

MITSUBISHI MOTORS CORPORATION

Securities Code: 7211

BUSINESS REPORT

**Report on the First Half of FY2018,
the Year Ending March 31, 2019**

(April 1, 2018 to September 30, 2018)



**MITSUBISHI
MOTORS**

Drive your Ambition

CEO Message



We will put our business on a reliable path towards recovery and establish the foundations for profitable and sustainable growth.

T. Masuko

Chairman of the Board,
Representative Director, CEO

We would like to express our sincerest apologies to our shareholders for causing great inconvenience and concern in regards to the arrest of the former Chairman of the Board. The Board of Directors resolved unanimously to discharge him as Representative Director and Chairman of the Board of Mitsubishi Motors Corporation on November 26 as it is considered difficult for him to continue conducting his duties with the loss of confidence at NISSAN MOTOR CO., LTD., our alliance partner.

Despite the impact of natural disasters on production and shipments in Japan since June, the financial results for the first half of FY2018 were favorably in line with our annual plan. Therefore, the Board of Directors implemented an interim dividend of 10 yen per share as announced at the beginning of the fiscal year.

Mitsubishi Motors places the utmost importance on further strengthening governance and improving transparency, while undertaking initiatives in our daily management to steadily achieve performance targets for this fiscal year.

Financial Overview

Review of FY2018 First Half

Mitsubishi Motors reported net sales of 1,169.3 billion yen for the first half of FY2018, up 23.4% compared to the same period of the previous fiscal year, against a backdrop of strong global unit sales. Operating profit increased to 56.9 billion yen compared with 44.2 billion yen in the same period a year ago, representing an operating margin of 4.9%. The improvement was driven by unit sales growth combined with material and other cost reductions. Net income attributable to owners of the parent (hereafter "net income") was 51.9 billion yen.

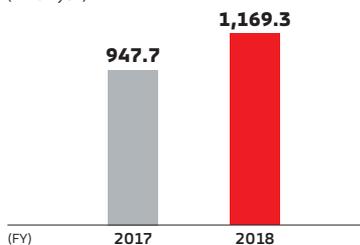
Global sales volume for the first half of 2018 increased 19% year-on-year to 594,000 units.

In the ASEAN region, sales volume increased 36% year-on-year to 152,000 units due to strong

sales of the *XPANDER*, a next-generation cross-over MPV, in Indonesia and the *TRITON* pick-up truck predominantly in Thailand. We have also increased exports of the *XPANDER* after expanding production capacity in Indonesia. In the region of China and others, sales volume increased 19% year-on-year to 82,000 units, driven by strong performance of the locally produced *Outlander*. We also launched sales of the locally-produced *Eclipse Cross* in China in November. In Europe, sales volume rose 29% year-on-year to 112,000 units, reflecting strong demand for the *Eclipse Cross* in Western Europe, as well as for the locally-produced *Outlander* in the region of Russia and others.

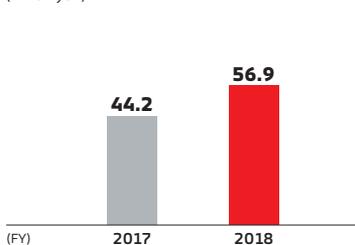
◆ Net Sales (First Half)

(Billion yen)



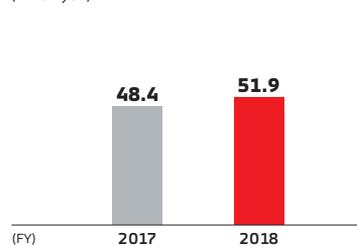
◆ Operating Profit (First Half)

(Billion yen)



◆ Net Income (First Half)

(Billion yen)



Outlook for FY2018 (Ending March 31, 2019)

Mitsubishi Motors consolidated forecasts for FY2018 are as shown on the right, reaffirming the figures announced in May 2018.

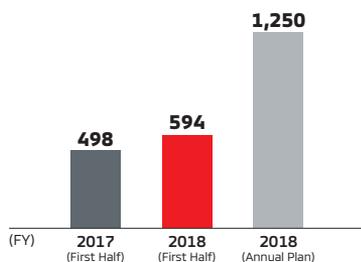
Full-Year Forecast (April to March)

(Billion yen)	FY2017 (Actual)	FY2018 (Forecast)	Variance
Net Sales	2,192.4	2,400.0	+207.6
Operating Profit (Operating Margin)	98.2 (4.5%)	110.0 (4.6%)	+11.8 (+0.1pp)
Ordinary Profit	110.1	125.0	+14.9
Net Income	107.6	110.0	+2.4
Sales Volume (Thousand units)	1,101	1,250	+149

