

MITSUBISHI MOTORS CORPORATION



INTEGRATED REPORT 2024

For the year ended March 31, 2024



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Editorial Policy

- This report:
The Integrated Report 2024 describes Mitsubishi Motors' value creation process aimed at sustainable growth, our aims and the initiatives.
- Period Covered:
Mainly fiscal 2023 (the business year from April 1, 2023 to March 31, 2024), but including some content before and after that period
- Positioning of the integrated report
The Company discloses information in the following media.

Financial Information	Non-Financial Information
Integrated Report https://www.mitsubishi-motors.com/en/investors/library/annual.html	
Summary of Financial Results https://www.mitsubishi-motors.com/en/investors/library/earning.html	Sustainability Report https://www.mitsubishi-motors.com/en/sustainability/report/
Annual Securities Report https://www.mitsubishi-motors.com/en/investors/library/yuka.html	Corporate Governance Report https://www.mitsubishi-motors.com/en/sustainability/pdf/governance.pdf

Forward-looking Statements

Current plans, strategies, beliefs, performance outlook and other statements of Mitsubishi Motors Corporation (sometimes referred to as we, the Company, Mitsubishi Motors or MMC) in this Integrated Report that are not historical facts are forward-looking statements. These forward-looking statements are based on management's beliefs and assumptions drawn from current expectations, estimates, forecasts and projections. These expectations, estimates, forecasts and projections are subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those indicated in any forward-looking statement. Mitsubishi Motors Corporation, therefore, cautions readers not to place undue reliance on forward-looking statements. Furthermore, any forward-looking statements are subject to change as a result of new information, future events or other developments.





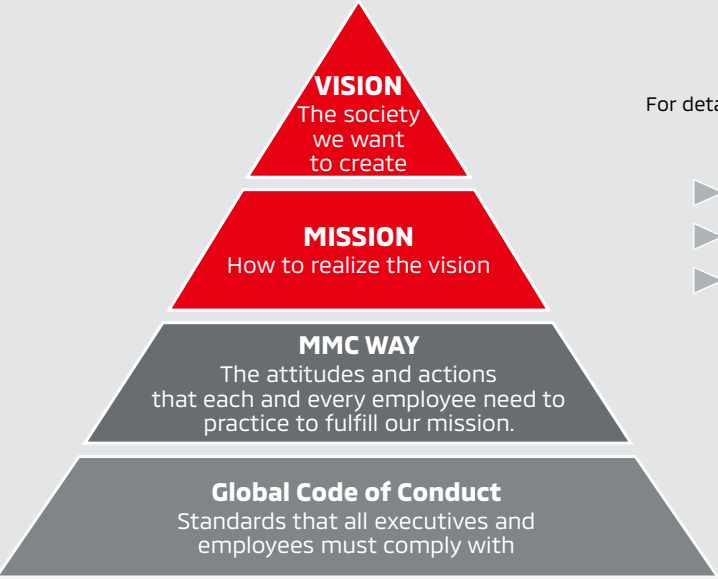
MITSUBISHI Philosophy System

Our company's corporate activities are based on the "Three Principles," which are positioned as the basic principles common to the Mitsubishi Group. The "MMC WAY" describes the attitudes and actions that each and every executive and employee should have and take. In addition, we aim to fulfill our "Mission" and realize our "Vision" by practicing the "Global Code of Conduct," which all executives and employees are required to follow.

We contribute to the realization of a sustainable society while deepening mutual understanding through dialogue with various stakeholders through business activities in each country and region centered on familiar products such as cars.

Vision & Mission

Mitsubishi Motors has formulated our corporate vision and mission to serve as common guiding principles for the employees of the Mitsubishi Motors Group as we look toward the future. The automobile industry is in a period of major change, and our business environment is also undergoing substantial changes. Under these circumstances, the Vision (the society we want to create) and Mission (how to realize the vision) specify how we become more proactive to exert a positive influence on society.



For details, please refer to the Sustainability Report

- ▶ Vision & Mission
- ▶ MMC WAY
- ▶ Global Code of Conduct



MISSION

Create a vibrant society
by realizing the potential
of mobility

VISION

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

Every adventurer needs a trusted partner.

Someone to give you courage and confidence.

Someone to take you to exciting new places.

Someone to help you overcome obstacles.

With them, wherever you go, nothing will get in your way.

They'll accelerate your dreams and push you even further.

Our cars are for everyone with an adventurous spirit.

Some get off track and seek spectacular scenery.

Others want to step out of their everyday to find something new.

We support every kind of adventure no matter the road you take.

Drive your Ambition

We'll awaken your spirit of adventure.

And help you take the next step whatever the direction.

That's why we make cars.

Cars that return safely from any challenge, condition or terrain.

Cars that can handle any road or any weather.

