



FY2023
Third-Quarter
Financial Result
February 1, 2024

1. 3Q YTD/FY2023 Financial Results

2. FY2023 Financial Forecast

3. Business Highlights

3Q YTD/FY2023 Financial Results Summary (vs. 3Q YTD/FY2022)



(Billion yen, 000 units)	3Q YTD (APR-DEC)				Quarterly		
	FY2022	FY2023	Variance		1Q	2Q	3Q
			Amount	Ratio			
Net Sales	1,805.3	2,063.9	+258.6	+14%	635.8	695.0	733.1
Operating Profit (OP Margin)	153.7 (8.5%)	160.1 (7.8%)	+6.4 (-0.7pp)	+4%	45.2 (7.1%)	59.0 (8.5%)	55.9 (7.6%)
Ordinary Profit	154.7	166.0	+11.3	+7%	61.8	59.1	45.1
Net Income*	130.8	102.8	-28.0	-21%	47.9	19.6	35.3
Sales Volume (Retail)	630	585	-45	-7%	195	194	196

* Net income attributable to owners of the parent

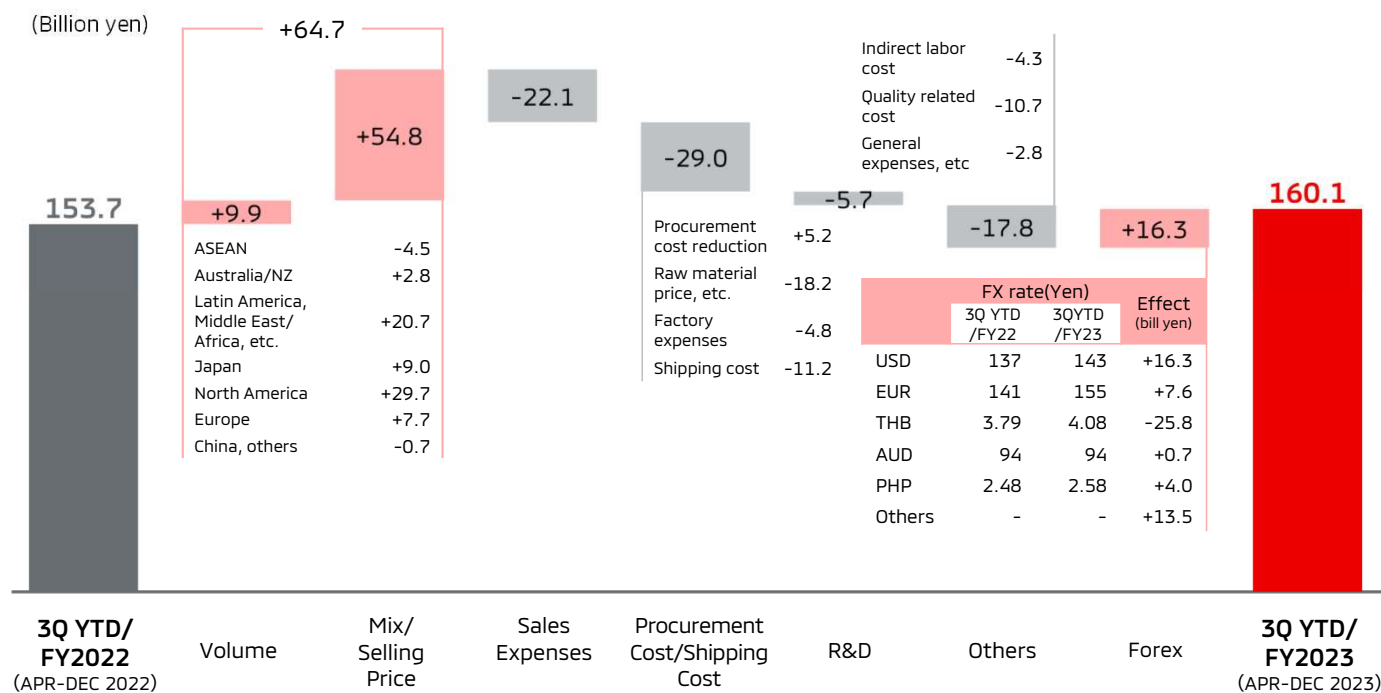
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In the third quarter of fiscal 2023, although vehicle supply shortages due to semiconductors and vessels shortages were resolved, demand in some regions remained below expectations. In this business environment, we achieved solid results by improving the quality of sales and promoting "net revenue strategy."

