



# FY2019 Third-Quarter Financial Results

January 31, 2020

## 1. 3Q YTD/FY2019 Financial Results

## 2. FY2019 Financial Forecast

## 3. Business Highlight

# 3Q YTD/FY2019 Financial Results Summary (vs. 3Q YTD/FY2018)

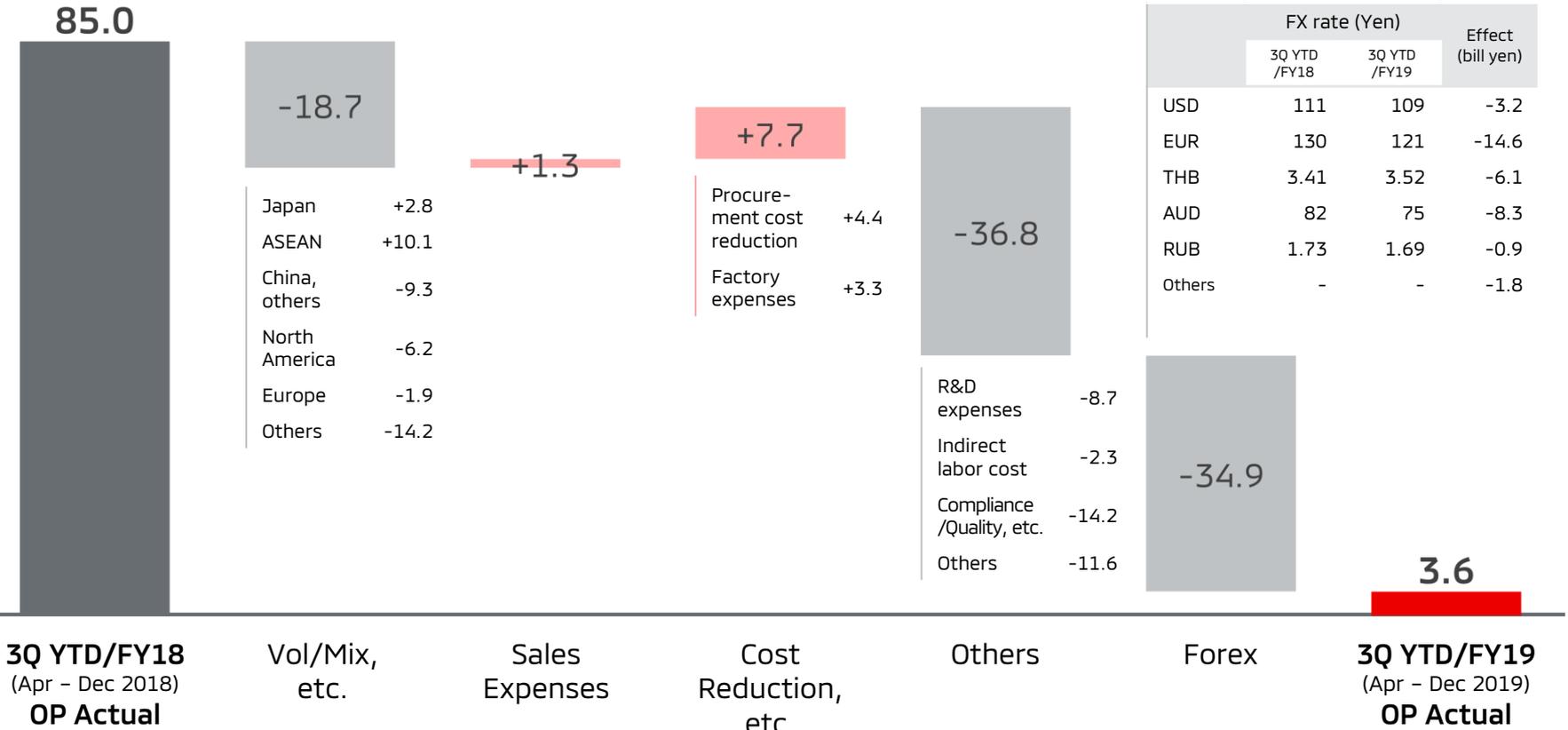


(Billion yen, 000 units)	3Q YTD (Apr - Dec)				3Q QTD (Oct - Dec)	
	FY2018	FY2019	Variance		FY2018	FY2019
			Amount	Ratio		
Net Sales	1,794.1	<b>1,666.9</b>	-127.2	-7%	624.8	538.9
Operating Profit (OP Margin)	85.0 (4.7%)	<b>3.6</b> <b>(0.2%)</b>	-81.4 (-4.5 P.P.)	-96%	28.1 (4.5%)	-6.6 (-1.2%)
Ordinary Profit	92.4	<b>-2.7</b>	-95.1	-	24.1	-3.9
Net Income*	69.2	<b>-11.8</b>	-81.0	-	17.3	-14.4
Sales Volume (Retail)	894	<b>876</b>	-18	-2%	300	284

\* Net income attributable to owners of the parent

# 3Q YTD/FY2019 Operating Profit Variance (vs. 3Q YTD/FY2018)

(billion yen)



# 3Q YTD/FY2019 Sales Volume Results (vs. 3Q YTD/FY2018)



Retail sales  
(000 units)

	894	876	TOTAL	-18	(-2%)
	235	232	ASEAN	-3	(-1%)
