

**“We are committed to providing the utmost driving pleasure and safety for our valued customers and our community. On these commitments we will never compromise. This is the Mitsubishi Motors way.”**

Mitsubishi Motors (MMC) has drawn up a new corporate philosophy that states the purpose of the company's existence and provides a clearer roadmap for its future direction. The new philosophy will serve as a touchstone for all activities conducted under the Mitsubishi Motors name.

## Corporate Philosophy

### “The Three Principles” of the Mitsubishi Group, Corporate Philosophy and Three Management Commitments

MMC has made a clean break from the corporate culture and the ways of the past, and has set out to create a new future for the company. MMC is now channeling all its resources and energies into restoring corporate vitality and regaining the trust and confidence of the public. To guide these endeavors, MMC unveiled a new corporate philosophy in January 2005, alongside the announcement of the Mitsubishi Motors Revitalization Plan. Underpinning all corporate activities and adhering to “The Three Principles” of the Mitsubishi group of companies, the new corporate philosophy is the product of extensive internal discussions, which were conducted in conjunction with the formulation of the Mitsubishi Motors Revitalization Plan. There are three Management Commitments based on the new corporate philosophy.

### The Three Principles of the Mitsubishi Group

While the members of the Mitsubishi group are independent and mutually autonomous, they share Three Principles (“Sankoryo”).

● **Shoki Hoko**

Corporate Responsibility to Society: Strive to enrich society, both materially and spiritually, while contributing towards the preservation of the global environment.

● **Shoji Komei**

Integrity and Fairness: Maintain principles of transparency and openness, conducting business with integrity and fairness.

● **Ritsugyo Boeki**

International Understanding Through Trade: Expand business, based on an all-encompassing global perspective.

### Corporate Philosophy

● **Customer-centric approach**

MMC will give the highest priority to earning the satisfaction of its customers, and by doing so, become a company that enjoys the trust and confidence of the community at large. To that end, MMC will strive its utmost to tackle environmental issues, raise the level of passenger and road safety and to address other issues of concern to car owners and the general public.

● **A clear direction for the development and manufacturing of MMC's vehicles**

The cars that MMC will manufacture will embody two major concepts: “driving pleasure” and “safety.” MMC will manufacture cars that deliver superior driving performance and superior levels of safety and durability, and as such, those who use them will enjoy peace of mind.

● **Going the extra mile**

MMC will pay close attention to even the smallest details in the belief that this approach will lead customers to discover new value in their cars, giving them a richer and more rewarding motoring experience.

● **Importance of continuity**

MMC will continue to manufacture distinctive cars with the passion and conviction to overcome all challenges.

Mitsubishi Group  
“Sankoryo” ...The Three Principles

- “Shoki Hoko” –Corporate Responsibility to Society
- “Shoji Komei” –Integrity and Fairness
- “Ritsugyo Boeki” –Global Perspective

Corporate Philosophy

We are committed to providing the utmost driving pleasure and safety for our valued customers and our community. On these commitments we will never compromise. This is the Mitsubishi Motors way.

Management Commitments

- MMC's basic policy is to cherish our customers, pursue safety, and implement compliance
- Ehsure transparency by disclosing information fully to all our stakeholders
- Clarify the responsibilities of management and achieve our management objectives

## Creating a New Mitsubishi Motors

Recognizing that fundamental management reform is necessary to restore public confidence, MMC has initiated earnest moves to solve two major issues as quickly as possible. First, the company aims to restore the trust that was lost due to recall-related problems. Second, MMC is undertaking major restructuring to restore profitability.

### ● Moves to restore public confidence

MMC created the Business Ethics Committee in June 2004 to provide the company with external guidance and counsel on how to reform corporate ethics and culture with a view to establishing an effective internal compliance system. P.39

In September 2004, MMC submitted to Japanese authorities final reports explaining the series of past events and circumstances that contributed to problematic recalls and faulty related procedures. In March 2005, based on the results of a fact-finding study to establish the causes of these failures, the company instituted measures to prevent any reoccurrence. These included the disciplinary treatment of senior managers, including executive officers, and the publication of new policies. MMC hopes that these actions have served to draw a line under these issues.

### ● Business restructuring initiatives

In June 2004, the Corporate Revitalization Committee began a strict 12-month program of reform measures. Cross-functional teams (CFTs) comprised of young, energetic and enthusiastic employees that are determined to address and resolve key management issues have spearheaded the effort, using the results of employee interviews and questionnaires to identify management issues. CFTs have surmounted organizational barriers to propose various measures to further reforms. The Mitsubishi Motors Revitalization Plan published in January 2005 incorporated many of these measures (see column).

MMC also implemented organizational reforms in April 2005 to strengthen management capabilities through the establishment of a fully integrated management hierarchy and the clarification of responsibilities. At the same time, the company reinstated systems to follow up reforms. These moves included the appointment of a new vice-president in charge of the business revitalization process and the establishment of a new Revitalization Promotion Department. In addition, the Business Revitalization Monitoring Committee was created as an

advisory body to the Board of Directors in April 2005 to monitor progress in implementing the Revitalization Plan.

Achievement of all the goals in the Mitsubishi Motors Revitalization Plan is management's foremost priority to place the company on the path toward restoration of public confidence and profitability. Based on acceptance of the new corporate philosophy, all executive officers and employees are firmly committed to implementing the measures contained in the plan in a bid to secure a new future for MMC.

### Mitsubishi Motors Revitalization Plan

Unveiled in January 2005, the Mitsubishi Motors Revitalization Plan contains strategic measures suggested by CFTs and related managers, along with various plans based on tie-ups, alliances and financial restructuring measures. Together, these aim to secure a stable future for the business over the medium and long term.

By carrying out this plan, MMC aims to establish good business prospects for the longer term and to achieve a stable, firm financial footing. Given limited resources, MMC is pursuing a policy of selective focus on certain businesses to ensure the success of revitalization plans. The aim is to create a transformed business of appropriate scale that can develop products that customers will find satisfying based on the company's technical strengths.

#### • Commitments

- (1) Return to profitability in fiscal 2006 (net income of ¥8 billion)
- (2) Establish sustainable profitability in fiscal 2007 (net income of ¥41 billion)

#### • Key points

- (1) Putting customers first/Recovering trust
  - The new plan puts customers first in all areas, from marketing through after-sales service
  - The new plan provides measures for achieving no-compromise improvements in product quality
- (2) Business strategy
  - Sales plans reflect downside risks
  - Promotion of operational tie-ups with other automakers
  - Rationalization of production capacity and size of sales networks (U.S., Australia, Japan)
- (3) Reinforcement of capital and funding
  - Strengthening of financial standing and securing capital for revitalization