Financial Information as of March 31, 2026

(The English translation of the “Yukashoken-Houkokusho”
for the year ended March 31, 2026)

MITSUBISHI MOTORS CORPORATION

(E02213)

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A. Company Information
I. Overview of the Company
1. Summary of business results
(1) Transition of summary of business results for the five most recent fiscal years

Fiscal year		FY2021	FY2022	FY2023	FY2024	FY2025
Fiscal year ended		March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025	March 31, 2026
Net sales	Millions of yen	2,038,909	2,458,141	2,789,589	2,788,232	2,896,536
Ordinary profit (loss)	Millions of yen	100,969	182,022	209,040	98,602	78,908
Profit (loss) attributable to owners of parent	Millions of yen	74,037	168,730	154,709	40,987	10,015
Comprehensive income	Millions of yen	106,757	202,703	232,786	19,012	64,047
Net assets	Millions of yen	630,301	830,376	1,044,456	973,565	963,318
Total assets	Millions of yen	1,928,443	2,201,524	2,454,470	2,245,920	2,418,145
Net assets per share	Yen	407.82	538.28	679.45	698.28	687.01
Basic earnings (loss) per share	Yen	49.76	113.38	103.97	28.70	7.48
Diluted earnings per share	Yen	49.74	113.36	103.96	28.70	7.48
Equity-to-asset ratio	%	31.46	36.39	41.16	41.60	38.02
Return-on-equity ratio	%	13.28	23.97	17.08	4.22	1.08
Price/earnings ratio	Times	6.65	4.60	4.86	14.25	41.05
Net cash provided by (used in) operating activities	Millions of yen	118,114	173,576	140,806	174,734	35,755
Net cash provided by (used in) investing activities	Millions of yen	(69,123)	(53,145)	(138,865)	(114,752)	(122,444)
Net cash provided by (used in) financing activities	Millions of yen	(10,234)	(61,865)	37,674	(274,765)	46,900
Cash and cash equivalents at end of period	Millions of yen	511,473	595,930	674,204	450,111	438,860
Number of employees	Number of persons	28,796	28,428	28,982	28,572	27,695
[Annual average number of temporary employees not included in the above figures]		(7,948)	(8,123)	(8,967)	(7,868)	(7,848)

(Notes) 1. The number of employees is the number of employees currently on duty. Number of temporary employees indicated changed from the number at the end of the fiscal year to annual average in FY2023.

2. For the calculation of the "net assets per share," the shares of MMC held by the Board Incentive Plan (BIP) Trust, which are included in treasury shares, have been excluded from the total number of issued shares at the end of the period. Furthermore, when calculating the "basic earnings (loss) per share" and "diluted earnings per share," these same shares, which are included in treasury shares, have been excluded from the calculation of the average number of shares during the period.

(2) Transition of significant non-consolidated business results for the five most recent fiscal years

Fiscal year		FY2021	FY2022	FY2023	FY2024	FY2025
Fiscal year ended		March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025	March 31, 2026
Net sales	Millions of yen	1,614,787	2,045,567	2,348,961	2,286,877	2,320,961
Ordinary profit (loss)	Millions of yen	52,093	196,864	190,792	36,413	51,665
Profit (loss)	Millions of yen	40,149	189,066	166,108	17,659	45,509
Common stock	Millions of yen	284,382	284,382	284,382	284,382	284,382
Total number of issued shares	Thousands of shares	1,490,282	1,490,282	1,490,282	1,460,476	1,460,476
Total net assets	Millions of yen	318,125	506,999	657,491	586,718	615,881
Total assets	Millions of yen	985,999	1,226,610	1,361,425	1,162,582	1,248,502
Net assets per share	Yen	213.68	340.63	442.20	438.45	460.17
Dividend per share	Yen	-	5.00	10.00	15.00	10.00
[Interim dividend per share included in the above amount]	[Yen]	[-]	[-]	(5.00)	(7.50)	(5.00)
Basic earnings (loss) per share	Yen	26.99	127.04	111.63	12.36	34.01
Diluted earnings per share	Yen	26.97	127.02	111.62	12.36	34.00
Equity-to-asset ratio	%	32.24	41.33	48.29	50.47	49.33
Return-on-equity ratio	%	13.50	45.84	28.53	2.84	7.57
Price/earnings ratio	Times	12.26	4.11	4.53	33.07	9.03
Dividend payout ratio	%	-	3.94	8.96	121.32	29.41
Number of employees	Number of persons	13,829	13,671	13,844	13,570	13,498
[Annual average number of temporary employees not included in the above figures]		(3,441)	(3,530)	(3,637)	(3,661)	(3,865)
Total shareholder return	%	105.08	167.30	165.33	139.33	110.22
[Comparative indicator: TOPIX (Dividend-Included)]	%	(101.99)	(107.92)	(152.53)	(150.17)	(202.20)
Highest share price	Yen	426.0	665.0	681.0	572.9	458.0
Lowest share price	Yen	253.0	301.0	419.5	350.0	303.0

(Notes)
1. The number of employees is the number of employees currently on duty. Number of temporary employees indicated changed from the number at the end of the fiscal year to annual average in FY2023.
2. The dividend payout ratio for FY2021 is not shown as there is no dividend.
3. From April 4, 2022, the highest share price and lowest share price are those recorded on the Tokyo Stock Exchange Prime Market, and before that date, the prices are those recorded on the First Section of the Tokyo Stock Exchange.
4. For the calculation of the “net assets per share,” the shares of MMC held by the Board Incentive Plan (BIP) Trust, which are included in treasury shares, have been excluded from the total number of issued shares at the end of the period. Furthermore, when calculating the “basic earnings (loss) per share” and “diluted earnings per share,” these same shares, which are included in treasury shares, have been excluded from the calculation of the average number of shares during the period.
5. Of the dividend per share of 10.00 yen for FY2025, the year-end dividend of 5.00 yen is subject to resolution at the Ordinary General Meeting of Shareholders to be held on June 18, 2026.

2. Company history

Date	Outline
April 1970	MMC incorporated as a wholly-owned subsidiary of Mitsubishi Heavy Industries, Ltd. (MHI)
June 1970	MMC started business taking over MHI motor vehicle division's operations MHI's certain facilities of Kyoto Works (presently Kyoto Works Kyoto Plant), Nagoya Motor Vehicle Works (presently Okazaki Plant; the same shall apply hereinafter), Mizushima Motor Vehicle Works (presently Mizushima Plant) and one other Vehicle Works transferred operational authority from MHI to MMC
August 1977	MMC constructed Nagoya Motor Vehicle Works Okazaki Plant
December 1979	MMC constructed Kyoto Works - Shiga Plant
October 1980	MMC and Mitsubishi Corporation jointly established Mitsubishi Motors Australia, Ltd. (MMAL) (MMC subsequently acquired all MMAL shares in December 2001)
December 1981	MMC and Mitsubishi Corporation jointly established Mitsubishi Motor Sales of America, Inc. (MMSA)
October 1984	MMC took over the business of Mitsubishi Motor Sales Co., Ltd. (established in October 1964)
October 1985	MMC established Diamond-Star Motors Corporation (DSM) as a joint venture company with Chrysler Corporation (MMC acquired all DSM shares in October 1991 and renamed "Mitsubishi Motor Manufacturing of America, Inc." (MMMA) in July 1995)
December 1988	MMC shares listed on First Section of Tokyo, Osaka and Nagoya Stock Exchanges (MMC shares delisted from Nagoya Stock Exchange in November 2003 and delisted from Osaka Stock Exchange in November 2009)
March 1995	MMC acquired a majority stake in Toyo Koki Co., Ltd. (renamed Pajero Manufacturing Co., Ltd. in July 1995, acquired all shares of the company in March 2003)
November 1996	MMC established Tokachi Proving Ground in Hokkaido
August 1997	MMC acquired the majority of shares in MMC Sittipol Co., Ltd. (renamed "Mitsubishi Motors (Thailand) Co., Ltd." (MMTh) in November 2003 and MMC acquired all MMTh shares in August 2008)
February 1999	MMC acquired 50% of the shares of Netherlands Car B.V. in the Netherlands (acquired all shares of the company in March 2001, including indirect holdings through subsidiaries)
March 2000	MMC signed Memorandum of Understanding on business alliance for overall passenger vehicle operations including capital participation with DaimlerChrysler AG (DaimlerChrysler AG acquired 34% of shares in MMC in October 2000 and sold all shares in November 2005)
December 2002	Mitsubishi Motors Europe B.V. (MME) (established in January 1977) implemented an absorption-type merger with Mitsubishi Motors Sales Europe B.V. (established in March 1993)
January 2003	MMSA, MMMA and one other company merged to form Mitsubishi Motors North America, Inc. (MMNA)
January 2003	MMC spun off truck and bus operations into a separate company, establishing Mitsubishi Fuso Truck and Bus Corporation (MFTBC)
March 2003	MMC transferred a 43% stake in MFTBC to DaimlerChrysler AG and a collective 15% stake to 10 Mitsubishi group firms, leaving it with a shareholding of 42% in MFTBC (MMC transferred all remaining MFTBC shares to DaimlerChrysler AG in March 2005)
May 2003	MMC moved its head office to 2-16-4, Konan, Minato-ku, Tokyo
January 2007	MMC moved its head office to 5-33-8, Shiba, Minato-ku, Tokyo
March 2008	Discontinued production of vehicles at MMAL
April 2010	MMC and Peugeot Citroën Automobiles S.A. of France established a joint venture PCMA Rus in Russia
September 2012	Jointly established GAC Mitsubishi Motors Co., Ltd. with Mitsubishi Corporation
December 2012	MMC and MME transferred all shares in Netherlands Car B.V. to VD Leegte Beheer B.V. in the Netherlands
March 2015	MMC and Mitsubishi Corporation jointly established PT Mitsubishi Motors Krama Yudha Indonesia (MMKI)
November 2015	Discontinued production of vehicles at MMNA
May 2016	MMC concluded a Strategic Alliance Agreement with Nissan Motor Co., Ltd. concerning a capital and business alliance (in October 2016, Nissan acquired 34% of MMC shares through a third-party allocation and in November 2024, it sold a portion of its shares back to MMC)
January 2019	MMC moved its head office to 3-1-21, Shibaura, Minato-ku, Tokyo
June 2019	MMC transitioned to a company with a Nomination Committee, and others
August 2021	MMC ended manufacturing operations and closed factory of Pajero Manufacturing Co., Ltd
April 2022	MMC shares that had been listed on the First Section were transferred to the Prime Market due to a restructuring of the market segments implemented by Tokyo Stock Exchange
December 2023	Discontinued production of vehicles at PCMA Rus LLC
February 2024	Discontinued production of vehicles at GAC Mitsubishi Motors Co., Ltd.

3. Description of business

The MITSUBISHI MOTORS CORPORATION group (the "MMC Group") comprises MMC, 35 consolidated subsidiaries and 16 equity-method associates (as at March 31, 2026). The MMC Group is engaged in the development, production and sales of passenger vehicles and their parts and components, as well as in auto financing operations. MMC conducts most of the development work.

The following two businesses are the same as the segment classifications in "V. Financial Information 1. Consolidated financial statements (1) Consolidated financial statements, Notes, Segment information, etc."

Automobiles

In Japan, MMC produces standard and small passenger vehicles and Kei-cars and Mitsubishi-brand vehicles are sold in Japan by Higashi Nihon Mitsubishi Motor Sales Co., Ltd. and Nishi Nihon Mitsubishi Motor Sales Co., Ltd. Mitsubishi Automotive Engineering Co., Ltd. undertakes some of the development of MMC products and Mitsubishi Automotive Logistics Technology Co., Ltd. is responsible for the sales of MMC genuine parts and other products, some pre-delivery inspection and maintenance work, and logistics operations, etc. for parts and other products.

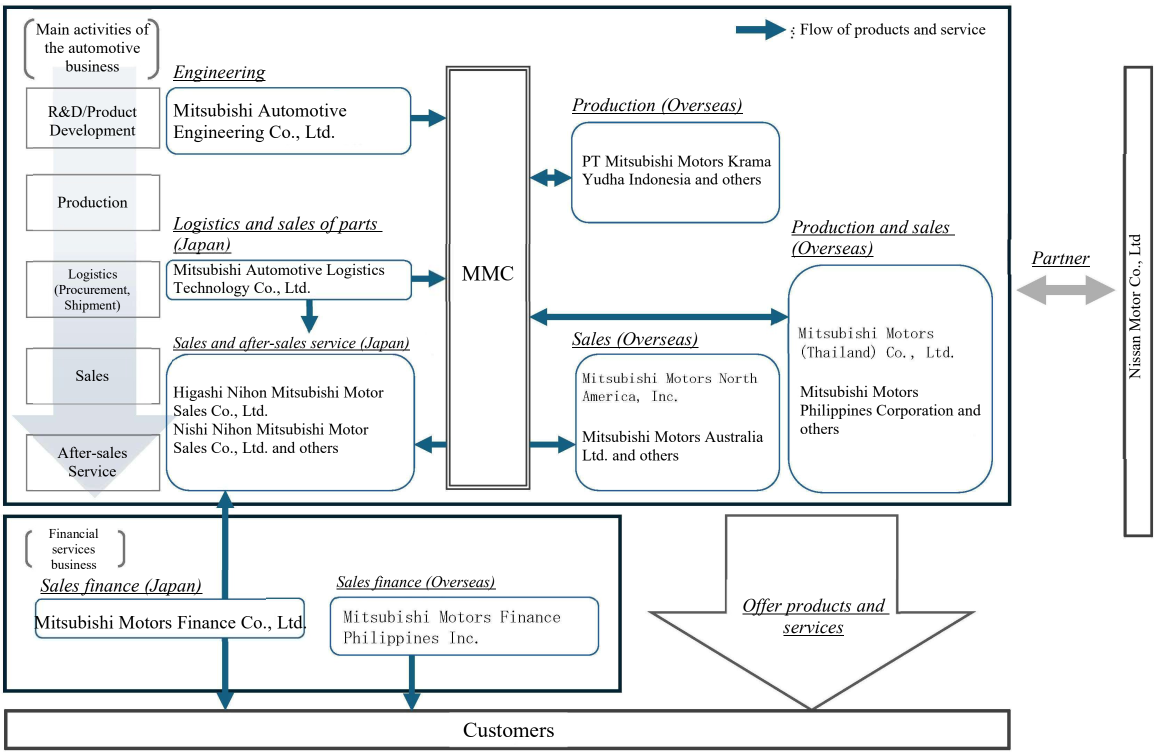
Outside Japan, Mitsubishi-brand cars are produced and sold in Thailand by Mitsubishi Motors (Thailand) Co., Ltd., etc. and produced in Indonesia by PT Mitsubishi Motors Krama Yudha Indonesia, etc.

In addition to the above, MMC and Nissan Motor Co., Ltd. forged a strategic alliance in May 2016 and are cooperating in areas including purchasing, common vehicle platforms, technology-sharing, and joint plant utilization.

Financial services

In the financial service business, Mitsubishi Motors Finance Co., Ltd. provides auto lease and sales financing services, etc. in Japan, and Mitsubishi Motors Finance Philippines Inc. (Philippines) provides sales financing services overseas.

The MMC Group structure and constituent company products and services outlined above are shown in the diagram below (only main companies are shown).



(Major products)

	Product		OEM-supplied vehicle models
	Japan	Overseas	
Electrified vehicles	OUTLANDER (PHEV)	Same as on the left	-
	ECLIPSE CROSS (PHEV)	Same as on the left	-
	-	XFORCE (HEV) / OUTLANDER SPORT (HEV)	-
	-	XPANDER (HEV)	-
	-	XPANDER CROSS (HEV)	-
	eK X EV	-	-
	MINICAB EV	L100 EV	-
	-	ECLIPSE CROSS (EV)	●
	-	Grandis (HEV)	●
	-	ASX (HEV)	●
	-	COLT (HEV)	●
SUVs and Pickup Trucks	-	RVR/OUTLANDER SPORT/ASX	-
	ECLIPSE CROSS	Same as on the left	-
	-	OUTLANDER	-
	TRITON	TRITON/L200	-
	-	PAJERO SPORT/MONTERO SPORT	-
	-	DESTINATOR	-
	-	XFORCE/OUTLANDER SPORT	-
	-	GRANDIS	●
	-	ASX	●
Passenger cars and minivans	-	MIRAGE/SPACE STAR	-
	-	ATTRAGE/MIRAGE G4	-
	DELICA D:5	-	-
	-	XPANDER	-
	-	XPANDER CROSS	-
	DELICA D:2	-	●
	-	COLT	●
Minicars	eK X	-	-
	eK wagon	-	-
	eK space	-	-
	DELICA MINI	-	-
	TOWNBOX	-	●
	MINICAB Truck	-	●
	MINICAB Van	-	●
Commercial vehicle	-	L300	-
	-	VERSA VAN	●

4. Status of subsidiaries and associates

(1) Parent company

Not applicable.

(2) Consolidated subsidiaries

(As of March 31, 2026)

Company name	Location	Capital stock (Millions of yen)	Business lines	Percentage of voting rights holding (%)	Relationship
Higashi Nihon Mitsubishi Motor Sales Co., Ltd.	Meguro-ku, Tokyo	100	Automobile sales	100.0	Sales of the MMC Group products Concurrent positions of directors and officers: Yes Leasing of equipment: Yes
Nishi Nihon Mitsubishi Motor Sales Co., Ltd.	Yodogawa-ku, Osaka	100	Automobile sales	100.0	Sales of the MMC Group products Concurrent positions of directors and officers: Yes Leasing of equipment: Yes
Mitsubishi Automotive Logistics Technology Co., Ltd.	Takatsu-ku, Kawasaki-shi	436	Automobile transport and maintenance Sales of automobile parts	100.0	Transport and maintenance of the MMC Group products Sales of parts of the MMC Group products Concurrent positions of directors and officers: Yes Leasing of equipment: Yes
Mitsubishi Automotive Engineering Co., Ltd.	Okazaki-shi, Aichi	350	Automobile development	100.0	Development of some of the MMC Group products Concurrent positions of directors and officers: Yes Leasing of equipment: Yes
Suiryo Plastics Co., Ltd.	Kurashiki-shi, Okayama	100	Manufacture of automobile parts	100.0	Manufacturing of parts of some MMC Group products Concurrent positions of directors and officers: Yes Leasing of equipment: Yes Loans: Yes
Mitsubishi Motors Finance Co., Ltd.	Minato-ku, Tokyo	3,000	Auto sales financing, leasing, rentals and sales, etc.	100.0	Sales financing services for the MMC Group products, leasing, rentals and sales, etc. Concurrent positions of directors and officers: Yes Leasing of equipment: Yes Loans: Yes

Company name	Location	Capital stock	Business lines	Percentage of voting rights holding (%)	Relationship
Mitsubishi Motors North America, Inc. *2, *3	Franklin, Tennessee, U.S.	398,812 thousand USD	Automobile sales	100.0	Sales of the MMC Group products Concurrent positions of directors and officers: Yes
Mitsubishi Motors R&D of America, Inc.	Ann Arbor, Michigan, U.S.	2,000 thousand USD	Investigation, testing and research related to automobiles	100.0 (100.0)	Automotive development base of the MMC Group in the United States Concurrent positions of directors and officers: Yes
Mitsubishi Motor Sales of Canada, Inc.	Mississauga, Ontario, Canada	2,000 thousand CAD	Automobile sales	100.0	Sales of the MMC Group products Concurrent positions of directors and officers: Yes
Mitsubishi Motor Sales of Caribbean, Inc.	Toa Baja, Puerto Rico	47,500 thousand USD	Automobile sales	100.0	Sales of the MMC Group products Concurrent positions of directors and officers: Yes
Mitsubishi Motors de Mexico, S.A. de C.V.	Mexico City, Mexico	92,001 thousand MXN	Automobile sales	100.0	Sales of the MMC Group products Concurrent positions of directors and officers: Yes
Mitsubishi Motors Europe B.V. *2	Born, the Netherlands	237,165 thousand EUR	Automobile sales	100.0	Sales of the MMC Group products Concurrent positions of directors and officers: Yes
Mitsubishi Motor R&D Europe GmbH	Trebur, Germany	767 thousand EUR	Investigation, testing and research related to automobiles	100.0	Automotive development base of the MMC Group in Europe Concurrent positions of directors and officers: Yes
Mitsubishi Motor Sales Nederland B.V.	Amstelveen, the Netherlands	6,807 thousand EUR	Automobile sales	100.0	Sales of the MMC Group products Concurrent positions of directors and officers: Yes

Company name	Location	Capital stock	Business lines	Percentage of voting rights holding (%)	Relationship
Mitsubishi Motors Australia Ltd. *2	Adelaide Airport, Australia	1,789,934 thousand AUD	Automobile sales	100.0	Sales of the MMC Group products Concurrent positions of directors and officers: Yes
Mitsubishi Motors New Zealand Ltd.	Porirua, New Zealand	48,000 thousand NZD	Automobile sales	100.0	Sales of the MMC Group products Concurrent positions of directors and officers: Yes
Mitsubishi Motors (Thailand) Co., Ltd. *2	Bangkok, Thailand	7,000,000 thousand THB	Automobile assembly, sales	100.0	Assembly, sales of the MMC Group products Concurrent positions of directors and officers: Yes
MMTh Engine Co., Ltd.	Chonburi, Thailand	20,000 thousand THB	Manufacturing of automobile engines and pressed parts	100.0 (100.0)	Manufacturing of automobile engines and pressed parts for MMTh products Concurrent positions of directors and officers: Yes
Mitsubishi Motors Philippines Corporation	Santa Rosa, The Philippines	1,640,000 thousand PHP	Automobile assembly, sales	100.0	Assembly, sales of the MMC Group products Concurrent positions of directors and officers: Yes
Asian Transmission Corporation	Calamba, The Philippines	770,000 thousand PHP	Manufacturing of automobile transmissions	100.0	Manufacturing of automobile transmissions for the MMC Group products Concurrent positions of directors and officers: Yes
Mitsubishi Motors Middle East And Africa FZE	Dubai, U.A.E.	10,000 thousand AED	Automobile parts sales	100.0	Sales of parts of the MMC Group products Concurrent positions of directors and officers: Yes
MMC Manufacturing Malaysia Sdn. Bhd.	Pekan, Malaysia	20,000 thousand MYR	Manufacturing of automobile parts	60.0	Manufacturing of parts of the MMC Group products Concurrent positions of directors and officers: Yes
PT Mitsubishi Motors Krama Yudha Indonesia *2	Bekasi, Indonesia	2,200,000,000 thousand IDR	Automobile assembly	60.0	Assembly of the MMC Group products Concurrent positions of directors and officers: Yes
Mitsubishi Motors Vietnam Co., Ltd.	Ho Chi Minh City, Vietnam	410,812,000 thousand VND	Automobile assembly, sales	41.2	Assembly, sales of the MMC Group products Concurrent positions of directors and officers: Yes
Mitsubishi Motors Finance Philippines Inc.	Makati City, Philippines	2,550,000 thousand PHP	Auto sales financing	51.0	Sales financing services for the MMC Group products Concurrent positions of directors and officers: Yes
10 other subsidiaries in addition to the above					

(3) Equity-method associates

(As of March 31, 2026)

Company name	Location	Capital stock	Business lines	Percentage of voting rights holding (%)	Relationship
Tokachi Mitsubishi Motor Sales Co., Ltd.	Obihiro-shi, Hokkaido	60 million JPY	Automobile sales	46.67	Sales of the MMC Group products Concurrent positions of directors and officers: Yes
Nagano Mitsubishi Motor Sales Co., Ltd.	Nagano-shi, Nagano	40 million JPY	Automobile sales	49.86	Sales of the MMC Group products Concurrent positions of directors and officers: Yes
Mie Mitsubishi Motor Sales Co., Ltd.	Yokkaichi-shi, Mie	58 million JPY	Automobile sales	37.11	Sales of the MMC Group products Concurrent positions of directors and officers: Yes Leasing of equipment: Yes
Kagawa Mitsubishi Motor Sales Co., Ltd.	Takamatsu-shi, Kagawa	50 million JPY	Automobile sales	23.0	Sales of the MMC Group products Concurrent positions of directors and officers: Yes
Miyazaki Mitsubishi Motor Sales Co., Ltd.	Miyazaki-shi, Miyazaki	60 million JPY	Automobile sales	38.8	Sales of the MMC Group products Concurrent positions of directors and officers: Yes
Higashi Kanto MMC Parts Sales Co., Ltd.	Mihama-ku, Chiba	100 million JPY	Automobile parts sales	33.0 (10.0)	Sales of parts of the MMC Group products Concurrent positions of directors and officers: Yes
NMKV Co., Ltd.	Atsugi-shi, Kanagawa	10 million JPY	Automobile planning and development	50.0	Development of some of the MMC Group products Concurrent positions of directors and officers: Yes Leasing of equipment: Yes
MMD Automobile GmbH	Friedberg, Germany	30,000 thousand EUR	Automobile sales	24.99	Sales of the MMC Group products Concurrent positions of directors and officers: Yes
PT Mitsubishi Motors Krama Yudha Sales Indonesia	Jakarta, Indonesia	1,300,000,000 thousand IDR	Automobile sales	19.0	Sales of the MMC Group products Concurrent positions of directors and officers: Yes
FleetPartners Group Ltd.	North Sydney, Australia	389,825 thousand AUD	Auto sales financing, leasing, and rentals	20.04	Leasing services, etc. for corporate customers of the MMC Group products
6 other associates in addition to the above					

(4) Other related companies

(As of March 31, 2026)

Company name	Location	Capital stock (Millions of yen)	Business lines	Percentage of voting rights held (%)	Relationship
Nissan Motor Co., Ltd. *4	Kanagawa-ku, Yokohama City	605,814	Automobile assembly, sales and related business	26.68	Mutual sharing, etc. of technological resources and mutual sales of products, etc. Leasing of equipment: Yes
Mitsubishi Corporation *4	Chiyoda-ku, Tokyo	213,825	Wholesale trade	22.23	Sales of products, etc. Concurrent positions of directors and officers: Yes

(Notes)

1. Figures in parentheses in the “Percentage of voting rights holding/held” column indicate the percentage of indirect ownership/indirect ownership in the company of voting rights, which are included in the above figures.
2. These companies are classified as “Specified subsidiaries.”
3. Net sales (excluding intercompany sales within the MMC Group) of Mitsubishi Motors North America, Inc. exceeded 10% of consolidated net sales. Key profit and loss information for the company is shown below.
   - Mitsubishi Motors North America, Inc. (Consolidated)

(1) Net sales	377,476 million yen
(2) Ordinary profit (loss)	16,718
(3) Profit (loss)	(228)
(4) Net assets	97,909
(5) Total assets	179,057

4. These companies filed annual securities reports.
5. “Concurrent positions of directors and officers” shown in the “Relationship” column includes concurrent positions of directors and officers of the respective companies held by directors and officers or employees dispatched from MMC or other consolidated subsidiaries, as well as secondments and transfers of employment.

II. Overview of Business

1. Management policy, business environment and issues to be addressed

The MMC Group's recognition of management issues based on recent changes in the business environment and its approach to future management strategies are as follows. Moreover, please note that the following matters concerning the future may differ from actual results in the future since the matters concerning the future were assessed by the MMC Group as of the filing date of the securities report and the report contains uncertainties.

The automotive industry is facing structural changes and increasing uncertainty in the business environment, including higher customs tariff rates in the U.S., reviews of environmental regulations in many countries and regions, acceleration of vehicle intelligence through SDV (Software-Defined Vehicle) and AI, and intensified sales competition resulting from the global expansion of Chinese manufacturers. In addition, recent profitability has also been significantly negatively affected by higher costs caused by inflation and foreign exchange rate fluctuations, among others.

After announcing the mid-term business plan "Challenge 2025" in March 2023, the MMC Group, based on the business structure reinforced through implemented structural reforms, has strengthened growth and profitability with a focus on the ASEAN region, where the MMC Group has strengths, and strengthened its stable revenue base by promoting profitability through optimized sales pricing.

However, due to the substantially changed external environment, some measures in the "Challenge 2025" have not progressed as expected and the MMC Group regards it an important issue to update its corporate strategy to strengthen growth and profitability.

Based on these circumstances, the MMC Group announced its new medium- to long-term vision in May 2026, covering the period from FY2026 through the 2030s.

The business environment surrounding the MMC Group continues to become increasingly uncertain due to factors such as growing geopolitical risks and changes in compliance with environmental regulations. Amid such business environment, rather than simply extending the previous Mid-Term Business Plan, the MMC Group has established a new medium- to long-term direction: "Enhance customer satisfaction and corporate value by strengthening distinctive products and the brand." Under this policy, the MMC Group will simultaneously advance a "growth strategy" centered on the brand and a "structural transformation" aimed at reinforcing its earnings structure. Through these initiatives, the Group seeks to steadily achieve the vision even in a highly uncertain business environment.

As part of the growth strategy, the MMC Group will strengthen products and technologies that embody its brand. It will also improve profitability through focused investment in markets where its brand has a competitive advantage and by expanding value chain businesses leveraging the Group's distinctiveness. As part of the structural transformation, the MMC Group will strengthen cost competitiveness while optimizing the break-even point in line with its business scale and improving productivity through AI and digital transformation (DX), thereby building an earnings structure with greater flexibility and resilience.

Under this vision, the MMC Group aims to implement the following initiatives.

- Launch the PAJERO, which embodies "Mitsubishi Motors-ness," the essence of Mitsubishi Motors, in FY2026 and expand the model into a series in the future.
- For the product strategy, concentrate management resources on ASEAN models and off-road models, where the MMC Group can best leverage its strengths, and launch 13 models over the next six years through FY2031.
- Promote "Revenue Enhancement Strategy 2.0" as a further evolution of our value proposition.
- As for the regional strategy, position the Philippines, Vietnam, and Japan as priority markets and promote focused investments for growth. Meanwhile, cultivate markets in the Middle East and Central and South America, where growth potential is high, by leveraging the MMC Group's brand strength.
- In addition to new vehicle sales, strengthen value chain businesses such as used vehicle sales, sales financing, after-sales service, and accessories to maximize the value per vehicle.
- Strengthen cost competitiveness by optimizing the sharing of parts and components and promoting global procurement strategies, while optimizing the break-even point by reviewing production capacity and the fixed-cost structure.
- Leverage existing and new alliances and business partnerships, thereby complementing the product lineup and accelerating growth.

Through these initiatives, we aim to achieve operating profit of 160 billion yen, an operating profit margin of 4.5%, and ROE of 10% in FY2029. We will also pursue operating profit of 200 billion yen to 250 billion yen, an operating profit margin of 5.5% or higher, and ROE of 12% or higher from FY2030 onward.

Furthermore, over the four years through FY2029, we plan to make growth investments of approximately 1 trillion yen, while providing shareholder returns totaling approximately 100 billion yen.

Moving forward, the MMC Group will strive for sustainable growth and enhanced corporate value, aiming to create value beyond the expectations of stakeholders, including customers and shareholders under the MMC Group's vision, "Create a vibrant society by realizing the potential of mobility."

2. Approach to and initiatives for sustainability

The Group's approach to and initiatives for sustainability are as follows.

Moreover, please note that the described matters concerning the future may differ from actual results in the future since the matters concerning the future were assessed by the MMC Group as of March 31, 2026, and contain uncertainties.

(1) Governance and risk management

i) Governance

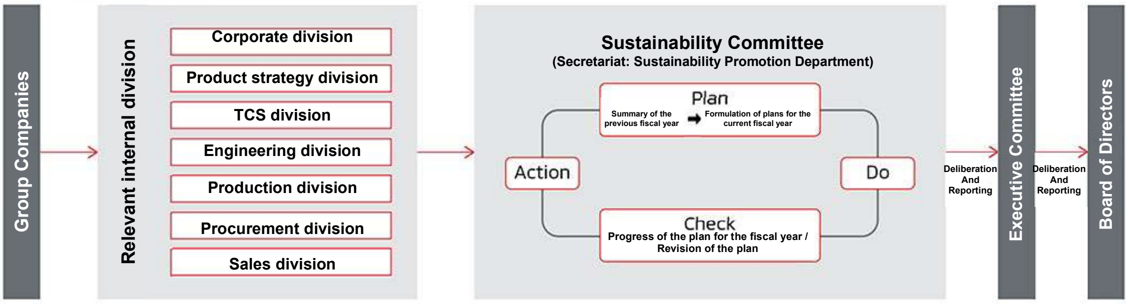
We have established the Sustainability Committee, which is chaired by the executive officer, president & CEO, to promote sustainability initiatives throughout the Group. The committee convenes three times a year.

ii) Risk management

With respect to materiality, which the MMC Group has identified from among various environmental, social, and governance issues as priority issues to be addressed, the Sustainability Committee confirms the risks and opportunities identified by the persons responsible for each initiative. At the same time, the committee deliberates and decides on initiative targets and KPIs based on the external environment and stakeholder needs and expectations, and uses the PDCA cycle by checking progress.

We have a structure in which important matters such as reviewing material issues and the overall status of sustainability activities are deliberated by and reported to the Board of Directors, while the Board is also responsible for decision-making and oversight and provides instructions as necessary.

Sustainability promotion structure chart



Our materiality (important issues)
● Responding to climate change and energy issues
● Resource recycling initiative
● Prevention of pollution
● Conservation of water resources
● Preservation of biodiversity
● Achieving a sustainable supply chain
● Delivering products that help prevent traffic accidents
● Improvement of product, sales, and service quality
● Contribution to local economy through business activities
● Promoting diversity and inclusion, and enhancement of employee engagement
● Strengthening human resource development
● Reinforcement of occupational safety and health
● Promoting social contribution activities
● Strengthening governance and ensuring compliance

(2) Response to climate change

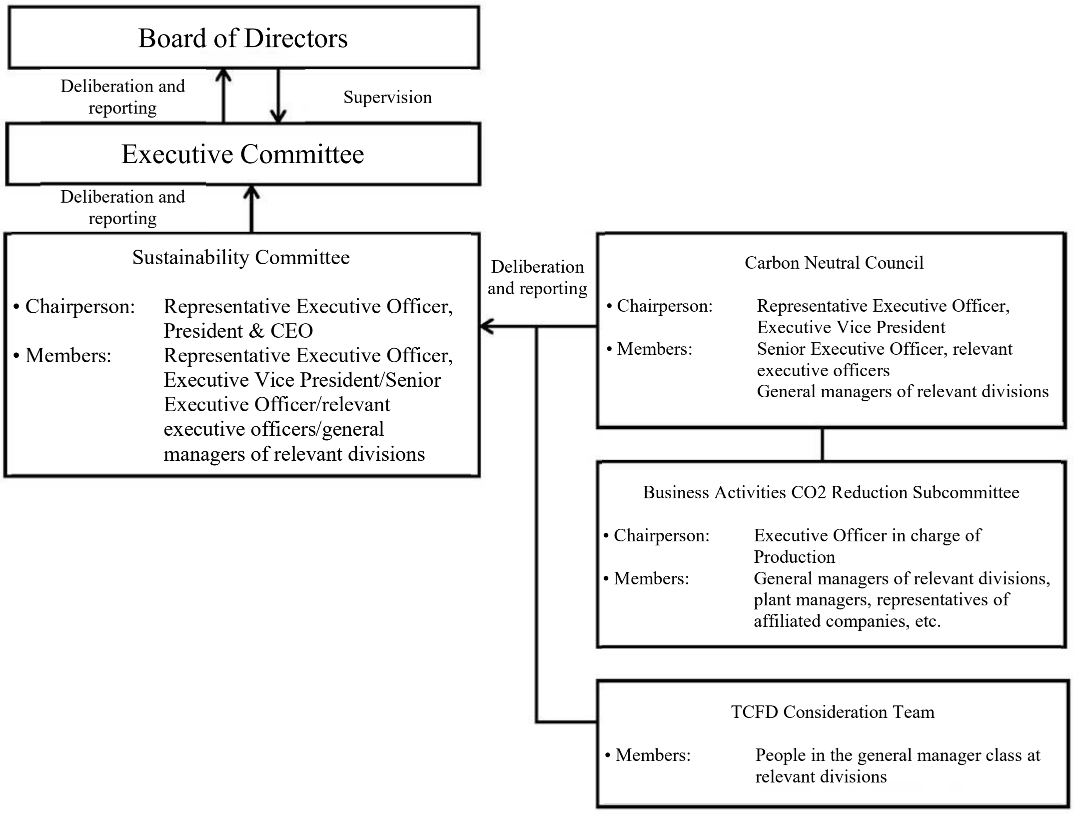
i) Governance

MMC recognizes “responding to climate change and energy issues” as an important management issue and has identified it as a material issue. The Board of Directors makes decisions on important matters related to environmental initiatives, including those related to climate change, and oversees their execution. The Sustainability Committee deliberates on the assessment of climate change risks and opportunities and response measures, and checks the progress and achievement of “Environmental Targets 2030.” In addition, we have established the Carbon Neutral Council consisting of the heads of the departments in charge of management strategy, products, production, logistics, etc. and the Representative Executive Officer, Executive Vice President, who serves as Chairperson, under the Sustainability Committee. It considers concrete measures in each domain and proposes medium- and long-term response policies and goals based on the assessment of climate change risks and opportunities. We have a structure in which proposed policies and goals are deliberated on by the Sustainability Committee. In the case that particularly important matters arise, the Board of Directors deliberates and decides on them.

Example of climate change-related matters deliberated on and reported by the Board of Directors
• Support for the TCFD(Note) Recommendations • Information disclosure in line with the TCFD Recommendations • Declaration of intent to achieve carbon neutrality by 2050 and revision of Environmental Vision 2050 • Revision of Environmental Targets 2030

(Note) TCFD is an abbreviation for “Task Force on Climate-related Financial Disclosures”

Structure of Promoting Carbon Neutrality (as of March 31, 2026)



	Roles	Meeting frequency
Sustainability Committee	Monitoring Progress Toward the Environmental Targets 2030	Three times a year
Carbon Neutral Council	Formulate medium- and long-term policies and targets toward the realization of carbon neutrality by 2050	Three times a year
Business Activities CO2 Reduction Subcommittee	Draft action plans for reducing CO_2 in areas of business activity, promotion of specific measures, etc.	Twice a year
TCFD Consideration Team	Identify and assess climate-related risks and opportunities, consider scenario analysis, etc.	Meets as necessary

ii) Strategy

We consider climate change risks and opportunities to be an important perspective in the formulation of our business strategy. MMC identified and evaluated short-, medium- and long-term risks and opportunities. As the items with a significant impact, we identified “Strengthening of regulations for fuel economy/CO_2 and zero-emission vehicles[Note 1],” “Introduction and expansion of carbon pricing,” “Increasing frequency and intensity of meteorological disasters” and “Growing demand for electrified vehicles[Note 2].” For these items, we analyze the impact on our business and consider the countermeasures by referring to multiple scenarios announced by the IEA[Note 3], the IPCC[Note 4], etc. We recognize that climate-related issues may affect our business, strategies, and financial plans, and review our strategies and plans from time to time in light of climate-related risks and opportunities.

<Risks and opportunities with a significant impact, their impact on MMC’s business, and measures to address them>

Scenario		Risk and opportunity		Impact on MMC’s business	Measures to address them
Less than 2°C (Note 5)	Strengthening of regulations for fuel economy/ CO_2 and zero-emission vehicles	Risks	• Need for both developed countries and emerging markets to comply with stricter regulations • Increasing likelihood of noncompliance	• Higher development/procurement/ production costs • Fines and credit purchase costs increase if regulations are not met	• Reduce costs by taking advantage of the alliance, such as by standardizing components • Promote electrification, including plug-in hybrid electric vehicles (PHEV) and EV • Promote new mobility businesses such as energy management using electrified vehicles and used batteries
		Opportunities	• Growing demand for electrified vehicles	• Increased sales of electrified vehicles and expansion of the value chain related to electrified vehicles	
	Introduction and expansion of carbon pricing	Risks	• Introduction and expansion of carbon taxes, causing carbon prices to rise	• Increased direct and indirect tax burdens and higher costs at the procurement, production and logistics stages	• Promote energy conservation activities and introduce renewable energy • Promote CO_2 reduction efforts in cooperation with suppliers
		Opportunities	• Promotion of energy-saving technologies • Increasing use of renewable energy	• Lower energy costs	
Growth (Note 6)	Increasing frequency and intensity of meteorological disasters (flooding, inundation)	Risks	• Increased possibility of factory damage and supply chain disruptions due to frequent and severe heavy rain and flooding	• Damage to production and development facilities • Lower earnings due to operational shutdowns due to damage to our own factories and suppliers	• Review BCPs, assuming such factors as heavy rain and flooding • Promote risk mitigation initiatives in collaboration with suppliers
		Opportunities	• Greater demand for electrified vehicles, owing to growing need to secure emergency power sources at the time of disaster	• Increased use of electrified vehicles that can help supply emergency power	• Reduce costs by taking advantage of the alliance, such as by standardizing components • Promote electrification of PHEV/EV equipped with external power supply capability • Promote new mobility businesses such as energy management using electrified vehicles and used batteries

By reflecting the countermeasures for climate change risks and opportunities in the Environmental Plan Package(Note 7), which defines the direction and goals of our environmental initiatives, as well as the business strategy, MMC promotes efforts to improve resilience as a company by achieving sustainable business growth and reducing future risks.

In September 2022, we declared that we aim to become carbon neutral through our entire supply chain by 2050, and also revised our “Environmental Vision 2050.” In addition, we revised targets for “Environmental Targets 2030” in February 2023 as a milestone for the achievement of carbon neutrality by 2050.

We are promoting the development of electrified vehicles and the improvement of fuel efficiency of vehicles with internal combustion engines, and actively bringing to market electrified vehicles optimally suited to the energy circumstances and level of infrastructural development of each country and region, as well as the needs of customers. In the Mid-Term Business Plan “Challenge 2025,” the Group highlights carbon neutrality as one of the major challenges. We have introduced seven models, ASX (PHEV/HEV), Colt (HEV), XPANDER (HEV), XPANDER CROSS (HEV), XFORCE (HEV), Grandis (HEV), and ECLIPSE CROSS (BEV). As of March 2026, including models introduced before February 2023 (MINICAB EV/L100 EV, eK X EV, OUTLANDER, and ECLIPSE CROSS), MMC markets 11 electrified vehicle models. Moving forward, based on the new medium- to long-term vision announced in May 2026, we plan to launch 13 new models between FY2026 and FY2031 to strengthen our product lineup. For electrification, MMC will continue to leverage collaborative models for EVs while focusing its in-house development on HEVs and PHEVs, planning to sequentially launch five models for each category, totaling 10 models. In addition, MMC will continue to advance its electrification technologies, one of its core strengths, through initiatives such as the in-house development of highly efficient engines dedicated to PHEVs and HEVs and the next-generation advancement of electrification systems through joint development with parts suppliers. As part of our business activities, we are promoting energy conservation and the transition to renewable energy to reduce CO_2 emissions. At the overall supply chain level, we are cooperating with suppliers, related companies and organizations, governments and municipalities to not only reduce CO_2 emissions in suppliers’ production phase of raw material and components and in the logistics domain for items including finished vehicles and components, but also promote the wider use of renewable energy and the expansion of charging infrastructure, including the use of carbon-neutral fuels, and the promotion of V2X, among other initiatives.

(Notes)
1. ZEV is an abbreviation for “Zero Emission Vehicle.” These include battery electric and fuel cell vehicles that do not emit any emissions
2. Battery electric vehicles, plug-in hybrid electric vehicles (PHEV), and hybrid electric vehicles (HEV)
3. International Energy Agency
4. IPCC: Intergovernmental Panel on Climate Change
5. The below-2°C analysis refers to the IEA’s “APS (Announced Pledges Scenario),” the IPCC’s “RCP4.5,” and other scenarios.
6. The growth analysis refers to the IEA’s “STEPS (Stated Policies Scenario),” the IPCC’s “RCP8.5,” and other scenarios.
7. For details about the Environmental Plan Package, see our website below. https://www.mitsubishi-motors.com/en/sustainability/environment/initiatives/

iii) Risk management

We formed a company-wide, cross-functional team under the Sustainability Committee to conduct a scenario analysis based on the TCFD Recommendations. We identified and evaluated risks and opportunities that could affect MITSUBISHI MOTORS’ business activities by considering scenarios of external factors such as the IEA and each country’s policy, regulations, etc., based on the timing of occurrence and degree of impact. To respond to climate change risks and opportunities that have a particularly high degree of impact, we incorporate them into goals and the action plan for the Sustainability Committee to check the progress. Risks that may affect our business are managed throughout the MMC Group by the Internal Control Committee, including risks related to the impact of climate change.

iv) Indicators and targets

• Indicators

To manage risks and opportunities, the MMC Group has introduced "CO_2 emissions from business activities" as a major indicator for Scope 1 and 2(Note), and "CO_2 emissions from new vehicles" and "Ratio of electrified vehicles sold" for greenhouse gas emissions related to category 11 (Use of Sold Products) of Scope 3(Note). Based on the recognition that the response to sustainability is one of the crucial issues of the MMC Group, we have incorporated ESG-related items such as "CO_2 emissions from business activities" as the index to determine the Medium-and Long-term Performance-linked Compensation for Executive Officers.

(Note) Scope 1, 2, and 3 are based on the GHG Protocol.

Scope 1: A company's direct emissions (such as from burning fuel)

Scope 2: Indirect emissions, resulting from electricity, heat or steam provided by another company

Scope 3: Indirect emissions other than Scope 1 and Scope 2 (emissions from other companies and other sources related to the company's activities)

• Targets

The MMC Group aims to achieve carbon neutrality of the entire supply chain by 2050 and has set FY2030 targets as milestones.