	73	68	Australia/NZ	-5	(-7%)
	69	68	Japan	-1	(-1%)
	123	123	China, others	+0	(+0%)
	118	115	North America	-3	(-3%)
	168	162	Europe	-6	(-4%)
	108	108	Latin America, Middle East/Africa, etc.	+0	(+0%)

**3Q YTD/FY18**  
(Apr-Dec 2018)

**3Q YTD/FY19**  
(Apr-Dec 2019)

Regarding retail sales in China, we changed the calculation method for retail sales volume from FY2019. As a result, retail sales recorded in FY2019 may include retail sales recorded in or before FY2018.

# 3Q YTD/FY2019 Sales Volume Results: TIV vs. MMC (vs. 3Q YTD/FY2018)



## Global

**-3%** < **-2%**  
TIV vs MMC  
YoY YoY

### ASEAN

**-4%** < **-1%**

### Japan

**-2%** < **-1%**

### Australia/NZ

**-7%** < **-7%**

### Europe

**+2%** > **-4%**

### North America

**-2%** > **-3%**

### China, others

**-8%** < **+0%**

### Latin America, Middle East/Africa, etc.

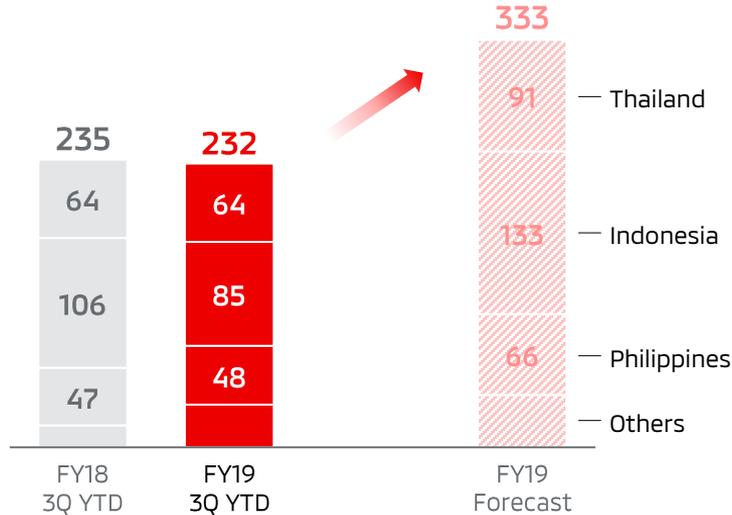
**-1%** < **+0%**

Source: Marklines, MMC (TIV: 63 countries and regions, covered 97% of total MMC retail sales)

