
**FINANCIAL RESULTS FOR
THE NINE MONTHS ENDED DECEMBER 2021**

Mitsubishi Corporation

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FINANCIAL HIGHLIGHTS FOR THE NINE MONTHS ENDED DECEMBER 31, 2021
(Based on IFRS) (Consolidated)

1. Consolidated operating results for the nine months ended December 31, 2021

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

(1) Revenues and income

	Revenues		Profit before tax		Profit for the period		Profit for the period attributable to owners of the Parent		Comprehensive income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the nine months ended										
December 31, 2021	12,371,138	35.8	906,560	209.1	710,193	248.6	644,768	281.2	825,909	144.9
December 31, 2020	9,110,536	(20.3)	293,318	(46.9)	203,732	(51.8)	169,146	(54.7)	337,260	12.3

	Profit for the period attributable to owners of the Parent per share (basic)	Profit for the period attributable to owners of the Parent per share (diluted)
	Yen	Yen
For the nine months ended		
December 31, 2021	436.77	435.28
December 31, 2020	114.54	114.27

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

(2) Financial position

	Total assets	Total equity	Equity attributable to owners of the Parent	Ratio of equity attributable to owners of the Parent to total assets
	Millions of Yen	Millions of Yen	Millions of Yen	%
As of				
December 31, 2021	20,513,140	7,126,431	6,170,211	30.1
March 31, 2021	18,634,971	6,538,390	5,613,647	30.1

2. Dividends

(Record date)	Cash dividend per share (Yen)				
	1Q end	2Q end	3Q end	4Q end	Annual
Fiscal Year ended March 31, 2021	—	67.00	—	67.00	134.00
Fiscal Year ending March 31, 2022	—	71.00	—		
Fiscal Year ending March 31, 2022 (Forecast)				71.00	142.00

Note: Change from the latest released dividend forecasts: No

3. Consolidated forecasts for the fiscal year ending March 31, 2022 (April 1, 2021 to March 31, 2022)

Note:
%: change from the previous year.

	Profit attributable to owners of the Parent		Profit attributable to owners of the Parent per share
	Millions of Yen	%	Yen
For the year ending			
March 31, 2022	820,000	375.2	555.46

Note: Change from the latest released earnings forecasts: Yes

4. Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries causing changes in scope of consolidation): Yes

New companies: 6

Diamond Distributed Energy Investments, LLC
MC URBAN DEVELOPMENT VIETNAM COMPANY LIMITED
MCOP INVESTMENT PTE. LTD.
MV2 VIETNAM REAL ESTATE TRADING JOINT STOCK COMPANY
MV HOLDING ONE MEMBER LIABILITY LIMITED COMPANY
SV REAL ESTATE INVESTMENT DEVELOPMENT BUSINESS JOINT STOCK COMPANY

Excluded companies: —

Diamond Distributed Energy Investments, LLC, MC URBAN DEVELOPMENT VIETNAM COMPANY LIMITED, MCOP INVESTMENT PTE. LTD., MV2 VIETNAM REAL ESTATE TRADING JOINT STOCK COMPANY, MV HOLDING ONE MEMBER LIABILITY LIMITED COMPANY and SV REAL ESTATE INVESTMENT DEVELOPMENT BUSINESS JOINT STOCK COMPANY became a consolidated subsidiary during the period.

(2) Changes in accounting policies and accounting estimates

- 1- Changes in accounting policies required by IFRS : None
- 2- Changes in accounting policies other than -1- : None
- 3- Changes in accounting estimates : None

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

(3) Number of shares issued (Common stock)

-1- Number of shares issued at quarterly-end (including treasury stock)	(December 31, 2021)	1,485,723,351	(March 31, 2021)	1,485,723,351
-2- Number of treasury stock at quarterly-end	(December 31, 2021)	9,361,476	(March 31, 2021)	9,618,263
-3- Average number of shares during each of the nine months ended December 31, 2021 and 2020	(December 31, 2021)	1,476,231,106	(December 31, 2020)	1,476,760,847

Disclosure Regarding Quarterly Review Procedures

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

Forward-looking Statements

Earnings forecasts and other forward-looking statements in this release are based on data currently available to management and certain assumptions that management believes are reasonable. The achievement of said forecasts cannot be promised. Actual results may therefore differ materially from these statements for various reasons. For cautionary notes concerning assumptions for earnings forecasts, please refer to "1. (4) Forecasts for the Year Ending March 2022" on page 5.

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* Mitsubishi Corporation will hold an earnings conference call for the nine months ended December 2021, inviting institutional investors and analysts to join.

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

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

Time and date of the earnings conference call:

From 17:45 to 18:45 on Thursday, February 3, 2022 (JST)

1. Qualitative Information

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

(1) Results of Operations

Revenues was ¥12,371.1 billion, an increase of ¥3,260.6 billion, or 36% year over year. This was mainly due to rising prices and increased transaction volumes owing to improved market conditions.