<Major FY2030 targets and progress>

Indicators	FY2030 targets	Results (FY2024) (Note 1)
CO_2 emissions from new vehicles (Tank to Wheel)	-40% (compared with FY2010)	-19% (compared with FY2010)
Electrified vehicle sales ratio	50% (100% by FY2035)	16%
CO_2 emissions from business activities (Scope 1 and 2 total emissions)	-50% (Note 2) (compared with FY2018)	-40% (compared with FY2018)

<Amount of actual Scope 1 and 2 CO_2 emissions> (Unit: 1,000t-CO_2)

	FY2018 (Base year)	FY2021	FY2022	FY2023	FY2024 (Note 1)
Scope 1	119	92	95	90	85
Scope 2	469	319	271	264	243
Total	(Note 2) 588	411	366	354	328

(Notes) 1. For FY2025 results, please refer to the Sustainability section of MMC's website, which is scheduled to be updated during FY2026.

2. The actual emission volume of FY2018, which was 588 thousand t-CO_2, includes 43 thousand t-CO_2 emissions from some equity-method associates. At the review of the target in February 2023, we set the FY2030 target of minus 50% with our base figure of 545 thousand t-CO2, as the then method of selecting environmental management target companies excluding the emissions from these equity-method associates.

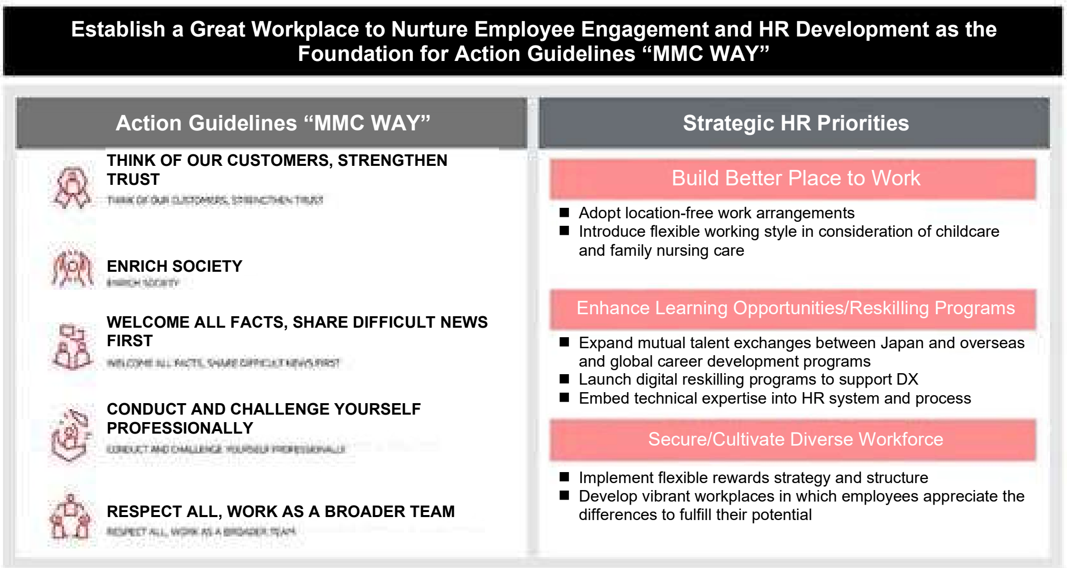
(3) Strategy on human capital (including diversity of human resources), indices and goals

i) Strategy

The MMC Group has set the "Three Principles," which are positioned as the Mitsubishi Group's common basic philosophy, as the guideline for corporate activities. Considering that human resources are the key to achieve the Group's sustainable growth and improvement of corporate value in an environment that is changing rapidly, we are proceeding with various initiatives based on the policy to promote 1) the development of professionals who can practice the MMC WAY (for MMC WAY, please refer to "Vision & Mission" https://www.mitsubishi-motors.com/en/company/information/philosophy/index.html), which are behavior guidelines to realize the vision and mission, and 2) the achievement of a work environment where each and every person can perform meaningful work demonstrating their full abilities and high engagement and where people can work enthusiastically and in good health, both physically and mentally.

We will strongly promote the Mid-Term Business Plan "Challenge 2025," which was started in FY2023, and work for the attainment of sustainable growth by having "Build a better work environment," "Enhance company-wide learning opportunities and reskilling programs," and "Strategically secure and cultivate diverse workforce" as priorities and working on them. The human resource strategy and measures based on those corporate strategies are discussed monthly, developed, and implemented by the Human Resource Development Council, which consists of the Executive Officer, President, Executive Officers, etc.

MMC announced its new medium- to long-term vision in May 2026. We will continue to develop and implement human capital strategies and initiatives to realize this vision.



ii) Indicators and targets

"Build a better place to work"

- Promotion of no-designated workspace arrangement / Flexible working system that takes into account parenting and elderly care

We have introduced a remote work system to help each employee achieve work-life balance by realizing employees' more efficient and flexible working style. Employees may work from any location where security can be ensured and they can concentrate on their work.

While the remote work system requires employees to commute to an office at least twice a week in principle, this requirement is relaxed for employees who have difficulty meeting this commuting day requirement due to unavoidable circumstances such as childcare or family nursing care. In addition, we established the "Work-life Balance Support Concierge" within the Company, which provides support including advice on their individual childcare and nursing care needs. Based on employee feedback gathered through the concierge, we review the system and its operation and continue to work toward creating an environment that enables more flexible ways of working. We also update the contents of the "Childcare Guide" and the "Caregiving Guide," which summarize related systems and procedures, as needed, and keep employees informed of the latest information.

"Enhance learning opportunities/reskilling programs"

- Expansion of overseas employee exchange and training system

We offer overseas business training programs by dispatching young employees mainly to ASEAN countries, our focus area, for one or two years. Although the participants had previously been selected based on workplace recommendations, we newly added in FY2022 an open application system to allow qualified employees to apply. In FY2025, we dispatched a total of 13 employees, of which 10 participated in the 1-year program and 3 in the 2-year program. In FY2023, we began to accept participants from affiliates, and we are promoting continuous human resource development through exchange and training between the Head Office and overseas affiliates.

We are also continuing to promote personnel exchanges with our domestic affiliates, aiming to develop talent across the Group.

- DX reskilling program

The development of digital-savvy human resources has been an extremely important theme also in the "Digitalization / Expansion into New Business Areas," which is a core initiative in the Mid-Term Business Plan "Challenge 2025."

In FY2023, as the first step of the development of digital-savvy human resources, we conducted IT/Digital literacy improvement training (total of 6 hours) for all officers and all indirect employees to nurture mindset of all directors and officers as well as employees to drive reform. From FY2024, we are promoting the establishment of an environment in which employees can make appropriate use of AI, such as by holding seminars on the acquisition of basic knowledge and business application of generative AI, which is exponentially becoming more popular. Furthermore, we are promoting the use of no-code and low-code tools that accelerate improvement of operational efficiency, and we are gradually deploying educational programs to support their use, thereby helping employees improve their productivity.

To realize the new medium- to long-term vision announced in May 2026, we will also continue to strengthen our educational programs aimed at further advancing the use of AI and DX.

- Link between expertise evaluation and salary increase and promotion system

In the revision of the personnel system for FY2022, we newly added "human resource development and organization management" and "expertise" to the existing "MMC WAY practice" as behavior criteria. This is based on the recognition of the issue that "human resource development and organization management" capabilities, expertise, and competence of managers are essential for the sustainable performance of an organization. In FY2022, when the system was first introduced, the evaluation was conducted under provisional company-wide criteria. In FY2023, however, we started a system in which required expertise and skills are defined for each work classification in each division and their performance is reflected in salary increases and promotions.

Since FY2024, we have been promoting the development of skill maps by job category and systematic education programs based on "expertise" defined by each division, and adopting development systems linked to Off-JT (Off-the-Job Training) and OJT (On-the-Job Training) at each division, in order to continuously improve performance of organizations.

"Secure/cultivate a diverse workforce"

- Introduction of more flexible salary system

In FY2023, MMC introduced the "role grade system" for management-level employees, enabling compensation according to levels of significance and responsibility of roles. This has made it easier to retain and attract human resources with diverse abilities. We will achieve more flexible compensation through deepening the operation of the role grade system to respond to changes in the external environment and business strategies.

- Creation of a workplace where diverse human resources can play an active role

In 2014, MMC established the Diversity Promotion Policy with the aim of creating an environment in which diverse employees can maximize their individual abilities and play active roles, regardless of age, gender, or disability, etc.

In the Production Division, for example, we are quantifying and visualizing physical and other loads of each process to create a people-friendly workplace where seniors, women, and people with disabilities can work without difficulty.

For senior employees who continue to work beyond the retirement age, we made the working style more flexible to meet diverse employment and working needs. For part-time employees and employees who work every other day, a side job is allowed as part of an effort to contribute to their self-realization and career development.

In addition, we are actively promoting the participation and advancement of female employees as a key priority. We formulated a General Employer Action Plan at the beginning of FY2024 based on the Act on *Promotion of Women's Participation and Advancement in the Workplace*, with the goal of increasing the female manager ratio by the end of FY2028. The female manager ratio at the end of FY2025 was 6.8% (+0.4% from the previous fiscal year). We will continue to support employees so that they can develop their career in a way that matches their abilities and ambitions, regardless of life events or other personal circumstances.

As for the employment of people with disabilities, we are working on hiring at MMC's Production Division, Personnel Division, and special subsidiaries in order to promote the employment of people with disabilities company-wide, and we achieved an employment rate exceeding the legal employment rate of 2.50% throughout FY2025. In addition, we are striving to create workplaces where employees with disabilities can play active roles in cooperation with relevant departments and production sites, such as by holding employment promotion seminars based on the local situation.

"Reinforcement of occupational safety and health"

Considering the assurance of employees' safety and health is the foundation of corporate activities, we are constantly working on the measures based on the MMC Safety and Health Management Policy including our business partners' site located within the MMC.

Each employee with a healthy mind and body is the driving force for the improvement of corporate value and sustainable growth. Positioning the maintenance and enhancement of employees' health as one of the essential management issues, MMC is handling health and productivity management with the concerted efforts of domestic sites while setting out "The Health Declaration" (for the Health Declaration, please refer to "Health and Productivity Management at MMC" https://www.mitsubishi-motors.com/jp/sustainability/society/employee_safety/kenkoukeiei/). In March 2026, MMC received the Certified Health & Productivity Management Outstanding Organization for the fourth consecutive year under the large enterprise category from the Ministry of Economy, Trade and Industry (METI) and the Nippon Kenko Kaigi.

We also continue improvement activities, workplace patrols, and inspections at consolidated subsidiaries in accordance with the Industrial Safety and Health Act.

"Employee engagement"

Since FY2013, MMC has been implementing the employee engagement survey. The survey is intended to visualize the status of the whole company/organization and employees to activate people and organizations by dealing with the issues identified in the results and improving employee engagement.

In May 2025, the employee engagement score was up 2 points year on year, exceeding the target increase of 1 point. After analyzing the survey results, we provided officers, organization heads and departments in charge with the feedback for their responsible domain, and urged them to take action to improve engagement. In particular, to enhance organizational and talent management, we launched our original learning program, "Yoriyoi Workplace Dialogue," in FY2024 under the supervision of a leading expert in organizational development. In addition to providing workplace workshops for organization heads to learn practical approaches to creating positive workplaces, the Company also provides video learning materials to all employees. In FY2025, we expanded the workplace workshops for organization heads to our Kyoto and Okayama sites, in addition to Tokyo and Aichi sites. In addition, we use the survey results as reference data to discuss the future course of human resources development at the Human Resources Development Council, which the senior management attends, to promote the Company's action to improve employee engagement continuously.

Some consolidated subsidiaries also conduct engagement surveys and implement organizational revitalization initiatives in coordination with MMC.

3. Business-related risks

Important risks that may significantly affect the business results, financial position, cash flow position, etc. (hereinafter “operating results, etc.”) of the MMC Group include those listed below. The following matters, however, are not an exhaustive list of all risks, and the MMC Group is also potentially exposed to risks other than those listed below. Any of the risks listed below might impact the operating results, etc. of the MMC Group.

Moreover, please note that the following matters concerning the future may differ from actual results in the future since the matters concerning the future were assessed by the MMC Group as of the filing date of the securities report and the report contains uncertainties.

<Risks that are currently of particular concern among business-related risks>

Among the business-related risks described later, the following risks have recently become apparent and are expected to have impacts going forward.

(1) Impacts of changes in the market environment

The MMC Group conducts sales activities in the Middle East. Since the U.S. and Israeli attacks on Iran, rising geopolitical tensions have affected both sales and costs. Furthermore, instability in the Middle East has affected procurement costs across the MMC Group through higher energy prices and increased logistics costs. It has also affected demand trends not only in the Middle East but also in regions such as ASEAN that are highly dependent on energy imports.

If the situation becomes protracted or more serious, it could lead to matters, including further supply chain disruptions, soaring raw materials prices, a global economic slowdown, and supply risks affecting production, which could impact the operating results, etc. of the MMC Group.

<Business-related risks>

(1) Risks related to the market and business (operational risks)

(i) Impacts of parts and raw material procurement

The MMC Group globally sources raw materials and parts, etc., from the perspective of enhancing product quality and cost competitiveness. Depending on the parts and materials, we make it a rule to place optimal orders, such as through centralized ordering or multiple ordering. In addition, we also use rare metals such as palladium and rhodium, which are not only produced in low quantities but are also produced only in specific countries and regions.

Therefore, if supplies from those suppliers are stopped, or if it is not possible to procure in a timely way and at competitive prices due to such unexpected reasons as rapid changes in the supply and demand of raw materials, parts, etc., changes in the political situation of the country of procurement, tightening of import/export regulations related to economic security, and occurrence of natural disasters, or other reasons, production of our products will be delayed or stopped, and costs may increase.

In each country, the enactment of laws and regulations to demand companies to take human rights initiatives has progressed. Accordingly, the need for companies to respond to the human rights risk of a supply chain is rapidly increasing. When the MMC Group cannot take proper and timely action on these laws and regulations, legal violations, penalties of an import ban or fines, or damage to our brand image due to a decrease in social credibility would affect our business activities, including production, development, purchase and sales, and therefore may affect the MMC Group’s operating results, etc.

Since these risks would also significantly impact the MMC Group’s medium- and long-term business plans, we are making efforts to reinforce our risk initiatives related to the supply chain to minimize such an impact on our business and performance. Nevertheless, events associated with such risks may still occur.

(ii) Impact of product quality and safety

In order to improve product quality, the MMC Group strives to promptly identify the causes of failures and implement countermeasures through collaboration with related departments based on market information, and appropriately assess potential risks.

If recalls, improvement measures, etc. due to product defects or failures become large scale, or if there is a large-scale liability claim from customers due to product defects or failures in spite of the Group’s efforts to improve the quality of products and services and ensure safety, the MMC Group may incur substantial costs, suffer damage to the evaluation of its products and brand image, and experience a decline in sales, all of which may affect the Group's operating results, etc.

(iii) Impact of laws and regulations, etc.

The MMC Group is subject to various laws and government regulations concerning the environment, such as gas emissions, fuel efficiency, noise, chemical substances, recycling, water resources, etc. related to the automotive industry, in the countries where the Group operates.

Moreover, it is also subject to a wide range of laws and regulations in Japan and overseas, such as consumer protection regulations, certificates and permissions related to business and investment, labor regulations, regulations on foreign exchange, trade control including that for security purposes, various tax laws (including tariffs), antimonopoly laws, anti-bribery laws, and the Act on Preventing Delay in Payment to Small and Medium-Sized Entrusted Business Operators in Relation to Manufacturing Consignment.

In order to deal with these laws and regulations, the MMC Group has made efforts to put in place a system to ensure that the Group complies with laws and regulations; each department in charge has implemented measures to prevent potential non-compliance with laws and regulations, etc., and the MMC Group has also enhanced a structure to respond promptly to any compliance-related matters detected by the Group. However, the possibility that violations of laws or regulations may occur in the future is not zero. It might be pointed out to the Group that there is a law violation, or the content, effect, promptness or other aspect of its response is insufficient. In such a case, we might become subject to an administrative investigation by a regulatory authority or receive punishment, or become a party involved in a lawsuit. If such an event occurs, it could have an impact on the MMC Group's compliance reputation and operating results, etc.

(iv) Impacts of lawsuits and other legal procedures

As the MMC Group conducts its business activities, we may become a party involved in various lawsuits and other legal procedures with users, business partners and third parties. In such a legal procedure or an ongoing legal procedure, if a judgment that is unfavorable to us is made, the operating results, etc. of the MMC Group may be affected.

Moreover, although the MMC Group holds product liability insurance with a certain limit amount to cover compensation for damages, etc. arising from claims for damages and lawsuits in relation to product liability where the courts ruled in favor of plaintiffs, the insurance policy may not always cover all the compensation for damages, etc. and the MMC Group's operating results, etc. may be affected. As for the status of an individual product liability lawsuit, please refer to "V. Financial Information, 1. Consolidated financial statements, Notes, Consolidated balance sheet, 6. Contingent liabilities."

(v) Impact of infringement of intellectual property rights

The MMC Group endeavors to protect its own technologies, know-how and other intellectual property as well as to prevent the infringement of third-party intellectual property rights. However, in the event that a third party unlawfully uses the MMC Group's intellectual property and this results in legal costs, or in the event that an unexpected infringement of a third-party intellectual property right by the MMC Group requires a halt in manufacturing or sales or the unforeseen payment of license fees or compensation, or causes damage to the reputation of the MMC Group's products and a consequent drop in demand, the operating results, etc. of the MMC Group may be impacted.

(vi) Impact of IT and information security

The information that the MMC Group uses in its operations, products, services, etc. and the information technology such as networks and systems where such information is stored come in a wide variety, including those managed by third parties. The MMC Group implements safety management measures for hardware and software, including measures to protect personal information, as well as information security training for Group employees. However, the methods of cyberattacks are becoming more sophisticated and complicated. Due to unauthorized access or cyberattacks by malicious hackers against the MMC Group or our business partners (infection of computer viruses, etc.), inadequate management or human error within the Group or at third parties, or occurrence of natural disasters, there may be leakage of the Group's confidential, personal, and other information of the Group, suspension of our important operating system and services, adverse effects on the electronic control function of our products, improper paperwork or destruction/falsification of important data. They may result in an impairment of the Group’s brand image and social credibility causing sales to decline, legal claims, lawsuits or liability for damages, obligation to pay penalties or fines, or operational problems such as production suspension. If such a possibility is realized, it could have a negative impact on the operating results, etc. of the Group.

(2) Risks related to business strategy and the maintenance of competitiveness (strategic risks)

(i) Impact on the sales strategy and response to competitor trends

In the automotive industry, changes in the market environment, competitive landscape, and technological innovation are accelerating. As a result, the underlying assumptions of business and sales strategies may change within a short period. In addition, factors such as the global expansion of competitors, including Chinese manufacturers, intensified sales competition, and changing customer needs may cause changes to the assumptions underlying the MMC Group’s sales strategies, product launches, sales regions, etc. Based on these circumstances, the MMC Group announced its new medium- to long-term vision in May 2026. Under the new medium- to long-term vision, we will pursue a hybrid strategy consisting of a brand-based growth strategy and structural transformation aimed at strengthening our earnings structure.

However, the MMC Group’s operating results, etc. could be affected if changes in the market environment, competitive landscape, competitors' strategies, customer needs, or other factors prevent the MMC Group from executing its business and sales strategies as planned, resulting in failure to implement initiatives such as launching products, strengthening sales capabilities, improving the sales mix, and increasing revenue per vehicle in a timely and sufficient manner, or adopt sales measures that provide a competitive advantage over other competitors.

(ii) Impact of product and technology development

To provide customers with a fulfilling mobility life that awakens their spirit of adventure on the basis of reliability backed by technology that achieves “Eco-friendly × Safety, Security and Comfort” in the midst of rapid changes in technology and the technologies and approaches required of automakers, such as various demands in certain areas and the efforts to achieve carbon neutrality, the MMC Group works on development every day considering that it is important to arrange timely introduction of new products and technologies, which are useful, practical and easy-to-use, satisfying customers’ values and needs and manifesting “Mitsubishi Motors-ness.” However, when we cannot sufficiently capture the values and needs of customers even with our research and development based on detailed study and/or when we cannot provide customers with new technologies and products in a timely manner because of internal and external factors, our sales market share, sales and profitability could decline.

(iii) Impacts of alliances with other companies

The MMC Group has entered into business alliances and partnerships with other companies, including joint ventures, in the areas of research and development, production, and sales, with the expectation of greater efficiency in management resources and synergistic effects. However, there is a possibility that alliances or joint ventures may change or cannot be maintained or may not produce the expected results due to changes in the business structure resulting from changes in market environments or regulations, changes in the business strategy of the other party, disagreements in an alliance policy between the parties, changes in the investment ratio, or other factors. If the results do not meet expectations, the financial condition of the partner deteriorates, or there is a change in the investment relationship, a significant change in the alliance, or the dissolution of the alliance, our Group’s operating results, etc. may be affected.

(iv) Impact of the personnel and labor strategy

The MMC Group believes it is extremely important to secure highly specialized personnel and to provide them with opportunities, and it promotes the creation of a corporate culture that supports diverse working styles through appropriate assignment of personnel based on having appropriate personnel allocation through optimization of the workforce composition and the establishment of a role-based compensation system in addition to the creation of schemes that encourage individual growth.

However, if recruitment and retention do not proceed as planned due to hiring difficulties and increased labor market mobility, our Group's competitiveness may decline over the long term.

Moreover, the MMC Group recognizes that efforts to respect human rights are an indispensable element in fulfilling our social responsibilities in order to expand our business globally and grow sustainably, and works on prohibiting discrimination and eliminating unfair labor practices set out in the "Human Rights Policy." However, if our Group or related parties take actions that are problematic in terms of human rights, our business foundation may be affected by a loss of trust and confidence from customers or damage to our brand image due to a decline in social credibility, etc.

(v) Impact of climate change

In anticipation of tighter fuel efficiency/CO_2 emission regulations and ZEV regulations, as well as the increased introduction of carbon pricing, etc., the MMC Group is promoting electrification, energy conservation activities at all our bases and the introduction of renewable energy, based on our "Environmental Plan Package" which sets forth the policies and targets of our Group's environmental initiatives. However, in the event that cost of sales rises to address the further strengthening of fuel economy/CO_2 emissions regulations and other regulations due to climate change countermeasures proceeding more than expected, or if costs of production and procurement rise due to expanding the introduction of carbon pricing, etc., the operating results, etc. of the MMC Group may be affected.

We are also striving to promote adaptation measures, such as formulating business continuity plans, in preparation for the possibility that global CO_2 emissions will not be reduced, temperatures will continue to rise, and natural disasters such as typhoons and torrential rains will become more frequent and severe in a wider area than at present. However, if parts procurement, product manufacturing, sales, distribution, etc., are delayed or halted due to more frequent or severe natural disasters such as floods than expected in the countries or regions where our Group's or our transaction partners' production bases are located, our Group's operating results, etc. may be affected.

(3) Risks related to finance and the economy (financial risks)

(i) Impact of foreign exchange rate fluctuations

As overseas sales account for around 80 percent of the MMC Group's overall sales, the Group holds receivables denominated in foreign currencies, including U.S. dollars, euros and Australian dollars. Further, as the MMC Group manufactures products to export globally at a Thai subsidiary, it also holds liabilities denominated in foreign currencies, primarily the baht.

As the values of foreign currency denominated assets (accounts receivable–trade, etc.) and foreign currency denominated liabilities (accounts payable–trade, etc.) change when foreign exchange markets for Japanese yen and foreign currencies fluctuate, the MMC Group's yen-based profit or loss may be affected.

At present, the MMC Group is working on measures to reduce the impact of exchange rates, such as the export of the vehicles manufactured in Indonesia, and sales expansion in Thailand of the vehicles manufactured in the country, to contain the impact of foreign exchange rates over the medium to long term. However, if there are significant fluctuations in foreign currencies, the operating results, etc. of the MMC Group may be affected.

(ii) Impacts of changes in the market environment

The MMC Group operates business around the world, and engages in production and sales activities in various countries and regions. These business activities may be affected by an economic downturn, financial crisis, etc. in an individual country and region. In addition, geopolitical risks may increase transportation costs, make it impossible to secure shipping capacity, or cause transportation delays, adversely affecting our production and sales activities, and in that case, the operating results, etc. of the MMC Group may be affected.

(iii) Credit risk of business partners

As the MMC Group conducts its business activities, we are exposed to credit risks in its dealings with dealers and with customers and other trading partners and in its automobile financing business.

Regarding credit risk related to business partners, such as distributors, we strive to control risk by maintaining appropriate credit protection, while continuously evaluating country risk and the financial status of business partners. Moreover, we carry out strict credit screening and collection management for risks arising from the sales financing business to control the occurrence of bankruptcies and uncollectible receivables. However, if a loss stemming from such risk exceeds the MMC Group's expectations due to a deterioration in the external environment, etc., the operating results, etc. of the MMC Group may be affected.

(iv) Impact of fund liquidity

In addition to borrowing from financial institutions, the MMC Group issues commercial paper, etc. for financing. In order to prepare for increased demand for funds due to a deterioration in the business environment, MMC secures sufficient liquidity by setting up commitment lines at overseas subsidiaries in addition to commitment lines of credit worth about 272.0 billion yen, and strives to maintain good relationships with our main bank and other relevant financial institutions. However, if the MMC Group is unable to procure the necessary funds at appropriate terms in the financial markets due to an economic or financial crisis, etc. or due to a lowering of the MMC Group's credit ratings, this may seriously impact the operating results, etc. of the MMC Group.

(4) Risks related to business continuity (hazard risks)

(i) Impacts of war, terrorism, political instability, and deteriorating security

The MMC Group has facilities for development, manufacturing, sales, etc. in Japan and other parts of the world, and therefore, the occurrence of terrorism, war, civil war, political instability, deterioration in public security, etc. in these countries and regions may cause serious disruptions, such as interruption of operations of the MMC Group or its business partners.

In anticipation of such a situation, the cross-functional economic security team prepares and executes measures to mitigate any possible obstacles, and if such an event should occur, a countermeasures meeting is established with the participation of the relevant divisions to address the situation from a company-wide, cross-functional perspective.

However, if terrorism, war, civil war, political instability, deterioration in public security, or the like occurs on a larger scale than is expected, and when parts procurement, production and sales of products, logistics, etc. are delayed or stopped resulting in decreased revenue or increased costs, the operating results, etc. of the MMC Group may be affected.

(ii) Impact of natural disasters, accidents, infectious diseases, etc.

Because the MMC Group has facilities for development, manufacturing, sales, and other bases in Japan and other parts of the world, natural disasters such as large-scale earthquakes, typhoons, torrential rains and floods, fires and other accidents, and outbreaks of infectious diseases in such countries and regions may cause serious disruptions, including interruption of the MMC Group's operations or those of its suppliers.

The BCM* Committee has formulated a business continuity plan, while also verifying the effectiveness through regular training and preparing for any emerging threats based on a scenario that would have a serious impact on the MMC Group's operations.

However, if facilities, such as manufacturing bases, are damaged due to a natural disaster, accident or spread of infectious disease on a scale larger than anticipated, or if the procurement of components, manufacture, sale and distribution of products, etc. are delayed or suspended, this may affect the operating results, etc. of the MMC Group.

*: BCM is an abbreviation for "Business Continuity Management"

4. Management analysis of financial position, operating results and cash flows

An overview of the financial position, operating results and cash flows ("operating results, etc.") of the MMC Group (MMC, its consolidated subsidiaries and its entities accounted for using the equity method) during the fiscal year under review is as follows.

Any forward-looking statements expressed below are based on the judgment of the MMC Group as of March 31, 2026.

(1) Financial position and operating results

(i) Operating results

During the fiscal year under review, the MMC Group faced a series of major changes, including the impact of U.S. customs tariffs, the increased exports by Chinese manufacturers, and changes to environmental regulations in many countries, resulting in a series of situations that required careful navigation. Particularly from 2026 onward, uncertainty increased further as geopolitical risks materialized, including deteriorating situations in the Middle East.

Amid these conditions, despite a year-on-year profit decrease, the MMC Group was able to secure an operating profit increase in the second half due to the steady launch of sales of new models, including new DESTINATOR.

As a result, full-year global sales volume was 797,000 units, down 5% from the previous fiscal year, and full-year net sales were 2,896.5 billion yen, up 4% from the previous fiscal year. Full-year operating profit was 75.5 billion yen (down 63.3 billion yen year on year). Ordinary profit was 78.9 billion yen (down 19.7 billion yen year on year), and profit attributable to owners of parent was 10.0 billion yen (down 31.0 billion yen year on year).

The future business environment is expected to continue to involve many uncertainties, including developments in geopolitical risks, higher costs of raw materials and logistics, and prolonged inflation. With significant changes to the external environment, the MMC Group recognizes that more flexible and appropriate responses will be required in business operations.

Under these circumstances, the MMC Group will strive to transform its revenue base into one that does not rely excessively on the expansion of volume and shift to a sales composition centered on new and higher-end models, while improving profit per unit. In addition, the MMC Group will ensure that the full-year earnings contribution from new models successively launched in the second half of FY2025 is fully captured, while increasing the number of units through the expansion into additional markets. In addition, with the plan to launch an all-new cross-country SUV, a move regarded as important for future growth, the MMC Group will strive to improve competitiveness through the enhancement of product appeal. Moreover, the MMC Group will work on building a business structure, which can withstand changes to the external environment, by continuously reducing costs and improving the profit structure. Based on these initiatives, for FY2026, the MMC Group will adhere to the basic approach of further expanding strong areas and steadily addressing challenges. With the continuation of a severe business environment expected, the MMC Group will strive for stable growth and improvement of corporate value, while enhancing its ability to respond to changes.

The operating status by business segment is as shown below.

i) Automobile business

Net sales for the automotive business in the fiscal year under review were 2,862.2 billion yen (up 104.4 billion yen year on year) with operating profit of 72.5 billion yen (down 61.6 billion yen year on year).

ii) Financial services business

Net sales for the financial service business in the fiscal year under review were 51.5 billion yen (up 4.9 billion yen year on year), and operating profit was 2.8 billion yen (down 1.4 billion yen year on year).

(ii) Financial position

Total assets as of March 31, 2026 amounted to 2,418.1 billion yen (up 172.2 billion yen from the end of the previous fiscal year). Cash and deposits amounted to 438.9 billion yen (down 13.6 billion yen from the end of the previous fiscal year). Total liabilities amounted to 1,454.8 billion yen (up 182.4 billion yen from the end of the previous fiscal year). Of total liabilities, the interest bearing debt balance was 395.4 billion yen (up 80.6 billion yen from the end of the previous fiscal year). Net assets amounted to 963.3 billion yen (down 10.3 billion yen from the end of the previous fiscal year). As a result, the equity-to-asset ratio stood at 38.0% (41.6% at the end of the previous fiscal year).

(2) Cash flow status

(i) Basic approach to cash flows

The MMC Group adheres to a basic policy to maintain the stable distribution of profits to shareholders by achieving sound and sustainable growth and enhancing its corporate value, while maintaining financial discipline; the Group has adopted free cash flow as one of its business performance indicators.

Based on the policy above, in order to fund the needs of its business activities including the development, manufacturing and sale of vehicles (e.g., material costs, personnel expenses, various other overheads and loan funds for its financial service business), and the needs of its capital investments including those for next-generation technologies and compliance with environmental regulations, and those for improving productivity, the MMC Group will in principle cover such outlays with the cash flows it newly generates each year. When necessary, the Group also uses internal funds accumulated over the past fiscal years or external financing such as borrowings from financial institutions.

(Note) Free cash flow is calculated using the following formula.
It is the sum of cash flows from operating activities and cash flows from investing activities.

(ii) Cash flow status

Cash flows for the fiscal year under review consisted of a net inflow of 35.8 billion yen from operating activities (down 138.9 billion yen year on year), a net outflow of 122.4 billion yen from investing activities (up 7.6 billion yen year on year), and a net inflow of 46.9 billion yen from financing activities (up 321.7 billion yen year on year). In addition, there was also an increase of 28.5 billion yen due partially to the effect of foreign currency translation on cash and cash equivalents; overall, however, cash outflows from investing activities exceeded inflows, resulting in the balance of cash and cash equivalents at the end of the fiscal year under review decreasing by 11.2 billion yen from the end of the previous fiscal year to 438.9 billion yen.

Free cash flow for the fiscal year under review ended up with a net outflow of 86.6 billion yen (up 146.5 billion yen year on year).

Cash flows from operating activities

Net cash provided by operating activities was 35.8 billion yen. This was primarily due to profit before income taxes and depreciation. Compared with the previous fiscal year, the inflow decreased by 138.9 billion yen. This decrease in cash inflows was mainly due to a decrease in profit before income taxes and increases in trade receivables and finance receivables.

Cash flows from investing activities

Net cash used in investing activities was 122.4 billion yen. This net outflow was mainly attributable to the purchase of property, plant and equipment. Compared with the previous year, the outflow increased by 7.6 billion yen. This outflow increase was mainly due to the purchase of property, plant and equipment.

Cash flows from financing activities

Net cash provided by financing activities was 46.9 billion yen. This was primarily due to an increase in borrowings in the sales financing business. Compared with the previous fiscal year, the inflow increased by 321.7 billion yen. This was primarily due to a decrease in cash outflows for repayments of long-term borrowings.

(iii) Liquidity of funds and financing

The consolidated balance of cash and deposits and the consolidated balance of interest bearing debt at the end of the fiscal year under review were 438.9 billion yen and 395.4 billion yen, respectively. In addition, MMC has entered into a committed credit line agreement worth approximately 272.0 billion yen with domestic financial institutions. The balance of cash and deposits plus the committed line of credit has provided the Company with a liquidity of approximately 710.0 billion yen.

In preparation for an increase in demand for funds due to a deterioration in the business environment, we have also set up, in addition to the above liquidity, commitment lines at overseas subsidiaries, and strive to secure the funds necessary for maintaining, expanding, and operating the MMC Group's business.

The MMC Group obtained credit ratings from rating agencies: the Rating and Investment Information, Inc. (R&I), and S&P. The Group's ratings as of the filing date of this securities report are BBB+ from R&I, and BB+ from S&P.

(3) Production, orders and sales

i) Production

Production for the fiscal year under review is as follows.

	Fiscal year under review Quantity (Thousand units)	Year on year (%)
Japan	489	102.2
Overseas	424	98.4
Asia	409	97.4
Other	16	131.1
Total	913	100.4

(Note) Figures for production quantity in the table above are totals of built-up vehicles produced by MMC and its consolidated subsidiaries (knockdown production is also included in the quantity in Japan) which include the OEM production for other companies and jointly developed vehicle production conducted by MMC.

ii) Orders received

MMC generally operates on a make-to-stock basis, except for special cases such as when dealing with large-lot demand.

iii) Sales

Sales results during the fiscal year under review are as follows.

	Fiscal year under review		Year on year (%)	
	Quantity (Thousand units)	Amount (Millions of yen)	Quantity	Amount
Japan	265	659,400	102.4	104.4
Overseas	694	2,237,136	99.0	103.7
North America	165	661,715	85.9	90.1
Europe	43	211,992	138.4	166.8
Asia	259	624,545	103.2	109.6
Oceania	74	286,035	87.8	89.1
Other	153	452,846	107.0	112.0
Total	960	2,896,536	99.9	103.9

(Notes)
1. Sales results represent the wholesale unit sales of built-up vehicles and KD packs of MMC and its consolidated subsidiaries, classified by the geographic location of external customers.
2. The sales results by major customer and their ratios against total sales have been omitted as there was no customer for which sales accounted for 10% or more of total sales for the fiscal year under review.

(4) Significant accounting policies and estimates

The MMC Group's consolidated financial statements are prepared in accordance with accounting principles generally accepted in Japan (Japan GAAP). The preparation of consolidated financial statements requires that estimates and assumptions be made that affect the recorded amounts of assets and liabilities, disclosed amounts of contingent assets and liabilities at the end of the fiscal year under review, as well as recorded amounts of revenue and expenses during the reporting period. Although the estimates were made based on the past results and methods deemed reasonable, because of uncertainty unique to estimates, actual results could differ from these estimates.
The significant accounting policies applied by the MMC Group in the preparation of the consolidated financial statements are explained in "Material basis of the preparation of consolidated financial statements" of "V. Financial Information, 1. Consolidated financial statements." The MMC Group considers the following significant accounting policies could materially affect the estimates made in the consolidated financial statements: In addition, liabilities related to market quality measures, contingent liabilities (provision for loss on litigation), and the recoverability of deferred tax assets are explained in "Significant accounting estimates" of "V. Financial Information, 1. Consolidated financial statements."

i) Allowance for doubtful accounts

To provide for bad debt losses for trade receivables, loans, etc., an estimate of the amount of specific uncollectible accounts is provided as an allowance for doubtful accounts based on the historical default rate for ordinary receivables, and after taking into account individual collectability for specific receivables such as doubtful receivables. In cases where a customer's ability to pay decreases because of financial deterioration due to factors such as changes in economic conditions, recording of an additional allowance for doubtful accounts may be required.

ii) Provision for product warranties

The MMC Group calculates the provision for product warranties after taking into account, according to the warranty agreements, future warranty forecasts based on past results in order to provide for the products' after-sales service costs. The estimates of after-sales service cost may need to be revised when the actual product defect rate or repair cost differ from the estimates.

iii) Retirement benefit expenses and retirement benefit obligation

The retirement benefit expenses and retirement benefit obligations are calculated based on certain actuarial assumptions, including discount rates, expected future compensation levels, employee turnover rate, as well as mortality rate and long-term rate of return on pension plan assets calculated based on the latest statistical figures. When the actual results differ from assumptions, or when the assumptions are amended, the effect thereof will be accumulated and recognized regularly going forward. This will affect the amount of expenses to be recognized and amount of liabilities to be recorded in the future period.

iv) Evaluation of investment securities

The MMC Group retains shares of publicly traded companies with high price volatility and shares of not publicly traded companies that have no market prices. The MMC Group periodically reviews the evaluation of investment securities and conducts impairment accounting if the evaluation falls below the acquisition cost or the carrying amount after impairment by a certain rate or more. Worsening market conditions or unstable performance at invested companies in the future may require the implementation of impairment in the event that losses are not reflected in the current carrying amount or the carrying amount becomes irrecoverable.

v) Impairment of non-current assets

When applying impairment accounting to non-current assets, the MMC Group groups production assets mainly by business company, sales-related assets mainly by business unit and lease assets and idle assets as individual asset groups, and estimates future cash flows for each group. If future cash flows fall below the carrying amount, the carrying amount will be reduced to the recoverable amount. If the recoverable amount decreases in the future, an impairment loss may occur and have an impact on profit or loss.

5. Material contracts

(1) Material business contracts

Company which entered into agreement	Counterparty		Agreement	Date on which agreement entered into
	Name	Country		
MITSUBISHI MOTORS CORPORATION (MMC)	Nissan Motor Co., Ltd. Suzuki Motor Corporation	Japan Japan	Agreement on the rights, obligations, etc. between the shareholders concerning JATCO Ltd.	March 15, 2007
MITSUBISHI MOTORS CORPORATION (MMC)	Peugeot Citroen Automobiles SA	France	Joint venture agreement to produce vehicles in Russia	May 19, 2008
MITSUBISHI MOTORS CORPORATION (MMC)	PT Krama Yudha Mitsubishi Corporation	Indonesia Japan	Joint venture agreement to produce vehicles in Indonesia	March 24, 2015
MITSUBISHI MOTORS CORPORATION (MMC)	Nissan Motor Co., Ltd.	Japan	Strategic Alliance Agreement regarding Capital and Business Alliance with Nissan Motor Co., Ltd.	May 25, 2016
MITSUBISHI MOTORS CORPORATION (MMC)	Daimler AG Renault Renault-Nissan B.V. Nissan Motor Co., Ltd.	Germany France The Netherlands Japan	Strategic Alliance agreement regarding automobile business	October 3, 2018

(Note) Material business contracts that ended during the fiscal year under review upon achievement of their objectives are as follows.

Company which entered into agreement	Counterparty		Agreement	Date on which agreement entered into
	Name	Country		
MITSUBISHI MOTORS CORPORATION (MMC)	China Aerospace Automotive Industry Group Co. Shenyang Jianhua Motors Engine Co., Ltd. Mitsubishi Corporation MCIC Holdings Sdn. Bhd.	China China Japan Malaysia	Agreement on the establishment of Shenyang Aerospace Mitsubishi Motors Engine Manufacturing Co., Ltd. regarding automobile engine business in China	May 15, 1997 (Ended on July 2, 2025)

(2) Agreement with Nissan

MMC has entered into the Strategic Alliance Agreement (including subsequent amendments, the "Strategic Alliance Agreement") with Nissan Motor Co., Ltd. ("Nissan"), a shareholder of MMC, which includes matters concerning the company-shareholder governance agreement, as well as the company-shareholder agreement on the disposal and additional purchase of shares held by shareholders.

The outline of the Strategic Alliance Agreement is as follows:

i) Outline of the contract

Execution date	May 25, 2016
Name of the counterparty	Nissan Motor Co., Ltd.
Address of the counterparty	2, Takara-cho, Kanagawa-ku, Yokohama, Kanagawa
Content of the agreement	(Company-shareholder governance agreement) (i) Agreement that, as long as the Nissan Group owns 20% or more of the shares and voting rights of MMC, Nissan has the right to nominate candidates for directors of MMC in a number proportional to its voting rights ratio. (ii) Agreement that, as long as Nissan is the largest shareholder of MMC and the Nissan Group owns 20% or more of the shares and voting rights of MMC, the prior consent of Nissan shall be required for (i) submission of proposals regarding candidates for directors to the shareholders' meetings, (ii) appointment of certain members of management, (iii) approval or modification of budgets and business plans, (iv) approval of strategic alliances, (v) approval of investments exceeding a specified amount, (vi) amendment or termination of certain contracts, and (vii) organizational changes subject to approval by the Board of Directors. (Company-shareholder agreement on the disposal and additional purchase of shares held by shareholders) (i) Agreement that, as long as the Nissan Group owns 20% or more of the shares and voting rights of MMC, when MMC issues shares or other securities, Nissan has the right to subscribe for such shares or securities in proportion to its voting rights ratio, etc. (ii) Agreement that, for a period of ten (10) years commencing on October 20, 2016, Nissan shall be required to obtain MMC's prior consent for any transfer or other disposition of MMC's shares or other securities. (iii) Agreement that, if certain termination events occur and accordingly MMC terminates the Strategic Alliance Agreement, MMC has the right to request Nissan to sell the MMC shares held by the Nissan Group, and Nissan has the right to request MMC to purchase such MMC shares.

ii) Purpose of the agreement

MMC executed the Strategic Alliance Agreement for the purpose of maintaining MMC's revenue opportunities and improving trust in MMC's future competitiveness, effectively utilizing development resources through integrated operations in product and technology development domains, strengthening product competitiveness, and enhancing the efficient procurement of components, particularly high-value-added components, by forming a strategic alliance with Nissan and establishing a constructive alliance relationship over the medium to long term.

iii) Status of deliberations by the Board of Directors and other decision-making processes at MMC regarding the agreement

At the Board of Directors meetings held on May 12 and May 25, 2016, as a result of careful discussions and deliberations based on the professional knowledge provided by MMC's legal advisors and financial advisors, MMC determined that the execution of the Strategic Alliance Agreement and the formation of a strategic alliance with Nissan would contribute to MMC's corporate value and, consequently, the common interests of its shareholders, and decided to execute the Strategic Alliance Agreement.

iv) Impact of the company-shareholder governance agreement on MMC's corporate governance

As of the filing date of this Annual Securities Report, ten (10) of the twelve (12) Directors of MMC are Outside Directors, and five (5) of the Outside Directors are Independent Outside Directors. The Board of Directors has a statutory Nomination Committee, Compensation Committee, and Audit Committee, which supervise Directors and Executive Officers together with the Board of Directors. Each committee is composed of a majority of Outside Directors, and the Chairpersons of each committee are Outside Directors. Through this, a system is in place in which fairness and transparency are ensured and corporate governance functions substantially. Furthermore, the matters requiring Nissan's prior approval, as described in i) above, are limited to those that are necessary in light of the purpose of the strategic alliance with Nissan. Therefore, MMC determines that the impact of the company-shareholder governance agreement on MMC's corporate governance is limited.

6. Research and development activities

The MMC Group has worked on research and development activities in order to realize its Mid-Term Business Plan "Challenge 2025" announced in March 2023.

During the fiscal year under review, R&D expenses for the automobile business amounted to 116,843 million yen.

The Group's R&D structure, the status of development of next-generation technologies and the major new products released from April 2025 through March 2026 are as described below.

(1) R&D structure

In Japan, the MMC Group conducts advanced technology development, design, and testing of designs and technologies primarily at the "Research & Development Center" and the "EV Research & Development Center." Also, in collaboration with MMC's overseas R&D bases in North America, Europe, China, and Thailand, these facilities develop technologies and products adapted to the market characteristics of each region. MMC also aims to develop technologies and products by leveraging the alliance with Renault and Nissan.

