

February 1, 2024

Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2024[Japan GAAP]

Company name: **Mitsubishi Motors Corporation**
 Listing: Prime Market, the Tokyo Stock Exchange
 Stock code: 7211
 URL: <https://www.mitsubishi-motors.co.jp/>
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 Scheduled date to file quarterly Report: February 7, 2024
 Scheduled date to deliver cash dividends: -
 Quarterly earnings supplementary explanatory documents: Yes
 Quarterly earnings presentation: Yes

1. Consolidated performance for the third quarter of fiscal year ending March 31, 2024 (April 1, 2023 to December 31, 2023)

(Figures less than one million yen are rounded down, unless otherwise noted)

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2023 3rd quarter	2,063,855	14.3	160,101	4.2	165,998	7.3	102,755	(21.4)
FY2022 3rd quarter	1,805,320	27.5	153,699	174.7	154,737	153.3	130,754	192.3

Reference: Comprehensive income FY2023 3rd quarter: ¥135,740 million ((17.1)% FY2022 3rd quarter: ¥163,652 million (227.6%)

	Net income per share-basic	Net income per share-diluted
	Yen	Yen
FY2023 3rd quarter	69.04	69.03
FY2022 3rd quarter	87.86	87.85

(2) Consolidated financial position

As of	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
December 31, 2023	2,343,604	947,426	39.1
March 31, 2023	2,201,524	830,376	36.4

Reference: Net assets excluding share subscription rights and non-controlling interests

As of December 31, 2023: ¥917,214 million As of March 31, 2023: ¥801,139 million

2. Cash dividends

Record Date	Cash dividend per share				
	First quarter	Second quarter	Third quarter	Fiscal year end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2022	-	0.00	-	5.00	5.00
FY2023	-	5.00	-		
FY2023 (Forecast)				5.00	10.00

Note: Revisions to the forecasts of cash dividends in the current quarter: No

3. Consolidated earnings forecasts for fiscal year 2023 (from April 1, 2023 to March 31, 2024)

(Percentages indicate changes over the same period in the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	2,850,000	15.9	200,000	5.0	210,000	15.4	140,000	(17.0)	94.05

Note: Modifications in the consolidated earnings forecasts from the latest announcement: No

Note

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of specific accounting treatment for preparing the quarterly consolidated financial statements: Yes
Please refer to "Quarterly consolidated financial statements (3) Notes to consolidated financial statements -Adoption of specific accounting policies for quarterly consolidated financial statement" in page 5 for details.
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards: No
 - (ii) Changes in accounting policies due to other reasons: No
 - (iii) Changes in accounting estimates: No
 - (iv) Restatement: No
- (4) Number of shares issued and outstanding (common stocks)
 - (i) Total number of shares issued and outstanding at the end of the period (including treasury stock)

As of December 31, 2023:	1,490,282,496 shares
As of March 31, 2023:	1,490,282,496 shares
 - (ii) Number of shares of treasury stock at the end of the period

As of December 31, 2023:	3,474,193 shares
As of March 31, 2023:	1,956,603 shares
 - (iii) Average number of shares during the period (cumulative from the beginning of the fiscal year)

FY 2023 3rd quarter:	1,488,416,288 shares
FY 2022 3rd quarter:	1,488,187,002 shares

Note: The number of treasury shares at the end of each period includes shares of the Company held by the BIP Trust Account (2,668,506 shares as of December 31, 2023 and 1,103,450 shares as of March 31, 2023). The shares of the Company held by the BIP Trust Account is included in the number of treasury shares deducted in the calculation of average number of shares during each period (1,048,955 shares as of December 31, 2023 and 1,109,924 shares as of December 31, 2022).

* This Quarterly Financial Results report is out of scope of review by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters:

(Note for the description about financial forecast)

This material contains forward-looking statements, based on judgments and estimates that have been made on the basis of currently available information. By nature, such statements are subject to uncertainty and risk. Therefore, you are advised that the final results might be significantly different from the aforementioned statements due to changes in economic environments related to our business, market trends, fluctuations in interest rates and exchange rate, changes in laws, regulations and government policies, etc.

Potential risks and uncertainties are not limited to the above and Mitsubishi Motors Corporation (MMC) is not under any obligation to update the information in this material to reflect any developments or events in the future.

If you are interested in investing in MMC, you are requested to make a final investment decision at your own risk, taking the foregoing into consideration. Please note that neither MMC nor any third party providing information shall be responsible for any damage you may suffer due to investment in MMC based on the information shown in this material.

(How to obtain additional information materials / details of the earnings release conference)

Additional information materials are disclosed on the MMC web site on the same day as publication of the results. In addition, an audio recording of the earnings release conference held on the same day will, together with the material used for the conference, be posted on the MMC website promptly following the conference.