Net sales increased 14% YoY to ¥2063.9 billion. Operating profit increased 4% YoY to ¥160.1 billion and OP margin was 7.8%, mainly due to sustained price improvements. Ordinary profit was ¥166.0 billion and net income was ¥102.8 billion mainly due to the recording of restructuring charges in China in the 2Q.

Retail sales volume decreased 7% YoY to 585,000 units, due to tight logistics and stagnant aggregate demand.

3Q YTD/FY2023 Operating Profit Variance (vs. 3Q YTD/FY2022)



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Volume and Mix/Selling price improved by ¥64.7 billion YoY. Same as 1H/FY23, volume grew in North America and the "Leveraged Regions" Latin America and the Middle East/Africa, resulting in a ¥9.9 billion increase in operating profit. Mix/Selling price also contributed to a ¥54.8 billion increase in profit.

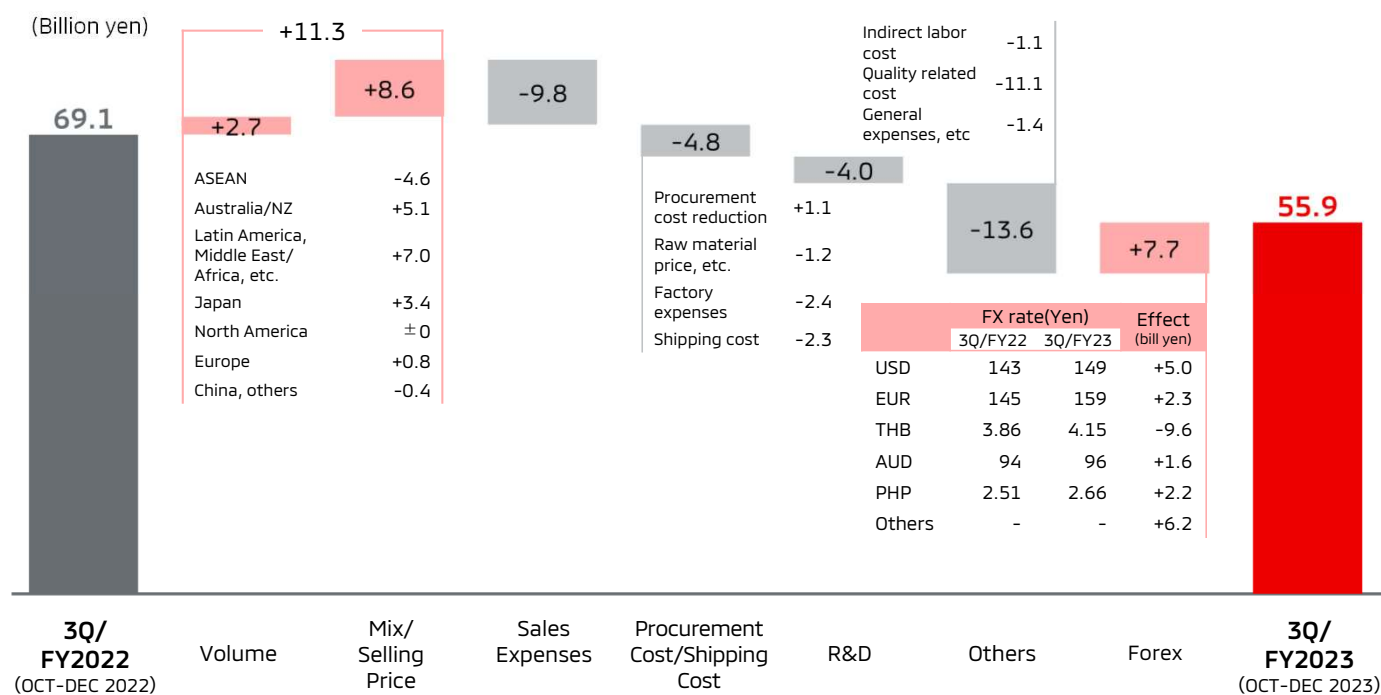
Sales expenses reduced operating profit by ¥22.1 billion yen YoY owing to an increase in incentives under normalization of the competitive sales environment in each country, as well as an increase in advertising expenses in line with plans.

Within Procurement Cost/Shipping Cost, rising raw material prices due to inflation and other factors, although it is on an improving trend, were partially absorbed by procurement cost reduction activities. Shipping costs and factory expenses also deteriorated, resulting in a total deterioration of ¥29.0 billion.

R&D expenses increased as planned, resulting in a ¥5.7 billion decrease in profit, and other items deteriorated by ¥17.8 billion, mainly due to an increase in expenses such as indirect labor costs and general expenses.

The negative impact of the cost currency THB was offset by the USD and other currencies, resulting in a favorable effect of ¥16.3 billion YoY.