# Sales Volume by Major Region

## ASEAN

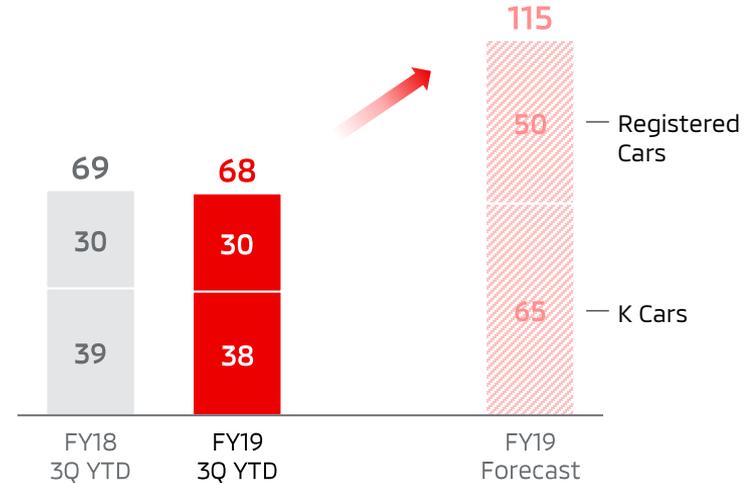
Retail sales (000 units)



- Thailand: Driven by *XPANDER* to secure positive growth
- Indonesia: Stagnant overall demand and intensified competition led to weak sales
- Philippines: Recovered moderately

## Japan

Retail sales (000 units)

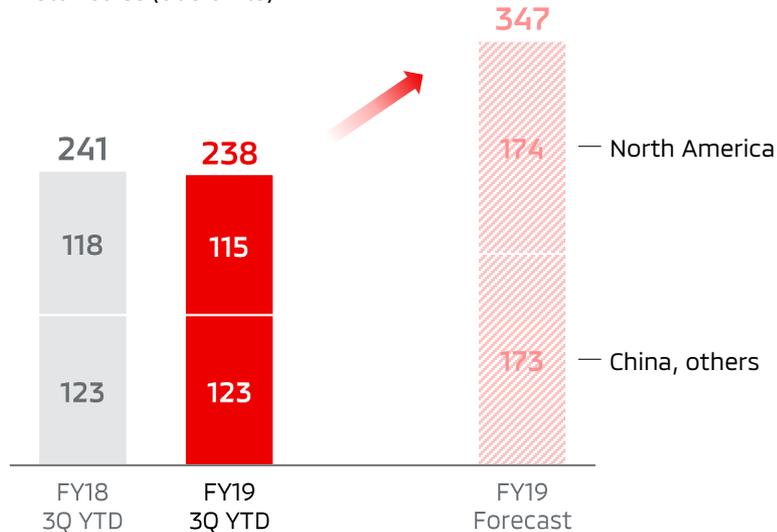


- Turned to negative growth due to a decline following the consumption tax hike
- Aiming to maintain and strengthen product freshness and increase unit sales by launching new *eK Space* series

# Sales Volume by Major Region

## China, others North America

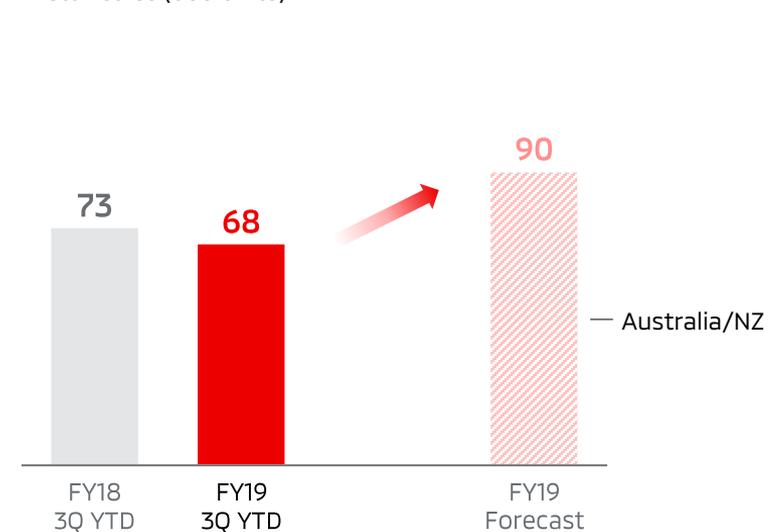
Retail sales (000 units)