Gross profit was ¥1,467.9 billion, an increase of ¥300.5 billion, or 26% year over year, mainly due to improved market conditions in the Australian metallurgical coal business and Salmon farming business, as well as increased sales prices in the Steel business.

Selling, general and administrative expenses remained nearly the same year over year at ¥1,043.9 billion.

Gains on investments increased ¥1.9 billion, or 6% year over year, to ¥31.7 billion, mainly due to improved fund-related earnings, despite impairment losses on the sale of an aircraft leasing company.

Impairment losses on property, plant and equipment and others remained nearly the same year over year at ¥8.6 billion.

Other income (expense)-net increased ¥17.7 billion, or 184% year over year, to an income amount of ¥27.3 billion, mainly due to fluctuations in evaluation profit on biological assets.

Finance income increased ¥58.3 billion, or 71% year over year, to ¥140.6 billion, mainly due to increased dividend income from resource-related investments.

Finance costs remained nearly the same year over year at ¥34.9 billion.

Share of profit of investments accounted for using the equity method increased ¥246.2 billion, or 342% year over year, to ¥318.2 billion, reflecting impairment losses in the previous year and improved profitability at Mitsubishi Motors Corporation as well as increased equity earnings across a wide range of businesses due to improved market conditions.

As a result, profit before tax increased ¥613.3 billion, or 209% year over year, to ¥906.6 billion.

Accordingly, profit for the period increased ¥475.7 billion, or 281% year over year, to ¥644.8 billion.

(2) Financial Position

Total assets at December 31, 2021 was ¥20,513.1 billion, an increase of ¥1,878.1 billion, or 10%, from March 31, 2021.

Current assets was ¥8,646.0 billion, an increase of ¥1,543.1 billion, or 22%, from March 31, 2021. This was mainly due to an increase in trade and other receivables attributable to rising prices and increased transaction volumes reflecting recovery in demand.

Non-current assets was ¥11,867.2 billion, an increase of ¥335.1 billion, or 3%, from March 31, 2021. This was mainly due to an increase in investments accounted for using the equity method attributable to new or additional investments and impact of exchange rate fluctuations.

Total liabilities was ¥13,386.7 billion, an increase of ¥1,290.1 billion, or 11%, from March 31, 2021.

Current liabilities was ¥6,755.0 billion, an increase of ¥1,384.8 billion, or 26%, from March 31, 2021. This was mainly due to an increase in trade and other payables attributable to rising prices and increased transaction volumes reflecting recovery in demand.

Non-current liabilities was ¥6,631.7 billion, a decrease of ¥94.7 billion, or 1%, from March 31, 2021. This was mainly due to a decrease in bonds and borrowings due to the transfer of long-term borrowings to current portion of bond and borrowings falling into within one year maturity.

Total equity was ¥7,126.4 billion, an increase of ¥588.0 billion, or 9%, from March 31, 2021.

Equity attributable to owners of the Parent was ¥6,170.2 billion, an increase of ¥556.6 billion, or 10%, from March 31, 2021. This was mainly due to an increase in retained earnings accumulated by profit for the period and exchange differences on translating foreign operations resulting from the appreciation of the U.S. dollar, despite a decrease in retained earnings as a result of the payment of dividends.

Non-controlling interests increased ¥31.5 billion, or 3%, from March 31, 2021, to ¥956.2 billion.

Net interest-bearing liabilities (excluding lease liabilities), which is gross interest-bearing liabilities minus cash and cash equivalents and time deposits, increased ¥5.2 billion, or 0%, from March 31, 2021, to ¥4,183.6 billion.

(3) Cash Flows

Cash and cash equivalents at December 31, 2021 was ¥1,425.8 billion, an increase of ¥108.0 billion from March 31, 2021.

(Operating activities)

Net cash provided by operating activities was ¥622.4 billion, mainly due to cash flows from operating transactions and dividend income, despite increases in working capital requirements and the payment of income taxes.

(Investing activities)

Net cash used in investing activities was ¥180.4 billion. The main uses of cash were payments for the purchase of property, plant and equipment, investments and loans to affiliated companies and acquisitions of businesses, which exceeded inflows from the sales of investments in affiliated companies and other investments.

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

New/Sustaining Investments

- Copper business (Mineral Resources)
- Australian metallurgical coal business (Mineral Resources)
- LNG-related business (Natural Gas)
- European integrated energy business (Power Solution)
- Convenience store business (Consumer Industry)
- North American real estate business (Urban Development)
- Asian real estate business (Urban Development)

Sales and Collection

- North American real estate business (Urban Development)
- North American shale gas business (Natural Gas)
- Aircraft leasing business (Urban Development)

As a result, free cash flows, the sum of operating and investing cash flows, was positive ¥442.0 billion.