3Q/FY2023 Operating Profit Variance (vs. 3Q/FY2022)



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Volume, Mix/Selling Price improved by ¥11.3 billion YoY. Of this, Mix/Selling Price increased by ¥8.6 billion due to the promotion of "Net Revenue Strategy," while volume contributed to an increase of ¥2.7 billion in operating profit, as a result of Middle East and Africa offsetting the downturn in the ASEAN, etc.

Sales expenses deteriorated by ¥9.8 billion due to an increase in incentives with the normalization of the competitive sales environment and an increase in advertising expenses.

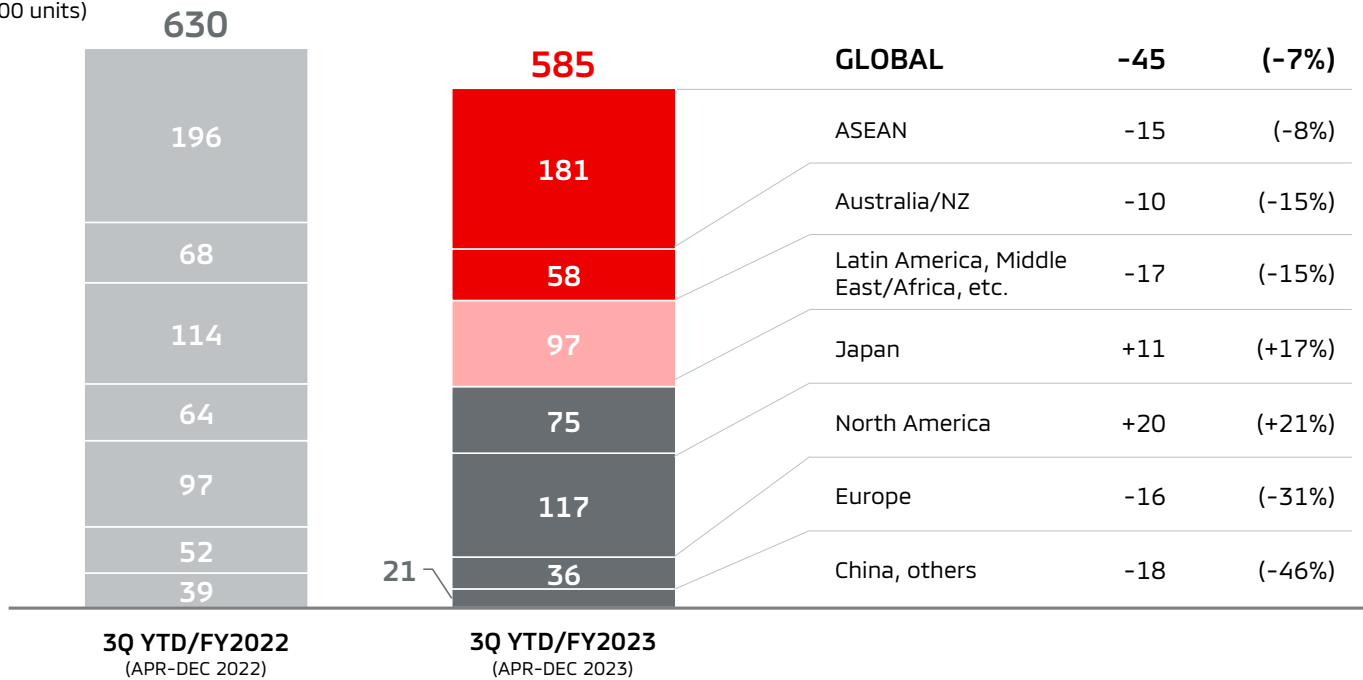
Procurement Cost/Shipping Cost worsened by ¥4.8 billion in total, mainly due to deterioration in factory expenses impacted by inflation and an increase in special vessel allocation costs.

R&D expenses increased as planned and, as a result, reduced operating profit by ¥4 billion YoY, while Others worsened by ¥13.6 billion, mainly due to the recording of quality-related costs.

Regarding foreign exchange, the negative impact of the appreciation of THB was reversed by USD and EUR and other currencies, resulting in an increase in profit of ¥7.7 billion.

3Q YTD/FY2023 Sales Volume Results (vs. 3Q YTD/FY2022)

Retail sales
(000 units)



Overall, same as 1H/FY23, global sales volume decreased 7% YoY to 585,000 units, decreasing YoY in all regions except Japan and North America mainly impacted from the delays in vehicle deliveries due to insufficient capacity for inland transportation in certain regions and sluggish aggregate demand.

