



Financial Forecasts for Fiscal Year 2016

Mitsubishi Motors Corporation

June 22, 2016

- ✓ On June 17, 2016, regarding the “improper conduct in fuel consumption testing of vehicles manufactured by Mitsubishi Motors Corporation (MMC),” MMC submitted a report to Ministry of Land, Infrastructure, Transport and Tourism describing the full scope of its findings as well as preventative measures.
- ✓ Now that MMC has assessed the expected numeric impact to its financial results, MMC today announces the full-year fiscal 2016 financial forecasts.

Impacts from Improper Conduct in Fuel Consumption Testing



Expenses related to the improper consumption testing

(billion yen)

Items	Impact	Notes
Impact on Operating Income	- 55.0	Decrease in domestic sales volume and sales of accessory and spare parts, expenses for free vehicle inspections, countermeasures for domestic sales, etc.
Extraordinary Losses	- 150.0	
Payments to Customers	(- 50.0)	Announced on June 17, 2016
Others	(- 100.0)	Payments to Nissan, dealer and suppliers, expenses for worker furloughs at the Mizushima Plant.
Total	- 205.0	

Indonesia

- Groundwork will be laid for an April 2017 start of production at a new plant.

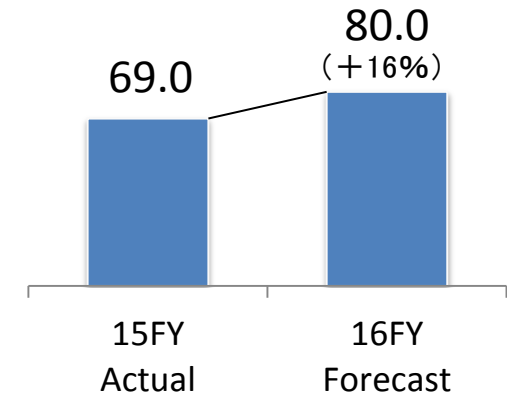
The Philippines

- Leveraging the CARS Program (Comprehensive Automotive Resurgence Strategy Program), start domestic production of *Mirage* and *Mirage G4* at the beginning of 2017.

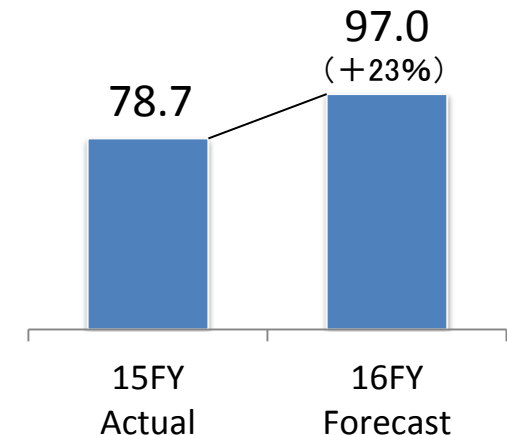
R&D

- R&D expenditure will be increased over the previous year for development of a new small SUV and next-generation *Outlander* as well as enhancement of advanced research.

Capital expenditure
(billion yen)



R&D expense
(billion yen)