(2) Development of next-generation technologies

MMC is promoting technology development to deliver attractive products to embody "Mitsubishi Motors-ness," which is defined as "providing customers with a fulfilling mobility life that awakens their spirit of adventure on the basis of reliability backed by technology that achieves 'Eco-friendly × Safety, Security and Comfort'" in the Mid-Term Business Plan.

i) Development of environmental technologies

The Company will expand its electric vehicle lineup by utilizing its proprietary Plug-in Hybrid EV System (hereinafter, the "PHEV system") as a core technology, and applying PHEV components and batteries to battery electric vehicles (BEVs) and hybrid electric vehicles (HEVs) in order to achieve a 50% electric vehicle sales ratio by 2030, as stated in the "Challenge 2025." As for the core model OUTLANDER PHEV, we have implemented improvements to significantly extend the EV driving range by increasing the capacity and output of its drive battery. These enhancements were first introduced for the Japanese market in October 2024, followed by the European and North American markets. In ASEAN, our priority strategic region, we launched the XPANDER (HEV) and XPANDER CROSS (HEV) in Thailand in February 2024, both equipped with a newly developed HEV system that utilizes PHEV system technology. The XFORCE (HEV), launched in March 2025, received the Thailand Car of the Year 2025 award for its high efficiency, outstanding environmental performance, and powerful acceleration. In addition to the MINICAB EV and the eK X EV already on the markets, we will introduce BEVs in developed countries utilizing alliances to enhance the lineup. Moreover, to swiftly and efficiently develop technologies responding to the rapid advancement of electrification (battery, motor, etc.), MMC will promote the mutual utilization of motor components and powertrains through the alliance.

ii) Development of safety and security technologies

• Development of safety technologies

We are upholding the safety philosophy towards a car society with zero traffic accidents, and formulated an automobile safety framework as our approach to safety technology. We are making efforts under the following three axes: 1. Technology to help prevent traffic accidents (active safety), 2. Technology to mitigate damage from traffic accidents (passive safety) and 3. Avoidance of dangers, both in hardware and software, assumed as industrial products (fundamental product safety). By reflecting various safety technologies into our products, we are trying to have our customers drive safely and comfortably with peace of mind. These technologies include primarily the advanced preventative safety technology "Mitsubishi e-Assist[*1]" and the collision safety technology "RISE[*2]." In addition, we are promoting the development of safe technology that can be more effective in the ASEAN traffic environment.

• Provide a sense of security through 4WD technologies and off-road performance

MMC has continued to work on advancement of the four-wheel integrated vehicle dynamics control system "S-AWC[*3]," a technology of its special expertise to provide amazing confident driving performance on almost any road surface. In particular, MMC has continued its development of the combination of electric drive technology and S-AWC as the technology to improve our targeted properties, "Eco-friendly × Safety, Security and Comfort." To provide a safe, comfortable and exciting driving experience for customers in the world, MMC plans to implement and incorporate this technology further.

• Durability and reliability with robust body and chassis

MMC aims to ensure endurance reliability that "enables us to pursue our vision of vehicles that customers can rely on wherever they travel" by conducting annual global research into changing market conditions, road surfaces, and how customers use their vehicles and updating severe testing conditions of our test course. MMC is also strengthening the measures for aging quality degradation to prevent damage to "Peace of Mind and Comfort" performance of cars used over many years. Our continuous efforts to improve durability and reliability technologies contributed to the development of the rally vehicle used in the Asia Cross Country Rally 2025, where TRITON secured the overall championship. All participating vehicles finished the race, and the team won the team award, which is determined by the combined times of each team's top two vehicles.

iii) Comfortability

MMC is committing to gain deeper insights into individual customer requirements to our products and services on a daily basis and then, to deliver a stimulation of the drive to act and delight to everyone on board, through human-centric cockpit design and a comfortable in-car environment. To realize this vision, MMC will incorporate ever-evolving IT technologies. This will enable us to advance information displays, driving interfaces, and driver assistance systems, while also improving performance and updating capabilities of interior comfort, convenience features, connectivity, and hospitality functions, incorporating changes in social environments and lifestyles.

*1: Mitsubishi e-Assist: Preventative safety technologies that support safe and comfortable driving through radio wave radars and camera, etc.
*2: RISE: Reinforced Impact Safety Evolution
*3: S-AWC: Super All Wheel Control

(3) Main new products released from April 2025, to March 2026

• New GRANDIS compact SUV (Europe)

• New DESTINATOR midsize SUV

• New ECLIPSE CROSS battery EV (Europe)

• New DELICA MINI and eK Space super-height kei wagons

• New DELICA D:5 all-round minivan

• New VERSA VAN commercial vehicle (Philippines)

III. Information About Facilities

1. Outline of capital expenditure

   The MMC Group (MMC and its consolidated subsidiaries) invested a total of 85,320 million yen, mainly in development and research equipment for new products and technologies and production facilities for new products and sales facilities.

Company name	Segment	Details of capital expenditure	Amount of investment (Millions of yen)
MMC	Automobile	Production equipment of automobiles	26,171
		Development and research equipment of automobiles	3,831
		Equipment of automobile sales outlets	1,508
		Other	8,899
		Total	40,411
Automobile sales companies (2 companies)	Automobile	Equipment of automobile sales outlets	5,524
Mitsubishi Motors Finance Co., Ltd.	Financial services	Investment of systems, etc.	166
Other domestic subsidiaries (3 companies)	Automobile	Production equipment of parts, design and testing equipment of automobiles and parts, and transport and storage equipment of automobiles and parts, etc.	2,391
Mitsubishi Motors North America, Inc. and six other companies	Automobile	Equipment of automobile sales outlets, etc.	497
Mitsubishi Motors Europe B.V.	Automobile	Equipment of parts sales outlets, etc.	172
Mitsubishi Motors Australia Ltd.	Automobile	Equipment of automobile sales outlets, etc.	769
Mitsubishi Motors (Thailand) Co., Ltd. and another company	Automobile	Equipment of automobile sales outlets and production equipment of automobiles, etc.	11,601
Mitsubishi Motors Philippines Corporation and another company	Automobile	Equipment of automobile sales outlets and production equipment of automobiles, etc.	2,005
PT Mitsubishi Motors Krama Yudha Indonesia	Automobile	Production equipment of automobiles, etc.	16,112
Other overseas subsidiaries (15 companies)	Automobile Financial services	Equipment of automobile sales outlets, production equipment of parts, system investment, etc.	5,672
Total			85,320

(Note) Intangible assets and long-term prepaid expenses are included in the amount of investment.

2. Information about major facilities

Major facilities of the MMC Group (MMC and its consolidated subsidiaries) are as follows.

(1) Information about reporting company

(As of March 31, 2026)

Classification	Office and factory name (Location)	Segment	Description	Carrying amount (Millions of yen)						Number of employees
				Buildings and structures	Machinery, equipment and vehicles	Land		Others	Total	
						Size (thousands of m^2)	Amount			
Production equipment	Okazaki Plant (Okazaki-shi, Aichi)	Automobile	Production equipment of automobiles	8,404	16,985	(5) [1] 424	390	30,350	56,130	3,449
	Kyoto Plant (Ukyo-ku, Kyoto-shi, etc.)	Automobile	Production equipment of automobile engines	6,941	18,686	(6) [3] 448	11,155	2,710	39,493	1,338
	Mizushima Plant (Kurashiki-shi, Okayama)	Automobile	Production equipment of automobiles	8,915	23,666	[1] 914	6,696	3,717	42,996	3,151
Other equipment	Research & Development Center, EV Research & Development Center (Okazaki- shi, Aichi; Ukyo-ku, Kyoto-shi, etc.) (Note) 4	Automobile	Development and research equipment of automobiles	15,739	18,657	[2] 10,612	11,889	4,943	51,229	3,648
	Parts Center (Ama-gun, Aichi, etc.)	Automobile	Parts supply management facilities	1,890	791	(127) [0] 67	4,327	110	7,120	49
	Motor Pool (Minato-ku, Nagoya-shi; Kurashiki- shi, Okayama, etc.)	Automobile	Vehicle storage facilities	347	18	(140) [97] 625	19,001	18	19,385	-
	Welfare Facility (Okazaki-shi, Aichi, etc.)	Automobile	Company dormitories, company housing, etc.	1,643	181	(99) [7] 151	6,917	69	8,811	-
	Sales company sites (Neyagawa-shi, Osaka; Atsuta-ku, Nagoya-shi, etc.)	Automobile	Sales company sites	546	0	(49) [126] 76	6,109	0	6,656	-
	Other (Takatsu-ku, Kawasaki-shi, etc.)	Automobile	Training facility, etc.	1,564	558	(13) [13] 46	3,711	3,775	9,610	1,863

(Notes) 1. Figures in parentheses indicate the area of leased land and are not included in the total.
2. Figures in square brackets indicate the area of leased-out land, including subleased land, and are included in the total.
3. “Others” in carrying amount consists of tools, furniture and fixtures, and construction in progress.
4. Within the Research & Development Centers, the size and amount of the land in Ukyo-ku, Kyoto, is included within the Kyoto Plant.

(2) Domestic subsidiaries

(As of March 31, 2026)

Company name (Location)	Segment	Description	Carrying amount (Millions of yen)						Number of employees
			Buildings and structures	Machinery, equipment and vehicles	Land		Others	Total	
					Size (thousands of m^2)	Amount			
Higashi Nihon Mitsubishi Motor Sales Co., Ltd. and another sales company (Meguro-ku, Tokyo, etc.)	Automobile	Equipment of automobile sales outlets	12,877	7,563	(105) [20] 301	16,340	3,892	40,675	2,933
Mitsubishi Automotive Logistics Technology Co., Ltd. (Takatsu-ku, Kawasaki-shi)	Automobile	Transport and storage equipment of automobiles and parts, equipment of parts sales outlets, etc.	108	70	(8) [0] 5	243	113	537	284
Mitsubishi Automotive Engineering Co., Ltd. (Okazaki-shi, Aichi)	Automobile	Design and testing equipment of automobiles and parts, etc.	5	6	(9) 0	0	173	186	973
Suiryo Plastics Co., Ltd. (Kurashiki-shi, Okayama)	Automobile	Production equipment of parts	2,133	2,610	(8) [0] 98	1,184	5,596	11,523	620
Mitsubishi Motors Finance Co., Ltd. (Minato-ku, Tokyo)	Financial services	Car rentals, etc.	17	25,106	-	-	327	25,451	186

(Notes) 1. Figures in parentheses indicate the area of leased land and are not included in the total.
2. Figures in square brackets indicate the area of leased-out land, including subleased land, and are included in the total.
3. “Others” in carrying amount consists of tools, furniture and fixtures, and construction in progress.

(3) Overseas subsidiaries

(As of March 31, 2026)

Company name (Location)	Segment	Description	Carrying amount (Millions of yen)						Number of employees
			Buildings and structures	Machinery, equipment and vehicles	Land		Others	Total	
					Size (thousands of m^2)	Amount			
Mitsubishi Motors North America, Inc. (U.S.A.) and six other companies	Automobile	Equipment of automobile sales outlets, etc.	2,890	2,199	(173) [4] 123	488	232	5,810	352
Mitsubishi Motors Europe B.V. (Netherlands)	Automobile	Equipment of parts sales outlets, etc.	580	255	-	-	165	1,002	180
Mitsubishi Motors Australia Ltd. (Australia)	Automobile	Equipment of automobile sales outlets, etc.	5,441	648	-	-	769	6,858	203
Mitsubishi Motors (Thailand) Co., Ltd. (Thailand) and another company	Automobile	Equipment of automobile sales outlets and production equipment of automobiles, etc.	14,275	70,571	(1,369) 205	14,569	17,126	116,542	3,820
Mitsubishi Motors Philippines Corporation (Philippines) and another company	Automobile	Equipment of automobile sales outlets and production equipment of automobiles, etc.	4,250	3,119	301	2,721	698	10,789	1,328
PT Mitsubishi Motors Krama Yudha Indonesia (Indonesia)	Automobile	Production equipment of automobiles, etc.	10,175	12,527	[209] 509	8,757	40,872	72,333	1,962
Other overseas subsidiaries (15 companies)	Automobile Financial services	Equipment of automobile sales outlets and production equipment of parts, etc.	6,896	4,747	(36) [15] 300	3,597	830	16,072	1,356

(Notes) 1. Figures in parentheses indicate the area of leased land and are not included in the total.
2. Figures in square brackets indicate the area of leased-out land, including subleased land, and are included in the total.
3. “Others” in carrying amount consists of tools, furniture and fixtures, and construction in progress.

3. Plans for new construction and disposal of facilities

The capital expenditure plan of the MMC Group (MMC and its consolidated subsidiaries) is determined separately by the consolidated companies in principle. However, to prevent overlap or excessive expenditure across the whole Group, adjustments are made, primarily by MMC.

The MMC Group's main capital expenditures are the new installation and upgrading of facilities for the production of automobiles and automobile parts in the automobile business. For the following fiscal year (FY2026), the MMC Group is planning to make capital investments totaling 140,000 million yen (new equipment and upgrades) for the year. The capital expenditure plan for MMC and each of its consolidated subsidiaries in the automobile and financial services businesses is presented in the table below.

(Note) The above amounts are the amounts planned as of March 31, 2026.

Company name	Segment	Details of capital expenditure	Planned amount (Millions of yen)	Method of financing
MMC	Automobile	Production equipment of automobiles	25,010	Own capital and loans payable
		Development and research equipment of automobiles	9,680	
		Equipment of automobile sales outlets	3,830	
		Other	15,110	
	Total		53,630	
Automobile sales companies (2 companies)	Automobile	Equipment of automobile sales outlets	11,560	Own capital and loans payable
Mitsubishi Motors Finance Co., Ltd.	Financial services	Investment of systems, etc.	270	Own capital and loans payable
Other domestic subsidiaries (3 companies)	Automobile	Production equipment of parts, design and testing equipment of automobiles and parts, and transport and storage equipment of automobiles, etc.	3,580	Own capital and loans payable
Mitsubishi Motors North America, Inc. and six other companies	Automobile	Equipment of automobile sales outlets, etc.	610	Own capital and loans payable
Mitsubishi Motors Europe B.V.	Automobile	Equipment of automobile sales outlets	220	Own capital and loans payable
Mitsubishi Motors Australia Ltd.	Automobile	Equipment of automobile sales outlets	1,770	Own capital and loans payable
Mitsubishi Motors (Thailand) Co., Ltd. and another company	Automobile	Equipment of automobile sales outlets and production equipment of automobiles	38,780	Own capital and loans payable
Mitsubishi Motors Philippines Corporation and another company	Automobile	Equipment of automobile sales outlets and production equipment of automobiles, etc.	2,350	Own capital and loans payable
PT Mitsubishi Motors Krama Yudha Indonesia	Automobile	Production equipment of automobiles, etc.	23,280	Own capital and loans payable
Other overseas subsidiaries (15 companies)	Automobile Financial services	Equipment of automobile sales outlets, production equipment of parts, system investment, etc.	3,950	Own capital and loans payable
Total			140,000	

IV. Information About Reporting Company

1. Information about shares, etc.

(1) Total number of shares, etc.

i) Total number of shares

Class	Total number of authorized shares
Common stock	1,575,000,000
Total	1,575,000,000

ii) Issued shares

Type	Number of issued shares (As of March 31, 2026) (Shares)	Number of issued shares (As of the filing date: June 16, 2026) (Shares)	Name of stock listing or the name of authorized financial instruments firms association	Description
Common stock	1,460,476,846	1,460,476,846	Tokyo Stock Exchange Prime Market	Number of shares in a share unit: 100
Total	1,460,476,846	1,460,476,846	-	-

(2) Share acquisition rights

i) Details of stock option program

MMC had adopted a stock option program. The program is operated by means of issuing share acquisition rights in accordance with the Companies Act. The details of the program are as below.

MMC resolved to issue share acquisition rights to its Members of the Board (excluding Outside Directors) for stock options as equity-linked compensation, in accordance with the Companies Act.

Share acquisition rights based on the resolution of the Board of Directors' meeting held on November 26, 2020 (Fourth series share acquisition rights)

Resolution date	November 26, 2020
Number of share acquisition rights*	150
Category and number of persons to whom rights are granted	One Member of the Board (excluding Outside Directors) One heir of a former Member of the Board (excluding Outside Director)
Type of shares that will be issued upon exercise of share acquisition rights*	Common stock
Number of shares to be issued upon the exercise of one share acquisition right*	317 shares (Note) 1
Total number of shares that will be issued upon exercise of share acquisition rights*	47,573 shares (Note) 1
Amount of contribution (issue price) per share acquisition right*	1 yen per share
Fair value for a share acquisition right for one share*	126.12 yen (Note) 1
Exercise period*	The exercise period will commence on the earliest of the following dates and end on April 30, 2053. i) May 1, 2023 ii) If a shareholders' meeting of MMC (or, where no shareholder approval is required, the Board of Directors or Executive Officers of MMC) approves a merger agreement that provides that MMC shall cease to exist, or a share exchange agreement for a statutory share exchange (kabushiki koukan) agreement or a plan for a statutory share-transfer (kabushiki iten) that will result in MMC becoming a wholly-owned subsidiary, the date of such approval. iii) If a shareholders' meeting of MMC (or, where no shareholder approval is required, the Board of Directors or Executive Officers of MMC) approves a transfer of all or substantially all of MMC's business, or a spin-off agreement or spin-off plan (kaisha bunkatsu) that results in all or substantially all of MMC's business being assumed by a successor company, the date of such approval.
Share issue price and additional paid-in capital per share in the event of issuance of shares upon exercise of share acquisition rights*	Issue price: 127.12 yen (Note) 2 Additional paid-in capital per share shall be the amount obtained by multiplying the maximum limit of capital increase (as calculated in accordance with the provisions of Article 17, paragraph (1) of the Regulation on Corporate Accounting) by 0.5, and any fraction of less than 1 yen arising as a result of such calculation shall be rounded up to the nearest yen.
Conditions for exercising the share acquisition rights*	(Note) 3
Matters concerning transfer of share acquisition rights*	Acquisition by transfer of the share acquisition rights requires approval at the Board of Directors' meeting of MMC.
Matters concerning the granting of share acquisition rights following a corporate reorganization*	(Note) 4

* These details are based on the end of the fiscal year under review (March 31, 2026). As of the end of the month before the month of the filing date (May 31, 2026), there has been no change in the details required to be described since the end of the fiscal year under review, so the description related to the end of the month before the month of the filing date has been omitted.

(Notes) 1. Number of shares to be issued upon the exercise of one share acquisition right, total number of shares that will be issued upon exercise of share acquisition rights, and fair value of a share acquisition right for one share

The number of shares to be issued upon the exercise of one Share Acquisition Right (the "Number of Issued Shares") shall be calculated by dividing 40,000 yen, which is the issue price for one Share Acquisition Right, (the "Issue Price") by the fair value of a Share Acquisition Right for one share. If a grantee simultaneously exercises their multiple share acquisition rights, the Number of Issued Shares shall be the largest whole number obtained by (i) multiplying the Issue Price by the number of the Share Acquisition Rights that are exercised and then (ii) dividing the multiplied number by the fair value of a Share Acquisition Right for one share. Hereinafter, the number of shares of common stock delivered by MMC when there is an exercise of Share Acquisition Rights will be referred to as the "Number of Allotted Shares."

The fair value of a Share Acquisition Right for one share shall be calculated on the grant date by using the following Black-Scholes formula:

The fair value of a Share Acquisition Right for one share shall be the option price per share, based on the underlying figures set forth in (ii) through (vii) below, and calculated by using the Black-Scholes formula.

$$C = Se^{-\lambda t}N(d_1) - e^{-rt}XN(d_2)$$

Where:

$$d_1 = \frac{\ln\left(\frac{S}{X}\right) + \left(r - \lambda + \frac{\sigma^2}{2}\right)t}{\sigma\sqrt{t}}, d_2 = d_1 - \sigma\sqrt{t}$$

(i) Option price per share (C)

(ii) Stock price (S) : Closing price of the regular trading of the shares of common stock (futsū kabushiki) of MMC on the Tokyo Stock Exchange on the day on which share acquisition rights are granted (if there is no such closing price, the base price of the immediately following trading day)

(iii) Exercise price (X) : one (1) yen

(iv) Expected time to maturity: (t): 8 years

(v) Volatility (σ) : Share price volatility calculated using the closing price of the regular trading of the shares of common stock (futsū kabushiki) of MMC on each trading day during the period of eight (8) years (the 8-year period leading up to the day on which share acquisition rights are granted)

(vi) Risk-free interest rate (r) : Interest rate of national government bonds whose remaining years to maturity correspond to the expected time to maturity

(vii) Dividend yield (λ) : Dividend amount per share (average dividend paid in the last three fiscal years) ÷ Share price set forth in (ii) above

(viii) Cumulative distribution function for the standard normal distribution $(N(\cdot))$

After the issuance of the share acquisition rights, if MMC conducts a stock split (including a gratis allotment of MMC's common stock; the same applies for stock splits mentioned below), or a stock consolidation, the number of shares subject to unexercised Share Acquisition Rights shall be adjusted using the formula described below, and any fractional shares arising from the adjustment shall be rounded down.
(Adjusted number of shares) = (number of shares prior to adjustment) × (ratio of the stock split/consolidation)
In addition to the above, if it becomes necessary to adjust the number of shares subject to unexercised Share Acquisition Rights, MMC may adjust it within a rational range, and any fractional shares arising from the adjustment shall be rounded down.

2. Price of shares issued in the event of the issuance of shares as a result of the exercise of share acquisition rights

   The total of the fair value per share of the share acquisition right and the issue price per share (1 yen) at the time the share acquisition right is exercised

3. Conditions for exercising the Share Acquisition Rights
   (i) The exercise of fractions of share acquisition rights that fall short of one unit shall not be possible.
   (ii) In the event that the share acquisition rights are transferred, the grantee shall thereafter be unable to exercise the transferred share acquisition rights.
   (iii) In the event that the share acquisition right grantee dies, the heir to the grantee shall be able to inherit the share acquisition rights, and to exercise the share acquisition rights, as prescribed by the terms of the share acquisition right grant agreement concluded between the grantee and MMC. However, in the event that said heir dies, the heir of said heir shall be unable to exercise the share acquisition rights.
   (iv) Other conditions shall be as prescribed in the share acquisition right grant agreement concluded between MMC and the grantee.

4. Matters concerning the granting of share acquisition rights following a corporate reorganization

   If MMC conducts a merger (in which MMC will cease to exist), a statutory share exchange (kabushiki koukan) or a statutory share-transfer (kabushiki iten) (in which MMC will become a wholly-owned subsidiary) or a company split (kaisha bunkatsu) in which MMC's business is succeeded to by a successor company (each, a "Corporate Reorganization"), replacement share acquisition rights of the other party to the Corporate Reorganization (the "Replacement Share Acquisition Rights") as stipulated in Article 236, paragraph (1), item (viii) (a) through (e) of the Companies Act (the "Successor Company") shall be granted to any grantee that holds Share Acquisition Rights immediately before the effective date of the Corporate Reorganization in accordance with the conditions set forth below. In such event, the Share Acquisition Rights held by such grantee (the "Old Share Acquisition Rights") shall be terminated in exchange for the Share Acquisition Rights. However, this shall apply only if the relevant merger agreement, share exchange agreement, share transfer plan, spin-off agreement or spin-off plan provides that the Successor Company issues the Share Acquisition Rights in accordance with conditions pursuant to the issuance guidelines for share acquisition rights.
   (a) Number of the Share Acquisition Rights that will be granted to a holder of the Old Share Acquisition Rights
       The same number as the number of the Old Share Acquisition Rights held by the relevant grantee.
   (b) Type of shares that will be issued upon exercise of the Share Acquisition Rights
       Common stock of the Successor Company
   (c) Number of shares to be issued upon exercise of one Replacement Share Acquisition Right
       Such number shall be determined in accordance with the total number of shares that will be issued upon exercise of share acquisition rights above (Formula to calculate number of shares to be issued upon exercise of one Share Acquisition Right) taking into consideration the terms of the Corporate Reorganization.
   (d) Amount of contribution at exercise (exercise price)
       The amount payable to the Successor Company upon exercising a Replacement Share Acquisition Right shall be determined by multiplying (a) the exercise price for one share of the Successor Company by (b) the number of shares of the Successor Company to be issued or transferred upon the exercise of the Share Acquisition Rights as determined in accordance with (c) above. The exercise price for one share is 1 yen.
   (e) Exercise Period
       The exercise period shall be from the later of (a) the commencement date of the exercise period described in the table above or (b) the effective date of the Corporate Reorganization, to the final day of the exercise period described in the table above.
   (f) Amount of Capital Stock and Capital Surplus to be increased by the issuance of shares upon exercise of the Replacement Share Acquisition Right
       Such amounts shall be determined in accordance with Amount of Capital Stock and Capital Surplus Increased by Issuance of Shares upon Exercise of Share Acquisition Right below.
       The amount of capital stock increased by the issuance of shares upon the exercise of a Share Acquisition Right shall be the amount obtained by multiplying the maximum limit of capital increase (as calculated in accordance with the provisions of Article 17, paragraph (1) of the Regulation on Corporate Accounting) by 0.5, and any fraction of less than one (1) yen arising as a result of such calculation shall be rounded up to the nearest one (1) yen. The amount of capital surplus increased by the issuance of shares upon the exercise of share acquisition rights shall be the amount obtained by deducting the capital stock to be increased from the maximum limit of capital increase.
   (g) Prohibition on Transfer of Replacement Share Acquisition Rights
       The Successor Company and each of the grantees will enter into a share acquisition right grant agreement. Under such agreement, the grantees will be prohibited from transferring any Replacement Share Acquisition Rights to a third party.
   (h) Conditions for exercising the Share Acquisition Rights
       Such conditions shall be substantially equivalent to those applicable to exercising the Old Share Acquisition Rights.
   (i) Treatment of the Share Acquisition Rights in a Corporate Reorganization by the Successor
       Such treatment will be substantially equivalent to that of the Old Share Acquisition Rights as set forth in this section.

ii) Description of rights plan
Not applicable.

iii) Other share acquisition rights
Not applicable.

(3) Exercises, etc. of moving strike convertible bonds, etc.
Not applicable.

(4) Changes in number of issued shares, stated capital, etc.

Date	Change in total number of issued shares (Shares)	Balance of total number of issued shares (Shares)	Change in capital stock (Millions of yen)	Balance of capital stock (Millions of yen)	Change in legal capital surplus (Millions of yen)	Balance of legal capital surplus (Millions of yen)
November 29, 2024 (Note)	Common stock (29,805,650)	Common stock 1,460,476,846	-	284,382	-	118,680

(Note) In accordance with the resolution at the Board of Directors meeting held on November 7, 2024, MMC cancelled its treasury shares on November 29, 2024, resulting in a decrease in the total number of issued shares by 29,805,650 shares.

(5) Shareholder composition

(As of March 31, 2026)

Classification	Status of shares (Number of shares constituting one voting unit: 100)								Shares less than one unit (Shares)
	Public sector	Financial institutions	Financial instruments business operators	Other corporations	Foreign investors: Companies, etc.	Foreign investors: Individuals	Individuals, etc.	Total	
Number of shareholders	-	30	58	1,252	408	463	207,154	209,365	-
Number of shares held (Units)	-	1,387,727	116,391	6,950,131	2,482,331	4,290	3,660,967	14,601,837	293,146
Percentage of voting shares (%)	-	9.50	0.80	47.60	17.00	0.03	25.07	100	-

(Notes) 1. The 119,995,031 treasury shares stated in the shareholders register are presented as follows: 1,199,950 voting units are included in "Individuals, etc." and 31 shares are included in "Shares less than one unit." All treasury shares are actually held.
2. In "Other corporations," 57 voting units under the name of the Japan Securities Depository Center, Inc. are included.

(6) Major shareholders

(As of March 31, 2026)

Name	Address	Number of shares held (Shares)	Percentage of total number of shares issued (excluding treasury shares) (%)
Nissan Motor Co., Ltd.	2, Takara-cho, Kanagawa-ku, Yokohama-shi, Kanagawa	357,592,277	26.67
Mitsubishi Corporation	2-3-1, Marunouchi, Chiyoda-ku, Tokyo	298,012,214	22.23
The Master Trust Bank of Japan, Ltd. (Trust account)	Akasaka Intercity AIR, 1-8-1 Akasaka, Minato- ku, Tokyo	84,342,300	6.29
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	ONE CONGRESS STREET, SUITE 1 , BOSTON, MASSACHUSETTS (Tower A SHINAGAWA INTERCITY, 2-15-1, Konan, Minato-ku, Tokyo)	36,630,481	2.73
Mitsubishi Heavy Industries, Ltd.	3-2-3, Marunouchi, Chiyoda-ku, Tokyo	21,572,455	1.60
BROWN BROTHERS HARRIMAN （LUXEMBOURG） SCA CUSTODIAN FOR ARCUS FUND SICAV - ARCUS JAPAN FUND (Standing proxy: MUFG Bank, Ltd.)	10, RUE DU CHATEAU D’EAU LEUDELANGE LUXEMBOURG L-3364 (1-4-5, Marunouchi, Chiyoda-ku, Tokyo, Transaction Services Division)	18,770,200	1.40
THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT (Standing proxy: MUFG Bank, Ltd.)	AVENUE DES ARTS, 35 KUNSTLAAN, 1040 BRUSSELS, BELGIUM (1-4-5, Marunouchi, Chiyoda-ku, Tokyo, Transaction Services Division)	18,135,962	1.35
MUFG Bank, Ltd.	1-4-5, Marunouchi, Chiyoda-ku, Tokyo	14,877,512	1.10
Custody Bank of Japan, Ltd. (Trust account)	1-8-12, Harumi, Chuo-ku, Tokyo	12,692,050	0.94
MAN INTERNATIONAL ICVC - MAN JAPAN COREALPHA FUND (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	RIVERBANK HOUSE, 2SWAN LANE, LONDON EC4R 3AD UNITED KINGDOM (Tower A SHINAGAWA INTERCITY, 2-15-1, Konan, Minato-ku, Tokyo)	12,064,500	0.90
Total	-	874,689,951	65.25

(Note) In addition to the above, MMC holds 119,995,031 treasury shares.

(7) Voting rights

i) Issued shares

(As of March 31, 2026)

Classification	Number of shares (Shares)	Number of voting rights (Units)	Description
Shares without voting rights	-	-	-
Shares with restricted voting rights (Treasury shares, etc.)	-	-	-
Shares with restricted voting rights (Other)	-	-	-
Shares with complete voting rights (Treasury shares, etc.)	<Treasury shares> Common stock 119,995,000	-	Number of shares in a share unit: 100
	<Reciprocal holding> Common stock 400		
Shares with complete voting rights (Other)	Common stock (Note) 1 1,340,188,300	13,401,883	Same as above
Shares less than one unit	Common stock (Note) 2 293,146	-	Same as above
Total number of issued shares	1,460,476,846	-	-
Total number of voting rights	-	13,401,883	-

(Notes) 1. The number of “Shares with complete voting rights (Other)” includes 2,128,900 shares (21,289 units of voting rights) of MMC held by the Board Incentive Plan (BIP) Trust and 5,700 shares (57 units of voting rights) in the name of Japan Securities Depository Center, Incorporated.
The 21,289 units of voting rights in the Board Incentive Plan (BIP) Trust are not to be exercised.
2. The number of “Shares less than one unit” includes 31 treasury shares held by MMC and 40 shares of MMC held by the Board Incentive Plan (BIP) Trust.

ii) Treasury shares, etc.

(As of March 31, 2026)

Name of shareholders	Address of shareholders	Number of shares held in own name (Shares)	Number of shares held in others’ names (Shares)	Total number of shares held (Shares)	Percentage of total number of issued shares (%)
<Treasury shares> MITSUBISHI MOTORS CORPORATION	3-1-21, Shibaura, Minato-ku, Tokyo	119,995,000	-	119,995,000	8.21
<Reciprocal holding> Nagano Mitsubishi Motor Sales Co., Ltd.	865-1, Aza-Imuraminamioki, Higashiwada, Nagano-shi, Nagano	400	-	400	0.00
Total	-	119,995,400	-	119,995,400	8.21

(Note) The number of “Treasury shares” does not include shares of MMC held by the Board Incentive Plan (BIP) Trust.

(8) Details of the Executive and Employee Stock Ownership Plan

i) Overview of the Board Incentive Plan (BIP) Trust

MMC has introduced a stock compensation plan (hereinafter the “BIP Trust”) that utilizes trusts as an incentive plan for its Executive Officers and Corporate Officers, etc. (hereinafter referred to as “Executive Officers, etc.”) This applies to MMC’s Long-Term Performance-Linked Compensation and Deferred Retirement Compensation. The BIP Trust is a system whereby the trust acquires MMC shares from the stock market using funds contributed by MMC and, through the trust, delivers MMC shares or pays money equivalent to the converted value of such shares to Executive Officers, etc., according to their position and degree of achievement of performance targets. As the trust agreement period entered into at the inception of the plan in 2020 was set to expire in August 2023, it was renewed in August 2023, and the new trust period was set from August 14, 2023, to August 31, 2026. In December 2023, additional funds were contributed to the trust and the shares of MMC were acquired accordingly. If the trust agreement is amended or if there is an additional trust when this trust period expires, the trust period will be extended. The voting rights of the shares of MMC under the BIP Trust will not be exercised.

ii) Total number or total amount of shares expected to be acquired by the BIP Trust

BIP Trust obtained 1.16 million shares of MMC valued at 253 million yen in FY2020. In December 2023, an additional trust was established to acquire 1.76 million shares of MMC for 784 million yen. The number of shares to be acquired by the Trust in the event that the duration of the Trust is extended has yet to be determined.

iii) Scope of beneficiaries

MMC’s Executive Officers, Corporate Officers and people recognized by the MMC Compensation Committee who meet the beneficiary requirements. (However, beneficiaries do not include non-residents of Japan and persons expected to become non-residents of Japan in the future.)

2. Acquisition of treasury shares

[Class of shares]

Acquisition of shares of common stock under Article 155, item (vii) of the Companies Act

(1) Acquisition by resolution of the General Meeting of Shareholders

Not applicable.

(2) Acquisition by resolution of the Board of Directors

Not applicable.

(3) Items not based on resolution of the General Meeting of Shareholders or Board of Directors

Classification	Number of shares (Shares)	Total value (Yen)
Treasury shares acquired during the fiscal year under review	293	109,668
Treasury shares acquired during the period from April 1, 2026, to the filing date	100	32,310

(Note) The number of shares of treasury shares acquired during the period from April 1, 2026, to the filing date does not include the number of shares acquired through purchase of shares less than one unit during the period from June 1, 2026, to the filing date of this Annual Securities Report.

(4) Status of disposal and ownership of acquired treasury shares

Classification	Fiscal year under review		From April 1, 2026, to the filing date	
	Number of shares (Shares)	Total disposal value (Yen)	Number of shares (Shares)	Total disposal value (Yen)
Acquired treasury shares offered for subscription	-	-	-	-
Acquired treasury shares that were disposed of	-	-	-	-
Acquired treasury shares transferred for merger, share exchange, share delivery and spin off	-	-	-	-
Other [-]	-	-	-	-
Treasury shares held	119,995,031	-	119,995,131	-

(Notes) 1. The number of "Treasury shares held" during the period from April 1, 2026, to the filing date does not reflect changes occurring between June 1, 2026, and the filing date of this Annual Securities Report.

2. The number of shares of treasury shares held during the fiscal year under review and the period from April 1, 2026, to the filing date does not include the number of shares of MMC held by Board Incentive Plan (BIP) Trust.

3. Dividend policy

Concerning shareholder returns, there is great demand for capital in order to achieve sustainable growth, such as through further promotion of technological innovations and environmental efforts; therefore, it is our basic policy to maintain the stable distribution of profits to shareholders after comprehensively considering cash flows, financial conditions and business performance.

Furthermore, regarding the frequency of dividend payments each fiscal year, MMC's basic policy is to pay two dividends – an interim dividend and a year-end dividend. The decision-making bodies for these dividends are the General Meeting of Shareholders for the year-end dividend and the Board of Directors for the interim dividend. The Company's Articles of Incorporation stipulate that the Company may pay interim dividends stipulated in the provisions of Article 454, Paragraph 5 of the Companies Act.

On the basis of the above policy, MMC plans to pay a year-end dividend of 5 yen per share. Including the interim dividend of 5 yen, this will make the dividend for the term 10 yen per share.

The remaining retained earnings will be invested in capital expenditures and research and development expenses to lay the foundation for sustainable growth in the future.

(Note) Dividends with a record date in the fiscal year under review are as follows.

Resolution date	Total amount of dividend (Millions of yen)	Dividend per share (Yen)
November 5, 2025 Meeting of the Board of Directors	6,702	5.0
June 18, 2026 Ordinary General Meeting of Shareholders (Scheduled)	6,702	5.0

(Notes) 1. The total amount of dividend based on the resolution at the Board of Directors on November 5, 2025, includes 10 million yen of dividends on the shares of MMC held by the Board Incentive Plan (BIP) Trust.

2. The total amount of dividend based on the resolution at the Ordinary General Meeting of Shareholders to be held on June 18, 2026, includes 10 million yen of dividends on the shares of MMC held by the Board Incentive Plan (BIP) Trust.

4. Information about corporate governance, etc.

(1) Overview of corporate governance

i) MMC's basic view regarding corporate governance

Based on its corporate principles (Vision and Mission), the Company considers compliance to be its highest priority and has been working on strengthening and enhancement of corporate governance on an ongoing basis as a priority for management, in order to meet the expectations of all of its stakeholders, including its shareholders and customers, with the aim of materializing the Company's sustainable growth and improving its medium- and long-term corporate value.

Vision
Create a vibrant society by realizing the potential of mobility

Mission
1. Provide new experiences for our customers with creative products and service excellence
2. Make positive contributions to the sustainable development of our society
3. Act sincerely as a trusted company
4. Enhance stakeholder value by leveraging the Alliance

ii) Overview of corporate governance system and reason for adoption of the system

The Company takes the form of a company with three committees in order to: (i) make explicit the separation of supervisory and executive functions, (ii) work to further enhance supervisory functions and ensure thorough risk management to safeguard the soundness and transparency of management, and (iii) realize the agile execution of business to rapidly respond to changes in the business environment.

(i) Board of Directors and Members of the Board

The Board of Directors is responsible for making decisions concerning important management issues and overseeing business execution.

MMC has established the following basic policy regarding the policy for nominating candidates for Directors and the composition and size of the overall Board of Directors.

In order for the Board to objectively and multi-dimensionally deliberate on management policies and execution of specific matters, and to appropriately supervise the execution status of operation by Executive Officers, it shall be important that the appropriate number of Directors, internal or outside, with diversity in terms of knowledge, experience, expertise and background, engage in vigorous discussions from a variety of perspectives. To this end, candidates for Directors shall be nominated.

In accordance with the above nomination, the independence and diversity of the Board as a whole shall be ensured.

In order to strengthen the oversight capability of the Board, the majority of Board members shall be Outside Directors. Furthermore, in order to fulfill their duties from an independent and objective standpoint, at least one-third of the Directors shall be Independent Directors, and consideration shall be given to their total term of office. In addition, the majority of the Nomination, Compensation, and Audit Committees, respectively, shall be Outside Directors, and in principle, the chairperson of each committee shall be an Outside Director.

For the nomination of Outside Directors, importance shall be placed on ensuring that nominees are persons who are motivated and able to devote sufficient time and effort to understanding MMC group's business and discussing the directions the company pursues. They should be able to state their opinions to the senior executive team without hesitation, based on various knowledge, experience, and expertise that cannot be drawn solely from internal directors, such as legal or accounting experts, those who have experienced senior executive positions in sizable companies with global business operations, and individuals with insights into world situations or social and economic trends. In addition, based on the understanding that multi-dimensional viewpoints contribute to business development and appropriate supervision and audit, diversity in the background of Board members shall be taken into account, such as gender, age, and internationality.

As for Internal Directors, appropriate individuals including the top of the executive team, and a person who can appropriately serve as a member of the Audit Committee based on his or her execution experience of operation at the Company shall be nominated.

It shall be ensured that the Board is composed of the number of people which facilitates open and constructive discussions and dialogues.

As of the filing date of this Annual Securities Report, the Board had 12 Members (Chairman of the Board (Outside Director) Tomofumi Hiraku (Chairperson), Member of the Board Takao Kato, Member of the Board Hitoshi Inada, Outside Director Shunichi Miyanaga, Outside Director Main Kohda, Outside Director Kenichiro Sasae, Outside Director Hideyuki Sakamoto, Outside Director Yoshihiko Nakamura, Outside Director Joji Tagawa, Outside Director Takehiko Kakiuchi, Outside Director Kanetsugu Mike, and Outside Director Junko Ogushi), and ten (10) of the twelve (12) Directors are Outside Directors with extensive experience and high levels of insight, and five (5) of the Outside Directors (Tomofumi Hiraku, Main Kohda, Kenichiro Sasae, Yoshihiko Nakamura, and Junko Ogushi) are Independent Outside Directors.

The Board of Directors has the following three statutory committees, which supervise Directors and Executive Officers together with the Board of Directors. Each committee is composed of a majority of Outside Directors, and the Chairpersons of each committee are Outside Directors. Through this, a system is in place in which fairness and transparency are ensured and corporate governance functions practically.

(A) Nomination Committee

The Nomination Committee makes decisions on proposals for the appointment and dismissal of Members of the Board to be proposed to the General Meeting of Shareholders, approves proposals for the appointment and dismissal of Executive Officers proposed by the CEO or President to the Board of Directors, and deliberates and makes decisions on succession planning for MMC’s CEO and President.

(Members)

[As of the filing date of this Annual Securities Report]

Outside Director Main Kohda (chairperson), Outside Director Kenichiro Sasae, Outside Director Hideyuki Sakamoto, Chairman of the Board (Outside Director) Tomofumi Hiraku, and Outside Director Takehiko Kakiuchi

(B) Compensation Committee

The Compensation Committee deliberates and makes decisions regarding policy with respect to determining compensation, etc. of Members of the Board and Executive Officers, and regarding details of compensation, etc. per individual.

(Members)

[As of the filing date of this Annual Securities Report]

Outside Director Shunichi Miyanaga (chairperson), Outside Director Main Kohda, Outside Director Kenichiro Sasae, Outside Director Joji Tagawa, and Member of the Board Takao Kato

(C) Audit Committee

The Audit Committee audits the execution of duties of the Members of the Board and Executive Officers, supervises the status of implementation and operation of internal control systems, and prepares audit reports; furthermore, it implements internal investigations into matters for which the Board of Directors determined that it is unreasonable for business execution officers to conduct an investigation.

(Members)

[As of the filing date of this Annual Securities Report]

Outside Director Yoshihiko Nakamura (chairperson), Outside Director Kanetsugu Mike, Outside Director Junko Ogushi, Outside Director Joji Tagawa, and Member of the Board Hitoshi Inada

(ii) Executive Officers

The Board of Directors decides matters that require resolutions of the Board of Directors pursuant to laws and regulations and provisions of MMC’s Articles of Incorporation, matters delegated by resolutions of the General Meeting of Shareholders, and certain important matters concerning business management, and authority to make decisions on business execution for items other than these are delegated to the Executive Officers.

Executive Officers make decisions on business execution delegated by the Board of Directors and are responsible for executing those decisions. The Board of Directors appoints the CEO, who has ultimate responsibility for management, and the President, who has overall responsibility for business execution, by resolution.

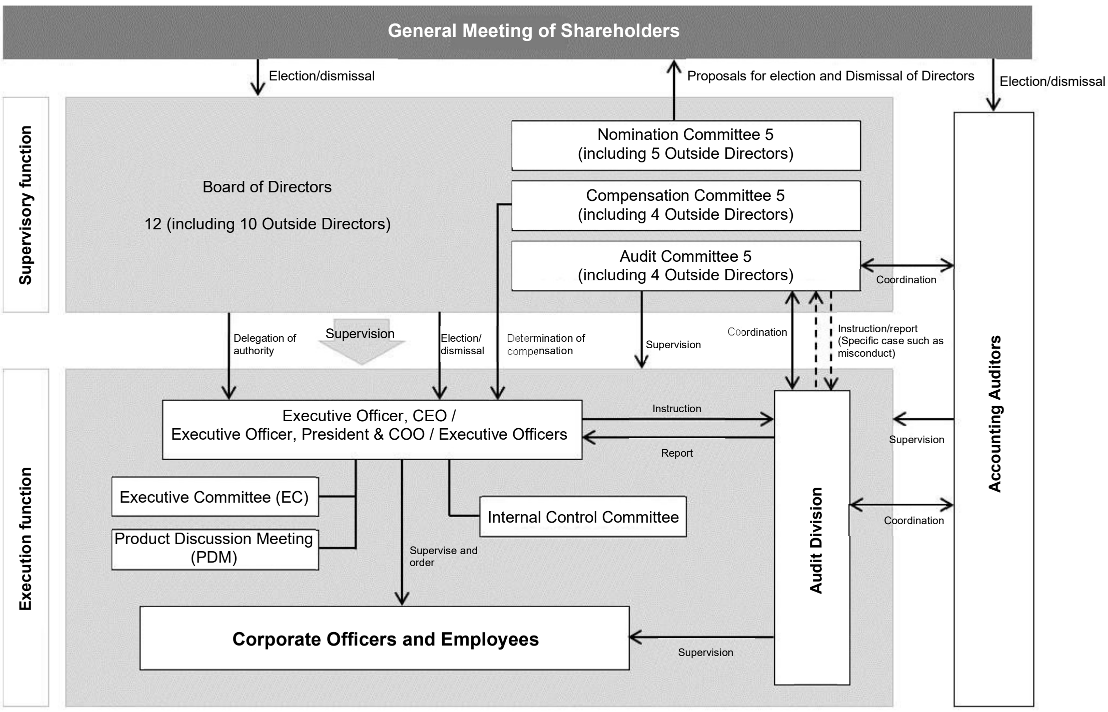
As of the filing date of this Annual Securities Report, there are 11 Executive Officers.

(iii) Outline of the Decision-Making Process for Business Execution and Various Committees

Important matters on management are decided after deliberation at the Executive Committee (EC), which is composed of all Executive Officers and chaired by the CEO. Important matters relating to product development projects are decided after deliberation at the Product Decision Meeting (PDM). Additionally, matters related to internal control are decided after deliberation at the Internal Control Committee. Each of these committees are chaired by the CEO and the relevant Executive Officers serve as members.