Regional status in 3Q/FY2023

ASEAN			
Sales Volume / Market Share <small>According to research</small>			
	3Q YTD/FY2022		3Q YTD/FY2023
ASEAN	196k units	→	181k units
Thailand	36k units (5.9%)	→	22k units (3.7%)
Indonesia	67k units (8.6%)	→	58k units (8.0%)
Philippines	43k units (15.5%)	→	61k units (18.4%)
Vietnam	31k units (10.4%)	→	24k units (10.2%)
Malaysia	18k units (3.2%)	→	16k units (2.6%)



- Strong performance in the Philippines underpinned the TIV decrease due to inflation, high interest rates, etc.
- Outside of the Philippines, market share could not be secured due to sluggish TIV and intensifying price competition
- Implemented sales promotions for old models in preparation for the gradual launch of new models in each country
- ➔ Strengthen and improve Sales & Marketing, sales network, etc. to accelerate product lineup expansion

Overall demand in ASEAN countries remained below expectations due to inflation, high interest rates, and the tightened automobile loan screening. Price competition has also intensified.

In such an environment, the Philippines grew significantly on the back of increasing remittances from overseas workers, declining unemployment in the country, and expansion of sales finance.

As shown in the slide, our retail sales volume decreased 8% YoY to 180,000 units in the ASEAN region, as growth in the Philippines was offset by declines in Thailand, Indonesia, and other countries.

In Thailand, where we launched the new "Triton", we were severely impacted by the stricter automobile loan screening system, especially in the pickup segment which resulted in a 40% YoY decline in TIV. As a result, we struggled with both the number of units and the market share. Going forward, we will consider this as an opportunity to increase sales, by sequentially launching products, including the HEV model of the "Xpander" and the highest grade model of the "Triton", which should be less affected by the tightening of loan screening.

Similarly, in Indonesia, TIV has fallen below the previous year's level for seven consecutive months, particularly in the second half of the year, due to ongoing inflation and the impact of the presidential election. Amid intensifying price-cutting competition among automakers, "Xforce" which began full-scale delivery at the end of 2023, will continue to appeal its value while strengthening sales promotion activities centered on event marketing.

Regional status in 3Q/FY2023

JAPAN

Sales Volume / Market Share

According to research

	3Q YTD/FY2022		3Q YTD/FY2023
Japan	64k units	→	75k units
Registered car	34k units (2.2%)	→	32k units (1.7%)
Kei car	30k units (2.5%)	→	43k units (3.5%)



- Automotive market has grown YoY for 16 consecutive months and continues to recover, even though it did not reach the level prior to the COVID-19 pandemic
 - Orders for Delica Mini remained strong. Supply shortages have generally recovered
 - Launch of the all-new Triton, the 6th generation full model change after 9 years (from February 15th)
- Strengthen products, sales, and systems for the overall shift from price appeal to value appeal

Although the total demand for automobiles in Japan has not reached the pre-Covid19 level, it has exceeded the previous year's level consecutively since September 2022. Progress was made in resolving the problem of vehicle supply shortages caused by the semiconductor shortage. We also recorded a significant YoY increase as a result of our efforts to eliminate our order backlogs.

"Delica Mini," which has made a strong start, has maintained strong sales momentum even after it has been fully launched in the market. By finally adding to our product lineup the new Triton, is a model symbolizing the "Mitsubishi Motors-ness", we will effectively improve our corporate structure and build a foundation to shift to value appeal.

Regional status in 3Q/FY2023



North America

Sales Volume

	3Q YTD/FY2022		3Q YTD/FY2023
North America	97k units	→	117k units
out of the above <i>OUTLANDER</i> (Gasoline · PHEV)	38.8k units	→	56.8k units



- Continued improvement in TIV due to improved vehicle supply and increased fleet demand
- Maintained sales momentum while focusing on improving sales quality and customer satisfaction
- Market competition is intensifying due to heightened risks of economic downturn, etc.
Monitor the competition and implement a flexible sales strategy

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TIV in the North American region is driven by robust retail sales and an increase in fleet demand.

Similarly, we achieved YoY growth by improving inventory levels and maintaining sales momentum for our core Outlander series. In particular, the new Outlander PHEV model, which was fully launched in November 2022, significantly exceeded the previous year's results.

Production has generally normalized due to improvements in the supply of semiconductors and other parts. As a result, the competitive environment has been normalizing, and the increase in incentives by each company has become apparent. We will also focus on improving the quality of sales and customer satisfaction, while closely monitoring the trends of each company, and ensure a shift to sales that does not rely on incentives to achieve sustainable results.