- China: Maintained the same level of sales as the previous year due driven by new models amid sluggish market
- North America: Sluggish sales due to intensified competition in the core segment

## Australia/NZ

Retail sales (000 units)



- TIV declined due to sluggish economy in China; price competition intensified
- Focus on sales of core models and maintain market share without participating in price competition

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# FY2019 Full-Year Forecast (vs. FY2018)



(billion yen, 000 units)	FY18 Actual (Apr 2018 – Mar 2019)	FY19 Forecast (Apr 2019 – Mar 2020)	Variance	
			Amount	Ratio
Net Sales	2,514.6	<b>2,450.0</b>	-64.6	-3%
Operating Profit (OP Margin)	111.8 (4.4%)	<b>30.0</b> <b>(1.2%)</b>	-81.8 (-3.2 P.P.)	-73%
Ordinary Profit	119.9	<b>20.0</b>	-99.9	-83%
Net Income*	132.9	<b>5.0</b>	-127.9	-96%
Sales Volume (Retail)	1,244	<b>1,274</b>	+30	+2%

\* Net income attributable to owners of the parent

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**3. Business highlight**

# Product Innovation

FY2019

3Q



*XPANDER CROSS*



*ATTRAGE*



*MIRAGE*

4Q

*eK Space*



*eK X Space*

→ **Launching this Spring**

# eK X/Wagon: Achievement of Alliance Collaboration



**RJC Car of the Year  
2020**

**Car of the Year Japan  
2019-2020**  
in Small Mobility category

**Auto Color Awards  
2019 Special Prize\***

\*eK X only



**MITSUBISHI  
MOTORS**

Drive your Ambition

## APPENDIX

# 3Q/FY2019 Balance Sheet (vs. FY2018)



(billion yen)	FY18 (As end of Mar 2019)	3Q/FY19 (As end of Dec 2019)	Variance
Total Asset	2,010.3	1,927.6	-82.7
Cash & Deposits	500.9	370.1	-130.8
Total Liabilities	1,129.1	1,085.0	-44.1
Interest-bearing Debt*	231.0	274.3	+43.3
Total Net Assets	881.2	842.6	-38.6
Shareholders' Equity (Equity Ratio)	871.8 (43.4%)	826.9 (42.9%)	-44.9
Net Cash 【Automobiles & Eliminations】	543.9	361.2	-182.7

\*Include Lease Obligations

# 3Q YTD/FY2019 Capital Expenditure, Depreciation and R&D Expense



(billion yen)	3Q YTD/FY18 (Apr-Dec 2018)	3Q YTD/FY19 (Apr-Dec 2019)	FY19 Forecast (Apr 2019 – Mar 2020)
<b>CAPEX</b> (variance YoY)	<b>82.7*</b>	<b>66.1</b> (-20%)	<b>115.0</b> (-16%)
<b>Depreciation</b> (variance YoY)	<b>44.2</b>	<b>55.1</b> (+25%)	<b>75.0</b> (+22%)
<b>R&amp;D Expense</b> (variance YoY)	<b>91.2</b>	<b>99.9</b> (+10%)	<b>141.0</b> (+13%)