Quarterly consolidated financial statements
(1) Quarterly consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	595,961	639,019
Notes and accounts receivable – trade, and contract assets	184,633	133,397
Finance receivables	226,042	234,695
Merchandise and finished goods	259,848	295,764
Work in process	24,835	32,767
Raw materials and supplies	66,901	84,736
Other	122,503	153,795
Allowance for doubtful accounts	(5,766)	(2,198)
Total current assets	1,474,959	1,571,977
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	86,288	87,513
Machinery, equipment and vehicles, net	134,524	180,074
Tools, furniture and fixtures, net	56,044	65,310
Land	116,734	122,740
Construction in progress	61,011	21,212
Total property, plant and equipment	454,603	476,851
Intangible assets	40,003	41,573
Investments and other assets		
Investment securities	95,361	99,424
Other	140,496	158,224
Allowance for doubtful accounts	(3,898)	(4,446)
Total investments and other assets	231,959	253,202
Total non-current assets	726,565	771,627
Total assets	2,201,524	2,343,604

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	369,495	346,723
Electronically recorded obligations - operating	92,009	105,216
Short-term borrowings	31,330	85,103
Commercial papers	47,500	58,500
Current portion of long-term borrowings	73,098	208,498
Accounts payable - other, and accrued expenses	233,874	206,850
Income taxes payable	13,510	17,859
Provision for product warranties	54,605	63,537
Provision for contingent loss	10,504	-
Other	81,459	84,615
Total current liabilities	1,007,389	1,176,906
Non-current liabilities		
Long-term borrowings	248,048	97,951
Retirement benefit liability	36,688	38,750
Other	79,021	82,570
Total non-current liabilities	363,758	219,272
Total liabilities	1,371,148	1,396,178
Net assets		
Shareholders' equity		
Share capital	284,382	284,382
Capital surplus	199,620	199,585
Retained earnings	338,424	426,285
Treasury shares	(989)	(1,688)
Total shareholders' equity	821,438	908,564
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	977	1,429
Deferred gains or losses on hedges	(35)	(175)
Foreign currency translation adjustment	(5,438)	22,796
Remeasurements of defined benefit plans	(15,802)	(15,400)
Total accumulated other comprehensive income	(20,298)	8,650
Share acquisition rights	29	23
Non-controlling interests	29,208	30,188
Total net assets	830,376	947,426
Total liabilities and net assets	2,201,524	2,343,604

(2) Quarterly consolidated statements of income and Quarterly consolidated statements of comprehensive income

Quarterly consolidated statements of income

(Millions of yen)

	FY2022 3rd quarter (from April 1, 2022 to December 31, 2022)	FY2023 3rd quarter (from April 1, 2023 to December 31, 2023)
Net sales	1,805,320	2,063,855
Cost of sales	1,408,674	1,629,820
Gross profit	396,645	434,034
Selling, general and administrative expenses		
Advertising and promotion expenses	36,395	44,532
Freight costs	56,062	70,968
Provision of allowance for doubtful accounts	(1,031)	(220)
Remuneration, salaries and allowances for directors (and other officers)	55,200	60,252
Retirement benefit expenses	3,096	3,306
Depreciation	10,710	12,200
Research and development expenses	44,271	40,160
Other	38,241	42,733
Total selling, general and administrative expenses	242,946	273,933
Operating profit (loss)	153,699	160,101
Non-operating income		
Interest income	4,913	10,150
Foreign exchange gains	1,329	2,471
Share of profit of entities accounted for using equity method	-	3,425
Other	2,272	1,568
Total non-operating income	8,515	17,615
Non-operating expenses		
Interest expenses	2,603	4,124
Litigation expenses	593	4,524
Share of loss of entities accounted for using equity method	1,708	-
Other	2,572	3,051
Total non-operating expenses	7,477	11,718
Ordinary profit (loss)	154,737	165,998
Extraordinary income		
Gain on sale of non-current assets	24,238	82
Gain on liquidation of subsidiaries	-	824
Other	117	45
Total extraordinary income	24,355	952

	(Millions of yen)	
	FY2022 3rd quarter (from April 1, 2022 to December 31, 2022)	FY2023 3rd quarter (from April 1, 2023 to December 31, 2023)
Extraordinary losses		
Loss on retirement of non-current assets	955	1,206
Impairment losses	4,130	504
Loss related to the Russian business	9,194	955
Loss related to the Chinese business	-	24,669
Other	1,956	189
Total extraordinary losses	16,236	27,526
Profit (loss) before income taxes	162,857	139,424
Income taxes	25,739	33,496
Profit (loss)	137,117	105,928
Profit (loss) attributable to non-controlling interests	6,362	3,172
Profit (loss) attributable to owners of parent	130,754	102,755