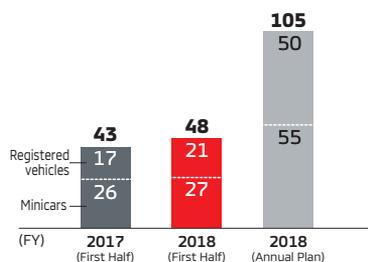
Sales Volume (Retail)

(Thousand units)

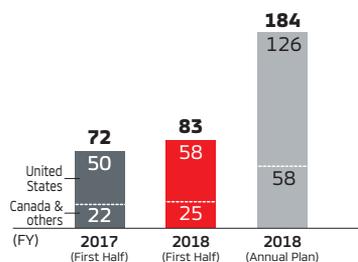
◆ Total



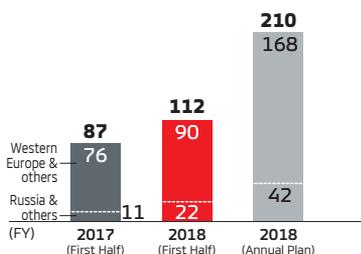
◆ Japan



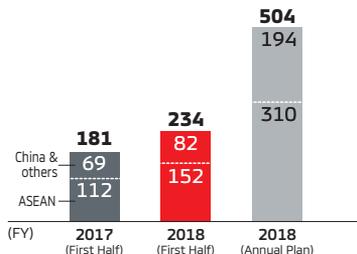
◆ North America



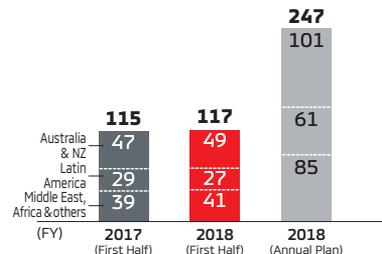
◆ Europe*



◆ Asia*



◆ Other Regions*



* From FY2018, the regional classification of some countries in ASEAN and Europe was changed to "Other Regions." Figures for FY2017 above were changed accordingly.

Note: Information included in these materials is based on a variety of assumptions, and offers no promise or warranty of the achievability of future planned figures or measures included herein.

Information

The New *TRITON/L200* Start of Sales in Thailand November Core Global Strategic Model to Roll Out to 150 Countries

The New *TRITON/L200* has been developed to embody the “Engineered Beyond Tough” key phrase which underlined its creation. Elements making it significantly more competitive include: more powerful styling that incorporates the latest iteration of the Dynamic Shield front design concept; an enhanced 4WD system that delivers improved off-road performance, and the latest in active safety and driver assistance systems. Overall, the new model features significant refinements to the durability and reliability required by the commercial user and to the comfort and ride sought by the private user.



2019 *Outlander PHEV* Plug-In Hybrid EV Goes On Sale in Japan August More Advanced PHEV System

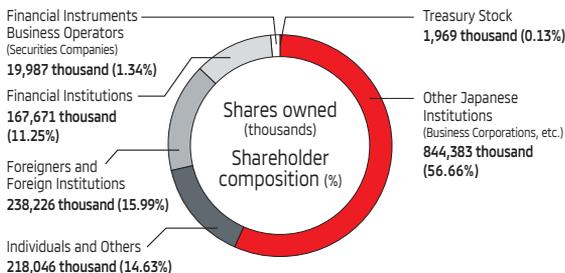
The major improvements introduced in the new version accentuate further the EV flavor that distinguishes this model and include improvements to 90 percent of the major component parts of the PHEV system. These improvements give further improvements in the smooth and powerful acceleration inherent to its electric motor drive, and in its quietness. In addition, the model adds new SNOW and SPORT modes to its Twin Motor 4WD powertrain, S-AWC, making for a more reassuring and enjoyable driving experience.



Investor Information (as of September 30, 2018)

Total Number of Issuable Shares	1,575,000,000 shares
Total Number of Issued Shares	1,490,282,496 shares
Number of Shareholders	256,463

Distribution of Shares by Shareholder (as of September 30, 2018)



Stock Procedure Information

Fiscal Year	From April 1 to March 31 of the following year
Ordinary General Meeting of Shareholders	June of each year
Record Date Determining Voting Rights at Ordinary General Meeting of Shareholders	March 31
Record Date Determining Shareholders to Receive Year-End Dividend	March 31
Record Date Determining Shareholders to Receive Interim Dividend	September 30
Other Record Date	If other record date is required to be set, it will be decided by resolution of the Board of Directors and informed in advance through a public notice.

