



**MITSUBISHI
MOTORS**

**FY2020
Second-Quarter
Financial Results**

November 4, 2020

1. 1H/FY2020 Financial Results

2. FY2020 Financial Forecast

3. Sales by Region

4. Progress of Structural Reforms

1H/FY2020 Financial Results Summary (vs. 1H/FY2019)

(Billion yen, 000 units)	First-Half (APR-SEP)			Quarterly	
	FY2019	FY2020	Variance	1Q	2Q
Net Sales	1,128.0	574.9	-553.1	229.5	345.4
Operating Profit (OP Margin)	10.2 (0.9%)	-82.6	-92.8	-53.3	-29.3
Ordinary Profit	1.2	-87.0	-88.2	-58.7	-28.3
Net Income*	2.6	-209.9	-212.5	-176.2	-33.7
Sales Volume (Retail)	592	351	-241	139	212

* Net income attributable to owners of the parent

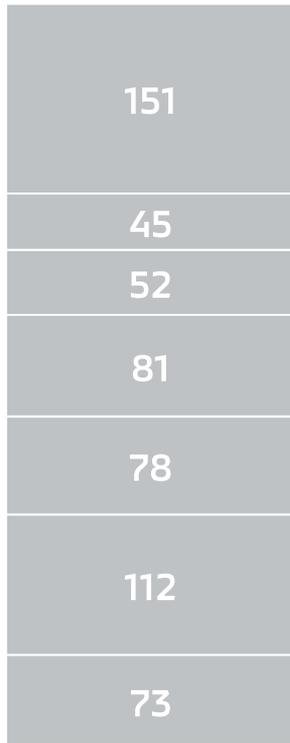
1H/FY2020 Operating Profit Variance (vs. 1H/FY2019)



1H/FY2020 Sales Volume Results (vs. 1H/FY2019)

Retail sales
(000 units)

592



1H/FY2019
(APR-SEP 2019)

351



1H/FY2020
(APR-SEP 2020)

Region	Sales Volume Change (000 units)	% Change
GLOBAL	-241	(-41%)
ASEAN	-80	(-53%)
Australia/NZ	-15	(-33%)
Japan	-25	(-48%)
China, others	-31	(-38%)
North America	-27	(-35%)
Europe	-37	(-33%)
Latin America, Middle East/Africa, etc.	-26	(-36%)

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.

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FY2020 Financial and Dividend Forecast