(Financing activities)

Net cash used in financing activities was ¥350.9 billion. The main uses of cash were repayments of lease liabilities and payments of dividends, which exceeded cash provided by financing activities.

The dividends were paid in compliance with the shareholder returns policy of progressive dividends in line with sustained profit growth. Regarding financing through debt, the policy is to maintain debts at an appropriate level in light of liquidity and financial soundness.

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

Underlying operating cash flows (after repayments of lease liabilities) was positive ¥848.2 billion.

As a result, Adjusted free cash flows was positive ¥667.8 billion.

(4) Forecasts for the Year Ending March 2022

Considering resource prices as well as stronger-than-expected progress in the Salmon farming, Automotive and many other businesses, the forecast for the year ending March 2022 has been revised as follows.

Consolidated Forecast for the Year Ending March 2022 (April 1, 2021 to March 31, 2022)

(Billions of Yen)

	Previous full-year forecast (November 5, 2021) (A)	Revised full-year forecast (B)	Change (B-A)	Change (%)
Profit attributable to owners of the Parent	740.0	820.0	80.0	11%

Note:

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

2. Condensed Consolidated Financial Statements

(1) Condensed Consolidated Statement of Financial Position
March 31, 2021 and December 31, 2021

ASSETS	Millions of Yen	
	March 31, 2021	December 31, 2021
Current assets		
Cash and cash equivalents	1,317,824	1,425,768
Time deposits	148,081	152,587
Short-term investments	15,201	6,069
Trade and other receivables	3,269,390	4,073,325
Other financial assets	209,402	451,031
Inventories	1,348,861	1,666,796
Biological assets	74,182	89,590
Advance payments to suppliers	58,027	99,119
Assets classified as held for sale	41,020	142,648
Other current assets	620,905	539,046
Total current assets	7,102,893	8,645,979
Non-current assets		
Investments accounted for using the equity method	3,290,508	3,480,617
Other investments	1,816,029	1,779,314
Trade and other receivables	763,124	829,476
Other financial assets	93,102	172,998
Property, plant and equipment	2,510,238	2,557,734
Investment property	95,419	94,649
Intangible assets and goodwill	1,248,462	1,210,838
Right-of-use assets	1,469,700	1,505,666
Deferred tax assets	42,233	43,866
Other non-current assets	203,263	192,003
Total non-current assets	11,532,078	11,867,161
Total	18,634,971	20,513,140

LIABILITIES AND EQUITY	Millions of Yen	
	March 31, 2021	December 31, 2021
Current liabilities		
Bonds and borrowings	1,262,522	1,599,866
Trade and other payables	2,665,060	3,412,425
Lease liabilities	235,498	241,995
Other financial liabilities	256,657	499,850
Advances from customers	133,474	181,995
Income tax payables	53,178	82,383
Provisions	89,268	70,514
Liabilities directly associated with assets classified as held for sale	12,762	80,346
Other current liabilities	661,766	585,644
Total current liabilities	5,370,185	6,755,018
Non-current liabilities		
Bonds and borrowings	4,381,793	4,162,099
Trade and other payables	54,893	44,342
Lease liabilities	1,304,703	1,325,582
Other financial liabilities	55,817	144,338
Retirement benefit obligation	129,126	129,881
Provisions	195,997	189,610
Deferred tax liabilities	569,641	596,993
Other non-current liabilities	34,426	38,846
Total non-current liabilities	6,726,396	6,631,691
Total liabilities	12,096,581	13,386,709
Equity		
Common stock	204,447	204,447
Additional paid-in capital	228,552	226,612
Treasury stock	(26,750)	(26,047)
Other components of equity		
Other investments designated as FVTOCI	457,123	434,602
Cash flow hedges	(52,355)	(94,721)
Exchange differences on translating foreign operations	379,917	539,160
Total other components of equity	784,685	879,041
Retained earnings	4,422,713	4,886,158
Equity attributable to owners of the Parent	5,613,647	6,170,211
Non-controlling interests	924,743	956,220
Total equity	6,538,390	7,126,431
Total	18,634,971	20,513,140

(2) Condensed Consolidated Statement of Income
for the nine months ended December 31, 2020 and 2021

	Millions of Yen	
	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Revenues	9,110,536	12,371,138
Cost of revenues	(7,943,095)	(10,903,211)
Gross profit	1,167,441	1,467,927
Selling, general and administrative expenses	(1,029,805)	(1,043,869)
Gains (losses) on investments	29,789	31,721
Gains (losses) on disposal and sale of property, plant and equipment and others	3,633	8,305
Impairment losses on property, plant and equipment, intangible assets, goodwill and others	(6,414)	(8,649)
Other income (expense)-net	9,617	27,318
Finance income	82,263	140,568
Finance costs	(35,216)	(34,946)
Share of profit (loss) of investments accounted for using the equity method	72,010	318,185
Profit (loss) before tax	293,318	906,560
Income taxes	(89,586)	(196,367)
Profit (loss) for the period	203,732	710,193
Profit (loss) for the period attributable to:		
Owners of the Parent	169,146	644,768
Non-controlling interests	34,586	65,425
	203,732	710,193
Profit (loss) for the period attributable to Owners of the Parent per share (in Yen)		
Basic	114.54	436.77
Diluted	114.27	435.28