Cars so advanced in comfort, they elevate your mood.

Cars that protect our planet and our future with less impact on the environment.

Where shall we go with this car?

Let's head into the dawn together on a brand-new adventure.

Now is the time to take a new step forward.





We aim to provide people with mobility that offers better safety, peace of mind, and comfort, while exploring the potential for better convenience and efficiency, thereby creating a more prosperous and vibrant society.

Aiming to Provide Products and Technologies that Evoke Mitsubishi Motors-ness and Realize Our Vision

The automotive industry has experienced a series of technological innovations in recent years. In addition to moves toward electrification to counter global warming, we have seen the diversification of powertrains and the incorporation into vehicles of intelligence and the Internet of Things (IoT). Against the backdrop of this major transition and based on our vision, to “create a vibrant society by realizing the potential of mobility,” we are committed to providing all people with possible opportunities to go wherever they want, to see whatever they want, meet whomever they want, at any time, experience exciting adventures with confidence, and get home safely from any adventure.

The key to realizing this vision is to build long-term relationships of trust with our customers and enhance our brand value through products, technologies and services that are unique to Mitsubishi Motors. To make our brand value easier for customers to understand, we have redefined “Mitsubishi Motors-ness.” We now define Mitsubishi Motors-ness as “The provision to

customers of a fulfilling mobility life that awakens their adventurous spirit on the basis of reliability backed up by technology that achieves ‘Eco-friendly x Safety Technology, Peace of Mind and Comfort.’” We aim to strengthen the Mitsubishi Motors brand and pursue more value-added business by encouraging our customers to understand and empathize with this concept at every possible opportunity.

Responding to the Needs and Expectations of Society and Stakeholders through Corporate Activities Based on Our Material Issues

Furthermore, to achieve sustainable growth for Mitsubishi Motors, which is essential to the realization of our vision, in fiscal 2018 we identified priorities (material issues) to address from among various problems in the fields of the environment, society, and governance. We have taken a flexible approach to reviewing our materiality since then. By addressing materiality, we hope to meet the needs and expectations of society and our stakeholders.

To enhance effectiveness, we have assigned

responsibility for all 14 material items to executive officers and division general managers. In addition, the Sustainability Committee, which I chair, deliberates on targets for the materiality items that we have identified with respect to the environment, society, and governance, checks our progress, and implements a plan-do-check-act (PDCA) cycle.

Notably, in terms of “responding to climate change and energy issues,” in 2022 we stated our aim of achieving carbon neutrality throughout our supply chain by 2050. In 2023, we revised the targets serving as milestones along the path to achieving carbon neutrality by 2050 and updated the Environmental Vision 2050. Furthermore, in 2023 we revised our Environmental Targets 2030 as milestones in light of this aim. On the product front, we will take our own plug-in hybrid electric vehicles (PHEVs) and commercial electric vehicle in the Kei-car segment as a starting point. We will promote efforts to develop electrified vehicles and improve the fuel efficiency of internal combustion engine vehicles, and introduce optimal electrified vehicles at the appropriate timing, taking into consideration the energy situation and infrastructure development status in each country and region. In

our business activities, we will seek to minimize energy use and transition to renewable sources of energy to reduce CO₂ emissions.

On the other hand, recognizing that human capital is the source of sustainable growth, we will develop and secure the human resources necessary to realize our vision. Specifically, we will build a better place to work by introducing flexible working styles in consideration of childcare and family nursing care. We will expand mutual talent exchanges between Japan and overseas and global career development programs and launch digital reskilling programs to support DX. To secure and cultivate a diverse workforce, we will implement a flexible total rewards strategy and structure and develop vibrant workplaces in which employees appreciate the differences to fulfill their potential.

Making Steady Progress on Our Mid-Term Business Plan to Achieve Further Growth and Take on the Challenges of the Next Era

Under Challenge 2025, the mid-term business plan we launched in fiscal 2023, Mitsubishi Motors is taking a



new step toward realizing its vision. We are committed to innovation in our mobility business and to achieving carbon neutrality on a global scale. In addition, we are further accelerating our efforts toward sustainable growth by respecting human rights and establishing a work environment in which diverse human resources can play an active role.

Based on the resilient and agile business structure put in place through structural reforms enacted thus far, Mitsubishi Motors will expand its business in a manner suited to the unique characteristics of each region and country. We are working to establish a stable revenue base through ongoing improvement activities to increase profitability per unit. To achieve sustainable growth and tackle future challenges, we plan to steadily increase R&D and expenditures as we prepare for the next generation of innovation.