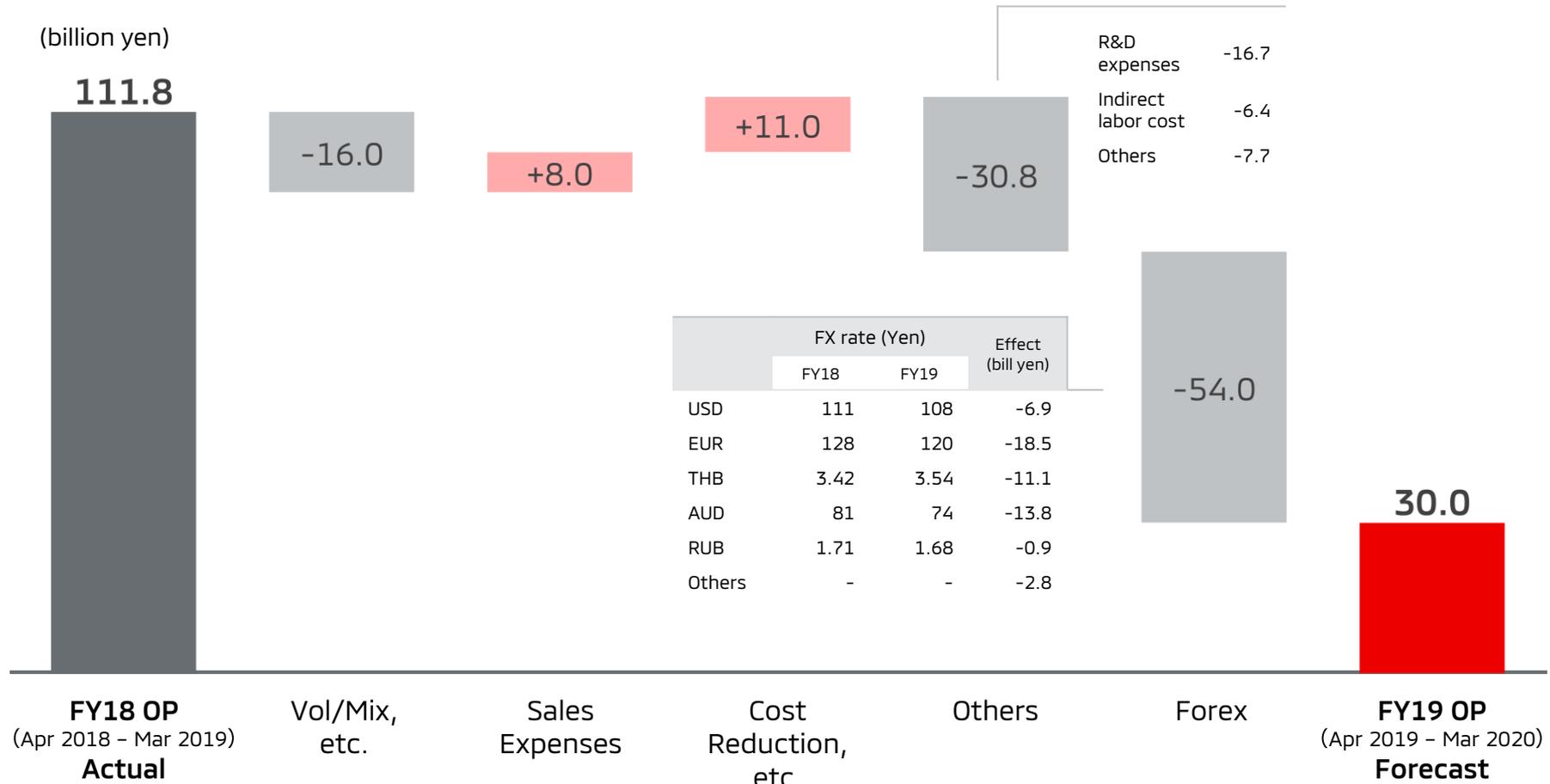
\*Include one-time factors such as repurchase of SLB assets