(3) Condensed Consolidated Statement of Comprehensive Income
for the nine months ended December 31, 2020 and 2021

	Millions of Yen	
	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit (loss) for the period	203,732	710,193
Other comprehensive income (loss), net of tax		
Items that will not be reclassified to profit or loss for the period:		
Gains (losses) on other investments designated as FVTOCI	71,349	(302)
Remeasurement of defined benefit pension plans	(244)	54
Share of other comprehensive income (loss) of investments accounted for using the equity method	(3,495)	(4,051)
Total	67,610	(4,299)
Items that may be reclassified to profit or loss for the period:		
Cash flow hedges	(14,573)	(61,362)
Exchange differences on translating foreign operations	120,729	111,473
Share of other comprehensive income (loss) of investments accounted for using the equity method	(40,238)	69,904
Total	65,918	120,015
Total other comprehensive income (loss)	133,528	115,716
Total comprehensive income (loss)	337,260	825,909
Comprehensive income (loss) attributable to:		
Owners of the Parent	305,451	761,718
Non-controlling interests	31,809	64,191
	337,260	825,909

(4) Condensed Consolidated Statement of Changes in Equity
for the nine months ended December 31, 2020 and 2021

	Millions of Yen	
	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Common stock:		
Balance at the beginning of the period	204,447	204,447
Balance at the end of the period	204,447	204,447
Additional paid-in capital:		
Balance at the beginning of the period	228,153	228,552
Compensation costs related to share-based payment	1,631	1,889
Sales of treasury stock upon exercise of share-based payment	(751)	(308)
Equity transactions with non-controlling interests and others	18	(3,521)
Balance at the end of the period	229,051	226,612
Treasury stock:		
Balance at the beginning of the period	(294,580)	(26,750)
Sales of treasury stock upon exercise of share-based payment	1,175	711
Purchases and sales-net	(19,780)	(8)
Cancellation	285,962	—
Balance at the end of the period	(27,223)	(26,047)
Other components of equity:		
Balance at the beginning of the period	415,186	784,685
Other comprehensive income (loss) attributable to owners of the Parent	136,305	116,950
Transfer to retained earnings	(22,106)	(22,594)
Balance at the end of the period	529,385	879,041
Retained earnings:		
Balance at the beginning of the period	4,674,153	4,422,713
Profit (loss) for the period attributable to owners of the Parent	169,146	644,768
Cash dividends paid to owners of the Parent	(199,853)	(203,737)
Sales of treasury stock upon exercise of share-based payment	(332)	(180)
Cancellation of treasury stock	(285,962)	—
Transfer from other components of equity	22,106	22,594
Balance at the end of the period	4,379,258	4,886,158
Equity attributable to owners of the Parent	5,314,918	6,170,211
Non-controlling interests:		
Balance at the beginning of the period	989,535	924,743
Cash dividends paid to non-controlling interests	(35,168)	(46,513)
Equity transactions with non-controlling interests and others	(5,206)	13,799
Profit (loss) for the period attributable to non-controlling interests	34,586	65,425
Other comprehensive income (loss) attributable to non-controlling interests	(2,777)	(1,234)
Balance at the end of the period	980,970	956,220
Total equity	6,295,888	7,126,431
Comprehensive income (loss) attributable to:		
Owners of the Parent	305,451	761,718
Non-controlling interests	31,809	64,191
Total comprehensive income (loss)	337,260	825,909

(5) Condensed Consolidated Statement of Cash Flows
for the nine months ended December 31, 2020 and 2021