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FY2023 Financial Forecast (vs. FY2022)



(Billion yen, k units)	FY2022 (APR 2022 - MAR 2023)	FY2023 Forecast (APR 2023 - MAR 2024)	Variance	
			Amount	Ratio
Net Sales	2,458.1	2,850.0	+391.9	+16%
Operating Profit (OP Margin)	190.5 (7.7%)	200.0 (7.0%)	+9.5 (-0.7pp)	+5%
Ordinary Profit	182.0	210.0	+28.0	+15%
Net Income*	168.7	140.0	-28.7	-17%
Sales Volume (Retail)	834	868	+34	+4%

* Net income attributable to owners of the parent

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Looking back through 3Q/FY23, it appears that we have overcome Covid-19 and emerged from the components shortage issue including semiconductors. As a result, the sales competition environment appears to be moving toward normalization. In addition, weakness in aggregate demand in the mainstay ASEAN and other regions has exceeded expectations, and there is a heightened risk that this situation will become protracted. Our operating environment is becoming increasingly challenging. On the other hand, we recognize that sustained improvements in selling prices underpinned our earnings and secured a certain level of margin from foreign exchange.

In light of this macroeconomic environment and the state of competition, we have decided to maintain the profit forecast announced together with the 1H/FY23 results. Although the business environment remains uncertain, the entire company will make concerted efforts to achieve our forecast.

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Deployments of Strategic Vehicles in ASEAN



TRITON

Philippines: January 2024
Japan: February 2024
Australia/NZ: February 2024



XFORCE

Vietnam: March 2024
Philippines: in 2024
Latin America, Middle East/
Africa, etc.: in 2024



XPANDER HEV

Thailand: February 2024

Promote global deployment of ASEAN strategic vehicles

In "Challenge 2025", our mid-term plan, we have set the goal of rolling out 12 new models, including seven electricified vehicles, in growth-driver and leveraged regions over the next five years.

From 2023 to 2024, we plan to roll out the Triton, Xforce and Xpander HEV in the ASEAN region and globally, as shown in the slide.

Delica Mini Wins 2023-2024 Japan Car of the Year Design Award



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Last December, our Delica Mini won the Design Car of the Year Award at Japan Car of the Year 2023-2024, which selects cars with outstanding interior and exterior designs. This is the first time for our company to receive this award.

In recent years, our aggressive front mask has been the Brand Language, and our adoption of lovely facial expressions has been highly regarded. "Delica Mini" is loved by many customers and has achieved more than three times the sales volume of "eK X Space."

Going forward, we will continue to provide attractive Mitsubishi vehicles that are Eco-friendly and provide Safety Technology, Peace of Mind and Comfort under any weather or road surface conditions.

Began Production of the New Minicab EV in Indonesia



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As announced in December last year, we started production of a new minicab EV (local name: L100EV), a light commercial electric vehicle, at Mitsubishi Motors Krama Yuda Indonesia (MMKI), a local production joint venture.

By starting the first overseas EV production, we hope to respond to the growing need for EV in the ASEAN region, while at the same time contributing to the environmental initiatives in Indonesia.

We plan to begin local sales in the 4Q/FY23.



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MOTORS**
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APPENDIX

3Q/FY2023 Balance Sheet (vs. FY2022)



(billion yen)	FY2022 (As end of MAR 2023)	3Q/FY2023 (As end of DEC 2023)	Variance
Total Assets	2,201.5	2,343.6	+142.1
Cash & Deposits	596.0	639.0	+43.0
Total Liabilities	1,371.1	1,396.2	+25.1
Interest-bearing Debt	428.3	478.3	+50.0
Total Net Assets	830.4	947.4	+117.0
Shareholders' Equity (Equity Ratio)	801.1 (36.4%)	917.2 (39.1%)	+116.1
Net Cash 【Automobiles & Eliminations】	407.1	419.2	+12.1

