

Notice Regarding Expected Extraordinary Loss Concerning Improper Conduct in Fuel Consumption Testing on Vehicles Manufactured by Mitsubishi Motors Corporation

Mitsubishi Motors Corporation (MMC) announces that it expects to record an extraordinary loss resulting from payment expenses in connection with the improper conduct in fuel consumption testing of vehicles manufactured by MMC outside of payments to the customers. These expenses were under investigation as announced in the “Notice Regarding Recording of Extraordinary Loss Concerning Improper Conduct in Fuel Consumption Testing of Vehicles Manufactured by MMC” on June 17, 2016. In addition, MMC has compiled the expected numeric impact to its financial results and MMC hereby discloses the information as follows.

Particulars

1. Extraordinary Loss

MMC expects to record an extraordinary loss of approximately 100 billion yen from payments to Nissan Motor Co., Ltd. (Nissan), dealers and suppliers, as well as expenses for worker furloughs at the Mizushima Plant in the financial statements for the 2016 fiscal year ending March 31, 2017.

2. Impacts from improper conduct in fuel consumption testing on vehicles manufactured by MMC (2016 fiscal year ending March 31, 2017)

Items	Impact (billion yen)	Remarks
Impact on Operating Income	-55.0	Decrease in domestic sales volume and sales of component parts, expenses for free vehicle inspections, countermeasures expenses for domestic sales, etc.
Extraordinary Losses	-150.0	
Payments to Customers	-50.0	Please refer to “Notice Regarding Recording of Extraordinary Loss Concerning Improper Conduct in Fuel Consumption Testing of Vehicles Manufactured by Mitsubishi Motors Corporation” announced on June 17, 2016.
Others	-100.0	Payments to Nissan Motor Co., Ltd., dealers and suppliers, expenses for worker furloughs at the Mizushima Plant.
Total	-205.0	

MMC has recorded an extraordinary loss of 19.1 billion yen as “loss on fuel economy testing” in the financial results for the 2015 fiscal year ended March 31, 2016.

3. Future Outlook

Please refer to the “Notice Regarding Revision of Consolidated Forecasts for Fiscal Year 2016” for operating results forecasts for the fiscal year 2016 ending March 31, 2017.