# 3Q YTD/FY2019 Regional Performance (vs. 3Q YTD/FY2018)



(billion yen)	Net Sales			Operating Profit		
	3Q YTD/FY18 (Apr-Dec 2018)	3Q YTD/FY19 (Apr-Dec 2019)	Variance	3Q YTD/FY18 (Apr-Dec 2018)	3Q YTD/FY19 (Apr-Dec 2019)	Variance
<b>Total</b>	1,794.1	<b>1,666.9</b>	-127.2	85.0	<b>3.6</b>	-81.4
- Japan	299.5	<b>332.5</b>	+33.0	-1.8	<b>-15.1</b>	-13.3
- ASEAN	400.3	<b>444.8</b>	+44.5	47.6	<b>48.2</b>	+0.6
- China, others	79.7	<b>35.3</b>	-44.4	11.3	<b>-0.8</b>	-12.1
- North America	264.1	<b>214.3</b>	-49.8	-1.0	<b>-14.2</b>	-13.2
- Europe	368.4	<b>347.7</b>	-20.7	-0.5	<b>-14.3</b>	-13.8
- Others	382.1	<b>292.3</b>	-89.8	29.4	<b>-0.2</b>	-29.6

# FY2019 Full-Year Forecast: OP Variance (vs. FY2018)



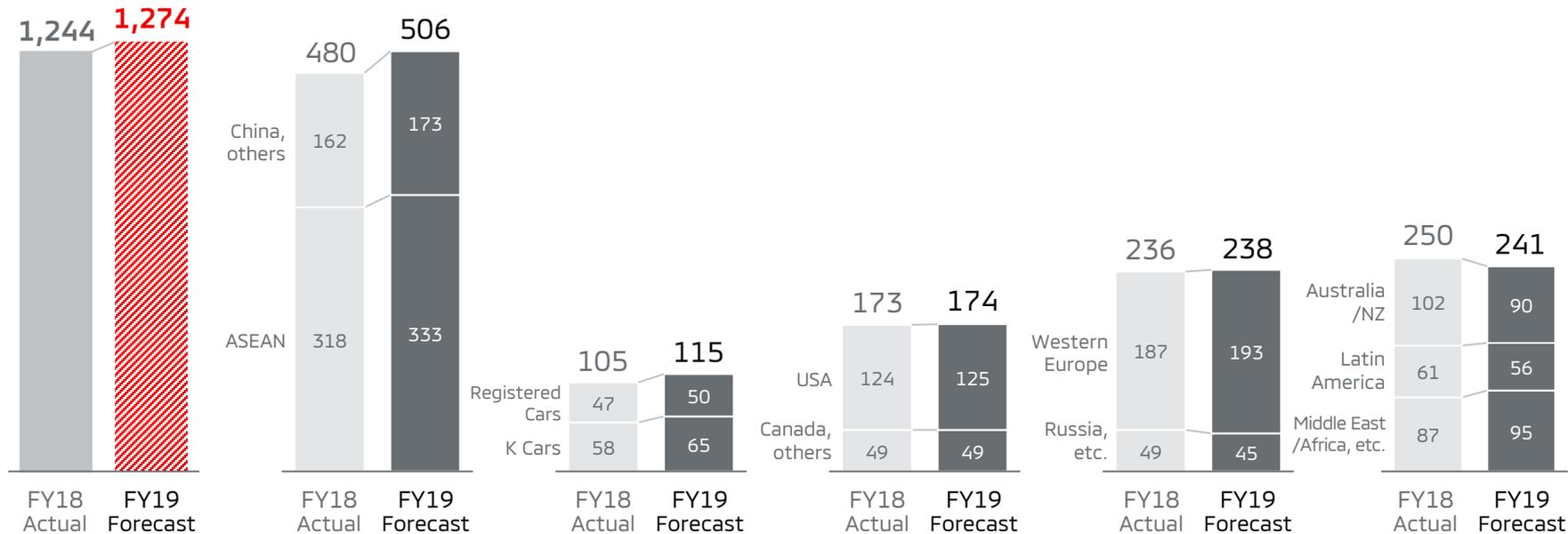
# FY2019 Regional Sales Forecast (vs. FY2018)