	Millions of Yen	
	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Operating activities:		
Profit (loss) for the period	203,732	710,193
Adjustments to reconcile profit (loss) for the period to net cash provided by (used in) operating activities:		
Depreciation and amortization	392,910	404,935
(Gains) losses on investments	(29,789)	(31,721)
(Gains) losses on property, plant and equipment and others	2,781	344
Finance (income) -net of finance costs	(47,047)	(105,622)
Share of (profit) loss of investments accounted for using the equity method	(72,010)	(318,185)
Income taxes	89,586	196,367
Changes in trade receivables	4,658	(643,659)
Changes in inventories	(45,854)	(214,896)
Changes in trade payables	159,929	478,072
Other-net	60,893	(120,251)
Dividends received	188,081	366,885
Interest received	60,969	59,128
Interest paid	(50,252)	(47,536)
Income taxes paid	(70,652)	(111,703)
Net cash provided by (used in) operating activities	847,935	622,351
Investing activities:		
Payments for property, plant and equipment and others	(300,893)	(295,493)
Proceeds from disposal of property, plant and equipment and others	32,842	20,692
Purchases of investments accounted for using the equity method	(187,963)	(117,931)
Proceeds from disposal of investments accounted for using the equity method	82,785	177,200
Acquisitions of businesses-net of cash acquired	3,139	(38,159)
Proceeds from disposal of businesses-net of cash divested	15,760	12,033
Purchases of other investments	(28,825)	(18,790)
Proceeds from disposal of other investments	92,245	101,318
Increase in loans receivable	(54,410)	(59,386)
Collection of loans receivable	42,805	41,982
Net (increase) decrease in time deposits	(12,395)	(3,818)
Net cash provided by (used in) investing activities	(314,910)	(180,352)
Financing activities:		
Net increase (decrease) in short-term debts	126,508	76,088
Proceeds from long-term debts	667,490	709,047
Repayments of long-term debts	(636,149)	(681,742)
Repayments of lease liabilities	(210,855)	(208,595)
Dividends paid to owners of the Parent	(199,853)	(203,737)
Dividends paid to non-controlling interests	(35,168)	(46,513)
Payments for acquisition of subsidiary's interests from the non-controlling interests	(12,852)	(16,226)
Proceeds from disposal of subsidiary's interests to the non-controlling interests	5,037	20,822
Net (increase) decrease in treasury stock	(19,787)	(9)
Net cash provided by (used in) financing activities	(315,629)	(350,865)
Effect of exchange rate changes on cash and cash equivalents	8,628	16,810
Net increase (decrease) in cash and cash equivalents	226,024	107,944
Cash and cash equivalents at the beginning of the period	1,322,812	1,317,824
Cash and cash equivalents at the end of the period	1,548,836	1,425,768

3. Changes in Accounting Policies and Accounting Estimates

The significant accounting policies applied to the condensed consolidated financial statements for the nine months ended December 2021 are identical to the accounting policies applied to the consolidated financial statements for the previous fiscal year.

In addition, even though the Company stated in the Financial Section of Integrated Report 2021 (Notes to Consolidated Financial Statements 4. NEW STANDARDS AND INTERPRETATIONS NOT YET APPLIED) that IAS1(Revised), which clarifies the requirements related to the classification of liabilities as current or non-current, would be applied from the reporting period ended June 2021, the reporting period of its application has been changed to the fiscal year ending March 2023 or later (Undecided) since the standard is expected to be further revised.

4. Notes Concerning Going Concern Assumption

None

Results for the Nine Months Ended December 2021

February 3, 2022

Mitsubishi Corporation

(Forward-Looking Statements)

- This release contains forward-looking statements about Mitsubishi Corporation's future plans, strategies, beliefs and performance that are not historical facts. Such statements are based on the company's assumptions and beliefs in light of competitive, financial and economic data currently available and are subject to a number of risks, uncertainties and assumptions that, without limitation, relate to world economic conditions, exchange rates and commodity prices.
- Accordingly, Mitsubishi Corporation wishes to caution readers that actual results may differ materially from those projected in this release and that Mitsubishi Corporation bears no responsibility for any negative impact caused by the use of this release.

(Notes Regarding These Presentation Materials)

- Consolidated net income in this presentation shows the amount of net income attributable to owners of the Parent, excluding non-controlling interests.

Results for the Nine Months Ended December 2021

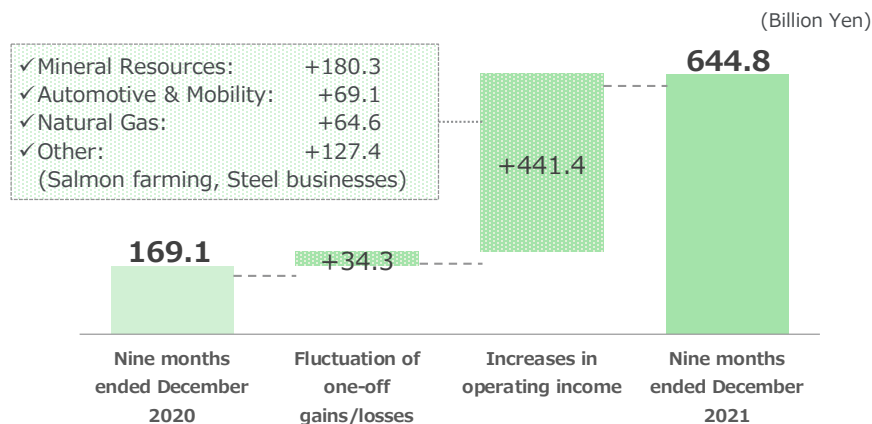
(Billion Yen)	Nine months ended December 2020	Nine months ended December 2021	Fluctuation	Revised forecast for the year ending March 2022	Progress
Consolidated Net Income	169.1	644.8	+475.7	820.0	79%
Business-related sector	127.9	398.7	+270.8	491.2	81%
Market-related sector*	33.5	247.6	+214.1	347.8	71%

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

Year-over-year fluctuation

Earnings increased 475.7 billion yen year-over-year.

