held for trading. A financial asset is classified as held for trading if:
(a) It has been acquired or incurred principally for the purpose of selling it in the near term; or
(b) On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
(c) It is a derivative (except for derivatives that are financial guarantee contracts or designated and effective hedging instruments).

Changes in the fair value of 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 fair value through other comprehensive income
The Company estimates expected credit losses on financial assets measured at amortized cost and debt instruments measured at FVTOCI, and recognizes and measures loss allowances. As of the reporting date, if credit risks on certain financial instruments have not increased significantly since initial recognition, the loss allowance on such financial instruments is measured at an amount equal to expected credit losses that result from default events that are possible within 12 months after the reporting date. Meanwhile, if, as of the reporting date, credit risks on certain financial instruments have increased significantly since initial recognition, the loss allowance on such financial instruments is measured at an amount equal to expected credit losses that result from all possible default events over the expected lifetime of the financial instruments (expected lifetime credit losses). The presence of any significant increase in credit risk on financial instruments is determined considering information such as changes in external and internal credit ratings and past due information. Expected credit losses are measured by reflecting factors such as time value of money, history of default events for each credit rating, and reasonable and supportable information about forecasts concerning economic indicators that are highly correlated with the preceding factors. For financial assets showing evidence of credit impairment as of the reporting date, the Company estimates expected lifetime credit losses individually by taking into consideration factors such as investment rating, the details of investment contracts, the state of collateral, cash flow rights and priorities, and the status of the issuer, and measures loss allowances for the relevant financial instruments. Evidence of credit impairment is determined considering information such as significant financial difficulty of the issuer or the borrower, and a breach of contract, including past due events. However, for trade receivables and contract assets that do not contain a significant financing component, the loss allowance is always recognized at an amount equal to expected lifetime credit losses, regardless of whether a significant increase in credit risk has occurred since initial recognition.

(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 and cash equivalents
Cash equivalents are short-term (original maturities of three months or less), highly liquid investments (including mainly short-term time deposits) 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 on which the Company becomes a party to the contract concerning the financial instruments.
The Company derecognizes financial liabilities when the obligation specified in the contract is discharged or canceled or expires.
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 effective interest rate is the rate that discounts the estimated future cash payments (including all fees paid, transaction costs, and other premium/discounts) through the expected life of the financial liability, or where appropriate, a shorter period to the net carrying amount on initial recognition. There is no financial liability irrevocably designated as measured at fair

value through profit or loss at the time of initial recognition.

(viii) Equity
Common stock
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."
Treasury stock
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 risks to reduce exposure to movements in foreign exchange rates 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 cannot be utilized, 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.
The Company assesses hedge effectiveness at the start of the hedging relationship, quarterly, or when a significant change impacting on hedge effectiveness occurs by confirming whether or not the relationship is such that changes in the fair value or cash flows of the hedged item that are attributable to a hedged risk are substantially offset by changes in the fair value or cash flows of the hedging instrument. The Company has determined that the effect of credit risk on hedging relationship is immaterial.

Fair value hedges
Derivative instruments designated as hedging instruments of fair value hedges primarily consist of interest rate swaps used to convert fixed-rate financial assets or debt obligations to floating-rate financial assets or debt. Changes in fair values of hedging derivative instruments are recognized in profit or loss, offset against the changes in the fair value due to the risk of the related financial assets, financial liabilities, and firm commitments being hedged and are included in "Other income (expense) – net" in the Consolidated Statement of Income.
In cases where a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective remains unchanged, the Company adjusts the hedging ratio to reestablish the effectiveness of the hedging relationship. Furthermore, the Company discontinues the application of hedge accounting in cases where there is a change in the risk management objective for the hedging relationship. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortized to profit or loss from the date on which the Company discontinues hedge accounting.

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 recognized in other comprehensive income and accumulated in "Other components of equity." Derivative unrealized gains and losses included in "Other components of equity" are reclassified into profit or loss at the time that the associated hedged transactions are recognized in profit or loss. 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. Ineffectiveness is recognized immediately in profit or loss.
In cases where a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective remains unchanged, the Company adjusts the hedging ratio to reestablish the effectiveness of the hedging relationship. Furthermore, the Company discontinues the application of hedge accounting in cases where there is a change in the risk management objective for the hedging relationship. Any gain or loss recognized in other comprehensive income and accumulated in "Other components of equity" at the time of discontinuing hedge accounting remains in equity and is reclassified into profit or loss when the forecasted transaction is ultimately recognized in profit or loss. When a forecasted transaction is no longer expected to occur, the gain or loss accumulated in "Other components of equity" is recognized immediately 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. The Company clearly distinguishes between derivatives used for brokerage services and trading activities from derivatives used for risk management purposes. As part of its internal control policies, the Company has set strict limits on the positions which can be taken in order to manage potential losses for these derivative transactions, and periodically monitors the open positions for compliance.
Changes in fair value of derivatives not designated as hedging instruments or held for trading purposes are recognized in profit or loss.

(x) Financial guarantee contracts
Liabilities under financial guarantee contracts issued by the Company are initially measured at fair value and, if not designated as FVTPL, are subsequently measured at the higher of:
· Loss allowances measured in accordance with IFRS 9, “Financial Instruments”; or
· The amount initially recognized less, when appropriate, cumulative amortization recognized in accordance with accounting policies for revenue recognition.

(xi) Offsetting financial assets and financial liabilities
If the Company currently has a legally enforceable right to set off the recognized amount of financial assets against the recognized amount of financial liabilities and has the intention either to settle on a net basis or to realize assets and settle liabilities simultaneously, the Company offsets financial assets against financial liabilities and presents the net amount in the consolidated statement of financial position.

(4) Inventories
Inventories are recognized at the lower of cost or net realizable value based on the moving average method or identified cost method. Net realizable value is presented in the amount of estimated selling price of inventories, less the estimated costs of completion and the estimated costs necessary to make the sale.
Inventories acquired with the purpose of generating a profit from short-term price fluctuations are measured at fair value less costs to sell.

(5) Biological assets
Biological assets are measured at fair value less costs to sell, with any changes therein recognized in profit, except in cases where fair value cannot be measured reliably.
Costs to sell include all costs that would be necessary to sell the assets, including transportation costs. Agricultural produce harvested from biological assets is reclassified into inventories at fair value less costs to sell at the point of harvest.

(6) Property, plant and equipment
(i) Recognition and measurement
Property, plant and equipment are recognized at cost, net of accumulated depreciation and accumulated impairment losses.
Cost includes the expenses directly attributable to the acquisition of the assets, the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs to be capitalized. If the estimated useful life of property, plant and equipment varies from component to component, each component is recognized as a separate item of property, plant and equipment.

(ii) Depreciation
Land is not depreciated. Depreciation of other classes of property, plant and equipment is calculated based on the depreciable amount. The depreciable amount is calculated by deducting the residual value from the cost of the asset or the amount equivalent to the cost. Depreciation of property, plant and equipment other than 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 mainly over the following estimated useful lives:

| | |
|---|---|
| Buildings and structures | 2 to 60 years |
| Machinery and equipment | 2 to 50 years |
| Vessels | 2 to 25 years |

Assets related to the acquisition of contractual rights for the exploration, evaluation, development, and production of oil and gas or mining resources are classified as mineral resources-related property.
Mineral resources-related property is amortized using the unit-of-production method based on the proven or probable reserves.
The depreciation method, estimated useful life and residual value are reviewed at each period end, and amended as necessary.

(iii) Derecognition
The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future

economic benefits are expected from use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognized.

(7) Investment property
Investment property is property held to earn rentals, for long-term capital appreciation or both. Real estate held for sale in the ordinary course of business (real estate held for development and resale) and real estate held for use in the production or supply of goods or services or for administrative purposes (property, plant and equipment) are not included. 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. An investment property is derecognized on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. The gain or loss arising from the derecognition of an investment property is included in profit or loss when the investment property is derecognized.

(8) Intangible assets and goodwill
(i) Research and development costs
Expenditures related to research activities to obtain new scientific or technical knowledge and understanding are recognized as expenses as incurred. 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. Other development costs are recognized as expenses as incurred.

(ii) Other intangible assets
Other intangible assets with finite useful lives acquired by the Company are measured at cost, net of accumulated amortization and accumulated impairment losses. Intangible assets with indefinite useful lives are not amortized but measured at cost, net of accumulated impairment losses.

(iii) Goodwill
Initial recognition
Goodwill arising from acquisition of subsidiaries is included in "Intangible assets and goodwill" in the consolidated statement of financial position. Measurement of goodwill at the time of initial recognition is described in (1) Basis of consolidation (ii) Business combinations above.
Measurement after initial recognition
Goodwill is measured at cost, net of accumulated impairment losses. The carrying amount of investments accounted for using the equity method includes the carrying amount of goodwill.
In case of disposal of an operation within a related cash-generating unit, goodwill is derecognized and the amount is recognized in profit or loss.