Fiscal 2023, the first year for Challenge 2025, was truly a turning point. The Company diverged significantly from past trends. For instance, we reviewed our regional portfolio in light of the situation in China and Russia, renewed the vehicle lineup including the introduction of new models from Alliance partners, revised

the product mix, and introduced Mitsubishi Motors' first hybrid electric vehicle (HEV). The success of the *Delica Mini* and the *TRITON*, which embody Mitsubishi Motors-ness, and the success of our hybrid model, the result of development over the past few years, generated a certain amount of revenue and provided a solid foundation for the next stage of growth.

Specifically, we steadily rolled out strategic vehicles for the ASEAN market: the all-new *TRITON* one-ton pickup truck; an all-new compact SUV, the *Xforce*; and hybrid models of crossover MPVs, the *XPANDER* and *XPANDER CROSS*.

On the sales front, per-unit sales increased due to our efforts to revise selling prices to boost profit per unit, and foreign exchange rates provided a tailwind. Looking at performance by region, profitability improved in Latin America, the Middle East, and Africa, where we can roll out products developed for the ASEAN market, and we achieved a shift toward value-oriented sales in North America. On the other hand, in response to rapid changes in the Chinese market we have fundamentally revised our strategy and reduced our local production of finished vehicles. We

had suspended assembly and production of finished vehicles in Russia in response to its military invasion of Ukraine, and we decided not to resume production. As an investment toward sustainable growth, we have decided to invest in Ampere, a new EV company established by the Renault Group. This move will step up the development of EVs in response to the growing trend toward electrification and strengthen cooperation with the Alliance. As the first step of this cooperation, in the European market we plan to receive EVs supplied by Ampere on an OEM basis.

Working to Rapidly Seize upon Moments of Rapid and Significant Change in the Automotive Industry and Turn Them into Opportunities

In the automotive industry, the presence of HEVs and PHEVs is increasing as demand for battery EVs temporarily levels off. In response to such rapid and significant changes, we are committed to providing sustainable mobility solutions to meet evolving needs. That said, we believe the overarching direction of change will

remain consistent, so in fiscal 2024 we will implement specific strategies for further growth in order to identify turning points and turn them into opportunities.

Through these efforts, we will continue to create value that exceeds the expectations of our customers, shareholders, and all other stakeholders, and establish our position of leadership for a sustainable future. We look forward to your continued support.

Takao Kato
Member of the Board
Representative Executive Officer, President & CEO
Mitsubishi Motors Corporation

The Value Creation Process

Societal Changes

- Society-wide efforts to achieve carbon neutrality are accelerating.
- Marketing activities are changing to target Generation Z, which values experiences, empathy, and time performance.
- Evolving digital technology is essential to strengthen competitiveness in the autonomous driving/connected/mobility business area.

Vision

**Create vibrant society
by realizing the
potential of mobility**

► Vision & Mission

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.

Inputs (fiscal 2023)

Financial capital	
• Total assets	¥2,454.5 billion
• Equity ratio	41.2%
• Free cash flow	¥1.9 billion
Manufacturing capital	
• Capital expenditures	¥93.6 billion
• Global bases	10 locations in 7 countries and regions
Intellectual capital	
• R&D expenses	¥114.6 billion
Human capital	
• Consolidated number of employees	28,982
Of which, Japan	18,950
ASEAN region	8,937
Other locations	1,095
Social capital	
• Social contribution expenditures	¥384 million
Natural capital	
• Energy input (Primary and secondary energy)	7.5PJ*
• Withdrawn water volume	4,268,000 m ³

*A Petajoule is 10¹⁵ Joules.

Highly Impactful Materiality

- Responding to Climate Change and Energy Issues
- Delivering Products which Help Prevent Traffic Accidents
- Improvement of Product, Sales, and Service Quality
- Contribution to Local Economy through Business Activities
- Creating an environment where diverse talent can demonstrate their abilities and work with pride and fulfillment
- Strengthening Governance and Ensuring Compliance

► Mitsubishi Motors' Materiality

The Three Main Challenges of the "Challenge 2025" Mid-Term Business Plan

- **Establishment/strengthening of absolutely stable revenue base**
Categorize each country's market based on regional growth potential and implement strategies suited to the characteristics of each region
- **Working toward carbon neutrality**
Increase the ratio of electrified vehicles by boosting the proportion of R&D expenses and capital expenditures spent on electrification, strengthen collaboration within the Alliance and reduce CO₂ emissions from business activities
- **Digitalization/Expansion into New Business Areas**
Accelerate DX and new business initiatives to survive in an era of major change

► Mid-Term Business Plan

Corporate governance

Alliances

Respect for human rights

Value chain

► Corporate governance ► Respect for human rights

A Foundation That Supports Value Creation

Outputs

Financial ► Business results and financial information

	Fiscal 2023	Fiscal 2025
Retail sales volume	815,000 units	1,100,000 units
Net sales (billions of yen)	27,896	
Operating profit (billions of yen)	191.0	220.0
Equity ratio (%)	41.2	45.0