In the execution of business, executive Vice Presidents are appointed as persons with authority and responsibility for business execution within the scope of their respective duties, besides the CEO, who bears ultimate responsibility for management, and the President, who bears overall responsibility for business execution. Moreover, the Company has systematized decision making authority based on the DOA Rules and defined the matters delegated and their scope. The Company also established decision making procedures for major matters and is working to speed up business execution and improve the transparency of the decision making process.

MMC's corporate governance and business execution systems as of the filing date of this Annual Securities Report, are presented in the figure below.



iii) Information about development of Internal Control Systems

System to ensure appropriate business activities

MMC has set up the vision and missions as the basic concept so that the employees of the MMC Group look toward the future, share the same ideas and act as a unit. In addition, MMC has established MMC WAY, which represents the frame of mind and behavior that each one of the employees must practice for missions to realize the vision, and moreover the Global Code of Conduct serving as the foundation for these provisions and the norms to be followed by all officers and employees.

Additionally, to develop a system to ensure appropriate business activities, MMC has resolved the Basic Policy on the Establishment of Internal Control Systems at the Board of Directors, as follows.

(i) System to ensure that the Executive Officers' and employees' performance of their duties complies with applicable laws and regulations and the Articles of Incorporation of MMC

- To comply with laws and regulations, the Articles of Incorporation and social norms, MMC shall establish a code of conduct, build an organizational structure, and carry out education and training. MMC shall also establish a contact point for reporting internal problems, and shall use the information to prevent and rectify violations and stop them from occurring again.
- To monitor company management, MMC shall appoint Outside Directors, and strengthen the audit function by the Audit Committee which includes Outside Directors as its members.
- The internal audit division shall conduct strict audits to check whether MMC's business execution is in violation of laws and regulations, the Articles of Incorporation, internal regulations or others. If a problem is discovered, the internal audit division shall report it to the relevant Members of the Board or others, and periodically check the status of improvement measures following occurrence.
- MMC shall establish the Internal Control Committee within MMC as the core organization for internal controls based on the Companies Act, with the CEO as the chairman and officer in charge of internal control as the vice chairman.

(ii) Regulations and other systems to manage risk of loss

- To manage business risk, MMC shall clearly prescribe respective standards for making proposals to the Board of Directors and Executive Committee in each of the rules of the Board of Directors and rules of the Executive Committee, and operate in accordance with these rules.
- MMC shall appoint a person responsible for risk management in each organizational unit (e.g., each division), and shall make efforts to establish and strengthen the risk management structure with the said employee at the core of these efforts.
- MMC shall establish a body in charge of promoting risk management and work to develop and strengthen its overall risk management structure.
- To prepare for the occurrence of unforeseen circumstances, MMC shall develop a system to enable prompt reporting to MMC's Members of the Board and others, and prompt, accurate responses.

(iii) System to ensure that the Executive Officers' performance of their duties is executed efficiently

- MMC shall prescribe a management plan throughout the company and clarify detailed business targets and methods of execution at each functional organization in order to achieve the plan. Members of the Board shall periodically receive reports on the plan's implementation, and shall work to maintain and improve management efficiency.
- MMC shall clarify the roles and authority of the Members of the Board and Executive Officers, and the Board of Directors and Executive Committee, etc. shall execute business efficiently based on the rules of the Board of Directors and rules of the Executive Committee, etc.
- In order to develop a system for efficient organizational operation and business execution and to establish a system in which decisions on important matters can be made with speed and agility, the Board of Directors shall widely delegate the authority of decision-making for business execution to the Executive Officers within the scope of the legal limit, thus securing efficient execution of their duties.
- To promote prompt decision-making of MMC and clarify the decision-making process, MMC shall develop clear and highly transparent standards for authority.

(iv) System to store and manage information related to the Executive Officers' performance of their duties

- Based on internal rules, MMC shall prepare information pertaining to execution of duties by Executive Officers as physical documents or electronic data, and shall appoint a person responsible for the management of this information. Preparation methods, retention methods, retention periods, duplication methods, disposal methods and other matters shall be determined in accordance with the relative importance of information, and the information shall be appropriately managed.

(v) System to ensure appropriate business activities of the MMC Group which comprises MMC, the parent company and the subsidiaries

- MMC shall determine the bodies with control over MMC's subsidiaries, responsibilities and authorizations for the management of MMC's subsidiaries, management methods and other matters in the internal rules, thus securing proper operation of duties across the MMC Group.
- MMC shall supervise and manage its subsidiaries, aiming for appropriate business execution by their officers and employees in line with laws and regulations and the Articles of Incorporation, compliance with its code of conduct, and establishment and improvement of operational audit systems in a manner that is suitable for their sizes, business types, etc.
- MMC shall establish and strengthen its subsidiaries' risk management systems, depending on their sizes, business types, etc., through giving directions regarding implementation of risk management.
- MMC shall strengthen, develop and streamline its subsidiaries' business operations, depending on their sizes, business types, etc., through supervising and managing them in accordance with the Rules for Management of Subsidiaries and Affiliates and other internal rules.
- MMC shall improve the Rules for Management of Subsidiaries and Affiliates and other internal rules so that it can receive explanations and reports from its subsidiaries regarding important information (e.g., business operations, performance, and financial conditions) in advance or in an ex-post facto manner.
- MMC and its subsidiaries shall ensure the appropriateness of their respective financial information and develop the bodies and internal rules necessary for the preparation and disclosure of reliable financial reporting.

(vi) Matters related to the Members of the Board and employees to support the Audit Committee's audit activities

- A body to assist the Audit Committee with its duties shall be established and dedicated personnel shall be assigned to this organization.

(vii) Matters related to the independence of Members of the Board and employees described in (vi) above from the Executive Officers and ensuring the effectiveness of directions given to those Members of the Board and employees

- The employee assigned to assist the Audit Committee with its duties shall only carry out duties under its directions without concurrently performing duties for Executive Officers or other sections.
- When personnel changes are made to staff assigned to assist the Audit Committee with its duties, opinions shall be sought from the committee in advance. In addition, evaluations of those dedicated staff members shall be carried out by the Audit Committee.

(viii) System to allow the Members of the Board (excluding Members of the Audit Committee), Executive Officers and employees of MMC, the Members of the Board, Audit & Supervisory Board Members and employees of MMC's subsidiaries or persons who received reports from them to report information to the Audit Committee, and other systems related to reporting to the Audit Committee

- The Members of the Audit Committee shall attend meetings of the Board of Directors and other important meetings of MMC.
- MMC shall develop a framework to steadily provide important internal information regarding management, compliance and other matters of MMC and its subsidiaries to the Members of the Audit Committee and ensure that it is thoroughly operated.
- Officers and employees of MMC and its subsidiaries shall report matters regarding business execution promptly and appropriately when requested to do so by MMC's Audit Committee.
- Executive Officers shall report to Members of the Audit Committee immediately if they find any fact that may cause significant damage to MMC.

(ix) System to ensure that those who report the matters described in (viii) do not face unfavorable treatment on the grounds that such reports are made

- It is prohibited to unfavorably treat officers and employees of MMC and its subsidiaries who report such matters directly or indirectly to the Audit Committee on the grounds that such reports are made. This prohibition shall be notified to all officers and employees of MMC and its subsidiaries.

(x) Matters related to procedures for the prepayment or reimbursement of expenses incurred for Members of the Audit Committee in executing duties (limited to those related to the execution of duties of the Audit Committee), and settlement policy for expenses or debt incurred for other related duties

- In case Members of the Audit Committee make requests to MMC for the prepayment of job-related expenses, etc. in accordance with Article 404, paragraph (4) of the Companies Act, these expenses or debts shall be paid promptly or settled after being examined by relevant sections unless it can be verified that these expenses or debts are not necessary for Members of the Audit Committee to execute their duties.

(xi) Other systems to ensure that the Audit Committee conducts audits effectively

- The Audit Committee of MMC shall periodically conduct exchanges of opinions with the CEO, and work in cooperation with the internal audit division and the Accounting Auditors, thus facilitating proper communication and effective auditing operations.

(xii) System for Eliminating Antisocial Forces

- MMC and its subsidiaries shall, in a unified manner across all companies, respond to unreasonable demands from antisocial forces that pose a threat to the order and safety of society with a resolute stance, and shall ensure that they have absolutely no relations with antisocial forces.

iv) Information about development of risk management framework

MMC has put in place and works to improve its risk management system for the entire Group through three types of risk management activities: priority risk management, divisional risk management, and affiliated company risk management.

For priority risk management, MMC selects risks faced by the MMC Group as a whole, that have a significant potential impact and a high degree of urgency. For each risk, MMC assigns “risk owners” and works as quickly as possible to reduce these risks.

In divisional risk management, MMC has appointed employees in charge of risk management to each division or plant. These employees work to reduce risks through repeated application of the PDCA cycle, which involves identifying and evaluating each risk, devising and implementing countermeasures, and monitoring.

Affiliated company risk management includes initiatives for addressing various types of risks encountered by MMC’s subsidiaries and affiliates. MMC periodically confirms the status of activities such as improvement of business continuity plans (BCPs), and proposes and directs improvements, as necessary, in order to mitigate risks.

In addition, in order to address new types of risks (geopolitical risks, economic security risks, and business and human rights risks) in which multiple risk factors (strategic, financial, operational, and hazard-related) are intricately intertwined for a single event, which have recently become apparent, the Internal Control Promotion Division takes the initiative, under the leadership of the officer in charge of internal control, to identify and prevent potential risks, take emergency response in the event that a risk becomes apparent, and visualize material risks for MMC.

These risk management efforts are regularly reported to the Board of Directors as a major activity of internal controls to confirm their effectiveness.

MMC’s basic policy in preparation for disasters, such as earthquakes, typhoons, or other large-scale natural disasters or outbreaks of infectious diseases, is to ensure the safety of customers, as well as employees and their families and to assist local communities. To this end, MMC prepares disaster countermeasures and Business Continuity Management (BCM). Since FY2020, the BCM Committee chaired by the officer in charge of internal control has met twice a year, and centrally manages relevant internal initiatives to strengthen BCM activities during normal times and take company-wide cross-functional measures.

Furthermore, MMC has formulated an emergency response manual and company-wide BCP operating procedures that include the establishment of an emergency response organization and the chain of command and has established a system to ensure appropriate responses in the event of a major incident. Assuming an emergency even during normal times, we are conducting emergency drills on a regional basis and company-wide BCP drills to confirm the collaborative framework between the company-wide task force and individual regions on an ongoing basis in accordance with the plan, respectively.

In addition, MMC operates emergency contact systems that enable the rapid communication of information to the senior management, as well as a swift and accurate response, in the event of emergency.

v) Other matters related to corporate governance

(i) Conditions for resolution on the election of Members of the Board

MMC's Articles of Incorporation stipulate that Members of the Board are to be elected by a majority vote of the General Meeting of Shareholders where shareholders holding at least one-third of the voting rights of shareholders eligible to exercise their voting rights are in attendance, and that a resolution to elect a Member of the Board is not to be made by cumulative voting.

(ii) Matters for resolution by the General Meeting of Shareholders that may be resolved by the Board of Directors and reason therefor

a. Acquisition of shares

MMC's Articles of Incorporation stipulate that it may acquire treasury shares through market transactions and so forth by a resolution of the Board of Directors in accordance with the provisions of Article 165, paragraph (2) of the Companies Act so as to enable flexible acquisition of treasury shares in response to its management situation, financial situation, and other situations.

b. Exemption from liability of Members of the Board and Executive Officers

To enable Members of the Board and Executive Officers to perform their expected roles, MMC's Articles of Incorporation provide that, by resolution of the Board of Directors, the Company may exempt Members of the Board (including former Members of the Board) and Executive Officers (including former Executive Officers) from liability for damages under Article 423, paragraph (1) of the Companies Act, where the statutory requirements are satisfied, up to the amount obtained by deducting the minimum liability amount prescribed by law from the amount of liability for damages.

c. Interim dividend

In order to return profits flexibly to shareholders, MMC's Articles of Incorporation stipulate that MMC may pay an interim dividend as provided by Article 454, paragraph (5) of the Companies Act by a resolution of the Board of Directors to the shareholders or registered share pledgees listed or recorded on the shareholders register as of September 30 each year.

(iii) Changes in criteria for special resolutions of the General Meeting of Shareholders and reason therefor

To ensure that special resolutions of the General Meeting of Shareholders are carried out in a timely and smooth manner, the Articles of Incorporation stipulate that special resolutions of the General Meeting of Shareholders as provided by Article 309, paragraph (2) of the Companies Act are to be carried out by a majority of at least two-thirds, where shareholders holding at least one-third of the voting rights of shareholders eligible to exercise voting rights are in attendance.

(iv) Outline of contracts for limitation of liability, etc.

Furthermore, MMC's Articles of Incorporation state that MMC may conclude agreements with Members of the Board (excluding Members of the Board who execute business) to limit their liability for damages in cases where the criteria stipulated by laws and regulations regarding liability for damages pursuant to Article 423, paragraph (1) of the Companies Act apply; (however, the limit of liability for damages based on the agreements shall be the higher of the predetermined amount of 5 million yen or more or the minimum amount of liability stipulated by laws and regulations). In accordance with this provision, MMC has concluded agreements with each Member of the Board who does not serve concurrently as an Executive Officers limiting their liability for damages to the higher of 7 million yen or the minimum amount of liability stipulated in Article 425, paragraph (1) of the Companies Act for the liability stipulated in Article 423, paragraph(1) of the same Act.

(v) Outline of the indemnity agreement, etc.

MMC has entered into indemnification agreements with its Executive Officers serving as of April 1, 2026, pursuant to Article 430-2, paragraph (1) of the Companies Act. Under these agreements, the Company agrees to indemnify them for the expenses specified in Item 1 and the losses specified in Item 2 of the paragraph to the extent permitted by laws and regulations.

However, to ensure that these indemnification agreements do not compromise the proper performance of the duties of the directors and officers, the agreements provide that, in addition to the cases prescribed by laws, the Company has no obligation to provide indemnification in cases where it files a claim against the relevant director or officer seeking to hold him or her liable.

The Company has proposed "Election of 13 Members of the Board" as an agenda item (matter for resolution) for the Ordinary General Meeting of Shareholders to be held on June 18, 2026. If this resolution is approved, it plans to maintain or enter into an indemnification agreement with each Member of the Board.

(vi) Outline of the directors and officers liability insurance policy, etc.

MMC has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance agency, as follows.

(a) Scope of insureds

Directors, Executive Officers, Audit & Supervisory Board Members and Corporate Officers (including retired individuals) of MMC and its subsidiaries

(b) Outline of content of insurance policy

The insurance policy covers the insured’s amount of indemnification and such costs as related litigation expenses incurred from claims for damages arising from acts (including nonfeasance) carried out by the insured as an officer or a person at a certain position of MMC and/or its subsidiaries specified in (a). The full amount of insurance premiums is borne by MMC and its subsidiaries. The said insurance policy does not cover damages resulting from acts committed with knowledge that they violate laws and regulations.

vi) Activities of the Board of Directors, etc.

The following describes the status of meetings of the Board of Directors, Nomination Committee and Compensation Committee held during the fiscal year under review, as well as the attendance of each Director. In principle, the Board of Directors meetings of the Company are held on a monthly basis.

Name	Board of Directors Number of meetings held: 18	Nomination Committee Number of meetings held: 8	Compensation Committee Number of meetings held: 9
	Attendance rate (%)		
Tomofumi Hiraku	18/18 (100%)	8/8 (100%)	-
Takao Kato	18/18 (100%)	-	9/9 (100%)
Hitoshi Inada	18/18 (100%)	-	-
Shunichi Miyanaga (Note 1)	18/18 (100%)	-	9/9 (100%)
Main Kohda (Note 1)	18/18 (100%)	8/8 (100%)	9/9 (100%)
Kenichiro Sasae	18/18 (100%)	8/8 (100%)	7/9 (78%)
Hideyuki Sakamoto	18/18 (100%)	8/8 (100%)	-
Yoshihiko Nakamura	18/18 (100%)	-	-
Joji Tagawa	18/18 (100%)	-	9/9 (100%)
Takehiko Kakiuchi	17/18 (94%)	8/8 (100%)	-
Kanetsugu Mike	17/18 (94%)	-	-
Junko Ogushi	18/18 (100%)	-	-

(Note) 1. Shunichi Miyanaga and Main Kohda will retire on June 18, 2026.

(i) Specifics of deliberations by the Board of Directors during the fiscal year under review
The Board of Directors deliberated on and examined matters including the Annual Business Plan, Product and Technology Development Plan, utilization of IT and digital technologies, HR Strategy, and internal control activities.

(ii) Specifics of deliberations by the Nomination Committee during the fiscal year under review
The Nomination Committee deliberated on regular agenda items, such as the determination of candidates for Directors to be proposed to the General Meeting of Shareholders and the approval of the proposal for the election of Executive Officers, and the evaluation of the President as well as the election of the CEO and President.

(iii) Specifics of deliberations by the Compensation Committee during the fiscal year under review
The Compensation Committee deliberated on regular agenda items, such as the determination of remuneration for individual Members of the Board and Executive Officers, and the review of KPIs for Performance-Linked Compensation, the confirmation of the appropriateness of the level of compensation for directors and officers of MMC in light of other companies’ benchmarks, as well as revisions to the compensation system for directors and officers.

(2) Status of directors and officers

i) Directors and officers

The following is the current status of directors and officers of MMC as of June 16, 2026 (the filing date of the Annual Securities Report).

Male: 19; Female: 3 (women account for 13.6% of directors and officers)

a. Status of Members of the Board

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held (Ordinary shares)
Member of the Board	Tomofumi Hiraku	March 23, 1956	April 1978 Joined the Ministry of International Trade and Industry (MITI) (present: Ministry of Economy, Trade and Industry (METI)) April 1993 Director, Industrial Labor Policy Office, Industrial Policy Bureau, MITI May 1994 Consul, Consulate-General of Japan at Vancouver, Canada, Ministry of Foreign Affairs June 1997 Director, Tariff Division, International Economic Affairs Department, International Trade Policy Bureau, MITI July 1998 Director-General, General Coordination and Policy Planning Department, Kansai Bureau, MITI (present: Ministry of Economy, Trade and Industry (METI)) June 2000 Director, Planning Division, Coal and New Energy Department, Agency for Natural Resources and Energy, MITI January 2001 Director, Policy Planning Division, Energy Conservation and Renewable Energy Department, Agency for Natural Resources and Energy, METI July 2002 Director, Economic and Fiscal Management Bureau, Cabinet Office, Government of Japan September 2005 Director-General for Manufacturing Industries Policy, Manufacturing Industries Bureau, METI July 2006 Director-General for Natural Resources and Energy Policy, Agency for Natural Resources and Energy, METI July 2008 Director-General, Kansai Bureau, METI July 2009 Director-General, Manufacturing Industries Bureau, METI October 2010 Executive Advisor, IBM Japan, Ltd. June 2021 Chairman of the Board, MMC (to the present) June 2026 Member of the Board, MMC (scheduled to be appointed)	(Note) 2	34,612
Member of the Board	Takao Kato	February 21, 1962	April 1984 Joined MMC April 2010 Senior Expert of the Russian Assembly Business Promotion Office, MMC May 2010 PCMA RUS Deputy Manufacturing Director April 2014 Vice Plant General Manager of Nagoya Plant, MMC April 2015 President, PT Mitsubishi Motors Krama Yudha Indonesia June 2019 Member of the Board, Representative Executive Officer, CEO, MMC April 2021 Member of the Board, Representative Executive Officer, President & CEO, MMC April 2026 Member of the Board, Representative Executive Officer, CEO, MMC (to the present) June 2026 Chairman of the Board, Representative Executive Officer, CEO, MMC (scheduled to be appointed)	(Note) 2	81,248

Official title or position	Name	Date of birth	Career summary		Term of office	Number of shares held (Ordinary shares)
Member of the Board	Hitoshi Inada	June 4, 1957	April 1980	Joined Mitsubishi Corporation	(Note) 2	38,597
			April 2009	General Manager of Legal Dept., Mitsubishi Corporation		
			July 2010	Senior Vice President (Compliance), Mitsubishi International Corporation		
			October 2011	Vice Corporate General Manager of Corporate Planning Office, MMC		
			April 2013	Corporate Vice President, Vice Corporate General Manager of Corporate Planning Office, MMC		
			April 2015	Corporate Vice President, Corporate General Manager of CSR Promotion Office, MMC		
			July 2016	Senior Executive Officer, Corporate General Manager of CSR Promotion Office, MMC		
			January 2017	Senior Executive Officer (Legal), Corporate General Manager of CEO/COO Office, MMC		
			October 2017	Senior Executive Officer (Corporate Governance), MMC		
			April 2019	Senior Vice President (Corporate Governance), MMC		
			June 2019	Executive Officer, Senior Vice President (Corporate Governance), MMC		
			April 2020	Senior Executive Officer (Corporate Governance), MMC		
			June 2022	Member of the Board, MMC (to the present)		
Member of the Board	Shunichi Miyanaga	April 27, 1948	April 1972	Joined Mitsubishi Heavy Industries, Ltd.	(Note) 2	31,654
			June 2008	Member of the Board, Executive Vice President, Mitsubishi Heavy Industries, Ltd.		
			April 2011	Member of the Board, Senior Executive Vice President, Mitsubishi Heavy Industries, Ltd.		
			April 2013	Member of the Board, President, Mitsubishi Heavy Industries, Ltd.		
			April 2014	Member of the Board, President, CEO, Mitsubishi Heavy Industries, Ltd.		
			June 2014	Member of the Board, MMC (to the present)		
			April 2019	Chairman of the Board, Mitsubishi Heavy Industries, Ltd.		
			June 2019	Outside Director, Mitsubishi Corporation (to the present)		
			April 2025	Member of the Board, Mitsubishi Heavy Industries, Ltd.		
			June 2025	Honorary Advisor, Mitsubishi Heavy Industries, Ltd. (to the present)		
			June 2026	Member of the Board, MMC (scheduled to retire)		

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held (Ordinary shares)
Member of the Board	Main Kohda	April 25, 1951	September 1995 Started as an independent Novelist (to the present) January 2003 Member of Financial System Council, Ministry of Finance Japan April 2004 Visiting Professor, Faculty of Economics, Shiga University March 2005 Member of the Council for Transport Policy, Ministry of Land, Infrastructure, Transport and Tourism November 2006 Member of Government Tax Commission June 2010 Member of the Board of Governors, Japan Broadcasting Corporation June 2012 Outside Director, Japan Tobacco Inc. June 2013 Outside Director, LIXIL Group Corporation June 2016 Outside Director, Japan Exchange Group June 2018 Member of the Board, MMC (to the present) June 2024 Outside Director, CAPCOM CO., LTD. (to the present) June 2026 Member of the Board, MMC (scheduled to retire)	(Note) 2	24,830
Member of the Board	Kenichiro Sasae	September 25, 1951	April 1974 Joined Ministry of Foreign Affairs April 2000 Executive Assistant to the Prime Minister for Foreign Affairs April 2001 Deputy Director-General, Foreign Policy Bureau March 2002 Director-General, Economic Affairs Bureau, Ministry of Foreign Affairs January 2005 Director-General, Asian and Oceania Affairs Bureau, Ministry of Foreign Affairs January 2008 Senior Deputy Minister for Foreign Affairs August 2010 Vice-Minister for Foreign Affairs September 2012 Ambassador Extraordinary and Plenipotentiary of Japan to the United States of America June 2018 President and Director General, The Japan Institute of International Affairs June 2019 Outside Director, SEIREN CO., LTD. (to the present) June 2019 Member of the Board, MMC (to the present) December 2020 President, The Japan Institute of International Affairs (to the present) June 2021 Outside Director, Fujitsu Limited (to the present) March 2022 Outside Director, Asahi Group Holdings, Ltd. (to the present) <Major concurrent positions> President, The Japan Institute of International Affairs	(Note) 2	22,821
Member of the Board	Hideyuki Sakamoto	April 15, 1956	April 1980 Joined Nissan Motor Co., Ltd. April 2008 Corporate Officer, Nissan PV Product Development Div. No.1, Nissan Motor Co., Ltd. May 2009 Corporate Officer, Alliance Common Platform and Components, Nissan Motor Co., Ltd. April 2012 Corporate Vice President, Production Engineering Div., Nissan Motor Co., Ltd. April 2014 Executive Vice President, Product Engineering, Nissan Motor Co., Ltd. June 2014 Director, Executive Vice President, Product Engineering, Nissan Motor Co., Ltd. January 2018 Director, Executive Vice President, MFG & SCM Operations, Nissan Motor Co., Ltd. June 2018 Chairman of the Board, Nissan Motor Kyushu Co., Ltd. August 2018 Board Member, Chairman, AICHI MACHINE INDUSTRY CO., LTD. September 2018 Chairman of the Board, JATCO Ltd. June 2019 Member of the Board, MMC (to the present) June 2019 Executive Officer, Executive Vice President, Manufacturing & SCM Operations, Nissan Motor Co., Ltd. February 2020 Director, Executive Officer, Executive Vice President, Manufacturing & SCM Operations, Nissan Motor Co., Ltd. July 2023 Director, Executive Officer, Executive Vice President, Manufacturing & SCM, Nissan Purchasing, Nissan Motor Co., Ltd. November 2023 Director, Executive Officer, Executive Vice President, Manufacturing & SCM, Purchasing, Nissan Motor Co., Ltd. April 2024 Director, Executive Officer, Executive Vice President, Chief Monozukuri Officer, Manufacturing & SCM, Purchasing, AFL, Nissan Motor Co., Ltd. April 2025 Member of the Board, Nissan Motor Co., Ltd. June 2025 Honorary Advisor, Nissan Motor Co., Ltd. (to the present)	(Note) 2	22,821

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held (Ordinary shares)
Member of the Board	Yoshihiko Nakamura	November 28, 1956	November 1979 Joined Peat Marwick Mitchell & Company (present: KPMG AZSA LLC) March 1983 Registered as certified public accountant October 1994 Partner (Representative), Minato Audit Corp. (present: KPMG AZSA LLC) October 2003 Partner, KPMG AZSA LLC June 2019 Substitute Auditor, Seika Corporation July 2019 Started CPA Yoshihiko Nakamura Accounting Office (to the present) June 2020 Member of the Board, MMC (to the present) June 2020 Outside Auditor, Seika Corporation June 2022 Outside Director (Audit & Supervisory Committee member), Seika Corporation (to the present)	(Note) 2	19,581
Member of the Board	Joji Tagawa	July 12, 1960	April 1983 Joined Nissan Motor Co., Ltd. April 2006 Corporate Officer, Treasury Department and Investor Relationships Department, Nissan Motor Co., Ltd. April 2010 Corporate Officer, Investor Relationships Department and M&A Support Department, Nissan Motor Co., Ltd. April 2014 Corporate Vice President, Investor Relationships and M&A Support Department, Nissan Motor Co., Ltd. April 2019 Corporate Vice President, Investor Relationships, Nissan Motor Co., Ltd. December 2019 Senior Vice President, Chief Sustainability Officer, Board of Directors Office, Corporate Management Office, Corporate Services, Environment/CSR, Global External & Government Affairs, IP Promotion and Investor Relationships Department, Nissan Motor Co., Ltd. April 2020 Senior Vice President, Chief Sustainability Officer, Corporate Services, Environment/CSR, Global External & Government Affairs, IP Promotion, and Investor Relationships, Nissan Motor Co., Ltd. April 2020 Outside Director, Renault SA June 2020 Member of the Board, MMC (to the present) June 2021 Senior Vice President, Chief Sustainability Officer, Compliance, Corporate Services, Crisis Management and Security, Environment/Sustainability, External & Government Affairs, IP Customer Business Development, Nissan Motor Co., Ltd. April 2024 Senior Vice President, Chief Sustainability Officer, Corporate Services, Crisis Management and Security, Environment/Sustainability, External & Government Affairs, IP Customer Business Development, Nissan Motor Co., Ltd. April 2025 Advisor, Nissan Motor Co., Ltd. April 2026 Honorary Advisor, Nissan Motor Co., Ltd. (to the present)	(Note) 2	19,581
Member of the Board	Takehiko Kakiuchi	July 31, 1955	April 1979 Joined Mitsubishi Corporation April 2010 Senior Vice President, Division COO, Foods (Commodity) Div., Mitsubishi Corporation April 2011 Senior Vice President, General Manager, Living Essential Group CEO Office, (Concurrently) Division COO, Foods (Commodity) Div., Mitsubishi Corporation April 2013 Executive Vice President, Group CEO, Living Essentials Group, Mitsubishi Corporation April 2016 President and CEO, Mitsubishi Corporation June 2016 Member of the Board, President and CEO, Mitsubishi Corporation April 2022 Chairman of the Board, Mitsubishi Corporation (to the present) June 2022 Member of the Board, MMC (to the present)	(Note) 2	10,746

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held (Ordinary shares)
Member of the Board	Kanetsugu Mike	November 4, 1956	April 1979 Joined The Mitsubishi Bank, Ltd. June 2005 Executive Officer, The Bank of Tokyo-Mitsubishi, Ltd. Executive Officer, Mitsubishi Tokyo Financial Group, Inc. May 2009 Managing Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd. ("BTMU") May 2011 Managing Officer, Mitsubishi UFJ Financial Group, Inc. ("MUFG") June 2011 Member of the Board of Directors, Managing Executive Officer, BTMU May 2013 Senior Managing Executive Officer, BTMU October 2015 Executive Chairman of MUFG Americas Holdings Corporation Executive Chairman of MUFG Union Bank, N. A. May 2016 Deputy President, BTMU May 2016 Senior Managing Corporate Executive, MUFG June 2016 Member of the Board of Directors, Deputy President, BTMU June 2017 President & CEO, BTMU Member of the Board of Directors, Deputy Chairman, MUFG April 2019 Member of the Board of Directors, President & Group CEO, MUFG April 2020 Member of the Board of Directors, Deputy Chairman, MUFG April 2021 Member of the Board of Directors, Chairman, MUFG June 2022 Member of the Board, MMC (to the present) June 2022 Outside Director, Tokio Marine & Nichido Fire Insurance Co., Ltd. (to the present) April 2023 Vice Chairperson, KEIZAI DOYUKAI (Japan Association of Corporate Executives) (to the present) June 2023 Outside Statutory Auditor, Tokyo Kaikan Co., Ltd. (to the present) April 2026 Member of the Board, MUFG; Senior Advisor, MUFG Bank, Ltd. (to the present) June 2026 Member of the Board, MUFG; Outside Director, Tokio Marine & Nichido Fire Insurance Co., Ltd. (scheduled to retire)	(Note) 2	-
Member of the Board	Junko Ogushi	August 23, 1960	April 1984 Corporate work experience (banks, trading companies) April 1998 Registered as an attorney-at-law (Member of Tokyo Bar Association) April 1998 Joined Hibiya Joint Law Office January 2000 Joined Atsumi & Usui (present: Atsumi & Sakai) January 2006 Senior Partner, Atsumi & Usui October 2006 Executive Secretary, Legislative Council of the Ministry of Justice (Insurance Law Subcommittee) December 2017 Registered as an attorney-at-law in the State of California October 2020 Auditor, Tokyo Metropolitan Industrial Technology Research Institute (to the present) June 2021 Outside Director, Hibiya Engineering, Ltd. (to the present) June 2023 Member of the Board, MMC (to the present) April 2026 Partner, Kaname Partners (to the present)	(Note) 2	8,266
Total					314,757

(Notes) 1. Members of the Board, Mr. Tomofumi Hiraku, Mr. Shunichi Miyanaga, Ms. Main Kohda, Mr. Kenichiro Sasae, Mr. Hideyuki Sakamoto, Mr. Yoshihiko Nakamura, Mr. Joji Tagawa, Mr. Takehiko Kakiuchi, Mr. Kanetsugu Mike, and Ms. Junko Ogushi are Outside Directors.
2. From the conclusion of MMC's Ordinary General Meeting of Shareholders held on June 19, 2025, to the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2026.

b. Status of Executive Officers

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held (Shares)
Representative Executive Officer, CEO	Takao Kato	February 21, 1962	See a. Members of the Board	(Note) 1	81,248
Representative Executive Officer, President & COO	Keisuke Kishiura	May 22, 1969	April 1993 Joined MMC April 2014 General Manager, Overseas After Sales C Dept., Global After Sales Division, MMC March 2016 President, Mitsubishi Motors Europe B.V. September 2018 General Manager, Corporate Planning Office, Corporate Strategy Division, MMC August 2020 Chairman, Mitsubishi Motors Europe B.V. March 2023 Division General Manager, America Division, MMC April 2025 Corporate Officer, Division General Manager, Corporate Planning Division, MMC April 2026 Representative Executive Officer, President & COO, MMC (to the present)	(Note) 1	5,153
Representative Executive Officer, Executive Vice President (CFO)	Kentaro Matsuoka	September 25, 1963	April 1987 Joined The Mitsubishi Bank, Ltd. June 2015 Executive Officer and General Manager of Corporate Banking Credit Division, The Bank of Tokyo-Mitsubishi UFJ, Ltd. May 2018 Managing Executive Officer in charge of Corporate Banking Credit Division, Credit Division and Investment Banking Credit Division, MUFG Bank, Ltd. April 2021 Senior Managing Executive Officer in charge of Corporate Banking Credit Division, Credit Division, Structured Finance Credit Office and Credit Policy & Planning Division (credit planning), MUFG Bank, Ltd. June 2022 Member of the Board of Directors, Senior Managing Executive Officer, stationed in Western Japan, MUFG Bank, Ltd. June 2023 Advisor, MMC July 2023 Representative Executive Officer, Executive Vice President (CFO), MMC (to the present)	(Note) 1	8,266
Representative Executive Officer, Executive Vice President (Engineering/ Design/TCS)	Takeshi Yamaguchi	December 5, 1965	April 1988 Joined Nissan Motor Co., Ltd. April 2017 SVP, R&D Americas (NA & LATAM), Nissan North America Inc. April 2019 Corporate Vice President, Customer Performance & CAE/Test Engineering; Alliance Global VP, Nissan Motor Co., Ltd. May 2021 Corporate Vice President, Nissan Motor Co., Ltd. Vice President, Dongfeng Motor Co., Ltd. (DFL) Managing Director, Dongfeng Nissan Passenger Vehicle Company (DFN) April 2024 Representative Executive Officer, Executive Vice President (Engineering/TCS/Design), MMC (to the present)	(Note) 1	6,406
Representative Executive Officer, Executive Vice President (Sales)	Kyoya Igarashi	December 14, 1967	April 1991 Joined MMC April 2005 General Manager, Marketing Strategy Department, Corporate Planning Office, MMC November 2008 General Manager, Domestic Planning Department, Domestic Sales Division, MMC April 2013 General Manager, Asia and ASEAN Department No. 1, Asia and ASEAN Division, MMC January 2014 Executive Vice President, Domestic Sales, Mitsubishi Motors (Thailand) Co., Ltd. April 2015 Member of the Board, Mitsubishi Motor Sales Co., Ltd. April 2018 Assistant to Corporate General Manager, Domestic Sales Division, MMC April 2020 Representative Director, President, Nishi Nihon Mitsubishi Motor Sales Co., Ltd. March 2024 Corporate General Manager, Domestic Sales Division, MMC December 2025 Director, Assistant to Executive Vice President, MMC (Global Marketing & Sales) April 2026 Representative Executive Officer, Executive Vice President (Sales), MMC (to the present)	(Note) 1	564
Senior Executive Officer (Production)	Yasuhisa Yamamoto	July 29, 1963	April 1986 Joined MMC September 2006 Expert, Production Project of RV1, Production Engineering Div., MMC April 2011 General Manager, Production Dept., Nagoya Plant, MMC April 2017 Chief Expert, Production Engineering Div., MMC April 2018 Executive Vice President and LCB Control, Mitsubishi Motors (Thailand) Co., Ltd. April 2021 Division General Manager, Production Engineering Div., MMC April 2024 Executive Officer (Production), MMC April 2026 Senior Executive Officer (Production), MMC (to the present)	(Note) 1	6,406

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held (Shares)
Senior Executive Officer, Assistant to Executive Vice President (Global Marketing & Sales)	Kyoya Kondo	February 27, 1967	April 1989 Joined Mitsubishi Corporation July 2005 Seconded to Isuzu Malaysia Sendirian Berhad as Managing Director, CEO February 2009 Thailand Business Unit, Isuzu Business Div., Mitsubishi Corporation September 2010 Vice President, Tri Petch Isuzu Sales Co., Ltd. May 2012 Senior Vice President, Tri Petch Isuzu Sales Co., Ltd. April 2016 General Manager, ASEAN & South West Asia Automotive Dept., Automotive Business Div., Mitsubishi Corporation April 2017 President and Director, PT Mitsubishi Motors Krama Yudha Sales Indonesia October 2018 Assigned to Isuzu Business Div., Mitsubishi Corporation April 2020 Senior Vice President, Division COO, Mobility Business Div., Mitsubishi Corporation April 2022 Senior Vice President, Division COO, Isuzu Business Div., Mitsubishi Corporation April 2026 Senior Executive Officer, Assistant to Executive Vice President (Global Marketing & Sales), MMC (to the present)	(Note) 1	564
Executive Officer (Corporate Strategy Management) and Division General Manager, Corporate Strategy Management Division	Yoichi Yokozawa	April 24, 1964	April 1989 Joined Showa Ota & Co. July 1993 Joined Moret Ernst & Young (The Netherlands) August 1998 Head of the Presidential Administration Office, Mitsubishi Motors Europe B.V. January 2000 Joined MMC April 2000 Assistant to President, MMC June 2002 Senior Executive Officer, Corporate Vice President, Division General Manager, M&A Asset Management, MMC June 2003 Senior Executive Officer (Responsible for Finance), MMC June 2004 Executive Officer, Assistant to CFO, MMC April 2005 Executive Officer, Vice Corporate General Manager of Controlling & Accounting Office and Vice Corporate General Manager of Corporate Planning Office, MMC April 2006 Executive Officer, Corporate General Manager of Overseas Business Management Office, MMC May 2010 Executive Officer, MMC; Member of the Board, Vice President, Mitsubishi Motors North America, Inc. April 2011 Executive Officer, MMC; Member of the Board, President, Mitsubishi Motors North America, Inc. March 2014 Executive Officer, Vice Corporate General Manager of Corporate Planning Office, MMC June 2016 Senior Executive Officer, Division General Manager, Corporate Strategy Management Div., MMC September 2018 Managing Director, Nissan-Mitsubishi B.V. June 2019 Senior Executive Officer, Division General Manager, Europe Div., MMC June 2020 Member of the Board, President, Mitsubishi Motors North America, Inc. April 2022 Corporate Officer, Division General Manager, North Asia Division, MMC April 2023 Executive Officer (Corporate Strategy Management), MMC April 2026 Executive Officer (Corporate Strategy Management) And Division General Manager, Corporate Strategy Management Division, MMC (to the present)	(Note) 1	46,112

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held (Shares)
Executive Officer, CLO (Legal & Corporate Governance /Corporate Affairs)	Yasuko Takazawa	November 20, 1964	April 1987 Joined Nippon Steel Corporation (currently: NIPPON STEEL CORPORATION) December 2009 Joined Soga, URYU & ITOGA October 2010 Joined Kojima Law Offices September 2014 Joined MMC March 2015 General Manager, Legal Department, Corporate Planning Office, MMC April 2019 Corporate Vice President, General Manager, Legal Dept., MMC January 2020 Corporate Officer, Assistant to Senior Executive Officer, General Manager, Legal Department, MMC April 2022 Corporate Officer, Division General Manager, Legal & Corporate Governance Div., MMC June 2022 Outside Audit & Supervisory Board Member, Nomura Research Institute, Ltd. April 2024 Executive Officer (Legal & Corporate Governance) and Division General Manager, Legal & Corporate Governance Div., MMC April 2026 Executive Officer, CLO (Legal & Corporate Governance/Corporate Affairs), MMC (to the present)	(Note) 1	32,221
Executive Officer (Procurement)	Masaki Tsugeno	June 16, 1964	April 1987 Joined MMC September 2006 General Manager, Procurement Planning Department, Procurement Division May 2011 Executive Vice President, HR, General Affairs, Accounting, and Procurement, Mitsubishi Motors North America, Inc. December 2012 Executive Vice President, Procurement and Supplier Improvement Promotion, Mitsubishi Motors (Thailand) Co., Ltd. April 2017 Deputy General Manager, Common Purchasing Division, Nissan Motor Co., Ltd. April 2019 Division General Manager, Procurement Communication Division, MMC April 2021 Division General Manager, Procurement Management Division, MMC April 2023 Corporate Officer, Division General Manager, ASEAN A & Oceania Division, MMC April 2024 Corporate Officer, Assistant Executive Vice President (AMS / Product Sales Strategy) April 2025 Executive Officer (Procurement), MMC (to the present)	(Note) 1	9,909
Executive Officer (Corporate Planning) And Division General Manager, Corporate Planning Division	Susumu Noguchi	August 11, 1969	April 1992 Joined MMC February 2005 Director responsible for Corporate Planning, Mitsubishi Motors Australia Ltd. April 2010 Senior Expert, Consolidated Accounting Department, Accounting Division, MMC August 2010 Director responsible for Accounting, Mitsubishi Motors North America, Inc. May 2013 Senior Expert, Planning Department, Corporate Planning Office, MMC January 2017 Assistant to General Manager, CFO Office, MMC April 2018 Division General Manager, Europe Div., MMC. April 2019 General Manager, Americas & Oceania Division, MMC April 2023 Executive Officer, Division General Manager, Corporate Strategy Management Div., MMC April 2026 Executive Officer (Corporate Planning) And Division General Manager, Corporate Planning Division, MMC (to the present)	(Note) 1	8,918
Total					205,767

(Note) 1. From April 1, 2026, to March 31, 2027.

ii) Status of Outside Directors

With their broad viewpoint based on their experience, MMC expects Outside Directors to supervise its management. MMC appoints individuals only after careful consideration as to whether their character is suited to such a role, and whether they possess sufficient insight, experience and expertise. They are appointed only if MMC comes to the conclusion that they are competent in this regard.

The Company's Independence Standards and Qualification for Outside Directors are as follows.

(Independence Standards and Qualification for Outside Directors)

The Outside Directors of the Company shall not be any of the following and shall be in a neutral position independent from the Company's management.

1. An executive of a major shareholder of the Company (*1)
2. An executive of a major business partner of the Company (*2), or of a company for which the Company is a major business partner, or the parent company or subsidiary of such a company
3. An executive of a major lender to the Company (*3) or the parent company or subsidiary of such a company
4. A person affiliated with an auditing firm that conducts statutory audits of the Company
5. A consultant, an accounting professional such as a certified public accountant, or a legal professional such as an attorney-at-law who receives a large amount (*4) of monetary consideration or other property other than compensation of directors and officers from the Company (in the event such property is received by a corporation, association or other group, then any person belonging to such group)
6. An executive of a company with which the Company shares directors and officers
7. An executive of an organization that is receiving a large (*4) donation or grant from the Company
8. A person to whom any of 1 through 7 has applied during the past 3 years
9. A person with a close relative (second degree of kinship) to whom any of 1 through 7 applies
10. A person whose total period in office as an Outside Director exceeds 8 years
11. Other persons for whom the possibility of a relationship with the Company appears strong under substantive and comprehensive consideration of the situation

*1 a major shareholder: a shareholder who owns a 10% or greater share of voting rights

*2 a major business partner: a major client of the Company with annual transactions valued at 2% or more of the Company's consolidated net sales in the most recent fiscal year, or a major supplier to the Company with annual transactions valued at 2% or more of the supplier's consolidated net sales in the most recent fiscal year

*3 a major lender: a financial institution that provides the Company with loans amounting to 2% or more of the Company's consolidated total assets at the end of the most recent fiscal year

*4 large amount: an amount of consideration received from the Company that is 10 million yen or more per year

As of the filing date, MMC has 10 Outside Directors, and MMC has no special interest relationship with any of the Outside Directors. The capital relationship (MMC shares held by Outside Directors of MMC) is described in "Number of shares held (Ordinary shares)" in "i) Directors and officers."

Outside Director Tomofumi Hiraku has extensive experience, knowledge and networks across industries, having held important posts such as Director-General, Kansai Bureau and Director-General, Manufacturing Industries Bureau at the Ministry of Economy, Trade and Industry as well as having been responsible for energy policy planning at the Agency for Natural Resources and Energy. As it is expected that Mr. Hiraku will proactively engage in the oversight of, advising, and providing suggestions to the executive team by making the most of such abilities, MMC has appointed him as an Outside Director. In addition, MMC recognizes that there is no risk of a conflict of interest arising between Mr. Hiraku and MMC's general shareholders, and considers him to be sufficiently independent. MMC has therefore appointed Mr. Hiraku as an Independent Director.

Outside Director Shunichi Miyanaga serves concurrently as Honorary Advisor to Mitsubishi Heavy Industries, Ltd., which conducts transactions with MMC related to sales of automobiles and so forth. Mr. Miyanaga also serves concurrently as Outside Director of Mitsubishi Corporation, which is a major shareholder and a major business partner of MMC that conducts transactions with MMC related to overseas sales of automobiles and so forth. In light of the fact that Mr. Miyanaga has served in the past as a business executive of Mitsubishi Heavy Industries, Ltd. and the current relationship between MMC and Mitsubishi Heavy Industries, Ltd., he has not been appointed as an Independent Director. However, Mr. Miyanaga has been active for a long time in running a manufacturing company with global operations, and has rich and proven experience, performance and knowledge. As it is expected that Mr. Miyanaga will proactively engage in the oversight of, advising, and providing suggestions to MMC's executive team by making the most of such abilities, MMC has appointed him as an Outside Director.