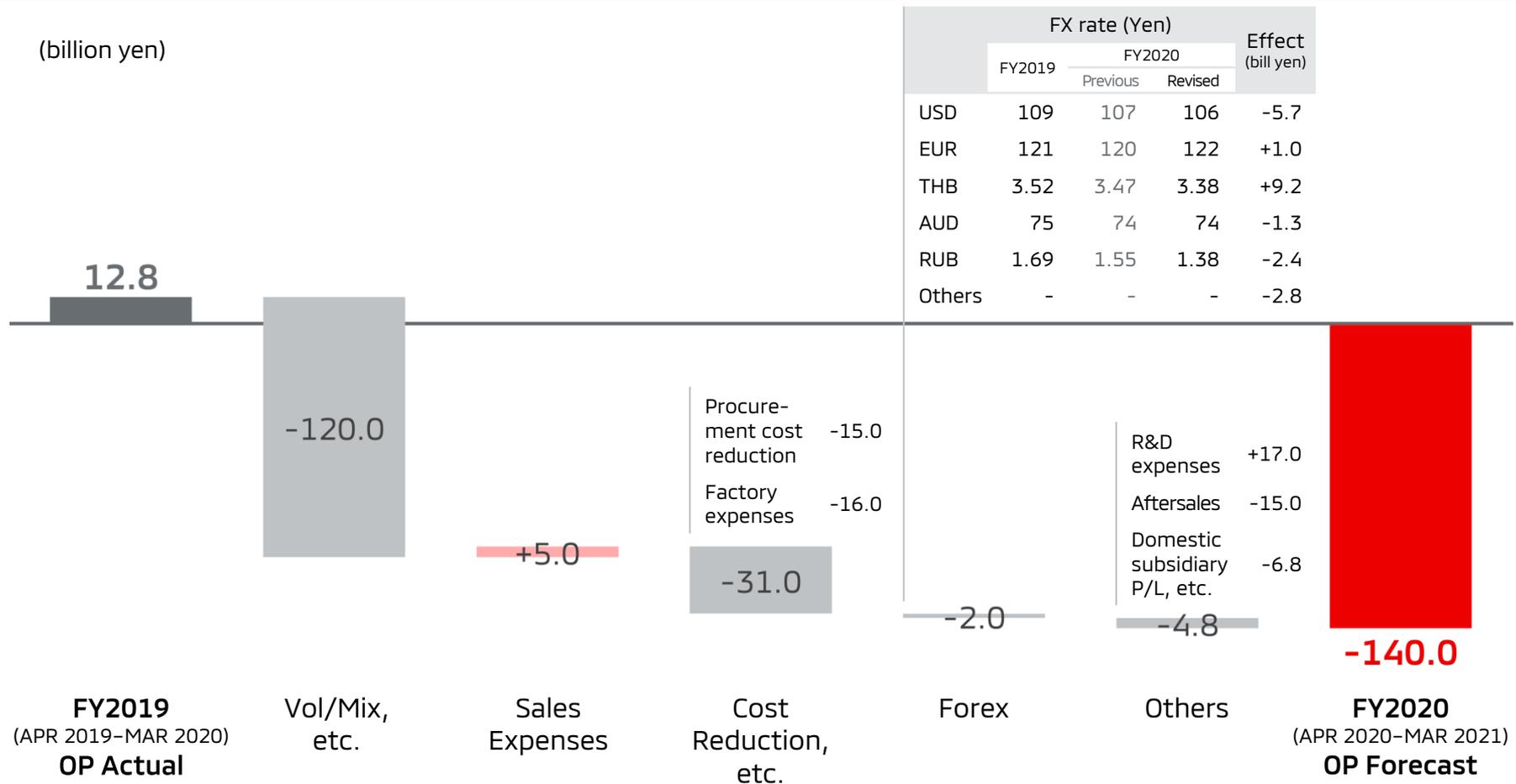


(Billion yen, 000 units)	FY2019 (APR 2019 - MAR 2020)	FY2020 (APR 2020 - MAR 2021)	Variance	
			Amount	Ratio
Net Sales	2,270.3	1,480.0	-790.3	-35%
Operating Profit (OP Margin)	12.8 (0.6%)	-140.0	-152.8	-
Ordinary Profit	-3.8	-160.0	-156.2	-
Net Income*	-25.8	-360.0	-334.2	-
Dividend per Share (¥)	¥10	¥0		
Sales Volume (Retail)	1,127	824	-303	-27%

* Net income attributable to owners of the parent

FY2020 Operating Profit Variance Forecast (vs. FY2019)

(billion yen)