(iv) Amortization
Other than goodwill and intangible assets with indefinite useful lives, intangible assets are amortized under the straight-line method over their estimated useful lives from the day on which the assets became available for use.
The estimated useful life of each asset is mainly as follows:

| | |
|---|---|
| Trademarks | 3 to 36 years |
| Software | 2 to 15 years |
| Customer relationships | 6 to 32 years |

The amortization method, estimated useful life, and residual value are reviewed at each period end, and amended as necessary.

(9) Leases
Fiscal Year Ended March 31, 2019 (From April 1, 2018 to March 31, 2019)
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.
Leases other than finance leases are classified as operating leases.
(i) Lease as lessor
Amounts due from lessees under finance leases are recognized as "Trade and other receivables" at the amount of net investment in the leases, and unearned income is allocated over the lease term at a constant periodic rate of return on the net investments and recognized in the fiscal year to which it is attributable. Operating lease income is recognized over the term of underlying leases on a straight-line basis.

(ii) Lease as lessee
Lease assets and lease liabilities under finance leases are initially recognized at the lower of the present value of minimum lease payments or the fair value at the inception of the lease. After initial recognition, lease assets are accounted for according to the accounting policies applied to the assets. Lease payments are allocated at a constant periodic rate to the balance of lease liabilities, and are accounted for as finance costs and a reduction in the amount of

lease liabilities.
Operating lease payments are recognized as an expense on a straight-line basis over the lease term.

Fiscal Year Ended March 31, 2020 (From April 1, 2019 to March 31, 2020)
For leases as the lessor, leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the underlying asset to the lessee. Leases other than finance leases are classified as operating leases.
For leases as the lessee, based on a single lessee accounting model, right-of-use assets representing the right to use an underlying asset and lease liabilities representing the obligation to make lease payments are required to be recognized in the consolidated statement of financial position for all leases, in principle.

(i) Lease as lessor
Amounts due from lessees under finance leases are recorded in "Trade and other receivables" at the amount of the Company's net investment in the lease. Finance income is allocated over the lease term on a rational basis against the lessor's gross investment in the lease outstanding and recognized in the fiscal year to which it is attributable. Operating lease income is recognized over the term of underlying leases on a straight-line basis.

(ii) Lease as lessee
On the lease commencement date, lease liabilities are initially measured at the present value of the lease payments payable over the lease term, while right-of-use assets are initially measured at the amount of the lease liability adjusted for prepaid lease payments, etc. The lease term is determined as the non-cancellable period for the lease plus periods covered by an extension option if exercise of that option by the lessee is reasonably certain; and periods covered by a termination option if the lessee is reasonably certain not to exercise that option. The lease liability is initially measured at the present value of the lease payments, discounted by using the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the lessee shall use its incremental borrowing rate.
After initial recognition, right-of-use assets are depreciated principally by the straight-line method over the shorter period of the lease term and the useful life of the underlying asset. For lease liabilities, interest expenses and the repayment amount of lease liabilities are reflected in the carrying amount of lease liabilities based on the effective interest rate method. If there are changes in the lease term determined at the commencement date of the lease or other time, or revisions to lease payments or other modifications, the lease liability is revised to reflect the changes in the lease payments, and the amount of the revision of the lease liability is recognized as a revision of the carrying amount of the right-of-use asset. In addition, impairment of right-of-use assets is as described in "(14) Impairment of non-financial assets."
The Company applies an exemption for short-term leases with a lease term of 12 months or less. Lease payments for such short-term leases are accounted for as an expense on a straight-line basis over the lease term, without recognizing a right-of-use asset and lease liability. In addition, the Company applies a practical expedient for treating the components of a contract. Specifically, the Company elects, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

(10) Oil and gas exploration and development
Oil and gas exploration and evaluation activity includes:
- Acquisition of rights to explore;
- Gathering exploration data through topographical, geological, geochemical, and geophysical studies;
- Exploratory drilling, trenching, and sampling; and
- Evaluating the technical feasibility and commercial viability of extracting a mineral resource.

Exploration and evaluation expenditures such as geological and geophysical cost are expensed as incurred. Exploration and evaluation expenditures such as costs of acquiring properties, drilling, and equipping exploratory wells and related plant and equipment are capitalized as property, plant and equipment or intangible assets.
The capitalized exploration and evaluation expenditures are not depreciated until production commences. Capitalized exploration and evaluation expenditures are monitored for indications of impairment. If the capitalized expenditure is determined to be impaired, an impairment loss is recognized based on the fair value.
When capitalized exploration and evaluation expenditures have been established as commercially viable by a final feasibility study, subsequent development expenditures are capitalized and amortized using the unit-of-production method.

(11) 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 amortized 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 in which the stripping costs are incurred. To the extent that the benefit is improved access to ore, the stripping costs are recognized as a property, plant and equipment

or an intangible asset.

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.

(12) Non-current assets 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. This condition is regarded as met only when the non-current asset or the disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets or disposal groups, and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets or disposal groups classified as held for sale are measured at the lower of their carrying amounts or fair value less costs to sell, except for those items that are required to be measured based on standards other than IFRS 5, “Non-current Assets Held for Sale and Discontinued Operations.”

(13) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

(14) Impairment of non-financial assets

(i) Assessment for impairment

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. Goodwill and intangible assets with indefinite useful lives are tested for impairment at least annually, or more frequently if indicators of impairment are present. 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 amounts 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 constitutes part of the carrying amount of investments accounted for using the equity method are tested for impairment with respect to each asset, cash-generating unit, or group of cash-generating units at investees, reflecting adjustments to fair value associated with the application of the equity method.

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 costs to sell. Value in use is calculated by discounting the estimated future cash flows to the present value using the pre-tax discount rate reflecting the risks specific to the asset or the cash-generating unit.

(ii) Cash-generating units

In cases where cash inflows are generated by multiple assets, the smallest unit that generates cash flows more or less independently from cash inflows of other assets or groups of assets is referred to as a cash-generating unit.

A cash-generating unit, including goodwill, is set as the smallest unit at which the goodwill is monitored for internal management purposes and is a smaller unit than the operating segment. If impairment loss is recognized in relation to a cash-generating unit, the carrying amount of any goodwill allocated to the cash-generating unit is reduced first, and if there is any residual amount, other assets of the unit are reduced pro rata on the basis of the carrying amount of each asset in the unit, in principle.

(iii) Reversal of impairment loss

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. 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.

(15) Post-employment benefits

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

(i) Defined benefit 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. Any surplus resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plans or reductions in future contributions to the plans. Benefit obligations are calculated 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 re-measures benefit obligations using information provided by qualified actuaries and pension assets in each period.
Increases or decreases in benefit obligations for employees' past services due to the revision of the pension plan are recognized in profit or loss.
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."

(ii) Defined contribution plans
Defined contribution plans are post-employment benefit plans in which the employer makes a certain amount of contributions to fund post-employment benefits and does not bear more obligations than the amount contributed. 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.

(16) Provisions
Provisions are recognized when the Company has a present legal or constructive obligation 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, taking into account the risks and uncertainties surrounding the obligations, and is discounted when the time value of money is material.

Provision for decommissioning and restoration
The provision for decommissioning and restoration is reviewed 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 life of the corresponding asset. The impact of unwinding of the discount applied in establishing the net present value of the provision is recognized in "Finance costs." The applicable discount rate is a pre-tax rate that reflects the current market assessment of the time value of money.

(17) Stock-based compensation
Stock-based compensation cost is measured at the grant date based on the estimated fair value of stock-based awards, and is recognized on a straight-line basis over the period in which services are received as consideration, with a corresponding increase in equity. The fair values of stock options are estimated by using a Monte Carlo Simulation, while the fair values for the Employee Stock Ownership Plan (ESOP) are estimated based on observable market prices.

(18) Revenues
1) Revenue recognition criteria (five-step approach)
In line with the application of IFRS 15, 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

The Company identifies distinct goods or services included in contracts with customers and identifies performance obligations by such transaction units.

In identifying performance obligations, the Company performs an analysis on principal versus agent. If the nature of the promise is a performance obligation to provide the specified goods or services 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 or fee amount or the net amount of consideration is presented as revenue in its Consolidated Statement of Income. In deciding whether the Company is a principal, the Company takes into consideration the following three indicators:
· The Company is primarily responsible for fulfilling the promise to provide the specified good or service;
· The Company has inventory risk before the specified good or service is transferred to a customer, or after the transfer of control to the customer; and,
· The Company has discretion in establishing the price for the specified good or service.

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to customers. If the amount of consideration is undetermined at the point of revenue recognition, the consideration is estimated by a reliable manner based on formulas provided in the contract. If uncertainty is high or the transaction price cannot be reliably estimated, the consideration is not included in the transaction price. The transaction price is revised once a reliable estimation becomes probable”. When the Company expects, at contract inception, that the period between the Company transferring a good or service and the customer paying for it will be one year or less, the Company applies the practical expedient and does not adjust the consideration for the effects of a financing component.