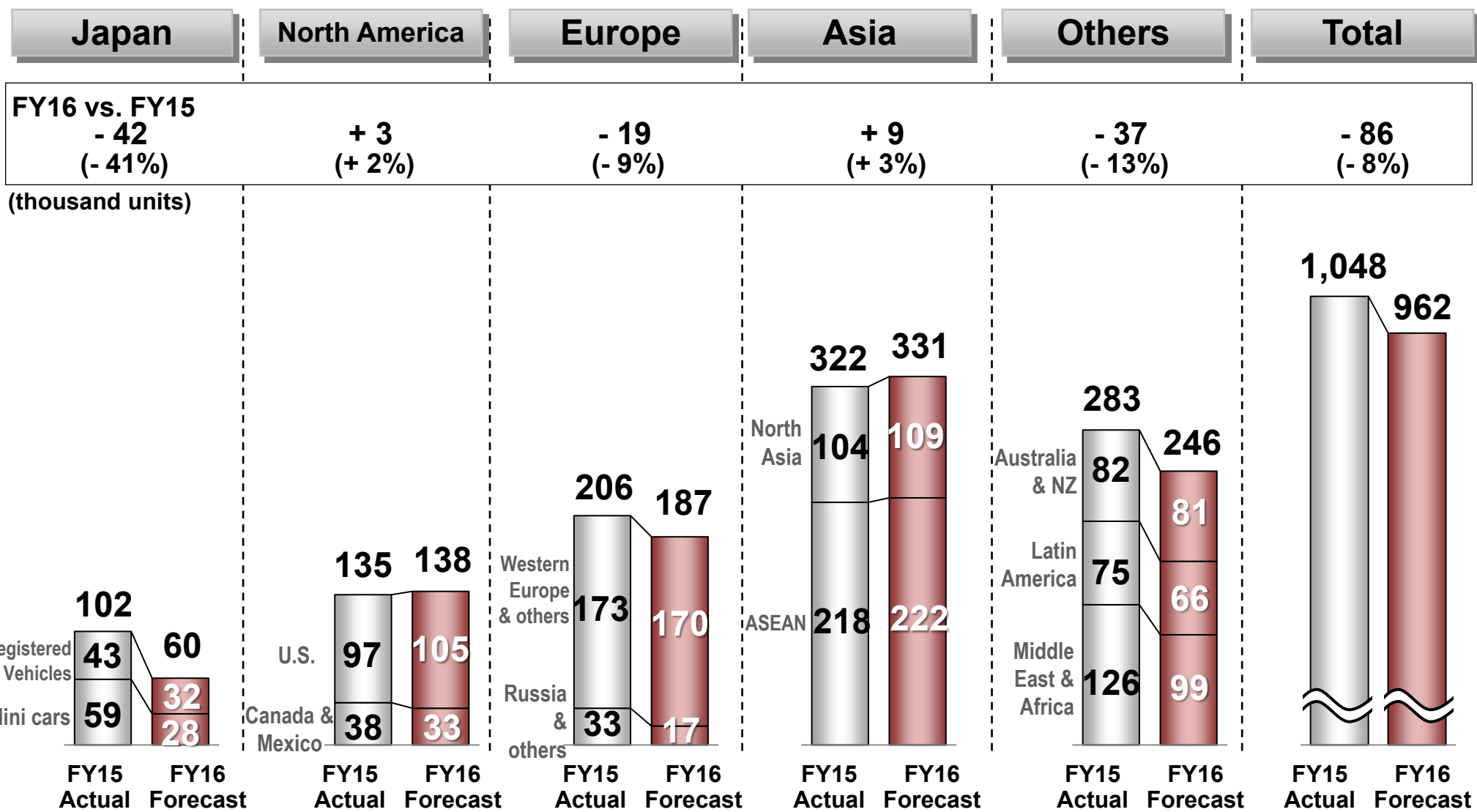
Strengthening Relationship with Nissan Motor

Through a strategic alliance with Nissan, MMC will drastically boost its competitiveness in products and technology



Financial Forecasts for FY2016

FY2016 Sales Volume Forecasts by Region (Retail, vs. FY15 Actual)



FY2016 Forecasts Summary (vs. FY2015 Actual)

(billion yen)

	FY15	FY16	Increase/Decrease	
	(Apr 2015-Mar 2016)	(Apr 2016-Mar 2017)	Amount	%
	Actual	Forecasts		
Net Sales	2,267.8	1,910.0	-357.8	-16%
Operating Income (Margin)	138.4 (6.1%)	25.0 (1.3%)	-113.4	-82%
Ordinary Income (Margin)	141.0 (6.2%)	32.0 (1.7%)	-109.0	-77%
Net Income* (Margin)	72.6 (3.2%)	-145.0 (- 7.6%)	-217.6	-