1. 1H/FY2020 Financial Results

2. FY2020 Financial Forecast

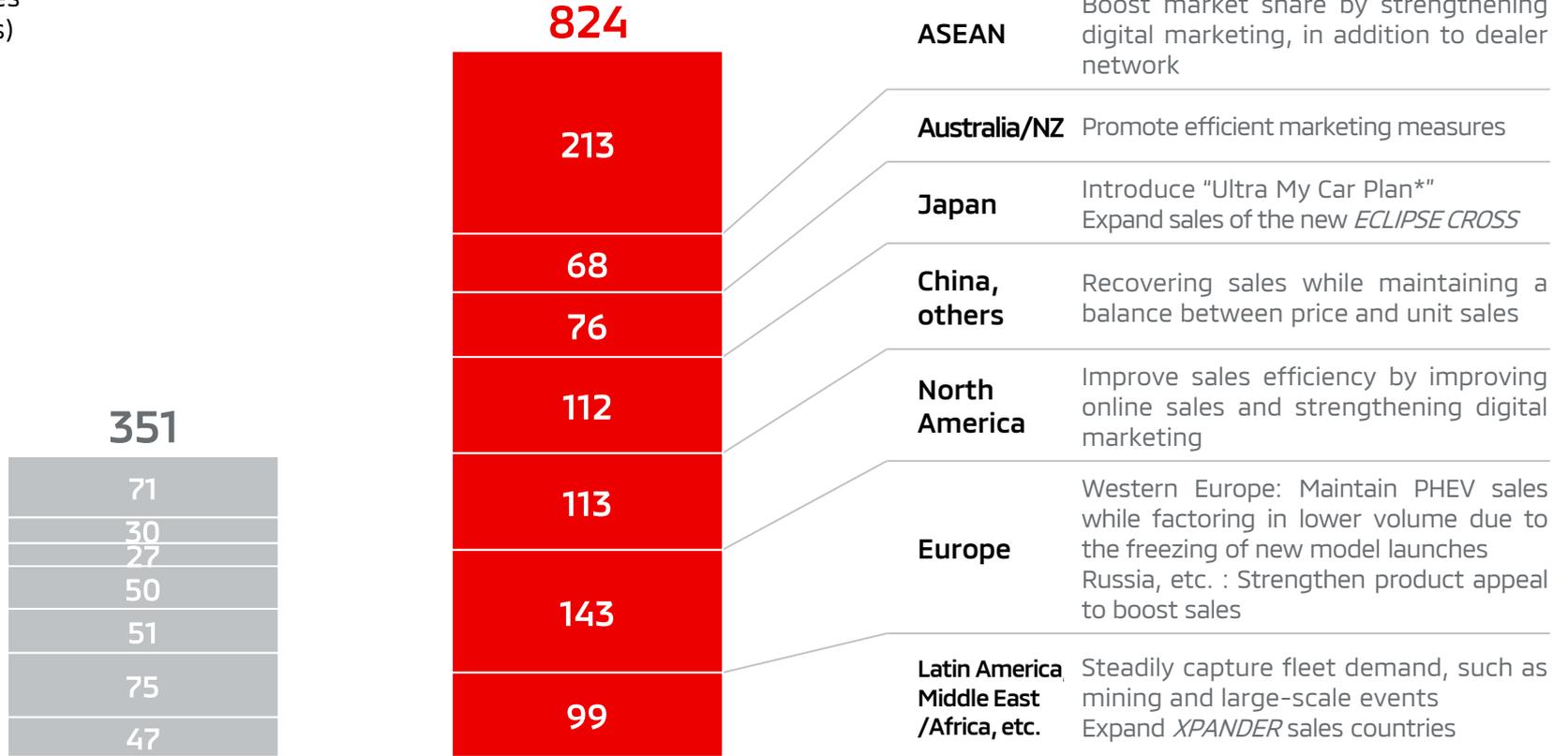
3. Sales by Region

4. Progress of Structural Reforms

Sales by Region



Retail sales
(000 units)



1H/FY2020
(APR-SEP 2020)

FY2020
(APR 2020-MAR 2021)

*Fixed-amount services including automatic automobile insurance ancillary, statutory safety inspections, maintenance, and various taxes

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Progress of Structural Reforms

Initiative items	Implementation status	Evaluation
Indirect labor cost - Headcount rationalization (reallocation, restraint on new hiring and voluntary retirement plan) Compensation system review: -15% reduction	<ul style="list-style-type: none"> ■ Headcount rationalization (reallocation, restraint on new hiring and voluntary retirement plan) Compensation system revision 	<p style="text-align: center;">On track</p>
Marketing expenses - Strategic review - Cost effectiveness improvement	<ul style="list-style-type: none"> ■ Restraining non-core regions in line with "selection and concentration" ■ Allocation in line with core regions and sales expansion schedules 	<p style="text-align: center;">On track</p>
Depreciation - Investment optimization - Impairment loss recognition based on the future plan	<ul style="list-style-type: none"> ■ Impairment of fixed assets 	<p style="text-align: center;">On track</p>
R&D cost - Total cost reduction through selection and concentration - Freezing of the introduction of new products in Europe	<ul style="list-style-type: none"> ■ Reductions associated with product and regional strategies ■ Freezing of the development of new products in Europe 	<p style="text-align: center;">On track</p>
Restructuring of production bases - Integration of production lines: Pajero Mfg. ceasing	<ul style="list-style-type: none"> ■ Suspension of production of Pajero Mfg. ■ Consolidation and closure of production lines 	<p style="text-align: center;">On track</p>
General and administrative expenses - Restraining costs according to the state of business restructuring - Reducing office space through work style reforms	<ul style="list-style-type: none"> ■ Reduction of expenses, such as travel expenses and outsourcing expenses ■ Consolidation of subsidiary and other offices into head office building 	<p style="text-align: center;">Over achievement</p>