Within the incremental costs of obtaining a contract with a customer and the costs of fulfilling a contract that relate directly to the contract, the Company recognizes as an asset the portion of those costs that it expects to recover. However, if the amortization period of the asset resulting from the incremental costs to obtain a contract would be one year or less, the Company uses the practical expedient to expense those costs when incurred.

2) Revenue recognition in major streams

Revenue recognition at a point in time

The Company trades a wide variety of products and commodities, including metals, machinery, chemicals, and consumer goods. 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 have been satisfied at the point of delivery.

The Company also performs service-related activities. In service-related activities, the Company provides a variety of services including logistics, telecommunications, and technical support services. Revenue for service-related activities is recognized when the performance obligations for services are satisfied.

Revenue recognition over time

The Company enters into contracts for service activities and construction services, including services based on franchise contracts. When transferring control of a good or service to a customer over a contract period, the Company measures progress using a method that faithfully depicts the Company’s performance, applying either output methods or input methods, which are ways to measure the degree of progress towards complete satisfaction of the performance obligations.

In the aforementioned sale of products and commodities and performance of service-related activities, if the Company’s performance obligation is to arrange for the provision of goods or services by another party, the Company acts as a contractual agent of the seller or buyer. When acting as an agent, the Company recognizes revenue on a net basis either at a point in time when fulfilling the performance obligation or over time according to progress towards the complete satisfaction of the performance obligation.

(19) Service concession arrangements

A service concession arrangement is an arrangement between the "grantor" (a public sector entity) and the "operator" (a private sector entity) to provide services that give the public access to major economic and social facilities utilizing private-sector funds and expertise.

With respect to service concession arrangements, revenue and costs are allocated between those relating to construction services and those relating to operation services, and are accounted for separately. Consideration received or receivable is allocated based on to the relative fair value of services delivered when the amounts are separately identifiable.

When the amount of the arrangement consideration (including minimum revenue guarantee) for the provision of public services is substantially fixed by a contract, the Company recognizes revenues from construction services for public facilities (infrastructures) by the percentage-of-completion method, and recognizes the consideration as a financial asset. The Company accounts for such financial assets in accordance with IFRS 9, "Financial Instruments," and calculates interest income based on the effective interest method and recognizes it in profit or loss.

(20) Government grants

Government grants are not recognized until there is reasonable assurance that the entity will comply with the conditions attached to the grants and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Government grants that are mainly conditional upon the Company acquiring non-current assets by purchase, construction, or other method are recognized by deducting the grants from the carrying amount of the assets in the consolidated statement of financial position and are reclassified into profit or loss on a systematic basis based on reasonable criteria over their useful lives.

(21) Income taxes

Income tax expenses consist of current and deferred taxes. They are recognized in profit or loss, excluding those related to business combinations and items recognized directly in equity or other comprehensive income.

Deferred taxes are recognized for temporary differences between the financial statement and income tax bases of

assets and liabilities.
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.
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. The recoverability of deferred tax assets is reviewed at the end of each period, and the Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized.
The Company recognizes an asset or liability for the effect of uncertainty in income taxes, and the asset or liability is measured at the amount of the reasonable estimate for uncertain tax positions when it is probable, based on the Company's interpretation of tax laws, that the tax positions will be sustained.
The Parent and its wholly owned domestic subsidiaries file a consolidated corporate income tax return as a consolidation group.

(22) 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 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.

(Translation)

**Notes Concerning Consolidated Statement of Financial Position**

1. Assets pledged as collateral

(1) Pledged assets

| | |
|---|---|
| Trade and other receivables (current and non-current) | 105,873 million yen |
| Other investments (current and non-current) | 470,225 million yen |
| Property, plant, and equipment (less accumulated depreciation and accumulated impairment losses) | 203,723 million yen |
| Investment property (less accumulated depreciation and accumulated impairment losses) | 45,129 million yen |
| Others | 2,666 million yen |
| Total | 827,616 million yen |

(2) Liabilities with the pledged assets listed above

| | |
|---|---|
| Short-term debt | 5,789 million yen |
| Long-term debt | 222,808 million yen |
| Guarantees of contracts and others | 599,019 million yen |
| Total | 827,616 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, 2020, 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 115,429 million yen as of March 31, 2020.

2. Accumulated depreciation and impairment losses on property, plant, and equipment 1,647,005 million yen

3. Accumulated depreciation and impairment losses on investment properties 39,987 million yen

4. Accumulated amortization and impairment losses on intangible assets 232,649 million yen

5. Accumulated depreciation and impairment losses on right-of-use assets 834,453 million yen

6. Guarantees

| | |
|---|---|
| Financial guarantees | 562,714 million yen |
| Performance guarantees | 257,798 million yen |
| Total | 820,512 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.

**Notes Concerning Consolidated Statement of Changes in Equity**

1. Number of shares issued at the end of the fiscal year Common stock 1,590,076,851 shares

2. Matters concerning dividends

(1) Matters concerning dividends paid during the fiscal year under review

| Resolution | Class of Shares | Total Dividend | Dividend per Share | Record Date | Effective Date |
|---|---|---|---|---|---|
| June 21, 2019 Ordinary General Meeting of Shareholders | Common stock | 99,982 million yen | 63 yen | March 31, 2019 | June 24, 2019 |
| November 6, 2019 Board of Directors Meeting | Common stock | 97,935 million yen | 64 yen | September 30, 2019 | December 2, 2019 |

(2) Matters concerning dividends to be paid after the end of the fiscal year under review

The Parent plans to submit the following proposal for approval at the Ordinary General Meeting of Shareholders on June 19, 2020.

| | |
|---|---|
| Total dividend: | 101,181,717,716 yen |
| Dividend per share of common stock: | 68 yen |
| Effective date: | June 22, 2020 |
| Source of funds for dividend: | Retained earnings |
| Record date: | March 31, 2020 |

3. Number of shares resulting from the potential exercise of stock acquisition rights at the end of the fiscal year

1,879,200 shares of common stock (excluding shares for which the exercise period has not commenced)

**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**

The fair value of financial instruments has been determined using available market information, such as quoted market prices, or valuation methodologies, such as the market, income, or cost approaches.

The following assumptions and methods were used to calculate the fair value of each class of financial instrument:

The fair values of investments in marketable securities included in "Short-term investments" and "Other investments" are estimated using quoted market prices in active markets or quoted prices for identical or similar assets in markets that are not active. The fair values of non-marketable investments are estimated primarily using the discounted present value of future cash flows, comparison with similar transactions, the value of net assets per share, and third-party valuations.

For trade and other receivables that have relatively short maturities, the carrying amounts approximate fair value. The fair values of trade and other receivables that do not have short-term maturities are determined using a discounted cash flow based on estimated future cash flows, which incorporate the characteristics of the receivables, including principal and contractual interest rates, and discount rates reflecting the Company's assumptions related to credit spread.

For trade and other payables that have relatively short maturities, the carrying amounts approximate fair value. The fair values of trade and other payables that do not have short-term maturities are determined using estimated future cash flows discounted by the interest rate applied to new debt the Company incurred with similar remaining maturities and conditions.

The fair values of borrowings are estimated based on the present value of estimated future cash flows using interest rates that are currently available to the Company for debt with similar terms and remaining maturities.

The fair values of derivative assets and derivative liabilities are estimated by a market approach using observable market inputs, such as quoted prices, interest rates, and foreign exchange rates, and unobservable inputs such as forward contracts. Derivative assets are included under "Other financial assets" and derivative liabilities are included under "Other financial liabilities."

The breakdown of carrying amounts and fair values of financial instruments as of March 31, 2020 is as follows:

(Millions of Yen)

| | As of March 31, 2020 | |
|---|---|---|
| | Carrying Amount | Fair Value |
| **Financial assets:** | | |
| Short-term investments and other investments | 1,757,402 | 1,759,578 |
| Trade and other receivables | 3,284,555 | 3,298,244 |
| Derivative assets | 442,688 | 442,688 |
| **Financial liabilities:** | | |
| Trade and other payables | 2,599,664 | 2,599,224 |
| Bonds and borrowings | 5,760,123 | 5,699,365 |
| Derivative liabilities | 253,467 | 253,467 |

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

**Notes Concerning Investment Property**

**1. Matters concerning investment property**

The Company holds investment property, including office buildings, commercial facilities, and other property for rent in Tokyo and other regions.

**2. Matters concerning fair value of investment property**

As of March 31, 2020, the carrying amount of investment property was 96,709 million yen and the fair value was 121,305 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. These evaluations are based on an income approach utilizing input information, such as anticipated rental fees and discount rates.