3Q YTD/FY2023 Capital Expenditure, R&D Expense and Depreciation



CAPEX

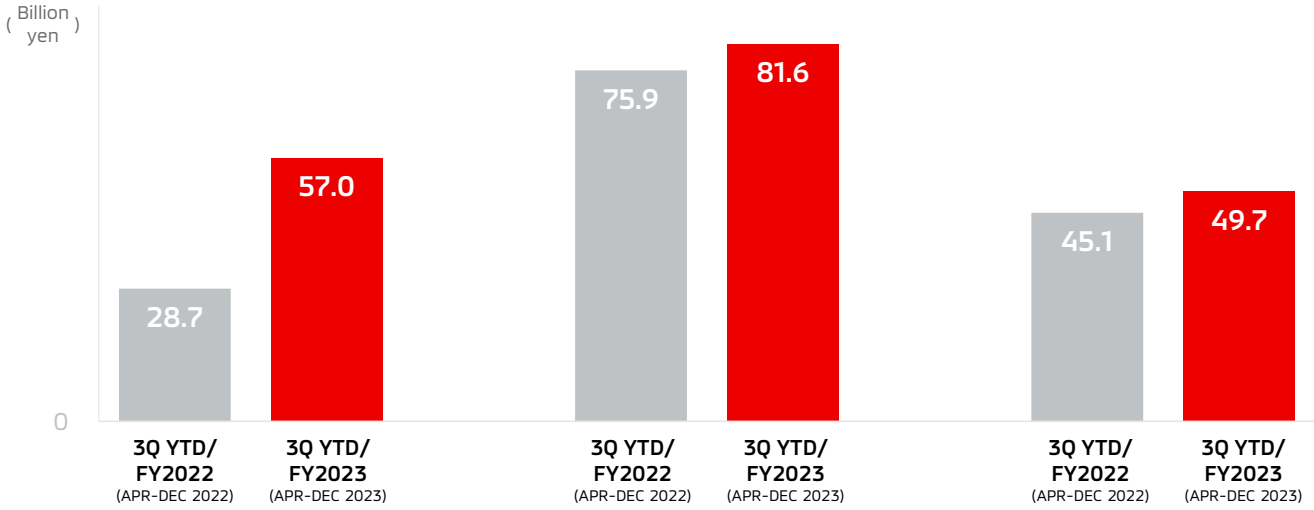
¥57.0bn
+99% (YoY)

R&D Expense

¥81.6bn
+8% (YoY)

Depreciation

¥49.7bn
+10% (YoY)



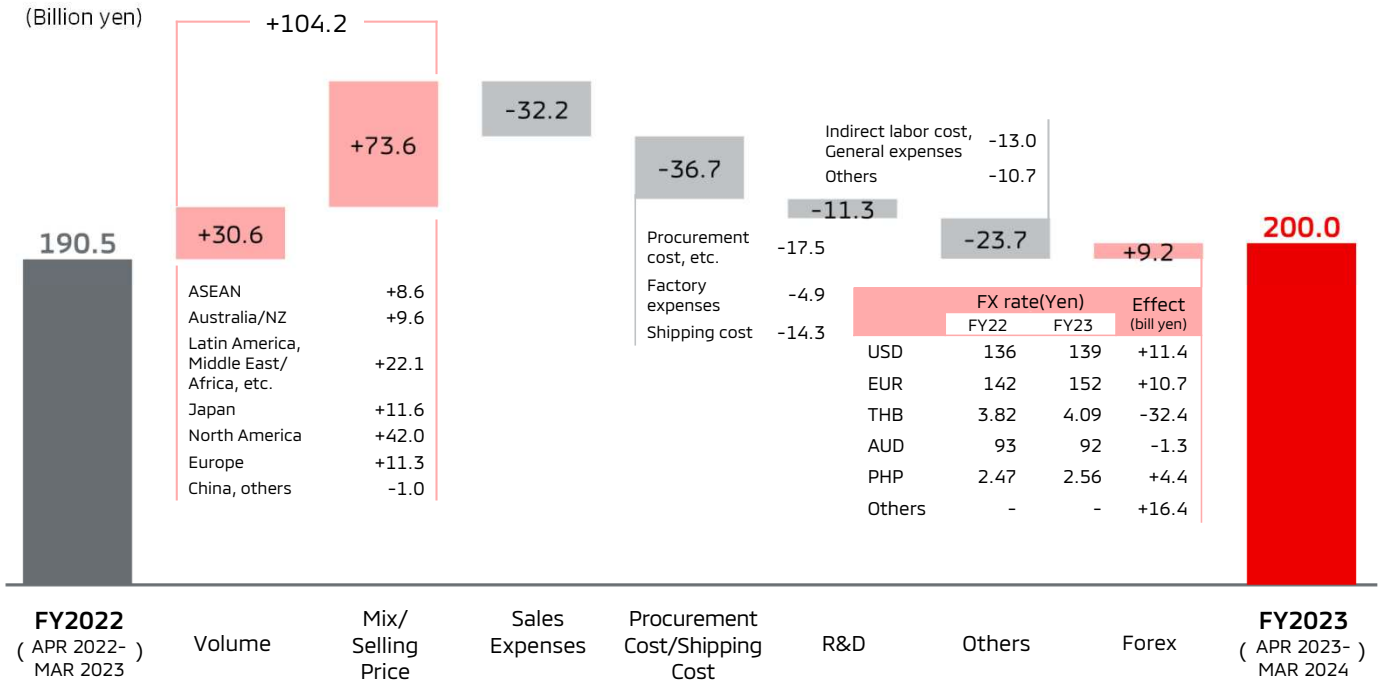
3Q YTD/FY2023 Regional Performance (vs. 3Q YTD/FY2022)