Progress ahead of initial plan



New *ECLIPSE CROSS*

Adding PHEV model: twin-motor 4WD system allowing for the quick, silent, yet powerful acceleration unique to electric vehicles



OUTLANDER PHEV

Starting production in Thailand: this December
Expanding deployment in ASEAN region

Promote electrification centered on PHEV based on "Environmental Targets 2030"



**MITSUBISHI
MOTORS**

Drive your Ambition

APPENDIX

1H/FY2020 Balance Sheet and Free Cash Flow (vs. FY2019, 1H/FY2019)



(billion yen)	FY2019 (As end of MAR 2020)	FY2020 1H (As end of SEP 2020)	Variance
Total Assets	1,938.1	1,732.3	-205.8
Cash & Deposits	399.6	487.7	+88.1
Total Liabilities	1,149.7	1,153.3	+3.6
Interest Bearing Debt*	299.4	562.7	+263.3
Total Net Assets	788.4	579.0	-209.4
Shareholders' Equity (Equity Ratio)	772.7 (39.9%)	564.5 (32.6%)	-208.2
Net Cash 【Automobiles & Eliminations】	378.4	192.3	-186.1
(billion yen)	FY2019 1H (APR-SEP 2019)	FY2020 1H (APR-SEP 2020)	Variance
Free Cash Flow 【Automobiles & Eliminations】	-67.7	-203.0	-135.3

*Include Lease Obligations

1H/FY2020 Capital Expenditure, R&D Expense and Depreciation



CAPEX

¥25.5 bn

-39% (YoY)

R&D Expense

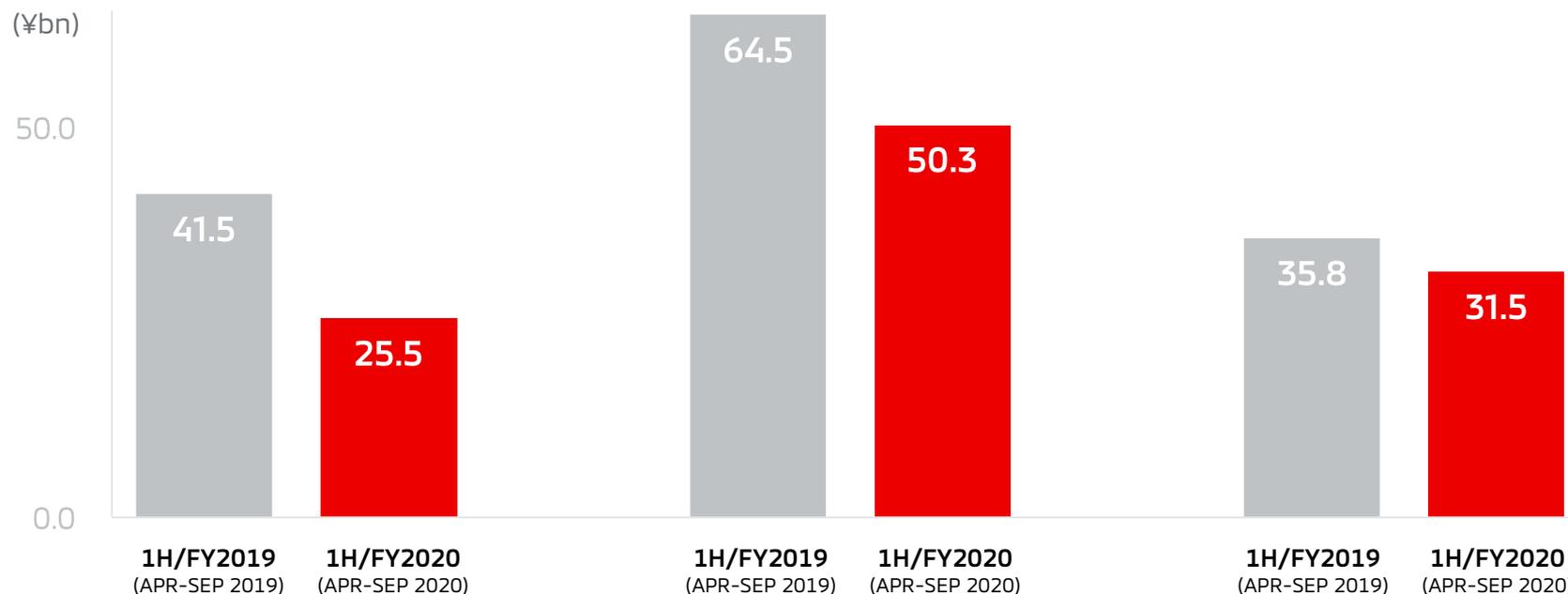
¥50.3 bn

-22% (YoY)