Outside Director Main Kohda has strong insight and objective perspectives as an author in addition to deep knowledge about international finance, and rich knowledge and experience gained as a Member of the Council of the Ministry of Finance and the Ministry of Land, Infrastructure, Transport and Tourism. As it is expected that Ms. Kohda will proactively engage in the oversight of, advising, and providing suggestions to MMC's executive team by making the most of such abilities, MMC has appointed her as an Outside Director. In addition, MMC recognizes that there is no risk of a conflict of interest arising between Ms. Kohda and MMC's general shareholders, and considers her to be sufficiently independent. MMC has therefore appointed Ms. Kohda as an Independent Director.

Outside Director Kenichiro Sasae has held many important positions at the Ministry of Foreign Affairs and developed broad international views and extensive knowledge and experience as a diplomat. As it is expected that Mr. Sasae will proactively engage in the oversight of, advising, and providing suggestions to MMC's executive team by making the most of such abilities, MMC has appointed him as an Outside Director. Mr. Sasae had entered an advisory contract with MMC which terminated in May 2019. However, since the amount of fees under the advisory contract is less than the amount stipulated by MMC's Independence Standards and Qualification for Outside Directors described above, it does not affect Mr. Sasae's independence, and MMC recognizes that there is no risk of a conflict of interest arising between Mr. Sasae and MMC's general shareholders, and considers him to be sufficiently independent. Therefore, Mr. Sasae has been appointed as an Independent Director.

Outside Director Hideyuki Sakamoto serves concurrently as Honorary Advisor to Nissan Motor Co., Ltd., which is a major shareholder and a major business partner of MMC that conducts transactions with MMC related to OEM supply of automobiles, purchase of parts and so forth. Since Mr. Sakamoto has served in the past as a business executive of Nissan Motor Co., Ltd., he has not been appointed as an Independent Director. However, Mr. Sakamoto has considerable insight and experience gained as a member of the management team of an automobile manufacturer that operates worldwide, and as such, MMC has appointed him as an Outside Director with the expectation that with these qualities, he will be able to actively supervise MMC's management and offer advice and recommendations to MMC.

Outside Director Yoshihiko Nakamura has been active for many years as a certified public accountant and has extensive knowledge and deep insight as a specialist in accounting auditing. As it is expected that Mr. Nakamura will proactively engage in the oversight of, advising, and providing suggestions to MMC's executive team by making the most of such abilities, MMC has appointed him as an Outside Director. In addition, MMC recognizes that there is no risk of a conflict of interest arising between Mr. Nakamura and MMC's general shareholders, and considers him to be sufficiently independent. MMC has therefore appointed Mr. Nakamura as an Independent Director.

Outside Director Joji Tagawa serves concurrently as Honorary Advisor to Nissan Motor Co., Ltd., which is a major shareholder and a major business partner of MMC as described above. Since Mr. Tagawa has served as a business executive of Nissan Motor Co., Ltd., he has not been appointed as an Independent Director. However, Mr. Tagawa has considerable insight and experience gained as a member of the management team of an automobile manufacturer that operates worldwide, and as such, MMC has appointed him as an Outside Director with the expectation that with these qualities, he will be able to actively supervise the MMC's management and offer advice and recommendations to MMC.

Outside Director Takehiko Kakiuchi serves concurrently as Chairman of the Board of Mitsubishi Corporation, which is a major shareholder and a major business partner of MMC as described above. Mr. Kakiuchi has served in the past as a business executive of Mitsubishi Corporation; therefore, he has not been appointed as an Independent Director. However, Mr. Kakiuchi has rich and proven experience and performance as an executive of a globally operating general trading company, and extensive insight into global business management. As it is expected that Mr. Kakiuchi will proactively engage in the oversight of, advising, and providing suggestions to MMC's executive team by making the most of such abilities, MMC has appointed him as an Outside Director.

Outside Director Kanetsugu Mike serves concurrently as a Member of the Board of Directors of MUFG, a subsidiary of which, MUFG Bank, Ltd., conducts banking transactions with MMC and so forth. Mr. Mike served in the past as a business executive of MUFG Bank, Ltd., and in light of the current relationship between MMC and MUFG Bank, Ltd., he has not been appointed as an Independent Director. However, Mr. Mike has rich experience and extensive insight as an executive of an international financial institution. As it is expected that Mr. Mike will proactively engage in the oversight of, advising, and providing suggestions to MMC's executive team by making the most of such abilities, MMC has appointed him as an Outside Director.

Outside Director Junko Ogushi has been active as an attorney-at-law for many years and has extensive knowledge and insight as a legal specialist. As it is expected that Ms. Ogushi will proactively engage in the oversight of, advising, and providing suggestions to MMC's executive team by making the most of such abilities, MMC has appointed her as an Outside Director. In addition, MMC recognizes that there is no risk of a conflict of interest arising between Ms. Ogushi and MMC's general shareholders, and considers her to be sufficiently independent. MMC has therefore appointed Ms. Ogushi as an Independent Director.

iii) Supervision, audits and internal audits by Outside Directors, audits by Audit Committee, cooperation with accounting audits, and relationship with the internal control division

The Outside Directors receive reports at the Board of Directors meetings regarding the progress of internal controls, including compliance, as well as the results of audits by the Audit Committee and accounting audits.

The Audit Committee, the majority of whose members are Outside Directors, is making efforts to enhance audits in cooperation with the internal audit division, Accounting Auditors, and the internal control division, as described in "i) Status of audits by Audit Committee" in "(3) Status of audits."

(3) Status of audits

i) Status of audits by Audit Committee

1) Structure of audits by Audit Committee

As of the filing date of this Annual Securities Report, the Audit Committee consists of five members: four Outside Directors and one Internal Director, of whom two are Outside Directors who satisfy the Company’s Independence Standards and Qualification.

Background and experience of each of the Members of the Audit Committee are as follows:

Name	Background and experience
Yoshihiko Nakamura (Chairperson of the Audit Committee and Independent Outside Director)	He has been active for many years as a certified public accountant and has extensive knowledge and insight as a specialist in accounting and auditing.
Kanetsugu Mike (Outside Director)	He has rich experience and extensive insight as an executive of an international financial institution.
Junko Ogushi (Independent Outside Director)	She has been active as an attorney-at-law for many years and has extensive expert knowledge and insight as a legal specialist.
Joji Tagawa (Outside Director)	He has rich insight and experience developed as a member of the management team of an automobile manufacturer with global operations.
Hitoshi Inada (Full-time Member of the Audit Committee and Internal Director)	He has been active for many years in legal, compliance, and corporate governance fields at a globally operating general trading company and MMC, and has rich and proven experience and knowledge in the relevant areas.

In addition, the Audit Committee Office was established as an organization to assist the Audit Committee in executing their duties. Dedicated personnel with appropriate knowledge, skills and experience were appointed.

2) Status of activities by the Audit Committee and its members

Based on its audit policies and audit plans, the Audit Committee recognizes its primary responsibility as monitoring and verifying the execution of duties by Directors and Executive Officers, the effectiveness of the internal control system, and the appropriateness of the audits by the Accounting Auditor, and carries out the following activities.

1. In addition to working with the Audit Division, the Committee engages in dialogue with a wide range of executive divisions to understand the effectiveness and issues of the Company’s internal control systems. It confirms the executive divisions’ evaluations of effectiveness, recognition of issues, and the status of their initiatives to address those issues.

2. The management of affiliated companies, information security, and the disclosure of non-financial information are areas of operations that may involve significant risks to MMC’s business. To gain a deeper understanding of the actual conditions in these areas, the Committee conducted interviews with the relevant departments.

In principle, the Audit Committee meets monthly and convened 13 times in FY2025. Attendance of each Member of the Audit Committee is as follows:

Name	Attendance rate (%)
Yoshihiko Nakamura	13/13 (100%)
Kanetsugu Mike	13/13 (100%)
Junko Ogushi	13/13 (100%)
Joji Tagawa (Note)	10/10 (100%)
Hitoshi Inada	13/13 (100%)

(Note) Because the date of appointment as Committee member was June 19, 2025, the number of committee meetings attended in FY2025 differs from that of other members. Mr. Takahiko Ikushima, who resigned as Member of the Audit Committee on June 19, 2025, participated in three out of three meetings of the Audit Committee for which he was to attend.

The specific matters discussed by the Audit Committee in FY2025 are as follows.

Resolutions	17	• Audit policy, audit plan, audit methods, and the division of audit responsibilities • Evaluation of the Accounting Auditors and the appropriateness of their reappointment • Consent to the audit fees of the Accounting Auditors • Audit Committee Audit Report, etc.
Reports	19	• Status of the development and operation of Internal Control Systems • Audit plan and interim review results report submitted by the Accounting Auditors • Appropriateness of the audit methods and results of the Accounting Auditors • Financial results reported by the Accounting Division • Communication regarding Key Audit Matters (KAM), etc.

In addition to the above, the Audit Committee primarily conducts the following activities throughout the year.

Activity	Details
Exchange of opinions with the Representative Executive Officer, President & CEO Twice a year	The committee held interviews on the recent business overview and exchanged opinions on various issues regarding internal control.
Hearings with Executive Divisions (four times a year)	The committee confirmed the establishment and operation of the internal control systems at major subsidiaries and affiliates in Japan and overseas as well as divisions, the progress and operation of compliance activities, the verification of appropriateness of risk assessments, and the status of initiatives for issues of the risk management systems. During the fiscal year under review, the Committee conducted interviews to gain a deeper understanding of the management of affiliates, information security, and the disclosure of non-financial information.
Meetings with the Internal Audit Division (five times a year)	The committee received reports on audit results to understand various issues of internal control, and collected information on the status of establishment and operation of the internal control systems.
Reports on Audit Committee activities to the Board of Directors (twice a year)	The committee summarized and reported its findings and recognition of issues regarding internal control acquired from the activities mentioned above, including the results of internal audits reported by the internal audit division.

In addition to the meetings above, full-time Members of the Audit Committee attended important meetings including meetings of Executive Committee; inspected important approval/decision documents; interviewed Executive Officers and Corporate Officers; visited and audited, or conducted hearings with MMC’s major business locations and its major subsidiaries and affiliates in Japan and overseas; provided training for and had liaison meetings with auditors of subsidiaries and affiliates in Japan; held tripartite audit meetings (Audit Committee, Accounting Auditors and internal audit divisions); and held regular meetings with internal audit divisions and the Internal Control Division.

ii) Status of internal audits

MMC has established the Internal Audit Dept. and the Quality Audit Dept. within the Internal Audit Div., an organization independent of the other business execution divisions. These departments conduct planned internal audits based on the annual audit plan and report the audit results to the CEO and the Audit Committee.

As described in i) 2) above, in addition to meetings with the Audit Committee five times a year, regular meetings with the full-time Audit Committee members are held once a month for collaboration, and information is also exchanged at tripartite audit meetings with the full-time Audit Committee members and the accounting auditor.

The Audit Division is staffed with 25 personnel as of March 31, 2026, including professionals with diverse management experience, Certified Internal Auditor (CIA), Certified Fraud Examiner (CFE), Qualified Internal Auditor (QIA) and other qualifications.

The Internal Audit Dept. (16 members) conducts internal audits to assess whether operational management of MMC and subsidiaries and affiliates in Japan and overseas is being conducted with transparency using appropriate processes. The Quality Audit Dept. (7 members) audits the appropriateness of product quality-related activities by MMC and subsidiaries and affiliates in Japan and overseas.

iii) Status of accounting audit

a. Name of audit firm

Ernst & Young ShinNihon LLC

b. Continuous audit period

41 years

c. Names of CPAs

Designated and Engagement Partner, Hirohisa Fukuda, Chihiro Yasunaga, Yasutaka Kakoi

d. Organization of assistants relating to the audit work

CPAs 12, Others 34

e. Selection policy for audit firm

If it is deemed that any of the items prescribed in Article 340, paragraph (1) of the Companies Act apply to the Accounting Auditors, the Audit Committee shall dismiss the Accounting Auditors based on the agreement of all the Members of the Audit Committee.

Moreover, If the Audit Committee judges that it is necessary to dismiss or not reappoint the Accounting Auditors due to an impediment in the Accounting Auditors' execution of their duties or other such reason, the Audit Committee shall make a proposal on this dismissal or non-reappointment to the General Meeting of Shareholders.

Decisions on selecting Accounting Auditors are made taking into account evaluation results reached on the basis of the above policy and the Accounting Auditor Assessment Standards established by the Audit Committee.

f. Evaluation of the Audit Firm by the Audit Committee

Based on the Accounting Auditor Assessment Standards, the Audit Committee conducts evaluations every year regarding the status of quality controls of the audit firm, audit teams, compensation for audits, communication with Audit & Supervisory Board Members, etc., relationships with management and others, the MMC Group audits, fraud risk, and examination of Accounting Auditors' qualifications.

iv) Details of compensation for the audit

a. Compensation for certified public accountants who conduct auditing, etc.

Classification	Previous fiscal year		Fiscal year under review	
	Compensation for audit attestation (Millions of yen)	Compensation for non-audit work (Millions of yen)	Compensation for audit attestation (Millions of yen)	Compensation for non-audit work (Millions of yen)
MMC	294	4	277	-
Consolidated subsidiaries	75	-	74	-
Total	370	4	352	-

The details of non-audit work for MMC in the previous fiscal year consist of third-party assurance services related to non-financial information.

b. Compensation for the same network (Ernst & Young) as the MMC's auditing certified public accountants who conduct auditing, etc. (except a.)

Classification	Previous fiscal year		Fiscal year under review	
	Compensation for audit attestation (Millions of yen)	Compensation for non-audit work (Millions of yen)	Compensation for audit attestation (Millions of yen)	Compensation for non-audit work (Millions of yen)
MMC	-	4	-	-
Consolidated subsidiaries	470	8	476	2
Total	470	12	476	2

The details of non-audit work for MMC in the previous fiscal year consist of advisory services regarding export control, etc.

The details of non-audit work for the consolidated subsidiaries consist of tax-related investigation services, etc.

c. Details of fees for other significant audit and attestation services

Not applicable.

d. Policy on determination of compensation for audits

The Articles of Incorporation stipulate that the compensation paid to the Accounting Auditors is to be determined by the Director with the consent of the Audit Committee.

e. The reason why the Audit Committee agreed on the compensation for the Accounting Auditors

The Audit Committee conducted necessary reviews of the appropriateness of Accounting Auditors' audit plan, system, audit work, basis of calculating estimated compensation, etc., and judged that the amount of compensation for MMC's audit was reasonable.

(4) Compensation, etc. of directors and officers

A. Total compensation paid to directors and officers, compensation total by type, and number of payees

Classification	Total compensation (Millions of yen)	Total compensation by type (Millions of yen)					Number of payees (persons)
		Monetary compensation			Share-based compensation		
		Base Compensation	Short-Term Performance-Linked Compensation	Additional Individual Compensation	Long-Term Performance-Linked Compensation	Deferred Retirement Compensation	
Members of the Board (Excluding Outside Directors)	34	34	-	-	-	-	1
Executive Officers	586	415	52	30	53	36	10
Outside Directors and Outside Audit & Supervisory Board Members	204	204	-	-	-	-	11

(Notes) 1. The number shown in the above table for Outside Directors and Outside Audit & Supervisory Board Members indicates the number of persons who received compensation as Members of the Board among the 11 Outside Officers who served during the fiscal year under review.

2. For Members of the Board who serve concurrently as Executive Officers, MMC pays compensation for their service as Executive Officers and does not pay compensation for their service as Members of the Board.

3. "Long-Term Performance-Linked Compensation" is the performance-linked remuneration through the Board Incentive Plan (BIP) Trust ("BIP Trust"), which was introduced by the Company in FY2020. The table above includes 53 million yen of expense recorded for points (equivalent to 144,360 MMC shares) granted under the BIP Trust in conjunction with the finalized business results for FY2025.

4. "Deferred Retirement Compensation" is fixed compensation using the BIP Trust. The above table includes 36 million yen of expenses recorded for points (equivalent to 98,700 MMC shares) granted under the BIP Trust during the fiscal year under review.

B. Total amount of consolidated compensation for directors and officers (persons whose total compensation exceeds 100 million yen) by classification

Name	Classification	Company category	Total compensation (Millions of yen)	Total compensation by type (Millions of yen)				
				Monetary compensation			Share-based compensation	
				Base Compensation	Short-Term Performance-Linked Compensation	Additional Individual Compensation	Long-Term Performance-Linked Compensation	Deferred Retirement Compensation
Takao Kato	Executive Officers	Reporting company	113	76	13	-	13	10

(Notes) 1. The value of “Long-term Performance-Linked Compensation” is the amount posted as expenses of 13 million yen related to the number of points granted under the BIP Trust.
2. The amount of Deferred Retirement Compensation is the amount of expenses of 10 million yen posted that pertain to points granted to eligible officers during the fiscal year under review under the BIP Trust.

C. Overview of the Compensation Committee and its activities

MMC is a company with three committees. The Compensation Committee has the authority to determine the policy for determining the content of individual compensation, etc. for Members of the Board and Executive Officers, and the content of individual compensation, etc. for Members of the Board and Executive Officers. The Compensation Committee comprises a total of 5 members, 1 Internal Director and 4 Outside Directors. (For the members of the Compensation Committee, please refer to p. 53.) In FY2025, the Compensation Committee held a total of 9 meetings, with 4 members having 100% attendance and 1 member having 78% attendance. During FY2025, the Compensation Committee examined and deliberated on matters including the confirmation of the compensation level with other companies’ benchmarks, the KPIs and targets for performance-linked compensation, and the review of the method for calculating the number of shares granted under share-based compensation and the evaluation method for Long-Term Performance-Linked Compensation.

D. The contents and method for determining the policy for setting the amount of compensation of directors and officers or the calculation method

Pursuant to the Companies Act, the Compensation Committee establishes the policy for determining the content of individual compensation, etc. for Members of the Board and Executive Officers. Furthermore, as the Company’s Compensation Committee sets individual types of compensation in line with this policy, and in accordance with this setting, decides or plans to decide individual compensation for Members of the Board and Executive Officers for the fiscal year under review after appropriate deliberation, etc., it has been judged as being consistent with this policy.

<Basic approach>

(i) The compensation system shall contribute to the MMC Group’s sustainable growth and medium- to long-term improvement of corporate value.

(ii) The compensation system shall be linked with corporate results in order to motivate Executive Officers to accomplish management strategies and management plans as well as to achieve targeted corporate results in an appropriate manner.

(iii) The compensation levels shall contribute to securing professionals who measure up to ideal standards for management personnel that MMC expects for those responsible for corporate operation to have.

(iv) The compensation system shall promote shared interests with shareholders and awareness of shareholder-focused management.

(v) The decision-making process relating to compensation shall be highly transparent and objective.

E. Approach to compensation of Members of the Board and Executive Officers, specific compensation items and composition of compensation, etc.

(a) Members of the Board (excluding Members of the Board who serve concurrently as Executive Officers)

The remuneration of Directors who do not concurrently serve as Executive Officers consists solely of fixed base compensation, reflecting their role of supervising overall business execution from a position independent of business execution. In addition, the chairpersons and members of the

Nomination Committee, Compensation Committee, and Audit Committee receive fixed allowances corresponding to their committee responsibilities.

(b) Executive Officers

MMC established a policy for the compensation of Executive Officers (including Executive Officers who serve concurrently as Members of the Board) consisting of Base Compensation, Short-term Performance-linked Compensation and Additional Individual Compensation, as well as Long-term Performance-linked Compensation and Deferred Retirement Compensation as share-based compensation (see “Share-based compensation (BIP trust)” below). The goal of this is to strive for sustained improvement of corporate value, while sharing value with shareholders, and to secure skilled professionals including those from outside the company and overseas.

	Fixed/ Performance-linked	Payment method	Compensation ratio (decided according to position)
			FY2025
Base Compensation	Fixed	Cash	44 to 58%
Deferred Retirement Compensation		Shares (BIP Trust)	5 to 10%
Additional Individual Compensation	Performance-linked	Cash	0 to 5%
Short-Term Performance-Linked Compensation			16 to 23%
Long-Term Performance-Linked Compensation		Shares (BIP Trust)	16 to 23%

<Deferred Retirement Compensation>

Deferred Retirement Compensation is accrued by deferring a portion of the payment (5 to 10%) of fixed compensation, and paid upon retirement.

<Additional individual compensation>

Additional individual compensation is a reward provided to each Executive Officer (excluding the CEO and the President) who achieves targets set individually according to the area of business operations for which they are responsible, besides company-wide targets. The Executive Officer, CEO approves and determines the individual targets set by each Executive Officer, such as sales, profit, cost reduction, quality, and productivity improvement targets, and evaluates the degree of achievement.

<u>Payment formula</u> = total amount of prescribed remuneration × compensation ratio × achievement rate (0 to 100%)

<u>Planned payment period July 2026</u>

<Short-term Performance-linked Compensation>

Short-term Performance-linked Compensation is compensation to incentivize the payee to achieve the single-year business performance targets based on annual plans.

So that this compensation effectively functions as an incentive to aim for the achievement of management targets, indicators have been established for the Group’s management targets.

For FY2025, while maintaining profitability, we have established “consolidated operating profit” and “profit attributable to owners of parent” as KPIs from the standpoint of aiming to share value with our shareholders and have made our target levels those set forth in the annual plan.

KPI, targets and weighting, and payment formula

KPI	Targets (for 100% achievement) (billions of yen)	Results (billions of yen)	Percentage weight	Payment formula	Planned payment period
Consolidated operating profit	1,000	755	50%	Total amount of prescribed remuneration × compensation ratio × achievement rate (30 to 170%) × percentage weight	July 2026
Profit attributable to owners of parent	400	100	50%		

<Long-term Performance-linked Compensation>

Long-term Performance-linked Compensation is compensation to incentivize the payee to achieve the long-term targets necessary to realize the future envisaged for MMC. The indicators for this compensation were determined after considering the key performance indicators used in the manufacturing sector, the pressing issues of management, and the sharing of value with shareholders.

Furthermore, we have established ESG indicators as KPIs and priority items to be addressed in increasing the medium- to long-term corporate value of MMC.

We have adopted a method (new method) where we set annual targets for each of three fiscal years, including the fiscal year under review, and calculate the payment amount based on the average achievement rate for each year. This amount will be paid after the completion of the three fiscal years.

KPI, targets and percentage weight, and payment formula (set in FY2023)

KPI	Classification	Targets for FY2025 (for 100% achievement)	Results	Percentage weight	Payment formula	Planned payment period
EBITDA	Financial	*1	Fell short of the target by 146.9 billion yen	40%	Total amount of prescribed remuneration × compensation ratio × average achievement rate for 3 fiscal years including the fiscal year under review (50% to 150%) × percentage weight	August 2026
ASEAN marginal profit	Financial	*1	Fell short of the target by 159.7 billion yen	40%		
CO_2 emissions from business activities (FY2025)	ESG	*2	4,000 metric tons below the target	10%		
Employee engagement (FY2026)	ESG	*3	Exceeded the target by 1 pt	10%		

*1. Targets have been set for figures in the fiscal year under review necessary to achieve the mid- term business plan.

*2. Targets have been set based on the necessary emissions volume in the fiscal year under review to achieve future targets.

*3. The goal for each fiscal year has been set at +1 point based on the score produced from the employee engagement survey implemented in FY2023.

KPI, targets and percentage weight, and payment formula (set in FY2024)

KPI	Classification	Targets for FY2025 (for 100% achievement)	Results	Percentage weight	Payment formula	Planned payment period
EBITDA	Financial	*2	Fell short of the target by 141.9 billion	20%	Total amount of prescribed remuneration × compensation ratio × average achievement rate for 3 fiscal years including the fiscal year under review (50% to 150%) × percentage weight	August 2027
Marginal profit in ASEAN-related regions (*1)	Financial	*2	Fell short of the target by 118.8 billion yen	20%		
ROE	Financial	*2	Fell short of the target by 13.2 pt	20%		
Operating profit ratio	Financial	*2	Fell short of the target by 4.1 pt	20%		
CO_2 emissions from business activities (FY2025)	ESG	*3	4,000 metric tons below the target	10%		
Employee engagement (FY2026)	ESG	*4	Exceeded the target by 1 pt	10%		

*1. ASEAN; Australia and New Zealand; and the Middle East, Central and South America, and Africa
*2. Targets have been set for figures in the fiscal year under review necessary to achieve the mid- term business plan.
*3. Targets have been set based on the necessary emissions volume in the fiscal year under review to achieve future targets.
*4. The goal for each fiscal year has been set at +1 point based on the score produced from the employee engagement survey implemented in FY2024.

KPI, targets and percentage weight, and payment formula (set in FY2025)

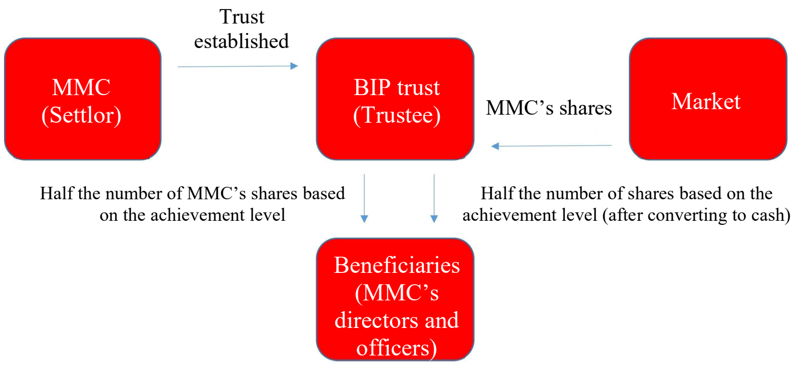
KPI	Classification	Targets for FY2025 (for 100% achievement)	Results	Percentage weight	Payment formula	Planned payment period
EBITDA	Financial	*2	Exceeded the target by 6.1 billion yen	20%	Total amount of prescribed remuneration × compensation ratio × average achievement rate for 3 fiscal years including the fiscal year under review (30% to 170%) × percentage weight	August 2028
Marginal profit in priority countries (*1)	Financial	*2	Fell short of the target by 6.0 billion yen	20%		
ROE	Financial	*2	Met the target (±0 pt)	20%		
Operating profit ratio	Financial	*2	Exceeded the target by 0.2 pt	20%		
CO_2 emissions from business activities (FY2025)	ESG	*3	4,000 metric tons below the target	10%	Total amount of prescribed remuneration × compensation ratio × average achievement rate for 3 fiscal years including the fiscal year under review (50% to 150%) × percentage weight	
Employee engagement (FY2026)	ESG	*4	Met the target (±0 pt)	10%		

*1. ASEAN; Australia and New Zealand; the Middle East, Central and South America, and Africa; and Japan
*2. Targets have been set for figures in the fiscal year under review necessary to achieve the mid- term business plan.
*3. Targets have been set based on the necessary emissions volume in the fiscal year under review to achieve future targets.
*4. The goal for each fiscal year has been set at +1 point based on the score produced from the employee engagement survey implemented in FY2025.

<Share-based compensation (BIP trust)>

Share-based compensation (BIP trust) refers to a mechanism that operates as follows. In cases where a certain number of points are granted and beneficiary rights are satisfied in accordance with MMC's share-based compensation rules, the payees receive a delivery of shares of MMC's common stock amounting to the equivalent of the determined ratio of the number of points that are converted to shares on a conversion ratio of 1 share for every 1 point, and for the shares of common stock of MMC corresponding to the remaining number of points, the payees receive money equivalent to the price to convert the equivalent number of shares of common stock of MMC to money within the trust (hereinafter the "Delivery, etc. of MMC's Shares etc.")

Mechanism of share-based compensation (BIP trust) (conceptual image)



Under the Long-term Performance-linked Compensation plan, Delivery, etc. of MMC Shares is based on the eligible officer's position and the degree of achievement of performance targets over a three-fiscal-year evaluation period. In addition, for the Deferred Retirement Compensation, an amount of points corresponding to the officer's position is granted annually and, as a general rule, the Delivery, etc. of MMC's Shares etc. is made in a single delivery upon retirement. If it is found that an eligible officer has violated the appointment contract, the entire amount or a portion of the beneficiary rights of the shares scheduled for delivery under the compensation plan may be forfeited by decision of the Compensation Committee (malus clause) or the officer may be required to return the entire amount or a portion of the delivered shares, etc. (clawback clause). The eligible officers must follow the rules to prevent insider trading established by MMC and various related laws and regulations with respect to MMC's shares acquired through the compensation plan.

(5) Status of shareholdings

(i) Standard of investment shares division and the policy

MMC classifies its investment shares as either investment shares held for purposes of portfolio investment with the aim of generating profit derived from changes in the value of the shares and dividends pertaining to the shares, or otherwise as investment shares held for purposes other than portfolio investment. MMC holds investment shares for purposes other than portfolio investment shares only, and accordingly does not hold investment shares held for pure investment purposes. Moreover, MMC holds investment shares for purposes other than portfolio investment shares only if it deems that such shareholdings are necessary for developing its business with respect to maintaining and strengthening medium- to long-term partnerships, and furthermore essential in order to achieve sustainable growth and to increase medium- to long-term corporate value.

(ii) Investment shares held for purposes other than portfolio investment shares

a. Method for verifying holding policy and rationale for holdings, and description of verification performed by the Board of Directors, etc. regarding propriety of holding individual issues

MMC maintains cross-shareholdings based on the aforementioned policy, and strives to reduce its cross-shareholdings by such means as selling shares deemed no longer necessary to hold for such purposes. When exercising voting rights for cross-shareholdings, MMC casts votes for any agenda items that are considered to contribute to the improvement of medium- to long-term corporate value, and against agenda items that are considered to impair value, respecting the business policies and strategies of investee companies, instead of automatically determining approval and disapproval based on fixed standards. Individual issues currently held are subject to validation on an annual basis in terms of factors including the necessity of maintaining such holdings in relation to MMC's business operations and the medium- to long-term economic rationale for such holdings, and the results of the validation is reported at meetings of the Board of Directors.

b. Number of issues and balance sheet amount

	Number of issues (Issues)	Total balance sheet amount (Millions of yen)
Unlisted shares	18	16,607
Shares other than unlisted shares	1	630

(Issues of which the number of shares increased in the fiscal year under review)

	Number of issues (Issues)	Total acquisition price for the shares increased (Millions of yen)	Reason for increase in number of shares
Unlisted shares (Note)	1	-	Due to the exclusion from the scope of application of the equity method
Shares other than unlisted shares	-	-	-

(Note) The one issue of unlisted shares increased due to a reclassification to "unlisted shares" resulting from its exclusion from the scope of the equity method; therefore, no acquisition cost was incurred.

(Issues of which the number of shares decreased in the fiscal year under review)

	Number of issues (Issues)	Total selling price for the shares decreased (Millions of yen)
Unlisted shares	1	2
Shares other than unlisted shares (Note)	2	11

(Note) Of two issues of shares other than unlisted shares that decreased, one issue decreased due to its inclusion in the scope of application of the equity method following an additional acquisition of shares; therefore, no proceeds from selling were gained.

c. Information on number of shares, balance sheet amount, etc. of individual issues of specified investment shares and deemed holdings

Specified investment shares

Issues	Fiscal year under review	Previous fiscal year	Holding purpose, summary of business alliances, etc., quantitative holding effect (Note 1) and reason for the increase in the number of shares	Share-holding status of MMC
	Number of shares (Shares)	Number of shares (Shares)		
	Balance sheet amount (Millions of yen)	Balance sheet amount (Millions of yen)		
China Motor Corporation	2,277,634	2,277,634	Held to maintain and develop the automobile manufacturing and sales business in Taiwan	None
	630	740		
FleetPartners Group Ltd. (Note) 2, 3	-	11,927,977	-	None
	-	3,059		
Dynamic Map Platform Co., Ltd. (Note 3)	-	10,000	-	None
	-	14		

(Notes) 1. Given the nature of cross-shareholdings, MMC does not enlist quantitative criteria in making decisions on such holdings, but instead, as mentioned above, individual issues currently held are subject to validation on an annual basis in terms of factors including the necessity of maintaining such holdings in relation to MMC's business operations and the medium- to long-term economic rationale for such holdings.

2. FleetPartners Group Ltd. was reclassified as an equity-method affiliate following an additional acquisition of shares.

3. A dash "-" indicates that MMC does not hold the issue.

<Deemed holdings>

Not applicable.

(iii) Investment shares held for the purpose of portfolio investment shares

Not applicable.

(iv) Investment shares whose purpose of holding was changed from portfolio investment shares to other than portfolio investment shares during the fiscal year under review

Not applicable.

(v) Investment shares whose purpose of holding was changed from other than portfolio investment shares to portfolio investment shares in four fiscal years prior to the fiscal year under review or during the fiscal year under review

Not applicable.

5. Employees, etc.

(1) Basic Policy on HR Strategy, etc.

The MMC Group has adopted the “Three Principles,” the Mitsubishi Group’s common basic philosophy, as the guideline for its corporate activities, aimed at realizing its vision: “Create a vibrant society by realizing the potential of mobility.”

Amid a rapidly changing and increasingly uncertain business environment, the MMC Group recognizes that human resources are the most important management foundation for achieving sustainable growth and enhancing corporate value.

Based on this recognition, the MMC Group places the development of human resources who embody the MMC WAY, the behavioral guidelines for realizing its vision and mission, at the core of its HR strategy. The MMC Group believes that securing, developing, and optimally deploying human resources who possess both professional expertise and strong on-site capabilities and can act autonomously is essential to responding effectively to structural changes in the automotive industry, such as electrification, vehicle intelligence, and servitization, and to continuously creating products and services that embody “Mitsubishi Motors-ness”

Furthermore, the MMC Group also believes that enabling each employee to find fulfillment in their work and fully realize his or her potential strengthens its ability to execute its strategies and enhances organizational competitiveness. For this reason, the MMC Group regards the creation of a workplace where employees are highly engaged and can work energetically while maintaining both physical and mental well-being as a key management priority, and is fostering an organizational culture where diverse human resources can thrive.

Basic policy on compensation

To ensure the effectiveness of the above HR strategy, the MMC Group regards compensation and employee treatment as important investments in its human resources and has established and operates a fair and transparent compensation system based on roles, responsibilities, and performance.

Based on market compensation levels and the business environment, the MMC Group aims to secure and retain talented employees, enhance employee motivation, and continuously allocate resources to talent that will drive its medium- to long-term growth.

Specifically, the MMC Group has increased starting salaries to acquire outstanding new graduates and adopted a range matrix in its salary increase table, thereby designing a compensation system that provides employees in the early years following promotion with a sense of growth.

Furthermore, for managerial employees, the MMC Group has introduced a job grade system that enables flexible compensation management based on the scope of roles and responsibilities, thereby ensuring that contributions to management and organizational operations are appropriately reflected in compensation.

In addition, the MMC Group seeks to enhance employee engagement and support sustainable organizational growth through salary increases and bonus payments based on business performance and the external environment.

Going forward, the MMC Group will continue to realize a virtuous cycle between its human resources and corporate value through talent development based on the “MMC WAY” and the creation of a rewarding workplace.

(2) Employees

(i) Status of consolidated companies

(As of March 31, 2026)

Name of business segment	Number of employees	
Automobile	27,483	(7,755)
Financial services business	212	(93)
Total	27,695	(7,848)

(Notes) 1. The number of employees is the number of employees currently on duty (excluding directors and officers).
2. The annual average number of temporary employees (part-time employees, fixed-term employees, dispatched employees, etc.) shown in parentheses is not included in the total.

(ii) Status of reporting company

(As of March 31, 2026)

Number of employees				Average age (Years)	Average number of years employed (Years)	Average annual salary (Yen)	Year-on-year change in average annual salary (%)
Name of business segment	Administrative/ engineering employees	Shop floor employees	Total				
Automobile	9,656 (1,694)	3,842 (2,171)	13,498 (3,865)	42.4	16.0	7,895,000	-3.0

(Notes) 1. The number of employees is the number of employees currently on duty (excluding directors and officers).
2. "Shop floor employees" refer to employees directly involved in production activities, employees who assist production activities and employees that provide instruction and supervision related to production activities. "Administrative/engineering employees" refer to employees other than shop floor employees.
3. The annual average number of temporary employees (part-time employees, fixed-term employees, dispatched employees, etc.) shown in parentheses is not included in the total.
4. Average annual salary (gross) includes overtime and other non-standard wages.

(iii) Workers' unions

Workers' unions associated with MMC and its domestic consolidated subsidiaries are affiliated with the Japan Automobile Workers' Unions through the Federation of All Mitsubishi Motors and Mitsubishi Fuso Workers' Unions.

(iv) Percentage of female workers to workers with managerial positions, the ratio for male employees taking childcare leave, gender wage gap

a. Reporting company

Fiscal year under review				
Percentage of female workers to workers with managerial positions (%) (Note) 1 (Note) 2	Ratio for male employees taking childcare leave (%) (Note) 3	Workers' gender wage gap (%) (Note) 1 (Note) 4		
		All workers	(of which, full-time employees) (Note) 5	(of which, part-time employees and fixed-term employees) (Note) 6
6.8	84.6	79.8	78.4	87.6

(Notes) 1. It is calculated based on the provisions of the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015, hereinafter the "Act on Promotion of Women's Participation").
2. "Percentage of female workers to workers with managerial positions," includes workers seconded from other companies to the reporting company, but does not include those seconded from the reporting company to other companies.
3. The rate of childcare leave and leave taken for childcare as prescribed in Article 71-6, Paragraph 2 of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Health, Labour and Welfare No. 25 of 1991, hereinafter the "Ordinance for Enforcement of the Child Care and Family Care Leave Act") was calculated in accordance with the provisions of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for

Children or Other Family Members (Act No. 76 of 1991, hereinafter the “Child Care and Family Care Leave Act”). Workers include those seconded from the reporting company to other companies, but do not include those seconded from other companies to the reporting company.

4. There is no difference in the wage structure by gender. The difference in wages is due to differences in the employee composition by grade, such as the manager ratio.
5. Full-time employees include full-time workers and full-time non-regular workers without a fixed term.
6. Part-time employees and fixed-term employees include part-time workers and fixed-term contract workers but not dispatched employees.

b. Consolidated subsidiaries

Fiscal year under review						
Company name	Percentage of female workers to workers with managerial positions (%) (Note) 1	Ratio for male employees taking childcare leave (%)		Workers’ gender wage gap (%) (Note) 1		
				All workers	(of which, full-time employees)	(of which, part-time employees and fixed-term employees)
Higashi Nihon Mitsubishi Motor Sales Co., Ltd.	5.0	86.9	(Note) 3	79.8	78.6	77.5
Nishi Nihon Mitsubishi Motor Sales Co., Ltd.	2.2	69.2	(Note) 2	73.8	71.4	79.6
Mitsubishi Automotive Logistics Technology Co., Ltd.	7.7	50.0	(Note) 2	80.5	78.3	88.3
Mitsubishi Automotive Engineering Co., Ltd.	1.3	100.0	(Note) 2	70.4	69.3	104.2
Suiryo Plastics Co., Ltd.	3.6	100.0	(Note) 3	79.0	80.2	74.2
Mitsubishi Motors Finance Co., Ltd.	20.3	100.0	(Note) 2	72.5	72.5	65.6

(Notes) 1. It is calculated based on the provisions of the Act on Promotion of Women’s Participation.
2. The acquisition rate of childcare leave as prescribed in Article 71-6, Paragraph 1 of the Ordinance for Enforcement of the Child Care and Family Care Leave Act was calculated in accordance with the provisions of the Child Care and Family Care Leave Act.
3. The acquisition rate of childcare leave and leave taken for childcare as prescribed in Article 71-6, Paragraph 2 of the Ordinance for Enforcement of the Child Care and Family Care Leave Act was calculated in accordance with the provisions of the Child Care and Family Care Leave Act.

V. Financial Information

1. Basis of preparation of the consolidated financial statements and non-consolidated financial statements

   (1) The consolidated financial statements of MMC are prepared in accordance with the “Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements” (Order of the Ministry of Finance No. 28 of 1976, hereinafter “Regulation on Consolidated Financial Statements”).

   (2) The non-consolidated financial statements of MMC are prepared in accordance with the “Regulation on Terminology, Forms, and Preparation Methods of Non-consolidated Financial Statements” (Order of the Ministry of Finance No. 59 of 1963; hereinafter the “Regulation on Financial Statements, etc.”).

   As MMC falls under the category of a company filing financial statements prepared in accordance with special provisions, the non-consolidated financial statements of MMC are prepared in accordance with Article 127 of the Regulation on Financial Statements, etc.

2. Independent audit

   The consolidated and the non-consolidated financial statements for FY2025 (from April 1, 2025, to March 31, 2026) were audited by Ernst & Young ShinNihon LLC, in accordance with Article 193-2, paragraph (1) of the Financial Instruments and Exchange Act.

3. Special measures to ensure the appropriateness of the consolidated financial statements, etc.

   MMC is taking special measures to ensure the appropriateness of the consolidated financial statements. Specifically, MMC has become a member of the Financial Accounting Standards Foundation (hereinafter the “Foundation”) and has a system in place to understand and appropriately respond to the contents and changes of the accounting standards, etc.