**Notes Concerning Per-Share Information**

| | |
|---|---|
| Total equity attributable to owners of the Parent per share | 3,521.30 yen |
| Basic profit for the year attributable to owners of the Parent per share | 348.50 yen |
| Diluted profit for the year attributable to owners of the Parent per share | 347.71 yen |

**Notes Concerning Significant Subsequent Events**

Not applicable

(Translation)

Non-consolidated Balance Sheet

(Millions of Yen)

| Item | As of March 31, 2019 (Reference only) | As of March 31, 2020 |
|---|---|---|
| ASSETS | | |
| Current assets | ¥2,242,551 | ¥1,879,485 |
| Cash and time deposits | 551,422 | 477,835 |
| Trade notes receivable | 84,139 | 55,891 |
| Trade accounts receivable | 844,203 | 627,716 |
| Short-term investments | 1,496 | 33,005 |
| Inventories | 119,072 | 72,607 |
| Real estate for sale | 3,160 | — |
| Advance payments to suppliers | 19,216 | 24,837 |
| Accounts receivable – Other | 119,604 | 128,264 |
| Short-term loans | 416,013 | 351,006 |
| Other current assets | 89,461 | 110,592 |
| Allowance for doubtful receivables | (5,240) | (2,270) |
| Fixed Assets | 5,185,163 | 5,640,522 |
| Net property, plant, and equipment | 126,657 | 125,283 |
| Buildings and structures | 34,510 | 32,705 |
| Land | 85,678 | 85,678 |
| Construction in progress | 153 | 184 |
| Other property, plant, and equipment | 6,315 | 6,716 |
| Intangible assets | 43,694 | 43,671 |
| Software | 32,690 | 33,637 |
| Software in progress | 9,367 | 8,859 |
| Other intangible assets | 1,637 | 1,174 |
| Total investments and other assets | 5,014,810 | 5,471,566 |
| Investment securities | 814,389 | 545,108 |
| Investments in affiliates – stock | 3,484,421 | 3,975,911 |
| Other investments in affiliates | 23,500 | 31,206 |
| Investments into capital | 16,703 | 14,639 |
| Investments in affiliates into capital | 162,657 | 166,429 |
| Long-term loans receivable | 412,347 | 486,141 |
| Noncurrent trade receivables | 30,640 | 21,767 |
| Long-term prepaid expenses | 51,925 | 82,330 |

| Item | As of March 31, 2019 (Reference only) | As of March 31, 2020 |
|---|---|---|
| LIABILITIES AND EQUITY | | |
| Current liabilities | ¥1,828,313 | ¥1,953,080 |
| Trade notes payable | 25,533 | 21,093 |
| Trade accounts payable | 621,323 | 468,079 |
| Short-term borrowings | 774,320 | 795,315 |
| Commercial paper | 130,000 | 400,999 |
| Bonds due for redemption within one year | 36,000 | 49,353 |
| Accounts payable – other | 135,235 | 93,939 |
| Accrued expenses | 49,158 | 46,198 |
| Advances received | 16,797 | 22,186 |
| Deposit liabilities | 22,717 | 26,419 |
| Provision for directors' bonuses | 424 | 612 |
| Other current liabilities | 16,801 | 28,880 |
| Noncurrent liabilities | 2,772,681 | 3,001,487 |
| Long-term borrowings | 1,931,873 | 2,119,349 |
| Bonds | 785,661 | 792,751 |
| Accrued pension and severance liabilities | 2,835 | 36,016 |
| Retirement provision for directors and executive officers | 1,536 | 1,467 |
| Provision for loss on guarantees of obligations | 18,738 | 17,391 |
| Provision for special repairs | 752 | 795 |
| Provision for environmental measures | 11,558 | 6,247 |
| Provision for share-based compensation | — | 1,469 |
| Asset retirement obligations | 3,947 | 4,539 |
| Other noncurrent liabilities | 15,778 | 21,460 |
| Total liabilities | 4,600,995 | 4,954,567 |
| EQUITY | | |
| Shareholders' equity | 2,517,693 | 2,396,956 |
| 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 | 2,107,223 | 2,272,513 |
| Retained earnings appropriated for legal reserve | 31,652 | 31,652 |
| Other retained earnings | 2,075,571 | 2,240,861 |
| Reserve for deferred gain on sales of property | 11,543 | 11,543 |
| General reserve | 1,673,760 | 1,865,760 |
| Unappropriated retained earnings | 390,267 | 363,557 |

| | | | | | |
|---|---|---|---|---|---|
| Deferred tax assets | 24,844 | 144,612 | | | |
| Other investments | 24,939 | 24,169 | Treasury stock | (8,137) | (294,164) |
| Allowance for doubtful receivables | (31,560) | (20,749) | Valuation and translation adjustments | 305,454 | 164,907 |
| | | | Unrealized gains and losses on other securities | 339,472 | 195,038 |
| Deferred assets | 1,882 | 1,431 | Deferred hedging gains and losses | (34,017) | (30,131) |
| Bond issuance cost | 1,882 | 1,431 | Stock acquisition rights | 5,454 | 5,006 |
| | | | Total equity | 2,828,602 | 2,566,871 |
| Total assets | ¥7,429,597 | ¥7,521,438 | Total liabilities and equity | ¥7,429,597 | ¥7,521,438 |

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

(Translation)

# Non-consolidated Statement of Income

(Millions of Yen)

| Item | Fiscal year ended March 31, 2019 (From April 1, 2018 to March 31, 2019) (Reference only) | Fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020) |
|---|---|---|
| Revenues | ¥2,497,837 | ¥1,737,893 |
| Cost of revenues | (2,367,547) | (1,637,279) |
| Gross profit | 130,290 | 100,613 |
| Selling, general, and administrative expenses | (227,581) | (233,895) |
| Operating loss | (97,290) | (133,281) |
| Non-operating income | 696,055 | 726,716 |
| Interest income | 53,344 | 50,573 |
| Dividend income | 539,553 | 590,283 |
| Gains on sales of property, plant, and equipment | 57 | 60 |
| Gains on sales of investment securities | 84,339 | 73,225 |
| Unrealized gains on investment securities | 4 | — |
| Gain on reversal of provision for doubtful receivables from affiliates | 7,871 | — |
| Other income | 10,884 | 12,573 |
| Non-operating expenses | (212,612) | (293,230) |
| Interest expense | (35,124) | (34,473) |
| Foreign exchange losses | (28,624) | (22,905) |
| Loss on sales and disposals of property, plant and equipment | (157) | (373) |
| Impairment losses | (1,676) | (847) |
| Loss on sales of investment securities | (6,863) | (10,163) |
| Loss on write-down of investment securities | (132,046) | (216,846) |
| Provision for doubtful receivables from affiliates | — | (411) |
| Other expenses | (8,118) | (7,209) |
| Ordinary income | 386,152 | 300,203 |
| Income before income taxes | 386,152 | 300,203 |
| Income taxes – current | (16,773) | 6,867 |
| Income taxes – deferred | 26,738 | 57,592 |
| Net income | ¥396,117 | ¥364,663 |

(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, 2019 (From April 1, 2018 to March 31, 2019) (Reference only)**

| | Shareholders' equity | | | | | | | | | Valuation and translation adjustments | | | Stock acquisition Rights | Total Equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 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 gain on sales of property | General reserve | Unappropr-iated retained earnings | Treasury stock | Total shareholders' equity | Unrealized gains on other securities | Deferred hedging gains | Total valuation and translation adjustments | | |
| Balance as of April 1, 2018 | ¥204,446 | 214,161 | – | 31,652 | 11,543 | 1,511,760 | 354,274 | (10,922) | 2,316,916 | 392,034 | (26,878) | 365,155 | 6,025 | 2,688,097 |
| Cumulative effects of change in accounting policy | | | | | | | 1,170 | | 1,170 | | | | | 1,170 |
| Adjusted balance at the beginning of the period | 204,446 | 214,161 | – | 31,652 | 11,543 | 1,511,760 | 355,444 | (10,922) | 2,318,086 | 392,034 | (26,878) | 365,155 | 6,025 | 2,689,267 |
| Changes during the fiscal year | | | | | | | | | | | | | | |
| Dividends | | | | | | | (198,276) | | (198,276) | | | | | (198,276) |
| Transfer to general reserve | | | | | | (162,000) | (162,000) | | – | | | | | – |
| Net income | | | | | | | 396,117 | | 396,117 | | | | | 396,117 |
| Purchase of treasury stock | | | | | | | | (11) | (11) | | | | | (11) |
| Sales of treasury stock | | | | | | | (1,019) | 2,796 | 1,777 | | | | | 1,777 |
| Net changes in items other than shareholders' equity during the fiscal year | | | | | | | | | – | (52,561) | (7,139) | (59,701) | (570) | (60,271) |
| Total changes during the fiscal year | – | – | – | – | – | 162,000 | 34,822 | 2,784 | 199,607 | (52,561) | (7,139) | (59,701) | (570) | 139,335 |
| Balance as of March 31, 2019 | 204,446 | 214,161 | – | 31,652 | 11,543 | 1,673,760 | 390,267 | (8,137) | 2,517,693 | 339,472 | (34,017) | 305,454 | 5,454 | 2,828,602 |

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

(Millions of Yen)

**Fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)**

| | Shareholders' equity | | | | | | | | | Valuation and translation adjustments | | | Stock acquisition Rights | Total Equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 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 gain on sales of property | General reserve | Unappropr-iated retained earnings | Treasury stock | Total shareholders' equity | Unrealized gains on other securities | Deferred hedging gains | Total valuation and translation adjustments | | |
| Balance as of April 1, 2019 | ¥204,446 | 214,161 | – | 31,652 | 11,543 | 1,673,760 | 390,267 | (8,137) | 2,517,693 | 339,472 | (34,017) | 305,454 | 5,454 | 2,828,602 |
| Cumulative effects of change in accounting policy | | | | | | | – | | – | | | | | – |
| Adjusted balance at the beginning of the period | 204,446 | 214,161 | – | 31,652 | 11,543 | 1,673,760 | 390,267 | (8,137) | 2,517,693 | 339,472 | (34,017) | 305,454 | 5,454 | 2,828,602 |
| Changes during the fiscal year | | | | | | | | | | | | | | |
| Dividends | | | | | | | (197,916) | | (197,916) | | | | | (197,916) |
| Transfer to general reserve | | | | | | 192,000 | (192,000) | | – | | | | | – |
| Net income | | | | | | | 364,663 | | 364,663 | | | | | 364,663 |
| Purchase of treasury stock | | | | | | | | (289,733) | (289,733) | | | | | (289,733) |
| Sales of treasury stock | | | | | | | (1,456) | 3,706 | 2,249 | | | | | 2,249 |
| Net changes in items other than shareholders' equity during the fiscal year | | | | | | | | | – | (144,433) | 3,886 | (140,546) | (447) | (140,994) |
| Total changes during the fiscal year | – | – | – | – | – | 192,000 | (26,709) | (286,027) | (120,736) | (144,433) | 3,886 | (140,546) | (447) | (261,731) |
| Balance as of March 31, 2019 | 204,446 | 214,161 | – | 31,652 | 11,543 | 1,865,760 | 363,557 | (294,164) | 2,396,956 | 195,038 | (30,131) | 164,907 | 5,006 | 2,566,871 |

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

(Translation)

**Notes to Non-consolidated Financial Statements**

**Notes Concerning Significant Accounting Policies (Non-consolidated Financial Statements for the Year Ended March 31, 2020)**

### 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

Securities are measured as follows:

- Held-to-maturity securities: at amortized cost
- Securities issued by subsidiaries and affiliated companies: at cost (the cost of securities sold is determined based on the moving average method)
- Other securities

  Marketable securities: at fair value as determined by the market value at the end of the fiscal year

  (Unrealized gains and losses are recorded in equity. The cost of securities sold is determined based on the moving average method.)

  Non-marketable securities: at cost, based on the moving average method

### 3. Derivatives

Derivatives are measured at fair value.

For those derivative financial instruments used to manage exposures to fluctuations in foreign exchange rates, interest 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 nonconsolidated statement of income.

### 7. Accounting for Allowance for Doubtful Receivables

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

### 8. Accounting for Provision for Directors’ Bonuses

The provision for directors’ bonuses represents the amount deemed to have been incurred in the fiscal year based on projected payments at the end of the fiscal year.

### 9. 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 at the balance sheet date.

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.

### 10. Accounting for Retirement Provision for Directors and Executive Officers

Retirement provisions for Directors and Executive Officers are provided at the amount of estimated retirement benefits to be paid at the end of the fiscal year based on calculation formulas in the by-laws.

The retirement plan for Directors and Executive Officers was abolished in the fiscal year ended March 31, 2008. The provision balance as of March 31, 2020 relates to the previous plan.

### 11. Accounting for Provision for Loss on Guarantees of Obligations

The Parent provides for contingent losses on guarantees of obligations of subsidiaries and other parties in the amount deemed necessary in consideration of financial conditions and other factors.

### 12. Accounting for Provision for Special Repairs

The provision for special repairs is provided at the amount allocated to the period based on the estimated total amount of expenses required for mandated regular open inspections of oil storage tanks.

### 13. Accounting for Provision for Environmental Measures

The provision for environmental measures is provided in the amount deemed necessary to cover expenditures for the cost of transport, treatment, and other processing of waste materials for which treatment is mandated by laws and regulations.

### 14. Accounting for Provision for Share-based Compensation

The provision for share-based compensation is provided 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 can set aside funds for the Employee Stock Ownership Plan (ESOP) Trust to grant the Company's shares to employees.

### 15. Accounting for Consumption Tax and Local Consumption Taxes

Accounting for Consumption Tax and local consumption taxes are excluded from income and expenses.

### 16. Income Taxes

The Parent applies the consolidated tax return filing system.

On March 27, 2020, the National Diet of Japan passed the "Act for Partial Amendment of the Income Tax Act, etc." (Act No.8, 2020). The amounts of deferred tax assets and deferred tax liabilities are calculated based on the provisions of the Income Tax Act before the amendment, without applying the provisions of Paragraph 44 of the "Implementation Guidance on Tax Effect Accounting" (Accounting Standards Board of Japan Guidance No. 28, February 16, 2018) pursuant to the "Practical Solution on the Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System" (Practical Issues Task Force (PITF) No. 39, March 31, 2020).

**Note Concerning Changes in Accounting Estimates**

Recognition of deferred tax assets

The Company has decided to liquidate MC Resource Development Ltd. (MCRD), a wholly owned subsidiary, after conducting a reorganization based on a review of the business implementation framework. Accordingly, the Company has recognized deferred tax assets for items such as prior-year impairment losses on shares of MCRD, and has recorded "Income taxes – deferred" of 58,097 million yen.

**Notes to Non-consolidated Balance Sheet**

**1. Assets pledged as collateral and significant liabilities with collateral**

(1) Assets pledged as collateral

| | | |
|---|---|---|
| Short-term loans | 3 | million yen |
| Investment securities | 4,215 | million yen |
| Investments in affiliates – stock | 66,806 | million yen |
| Investments in affiliates into capital | 2,448 | million yen |
| Buildings and structures | 6,012 | million yen |
| Land | 6,695 | million yen |
| Long-term loans | 38 | million yen |
| Other* | 16,749 | million yen |
| Total | 102,969 | million yen |

(Note)

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

(2) Significant liabilities with collateral

| | | |
|---|---|---|
| Deposit liabilities | 282 | million yen |
| Other | 10,328 | million yen |
| Total | 10,610 | 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, 2020, as an example of transfer transactions for such assets that do not involve derecognition, the Company has bond repurchase agreements. The balance of financial assets for such transactions stood at 67,989 million yen as of March 31, 2020.

**2. Accumulated depreciation for property, plant, and equipment** 88,129 million yen

**3. Credit guarantee of indebtedness**

**Guarantees for borrowings from banks and others by customers and suppliers**

| | | |
|---|---|---|
| (Affiliate) MITSUBISHI CORPORATION FINANCE PLC | 203,796 | million yen |
| (Affiliate) Mitsubishi Corporation RtM Japan Ltd. | 197,953 | million yen |
| (Affiliate) TRI PETCH ISUZU LEASING CO., LTD. | 163,622 | million yen |
| (Affiliate) PE WHEATSTONE PTY LTD. | 163,620 | million yen |
| (Affiliate) Lawson Bank, Inc. | 160,001 | million yen |
| (Affiliate) PT. DIPO STAR FINANCE | 141,062 | million yen |
| (Affiliate) CAMERON LNG, LLC | 103,395 | million yen |
| (Affiliate) MCE BANK GMBH | 98,349 | million yen |
| (Affiliate) MITSUBISHI CORPORATION RTM INTERNATIONAL PTE. LTD. | 82,260 | million yen |
| Others (170 companies) | 1,280,947 | million yen |
| Total | 2,595,007 | million yen |

The table above includes quasi-guarantees on bank loans and other liabilities.
In addition to the above, the Parent has a Keep Well Agreement with Mitsubishi International Corporation, an affiliate, in connection with the issuance of its commercial paper and other financial obligations. Although the agreement does not present a guarantee by the Parent to service the debt obligations of this affiliate, it promises the Parent will provide funds for pledging to financial and other institutions in the event that the affiliate experiences either a decline in net assets below a predetermined amount or a shortage in current assets required for paying its debt obligations.
However, as of the end of the fiscal year, this affiliate had maintained net assets above the predetermined amount and had experienced no shortage in current assets.
In addition to the above-mentioned credit guarantees for borrowings from banks and others by customers and suppliers, the Parent provides performance guarantees for LNG projects. These performance guarantees include guarantees for the future funding commitment in accordance with the joint venture agreement, and guarantees of the payment of usage fees for natural gas liquefaction facilities. These guarantees amounted to 1,167,130 million yen as of March 31, 2020. The main projects included in the preceding are those in North America.

**4. Trade notes discounted** 51,298 million yen

**5. Due from/to affiliates:**

| | | |
|---|---|---|
| Short-term receivables | 620,970 | million yen |
| Long-term receivables | 491,094 | million yen |
| Short-term payables | 265,132 | million yen |

**<u>Notes to Non-consolidated Statement of Income</u>**

**1. Transactions with affiliates**

| | | |
|---|---|---|
| Operating transactions | | |
| Sales[1] | 1,345,577 | million yen |
| Purchases | 1,056,733 | million yen |
| Transactions other than operating transactions | 574,505 | million yen |

Note1:Revenue in the Non-consolidated Statement of Income includes certain transactions presented on a net basis.