Depreciation

¥31.5 bn

-12% (YoY)

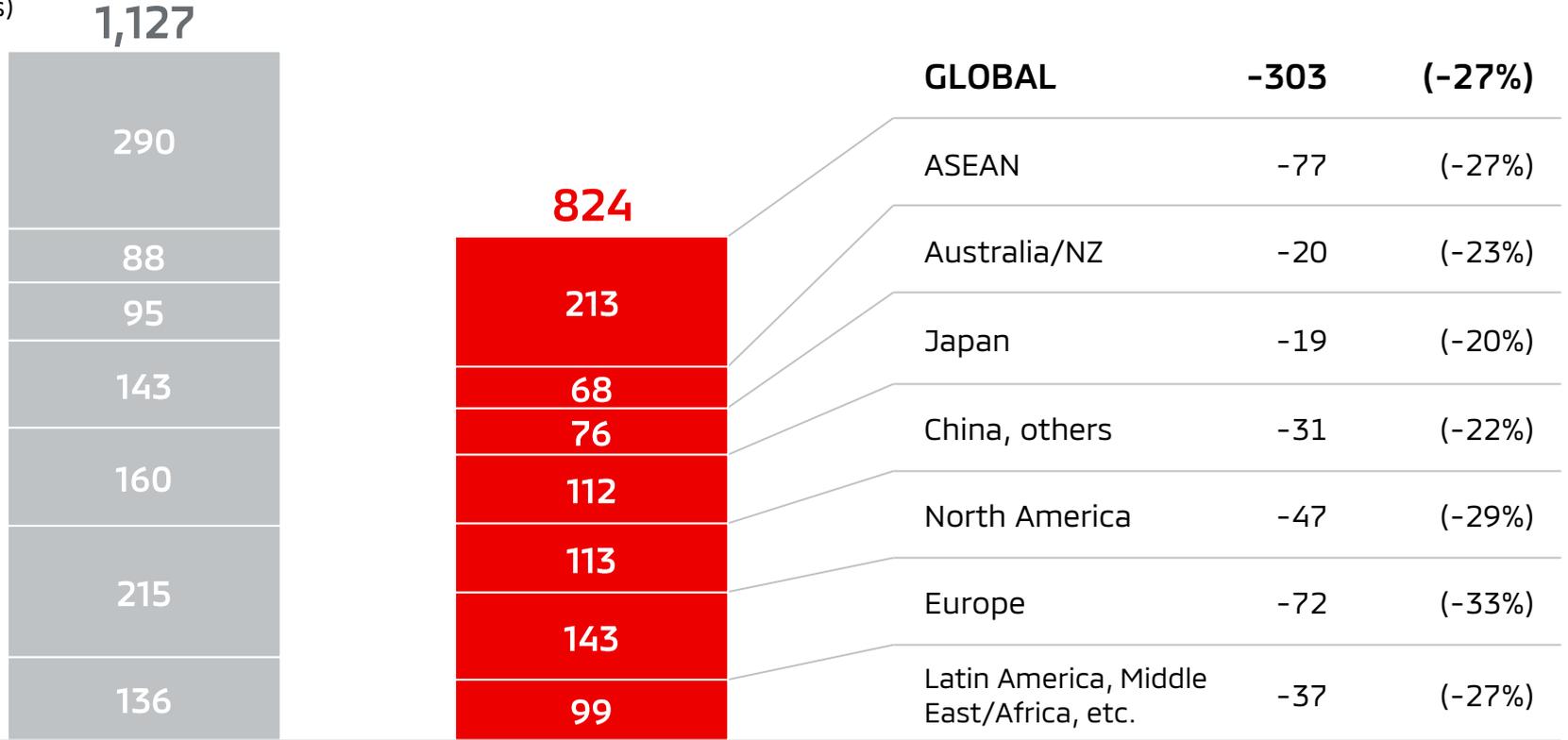


1H/FY2020 Regional Performance (vs. 1H/FY2019)