1. Consolidated financial statements

(1) Consolidated financial statements

(a) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	452,510	438,891
Notes and accounts receivable–trade, and contract assets	(*1) 154,199	(*1) 248,614
Finance receivables	(*3) 267,041	(*3) 328,967
Merchandise and finished goods	266,209	285,237
Work in process	26,504	27,862
Raw materials and supplies	70,492	75,293
Other	(*3) 155,671	(*3) 208,155
Allowance for doubtful accounts	(1,498)	(3,153)
Total current assets	1,391,131	1,609,869
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	96,521	105,216
Machinery, equipment and vehicles, net	188,780	207,490
Tools, furniture and fixtures, net	65,803	76,868
Land	122,179	123,180
Construction in progress	51,085	38,427
Total property, plant and equipment	(*2) 524,369	(*2) 551,183
Intangible assets	51,168	49,415
Investments and other assets		
Investment securities	(*4) 102,736	(*4) 52,235
Retirement benefit asset	9,290	12,406
Deferred tax assets	78,821	74,507
Other	(*4) 93,017	(*4) 73,402
Allowance for doubtful accounts	(4,614)	(4,874)
Total investments and other assets	279,251	207,676
Total non-current assets	854,789	808,275
Total assets	2,245,920	2,418,145

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	350,954	447,143
Electronically recorded obligations - operating	106,039	114,286
Short-term borrowings	22,651	69,901
Commercial paper	47,500	30,000
Current portion of long-term borrowings	(*3) 83,427	(*3) 117,538
Lease liabilities	3,867	5,385
Accounts payable - other, and accrued expenses	216,737	219,977
Income taxes payable	12,178	8,253
Provision for product warranties	70,062	65,482
Other	(*1) 90,517	(*1) 88,545
Total current liabilities	1,003,936	1,166,513
Non-current liabilities		
Long-term borrowings	(*3) 130,460	(*3) 140,749
Lease liabilities	26,884	31,846
Retirement benefit liability	40,576	37,746
Other	(*1) 70,496	(*1) 77,971
Total non-current liabilities	268,418	288,313
Total liabilities	1,272,355	1,454,827
Net assets		
Shareholders' equity		
Share capital	284,382	284,382
Capital surplus	185,780	185,780
Retained earnings	500,609	451,014
Treasury shares	(56,383)	(56,310)
Total shareholders' equity	914,388	864,866
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(400)	1,160
Deferred gains or losses on hedges	(25)	(1,404)
Foreign currency translation adjustment	33,331	56,183
Remeasurements of defined benefit plans	(12,892)	(1,343)
Total accumulated other comprehensive income	20,013	54,596
Share acquisition rights	6	6
Non-controlling interests	39,157	43,849
Total net assets	973,565	963,318
Total liabilities and net assets	2,245,920	2,418,145

(b) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	(*1) 2,788,232	(*1) 2,896,536
Cost of sales	(*3) 2,251,528	(*3) 2,447,418
Gross profit	536,703	449,117
Selling, general and administrative expenses		
Advertising expenses	60,044	46,340
Freight costs	95,613	92,632
Provision of allowance for doubtful accounts	348	2,209
Remuneration, salaries and allowances for directors (and other officers)	87,479	85,671
Retirement benefit expenses	4,064	4,607
Depreciation	18,887	21,798
Research and development expenses	(*3) 67,889	(*3) 64,865
Other	63,548	55,473
Total selling, general and administrative expenses	397,876	373,600
Operating profit (loss)	138,826	75,517
Non-operating income		
Interest income	11,954	8,673
Dividend income	665	1,851
Foreign exchange gains	-	2,943
Share of loss (profit) of investments accounted for using the equity method	-	1,351
Reversal of accounts payable – other related to overseas tariffs, etc.	2,641	-
Other	3,529	3,774
Total non-operating income	18,791	18,594
Non-operating expenses		
Interest expenses	6,732	6,100
Foreign exchange losses	31,541	-
Litigation expenses	5,262	2,219
Share of loss of entities accounted for using the equity method	6,489	-
Other	8,988	6,883
Total non-operating expenses	59,015	15,203
Ordinary profit (loss)	98,602	78,908
Extraordinary income		
Gain on sale of non-current assets	(*2) 853	(*2) 996
Gain on sale of investment securities	-	2,500
Gain on sale of shares of subsidiaries and associates	-	(*5) 1,650
Other	228	43
Total extraordinary income	1,082	5,190
Extraordinary losses		
Loss on retirement of non-current assets	4,175	2,924
Impairment losses	(*4) 5,870	(*4) 151
Extra retirement payments	1,870	130
Loss on sale of investments in capital of subsidiaries and associates	-	(*6) 6,313
Loss on valuation of U.S. environmental credits	-	16,112
Other	503	1,134
Total extraordinary losses	12,419	26,767
Profit (loss) before income taxes	87,265	57,331
Income taxes - current	29,665	26,016
Income taxes - deferred	6,950	10,156
Total income taxes	36,616	36,173
Profit (loss)	50,649	21,157
Profit (loss) attributable to non-controlling interests	9,661	11,142
Profit (loss) attributable to owners of parent	40,987	10,015

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit (loss)	50,649	21,157
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,444)	1,559
Deferred gains or losses on hedges	683	(1,559)
Foreign currency translation adjustment	(5,984)	33,413
Remeasurements of defined benefit plans, net of tax	(25,811)	11,577
Share of other comprehensive income of entities accounted for using the equity method	1,919	(2,102)
Total other comprehensive income	(*1) (31,636)	(*1) 42,889
Comprehensive income	19,012	64,047
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	11,306	51,580
Comprehensive income attributable to non-controlling interests	7,706	12,466

(c) Consolidated statement of changes in net assets

For the previous fiscal year ended March 31, 2025

(Millions of yen)

For the fiscal year ended March 31, 2025	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	284,382	199,585	478,239	(1,688)	960,518
Changes during period					
Dividends of surplus			(18,618)		(18,618)
Profit (loss) attributable to owners of parent			40,987		40,987
Purchase of treasury shares				(68,642)	(68,642)
Disposal of treasury shares				126	126
Cancellation of treasury shares		(13,792)		13,792	-
Exercise of share acquisition rights		(12)		29	17
Net changes in items other than shareholders' equity					
Total changes during period	-	(13,804)	22,369	(54,694)	(46,129)
Balance at end of period	284,382	185,780	500,609	(56,383)	914,388

For the fiscal year ended March 31, 2025	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	2,045	(739)	35,454	12,933	49,694	23	34,219	1,044,456
Changes during period								
Dividends of surplus								(18,618)
Profit (loss) attributable to owners of parent								40,987
Purchase of treasury shares								(68,642)
Disposal of treasury shares								126
Cancellation of treasury shares								-
Exercise of share acquisition rights								17
Net changes in items other than shareholders' equity	(2,445)	713	(2,123)	(25,826)	(29,681)	(17)	4,937	(24,760)
Total changes during period	(2,445)	713	(2,123)	(25,826)	(29,681)	(17)	4,937	(70,890)
Balance at end of period	(400)	(25)	33,331	(12,892)	20,013	6	39,157	973,565

For the fiscal year under review ended March 31, 2026

(Millions of yen)

For the fiscal year ended March 31, 2026	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	284,382	185,780	500,609	(56,383)	914,388
Changes during period					
Dividends of surplus			(16,756)		(16,756)
Profit (loss) attributable to owners of parent			10,015		10,015
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				72	72
Change in scope of consolidation			(189)		(189)
Change in scope of equity method			(42,664)		(42,664)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	(49,595)	72	(49,522)
Balance at end of period	284,382	185,780	451,014	(56,310)	864,866

For the fiscal year ended March 31, 2026	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	(400)	(25)	33,331	(12,892)	20,013	6	39,157	973,565
Changes during period								
Dividends of surplus								(16,756)
Profit (loss) attributable to owners of parent								10,015
Purchase of treasury shares								(0)
Disposal of treasury shares								72
Change in scope of consolidation								(189)
Change in scope of equity method								(42,664)
Net changes in items other than shareholders' equity	1,560	(1,378)	22,852	11,548	34,582	-	4,692	39,275
Total changes during period	1,560	(1,378)	22,852	11,548	34,582	-	4,692	(10,247)
Balance at end of period	1,160	(1,404)	56,183	(1,343)	54,596	6	43,849	963,318

(d) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit (loss) before income taxes	87,265	57,331
Depreciation	73,992	82,631
Impairment losses	5,870	151
Loss on valuation of U.S. environmental credits	-	16,112
Increase (decrease) in allowance for doubtful accounts	(46)	1,945
Increase (decrease) in retirement benefit liability	343	5,595
Interest and dividend income	(12,620)	(10,525)
Interest expenses	6,732	6,100
Foreign exchange losses (gains)	6,023	(4,953)
Share of loss (profit) of investments accounted for using the equity method	6,489	(1,351)
Loss (gain) on sale and retirement of non-current assets	3,336	2,037
Decrease (increase) in trade receivables	(3,493)	(80,901)
Decrease (increase) in finance receivables	(26,369)	(62,204)
Decrease (increase) in inventories	43,455	13,490
Increase (decrease) in trade payables	21,787	76,296
Increase (decrease) in accounts payable - other, and accrued expenses	(15,051)	2,749
Decrease (increase) in accounts receivable–other	10,909	(20,289)
Other	(17,321)	(22,015)
Subtotal	191,303	62,201
Interest and dividends received	14,318	13,657
Interest paid	(6,792)	(5,450)
Income taxes paid	(24,096)	(34,652)
Net cash provided by (used in) operating activities	174,734	35,755
Cash flows from investing activities		
Purchase of property, plant and equipment	(95,080)	(112,640)
Proceeds from sale of property, plant and equipment	645	1,967
Purchase of intangible assets	(16,095)	(10,257)
Other	(4,221)	(1,513)
Net cash provided by (used in) investing activities	(114,752)	(122,444)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(44,706)	47,047
Increase (decrease) in commercial papers	4,000	(17,500)
Proceeds from long-term borrowings	214,976	135,521
Repayments of long-term borrowings	(353,132)	(91,923)
Purchase of treasury shares	(68,642)	(0)
Dividends paid	(18,583)	(16,728)
Dividends paid to non-controlling interests	(2,670)	(4,782)
Other	(6,007)	(4,733)
Net cash provided by (used in) financing activities	(274,765)	46,900
Effect of exchange rate change on cash and cash equivalents	(9,309)	21,823
Net increase (decrease) in cash and cash equivalents	(224,093)	(17,964)
Cash and cash equivalents at beginning of period	674,204	450,111
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	-	6,713
Cash and cash equivalents at end of period	(*1) 450,111	(*1) 438,860

Notes

Material basis of the preparation of consolidated financial statements

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 35

The names of major companies are omitted here because they are provided in "I. Overview of the Company, 4. Status of subsidiaries and associates."

Changes in the scope of consolidation

i) Newly consolidated: 1 company

• Company newly consolidated due to increased materiality

Mitsubishi Motors Finance Philippines Inc.

(2) Names of major unconsolidated subsidiaries

Mitsubishi Motors Wing Co., Ltd., etc.

Reason for exclusion from scope of consolidation

The amounts of total assets, net sales, profit or loss, and retained earnings of unconsolidated subsidiaries of the above are all insignificant in size and do not have a material impact on the consolidated financial statements in aggregate either, and therefore such subsidiaries are excluded from the scope of consolidation.

2. Application of the equity method

(1) Number of associates to which the equity method is applied: 16

There were no unconsolidated subsidiaries accounted for using the equity method at the end of the fiscal year.

The names of major companies are omitted here because they are provided in "I. Overview of the Company, 4. Status of subsidiaries and associates."

Changes in the scope of equity method

i) Newly included in the scope of equity method: 1

• Company included in the scope of equity method due to the acquisition of additional shares

FleetPartners Group Ltd.

ii) Excluded from the scope of equity method: 2

• Company excluded from scope of equity method due to a decline in significant influence

JATCO Ltd.

• Company excluded from scope of equity method due to its sale of equity interests

Shenyang Aerospace Mitsubishi Motors Engine Manufacturing Co., Ltd.

(2) Names of unconsolidated subsidiaries and associates to which the equity method is not applied

Unconsolidated subsidiaries

Mitsubishi Motors Wing Co., Ltd., etc.

Associates

Diamond F.C. Partners, Co., Ltd., etc.

Reason for non-application of equity method

The amounts such as profit or loss and retained earnings of unconsolidated subsidiaries and associates to which the equity method is not applied are all insignificant in size and do not have a material impact on the consolidated financial statements in aggregate either, and therefore such unconsolidated subsidiaries and the equity method is not applied to such unconsolidated subsidiaries and associates.

3. Fiscal year end dates of consolidated subsidiaries

Among overseas consolidated subsidiaries, seven such as Mitsubishi Motors (Thailand) Co., Ltd., for which the fiscal year end date (December 31) is different from the consolidated fiscal year end date (March 31), have provisional financial statements prepared as of March 31, for consolidation purposes.

4. Accounting policies

(1) Valuation basis and methods for significant assets

Securities

Held-to-maturity securities:

Stated at amortized cost.

Available-for-sale securities:

Securities, excluding shares without a market price:

Carried at fair value and the cost of securities sold is computed based on the moving average method. The difference between the acquisition cost and the carrying value of available-for-sale securities, including unrealized gains and losses, is recognized in valuation difference on available-for-sale securities in the accompanying balance sheet.

Shares without a market price:

Carried at cost determined by the moving average method.

Derivative financial instruments

Fair value method (excluding interest rate swaps for which the special treatment is applied)

Inventories

Inventories of MMC and its domestic consolidated subsidiaries are principally stated at cost determined by the first-in, first-out method or specific identification method (under either method, the balance sheet carrying value is reduced to recognize any deterioration in recoverability). Inventories of the overseas consolidated subsidiaries are principally stated at the lower of cost or market value, cost being determined by the specific identification method.

(2) Depreciation and amortization method for significant depreciable and amortizable assets

Property, plant and equipment (excluding leased assets)

MMC and its consolidated subsidiaries apply the straight-line method, in principle. The useful lives of assets of MMC and some of its domestic subsidiaries are based on the estimated lives of the assets, and those for other domestic consolidated subsidiaries are based on the same standard as those provided for in the Corporation Tax Act. The useful lives of the assets are determined based on the expected useful lives for the overseas consolidated subsidiaries.

Intangible assets (excluding leased assets)

Intangible assets (excluding leased assets) are amortized using the straight line method for MMC and its domestic consolidated subsidiaries and using the straight line method primarily over the period for which each asset is available for use for its overseas consolidated subsidiaries. Software intended for use by MMC is amortized using the straight line method over the period for which each asset is available for use (10 years in the case of software for some major core systems; 5 years in the case of other software). Overseas consolidated subsidiaries apply the straight-line method, in principle.

Leased assets

Assets recognized under finance leases that do not involve transfer of ownership to the lessee for MMC and its domestic consolidated subsidiaries and right-of-use assets for the overseas consolidated subsidiaries are depreciated using the straight line method over the lease term. If a guaranteed residual value is determined in the lease agreement, the said guaranteed residual value is deemed as the residual value of such leased assets. If the residual value is not determined, it is deemed to be zero.

(3) Significant allowances and provisions

Allowance for doubtful accounts

To provide for bad debt losses for trade receivables, loans, etc., an estimate of the amount of specific uncollectible accounts is provided as an allowance for doubtful accounts based on the historical default rate for ordinary receivables, after taking into account individual collectability for specific receivables such as doubtful receivables.

Provision for product warranties

MMC and domestic consolidated subsidiaries calculate the provision for product warranties after taking into account, according to the warranty agreements, future warranty forecasts based on past results in order to provide for the products' after-sales service costs. Overseas consolidated subsidiaries calculate the provision for product warranties after taking into account future warranty forecasts based on their past results in order to provide for the products' after-sales service costs.

(4) Accounting method for retirement benefits

Method of attributing estimated retirement benefits to the periods

In calculating retirement benefit obligations, the projected total retirement benefits are allocated to periods until the end of the fiscal year using a benefit formula basis.

Method of amortization of actuarial gains and losses and prior service costs

Prior service cost is amortized using the straight line method over a fixed number of years (mainly 10 years) within the estimated average remaining service years of the employees at the time of incurrence.

Actuarial gains and losses are being amortized using the straight line method over a fixed number of years (mainly 10 years) within the estimated average remaining service years of the employees commencing from the following fiscal year after incurrence.

Unrecognized actuarial gains and losses and unrecognized prior service cost are recorded in remeasurements of defined benefit plans in accumulated other comprehensive income under net assets after adjusting for tax effects.

(5) Recognition standard for significant revenues and expenses

The main performance obligation of the automobile business is the sale of vehicles and parts. Revenue is recognized when the control of goods or services is transferred to customers, such as when a vehicle is delivered, as is the normal time when the performance obligation of sales of vehicles and parts is satisfied (normal time when revenue is recognized). In addition, alternative treatment provided for in paragraph 98 of the "Implementation Guidance on Accounting Standard for Revenue Recognition" is applied, whereby revenue from part of sales in Japan is recognized at the time of shipment; provided that a period from the time of shipment until the time when control of the said merchandise or product is transferred to a customer is deemed to be the normal period. In addition, payments of sales incentives to sales companies are considered to be a variable consideration when calculating transaction prices. The incentive amount expected to be paid in the future is deducted from sales during the period when control of goods or services is transferred.

As the purpose of a product warranty provided in connection with the sale of products, etc., is to guarantee that the product sold conforms to the specifications agreed with the customer, a provision for product warranties is recognized corresponding to the costs associated with the said warranty.

The main performance obligation in the financial services is the provision of services related to sales financing and leasing services (including property sales, etc., associated with expiration or cancellation of lease transactions). Interest income in sales financing is recorded based on the effective interest method over the contract period. Lease revenue from an operating lease is recorded proportionately over the lease term, and that from a finance lease for each period is recorded at the lease payment amount received in the respective periods of the lease term.

(6) Translation of significant foreign currency accounts

Monetary receivables and payables denominated in foreign currencies are translated into yen at the rates of exchange in effect at the end of the fiscal year, and differences arising from the translation are included in the consolidated statement of income. For overseas consolidated subsidiaries, etc., assets and liabilities are translated into yen at the rates of exchange at the end of the fiscal year, and income and expenses are translated at the average exchange rates during the period. Differences arising from the translation are included in foreign currency translation adjustment and non-controlling interests under net assets.

(7) Significant hedge accounting method

Hedge accounting method

Primarily, deferred hedge accounting is applied for derivative instruments. Interest rate swaps meeting the requirements for special treatment are accounted for using the special treatment.

Hedging instruments and hedged items

Hedging instruments and hedged items to which hedge accounting is applied for the fiscal year under review are as follows:

a. Hedging instruments: Forward foreign exchange contracts
   Hedged items: Primarily, trade receivables denominated in foreign currencies arising from product exports (on forecast transactions)
b. Hedging instruments: Currency swaps
   Hedged items: Borrowings denominated in foreign currencies
c. Hedging instruments: Interest rate swaps
   Hedged items: Borrowing interest rates

Hedging policy

MMC is conducting hedging activities in order to avoid future foreign exchange fluctuation risk on monetary receivables and payables denominated in foreign currencies arising in the normal course of business transactions and interest rate fluctuation risk on borrowings, etc.

Method of assessing hedge effectiveness

With respect to forward foreign exchange contracts, assessment of hedge effectiveness is omitted, since material conditions are identical with forecast transactions to be hedged and it can be assumed to offset market fluctuations at the time of inception of hedges and afterward. Also, with respect to currency swaps through integrated processing, assessment of effectiveness is omitted.

With respect to interest rate swaps accounted for using special treatment, assessment of hedge effectiveness is substituted by identifying that they meet the requirements.

(8) Scope of cash and cash equivalents in the consolidated statement of cash flows

Cash and cash equivalents consist of cash on hand, cash in banks which can be withdrawn at any time and short-term investments with a maturity of three months or less when purchased which can easily be converted to cash and are subject to little risk of change in value.

(9) Other significant matters concerning the preparation of consolidated financial statements

Application of the group tax-sharing system

The group tax-sharing system is applied.

Significant accounting estimates

1. Liabilities related to market quality measures

1) Amount recorded in the consolidated financial statements as of March 31, 2026

	As of March 31, 2025 (Millions of yen)	As of March 31, 2026 (Millions of yen)
Liabilities related to market quality measures	22,197	19,850

(The above amount is included in accounts payable - other, and accrued expenses in the consolidated balance sheet.)

2) Information on significant accounting estimates for identified items

(i) Calculation method

The MMC Group reasonably estimates the future expenses for measures relating to the voluntary recall and repair of sold products that are non-compliant under an individual country's regulatory requirements concerning safety and the environment. In cases where such expenditures are likely to be incurred and can be reasonably estimated, the MMC Group calculates the future expenses, considering the expenses to be incurred per unit, the number of units, the occurrence rate of the recall and repair of subject vehicles, and other factors.

(ii) Key assumption

The key assumption used in the calculation of future expenses is the occurrence rate of the recall and repair, which is based on past experience and the other factors by sales region and vehicle age.

(iii) Impact on the consolidated financial statements for the fiscal year ending March 31, 2027

In the event that the actual amount of expenses incurred differs from the estimate due to calculation uncertainties arising primarily from the complexity of the estimated calculation and the long period of time used for the estimate, additional liabilities or reversal of liabilities related to market quality measures may be required. In addition, in the event of large-scale recalls, remedial measures, etc., due to product defects or failures, the MMC Group may be required to bear significant costs and record additional liabilities related to market quality measures.

2. Contingent liabilities (provision for loss on litigation)

While the MMC Group has been developing its business in various countries around the world, it has been cooperating with regard to various lawsuits, tax inquiries by tax authorities, administrative research by regulatory agencies, etc. While some of these have recorded provisions based on estimated future losses, others have a certain degree of likelihood of a loss occurring going forward, but it is not possible to make a reasonable estimate of such loss for the future at this point in time. Therefore, MMC has not recorded any provisions with regard to the latter.

The estimate of contingent liabilities (provision for loss on litigation) is also described in "Notes, Consolidated balance sheet, 6 Contingent liabilities."

3. Recoverability of deferred tax assets

1) Amount recorded in the consolidated financial statements as of March 31, 2026

	As of March 31, 2025 (Millions of yen)	As of March 31, 2026 (Millions of yen)
Deferred tax assets	78,821	74,507

2) Information on significant accounting estimates for identified items

(i) Calculation method

For deferred tax assets, MMC and its consolidated subsidiaries determine the recoverability based on whether or not deductible temporary differences and net operating loss carried forward as of the end of the fiscal year under review have the effect of mitigating future tax burdens, and recognize deferred tax assets to the extent that such effect is expected. The tax rate used to calculate deferred tax assets is the tax rate expected to be applied to the period in which the temporary differences will reverse or net operating loss carried forwards will be used, based on tax rates and tax laws that have been enacted or effectively enacted as of the end of the period.

(ii) Key assumption

The MMC Group determines whether or not they have the effect of reducing future tax burdens based on whether or not the sufficiency of taxable income based on earning power, the sufficiency of taxable income based on tax planning, or the sufficiency of taxable temporary differences is satisfied. In this process, some estimates are made, including the estimates of the amount and timing of future taxable income and the estimates of timing of reversal of temporary differences. These estimates are based on the figures assumed in the mid-term business plan or the annual plan for the following fiscal year. The key assumptions used for the estimates are forecasted sales volume and manufacturing and selling expenses, and assumed foreign exchange rates. Sales volume and manufacturing and selling expenses are forecast by taking relevant market trends and currently anticipated changes in the business environment into consideration, referring to the MMC Group's past conditions and third-party forecast data. With respect to the impact of the current situation in the Middle East, estimates have been based on the assumption that the effects of the conflict will continue through the end of July 2026.

(iii) Impact on the consolidated financial statements for the fiscal year ending March 31, 2027

These key estimates and assumptions may be affected by future changes in uncertain economic and political conditions, and could have a significant impact on the amounts recognized in the consolidated financial statements for the next fiscal year.

(Unapplied accounting standards, etc.)

- “Accounting Standard for Leases” (ASBJ Statement No. 34, September 13, 2024)
- “Implementation Guidance on Accounting Standard for Leases” (ASBJ Guidance No. 33, September 13, 2024), etc.

(1) Outline

The Accounting Standards Board of Japan (ASBJ) conducted studies based on international accounting standards for the development of accounting standards for leases in which assets and liabilities are recognized for all leases of the lessee, as part of efforts for making the Japanese standards consistent with international standards. Based on these studies, the ASBJ released an accounting standard for leases that is based on the single accounting model in IFRS 16 as the basic policy but only incorporates major provisions of IFRS 16, instead of all the provisions, to make simple and convenient accounting standards that do not have to be modified in general even when provisions of IFRS 16 are used for non-consolidated financial statements.

For lessee accounting, consistent with IFRS 16, the method for allocating lease expenses for lessees is based on a single accounting model under which depreciation of right-of-use assets and interest on lease liabilities for all leases are recorded, regardless of whether the leases are finance leases or operating leases.

(2) Date to be applied

It will be applied from the beginning of the fiscal year ending March 2028.

(3) Impact from the application of the accounting standards, etc.

The effect of the application of “Accounting Standard for Leases,” etc., on the consolidated financial statements is currently under assessment.

- “Accounting Standard for Subsequent Events” (ASBJ Statement No. 41, January 9, 2026)
- “Implementation Guidance on Accounting Standard for Subsequent Events” (ASBJ Guidance No. 35, January 9, 2026)

(1) Outline

The “Accounting Standard for Subsequent Events” and related guidance establish comprehensive accounting standards governing the definition, accounting treatment, and disclosure of subsequent events as a priority. The basic policy is to follow, in principle, the accounting provisions set forth in Auditing Standards Committee Statement No. 560, Practical Guidance No. 1, “Practical Guidance on Auditing Treatment of Subsequent Events,” issued by the Auditing Standards Committee and Quality Control Standards Committee of the Japanese Institute of Certified Public Accountants, and to transfer the relevant provisions to the Accounting Standards Board of Japan (ASBJ). Based on this policy, the Standards revise the wording, clarify the evaluation period for subsequent events, newly require notes regarding approval for issuance of financial statements, and prescribe the accounting treatment and disclosure of subsequent events.

(2) Date to be applied

It will be applied from the beginning of the fiscal year ending March 2028.

Change in presentation

(Consolidated balance sheet)

In the fiscal year ended March 31, 2025, “Short-term loans receivable” was presented separately under “Current assets,” “Long-term loans receivable” under “Non-current assets,” and “Deferred tax liabilities” under “Non-current liabilities.” As they became immaterial in amount, they have been included in “Other” under their respective categories from the fiscal year ended March 31, 2026. The consolidated financial statements for the fiscal year ended March 31, 2025, have been reclassified to reflect this change in the presentation method.

Consequently, in the consolidated balance sheet for the fiscal year ended March 31, 2025, “Short-term loans receivable” of 2,251 million yen and “Other” of 153,419 million yen under “Current assets” have been reclassified as “Other” of 155,671 million yen; “Long-term loans receivable” of 2,909 million yen and “Other” of 90,108 million yen under “Non-current assets” have been reclassified as “Other” of 93,017 million yen; and “Deferred tax liabilities” of 92 million yen and “Other” of 70,404 million yen under “Non-current liabilities” have been reclassified as “Other” of 70,496 million yen.

(Consolidated statement of income)

"Advertising and promotion expenses,” which was presented as a single category under “Selling, general and administrative expenses” in the fiscal year ended March 31, 2025, have been reclassified to better reflect its actual status and, from the fiscal year ended March 31, 2026, “Advertising expenses” is presented as a separate category, while “Promotion expenses” is included in “Other” due to its immateriality. The consolidated financial statements for the fiscal year ended March 31, 2025, have been reclassified to reflect this change in the presentation method.

Consequently, “Advertising and promotion expenses” of 60,208 million yen and “Other” of 63,384 million yen presented under “Selling, general and administrative expenses” in the consolidated statement of income for the fiscal year ended March 31, 2025 have been reclassified as “Advertising expenses” of 60,044 million yen and “Other” of 63,548 million yen.

(Consolidated statement of cash flows)

“Decrease (increase) in accounts receivable–other,” which was included in “Other” under “Cash flows from operating activities” for the fiscal year ended March 31, 2025, has been presented separately from the fiscal year ended March 31, 2026, due to the increased importance of the amount. The consolidated financial statements for the fiscal year ended March 31, 2025, have been reclassified to reflect this change in the presentation method.

Consequently, (6,412) million yen of “Other” of “Cash flows from operating activities” on the consolidated statement of cash flows for the fiscal year ended March 31, 2025 has been reclassified as 10,909 million yen of “Decrease (increase) in accounts receivable – other” and (17,321) million yen of “Other."

Additional information

(Stock compensation plan)

Based on the resolution of the Compensation Committee meeting held on December 15, 2020, MMC has introduced a stock compensation plan (hereinafter the “Plan”) that utilizes trusts as an incentive plan for its Executive Officers and Corporate Officers, etc. (hereinafter referred to as “Executive Officers, etc.”)

(1) Outline of the transaction
The Plan adopts a structure called the Board Incentive Plan Trust (hereinafter the “Trust”). Through the Trust, MMC will deliver MMC shares or pay cash equivalent to the proceeds from the sale of such shares to the Executive Officers, etc., according to their position and degree of achievement of performance targets.

(2) Treasury shares remaining in the Trust
MMC’s shares remaining in the Trust are recorded as treasury shares in the net assets section at the book value of the trust (excluding the amount of incidental expenses). The book value of the treasury shares as of March 31, 2026, is 783 million yen, and the number of shares is 2,128 thousand.

Consolidated balance sheet

(*1) Receivables from contracts with customers, contract assets, and contract liabilities:

Among "Notes and accounts receivable–trade and contract assets," the amount of receivables and contract assets from contracts with customers, and of "Other" of Current liabilities, and "Other" of Non-current liabilities, the amount of contract liabilities are stated under "Notes (Revenue Recognition) 3. (1) Balance, etc., of contract assets and contract liabilities."

(*2) Accumulated depreciation of property, plant and equipment is as follows:

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Accumulated depreciation or amortization	962,615	1,030,574

(*3) Assets pledged as collateral and liabilities secured by the collateral

(1) Assets pledged as collateral are as follows:

(Millions of yen)

	For the fiscal year ended March 31, 2025 (As of March 31, 2025)	For the fiscal year ended March 31, 2026 (As of March 31, 2026)
Finance receivables	113,023	109,999
Other	134	131
Total	113,158	110,131

(2) Liabilities secured by the collateral are as follows:

(Millions of yen)

	For the fiscal year ended March 31, 2025 (As of March 31, 2025)	For the fiscal year ended March 31, 2026 (As of March 31, 2026)
Current portion of long-term borrowings	30,462	32,540
Long-term borrowings	68,536	66,318
Total	98,998	98,858

(*4) Investments in unconsolidated subsidiaries and associates

(Millions of yen)

	For the fiscal year ended March 31, 2025 (As of March 31, 2025)	For the fiscal year ended March 31, 2026 (As of March 31, 2026)
Investment securities	93,904	34,684
Other (investments and other assets)	20,986	8,388
[of which, investments in joint ventures]	(25,371)	(16,071)

5. Guarantee obligation

(1) Guarantee recipients

(Millions of yen)

For the fiscal year ended March 31, 2025 (As of March 31, 2025)			For the fiscal year ended March 31, 2026 (As of March 31, 2026)		
Guaranteed party	Guaranteed party amount	Description of guaranteed obligation	Guaranteed party	Guaranteed party amount	Description of guaranteed obligation
MM Automobile Schweiz AG	419	Liquidation of receivables	MM Automobile Schweiz AG	301	Liquidation of receivables
M Motors Automobiles France S.A.S.	163	Liquidation of receivables	M Motors Automobiles France S.A.S.	299	Liquidation of receivables
MMD Automobile GmbH	774	Liquidation of receivables	MMD Automobile GmbH	-	-
Mitsubishi Corporation	619	Liquidation of receivables	Mitsubishi Corporation	-	-
Employees	95	(Note)	Employees	65	(Note)
Total	2,072		Total	665	

(Note) Bank loans for "Employees' property accumulation residence fund," etc.

(2) Retroactive obligation following liquidation of accounts receivable – trade

(Millions of yen)

For the fiscal year ended March 31, 2025 (As of March 31, 2025)	For the fiscal year ended March 31, 2026 (As of March 31, 2026)
956	-

6. Contingent liabilities

In a product liability lawsuit filed in the Philadelphia Court of Common Pleas, Pennsylvania, the United States in November 2018, a judgment was entered on May 6, 2024 (U.S. local time) against MMC's North American subsidiary, Mitsubishi Motors North America, Inc. (MMNA), ordering MMNA to pay damages in the amount of 1,010 million U.S. dollars. On May 28, 2024 (U.S. local time), MMNA filed an appeal against the above judgment to the Superior Court of Pennsylvania, the United States. On December 22, 2025 (U.S. local time), the court ruled that the first-instance judgment be vacated and the case be remanded.

While the MMC Group has been developing its business in various countries around the world, it has been cooperating with regard to various lawsuits, including the case above, tax inquiries by tax authorities, administrative research by regulatory agencies, etc. While some of these have recorded provisions based on estimated future losses, others have a certain degree of likelihood of a loss occurring going forward, but it is not possible to make a reasonable estimate of such loss for the future at this point in time. Therefore, MMC has not recorded any provisions with regard to the latter.

As the MMC Group conducts its business activities, we may become a party involved in various lawsuits and other legal procedures with users, business partners and third parties. In such a legal procedure or an ongoing legal procedure, if a judgment that is unfavorable to us is made, the operating results and/or financial position of the MMC Group may be affected in the future.

7. Commitment line agreement

In order to prepare for increases in demand for funds and to secure funding liquidity, MMC has concluded commitment line agreements with 20 correspondent financial institutions, in addition to overdraft agreements.

The outstanding balance of unused commitment line agreements as of March 31, 2026, based on this agreement is as follows.

(Millions of yen)

	For the fiscal year ended March 31, 2025 (As of March 31, 2025)	For the fiscal year ended March 31, 2026 (As of March 31, 2026)
Total of commitment line	272,000	272,000
Outstanding balance of used commitment line	-	10,000
Unused amount	272,000	262,000

Consolidated statement of income

(*1) Revenue from contracts with customers

Net sales are not presented separately between revenue from contracts with customers and other revenue. The amount of revenue from contracts with customers is stated in "Notes (Revenue Recognition) 1. Information on the breakdown of revenue from contracts with customers."

(*2) Gain on sale of non-current assets is as follows:

(Millions of yen)

For the fiscal year ended March 31, 2025 (from April 1, 2024, to March 31, 2025)		For the fiscal year ended March 31, 2026 (from April 1, 2025, to March 31, 2026)	
Buildings and structures	296	Buildings and structures	304
Machinery, equipment and vehicles	117	Machinery, equipment and vehicles	94
Tools, furniture and fixtures	10	Tools, furniture and fixtures	103
Land	422	Land	493
Intangible assets	6	Intangible assets	-
Total	853	Total	996

(*3) Total amount of research and development expenses included in general and administrative expenses and manufacturing cost for the period

(Millions of yen)

For the fiscal year ended March 31, 2025 (from April 1, 2024, to March 31, 2025)	For the fiscal year ended March 31, 2026 (from April 1, 2025, to March 31, 2026)
126,748	116,843

(*4) Impairment losses

The MMC Group recognized impairment losses on the following asset groups:

For the previous fiscal year (from April 1, 2024, to March 31, 2025)

(1) Outline of asset group on which impairment losses were recognized

Location	Usage	Type	Amount (Millions of yen)
Thailand	Production facilities	Buildings, structures, machinery, equipment, vehicles, tools, furniture, fixtures, land and others	5,716

(Note) Impairment losses other than the above are omitted because they are immaterial.

(2) Grouping method of assets

Assets used in production are grouped mainly by business company and sales-related assets are grouped mainly by business unit. In addition, assets leased to others and idle assets are treated as individual asset groups.

(3) Circumstances leading to recognition of impairment losses

Due to a deterioration in market conditions, etc., the book value of some assets was reduced to the recoverable amount.

(4) Method of computing the recoverable amount

The recoverable amount is determined by the higher amount of the net selling price or the value in use. The net selling price is reasonably computed using the appraisal value based on the real estate appraisal standard, the assessed value of the inheritance tax based on the roadside land price, and other values. The value in use is computed based on the future cash flows (discount rate is mainly 10.7%).

The recoverable amount of idle assets is computed using the net selling price and those idle assets which are substantially difficult to sell are assessed as having a net selling price of zero.

(5) Amount of impairment losses

The breakdown of impairment losses of 5,870 million yen is as follows:

	(Millions of yen)
Buildings and structures	1,809
Machinery, equipment and vehicles	3,658
Tools, furniture and fixtures	119
Land	282
Other	0
Total	5,870

For the fiscal year ended March 31, 2026 (from April 1, 2025, to March 31, 2026)

This information is omitted because it is immaterial.

(*5) Gain on sale of shares of subsidiaries and associates

For the fiscal year under review (from April 1, 2025, to March 31, 2026)

This is due to the transfer of a portion of shares in PT Mitsubishi Motors Krama Yudha Sales Indonesia, an equity-method associate of the Company.

(*6) Loss on sale of investments in capital of subsidiaries and associates

For the fiscal year under review (from April 1, 2025, to March 31, 2026)

This is due to the sale of equity interests in Shenyang Aerospace Mitsubishi Motors Engine Manufacturing Co., Ltd., previously an equity-method associate of the Company.

Consolidated statement of comprehensive income

(*1) Reclassification adjustments and amount of income taxes and tax effects concerning other comprehensive income

(Millions of yen)

	For the fiscal year ended March 31, 2025 (from April 1, 2024, to March 31, 2025)	For the fiscal year ended March 31, 2026 (from April 1, 2025, to March 31, 2026)
Valuation difference on available-for-sale securities:		
Amount arising during the period	(2,540)	1,661
Reclassification adjustments	(366)	-
Before income taxes and tax-effect adjustment	(2,907)	1,661
Amount of income taxes and tax effects	462	(101)
Valuation difference on available-for-sale securities	(2,444)	1,559
Deferred gains or losses on hedges:		
Amount arising during the period	(24,524)	(6,137)
Reclassification adjustments	25,154	4,477
Before income taxes and tax-effect adjustment	629	(1,660)
Amount of income taxes and tax effects	53	100
Deferred gains or losses on hedges	683	(1,559)
Foreign currency translation adjustment:		
Amount arising during the period	(5,984)	29,033
Reclassification adjustments	-	4,380
Foreign currency translation adjustment	(5,984)	33,413
Remeasurements of defined benefit plans:		
Amount arising during the period	(24,706)	9,883
Reclassification adjustments	(1,396)	2,064
Before income taxes and tax-effect adjustment	(26,103)	11,948
Amount of income taxes and tax effects	292	(370)
Remeasurements of defined benefit plans	(25,811)	11,577
Share of other comprehensive income of entities accounted for using the equity method:		
Amount arising during the period	1,919	2,281
Reclassification adjustments	-	(4,383)
Share of other comprehensive income of entities accounted for using the equity method	1,919	(2,102)
Total other comprehensive income	(31,636)	42,889

Consolidated statement of changes in net assets

For the previous fiscal year (from April 1, 2024, to March 31, 2025)

1. Class and total number of issued shares and class and number of treasury shares

(Thousands of shares)

	At the beginning of the period	Increase	Decrease	At the end of the period
Issued shares:				
Common stock (Note) 1	1,490,282	-	29,805	1,460,476
Total	1,490,282	-	29,805	1,460,476
Treasury shares				
Common stock (Note) 2 (Note) 3 (Note) 4	3,473	149,028	30,182	122,320
Total	3,473	149,028	30,182	122,320

(Notes)
1. The decrease of 29,805 thousand shares in the total number of issued shares of common stock is due to the cancellation of treasury shares in accordance with the resolution at the Board of Directors meeting held on November 7, 2024.
2. The number of shares of common stock under treasury shares includes the Company's shares held by the Board Incentive Plan (BIP) Trust (2,668 thousand shares at the beginning of the period and 2,325 thousand shares at the end of the period).
3. The increase of 149,028 thousand shares in the number of shares of common stock under treasury shares is due to the increase of 0 thousand shares from the purchase of shares less than one unit and the increase of 149,028 thousand shares from the purchase of treasury shares in accordance with the resolution at the Board of Directors meeting held on November 7, 2024.
4. The decrease of 30,182 thousand shares in the number of shares of common stock under treasury shares is due to the decrease of 33 thousand shares from the exercise of share acquisition rights, the decrease of 342 thousand shares from the delivery of shares by the Board Incentive Plan (BIP) Trust, and the cancellation of 29,805 thousand treasury shares in accordance with the resolution at the Board of Directors meeting held on November 7, 2024.

2. Share acquisition rights and treasury share acquisition rights

Classification	Components of share acquisition rights	Type of shares that will be issued upon exercise of share acquisition rights	Number of shares that will be issued upon exercise of share acquisition rights (shares)				Balance at the end of the period (Millions of yen)
			At the beginning of the period	Increase	Decrease	At the end of the period	
Reporting company	Stock option	-	-	-	-	-	6
Total		-	-	-	-	-	6

3. Dividends

(1) Dividend payment

Resolution date	Class of shares	Total amount of dividend (Millions of yen)	Dividend per share (Yen)	Record date	Effective date	Source of dividend
Ordinary General Meeting of Shareholders held on June 20, 2024	Common stock	7,447	5.0	March 31, 2024	June 21, 2024	Retained earnings
Board of Directors meeting held on October 30, 2024	Common stock	11,171	7.5	September 30, 2024	December 3, 2024	Retained earnings

(Notes)
1. The total amount of dividend based on the resolution at the Ordinary General Meeting of Shareholders on June 20, 2024, includes 13 million yen of dividends on the shares of MMC held by the Board Incentive Plan (BIP) Trust.
2. The total amount of dividend based on the resolution at the Board of Directors on October 30, 2024, includes 17 million yen of dividends on the shares of MMC held by the Board Incentive Plan (BIP) Trust.

(2) Dividends with a record date in the fiscal year under review are as follows.

Scheduled resolution date	Class of shares	Total amount of dividend (Millions of yen)	Source of dividend	Dividend per share (Yen)	Record date	Effective date
Ordinary General Meeting of Shareholders held on June 19, 2025	Common stock	10,053	Retained earnings	7.5	March 31, 2025	June 20, 2025

(Note) The total amount of dividend based on the resolution at the Ordinary General Meeting of Shareholders on June 19, 2025, includes 17 million yen of dividends on the shares of MMC held by the Board Incentive Plan (BIP) Trust.

For the fiscal year under review (from April 1, 2025, to March 31, 2026)

1. Class and total number of issued shares and class and number of treasury shares

(Thousands of shares)

	At the beginning of the period	Increase	Decrease	At the end of the period
Issued shares:				
Common stock	1,460,476	-	-	1,460,476
Total	1,460,476	-	-	1,460,476
Treasury shares				
Common stock (Note) 1 (Note) 2 (Note) 3	122,320	0	196	122,124
Total	122,320	0	196	122,124

(Notes) 1. The number of shares of common stock under treasury shares includes the Company's shares held by the Board Incentive Plan (BIP) Trust (2,325 thousand shares at the beginning of the period and 2,128 thousand shares at the end of the period).

2. The increase of 0 thousand shares in the number of shares of common stock under treasury shares was due to the purchase of shares of less than one unit.

3. The decrease of 196 thousand shares in the number of shares of common stock under treasury shares is due to the decrease of 196 thousand shares from the delivery of shares by the Board Incentive Plan (BIP) Trust.

2. Share acquisition rights and treasury share acquisition rights

Classification	Components of share acquisition rights	Type of shares that will be issued upon exercise of share acquisition rights	Number of shares that will be issued upon exercise of share acquisition rights (shares)				Balance at the end of the period (Millions of yen)
			At the beginning of the period	Increase	Decrease	At the end of the period	
Reporting company	Stock option	-	-	-	-	-	6
Total		-	-	-	-	-	6

3. Dividends

(1) Dividend payment

Resolution date	Class of shares	Total amount of dividend (Millions of yen)	Dividend per share (Yen)	Record date	Effective date	Source of dividend
Ordinary General Meeting of Shareholders held on June 19, 2025	Common stock	10,053	7.5	March 31, 2025	June 20, 2025	Retained earnings
Board of Directors meeting held on November 5, 2025	Common stock	6,702	5.0	September 30, 2025	December 3, 2025	Retained earnings

(Notes) 1. The total amount of dividend based on the resolution at the Ordinary General Meeting of Shareholders on June 19, 2025, includes 17 million yen of dividends on the shares of MMC held by the Board Incentive Plan (BIP) Trust.

2. The total amount of dividend based on the resolution at the Board of Directors on November 5, 2025, includes 10 million yen of dividends on the shares of MMC held by the Board Incentive Plan (BIP) Trust.

(2) Dividends with a record date in the fiscal year under review are as follows.

The following matters regarding dividends of surplus are subject to resolution at the Ordinary General Meeting of Shareholders scheduled to be held on June 18, 2026.

Scheduled resolution date	Class of shares	Total amount of dividend (Millions of yen)	Source of dividend	Dividend per share (Yen)	Record date	Effective date
Ordinary General Meeting of Shareholders to be held on June 18, 2026	Common stock	6,702	Retained earnings	5.0	March 31, 2026	June 19, 2026

(Note) The total amount of dividend based on the resolution at the Ordinary General Meeting of Shareholders to be held on June 18, 2026, includes 10 million yen of dividends on the shares of MMC held by the Board Incentive Plan (BIP) Trust.

Consolidated statement of cash flows

(*1) Reconciliation of cash and cash equivalents at end of period and the amount recorded in the consolidated balance sheet

(Millions of yen)

	For the fiscal year ended March 31, 2025 (from April 1, 2024, to March 31, 2025)	For the fiscal year ended March 31, 2026 (from April 1, 2025, to March 31, 2026)
Cash and deposits	452,510	438,891
Time deposits with maturities of more than three months	(2,399)	(31)
Cash and cash equivalents	450,111	438,860

Lease transactions

1. Lessees' accounting

(1) Finance lease transactions and right-of-use assets

Finance lease transactions without ownership transfer for MMC and its domestic consolidated subsidiaries and right-of-use assets for the overseas consolidated subsidiaries

1) Details of leased assets

Property, plant and equipment

Mainly land for plant use ("Land") and sales facilities ("Buildings and structures, net") in the automobile business

2) Depreciation method of leased assets

As noted in "4. Accounting policies, (2) Depreciation and amortization method for significant depreciable and amortizable assets" under "Material basis of the preparation of consolidated financial statements."

(2) Operating lease transactions

Future minimum lease payments required under non-cancellable operating lease transactions

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Due within one year	2,889	2,863
Due after one year	6,018	2,952
Total	8,908	5,815

2. Lessors' accounting

(1) Operating lease transactions

Future minimum lease payments required under non-cancellable operating lease transactions

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Due within one year	8,210	8,325
Due after one year	11,416	10,421
Total	19,627	18,746

Financial instruments

1. Overview of financial instruments

(1) Our policy for managing financial instruments

MMC Group’s capital management policy is to limit its investments to low-risk financial products and to obtain required funds mainly through bank borrowings. We use derivative instruments to hedge interest rate, foreign currency and similar risks, and we do not enter into any speculative transactions.

(2) Nature and risks of financial instruments and our risk management structure

Trade receivables, which include “Notes and accounts receivable – trade, and contract assets,” are exposed to the credit risk of our customers. To manage this risk, in accordance with the MMC Group’s credit control rules, each group company monitors the financial condition of its major customers, as well as managing the due dates and outstanding balances of the receivables by customer.

Trade receivables denominated in foreign currency are exposed to foreign currency risk, but forward foreign exchange contracts and others are used to hedge a portion of the position after netting foreign currency denominated payables.

Some investment securities are exposed to the risk of market price fluctuation. However, such securities are composed of mainly the stocks of companies with which the MMC Group has business relationships.

Trade payables, which include notes and accounts payable–trade, and electronically recorded obligations - operating, are mostly expected to be settled within one year. Some of them are denominated in foreign currency and exposed to foreign currency risk, but forward foreign exchange contracts and others are used to hedge a portion of the position after netting foreign currency denominated receivables.

Floating-rate borrowings are exposed to interest rate fluctuation risk. For some of the borrowings, derivative transactions (interest rate swaps) may be used as hedging instruments on an individual loan contract basis to hedge the risk of fluctuations in interest payments.

Certain loans receivable and borrowings are exposed to foreign currency risk; however, forward foreign exchange contracts and others may be used as hedging instruments for some of these loans.

In order to mitigate counterparty risk, the MMC Group enters into derivative transactions only with highly rated financial institutions.

Trade payables and borrowings are exposed to liquidity risk. Each group company manages these risks by preparing cash flow projections and other similar tools.

(3) Supplementary explanation on fair value of financial instruments

In “2. Fair value of financial instruments,” contractual amounts, etc. for derivative transactions themselves do not indicate market risk on the derivative transactions.

2. Fair value of financial instruments

The carrying amount, fair value, and the difference between the carrying amount and the fair value of the financial instruments are as follows.

For the previous fiscal year (as of March 31, 2025)

(Millions of yen)

	Carrying amount	Fair value	Difference
(1) Finance receivables	267,041	260,448	(6,593)
(2) Investment securities (*2)			
Available-for-sale securities:	4,014	4,014	-
Total assets	271,056	264,462	(6,593)
(1) Long-term borrowings	213,888	213,202	(685)
Total liabilities	213,888	213,202	(685)
Derivative transactions (*3)	571	571	-

(*1) The fair values of “Cash and deposits,” “Notes and accounts receivable - trade, and contract assets,” “Notes and accounts payable - trade,” “Electronically recorded obligations - operating,” “Short-term borrowings,” “Commercial paper,” and “Accounts payable - other, and accrued expenses,” approximate the carrying amounts as they are settled within a short period of time, and hence presentation of the figures is omitted.

(*2) Stocks, etc., without a readily determinable market price are not included in “(2) Investment securities.” The consolidated balance sheet amounts of these financial instruments are as follows.

Classification	For the fiscal year ended March 31, 2025 (millions of yen)
Unlisted shares and shares of subsidiaries and associates	98,721

(*3) The amount of the receivable or payable arising from derivative transactions is presented on a net basis.