(Billion yen)	Net Sales			Operating Profit		
	3Q YTD /FY2022 (APR-DEC 2022)	3Q YTD /FY2023 (APR-DEC 2023)	Variance	3Q YTD /FY2022 (APR-DEC 2022)	3Q YTD /FY2023 (APR-DEC 2023)	Variance
GLOBAL	1,805.3	2,063.9	+258.6	153.7	160.1	+6.4
- ASEAN	435.4	395.8	-39.6	39.3	22.0	-17.3
- Australia/NZ	218.4	224.8	+6.4	31.8	17.9	-13.9
- Latin America, Middle East /Africa, etc.	253.0	307.5	+54.5	14.4	32.3	+17.9
- Japan	390.1	437.2	+47.1	-11.7	-8.8	+2.9
- North America	392.9	514.9	+122.0	73.2	86.4	+13.2
- Europe	106.7	179.6	+72.9	4.1	9.7	+5.6
- China, others	8.8	4.1	-4.7	2.6	0.6	-2.0

FY2023 Operating Profit Variance Forecast (vs. FY2022)

(Billion yen)



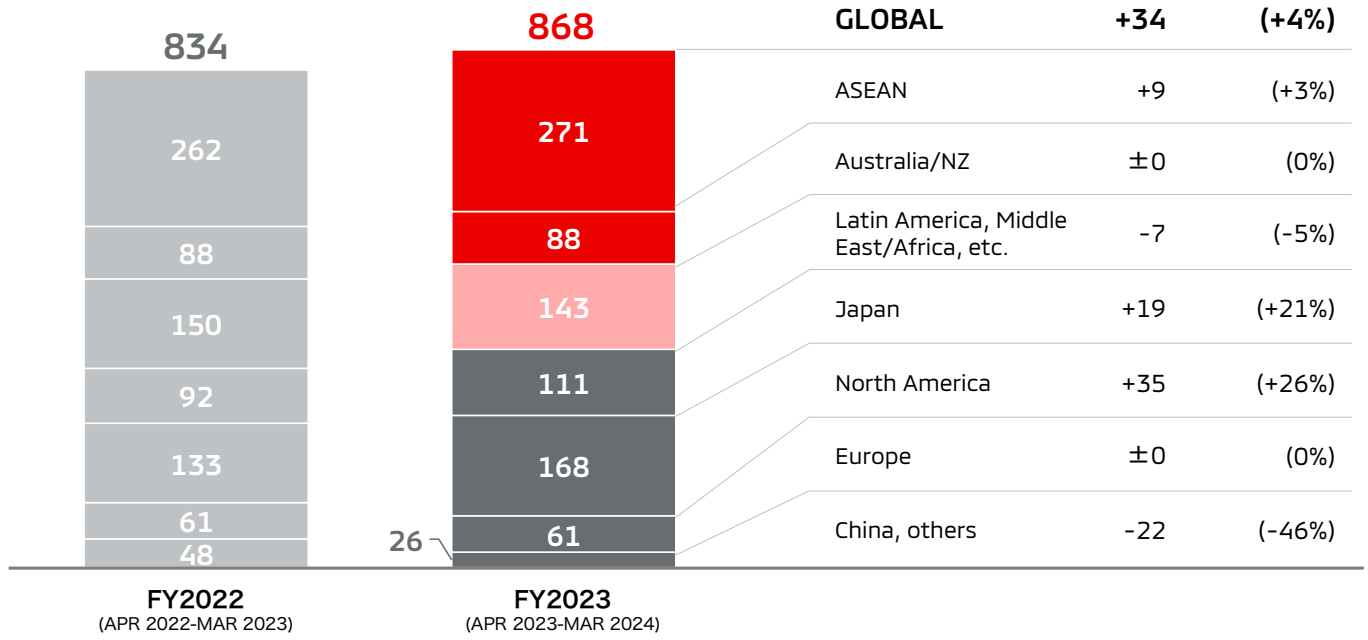
FY2023 Regional Sales Forecast (vs. FY2022)



(Billion yen)	FY2022 (APR 2022 - MAR 2023)	FY2023 Forecast (APR 2023 - MAR 2024)	Variance
GLOBAL	2,458.1	2,850.0	+391.9
- ASEAN	584.6	600.0	+15.4
- Australia/NZ	281.9	310.0	+28.1
- Latin America, Middle East /Africa, etc.	334.3	400.0	+65.7
- Japan	552.7	600.0	+47.3
- North America	538.0	705.0	+167.0
- Europe	154.2	230.0	+75.8
- China, others	12.4	5.0	-7.4