- ✓ In contrast to the previous period, where the negative impact of COVID-19 had a strong impact on earnings, for the nine months ended December 2021, the business environment improved in a wide range of business areas and resource prices increased, as well.
- ✓ Many businesses, such as Automotive, Salmon farming and Steel, as well as both the Mineral Resources and Natural Gas segments, took advantage of this opportunity, leading to a strong result with earnings for the first nine months already exceeding the full-year record high.



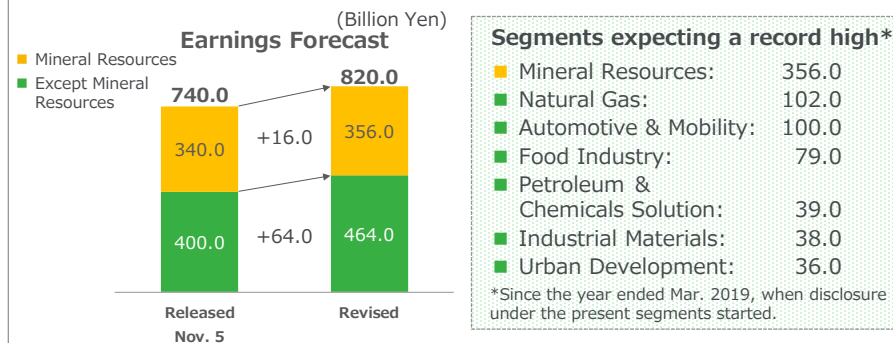
Earnings forecast for the year and shareholder returns

Forecast further revised upward to a record high of 820.0 billion yen.

- ✓ Considering resource prices as well as stronger-than-expected progress in the Salmon farming, Automotive and many other businesses, the forecast has been further revised upward by 80.0 billion yen from the forecast released in November.
- ✓ 7 of the 10 segments forecast record high earnings.*

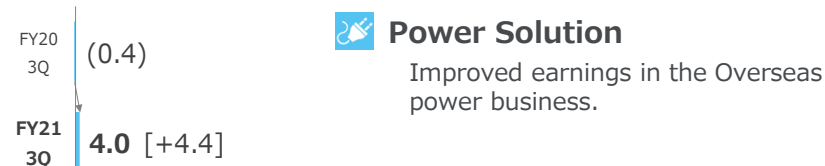
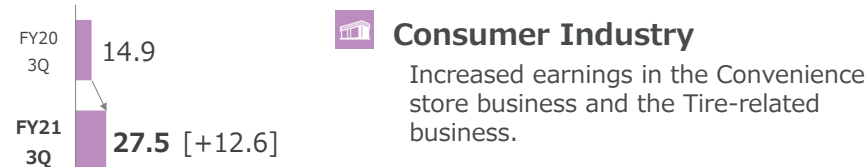
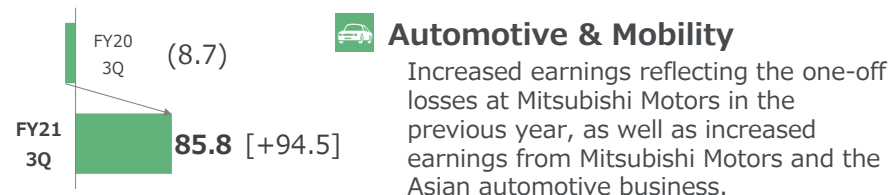
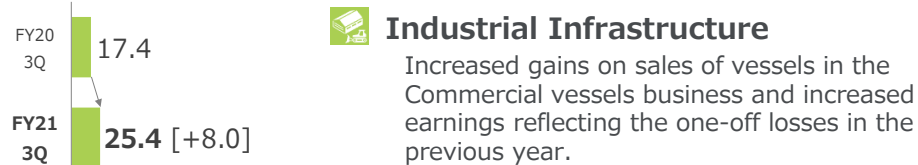
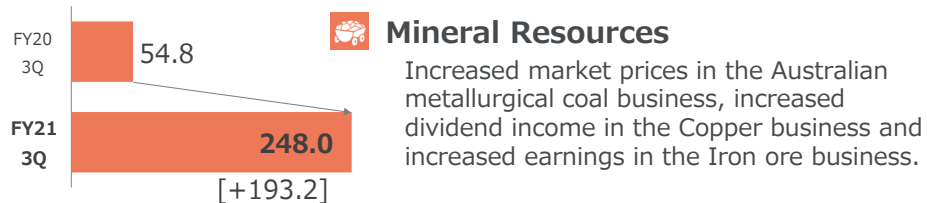
Additional shareholder returns are being considered and will be decided by the earnings release for the full year ending March 2022.