* Net income attributable to owners of the Parent

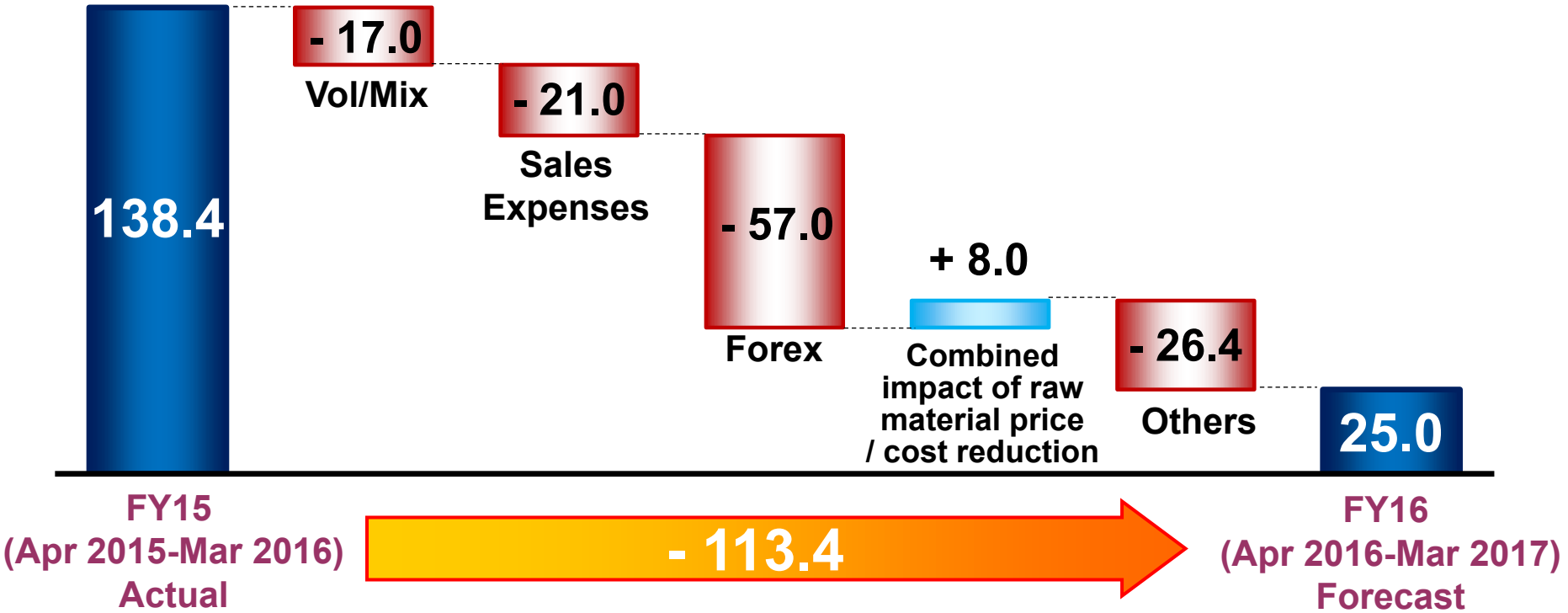
Analysis of Increase/Decrease of Operating Income Forecasts [vs. FY2015 Actual]



Vol/Mix by region	
Japan	- 23.0
North America	+ 7.0
Europe	+ 8.0
Asia	- 9.0
Others	± 0

Forex effect by main currency			
	Forex rate(yen)		Effect (billion yen)
	FY15	FY16	
USD	121	106	- 30.0
EUR	133	123	- 15.0
AUD	88	82	- 10.0
THB	3.44	3.11	+ 33.5
GBP	182	154	- 13.0
RUB	2.02	1.52	- 4.5

Others (billion yen)	
R&D expenses	- 18.3
Others	- 8.1



Appendix

FY2016 Regional Forecasts (vs. FY2015 Actual)

(billion yen)

	FY15 Actual	FY16 Forecasts	Increase/ Decrease
Net Sales	2,267.8	1,910.0	- 357.8
- Japan	412.9	250.0	- 162.9
- North America	324.8	290.0	- 34.8
- Europe	514.6	460.0	- 54.6
- Asia	482.6	430.0	- 52.6
- Others	532.9	480.0	- 52.9
Operating Income	138.4	25.0	- 113.4
- Japan	-2.4	- 52.0	- 49.6
- North America	6.2	- 7.0	- 13.2
- Europe	22.1	3.0	- 19.1
- Asia	74.9	48.0	- 26.9
- Others	37.6	33.0	- 4.6

Capital expenditure / Depreciation / R&D expense

(billion yen)

	FY15 (Apr 2015- Mar 2016) Actual	FY16 (Apr 2016-Mar 2017) Forecasts
Capital expenditure (YoY)	69.0 (+1%)	80.0 (+16%)
Depreciation (YoY)	53.6 (+1%)	55.0 (+3%)
R&D expense (YoY)	78.7 (+5%)	97.0 (+23%)

All statements herein, other than historical facts, contain forward-looking statements and are based on MMC's current forecasts, expectations, targets, plans, and evaluations. Any forecasted value is calculated or obtained based on certain assumptions. Forward-looking statements involve inherent risks and uncertainties.

A number of significant factors could therefore cause actual results to differ from those contained in any forward-looking statement. Significant risk factors include:

- Feasibility of each target and initiative as laid out in this presentation;**
- Fluctuations in interest rates, exchange rates and oil prices;**
- Changes in laws, regulations and government policies; and**
- Regional and/or global socioeconomic changes.**

Potential risks and uncertainties are not limited to the above and MMC is not under any obligation to update the information in this presentation to reflect any developments or events in the future.

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