**2. Provision for doubtful receivables from affiliates**

Provisions for doubtful receivables from affiliates primarily include provisions for doubtful receivables and for loss on guarantees of obligations of affiliates, net of reversals.

(Translation)

**3. Loss on write-down of investment securities**

In the fiscal year ended March 31, 2020, the Company recorded loss on write-down of investment securities of 216,846 million yen. The main component of this loss was a loss on write-down of investment securities for Mitsubishi Motors Corporation of 149,653 million yen. The valuation difference was treated as an impairment loss due to a substantial decrease in the share market price.

**Notes to Non-consolidated Statement of Changes in Equity**

| | | |
|---|---|---|
| Number of shares of treasury stock at the end of the fiscal year | Common stock | 105,419,113 shares |

**Notes Concerning Income Tax Effects**

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

| | | |
|---|---|---|
| Deferred tax assets | | |
| Provisions (provision for doubtful receivables and provision for loss on guarantees) | 13,899 | million yen |
| Accrued expenses | 11,848 | million yen |
| Loss on write-down of investment securities | 296,428 | million yen |
| Deferred hedging gains and losses | 14,321 | million yen |
| Expenses related to accrued pension and severance liabilities | 14,645 | million yen |
| Tax loss carry forwards | 7,795 | million yen |
| Other | 28,228 | million yen |
| Subtotal | 387,166 | million yen |
| Valuation allowance for tax loss carry forwards | (7,795) | million yen |
| Valuation allowance for the total amount of deductible temporary differences, etc. | (130,901) | million yen |
| Less valuation allowance | (138,696) | million yen |
| Total deferred tax assets | 248,470 | million yen |
| Deferred tax liabilities | | |
| Unrealized gain on other securities | (83,718) | million yen |
| Gain on write-up of investment securities | (9,111) | million yen |
| Other | (11,028) | million yen |
| Total deferred tax liabilities | (103,857) | million yen |
| Net deferred tax assets (liabilities) | 144,612 | million yen |

**2. Reconciliation of the combined statutory income tax rate to the effective income tax rate after giving effect to income tax allocation**

| | |
|---|---|
| Statutory effective tax rate | 30.6% |
| (Adjustments) | |
| Expenses not deductible for income tax purposes | 0.5% |
| Dividends | (52.9%) |
| Foreign tax | 0.6% |
| Downward revisions of deferred tax assets resulting from a change in tax rate | (1.6%) |
| Combined income of special foreign subsidiaries. | 5.7% |
| Change in valuation allowance | (3.8%) |
| Other | (0.6%) |
| Burden ratio, such as corporation tax after application of tax-effect accounting | (21.5%) |

(Translation)

**Notes Concerning Transactions with Related Parties**

| Category | 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) |
|---|---|---|---|---|---|---|---|
| Subsidiary | Mitsubishi Corporation Financial & Management Services (Japan) Ltd. | Directly held 100% | Advance of funds | Advance of funds (Notes 1 and 2)<br>Interest received (Note 1) | 236,806<br>519 | Short-term loans<br>Long-term loans<br>Others (current assets) | 46,574<br>155,000<br>14 |
| Subsidiary | MC FINANCE & CONSULTING ASIA PTE. LTD. | Directly held 100% | Advance of funds | Advance of funds (Notes 1 and 2)<br>Interest received (Note 1) | 205,129<br>5,325 | Short-term loans<br>Long-term loans<br>Others (current assets) | 35,033<br>143,099<br>63 |
| Subsidiary | Mitsubishi International Corporation | Indirectly held 100% | Advance of funds | Advance of funds (Notes 1 and 2)<br>Interest received (Note 1) | 17,290<br>402 | Short-term loans<br>Others (current assets) | 81,622<br>14 |
| Subsidiary | MITSUBISHI CORPORATION FINANCE PLC | Directly held 100% | Advance of funds | Advance of funds (Notes 1 and 2)<br>Interest received (Note 1) | 7,359<br>153 | Short-term loans<br>Others (current assets) | 81,622<br>17 |
| | | | Guarantee obligations | Guarantee obligations (Note 3)<br>Receipt of guarantee fees (Note 3) | 203,796<br>27 | — | — |
| Subsidiary | Mitsubishi Corporation (Americas) | Directly held 100% | Advance of funds | Advance of funds (Notes 1 and 2)<br>Interest received (Note 1) | 71,185<br>1,588 | Short-term loans<br>Others (current assets) | 76,181<br>11 |
| Subsidiary | MITSUBISHI DEVELOPMENT PTY LTD | Directly held 100% | Borrowing of funds | Borrowing of funds (Notes 1 and 2)<br>Interest expenses (Note 1) | 125,924<br>2,393 | Short-term borrowings<br>Others (current liabilities) | 125,042<br>118 |
| Subsidiary | Mitsubishi Corporation RtM Japan Ltd. | Directly held 100% | Guarantee obligations | Guarantee obligations (Note 3)<br>Receipt of guarantee fees (Note 3) | 197,953<br>7 | — | — |
| Subsidiary | TRI PETCH ISUZU LEASING CO., LTD. | Directly held 43.50%<br>Indirectly held 50% | Guarantee obligations | Guarantee obligations (Note 3)<br>Receipt of guarantee fees (Note 3) | 163,622<br>13 | — | — |
| Affiliated company | PE WHEATSTONE PTY LTD | Indirectly held 39.66% | Guarantee obligations | Guarantee obligations (Note 3)<br>Receipt of guarantee fees (Note 3) | 163,620<br>1,317 | | |
| Subsidiary | Lawson Bank, Inc. | Indirectly held 95% | Guarantee obligations | Guarantee obligations (Note 3)<br>Receipt of guarantee fees (Note 3) | 160,001<br>17 | — | — |
| Subsidiary | PT. DIPO STAR FINANCE | Indirectly held 95% | Guarantee obligations | Guarantee obligations (Note 3)<br>Receipt of guarantee fees (Note 3) | 141,062<br>1,299 | — | — |
| Affiliated company | CAMERON LNG, LLC | Indirectly held 16.6% | Guarantee obligations | Guarantee obligations (Note 3)<br>Receipt of guarantee fees (Note 3) | 103,395<br>454 | — | — |
| Subsidiary | MCE BANK GMBH | Indirectly held 100% | Guarantee obligations | Guarantee obligations (Note 3)<br>Receipt of guarantee fees (Note 3) | 98,349<br>25 | — | — |
| Subsidiary | MITSUBISHI CORPORATION RTM INTERNATIONAL PTE. LTD. | Directly held 100% | Guarantee obligations | Guarantee obligations (Note 3)<br>Receipt of guarantee fees (Note 3) | 82,260<br>39 | — | — |
| Subsidiary | DIAMOND ARTEMIS HOLDCO B.V. | Directly held 100% | Underwriting of capital increase | Underwriting of capital increase (Note 4) | 390,868 | — | — |

Transaction terms and policy
(Notes)

1. The Parent determines conditions of advances and borrowings reasonably based on market interest rates.
2. Transaction amount of the Parent determines conditions of advances and borrowings set as average balance during the period.
3. The Parent provides guarantees for bank loans and receives a guarantee fee based on market interest rates.
4. The Company underwrote a capital increase through a private placement of shares to shareholders by DIAMOND ARTEMIS HOLDCO B.V. for the purpose of investing in ENECO GROEP N.V. No shares were issued as part of this transaction.
5. In addition to the above, in connection with LNG projects in North America discussed under “3. Credit guarantee of indebtedness” in “Notes to Non-consolidated Balance Sheet,” Mitsubishi Corporation provides performance guarantees for its subsidiaries.

**Notes Concerning Per Share Information**

| | | |
|---|---|---|
| Net assets per share | 1,725.56 | yen |
| Basic net income per share | 237.36 | yen |
| Diluted net income per share | 236.82 | yen |

**Notes Concerning Significant Subsequent Events**

Not applicable

**Notes Concerning Revenue Recognition**

For details on performance obligations and the timing for the complete satisfaction of those obligations, please refer to “Note 5. Significant Accounting Policies (18) Revenue” accompanying the consolidated financial statements.