Major Shareholders (as of September 30, 2018)

Name of shareholder	Number of shares (Thousands of shares)	Ratio of shareholding (%)
NISSAN MOTOR CO., LTD.	506,620	34.03
MAI Corporation	160,329	10.77
Mitsubishi Corporation	137,682	9.25
Japan Trustee Services Bank, Ltd. (Trust account)	36,862	2.47
The Master Trust Bank of Japan, Ltd. (Trust account)	31,756	2.13
Mitsubishi Heavy Industries, Ltd.	21,572	1.44
BNYMSANV AS AGENT / CLIENTS LUX UCITS NON TREATY 1	15,103	1.01
JP MORGAN CHASE BANK 385632	15,028	1.00
MUFG Bank, Ltd.	14,877	0.99
Japan Trustee Services Bank, Ltd. (Trust account 5)	14,428	0.96

(Note) The above ratios of shareholding have been calculated excluding treasury stock (1,969,401 shares).

Method of Public Notice	Public notices are published electronically. In case the method of electronic public notice is not available due to any troubles or unavoidable circumstances, such a notice will be given by Nihon Keizai Shimbun published in Tokyo. [MMC's Website Address for Public Notices] (Japanese only) https://www.mitsubishi-motors.com/jp/investors/stockinfo/koukoku.html
Number of Shares per Unit	100 shares
Securities Code	7211
Administrator of Shareholder Registry Managing Agency for Special Accounts	Mitsubishi UFJ Trust and Banking Corporation
Handling Office	Mitsubishi UFJ Trust and Banking Corporation, Corporate Agency Division 1-4-5, Marunouchi, Chiyoda-ku, Tokyo, Japan Mitsubishi UFJ Trust and Banking Corporation, Corporate Agency Division
Postal Address	Shin-TOKYO Post Office post office box No.29
Telephone Contact	Phone: 0120-232-711 (toll-free in Japan)

Direct Dividend Payment System

Completing procedures to deposit dividends into a savings account at a financial institution, such as a bank, will enable safe and assured receipt of dividends deposited in an account designated by the shareholder on the day that dividend payments commence. Shareholders receiving their dividends through a dividend voucher should consider this opportunity.

Shares and the Social Security and Tax Number System

The social security and tax number assigned by the Japanese government is required in stock procedures for tax-related purposes. Please inform your brokerage of your number as soon as possible.

For inquiries about the above procedures or other stock-related procedures

- If you have an account in a securities company or other institution:
Please contact that securities company or institution you deal with.
- If your shares are registered in "special accounts":
Please contact Mitsubishi UFJ Trust and Banking Corporation (Phone: 0120-232-711 (toll-free in Japan)).

Corporate Profile (as of September 30, 2018)

Company Name	MITSUBISHI MOTORS CORPORATION
Head Office	5-33-8, Shiba, Minato-ku, Tokyo 108-8410, Japan Phone: +81-3-3456-1111 1-21, Shibaura 3-Chome, Minato-Ku, Tokyo 108-8410, Japan (Relocation of head office planned for January 2019)
Established	April 22, 1970
Number of Employees	Consolidated: 31,527 Non-consolidated: 14,120
Capital	¥284,382 million

Members of the Board (as of September 30, 2018)

Directors

Chairman of the Board Representative Director	Carlos Ghosn * ¹
Member of the Board Representative Director CEO	Osamu Masuko * ¹
Member of the Board [Outside Director]	Shunichi Miyanaga * ²
Member of the Board [Outside Director]	Ken Kobayashi * ²
Member of the Board [Outside Director]	Hitoshi Kawaguchi * ²
Member of the Board [Outside Director]	Hiroshi Karube * ²
Member of the Board [Outside Director]	Setsuko Egami * ²
Member of the Board [Outside Director]	Main Kohda * ²

*1 The Board of Directors resolved to discharge Mr. Carlos Ghosn as Representative Director and Chairman of the Board at Mitsubishi Motors Corporation on November 26. In addition, the Board of Directors also resolved to appoint Mr. Osamu Masuko, Representative Director and CEO, as Chairman of the Board temporarily until the next General Meeting of Shareholders.

*2 Mr. Shunichi Miyanaga, Mr. Ken Kobayashi, Mr. Hitoshi Kawaguchi, Mr. Hiroshi Karube, Ms. Setsuko Egami and Ms. Main Kohda are outside directors as stipulated in Item 15 of Article 2 of the Companies Act of Japan.

Audit & Supervisory Board Members

Audit & Supervisory Board Member [Full-Time]	Kozo Shiraji
Audit & Supervisory Board Member [Full-Time]	Yoshikazu Nakamura
Audit & Supervisory Board Member [Outside Audit & Supervisory Board Member]	Katsunori Nagayasu * [*]
Audit & Supervisory Board Member [Outside Audit & Supervisory Board Member]	Yaeko Takeoka * [*]
Audit & Supervisory Board Member [Outside Audit & Supervisory Board Member]	Yoshitsugu Oba * [*]

* Mr. Katsunori Nagayasu, Ms. Yaeko Takeoka and Mr. Yoshitsugu Oba are outside Audit & Supervisory Board Members as stipulated in Item 16 of Article 2 of the Companies Act of Japan.



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