(billion yen)	Net Sales			Operating Profit		
	1H/FY2019 (APR-SEP 2019)	1H/FY2020 (APR-SEP 2020)	Variance	1H/FY2019 (APR-SEP 2019)	1H/FY2020 (APR-SEP 2020)	Variance
GLOBAL	1,128.0	574.9	-553.1	10.2	-82.6	-92.8
- Japan	234.1	179.8	-54.3	-3.7	-22.8	-19.1
- ASEAN	295.6	111.3	-184.3	27.5	-2.9	-30.4
- China, others	27.4	9.8	-17.6	-0.6	-3.3	-2.7
- North America	143.4	65.7	-77.7	-9.3	-15.0	-5.7
- Europe	233.7	80.5	-153.2	-7.9	-15.5	-7.6
- Australia /NZ	90.7	68.4	-22.3	2.3	-11.5	-13.8
- Others	103.1	59.4	-43.7	1.9	-11.6	-13.5

FY2020 Sales Volume Forecast (vs. FY2019)

Retail sales
(000 units)



FY2019
(APR 2019-MAR 2020)

FY2020
(APR 2020-MAR 2021)

FY2020 Regional Sales Forecast (vs. FY2019)



(billion yen)	FY2019 (APR 2019 - MAR 2020)	FY2020 (APR 2020 - MAR 2021)	Variance
GLOBAL	2,270.3	1,480.0	-790.3
- Japan	460.5	416.0	-44.5
- ASEAN	551.9	370.0	-181.9
- China, others	41.7	17.0	-24.7
- North America	315.1	205.0	-110.1
- Europe	474.7	169.0	-305.7
- Australia/NZ	176.8	165.0	-11.8
- Others	249.6	138.0	-111.6

FY2020 Capital Expenditure, R&D Expense and Depreciation Forecast



CAPEX

¥100.0 bn

-4% (YoY)

R&D Expense

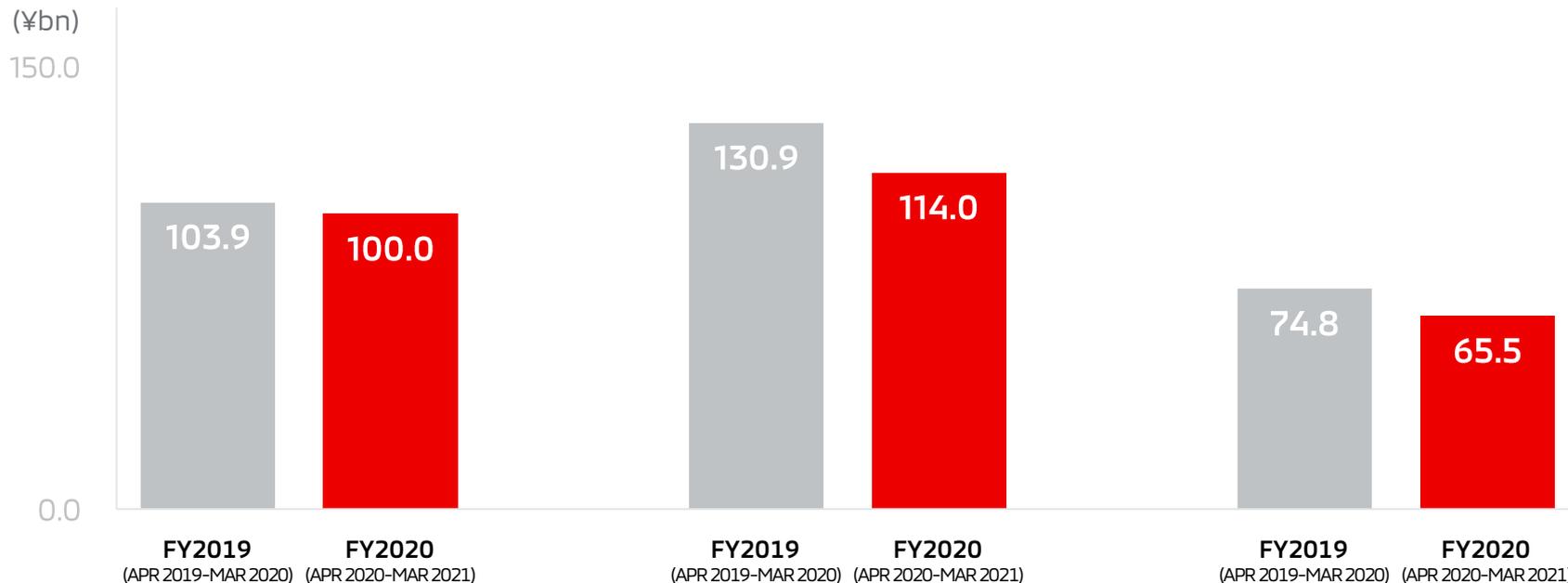
¥114.0 bn

-13% (YoY)