- ✓ Additional shareholder returns, including options such as share repurchases, are being considered together with capital and shareholder return policy in the next midterm corporate strategy and will be announced at the release of the financial results for the full year ending March 2022.

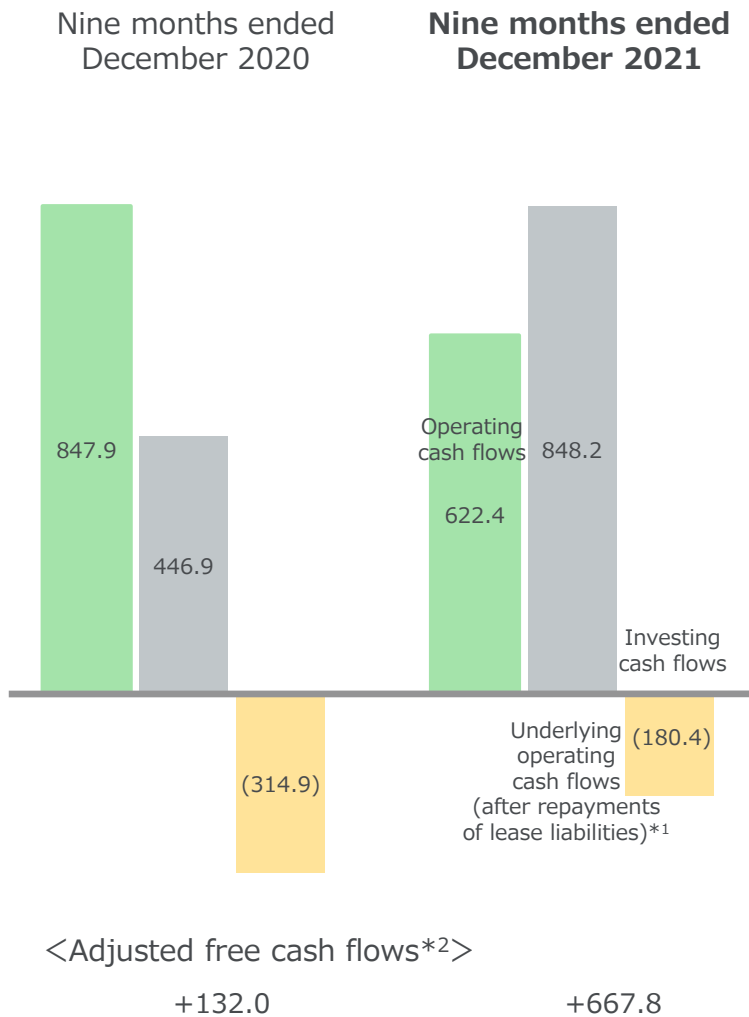


Year-over-Year Segment Net Income

Consolidated Net Income: **Nine months ended December 2020 (FY20 3Q): 169.1** (Billion Yen)
Nine months ended December 2021 (FY21 3Q): 644.8 [YoY +475.7]



Cash Flows



Breakdown of cash flows

(Billion Yen)

Ref.	Year ended	Underlying operating cash flows (after repayments of lease liabilities)	Investing cash flows			Adjusted free cash flows
			New/Sustaining Investments	Sales and Collection	Net	
	March 2020	672.1	(1,051.4)	550.7	(500.7)	171.4
	March 2021	625.2	(803.4)	446.1	(357.3)	267.9
	Nine months ended December 2021	848.2	(533.5)	353.1	(180.4)	667.8

Main items included in Investing CF for the nine months ended December 2021

New/Sustaining Investments	Sales and Collection
<ul style="list-style-type: none"> • Copper business (Mineral Resources) • Australian metallurgical coal business (Mineral Resources) • LNG-related business (Natural Gas) • European integrated energy business (Power Solution) • Convenience store business (Consumer Industry) • North American real estate business (Urban Development) • Asian real estate business (Urban Development) 	<ul style="list-style-type: none"> • North American real estate business (Urban Development) • North American shale gas business (Natural Gas) • Aircraft leasing business (Urban Development)

*1 Underlying operating cash flows (after repayments of lease liabilities)

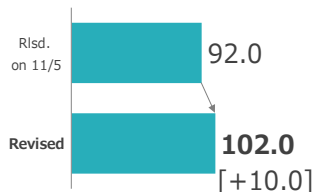
Operating cash flows excluding changes in working capitals
 (=Net income (including non-controlling interests) – DD&A – profits and losses related to investing activities – equity in earnings of affiliated companies not recovered through dividends – allowance for bad debt etc. – deferred tax)
 whilst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

*2 Adjusted free cash flows

Total of Underlying operating cash flows (after repayments of lease liabilities) and Investing cash flows

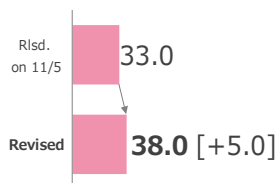
Segment Forecasts for the Year Ending March 2022

Consolidated Net Income: **Forecast released on November 5:** **740.0** (Billion Yen)
Revised forecast: **820.0** **[+80.0]**



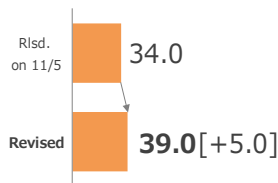
Natural Gas

Increased earnings and transaction profits in the LNG-related business.