(Translation)

## Consolidated Statement of Comprehensive Income (Reference only) (Prepared based on IFRS)

(Millions of Yen)

| Item | Fiscal year ended March 31, 2019 (From April 1, 2018 to March 31, 2019) | Fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020) |
|---|---|---|
| Profit for the year | ¥645,784 | ¥592,151 |
| Other comprehensive income, net of tax | | |
| Items that will not be reclassified to profit or loss for the year | | |
| Gains on other investments designated as FVTOCI | 9,444 | (165,620) |
| Remeasurement of defined benefit pension plans | 13,176 | (30,861) |
| Share of other comprehensive income of equity method investees | (2,647) | (3,506) |
| Total | 19,973 | (199,987) |
| Items that may be reclassified to profit or loss for the year | | |
| Cash flow hedges | 4,931 | (5,374) |
| Exchange differences on translating foreign operations | (22,389) | (281,332) |
| Share of OCI of equity method investees | (27,854) | (43,032) |
| Total | (45,312) | (329,738) |
| Total other comprehensive loss, net of tax | (25,339) | (529,725) |
| Total comprehensive income | ¥620,445 | ¥62,426 |
| Comprehensive income attributable to: | | |
| Owners of the Parent | ¥565,130 | ¥25,839 |
| Non-controlling interests | 55,315 | 36,587 |
| | ¥620,445 | ¥62,426 |

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

(Translation)

# Consolidated Statement of Cash Flows (Reference only) (Prepared based on IFRS)

(Millions of Yen)

| Item | Fiscal year ended March 31, 2019 (From April 1, 2018 to March 31, 2019) | Fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020) |
|---|---|---|
| Operating activities | | |
| Profit for the year | ¥645,784 | ¥592,151 |
| Adjustments to reconcile profit for the year to net cash provided by operating activities: | | |
| Depreciation and amortization | 250,509 | 448,413 |
| Gains on investments | (19,852) | (66,929) |
| (Gains) Losses on property, plant, and equipment | (277) | 32,924 |
| Finance income – net of finance costs | (129,816) | (103,240) |
| Share of (profit) of investments accounted for using the equity method | (137,269) | (179,325) |
| Income taxes | 206,029 | 56,713 |
| Changes in trade receivables | (299,313) | 547,654 |
| Changes in inventories | (20,064) | (73,356) |
| Changes in trade payables | 44,571 | (487,713) |
| Other – net | (11,539) | (77,819) |
| Dividends received | 352,897 | 316,386 |
| Interest received | 111,486 | 123,957 |
| Interest paid | (82,331) | (94,833) |
| Income taxes paid | (258,134) | (185,255) |
| Net cash provided by operating activities | 652,681 | 849,728 |
| Investing activities | | |
| Payments for property, plant, and equipment | (315,514) | (326,014) |
| Proceeds from sales of property, plant, and equipment | 96,934 | 40,645 |
| Payments for investment property | (2,307) | (229) |
| Proceeds from disposal of investment property | 5,341 | 4,091 |
| Purchases of investments accounted for using the equity method | (398,191) | (201,731) |
| Proceeds from disposal of investments accounted for using the equity method | 111,556 | 111,637 |
| Acquisitions of businesses – net of cash acquired | (31,386) | (319,364) |
| Proceeds from disposal of businesses – net of cash divested | 116,368 | 89,333 |
| Purchases of other investments | (62,481) | (39,517) |
| Proceeds from disposal of other investments | 143,528 | 129,293 |
| Increase in loans receivable | (85,842) | (164,739) |
| Collection of loans receivable | 114,648 | 67,838 |
| Net increase in time deposits | 33,659 | 108,030 |
| Net cash used in investing activities | (273,687) | (500,727) |

(Translation)

| Item | Fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019) | Fiscal year ended March 31, 2020 (April 1, 2019 to March 31, 2020) |
|---|---|---|
| Financing activities | | |
| Net increase in short-term debts | 329,175 | 396,603 |
| Proceeds from long-term debts | 723,485 | 699,633 |
| Repayment of long-term debts | (991,695) | (529,415) |
| Repayments of lease liabilities | (56,017) | (276,175) |
| Payment of dividends | (198,276) | (197,704) |
| Payment of dividends to non-controlling interests | (53,800) | (41,540) |
| Payment for the acquisition of subsidiaries interests from non-controlling interests | (7,238) | (31,558) |
| Proceeds from the sales of subsidiaries interests to non-controlling interests | 26,897 | 113,226 |
| Net (increase) in treasury stock | (11) | (289,699) |
| Net cash used in financing activities | (227,480) | (156,629) |
| Effect of exchange rate changes on cash and cash equivalents | 3,607 | (30,142) |
| Net increase (decrease) in cash and cash equivalents | 155,121 | 162,230 |
| Cash and cash equivalents, beginning of year | 1,005,461 | 1,160,582 |
| Cash and cash equivalents, end of year | ¥1,160,582 | ¥1,322,812 |

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

(Translation)

Segment Information (Reference only) (Prepared based on IFRS)

Fiscal year ended March 31, 2019

(Millions of Yen)

| | Natural Gas | Industrial Materials | Petroleum & Chemicals | Mineral Resources | Industrial Infrastructure | Automotive & Mobility | Food Industry |
|---|---|---|---|---|---|---|---|
| Gross profit (loss) | 29,188 | 164,773 | 109,117 | 377,403 | 83,751 | 134,225 | 257,719 |
| Share of profit (loss) of investments accounted for using the equity method | 63,321 | 11,084 | 16,259 | (25,491) | (39,184) | 54,151 | (9,035) |
| Profit (loss) for the year attributable to owners of the Parent | 89,400 | 35,284 | 35,800 | 252,448 | (40,396) | 97,161 | 9,944 |
| Total assets | 1,536,970 | 1,451,510 | 1,317,943 | 2,812,549 | 685,763 | 1,524,352 | 1,719,855 |

| | Consumer Industry | Power Solution | Urban Development | Total | Other | Adjustments and Eliminations | Consolidated |
|---|---|---|---|---|---|---|---|
| Gross profit (loss) | 751,923 | 36,886 | 35,846 | 1,980,831 | 6,807 | 173 | 1,987,811 |
| Share of profit (loss) of investments accounted for using the equity method | 8,003 | 25,844 | 31,761 | 136,713 | 1,359 | (803) | 137,269 |
| Profit (loss) for the year attributable to owners of the Parent | 31,452 | 33,136 | 32,354 | 576,583 | 12,760 | 1,394 | 590,737 |
| Total assets | 3,423,559 | 723,339 | 875,337 | 16,071,177 | 2,325,640 | (1,864,017) | 16,532,800 |

Fiscal year ended March 31, 2020

| | Natural Gas | Industrial Materials | Petroleum & Chemicals | Mineral Resources | Industrial Infrastructure | Automotive & Mobility | Food Industry |
|---|---|---|---|---|---|---|---|
| Gross profit (loss) | 20,878 | 140,079 | 60,563 | 238,575 | 94,432 | 129,535 | 254,952 |
| Share of profit (loss) of investments accounted for using the equity method | 32,420 | 7,582 | 8,086 | 15,251 | 29,117 | (10,911) | 18,632 |
| Profit (loss) for the year attributable to owners of the Parent | 70,261 | 26,067 | (11,997) | 212,290 | 41,439 | 19,579 | 53,240 |
| Total assets | 1,519,774 | 1,274,002 | 892,800 | 3,005,674 | 1,184,594 | 1,511,112 | 1,599,163 |

| | Consumer Industry | Power Solution | Urban Development | Total | Other | Adjustments and Eliminations | Consolidated |
|---|---|---|---|---|---|---|---|
| Gross profit (loss) | 763,071 | 41,112 | 38,202 | 1,781,399 | 7,517 | 215 | 1,789,131 |
| Share of profit (loss) of investments accounted for using the equity method | 12,366 | 29,439 | 37,610 | 179,592 | 148 | (415) | 179,325 |
| Profit (loss) for the year attributable to owners of the Parent | 22,705 | 51,482 | 34,307 | 519,373 | 16,640 | (660) | 535,353 |
| Total assets | 4,130,898 | 1,638,795 | 901,004 | 17,657,816 | 2,435,833 | (2,043,988) | 18,049,661 |

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

(Notes)

1. "Other" represents the corporate departments that primarily provide services and operational support to the Company and affiliated companies.
   This column also includes certain revenues and expenses from business activities related to financing and human resource services that are not allocated to reportable operating segments.
   Unallocated corporate assets categorized in "Other" consist primarily of cash, time deposits, and securities for financial and investment activities.
2. "Adjustments and Eliminations" include certain income and expense items that are not allocated to reportable

operating segments and intersegment eliminations.

3. In the fiscal year ended March 31, 2020, the Company reorganized its reportable operating segments into ten business groups. Segment information for the fiscal year ended March 31, 2019 has been restated to conform to this new presentation.

(Translation)

**INDEPENDENT AUDITOR'S REPORT(COPY)**

May 19, 2020

To the Board of Directors of
Mitsubishi Corporation:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant:

Yoshiaki Kitamura

Designated Engagement Partner,
Certified Public Accountant:

Kazuaki Furuuchi

Designated Engagement Partner,
Certified Public Accountant:

Noriaki Kobayashi

Designated Engagement Partner,
Certified Public Accountant:

Sogo Ito

**Opinion**

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements, namely, the consolidated statement of financial position, the consolidated statement of income, and changes in equity of Mitsubishi Corporation (the "Company") for the fiscal year from April 1, 2019 to March 31, 2020, and related notes.

In our opinion, the accompanying consolidated financial statements, prepared with the omission of a part of the disclosures required under International Financial Reporting Standards pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting, present fairly, in all material respects, the consolidated financial position of the Company as of March 31, 2020, and its consolidated financial performance for the year then ended.