Quarterly consolidated statements
of comprehensive income

	(Millions of yen)	
	FY2022 3rd quarter (from April 1, 2022 to December 31, 2022)	FY2023 3rd quarter (from April 1, 2023 to December 31, 2023)
Profit (loss)	137,117	105,928
Other comprehensive income		
Valuation difference on available-for-sale securities	(102)	451
Deferred gains or losses on hedges	3,383	(163)
Foreign currency translation adjustment	12,809	22,622
Remeasurements of defined benefit plans, net of tax	90	381
Share of other comprehensive income of entities accounted for using equity method	10,354	6,519
Total other comprehensive income	26,535	29,811
Comprehensive income	163,652	135,740
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	157,294	131,704
Comprehensive income attributable to non-controlling interests	6,358	4,035

(3) Notes to quarterly consolidated financial statements

Notes on premise of going concern

There is no item to be reported.

Notes on significant changes in the amount of shareholders' equity

There is no item to be reported.

Adoption of specific accounting policies for quarterly consolidated financial statement

(Tax expense calculation)

Income tax expenses were calculated by multiplying profit (loss) before income taxes by an effective tax rate that was reasonably estimated by applying tax effect accounting to a projected annual profit (loss) before income taxes. In case where the estimated effective tax rate is unavailable, statutory effective tax rate is used.

Segment information

I. For the Nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)

1. Net sales and profit (loss) for each reportable segment

(Millions of yen)

	Automobiles	Financial services	Total	Adjustment (Note 1)	Grand total (Note 2)
Net sales					
(1) External customers					
Revenue from contracts with customers	1,781,634	8,484	1,790,119	-	1,790,119
Other income	435	14,765	15,201	-	15,201
Subtotal	1,782,070	23,250	1,805,320	-	1,805,320
(2) Intersegment sales & transfers	9,548	2,741	12,289	(12,289)	-
Total	1,791,618	25,991	1,817,610	(12,289)	1,805,320
Segment profit (loss)	150,260	3,691	153,951	(251)	153,699

Notes: 1. Adjustment represents the elimination of intersegment transactions.

2. Segment profit (loss) agrees to the amount of operating profit (loss) presented in the consolidated statement of income.

(Supplementary information about geographic information)

1. Net sales to the external customers, classified by the geographic location of the external customers

(Millions of yen)

	Japan	North America	Europe	Asia	Oceania	Other	Total
Net sales							
Net sales to external customers							
Revenue from contracts with customers	375,235	392,602	106,634	444,297	218,376	252,973	1,790,119
Other income	14,852	290	-	-	58	-	15,201
Total	390,088	392,892	106,634	444,297	218,434	252,973	1,805,320

Note: Main countries and regions outside Japan are grouped as follows:

- (1) North America.....The United States, Canada, Mexico
- (2) Europe.....Germany, the Netherlands, Spain, France
- (3) Asia.....Indonesia, Thailand, the Philippines, Vietnam
- (4) Oceania.....Australia, New Zealand
- (5) Other.....U.A.E., Brazil

II. For the Nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

1. Net sales and profit (loss) for each reportable segment

(Millions of yen)

	Automobiles	Financial services	Total	Adjustment (Note 1)	Grand total (Note 2)
Net sales					
(1) External customers					
Revenue from contracts with customers	2,039,988	7,666	2,047,655	-	2,047,655
Other income	399	15,799	16,199	-	16,199
Subtotal	2,040,388	23,466	2,063,855	-	2,063,855
(2) Intersegment sales & transfers	9,350	2,747	12,097	(12,097)	-
Total	2,049,739	26,213	2,075,953	(12,097)	2,063,855
Segment profit (loss)	157,742	3,226	160,969	(868)	160,101

Notes: 1. Adjustment represents the elimination of intersegment transactions.

2. Segment profit (loss) agrees to the amount of operating profit (loss) presented in the consolidated statement of income.

(Supplementary information about geographic information)

1. Net sales to the external customers, classified by the geographic location of the external customers

(Millions of yen)

	Japan	North America	Europe	Asia	Oceania	Other	Total
Net sales							
Net sales to external customers							
Revenue from contracts with customers	421,285	514,631	179,621	399,894	224,700	307,521	2,047,655
Other income	15,879	285	-	-	34	-	16,199
Total	437,165	514,917	179,621	399,894	224,734	307,521	2,063,855

Note: Main countries and regions outside Japan are grouped as follows:

- (1) North America.....The United States, Canada, Mexico
- (2) Europe.....Germany, Spain, the Netherlands, France
- (3) Asia.....Indonesia, Thailand, the Philippines, Vietnam
- (4) Oceania.....Australia, New Zealand
- (5) Other.....U.A.E., Brazil