For the fiscal year under review (as of March 31, 2026)

(Millions of yen)

	Carrying amount	Fair value	Difference
(1) Finance receivables	328,967	318,124	(10,843)
(2) Investment securities (*2)			
Available-for-sale securities:	864	864	-
Shares of subsidiaries and associates	13,891	11,944	(1,947)
Total assets	343,723	330,933	(12,790)
(1) Long-term borrowings	258,288	258,069	(219)
Total liabilities	258,288	258,069	(219)
Derivative transactions (*3)	(2,359)	(2,359)	-

(*1) The fair values of “Cash and deposits,” “Notes and accounts receivable - trade, and contract assets,” “Notes and accounts payable - trade,” “Electronically recorded obligations - operating,” “Short-term borrowings,” “Commercial paper,” and “Accounts payable - other, and accrued expenses,” approximate the carrying amounts as they are settled within a short period of time, and hence presentation of the figures is omitted.

(*2) Stocks, etc., without a readily determinable market price are not included in “(2) Investment securities.” The consolidated balance sheet amounts of these financial instruments are as follows.

Classification	For the fiscal year ended March 31, 2026 (millions of yen)
Unlisted shares and shares of subsidiaries and associates	37,479

(*3) The amount of the receivable or payable arising from derivative transactions is presented on a net basis.

(Note) 1. Redemption schedule after the balance sheet date for monetary receivables and securities with maturity dates
For the For the fiscal year ended March 31, 2025 (as of March 31, 2025)

(Millions of yen)

	Due within one year	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years	Due after five years
Deposits	452,433	-	-	-	-	-
Notes and accounts receivable–trade, and contract assets	154,199	-	-	-	-	-
Finance receivables	86,510	51,597	43,376	35,463	37,417	12,677
Total	693,143	51,597	43,376	35,463	37,417	12,677

For the fiscal year under review (as of March 31, 2026)

(Millions of yen)

	Due within one year	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years	Due after five years
Deposits	438,809	-	-	-	-	-
Notes and accounts receivable–trade, and contract assets	248,614	-	-	-	-	-
Finance receivables	110,341	58,728	53,241	53,010	41,272	12,372
Total	797,765	58,728	53,241	53,010	41,272	12,372

(Note) 2. Repayment schedule after the balance sheet date for short-term borrowings, commercial papers and long-term borrowings
For the For the fiscal year ended March 31, 2025 (as of March 31, 2025)

(Millions of yen)

	Due within one year	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years	Due after five years
Short-term borrowings	22,651	-	-	-	-	-
Commercial paper	47,500	-	-	-	-	-
Long-term borrowings	83,427	62,679	37,592	23,540	5,256	1,391
Total	153,579	62,679	37,592	23,540	5,256	1,391

For the fiscal year under review (as of March 31, 2026)

(Millions of yen)

	Due within one year	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years	Due after five years
Short-term borrowings	69,901	-	-	-	-	-
Commercial paper	30,000	-	-	-	-	-
Long-term borrowings	117,538	73,617	34,481	19,687	12,550	413
Total	217,439	73,617	34,481	19,687	12,550	413

3. Matters related to the breakdown, etc., affected by the level of the fair value of financial instruments

The fair value of financial instruments is classified into the following three levels according to the observability and importance of inputs relating to the measurement of fair value.

Level 1 fair value:	Fair value measured using quoted prices in active markets for assets or liabilities that are the subject of the fair value measurement, among observable inputs used in fair value measurement.
Level 2 fair value:	Fair value measured using observable inputs for measuring fair value other than Level 1 inputs.
Level 3 fair value:	Fair value measured using inputs relating to the measurement of fair value that are unobservable.

When multiple inputs that have a significant effect on the measurement of fair value are used, the fair value is classified into the lowest level of the fair value hierarchy within which the inputs used in the measurement of the fair value are categorized.

(1) Financial instruments recorded on the consolidated balance sheet at fair value

For the previous fiscal year (as of March 31, 2025)

(Millions of yen)

Classification	Fair value			
	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities:				
Stocks	4,014	-	-	4,014
Derivative transactions				
Currencies	-	696	-	696
Total assets	4,014	696	-	4,711
Derivative transactions				
Currencies	-	125	-	125
Total liabilities	-	125	-	125

For the fiscal year under review (as of March 31, 2026)

(Millions of yen)

Classification	Fair value			
	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities:				
Stocks	864	-	-	864
Derivative transactions				
Currencies	-	724	-	724
Total assets	864	724	-	1,589
Derivative transactions				
Currencies	-	3,084	-	3,084
Total liabilities	-	3,084	-	3,084

(2) Financial instruments other than those recorded on the consolidated balance sheet at fair value

For the previous fiscal year (as of March 31, 2025)

(Millions of yen)

Classification	Fair value			
	Level 1	Level 2	Level 3	Total
Finance receivables	-	260,448	-	260,448
Total assets	-	260,448	-	260,448
Long-term borrowings	-	213,202	-	213,202
Total liabilities	-	213,202	-	213,202

For the fiscal year under review (as of March 31, 2026)

(Millions of yen)

Classification	Fair value			
	Level 1	Level 2	Level 3	Total
Finance receivables	-	318,124	-	318,124
Investment securities				
Shares of associates	11,944	-	-	11,944
Total assets	11,944	318,124	-	330,068
Long-term borrowings	-	258,069	-	258,069
Total liabilities	-	258,069	-	258,069

(Note) Explanation of evaluation techniques used to measure fair value and inputs relating to fair value measurement

Investment securities

Listed shares are measured using quoted prices. The fair value of listed stocks is classified as level 1 fair value as they are traded in active markets.

Derivative transactions

The fair value of derivative transactions is classified as level 2 fair value according to the price, etc., quoted by financial institutions with which MMC has transactions.

Finance receivables

The fair value of finance receivables is classified as level 2 fair value and measured at present value, which is calculated by categorizing finance receivables by specified time periods and discounting future cash flows using interest rates determined by adding credit spreads to appropriate benchmark rates, such as government bond yields, for each credit risk category used for credit management.

Long-term borrowings

The fair value of long-term borrowings is classified as level 2 fair value measured at present value, which is calculated by categorizing long-term borrowings by specified time periods and discounting the total amount of principal and interest using an interest rate that would be applied if similar borrowings were newly arranged.

Securities

1. Available-for-sale securities:

   For the previous fiscal year (as of March 31, 2025)

(Millions of yen)

	Type	Carrying amount	Acquisition cost	Difference
Securities whose carrying amount exceeds their acquisition cost	Stocks	954	171	782
	Subtotal	954	171	782
Securities whose carrying amount does not exceed their acquisition cost	Stocks	3,059	4,374	(1,314)
	Subtotal	3,059	4,374	(1,314)
Total		4,014	4,546	(531)

   For the fiscal year under review (as of March 31, 2026)

(Millions of yen)

	Type	Carrying amount	Acquisition cost	Difference
Securities whose carrying amount exceeds their acquisition cost	Stocks	858	164	694
	Subtotal	858	164	694
Securities whose carrying amount does not exceed their acquisition cost	Stocks	6	6	-
	Subtotal	6	6	-
Total		864	170	694

2. Available-for-sale securities sold

   For the previous fiscal year (from April 1, 2024, to March 31, 2025)

Type	Sales proceeds (Millions of yen)	Total gain (Millions of yen)	Total loss (Millions of yen)
Stocks	1,165	469	286

   For the fiscal year under review (from April 1, 2025, to March 31, 2026)

Type	Sales proceeds (Millions of yen)	Total gain (Millions of yen)	Total loss (Millions of yen)
Stocks	13	11	-

3. Securities for which the holding purpose has been changed

   For the previous fiscal year (from April 1, 2024, to March 31, 2025)

   Not applicable.

   For the fiscal year under review (from April 1, 2025, to March 31, 2026)

   During the fiscal year under review, JATCO Ltd., which had previously been classified as shares of an associate, was reclassified as “Available-for-sale securities” (carrying amount on the consolidated balance sheet: 11,505 million yen).

4. Securities for which impairment losses were recognized

   For the previous fiscal year (from April 1, 2024, to March 31, 2025)

   Not applicable.

   For the fiscal year under review (from April 1, 2025, to March 31, 2026)

This information is omitted because it is immaterial.

Derivative transactions

1. Derivative transactions for which hedge accounting is not applied

(1) Currency-related transactions

For the previous fiscal year (as of March 31, 2025)

Classification	Type of transactions	Notional amounts (Millions of yen)	Of notional amounts, over one year (Millions of yen)	Fair value (Millions of yen)	Valuation gain or loss (Millions of yen)
Non-market transactions	Forward foreign exchange contracts:				
	Sell:				
	USD	34,356	-	81	81
	EUR	4,765	-	(88)	(88)
	CAD	6,234	-	(25)	(25)
	AUD	2,810	-	-	-
	Buy:				
	USD	275	-	(1)	(1)
	THB	10,735	-	(9)	(9)
Total		-	-	(43)	(43)

For the fiscal year under review (as of March 31, 2026)

Classification	Type of transactions	Notional amounts (Millions of yen)	Of notional amounts, over one year (Millions of yen)	Fair value (Millions of yen)	Valuation gain or loss (Millions of yen)
Non-market transactions	Forward foreign exchange contracts:				
	Sell:				
	USD	55,805	-	(1,665)	(1,665)
	EUR	26,423	-	102	102
	CAD	13,093	-	(71)	(71)
	AUD	8,641	-	(89)	(89)
	NZD	1,118	-	25	25
	Buy:				
	USD	15,833	-	39	39
Total		-	-	(1,658)	(1,658)

(2) Interest-related transactions

For the previous fiscal year (as of March 31, 2025)

Not applicable.

For the fiscal year under review (as of March 31, 2026)

Not applicable.

2. Derivative transactions for which hedge accounting is applied

(1) Currency-related transactions

For the previous fiscal year (as of March 31, 2025)

Method of hedge accounting	Type of transactions	Major hedged items	Notional amounts (Millions of yen)	Of notional amounts, over one year (Millions of yen)	Fair value (Millions of yen)
Principle method	Currency swap contracts: Buy: USD	Borrowings denominated in foreign currency	13,777	11,990	614
Total			-	-	614

For the fiscal year under review (as of March 31, 2026)

Method of hedge accounting	Type of transactions	Major hedged items	Notional amounts (Millions of yen)	Of notional amounts, over one year (Millions of yen)	Fair value (Millions of yen)
Principle method	Forward foreign exchange contracts: Sell: USD	Future transactions denominated in foreign currencies	49,588	-	(1,190)
	Currency swap contracts: Buy: USD	Borrowings denominated in foreign currency	14,929	8,796	489
Total			-	-	(701)

(2) Interest-related transactions

For the previous fiscal year (as of March 31, 2025)

Not applicable.

For the fiscal year under review (as of March 31, 2026)

Not applicable.

Retirement benefits

1. Outline of adopted retirement benefit plans

MMC and its consolidated subsidiaries have defined benefit corporate pension plans and lump-sum payment plans as defined benefit plans, and defined contribution pension plans as defined contribution plans. Certain employees may be entitled to additional special retirement benefits, depending on the conditions for the termination of their employment. Certain consolidated subsidiaries apply a simplified method for calculation of retirement benefits obligation.

MMC has established a retirement benefit trust for its lump-sum payment plan.

2. Defined benefit plan

(1) Adjustments between the beginning and ending balances of retirement benefit obligation

(Millions of yen)

	For the fiscal year ended March 31, 2025 (from April 1, 2024, to March 31, 2025)	For the fiscal year ended March 31, 2026 (from April 1, 2025, to March 31, 2026)
Retirement benefit obligation at beginning of period	190,565	188,220
Service cost	8,996	8,800
Interest cost	4,822	4,528
Actuarial gains and losses arising during the period	436	(12,668)
Retirement benefits paid	(14,877)	(12,660)
Prior service cost generated	0	1
Effect of foreign currency translation	(711)	5,301
Other	(1,010)	(273)
Retirement benefit obligation at end of period	188,220	181,251

(2) Adjustments between the beginning and ending balances of plan assets

(Millions of yen)

	For the fiscal year ended March 31, 2025 (from April 1, 2024, to March 31, 2025)	For the fiscal year ended March 31, 2026 (from April 1, 2025, to March 31, 2026)
Plan assets at beginning of period	187,422	156,934
Expected return on plan assets	7,165	6,434
Actuarial gains and losses arising during the period	(25,301)	(1,574)
Contribution from employers	1,497	485
Retirement benefits paid	(13,025)	(11,296)
Effect of foreign currency translation	(1,089)	4,787
Other	266	140
Plan assets at end of period	156,934	155,910

(3) Adjustments between the ending balances of retirement benefit obligation and plan assets and the retirement benefit liability and retirement benefit asset reported on the consolidated balance sheet

(Millions of yen)

	For the fiscal year ended March 31, 2025 (as of March 31, 2025)	For the fiscal year ended March 31, 2026 (as of March 31, 2026)
Retirement benefit obligation for funded plans	167,858	164,840
Plan assets	(156,934)	(155,910)
	10,923	8,930
Retirement benefit obligation for unfunded plans	20,362	16,410
Net amount of liabilities and assets reported on the consolidated balance sheet	31,286	25,340
Retirement benefit liability	40,576	37,746
Retirement benefit asset	(9,290)	(12,406)
Net amount of liabilities and assets reported on the consolidated balance sheet	31,286	25,340

(4) Amounts of components of retirement benefit expenses

(Millions of yen)

	For the fiscal year ended March 31, 2025 (from April 1, 2024, to March 31, 2025)	For the fiscal year ended March 31, 2026 (from April 1, 2025, to March 31, 2026)
Service cost	8,996	8,800
Interest cost	4,822	4,528
Expected return on plan assets	(7,165)	(6,434)
Amortization of actuarial gains and losses	(511)	2,134
Amortization of prior service cost	(342)	(355)
Other	(1,215)	(310)
Retirement benefit expenses for defined benefit plans	4,583	8,363

(5) Remeasurements of defined benefit plans

The components of remeasurements of defined benefit plans included in other comprehensive income (before income taxes and tax effects) are as follows:

(Millions of yen)

	For the fiscal year ended March 31, 2025 (from April 1, 2024, to March 31, 2025)	For the fiscal year ended March 31, 2026 (from April 1, 2025, to March 31, 2026)
Prior service cost	(342)	(355)
Actuarial gains and losses	(25,760)	12,303
Total	(26,103)	11,948

(6) Remeasurements of defined benefit plans

The components of remeasurements of defined benefit plans included in accumulated other comprehensive income (before income taxes and tax effects) are as follows:

(Millions of yen)

	For the fiscal year ended March 31, 2025 (as of March 31, 2025)	For the fiscal year ended March 31, 2026 (as of March 31, 2026)
Unrecognized prior service cost	(744)	(388)

Unrecognized actuarial gains and losses	10,809	(1,494)
Total	10,065	(1,883)

(7) Plan assets

1) Major components of plan assets

The ratios of major components to total plan assets are as follows:

	For the fiscal year ended March 31, 2025 (as of March 31, 2025)	For the fiscal year ended March 31, 2026 (as of March 31, 2026)
Bonds	60%	61%
Short-term funds	6	-
Stocks	14	16
Cash and deposits	1	1
Life insurance company accounts	2	2
Other	17	20
Total	100	100

2) Method for determining the long-term expected rate of return on plan assets

The long-term expected rate of return on plan assets is determined considering the expected profile of plan assets both currently and in the future, and the long-term rates of return which are expected currently and in the future from the various components of those plan assets.

(8) Actuarial assumptions used

Principal actuarial assumptions

	For the fiscal year ended March 31, 2025 (as of March 31, 2025)	For the fiscal year ended March 31, 2026 (as of March 31, 2026)
Discount rate		
Domestic companies	0.0% – 1.5%	0.8% – 2.5%
Overseas companies	2.3% – 7.2%	1.8% – 7.3%
Expected rate of return		
Domestic companies	0.7% – 3.0%	0.7% – 3.0%
Overseas companies	5.1% – 6.3%	5.8% – 7.3%
Expected future salary increase		
Domestic companies	1.0% – 4.7%	1.0% – 4.7%
Overseas companies	3.5% – 7.4%	3.5% – 7.5%

3. Defined contribution plans

The required contributions of MMC and its consolidated subsidiaries to the defined contribution plans were 2,131 million yen for the previous fiscal year and 2,226 million yen for the fiscal year under review.

Stock options

1. The account and the amount of stock options charged as expenses

   Not applicable.

2. Nature, size and status of changes of stock options

   (1) Description of stock options

	The 4th Stock Options
Category and number of persons to whom rights are granted	Members of the Board of MMC (excluding Outside Directors): 1 person 1 heir of a former Member of the Board of MMC (excluding Outside Director)
Class and number of stock options (Note)	Common stock: 47,573 shares
Grant date	December 16, 2020
Conditions for vesting	The grantee must hold a position as Member of the Board or Audit & Supervisory Board Member or equivalent position, or a position as employee of or advisor to MMC or its subsidiaries until the date when his or her share acquisition rights become exercisable.
Service period	From December 16, 2020, to April 30, 2023
Exercise period	From May 1, 2023, to April 30, 2053

(Note) The figures are shown after converting into the number of shares to be granted.

   (2) Size and status of changes of stock options

   The number of stock options which existed as of the fiscal year under review is presented by converting into the number of shares.

   1) Number of stock options

	The 4th Stock Options
Non-vested (Shares)	
March 31, 2025- Outstanding	-
Granted	-
Forfeited	-
Vested	-
Balance of non-vested	-
Vested (Shares)	
March 31, 2025- Outstanding	47,573
Vested	-
Exercised	-
Forfeited	-
Balance of unexercised options	47,573

   2) Prices

	The 4th Stock Options
Exercise price (Yen)	1
Average share price at exercise (Yen)	-
Fair value per option at grant date (Yen)	126.12

3. Method for estimating the fair value price of stock options granted

   Not applicable.

4. Estimate of the number of stock options vested

In principle, as it is difficult to reasonably estimate the future number of forfeitures, MMC adopts the method of reflecting only actual forfeitures.

Tax-effect accounting

1. Significant components of deferred tax assets and liabilities

(Millions of yen)

	For the fiscal year ended March 31, 2025 (As of March 31, 2025)	For the fiscal year ended March 31, 2026 (As of March 31, 2026)
Deferred tax assets		
Net operating losses carried forward (Note) 2	194,035	170,222
Retirement benefit liability	22,756	20,025
Excess amount over limitation of taxable allowance for doubtful accounts	1,190	1,424
Self-disallowed accrued expenses	12,481	13,989
Liabilities related to market quality measures	6,670	5,975
Excess amount over limitation of taxable provision for product warranties	22,777	22,692
Non-current assets (including impairment losses)	28,910	26,889
Other	46,538	44,438
Subtotal	335,359	305,658
Valuation allowance related to net operating losses carried forward (Note) 2	(159,979)	(134,690)
Valuation allowance related to total deductible temporary differences	(75,592)	(76,576)
Subtotal valuation allowance (Note) 1	(235,572)	(211,266)
Total deferred tax assets	99,787	94,391
Deferred tax liabilities:		
Valuation difference on available-for-sale securities	(374)	(472)
Appraisal value of land based on the full fair value method	(1,287)	(1,282)
Reserve for advanced depreciation of non-current assets	(108)	(110)
Accelerated depreciation of overseas subsidiaries	(891)	(989)
Retained earnings of subsidiaries, etc.	(11,131)	(10,335)
Other	(7,265)	(8,678)
Total deferred tax liabilities	(21,058)	(21,869)
Net deferred tax assets (liabilities)	78,729	72,522

(Notes) 1. For the previous fiscal year (from April 1, 2024, to March 31, 2025)
Valuation allowance has decreased by 102,046 million yen. The decrease was mainly due to a 105,285 million yen decrease in the valuation allowance for net operating losses carried forward and a 3,238 million yen increase in the valuation allowance related to total deductible temporary differences.

For the fiscal year under review (from April 1, 2025, to March 31, 2026)
Valuation allowance has decreased by 24,305 million yen. The decrease was mainly due to a 25,289 million yen decrease in the valuation allowance for net operating losses carried forward and a 983 million yen increase in the valuation allowance related to total deductible temporary differences.

(Notes) 2. Net operating losses carried forward and the amount of related deferred tax assets for each carry-forward period.

For the previous fiscal year (as of March 31, 2025)

(Millions of yen)

	Due within one year	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years	Due after five years	Total
Net operating losses carried forward (*1)	42,275	7,664	720	25,587	34,011	83,776	194,035
Valuation allowance	42,192	7,602	8	13,335	30,717	66,124	159,979
Deferred tax assets	82	62	712	12,252	3,294	17,652	34,056

(*1) Net operating losses carried forward are multiplied by the effective statutory tax rate.

(*2) Deferred tax assets of 34,056 million yen have been recorded regarding net operating losses carried forward of 194,035 million yen (multiplied by the effective statutory tax rate). These deferred tax assets of 34,056 million yen are mainly recognized portions of net operating losses carried forward of Mitsubishi Motors North America, Inc., overseas consolidated subsidiary, of 53,254 million yen. MMC expects to record taxable income in the future, and therefore has judged that part of the net operating losses carried forward will be recoverable.

For the fiscal year under review (as of March 31, 2026)

(Millions of yen)

	Due within one year	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years	Due after five years	Total
Net operating losses carried forward (*1)	7,670	325	26,618	35,014	53,233	47,358	170,222
Valuation allowance	7,606	18	16,623	30,492	49,211	30,737	134,690
Deferred tax assets	64	307	9,994	4,522	4,022	16,620	35,531

(*1) Net operating losses carried forward are multiplied by the effective statutory tax rate.

(*2) Deferred tax assets of 35,531 million yen have been recorded regarding net operating losses carried forward of 170,222 million yen (multiplied by the effective statutory tax rate). These deferred tax assets of 35,531 million yen are mainly recognized portions of net operating losses carried forward of Mitsubishi Motors North America, Inc., overseas consolidated subsidiary, of 56,251 million yen. MMC expects to record taxable income in the future, and therefore has judged that part of the net operating losses carried forward will be recoverable.

2. Reconciliation of significant differences between the effective statutory tax rate and effective income tax rate after application of tax-effect accounting

	For the fiscal year ended March 31, 2025 (As of March 31, 2025)	For the fiscal year ended March 31, 2026 (As of March 31, 2026)
Effective statutory tax rate	30.3%	30.3%
Reconciliations:		
Share of loss (profit) of investments accounted for using the equity method	2.3	(0.7)
Permanent differences	(1.6)	0.9
Differences in applicable tax rates of overseas consolidated subsidiaries, etc.	(7.0)	(10.7)
Retained earnings of subsidiaries, etc.	(2.1)	(1.4)
Change in valuation allowance	11.5	38.6
Elimination of unrealized profits on inventories	3.7	(5.7)
Consolidation adjustment for gains and losses on the sale of shares of subsidiaries and associates and investments in capital	-	3.8
Foreign withholding taxes	3.6	11.0
Other	1.2	(2.9)
Actual effective income tax rate after application of tax-effect accounting	42.0	63.1

3. Accounting of corporate tax, local corporate tax and tax effect accounting for these items

MMC and domestic consolidated subsidiaries have applied the group tax-sharing system. Accordingly, we conduct accounting of corporate tax and local corporate tax, or accounting and disclosure of tax effect accounting for these items in accordance with the “Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System” (Practical Solution No. 42, August 12, 2021).

Business combinations, etc.

Not applicable.

Asset retirement obligations

Asset retirement obligations recorded in the consolidated balance sheet

1. Outline of asset retirement obligations

   Since MMC and the MMC Group enter into real estate lease contracts and have duties of restoration and removal of harmful substances at the termination of the lease term, MMC and the MMC Group record asset retirement obligations regarding contractual and statutory duties.

2. Method of computing the amount of asset retirement obligations

   The amount of asset retirement obligations is computed using the discount rate from (0.04)% to 4.77%, assuming the estimated available period to be 2 years to 43 years.

3. Changes in total amount of asset retirement obligations

   Changes in the outstanding balance of asset retirement obligations are as follows:

(Millions of yen)

	For the fiscal year ended March 31, 2025 (from April 1, 2024, to March 31, 2025)	For the fiscal year ended March 31, 2026 (from April 1, 2025, to March 31, 2026)
Balance at beginning of period	4,889	4,959
Adjustments due to the passage of time	58	58
Decrease due to settlement of asset retirement obligations	(0)	(73)
Other changes (decrease)	12	(23)
Balance at end of period	4,959	4,921

Investment properties

This information is omitted because it is immaterial.

Revenue Recognition

1. Information on the breakdown of revenue from contracts with customers

   Information on the breakdown of revenue from contracts with customers is described in the "Notes (Segment Information, etc.)"

2. Information that serves as a basis for understanding revenue from contracts with customers

   Information that serves as a basis for understanding revenue from contracts with customers is described in "(Material basis of the preparation of consolidated financial statements) 4. Accounting Policies (5) Recognition standard for significant revenues and expenses."

3. Information to facilitate understanding of the amount of revenue for the fiscal year under review and subsequent fiscal years

   (1) Balance, etc., of contract assets and contract liabilities

   For the previous fiscal year (from April 1, 2024, to March 31, 2025)

(Millions of yen)

	For the fiscal year ended March 31, 2025 (from April 1, 2024, to March 31, 2025)	
	Balance at beginning of period	Balance at end of period
Receivables from contracts with customers	145,069	150,513
Contract assets	6,515	3,819
Contract liabilities	25,550	30,355

The amount of revenue recognized in the fiscal year ended March 31, 2025, that was included in contract liabilities as of the beginning of the period was 15,174 million yen.

For the fiscal year under review (from April 1, 2025, to March 31, 2026)

(Millions of yen)

	For the fiscal year ended March 31, 2026 (from April 1, 2025, to March 31, 2026)	
	Balance at beginning of period	Balance at end of period
Receivables from contracts with customers	150,513	244,061
Contract assets	3,819	5,605
Contract liabilities	30,355	31,414

The amount of revenue recognized in the fiscal year ended March 31, 2026, that was included in contract liabilities as of the beginning of the period was 13,526 million yen.

   (2) Transaction price allocated to remaining performance obligations

   MMC and its consolidated subsidiaries apply the practical expedient in preparing the note on transaction prices allocated to remaining performance obligations and therefore exclude contracts with an initial expected contract term of one year or less from this disclosure. Such performance obligations are mainly related to after-sales service and contract development in the automobile business. The total transaction price allocated to the remaining performance obligations and the period during which revenue is expected to be recognized are as follows.

(Millions of yen)

	For the fiscal year ended March 31, 2025 (as of March 31, 2025)	For the fiscal year ended March 31, 2026 (as of March 31, 2026)
Due within one year	13,282	9,209
Due after one year	11,419	13,985
Total	24,701	23,194

Segment information, etc.

[Segment information]

1. Overview of reportable segments

   The reportable segments of the Group are components for which discrete financial information is available, and for which operating results are regularly reviewed by MMC's decision-making bodies including the Board of Directors to determine resource allocation to the segments and to assess their performance.

   The main business of the Group is the automobile business, involving design, manufacture, and sale of automobiles and component parts. In addition, in the financial service business, we engage in sales financing and leasing services (including property sales, etc., associated with expiration or cancellation of lease transactions) for the MMC Group's products. Accordingly, the Group has identified the "Automobile Business" and "Financial Services Business" as its two reportable segments based on the categories of products handled.

2. Calculation method of the amounts of net sales, profit or loss, assets and other items by reportable segment

   The accounting method for the reportable segments is the same as "Material basis of the preparation of consolidated financial statements." Intersegment sales and transfers are based on arm's-length market prices.

3. Information on sales, profit or loss, assets and other items by reportable segment and information on sales breakdown

   For the previous fiscal year (from April 1, 2024, to March 31, 2025)

(Millions of yen)

	Automobiles	Financial services	Total	Reconciling items (*1)	Per consolidated financial statements (*2)
Net sales					
External customers					
Revenue from contracts with customers	2,749,426	19,186	2,768,612	-	2,768,612
Other revenue	566	19,053	19,619	-	19,619
Subtotal	2,749,992	38,239	2,788,232	-	2,788,232
Intersegment sales	7,857	8,407	16,265	(16,265)	-
Total	2,757,849	46,647	2,804,497	(16,265)	2,788,232
Segment profit (loss)	134,060	4,222	138,283	543	138,826
Segment assets	1,927,798	335,338	2,263,137	(17,216)	2,245,920
Other items					
Depreciation (*3)	68,131	5,861	73,992	-	73,992
Investment in equity method associates	107,144	-	107,144	-	107,144
Increase in property, plant and equipment and intangible assets (*3)	110,163	12,772	122,935	-	122,935

(Notes) 1. Reconciling items represent the elimination of intersegment transactions.
2. Segment profit (loss) agrees with the amount of operating profit (loss) presented in the consolidated statement of income.
3. Depreciation, increase in property, plant and equipment and intangible assets, include long-term prepaid expenses and amortization thereof.

For the fiscal year under review (from April 1, 2025, to March 31, 2026)

(Millions of yen)

	Automobiles	Financial services	Total	Reconciling items (*1)	Per consolidated financial statements (*2)
Net sales					
External customers					
Revenue from contracts with customers	2,854,018	20,699	2,874,718	-	2,874,718
Other revenue	529	21,288	21,818	-	21,818
Subtotal	2,854,548	41,988	2,896,536	-	2,896,536
Intersegment sales	7,700	9,502	17,202	(17,202)	-
Total	2,862,248	51,491	2,913,739	(17,202)	2,896,536
Segment profit (loss)	72,492	2,820	75,312	205	75,517
Segment assets	2,013,074	462,339	2,475,413	(57,268)	2,418,145
Other items					
Depreciation (*3)	76,686	5,944	82,631	-	82,631
Investment in equity method associates	41,832	-	41,832	-	41,832
Increase in property, plant and equipment and intangible assets (*3)	104,402	16,866	121,269	-	121,269

(Notes) 1. Reconciling items represent the elimination of intersegment transactions.
2. Segment profit (loss) agrees with the amount of operating profit (loss) presented in the consolidated statement of income.
3. Depreciation, increase in property, plant and equipment and intangible assets, include long-term prepaid expenses and amortization thereof.

[Related information]

For the previous fiscal year (from April 1, 2024, to March 31, 2025)

1. Information by product and service

The information is omitted here, as the classifications are the same as reportable segments.

2. Information by geographic region

(1) Net sales

Information on the breakdown of sales and revenue to external customers classified by location of external customers

(Millions of yen)

	Japan	North America		Europe	Asia	Oceania	Other	Total
			U.S.					
Net sales								
External customers								
Revenue from contracts with customers	612,409	733,791	425,509	127,066	569,950	321,095	404,299	2,768,612
Other revenue	19,158	434	434	-	-	26	-	19,619
	631,567	734,225	425,944	127,066	569,950	321,122	404,299	2,788,232

(Note) Main countries and regions outside Japan are grouped as follows:
(1) North America.................... U.S., Canada, Mexico
(2) Europe................................ Germany, Spain, the Netherlands
(3) Asia .... The Philippines, Indonesia, Vietnam, Thailand
(4) Oceania .... Australia, New Zealand
(5) Other .... Brazil, U.A.E.

(2) Property, plant and equipment

(Millions of yen)

Japan	Thailand	Indonesia	Other	Total
318,708	104,794	65,477	35,388	524,369

Supplementary information

Information on the breakdown of net sales and operating profit (loss) and revenue based on the geographic locations of MMC and its consolidated subsidiaries

(Millions of yen)

	Japan	North America	Europe	Asia	Oceania	Other	Total	Reconciling items	Total
Net sales									
(1) External customers									
Revenue from contracts with customers	1,063,870	733,607	126,552	502,497	321,080	21,004	2,768,612	-	2,768,612
Other revenue	19,158	434	-	-	26	-	19,619	-	19,619
Subtotal	1,083,028	734,041	126,552	502,497	321,107	21,004	2,788,232	-	2,788,232
(2) Intersegment sales	1,304,314	1,848	1,238	784,429	45	-	2,091,876	(2,091,876)	-
Total	2,387,343	735,890	127,790	1,286,927	321,152	21,004	4,880,108	(2,091,876)	2,788,232
Operating profit (loss)	14,757	33,412	1,659	69,500	11,002	814	131,147	7,678	138,826

(Note) Main countries and regions outside Japan are grouped as follows:

(1) North America.................... U.S., Canada, Mexico, Puerto Rico
(2) Europe................................ The Netherlands
(3) Asia .... Thailand, Indonesia, the Philippines, Vietnam
(4) Oceania .... Australia, New Zealand
(5) Other .... U.A.E.

3. Information on major customers

The information is omitted as no sales to any specific customer account for at least 10% of net sales in the consolidated statements of income.

For the fiscal year under review (from April 1, 2025, to March 31, 2026)

1. Information by product and service

   The information is omitted here, as the classifications are the same as reportable segments.

2. Information by geographic region

   (1) Net sales

   Information on the breakdown of sales and revenue to external customers classified by location of external customers

(Millions of yen)

	Japan	North America		Europe	Asia	Oceania	Other	Total
			U.S.					
Net sales								
External customers								
Revenue from contracts with customers	638,986	661,310	373,349	211,992	623,566	286,015	452,846	2,874,718
Other revenue	20,414	405	405	-	978	19	-	21,818
	659,400	661,715	373,754	211,992	624,545	286,035	452,846	2,896,536

(Note) Main countries and regions outside Japan are grouped as follows:

(1) North America.................... U.S., Canada, Mexico
(2) Europe................................ Germany
(3) Asia .... The Philippines, Indonesia, Vietnam, Thailand
(4) Oceania .... Australia, New Zealand
(5) Other .... Brazil, U.A.E.

(2) Property, plant and equipment

(Millions of yen)

Japan	Thailand	Indonesia	Other	Total
323,283	115,937	72,078	39,883	551,183

Supplementary information

Information on the breakdown of net sales and operating profit (loss) and revenue based on the geographic locations of MMC and its consolidated subsidiaries

(Millions of yen)

	Japan	North America	Europe	Asia	Oceania	Other	Total	Reconciling items	Total
Net sales									
(1) External customers									
Revenue from contracts with customers	1,166,580	649,818	199,992	566,211	270,764	21,351	2,874,718	-	2,874,718
Other revenue	20,414	405	-	978	19	-	21,818	-	21,818
Subtotal	1,186,994	650,223	199,992	567,190	270,783	21,351	2,896,536	-	2,896,536
(2) Intersegment sales	1,238,565	1,604	1,468	795,977	58	0	2,037,674	(2,037,674)	-
Total	2,425,560	651,827	201,461	1,363,168	270,841	21,351	4,934,211	(2,037,674)	2,896,536
Operating profit (loss)	(45,130)	21,654	2,585	78,105	6,016	568	63,800	11,716	75,517

(Note) Main countries and regions outside Japan are grouped as follows:

(1) North America.................... U.S., Canada, Mexico, Puerto Rico
(2) Europe................................ The Netherlands
(3) Asia .... Thailand, Indonesia, the Philippines, Vietnam
(4) Oceania .... Australia, New Zealand
(5) Other .... U.A.E.

3. Information on major customers

The information is omitted as no sales to any specific customer account for at least 10% of net sales in the consolidated statements of income.

[Information about impairment losses on non-current assets by reportable segment]

For the previous fiscal year (from April 1, 2024, to March 31, 2025)

(Millions of yen)

	Automobiles	Financial services	Total	Reconciling items	Total
Impairment losses	5,870	-	5,870	-	5,870

For the fiscal year under review (from April 1, 2025, to March 31, 2026)

This information is omitted because it is immaterial.

[Information about amortization and unamortized balance of goodwill by reportable segment]

For the previous fiscal year (from April 1, 2024, to March 31, 2025)

Not applicable.

For the fiscal year under review (from April 1, 2025, to March 31, 2026)

Not applicable.

[Information about the gain recognized on negative goodwill by reportable segment]

For the previous fiscal year (from April 1, 2024, to March 31, 2025)

Not applicable.

For the fiscal year under review (from April 1, 2025, to March 31, 2026)

Not applicable.

Information on related party transactions

1. Transactions with related parties

(1) Transactions of MMC with related parties

Parent company, major shareholders, etc. of MMC

For the previous fiscal year (from April 1, 2024, to March 31, 2025)

Type	Name	Location	Capital	Business	Percentage of voting rights holding (held) (%)	Relationship	Transactions	Amount (Millions of yen)	Account	Year-end balance (Millions of yen)
Other related company	Nissan Motor Co., Ltd.	Kanagawa-ku, Yokohama City	605,814 million yen	Production and sales of automobiles and related businesses	(Held) Direct: 26.68	Mutual sharing, etc. of technological resources and mutual sales of products, etc. Concurrent positions of directors and officers Leasing of facilities, etc.	Automobile purchase of parts (Note) 1	234,070 (Note) 2	Electronically recorded obligations - operating	64,611
									Notes and accounts payable - trade	27,582

For the fiscal year under review (from April 1, 2025, to March 31, 2026)

Type	Name	Location	Capital	Business	Percentage of voting rights holding (held) (%)	Relationship	Transactions	Amount (Millions of yen)	Account	Year-end balance (Millions of yen)
Other related company	Nissan Motor Co., Ltd.	Kanagawa-ku, Yokohama City	605,814 million yen	Production and sales of automobiles and related businesses	(Held) Direct: 26.68	Mutual sharing, etc. of technological resources and mutual sales of products, etc. Leasing of facilities, etc.	Automobile purchase of parts (Note) 1	241,402 (Note) 2	Electronically recorded obligations - operating	69,369
									Notes and accounts payable – trade	31,034

(2) Transactions between the consolidated subsidiaries of MMC and related parties

Parent company, major shareholders, etc. of MMC

For the previous fiscal year (from April 1, 2024, to March 31, 2025)

Type	Name	Location	Capital	Business	Percentage of voting rights holding (held) (%)	Relationship	Transactions	Amount (Millions of yen)	Account	Year-end balance (Millions of yen)
Other related company	Mitsubishi Corporation	Chiyoda-ku, Tokyo	204,447 million yen	Wholesale trade	(Held) Direct: 22.23	Sales of products, etc. Purchase of parts, etc. Concurrent positions of directors and officers	Purchase of parts, etc. (*1)	- (*3)	Notes and accounts payable– trade	28,199

For the fiscal year under review (from April 1, 2025, to March 31, 2026)

Type	Name	Location	Capital	Business	Percentage of voting rights holding (held) (%)	Relationship	Transactions	Amount (Millions of yen)	Account	Year-end balance (Millions of yen)
Other related company	Mitsubishi Corporation	Chiyoda-ku, Tokyo	213,825 million yen	Wholesale trade	(Held) Direct: 22.23	Sales of products, etc. Purchase of parts, etc. Concurrent positions of directors and officers	Purchase of parts, etc. (*1)	- (*3)	Notes and accounts payable– trade	33,443

(Notes) (*1) Terms and conditions of transactions and the policies on determination thereof:
Sales prices of products, etc. are determined after examination and negotiations considering market prices and total costs.
Purchase prices of products, etc. are determined after examination and negotiations considering estimated costs, prices of current products, etc., and market prices for each product, etc.
(*2) The above amounts of transactions do not include transactions with consolidated subsidiaries via Nissan Motor Co., Ltd., which were eliminated in the preparation of consolidated financial statements.
(*3) The above amount of transactions does not include transactions with MMC via Mitsubishi Corporation, which were eliminated in the preparation of consolidated financial statements.

Per share information (Yen)

	For the previous fiscal year (from April 1, 2024, to March 31, 2025)	For the fiscal year under review (from April 1, 2025, to March 31, 2026)
Net assets per share	698.28	687.01
Basic earnings (loss) per share	28.70	7.48
Diluted earnings per share	28.70	7.48

(Notes) 1. The shares of MMC held by the “Board Incentive Plan (BIP) Trust” are included in treasury shares that are deducted from the total number of shares outstanding at the end of the period in the calculation of “Net assets per share.” (2,325 thousand shares for the fiscal year ended March 31, 2025, and 2,128 thousand shares for the fiscal year ended March 31, 2026.)
In addition, for the purpose of calculating “Basic earnings (loss) per share” and “Diluted earnings per share,” the shares of MMC held by the “Board Incentive Plan (BIP) Trust” are included in treasury shares that are deducted in the calculation of the average number of shares during the period. (2,420 thousand shares for the fiscal year ended March 31, 2025, and 2,182 thousand shares for the fiscal year ended March 31, 2026.)
2. The basis for calculating basic earnings (loss) per share and diluted earnings per share is as follows:

	For the fiscal year ended March 31, 2025 (from April 1, 2024, to March 31, 2025)	For the fiscal year ended March 31, 2026 (from April 1, 2025, to March 31, 2026)
Basic earnings (loss) per share		
Profit (loss) attributable to owners of parent (Millions of yen)	40,987	10,015
Amounts not attributable to shareholders of common stock (Millions of yen)	-	-
Profit (loss) attributable to owners of parent pertaining to common stock (Millions of yen)	40,987	10,015
Average number of shares of common stock outstanding during the period (Thousands of shares)	1,428,275	1,338,299
Diluted earnings per share		
Adjustment to profit attributable to owners of parent (Millions of yen)	-	-
Increase in number of shares of common stock (Thousands of shares)	66	47
[Of which, share acquisition rights (Thousands of shares)]	(66)	(47)
Overview of potential shares not included in calculation of diluted earnings per share due to lack of dilutive effect	-	-

Subsequent events

Not applicable.

5) Consolidated supplementary schedules

Detailed schedule of bonds payable

Not applicable.

Detailed schedule of borrowings

Classification	Balance at beginning of the fiscal year ended March 31, 2026 (Millions of yen)	Balance at end of the fiscal year ended March 31, 2026 (Millions of yen)	Average interest rate (%)	Repayment date
Short-term borrowings	22,651	69,901	2.5	-
Current portion of long-term borrowings	83,427	117,538	1.5	-
Current portion of lease liabilities	3,867	5,385	3.9	-
Long-term borrowings (excluding current portion)	130,460	140,749	1.9	2027 to 2031
Lease liabilities (excluding current portion)	26,884	31,846	5.6	2027 to 2052
Other interest-bearing debt				
Other (Commercial paper - current liabilities)	47,500	30,000	1.3	-
Other (Deposits received from employees - current liabilities)	2,249	-	-	-
Other (Deposits received - current liabilities)	1,700	1,000	0.4	-
Other (Guarantee deposits received - non-current liabilities)	2,216	2,216	0.4	-
Total	320,957	398,637	-	-

(Notes) 1. The average interest rate represents the weighted-average rate applicable to the year-end balance of loans payable.
2. The following table shows the payment schedule of long-term borrowings and lease liabilities (excluding the current portion) within five years after the consolidated balance sheet date.

	Due after one year but within two years (Millions of yen)	Due after two years but within three years (Millions of yen)	Due after three years but within four years (Millions of yen)	Due after four years but within five years (Millions of yen)
Long-term borrowings	73,617	34,481	19,687	12,550
Lease liabilities	3,338	2,266	1,902	1,471

Detailed schedule of asset retirement obligations

In accordance with Article 92-2 of the Regulation on Consolidated Financial Statements, the schedule of asset retirement obligations is omitted because the amounts of asset retirement obligations at the beginning and the end of the fiscal year under review were one percent or less of the total amount of liabilities and net assets at the beginning and the end of the fiscal year under review.

(2) Other

1) Quarterly financial information and others for the fiscal year under review

(Cumulative period)	First quarter (Three months ended June 30, 2025)	First half ended September 30, 2025	First nine months (Nine months ended December 31, 2025)	Full year (Fiscal year ended March 31, 2026)
Net sales (Millions of yen)	609,091	1,261,259	1,976,533	2,896,536
Profit (loss) before income taxes (Millions of yen)	6,777	4,111	19,207	57,331
Profit (loss) attributable to owners of parent (Millions of yen)	738	(9,231)	(4,489)	10,015
Basic earnings (loss) per share (Yen)	0.55	(6.90)	(3.35)	7.48

(Accounting period)	First quarter (Three months ended June 30, 2025)	Second quarter (from July 1, 2025, to September 30, 2025)	Third quarter (from October 1, 2025 to December 31, 2025)	Fourth quarter (from January 1, 2026, to March 31, 2026)
Basic earnings (loss) per share (Yen)	0.55	(7.45)	3.55	10.83

(Note) MMC prepares quarterly financial information for the first and third quarters of the fiscal year in accordance with the rules stipulated by the financial instruments exchanges, but that quarterly financial information has not undergone an interim review.

2) Information after the balance sheet date

There are no noteworthy matters to report.

3) Significant lawsuits, etc.

Significant lawsuits, etc., are described in “Notes, Consolidated balance sheet, 6 Contingent liabilities.”