(billion yen)	FY18 Actual (Apr 2018 – Mar 2019)	FY19 Forecast (Apr 2019 – Mar 2020)	Variance
Total	2,514.6	<b>2,450.0</b>	-64.6
- Japan	428.7	<b>530.0</b>	+101.3
- North America	387.8	<b>340.0</b>	-47.8
- Europe	514.1	<b>470.0</b>	-44.1
- Asia	663.9	<b>650.0</b>	-13.9
- Others	520.1	<b>460.0</b>	-60.1

# FY2019 Retail Sales Forecast (vs. FY2018)

(000 units)



Total	Asia	Japan	North America	Europe	Others
<b>+30</b> (+2%)	<b>+26</b> (+5%)	<b>+10</b> (+10%)	<b>+1</b> (+1%)	<b>+2</b> (+1%)	<b>-9</b> (-4%)

# FY2019 Capital Expenditure, Depreciation and R&D Expense Forecasts



## CAPEX\*

¥115.0 bn

-16% (YoY)

## R&D Expense

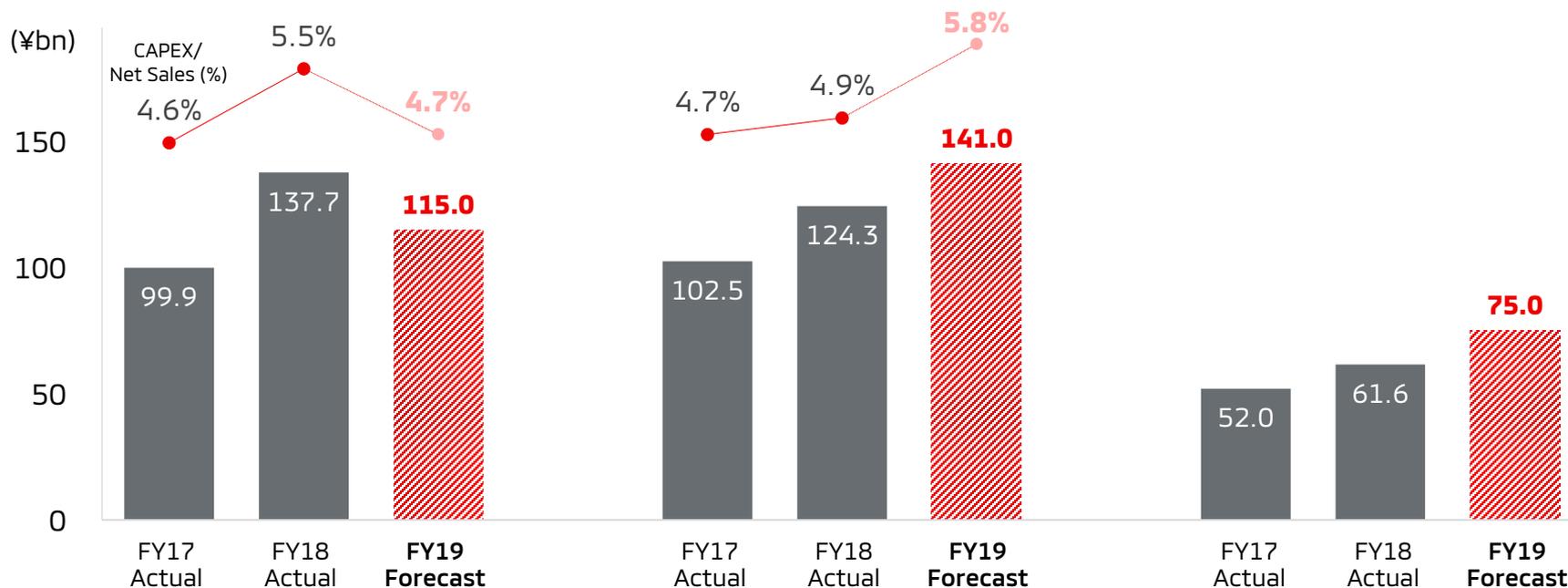
¥141.0 bn

+13% (YoY)