Depreciation

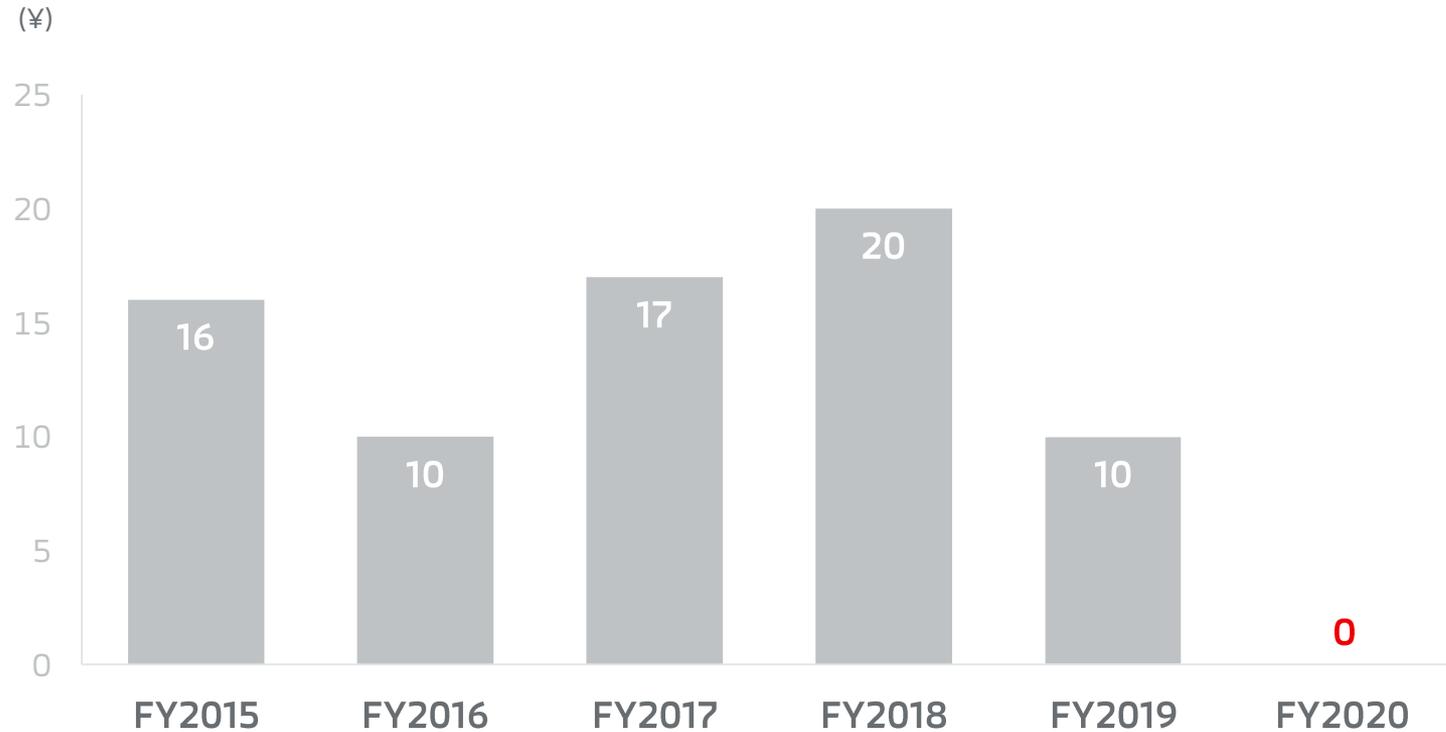
¥65.5 bn

-12% (YoY)



FY2020 Shareholder Returns

Dividend per share: ¥0



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