**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 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.

**Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory**

(Translation)

**Board for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with International Financial Reporting Standards.

Audit & Supervisory Board members and the Audit & Supervisory Board are 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 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 judgement. 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 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 Company to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with International Financial Reporting 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board 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 Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Interest Required to Be Disclosed by the Certified Public Accounting 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.

Notes to the Readers of Independent Auditor's Report

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.

(Translation)

**INDEPENDENT AUDITOR'S REPORT(COPY)**

May 19, 2020

To the Board of Directors of
Mitsubishi Corporation:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Engagement Partner,
Certified Public Accountant:

Yoshiaki Kitamura

Designated Engagement Partner,
Engagement Partner,
Certified Public Accountant:

Kazuaki Furuuchi

Designated Engagement Partner,
Engagement Partner,
Certified Public Accountant:

Noriaki Kobayashi

Designated Engagement Partner,
Engagement Partner,
Certified Public Accountant:

Sogo Ito

**Opinion**

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the nonconsolidated financial statements, namely, the nonconsolidated balance sheet, the nonconsolidated statement of income, and changes in equity of Mitsubishi Corporation (the "Company") for the fiscal year from April 1, 2019 to March 31, 2020, and a summary of 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, 2020, 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.

**Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory**

(Translation)

**Board 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.

Audit & Supervisory Board members and the Audit & Supervisory Board are 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 judgement. 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 Audit & Supervisory Board members and the Audit & Supervisory Board 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 Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Interest Required to Be Disclosed by the Certified Public Accounting 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.

Notes to the Readers of Independent Auditor's Report

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 this report are not included in the attached financial documents.

(Translation)

# AUDIT REPORT OF THE AUDIT & SUPERVISORY BOARD (COPY)

This audit report was prepared following discussions based on the audit reports of each Audit & Supervisory Board Member concerning the conduct of the Directors in the execution of their duties during the Company's fiscal year from April 1, 2019 to March 31, 2020. The Audit & Supervisory Board submits its report as follows.

1. Methods and Details of Audits by the Audit & Supervisory Board Members and the Audit & Supervisory Board

(1) The Audit & Supervisory Board determines auditing policies, the division of duties and other matters, and receives reports from each Audit & Supervisory Board Member on the status and results of audits. In addition, the Audit & Supervisory Board received reports from Directors, and the independent auditors, and others concerning the execution of their duties, and requested explanations when deemed necessary.

(2) In accordance with the auditing policies and division of duties and in conformity with standards for audits by Audit & Supervisory Board Members, as determined by the Audit & Supervisory Board, each Audit & Supervisory Board Member worked to gather information and create an effective audit environment by keeping channels of communication open with Directors, the Internal Audit Department, employees and others. At the same time, the Audit & Supervisory Board Members conducted audits through the following approach.

(a) Each Audit & Supervisory Board Member attended meetings of the Board of Directors and other important management meetings, requested reports from Directors, employees and others concerning the execution of their duties as well as explanations when deemed necessary, and examined important documents supporting decisions and other records and surveyed the status of operations and assets at the Head Office and main offices. In addition, the Audit & Supervisory Board kept channels of communication open and exchanged information with Directors, Audit & Supervisory Board Members and other employees of subsidiaries, and received business reports from subsidiaries when deemed necessary.

(b) The Audit & Supervisory Board regularly received reports from Directors, employees and others about the operation of the internal control system, which was designed based on the Board of Directors resolutions, pursuant to Article 100, Paragraphs 1 and 3 of the Companies Act enforcement regulations as essential for ensuring the execution of duties by Directors described in the business report conforms with laws and the Company's Articles of Incorporation and for otherwise ensuring proper business conduct by the conglomerate consisting of the Company and its subsidiaries. The Audit & Supervisory Board requested explanations when deemed necessary and Audit & Supervisory Board Members expressed their opinions.

(c) Moreover, each Audit & Supervisory Board Member 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 Board also received notification from the independent auditors that it had established a system for ensuring 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 October 28, 2005. Explanations were requested where deemed necessary.

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

(Translation)

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 or 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 contents of the business report or the performance of duties by Directors in connection with said internal control system. Regarding the case of losses at our overseas subsidiary described in the business report, the Audit & Supervisory Board reconfirmed the Company's risk management system for derivative transactions, including major organizations and subsidiaries, and confirmed the implementation of countermeasures to prevent recurrence. We will continue to closely monitor the situation.

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(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.

May 20, 2020

**Mitsubishi Corporation Audit & Supervisory Board**

Shuma Uchino
Audit & Supervisory Board Member (full-time)

Hajime Hirano
Audit & Supervisory Board Member (full-time)

Tadashi Kunihiro
Audit & Supervisory Board Member

Ikuo Nishikawa
Audit & Supervisory Board Member

Yasuko Takayama
Audit & Supervisory Board Member

(Note)

Audit & Supervisory Board Members Tadashi Kunihiro, Ikuo Nishikawa and Yasuko Takayama fulfill the conditions for Outside Audit & Supervisory Board Members as provided for in Article 2-16 and Article 335, Paragraph 3 of the Companies Act.

(Translation)

<Reference>

**Corporate Philanthropy Activities**

In keeping with the belief that Mitsubishi Corporation's sustainable growth cannot be achieved without realizing a sustainable society, the Company addresses its key sustainability issues (Materiality, see page 58 through both business and philanthropy activities. The Company focuses on philanthropic activities that are in line with three overarching themes: "Realizing an Inclusive Society," "Empowering the Next Generation" and "Conserving the Environment". In addition, Mitsubishi Corporation also provides support for regions affected by natural disasters, which includes recovery efforts for the Great East Japan Earthquake. The Company's philanthropic activities are conducted with a focus on employee participation and continuity.

**1. Realizing an Inclusive Society**
Mitsubishi Corporation aims to help realize a society where everyone can play an active role. We are continuing our activities to contribute toward a world where everyone can respect each other and coexist regardless of background, physical condition or way of life.

**2. Empowering the Next Generation**
Mitsubishi Corporation will actively support education, research and capacity development in order to contribute to the growth and self-reliance of the next generation who will be responsible for tomorrow's society.

**3. Conserving the Environment**
Mitsubishi Corporation is committed to environmental conservation efforts in order to pass on our irreplaceable Earth to future generations and to realize a prosperous society where people live in harmony with nature.

**Support for Natural Disasters**
As a member of the communities in which we live and work, Mitsubishi Corporation provides emergency support in the event of natural disasters and engages in recovery efforts in the affected areas.
In the fiscal year ended March 31, 2020, Mitsubishi Corporation continued supporting recovery from the Great East Japan Earthquake and provided natural disaster support following Typhoon Hagibis in 2019 and bushfires in Australia.

(Translation)

# Information on Exercising Voting Right

Please refer to the Notice of 2020 Ordinary General Meeting of Shareholders (page 1) and exercise your voting right using one of the following methods.

- **Mail**

  Please indicate your approval or disapproval of the proposals on the voting form and return it by mail.

  Voting forms must arrive no later than 5:30 p.m. on Thursday, June 18, 2020 (Japan Time).

- **Internet**

  Please access the Internet voting website (https://evote.tr.mufg.jp/) and enter your approval or disapproval of the proposals.

  Deadline for exercising voting right is 5:30 p.m. on Thursday, June 18, 2020 (Japan Time).

  ‣‣‣Please see the following page for details.

- **Attend the general meeting of shareholders**

  Please submit your voting form to the receptionist at the venue.

  Time and date of the general meeting of shareholders is 10:00 a.m. on Friday, June 19, 2020 (Japan Time).

(Translation)

# Procedures for Exercising Voting Right via the Internet

If you exercise your voting right via the Internet, please refer to the following. Access the Internet voting website via a computer, smartphone, tablet, or mobile phone and follow the directions on the screen to exercise your voting right.

## **Procedures to vote by scanning the QR code** via a smartphone or tablet

(1) Scan the QR code shown on the bottom right of the voting form.
(2) Please cast your vote by following the directions on the screen.

You may exercise your voting right via the QR code only once. If you wish to re-exercise your voting right, please follow the instructions below on "Procedures to vote by entering your login ID and password."

## Procedures to vote by entering your login ID and password

(1) Access the Internet voting website: https://evote.tr.mufg.jp/
(2) Once you have accessed the Internet voting website, please enter your login ID and temporary password shown on the bottom right of the voting form. Please cast your vote by following the directions on the screen.
(3) To avoid unauthorized access and tampering, the website will ask you to set a new password once you log on to the website.

## Notes

- The site cannot be accessed between 2 a.m. and 5 a.m. daily in Japan Time.
- How We Process Multiple Votes
  (1) If you exercise your voting right by both mail and via the Internet, the vote you enter via the Internet will be counted as valid.
  (2) If you exercise your voting right multiple times via the Internet, the last vote you enter will be counted as valid.
- The shareholder will pay all fees arising from accessing the Internet voting website (Internet connection fees, communications fees, etc.)

**<Institutional Investors>**

Please exercise your voting right using the voting platform operated by ICJ if you have applied to use it in advance.