2. Non-consolidated financial statements

(1) Non-consolidated financial statements

(a) Non-consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	227,182	182,190
Accounts receivable - trade	(*1) 212,529	(*1) 277,932
Finished goods	33,363	37,067
Work in process	16,772	13,049
Raw materials and supplies	39,761	35,622
Prepaid expenses	4,864	5,568
Short-term loans receivable	(*1) 6,475	(*1) 40,750
Accounts receivable - other	(*1) 45,653	(*1) 60,040
Other	(*1) 44,498	(*1) 66,120
Allowance for doubtful accounts	(902)	(1,243)
Total current assets	630,201	717,097
Non-current assets		
Property, plant and equipment		
Buildings	(*2) 37,662	(*2) 39,382
Structures	(*2) 6,812	(*2) 6,609
Machinery and equipment	(*2) 70,963	(*2) 75,522
Vehicles	(*2) 2,122	(*2) 4,023
Tools, furniture and fixtures	(*2) 41,987	(*2) 39,989
Land	70,203	70,200
Construction in progress	12,085	5,822
Total property, plant and equipment	241,836	241,548
Intangible assets		
Intangible assets	42,891	41,006
Total intangible assets	42,891	41,006
Investments and other assets		
Investment securities	8,554	17,237
Shares of subsidiaries and associates	186,578	190,199
Long-term loans receivable	(*1) 750	(*1) 884
Investments in capital of subsidiaries and associates	9,177	6,380
Guarantee deposits	3,909	3,960
Long-term prepaid expenses	15,896	18,802
Deferred tax assets	16,665	8,899
Other	6,571	2,908
Allowance for doubtful accounts	(450)	(424)
Total investments and other assets	247,653	248,849
Total non-current assets	532,380	531,404
Total assets	1,162,582	1,248,502

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	(*1) 104,344	(*1) 113,189
Accounts payable - trade	(*1) 233,020	(*1) 283,065
Short-term borrowings	-	10,000
Lease liabilities	617	1,338
Accounts payable - other	(*1) 109,188	(*1) 94,677
Accrued expenses	(*1) 8,971	(*1) 9,524
Income taxes payable	520	854
Deposits received	(*1) 10,373	(*1) 13,248
Provision for product warranties	45,241	43,183
Other	30,232	27,664
Total current liabilities	542,511	596,745
Non-current liabilities		
Lease liabilities	1,270	412
Guarantee deposits received	(*1) 1,671	(*1) 1,678
Provision for retirement benefits	20,962	26,232
Asset retirement obligations	3,790	3,825
Other	5,656	3,726
Total non-current liabilities	33,351	35,875
Total liabilities	575,863	632,620
Net assets		
Shareholders' equity		
Share capital	284,382	284,382
Capital surplus		
Legal capital surplus	118,680	118,680
Other capital surplus	70,956	70,956
Total capital surplus	189,637	189,637
Retained earnings		
Legal retained earnings	5,605	5,605
Other retained earnings		
Retained earnings brought forward	164,013	192,766
Total retained earnings	169,618	198,372
Treasury shares	(56,383)	(56,310)
Total shareholders' equity	587,255	616,080
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(542)	985
Deferred gains or losses on hedges	-	(1,190)
Total valuation and translation adjustments	(542)	(205)
Share acquisition rights	6	6
Total net assets	586,718	615,881
Total liabilities and net assets	1,162,582	1,248,502

(b) Non-consolidated statement of income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	(*1) 2,286,877	(*1) 2,320,961
Cost of sales	(*1) 2,042,143	(*1) 2,156,593
Gross profit	244,734	164,367
Selling, general and administrative expenses		
Advertising and promotion expenses	15,305	11,750
Transportation costs	85,919	82,907
Provision of allowance for doubtful accounts	(77)	314
Remuneration, salaries and allowances for directors (and other officers)	34,480	32,552
Retirement benefit expenses	1,161	2,088
Depreciation	11,456	13,416
Research and development expenses	67,889	64,865
Other	29,753	23,586
Total selling, general and administrative expenses	245,889	231,483
Operating profit (loss)	(1,154)	(67,115)
Non-operating income		
Interest income	3,843	2,729
Dividend income	(*1) 76,996	(*1) 119,630
Foreign exchange gains	-	2,052
Other	661	1,238
Total non-operating income	81,500	125,650
Non-operating expenses		
Interest expenses	655	198
Foreign exchange losses	32,037	-
Other	11,239	6,671
Total non-operating expenses	43,932	6,869
Ordinary profit (loss)	36,413	51,665
Extraordinary income		
Gain on sale of non-current assets	624	109
Gain on sale of investment securities	-	2,500
Gain on sale of shares of subsidiaries and associates	-	(*2) 3,834
Total extraordinary income	624	6,444
Extraordinary losses		
Loss on retirement of non-current assets	2,531	2,155
Loss on sale of investments in capital of subsidiaries and associates	-	(*3) 1,261
Other	127	33
Total extraordinary losses	2,658	3,450
Profit (loss) before income taxes	34,379	54,659
Income taxes - current	(1,567)	1,481
Income taxes - deferred	18,287	7,669
Total income taxes	16,719	9,150
Profit (loss)	17,659	45,509

(c) Non-consolidated statement of changes in net assets
For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings: Retained earnings brought forward	Total retained earnings		
Balance at beginning of period	284,382	118,680	84,760	203,441	5,605	164,971	170,577	(1,688)	656,712
Changes during period									
Dividends of surplus						(18,618)	(18,618)		(18,618)
Profit (loss)						17,659	17,659		17,659
Purchase of treasury shares								(68,642)	(68,642)
Disposal of treasury shares								126	126
Cancellation of treasury shares			(13,792)	(13,792)				13,792	
Exercise of share acquisition rights			(12)	(12)				29	17
Net changes in items other than shareholders' equity									
Total changes during period	-	-	(13,804)	(13,804)	-	(958)	(958)	(54,694)	(69,457)
Balance at end of period	284,382	118,680	70,956	189,637	5,605	164,013	169,618	(56,383)	587,255

	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at beginning of period	1,500	(745)	754	23	657,491
Changes during period					
Dividends of surplus					(18,618)
Profit (loss)					17,659
Purchase of treasury shares					(68,642)
Disposal of treasury shares					126
Cancellation of treasury shares					
Exercise of share acquisition rights					17
Net changes in items other than shareholders' equity	(2,042)	745	(1,297)	(17)	(1,314)
Total changes during period	(2,042)	745	(1,297)	(17)	(70,772)
Balance at end of period	(542)	-	(542)	6	586,718

For the fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings Retained earnings brought forward	Retained earnings Total		
Balance at beginning of period	284,382	118,680	70,956	189,637	5,605	164,013	169,618	(56,383)	587,255
Changes during period									
Dividends of surplus						(16,756)	(16,756)		(16,756)
Profit (loss)						45,509	45,509		45,509
Purchase of treasury shares								(0)	(0)
Disposal of treasury shares								72	72
Net changes in items other than shareholders' equity									
Total changes during period	-	-	-	-	-	28,753	28,753	72	28,825
Balance at end of current period	284,382	118,680	70,956	189,637	5,605	192,766	198,372	(56,310)	616,080

	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at beginning of current period	(542)	-	(542)	6	586,718
Changes during period					
Dividends of surplus					(16,756)
Profit (loss)					45,509
Purchase of treasury shares					(0)
Disposal of treasury shares					72
Net changes in items other than shareholders' equity	1,528	(1,190)	337		337
Total changes during period	1,528	(1,190)	337	-	29,163
Balance at end of current period	985	(1,190)	(205)	6	615,881

Notes

Significant accounting policy

1. Valuation basis and methods for assets
   (1) Securities

   Shares of subsidiaries and associates:

   Carried at cost determined by the moving average method.

   Available-for-sale securities:

   Securities, excluding shares without a market price:

   Carried at fair value and the cost of securities sold is computed based on the moving average method. The difference between the acquisition cost and the carrying value of available-for-sale securities, including unrealized gains and losses, is recognized in valuation difference on available-for-sale securities in the accompanying balance sheet.

   Shares without a market price:

   Carried at cost determined by the moving average method.

   (2) Derivative financial instruments

   Fair value method

   (3) Inventories

   Finished goods and work in process

   Principally stated at cost determined by the first-in, first-out method (the balance sheet carrying value is reduced to recognize any deterioration in recoverability).

   Raw materials and supplies

   Stated at cost determined by the gross average method (the balance sheet carrying value is reduced to recognize any deterioration in recoverability).

2. Depreciation and amortization method for non-current assets
   (1) Property, plant and equipment (excluding leased assets)

   Property, plant and equipment are amortized using the straight line method.

   The useful lives of the assets are based on the estimated lives of assets for MMC. The main useful lives of assets are as follows.
   Buildings and structures: 3 to 60 years
   Machinery and equipment, and vehicles: 3 to 23 years
   Tools, furniture and fixtures: 2 to 20 years

   Low value depreciable assets

   Assets for which the acquisition cost is equal to or more than 100,000 yen and less than 200,000 yen are depreciated in even amounts over three years pursuant to the provisions of the Corporation Tax Act.

   (2) Intangible assets (excluding leased assets)

   Intangible assets are amortized using the straight line method.

   Software intended for use by MMC is amortized using the straight line method over the period for which each asset is available for use (10 years in the case of software for some major core systems; 5 years in the case of other software).

   (3) Leased assets

   Assets recognized under finance leases that do not involve transfer of ownership to the lessee are depreciated using the straight line method based on the contract term under the lease agreement. If a guaranteed residual value is determined in the lease agreement, the said guaranteed residual value is deemed as the residual value of such leased assets. If the residual value is not determined, it is deemed to be zero.

   (4) Long-term prepaid expenses

   Long-term prepaid expenses are amortized using the straight line method over a fixed period.

3. Allowances and provisions
   (1) Allowance for doubtful accounts
   To provide for bad debt losses for trade receivables, loans, etc., an estimate of the amount of specific uncollectible accounts is provided as an allowance for doubtful accounts based on the historical default rate for ordinary receivables, after taking into account individual collectability for specific receivables such as doubtful receivables.
   (2) Provision for product warranties
   The provision for product warranties is calculated after taking into account, according to the warranty agreements, future warranty forecasts based on past results in order to provide for the products' after-sales service costs.
   (3) Provision for retirement benefits
   To prepare for the payment of retirement benefits to employees, a provision for retirement benefits for employees is calculated based on the retirement benefit obligation and plan assets estimated at the end of the fiscal year under review.
   Prior service cost is being amortized using the straight line method over a fixed number of years (10 years) within the estimated average remaining service years of the employees at the time of incurrence.
   Actuarial gains and losses are being amortized using the straight line method over a fixed number of years (10 years) within the estimated average remaining service years of the employees commencing from the following fiscal year after incurrence.
   When calculating retirement benefit obligation, the benefit calculation formula standard was used for attributing the expected retirement benefits to the period until the end of the fiscal year under review.
4. Recognition standard for significant revenues and expenses
   The main performance obligation of the automobile business is the sale of vehicles and parts. Revenue is recognized when the control of goods or services is transferred to customers, such as when a vehicle is delivered, as is the normal time when the performance obligation of sales of vehicles and parts is satisfied (normal time when revenue is recognized). In addition, alternative treatment provided for in paragraph 98 of the "Implementation Guidance on Accounting Standard for Revenue Recognition" is applied, whereby revenue is recognized at the time of shipment; provided that a period from the time of shipment until the time when control of the said merchandise or product is transferred to a customer is deemed to be the normal period. In addition, payments of sales incentives to sales companies are considered to be a variable consideration when calculating transaction prices. The incentive amount expected to be paid in the future is deducted from sales during the period when control of goods or services is transferred.
   As the purpose of a product warranty provided in connection with the sale of products, etc., is to guarantee that the product sold conforms to the specifications agreed with the customer, a provision for product warranties is recognized corresponding to the costs associated with the said warranty.
5. Hedge accounting
   Forward foreign exchange contracts:
   Deferred hedge accounting (for forecast transactions)
6. Application of the group tax-sharing system
   The group tax-sharing system is applied.

Significant accounting estimates

1. Liabilities related to market quality measures

   (1) Amount recorded in the financial statements as of March 31, 2026

	As of March 31, 2025 (Millions of yen)	As of March 31, 2026 (Millions of yen)
Liabilities related to market quality measures	20,329	17,878

(The above amount is included in accounts payable - other in the balance sheet.)

   (2) Information on significant accounting estimates for identified items

   Notes are omitted as they are identical to those made in the "Notes to Consolidated Financial Statements, Significant accounting estimates, 1. Liabilities related to market quality measures, 2) Information on significant accounting estimates for identified items."

2. Contingent liabilities (provision for loss on litigation)

   Notes are omitted as they are identical to those made in the "Notes to Consolidated Financial Statements, Significant accounting estimates 2. Contingent liabilities (provision for loss on litigation)."

3. Recoverability of deferred tax assets

   (1) Amount recorded in the financial statements as of March 31, 2026

	As of March 31, 2025 (Millions of yen)	As of March 31, 2026 (Millions of yen)
Deferred tax assets	16,665	8,899

   (2) Information on significant accounting estimates for identified items

   Notes are omitted as they are identical to those made in the "Notes to Consolidated Financial Statements, Significant accounting estimates, 3. Recoverability of deferred tax assets, 2) Information on significant accounting estimates for identified items."

   Additional information

   (Stock compensation plan)

   Notes to the stock compensation plan for MMC's Executive Officers and Corporate Officers, etc. are omitted as they are identical to those made in the "Notes to Consolidated Financial Statements, Additional information."

Non-consolidated balance sheet

(*1) Monetary receivables from and payables to subsidiaries and associates (except for those separately disclosed)

(Millions of yen)

	For the fiscal year ended March 31, 2025 (As of March 31, 2025)	For the fiscal year ended March 31, 2026 (As of March 31, 2026)
Short-term monetary receivables	190,705	288,865
Long-term monetary receivables	750	884
Short-term monetary payables	199,742	191,604
Long-term monetary payables	404	404

(*2) Accumulated depreciation of property, plant and equipment is as follows:

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Accumulated depreciation or amortization	539,206	548,799

3. Guarantee obligation

(1) Guarantee obligation

For the fiscal year ended March 31, 2025 (As of March 31, 2025)			For the fiscal year ended March 31, 2026 (As of March 31, 2026)		
Guaranteed party	Guaranteed party amount (Millions of yen)	Description of guaranteed obligation	Guaranteed party	Guaranteed party amount (Millions of yen)	Description of guaranteed obligation
MMD Automobile GmbH	774	Liquidation of receivables	MMD Automobile GmbH	-	-
Mitsubishi Corporation	619	Liquidation of receivables	Mitsubishi Corporation	-	-
MM Automobile Schweiz AG	419	Liquidation of receivables	MM Automobile Schweiz AG	301	Liquidation of receivables
M Motors Automobiles France S.A.S.	163	Liquidation of receivables	M Motors Automobiles France S.A.S.	299	Liquidation of receivables
Employees	94	(Note)	Employees	65	(Note)
Total	2,072		Total	665	

(Note) Bank loans for “Employees’ property accumulation residence fund,” etc.

(2) Recourse obligation related to the securitization of trade receivables

(Millions of yen)

For the fiscal year ended March 31, 2025 (As of March 31, 2025)	For the fiscal year ended March 31, 2026 (As of March 31, 2026)
987	2,218

4. Contingent liabilities

Notes are omitted as they are identical to those made in the “Notes to Consolidated Financial Statements, Consolidated balance sheet, 6. Contingent liabilities.”

5. Commitment line agreement

In order to prepare for increases in demand for funds and to secure funding liquidity, MMC has concluded commitment line agreements with 20 correspondent financial institutions, in addition to overdraft agreements.

The outstanding balance of unused commitment line agreements as of March 31, 2026, based on this agreement is as follows.

(Millions of yen)

	For the fiscal year ended March 31, 2025 (As of March 31, 2025)	For the fiscal year ended March 31, 2026 (As of March 31, 2026)
Total of commitment line	272,000	272,000
Outstanding balance of used commitment line	-	10,000
Unused amount	272,000	262,000

Non-consolidated statement of income

(*1) Transactions with subsidiaries and associates are as follows:

(Millions of yen)

	For the fiscal year ended March 31, 2025 (As of March 31, 2025)	For the fiscal year ended March 31, 2026 (As of March 31, 2026)
Operating transactions:		
Net sales	1,837,391	1,831,716
Purchases	1,098,335	1,068,817
Non-operating transactions	76,536	118,982

(*2) Gain on sale of shares of subsidiaries and associates

For the fiscal year under review (from April 1, 2025, to March 31, 2026)

This is due to the transfer of a portion of shares in PT Mitsubishi Motors Krama Yudha Sales Indonesia, an equity-method associate of the Company.

(*3) Loss on sale of investments in capital of subsidiaries and associates

For the fiscal year under review (from April 1, 2025, to March 31, 2026)

This is due to the sale of equity interests in Shenyang Aerospace Mitsubishi Motors Engine Manufacturing Co., Ltd., previously an equity-method associate of the Company.

Securities

For the previous fiscal year (from April 1, 2024, to March 31, 2025)
The fair values of the shares of subsidiaries and affiliates (balance sheet amounts of 165,210 million yen and 21,368 million yen for the shares of subsidiaries and those of affiliates, respectively) are not stated as they are stocks, etc., without a readily determinable market price.

For the fiscal year under review (from April 1, 2025, to March 31, 2026)
The carrying amount of affiliates' shares with market value was 13,891 million yen, the fair value was 11,944 million yen, and the difference was (1,947) million yen.

The fair values of the shares of subsidiaries and affiliates not included in the above (balance sheet amounts of 167,612 million yen and 8,696 million yen for the shares of subsidiaries and those of affiliates, respectively) are not stated as they are stocks, etc., without a readily determinable market price.

Tax-effect accounting

1. Significant components of deferred tax assets and liabilities

(Millions of yen)

	For the fiscal year ended March 31, 2025 (from April 1, 2024, to March 31, 2025)	For the fiscal year ended March 31, 2026 (from April 1, 2025, to March 31, 2026)
Deferred tax assets		
Net operating losses carried forward	140,147	113,104
Excess amount over limitation of taxable allowance for doubtful accounts	421	519
Excess amount over limitation of taxable provision for retirement benefits	18,258	18,866
Disallowed loss on valuation of shares of subsidiaries and associates	124,061	124,182
Liabilities related to market quality measures	6,284	5,569
Provision for product warranties	13,943	13,451
Foreign tax credit carried forward	2,853	1
Non-current assets (including impairment losses)	25,231	23,126
Other	18,135	19,995
Subtotal	349,337	318,816
Valuation allowance related to net operating losses carried forward	(140,147)	(113,104)
Valuation allowance related to total deductible temporary differences	(191,167)	(195,503)
Subtotal valuation allowance	(331,314)	(308,607)
Total deferred tax assets	18,023	10,208
Deferred tax liabilities:		
Valuation difference on available-for-sale securities	(349)	(445)
Other	(1,007)	(862)
Total deferred tax liabilities	(1,357)	(1,308)
Net deferred tax assets (liabilities)	16,665	8,899

2. Reconciliation of significant differences between the effective statutory tax rate and effective income tax rate after application of tax-effect accounting

	For the fiscal year ended March 31, 2025 (from April 1, 2024, to March 31, 2025)	For the fiscal year ended March 31, 2026 (from April 1, 2025, to March 31, 2026)
Effective statutory tax rate	30.3%	30.3%
Reconciliations:		
Non-deductible items (entertainment expenses, etc.)	2.5	0.9
Non-taxable items (dividend income)	(64.3)	(63.2)
Foreign withholding taxes	9.2	11.6
Change in valuation allowance	71.4	39.6
Other	(0.5)	(2.4)
Actual effective income tax rate after application of tax-effect accounting	48.6	16.7

3. Accounting of corporate tax, local corporate tax and tax effect accounting for these items

MMC has applied the group tax-sharing system. Accordingly, we conduct accounting of corporate tax and local corporate tax, or accounting and disclosure of tax effect accounting for these items in accordance with the "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (Practical Solution No. 42, August 12, 2021).

Revenue Recognition

Information that serves as a basis for understanding revenue from contracts with customers is as stated in "Notes, Significant accounting policy, 4. Recognition standard for significant revenues and expenses."

Subsequent events

Not applicable.

4) Non-consolidated supplementary schedules

Detailed schedule of non-current assets

(Millions of yen)

Classification	Type of assets	Balance at beginning of current period	Increase in current period	Decrease in current period	Depreciation or amortization for current period	Balance at end of current period	Accumulated depreciation or amortization
Property, plant and equipment	Buildings	141,425	4,513	844	2,712	145,095	105,713
	Structures	37,959	568	170	766	38,358	31,749
	Machinery and equipment	328,125	9,086	4,737	4,389	332,474	256,952
	Vehicles	6,225	4,670	1,430	1,469	9,465	5,441
	Tools, furniture and fixtures	185,018	(*1) 14,189	10,276	16,147	188,932	148,942
	Land	70,203	-	3	-	70,200	-
	Construction in progress	12,085	(*2) 16,486	(*3) 22,749	-	5,822	-
	Total	781,043	49,516	40,211	25,485	790,348	548,799
Intangible assets	Patent rights	608	2	-	37	610	608
	Software	59,618	9,060	5,107	9,379	63,571	28,874
	Other	7,998	7,542	9,061	25	6,478	171
	Total	68,224	16,604	14,168	9,442	70,660	29,654

(Notes) 1. Balance at beginning of current period and balance at end of current period are presented on an acquisition cost basis.
2. Major changes during the fiscal year under review are as follows:

(*1) Major increases in tools, furniture and fixtures

Passenger car production facilities	7,830 million yen
Minicar production facilities	1,620 million yen
Engine production facilities	457 million yen
Research and development facilities	821 million yen
Other equipment	3,459 million yen

(*2) Major increases in construction in progress

Passenger car production facilities	2,414 million yen
Minicar production facilities	5,592 million yen
Engine production facilities	3,190 million yen
Research and development facilities	3,552 million yen
Other equipment	1,736 million yen

(*3) Major decreases in construction in progress

Passenger car production facilities	4,298 million yen
Minicar production facilities	7,694 million yen
Engine production facilities	2,890 million yen
Research and development facilities	4,012 million yen
Other equipment	3,853 million yen

Detailed schedule of allowances and provisions

(Millions of yen)

Account	Balance at beginning of current period	Increase in current period	Decrease in current period	Balance at end of current period
Allowance for doubtful accounts	1,353	538	224	1,667
Provision for product warranties	45,241	14,714	16,772	43,183

(2) Details of major assets and liabilities

This information is omitted because MMC prepares consolidated financial statements.

(3) Other

1) Information after the balance sheet date

There are no noteworthy matters to report.

2) Significant lawsuits, etc.

Significant lawsuits, etc. are listed in “Notes, Non-consolidated balance sheet, 4. Contingent liabilities.”

VI. Overview of Operational Procedures for Shares

Fiscal year	From April 1 to March 31 of the following year
Ordinary General Meeting of Shareholders	June of each year
Record date	March 31
Record dates for dividends of surplus	September 30 and March 31
Number of shares per unit	100 shares
Purchases of shares less than one unit	
Address of handling office	(Special account) 1-4-5, Marunouchi, Chiyoda-ku, Tokyo Mitsubishi UFJ Trust and Banking Corporation, Corporate Agency Division
Administrator of shareholders register administrator	(Special account) 1-4-5, Marunouchi, Chiyoda-ku, Tokyo Mitsubishi UFJ Trust and Banking Corporation
Forwarding office	-
Charges for purchases	Amount specifically determined as brokerage fees for the purchase and sale of 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 placed in *Nihon Keizai Shimbun* published in Tokyo. [MMC's Website Address for Public Notices] (https://www.mitsubishi-motors.com/jp/investors/koukoku.html)
Special benefits to shareholders	Not applicable

(Note) According to MMC's Articles of Incorporation, MMC's shareholders of shares less than one unit shall not be entitled to exercise the rights of shareholders in connection with such shares less than one unit other than those rights listed below:

(1) The rights stipulated in each item of Article 189, paragraph (2) of the Companies Act

(2) The right to request an acquisition of shares with put option

(3) The right to receive an allotment of offered shares or offered share acquisition rights

VII. Reference Information of Reporting Company

1. Information about parent company, etc. of reporting company

   MMC has no parent company, etc. as prescribed in Article 24-7, paragraph (1) of the Financial Instruments and Exchange Act.

2. Other reference information

   MMC filed the following documents between the beginning of the fiscal year under review and the date when this Annual Securities Report was filed.

   (1) Annual Securities Report and Accompanying Documents and Confirmation Letter

   FY2024 (from April 1, 2024, to March 31, 2025) Submitted to the Director-General of the Kanto Local Finance Bureau on June 18, 2025

   (2) Amendment Report of Annual Securities Report and Confirmation Letter

   Submitted to the Director-General of the Kanto Local Finance Bureau on June 18, 2025

   The Amendment Report of Annual Securities Report for FY2023 (from April 1, 2023, to March 31, 2024) and Confirmation Letter thereof

   (3) Internal Control Report and Accompanying Documents

   Submitted to the Director-General of the Kanto Local Finance Bureau on June 18, 2025

   (4) Semiannual Securities Report(s) and Confirmation Letter

   FY2025 (from April 1, 2025, to September 30, 2025) Submitted to the Director-General of the Kanto Local Finance Bureau on November 12, 2025

   (5) Extraordinary Report

   Submitted to the Director-General of the Kanto Local Finance Bureau on June 23, 2025

   The Extraordinary Report according to the provision of Article 24-5, paragraph (4) of the Financial Instruments and Exchange Act and Article 19, paragraph (2), item (ix)-2 (results of exercise of voting rights at the general meetings of shareholders) of the Cabinet Office Order on Disclosure of Corporate Affairs.

   Submitted to the Director-General of the Kanto Local Finance Bureau on October 7, 2025

   The Extraordinary Report according to the provision of Article 24-5, paragraph (4) of the Financial Instruments and Exchange Act and Article 19, paragraph (2), item (xii) (events giving significant impact on financial position, operating results and conditions of cash flow) of the Cabinet Office Order on Disclosure of Corporate Affairs.

   Submitted to the Director-General of the Kanto Local Finance Bureau on November 4, 2025

   The Extraordinary Report according to the provision of Article 24-5, paragraph (4) of the Financial Instruments and Exchange Act and Article 19, paragraph (2), item (xii) (events giving significant impact on financial position, operating results and conditions of cash flow) of the Cabinet Office Order on Disclosure of Corporate Affairs.

   Submitted to the Director-General of the Kanto Local Finance Bureau on December 22, 2025

   The Extraordinary Report according to the provision of Article 24-5, paragraph (4) of the Financial Instruments and Exchange Act and Article 19, paragraph (2), item (xii) (events giving significant impact on financial position, operating results and conditions of cash flow) of the Cabinet Office Order on Disclosure of Corporate Affairs.

   Submitted to the Director-General of the Kanto Local Finance Bureau on January 22, 2026

   The Extraordinary Report according to the provision of Article 24-5, paragraph (4) of the Financial Instruments and Exchange Act and Article 19, paragraph (2), item (ix) (changes of the representative executive officers) of the Cabinet Office Order on Disclosure of Corporate Affairs.

   Submitted to the Director-General of the Kanto Local Finance Bureau on February 25, 2026

   The Extraordinary Report according to the provision of Article 24-5, paragraph (4) of the Financial Instruments and Exchange Act and Article 19, paragraph (2), item (ix) (changes of the representative executive officers) of the Cabinet Office Order on Disclosure of Corporate Affairs.

B. Information on Guarantors for the Company

Not applicable.

Independent Auditors' Audit Report and Internal Control Audit Report

June 16, 2026

MITSUBISHI MOTORS CORPORATION

The Board of Directors

Ernst & Young ShinNihon LLC

Tokyo, Japan

Designated and Engagement Partner	Certified Public Accountant	Hirohisa Fukuda
Designated and Engagement Partner	Certified Public Accountant	Chihiro Yasunaga
Designated and Engagement Partner	Certified Public Accountant	Yasutaka Kakoi

<Consolidated financial statements audit>

Opinion

We have audited, pursuant to the provisions of Article 193-2, paragraph (1) of the Financial Instruments and Exchange Act of Japan, the consolidated financial statements included in "Financial Information," which consist of the consolidated balance sheet, consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in net assets, consolidated statement of cash flows, material basis of the preparation of consolidated financial statements and other notes, and consolidated supplementary schedules of MITSUBISHI MOTORS CORPORATION ("MMC") for the fiscal year ended March 31, 2026 (April 1, 2025, through March 31, 2026).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of MMC and its consolidated subsidiaries as of March 31, 2026, and their consolidated financial performance and cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of MMC and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan (including provisions applicable to audits of financial statements of public interest entities), and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are matters which in the auditor's professional judgment are considered to be particularly important in the audit of the consolidated financial statements for the fiscal year under review. Key audit matters are matters that were dealt with in the process of undertaking the audit and forming the opinion for the entire consolidated financial statements, and we do not express a separate opinion on these matters.

Liabilities related to market quality measures	
Description of the Key Audit Matter and Reason for Determining the Matter	How We Addressed the Matter in Our Audit
As stated in the Notes “Significant accounting estimates,” MMC recorded 19,850 million yen of liabilities related to market quality measures in the fiscal year ended March 31, 2026. Such liabilities related to market quality measures are included in accounts payable - other, and accrued expenses in the consolidated balance sheet. MMC reasonably estimates the future expenses for measures relating to the voluntary recall and repair of sold products that are non-compliant under an individual country’s regulatory requirements concerning safety and the environment. In cases where such expenditures are likely to be incurred and can be reasonably estimated, the MMC Group calculates future expenses, considering expenses to be incurred per unit, number of units, occurrence rate of recall and repair of subject vehicles, and other factors. The significant assumption used in the calculation of future expenses is the occurrence rate, which is based on past experience and other factors by sales region and vehicle age. However, due to the long estimation period, the estimate is highly complex and uncertain and is based on significant judgments of management. In addition, in the event of large-scale recalls, remedial measures, etc., due to product defects or failures, the recording of significant liabilities due to market quality measures may seriously impact the consolidated financial statements. Furthermore, to comprehensively reflect the expenses relating to market quality measures determined following the end of the fiscal year, it is necessary to identify such cases in a timely manner and evaluate their impact on the consolidated financial statements. Therefore, the Accounting Auditors determined that such matters are key audit matters.	The Accounting Auditors primarily conducted the following audit procedures in relation to the liabilities related to market quality measures. • Evaluated the comprehensive recording of liabilities related to market quality measures and the effectiveness of the preparation and operations for internal controls relating to such estimates. • To investigate the completeness of liabilities related to market quality measures, asked questions to the quality control division responsible for market measures in each country, inspected minutes of meetings for bodies such as the Board of Directors and important approval/decision documents relating to market quality measures, and inspected public information such as submissions to the Ministry of Land, Infrastructure, Transport and Tourism and press releases, etc. • To evaluate the assumptions used in calculating future expenses, investigated the consistency of the occurrence rate and the expenses per unit with materials that substantiate estimates such as for the results of similar projects. • To evaluate the effectiveness of the process for estimating liabilities related to market quality measures, the amount recorded for liabilities related to market quality measures at the end of the previous fiscal year compared with actual expenses incurred. • Investigated the assumptions used in calculating the completeness of the liabilities related to market quality measures and future expenses in light of the details for the market quality measures determined following the end of the fiscal year and up until the day on which the consolidated financial statements were submitted.

<table>
<tr><th colspan="2">Contingent liabilities for a product liability lawsuit in the United States</th></tr>
<tr><th>Description of the Key Audit Matter and Reason for Determining the Matter</th><th>How We Addressed the Matter in Our Audit</th></tr>
<tr><td>As stated in (6) Contingent liabilities in the Notes to consolidated balance sheet, MMC has been cooperating with regard to various lawsuits, tax inquiries by tax authorities, administrative research by regulatory agencies, etc., in the course of developing its business in various countries around the world. While some of these have recorded provisions for loss on litigation based on estimated future losses, others have a certain degree of likelihood of a loss occurring going forward, but it is not possible to make a reasonable estimate of such loss for the future at this point in time. Therefore, MMC has not recorded any provisions with regard to the latter.
As described in the said note, in a product liability lawsuit filed in the Philadelphia Court of Common Pleas, Pennsylvania, the United States in November 2018, a judgment was entered on May 6, 2024 (U.S. local time) against MMC’s North American subsidiary, Mitsubishi Motors North America, Inc. (MMNA), ordering MMNA to pay damages in the amount of 1,010 million U.S. dollars. On May 28, 2024 (U.S. local time), MMNA filed an appeal against the above judgment to the Superior Court of Pennsylvania, the United States. On December 22, 2025 (U.S. local time), the court ruled that the first-instance judgment be vacated and the case be remanded.
It is difficult for management to predict the outcome of this litigation, and the judgment of the likelihood of loss from this litigation and the possibility to reasonably estimate the amount of future losses may significantly affect the consolidated financial statements.
Therefore, the Accounting Auditors determined that such matters are key audit matters.</td><td>The Accounting Auditors primarily conducted the following audit procedures in relation to the contingent liabilities related to the litigation.
• To understand the facts and the progress of the lawsuit, asked questions to the legal division and inspected the relevant document pertaining to the appellate court’s judgment.
• To evaluate the reasonableness of the determination of the likelihood of loss and the possibility to reasonably estimate the amount of future losses, received a statement from the company regarding investigative proceedings on the need for recognizing provisions, discussed with MMC’s management its views on the consequences of this lawsuit, and obtained a Management Representation Letter.
• To evaluate the reasonableness of the determination of the likelihood of loss and the possibility to reasonably estimate the amount of future losses, performed a confirmation process with MMC’s legal counsel regarding MMC’s view on the consequences of this lawsuit.
• To assess MMC’s view on the consequences of this lawsuit, engaged outside legal experts whom we retain.</td></tr>
</table>

Other Information

Other information comprises information contained in the Annual Securities Report other than the consolidated financial statements, the non-consolidated financial statements, and the audit report of the consolidated financial statements and the non-consolidated financial statements. Management is responsible for the preparation and disclosure of the other information. In addition, the responsibility of the Audit Committee is to oversee the execution concerning establishment and operation of the Company's reporting process of the other information, and the Directors' execution of their duties.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to a going concern.

The Audit Committee is responsible for overseeing the performance of duties by Executive Officers and Directors regarding the development and operation of MMC's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause MMC to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.
- Plan and implement audits of the consolidated financial statements in order to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for expressing an opinion on the consolidated financial statements. We are responsible for the direction, supervision and inspection of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a report saying that we have complied with the ethical requirements in Japan regarding independence, on matters that may be reasonably thought to impact our independence, as well as cases where countermeasures have been established to eliminate obstructions to our independence or cases where safeguards have been applied to reduce these obstructions to allowable levels.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the fiscal year under review and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulations precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

<Internal control audit>
Opinion
We also have audited, pursuant to the provisions of Article 193-2, paragraph (2) of the Financial Instruments and Exchange Act of Japan, the internal control report as of March 31, 2026, of MMC.
In our opinion, the internal control report referred to above, which represents that the internal control over financial reporting of MMC as of March 31, 2026, is effective, and presents fairly, in all material respects, the result of management's assessment on internal control over financial reporting in conformity with standards for assessment of internal control over financial reporting generally accepted in Japan.

Basis for Opinion
We conducted our internal control audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan. Our responsibilities under auditing standards for internal control over financial reporting are described in the Auditor's Responsibilities for Audit of the Internal Control section of our report. We are independent of MMC and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan (including provisions applicable to audits of financial statements of public interest entities), and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Audit Committee for the Internal Control Report
Management is responsible for designing and operating internal control over financial reporting, and for the preparation and fair presentation of the internal control report in accordance with standards for assessment of internal control over financial reporting generally accepted in Japan.
The Audit Committee is responsible for supervising and inspecting the provision and status of operation of internal control over financial reporting.
Internal control over financial reporting may not prevent or detect misstatements.

Auditor's Responsibilities for Audit of the Internal Control
Our responsibilities are to obtain reasonable assurance about whether the internal control report is free from material misstatement and to issue an auditor's report of internal control that expresses our opinion on the internal control report based on our audit from an independent point of view.
In accordance with auditing standards for internal control over financial reporting generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. Our audit of the internal control involves the following:

- We perform auditing procedures to obtain audit evidence about the results of the assessment of internal control over financial reporting in the internal control report. The procedures selected depend on our judgment as the Independent Auditor, including the significance of effects on reliability of financial reporting.
- We evaluate the overall internal control report presentation, including the appropriateness of the scope, procedures and result of the assessment determined and presented by management.
- We plan and implement audits of internal control in order to obtain sufficient and appropriate audit evidence about the results of the assessment of internal control over financial reporting in the internal control report. We are responsible for the direction, supervision and inspection of the audit of the internal control report. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding the planned scope and timing of the audit of the internal control and significant findings of the audit of the internal control, significant deficiencies in internal control that we identified requiring disclosure, results of the correction of such deficiencies and other matters required by auditing standards for internal control.
We also provide the Audit Committee with a report saying that we have complied with the ethical requirements in Japan regarding independence, on matters that may be reasonably thought to impact our independence, as well as cases where countermeasures have been established to eliminate obstructions to our independence or cases where safeguards have been applied to reduce these obstructions to allowable levels.

<Compensation-related information>
The amounts of compensation paid to us and other firms in the same network as us for audit attestation services and non-audit work for MMC and its subsidiaries are included in (3) Status of audits of Information about corporate governance, etc. in Information about Reporting Company.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan
Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

End

(Notes) 1. The original version of the Independent Auditors' Audit Report presented above is kept separately by MMC (the filing company of the Annual Securities Report).

2. XBRL data is not included in the scope of audit.

Independent Auditors' Audit Report

June 16, 2026

MITSUBISHI MOTORS CORPORATION

The Board of Directors

Ernst & Young ShinNihon LLC

Tokyo, Japan

Designated and Engagement Partner	Certified Public Accountant	Hirohisa Fukuda
Designated and Engagement Partner	Certified Public Accountant	Chihiro Yasunaga
Designated and Engagement Partner	Certified Public Accountant	Yasutaka Kakoi

<Financial statements audit>

Opinion

We have audited, pursuant to the provisions of Article 193-2, paragraph (1) of the Financial Instruments and Exchange Act of Japan, the non-consolidated financial statements included in "Financial Information," which consist of the non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in net assets, significant accounting policies and other notes, and non-consolidated supplementary schedules of MITSUBISHI MOTORS CORPORATION ("MMC") for FY2025 (April 1, 2025, through March 31, 2026).
In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position and results of operations applicable to the fiscal year ended March 31, 2026, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of MMC in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan (including provisions applicable to audits of financial statements of public interest entities), and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are matters which in the auditor's professional judgment are considered to be particularly important in the audit of the financial statements for the fiscal year under review. Key audit matters are matters that were dealt with in the process of undertaking the audit and forming the opinion for the entire financial statements, and we do not express a separate opinion on these matters.

Liabilities related to market quality measures

As stated in the Notes "Significant accounting estimates," MMC recorded 17,878 million yen of liabilities related to market quality measures in the fiscal year under review.
Descriptions of the "Key Audit Matter and Reason for Determining the Matter," as well as "How We Addressed the Matter in Our Audit," for this matter are omitted since the details are the same as the key audit matters (Liabilities related to market quality measures) described in the auditor's report on the consolidated financial statements.

Contingent liabilities for a product liability lawsuit in the United States

As stated in (4) Contingent liabilities in the Notes to balance sheet, in a product liability lawsuit filed in the Philadelphia Court of Common Pleas, Pennsylvania, the United States in November 2018, a judgment was entered on May 6, 2024 (U.S. local time) against MMC's North American subsidiary, Mitsubishi Motors North America, Inc. (MMNA), ordering MMNA to pay damages in the amount of 1,010 million U.S. dollars. On May 28, 2024 (U.S. local time), MMNA filed an appeal against the above judgment to the Superior Court of Pennsylvania, the

United States. On December 22, 2025 (U.S. local time), the court ruled that the first-instance judgment be vacated and the case be remanded.
Descriptions of the "Key Audit Matter and Reason for Determining the Matter," as well as "How We Addressed the Matter in Our Audit," for this matter are omitted since the details are the same as the key audit matters (Contingent liabilities related to a product liability lawsuit in the United States) described in the auditor's report on the consolidated financial statements.

Other Information
Other information comprises information contained in the Annual Securities Report other than the consolidated financial statements, the non-consolidated financial statements, and the audit report of the consolidated financial statements and the non-consolidated financial statements. Management is responsible for the preparation and disclosure of the other information. In addition, the responsibility of the Audit Committee is to oversee the execution concerning establishment and operation of the Company's reporting process of the other information, and the Directors' execution of their duties.
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.
If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
We have nothing to report in this regard.

Responsibilities of Management and Audit Committee for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, management is responsible for assessing MMC's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to a going concern.
The Audit Committee is responsible for overseeing the performance of duties by Executive Officers and Directors regarding the development and operation of MMC's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the financial statements is not to express an opinion on the effectiveness of MMC's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on MMC's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause MMC to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a report saying that we have complied with the ethical requirements in Japan regarding independence, on matters that may be reasonably thought to impact our independence, as well as cases where countermeasures have been established to eliminate obstructions to our independence or cases where safeguards have been applied to reduce these obstructions to allowable levels.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the fiscal year under review and are therefore the key audit matters. We describe these matters in the auditor’s report unless law or regulations precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

<Compensation-related information>

Compensation-related information is presented in the auditor’s report on the consolidated financial statements.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in MMC, which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

End

(Notes) 1. The original version of the Independent Auditors’ Audit Report presented above is kept separately by MMC (the filing company of the Annual Securities Report).

2. XBRL data is not included in the scope of audit.

[Cover page]

Document title:	Internal Control Report (“Naibutousei-Houkokusho”)
Clause of stipulation:	Article 24-4-4, paragraph (1) of the Financial Instruments and Exchange Act
Place of filing:	Director-General of the Kanto Local Finance Bureau
Filing date:	June 16, 2026
Company name:	三菱自動車工業株式会社 *(Mitsubishi Jidosha Kogyo Kabushiki Kaisha)*
Company name in English:	MITSUBISHI MOTORS CORPORATION
Title and name of representative:	Takao Kato, Representative Executive Officer and CEO
Title and name of chief financial officer:	Kentaro Matsuoka, Representative Executive Officer, Executive Vice President, CFO
Address of registered headquarters:	3-1-21, Shibaura, Minato-ku, Tokyo, Japan
Place for public inspection:	Tokyo Stock Exchange, Inc. 2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo, Japan

1. Basic framework of internal control over financial reporting

   Takao Kato, Representative Executive Officer, CEO and Kentaro Matsuoka, Representative Executive Officer, Executive Vice President, CFO have the responsibility for the design and operation of internal control over financial reporting of MITSUBISHI MOTORS CORPORATION ("MMC") and manage the design and operation of such internal control in accordance with the basic framework set forth in the document "On the Revision of the Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting (Council Opinions)" published by the Business Accounting Council.

   Internal control aims at achieving its objectives to a reasonable extent given that all individual components of internal control are effectively integrated, and function as a whole. Thus, it is possible that internal control over financial reporting may not be able to completely prevent or detect misstatements in financial reporting.

2. Scope of assessment, assessment date and assessment procedure

   Assessment of internal control over financial reporting was performed as of March 31, 2026 (i.e., the closing date of the fiscal year under review) in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

   In this assessment, evaluation was first made of company-level control which would have a material impact on the reliability of financial reporting on a consolidated basis, and based on such result, business processes to be assessed were then selected. In the business process-level control assessment, the effectiveness of internal control was assessed by analyzing the business processes in scope, identifying key controls that would have a material impact on the reliability of the financial reporting, and evaluating the designs and operations of these key controls.

   The scope of internal control assessment for financial reporting was determined by selecting MMC, consolidated subsidiaries and entities accounted for using the equity method based on the materiality of their impacts on the reliability of financial reporting. The materiality of the impacts on the reliability of financial reporting was determined in consideration of both financial and qualitative aspects and their likelihood, and the scope of assessment of process-level control was reasonably determined based on the result of the company-level control assessment, which included MMC, 15 consolidated subsidiaries, and one entity accounted for using equity method. Also, 20 consolidated subsidiaries and 15 entities accounted for using the equity method were determined to be of minimal financial and qualitative materiality and were not included in the scope of evaluation of company-level control.

   The core business of the MMC Group is the automobile business, involving design, manufacturing and sales of automobiles and component parts. Therefore, in selecting significant business sites, the Company adopted each business site's net sales (after elimination of intercompany transactions) as an indicator for determining their significance to the Company's business. Furthermore, given that the company-wide internal control assessment was favorable, we determined that it was reasonable to set the benchmark for the assessment scope at two-thirds. Specifically, for the purpose of determining the scope of process-level internal control assessment, net sales (after elimination of intercompany transactions) of each business site for the previous fiscal year were totaled in order from the business site that had the highest net sales amount, and ten business sites in total were designated as significant business sites, consisting of business sites that operate manufacturing or financial service business, in consideration of qualitative factors, in addition to business sites that contributed more than two-thirds of MMC's consolidated net sales in the previous fiscal year.

   In selected significant business sites, all business processes related to the accounts that are highly material to financial reporting in terms of amount and are closely associated with MMC's business objectives, such as net sales, accounts receivable–trade, and inventories, were included in the scope of assessment. Furthermore, as for the scope expanded to those other than the selected significant business sites, the Company included in the assessment scope business processes related to significant accounting items, which involve a high likelihood of material misstatement and require estimates or forecasts, and transactions involving significant risk as business processes that are highly material to financial reporting. Specifically, the scope includes the liabilities related to market quality measures and the estimates of various provisions.

3. Assessment result

   Based on the above-mentioned assessment results, it was concluded that the internal control over financial reporting at the end of the fiscal year under review was effective.

4. Supplementary information

   Not applicable.

5. Special notes

   Not applicable.

[Cover page]

Document title:	Confirmation Letter ("Kakuninsho")
Clause of stipulation:	Article 24-4-2, paragraph (1) of the Financial Instruments and Exchange Act
Place of filing:	Director-General of the Kanto Local Finance Bureau
Filing date:	June 16, 2026
Company name:	三菱自動車工業株式会社 *(Mitsubishi Jidosha Kogyo Kabushiki Kaisha)*
Company name in English:	MITSUBISHI MOTORS CORPORATION
Title and name of representative:	Takao Kato, Representative Executive Officer and CEO
Title and name of chief financial officer:	Kentaro Matsuoka, Representative Executive Officer, Executive Vice President, CFO
Address of registered headquarters:	3-1-21, Shibaura, Minato-ku, Tokyo, Japan
Place for public inspection:	Tokyo Stock Exchange, Inc. 2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo, Japan

1. Appropriateness of the descriptions in this Annual Securities Report

   Takao Kato, Representative Executive Officer, CEO and Kentaro Matsuoka, Representative Executive Officer, Executive Vice President, CFO of MITSUBISHI MOTORS CORPORATION, have confirmed that this annual securities report for FY2025 (April 1, 2025 through March 31, 2026) is reasonably and fairly stated in accordance with the Financial Instruments and Exchange Act and related regulations.

2. Special notes

   There are no noteworthy matters that are pertinent to this annual securities report.