## Depreciation

¥75.0 bn

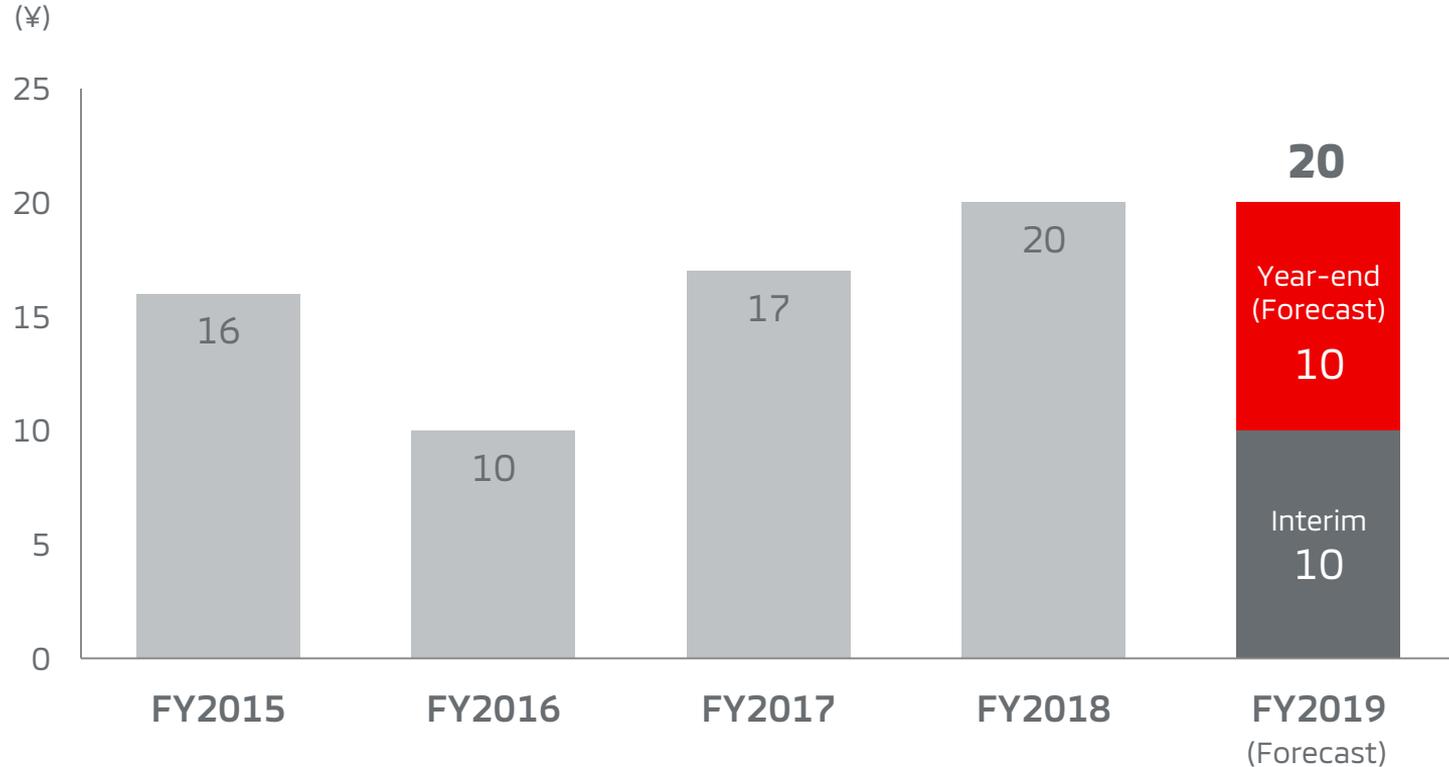
+22% (YoY)



\*Include one-time factors such as repurchase of SLB assets

# Shareholder Returns Forecast

Dividend per share: ¥20 (Forecast)



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