FY2023 Sales Volume Forecast (vs. FY2022)

Retail sales
(000 units)



FY2023 Capital Expenditure, R&D Expense and Depreciation Forecast



CAPEX

¥105.0bn
+34% (YoY)

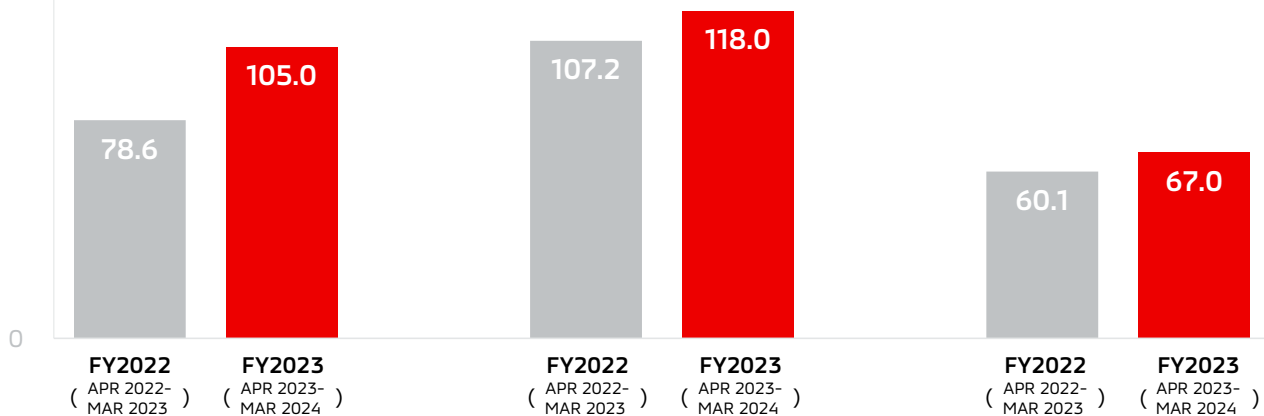
R&D Expense

¥118.0bn
+10% (YoY)

Depreciation

¥67.0bn
+11% (YoY)

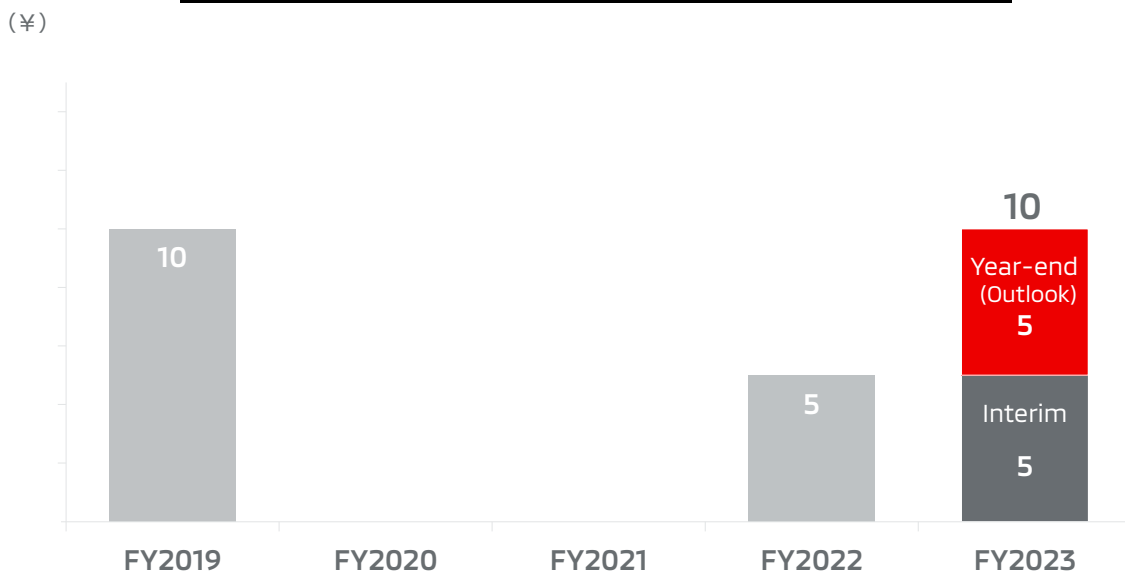
(Billion yen)



FY2023 Shareholder Returns Forecast



Dividend per share: 10 Yen outlook



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