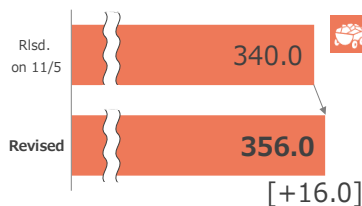
Industrial Materials

Increased earnings in the North American plastic building materials business.



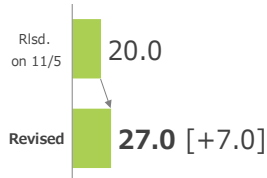
Petroleum & Chemicals Solution

Increased transaction profits in the Petrochemicals business.



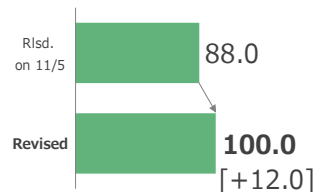
Mineral Resources

Increased dividend income in the Copper business and earnings in the Iron ore business, despite a decrease in transaction volumes offsetting increased market prices in the Australian metallurgical coal business.



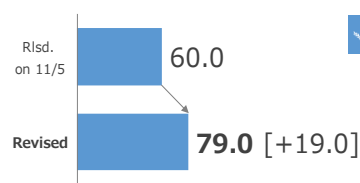
Industrial Infrastructure

Increased earnings in the Commercial vessels business.



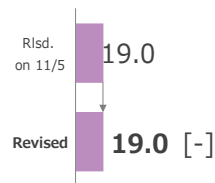
Automotive & Mobility

Increased earnings in the Asian automotive business.



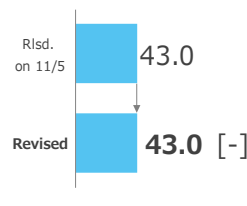
Food Industry

Increased earnings in the Salmon farming business.



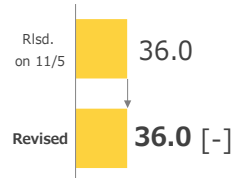
Consumer Industry

-



Power Solution

-



Urban Development

-

(Reference) Market Conditions

Foreign Exchange, Commodity Prices and Interest Rates

	Forecast for the year ending March 2022 (Released Nov. 5)	Forecast for the year ending March 2022* (Revised)	Fluctuation	Nine months ended December 2021	Consolidated Net Income Sensitivities for the year ending March 2022 [For crude oil and copper price, preliminary sensitivities at this time are shown for reference, since there is a possibility of significant revision due to changes in production levels, etc.]
Foreign Exchange (YEN/US\$)	109.91	111.61 (Jan-Mar:113.00)	+1.70	111.14	Depreciation/appreciation of 1 yen per US\$1 has a 3.5 billion yen positive/negative impact on full-year earnings.
Crude Oil Price (Dubai) (US\$/BBL)	60	60	±0	57	A US\$1 rise/decline per barrel increases/reduces full-year earnings by 2.5 billion yen. To better account for the differences in fiscal year-ends of consolidated companies and the timing when crude oil price is actually reflected in LNG sales price, the average price for the preceding six-month period (e.g. For the year ending March: average price from Oct. to Sep.) is utilized. In addition to changes in crude oil price, other factors could also affect crude oil-related earnings, such as dividend policy, foreign currency movements, and production/sales volume. Therefore, the impact on earnings cannot be determined by the crude oil price alone.
Copper Price (US\$/MT) [US ¢ /lb]	9,017 [409]	9,502 [431] (Jan-Mar:[417])	+485 [+22]	9,587 [435]	A US\$100 rise/decline per MT increases/reduces full-year earnings by 1.3 billion yen (A US¢10 rise/decline per lb increases/reduces full-year earnings by 2.8 billion yen). In addition to changes in copper price, other variables affect earnings from copper mines, such as the grade of mined ore, the status of production operations, and reinvestment plans (capital expenditure). Therefore, the impact on earnings cannot be determined by the copper price alone.
YEN Interest TIBOR 3M (%)	0.09	0.07	(0.02)	0.06	The effect of rising interest rates is mostly offset by an increase in operating and investment profits. However, a rapid rise in interest rates could have a temporary negative effect.
US\$ Interest LIBOR 3M (%)	0.17	0.16	(0.01)	0.15	

* The annual average is shown for the forecast for the year. Revised from the forecast released on Nov. 5 based on market price updates.
 (However, crude oil price figures are the actual results, as the price for the preceding six-month period is utilized.)