Social ► Social

- Help reduce traffic accidents
- Provide quality and service that satisfies customers
- Promote economic development in the regions where we operate
- Produce a diverse workforce that can demonstrate its capabilities
- Promote disaster countermeasures, such as electricity supply systems that use electrified vehicles

Environment ► Environment

	Fiscal 2023	Fiscal 2030
Average CO ₂ emissions from new vehicles (Tank to Wheel) (Compared to fiscal 2010)	-17%	-40%
Percentage of EVs in the sales mix (100% by fiscal 2035)	15%	50%
CO ₂ emissions from business activities		
(Scope 1)	96,000 t-CO ₂	
(Scope 2)	264,000 t-CO ₂	
(Total Scope 1 and 2) (Compared to fiscal 2018)	-34%	-50%

Mobility

- Provision of battery reuse, energy management services, etc.



Value Provided

Mitsubishi Motors-ness

Providing customers with a fulfilling mobility life that awakens their 'Adventurous Spirit' on the basis of reliability backed by technology that achieves 'Eco-friendly x Safety Technology, Peace of Mind and Comfort'

► Mitsubishi Motors-ness



Environmentally friendly and enable activities close to nature



Contribute to carbon neutrality with commercial EVs



Enable anyone to experience an exciting adventure with confidence



Enable people to get home safely with their family from any adventure



Reliable and useful when needed in natural disasters, power cuts, etc.

Message from the CFO



Kentaro Matsuoka

Representative Executive Officer,
Executive Vice President
(CFO)

We will continue our value-oriented business and generate cash flow by manufacturing vehicles that embody "Mitsubishi Motors-ness."

Fiscal 2023 in Review

In the second half of fiscal 2023, the competitive environment began to normalize as inventory shortfalls caused by shortages in the supply of semiconductors and other components were generally resolved, and the business environment was generally difficult, as overall automobile demand declined significantly in some countries. Against this backdrop, the Mitsubishi Motors Group focused on improving earnings per unit by clarifying cost priorities, improving the quality of sales, and "quality-of-sales improvement activities."

As a result, in fiscal 2023 global sales volume was down 2% year on year, to 815,000 vehicles, but net sales grew 13%, to ¥2,789.6 billion. Operating profit came to ¥191.0 billion, up ¥0.5 billion, despite sluggish overall demand in some parts of the ASEAN region,

fiercer competition due to alleviation of constraints on the supply of vehicles, and a deterioration in material expenses and transportation expenses, as we overcame these challenges by increasing selling prices in line with improvements in sales quality and benefited from favorable exchange rates. Ordinary profit increased ¥27.0 billion year on year, to ¥209.0 billion, and profit attributable to owners of the parent was ¥154.7 billion, down ¥14.0 billion.

Future Outlook

Looking at the global situation, economic conditions and demand trends vary by region. Even within the ASEAN region, which we are working to strengthen as a growth driver, in some countries the market recovery is being delayed. Exchange rates and stock markets

have been highly volatile due to various countries' announcements on monetary policy and indexes. Furthermore, many countries will hold presidential or general elections in 2024, and incoming administrations could substantially affect policies, regulations, and international affairs. Against this uncertainty, we will embark on the second year of Challenge 2025, our mid-term business plan.

In fiscal 2023, we launched a series of new models as strategic vehicles for the ASEAN market. In fiscal 2024, we will sequentially roll out these vehicles in non-ASEAN regions, leveraging our strategic vehicles for the ASEAN market to strengthen sales on a global scale. These new products will embody our brand value, espousing "The provision to customers of a fulfilling mobility life that awakens their adventurous spirit on the basis of reliability backed up by technology that achieves 'Eco-friendly x Safety Technology, Peace of Mind and Comfort.'" We will continue to build cars that embody this commitment to "Mitsubishi Motors-ness" and engage in value-oriented business supported by customer empathy.

Meanwhile, the automotive industry is working to address global environmental issues by becoming carbon neutral. Meeting this goal will require a variety of options, not just battery EVs (BEVs). The BEV market, which had been growing in China, Europe, and the United States, is now approaching a plateau, partly due to policy support, and the role of hybrids is being reevaluated. Having accumulated electric vehicle technologies through BEVs and PHEVs, we are now ready

to introduce HEV models, starting with the *XPANDER*, and we will continue to further refine these technologies going forward. We will also work to improve profitability by strengthening our value chain, which includes peripheral businesses in addition to the manufacture and sale of automobiles.

By implementing these initiatives as planned, in fiscal 2024 we expect sales volume to grow 10% from the fiscal 2023 level, to 895,000 units. We anticipate net sales of ¥2,880.0 billion, operating profit of ¥190.0 billion, and profit attributable to owners of the parent of ¥144.0 billion.

Shareholder Returns

Mitsubishi Motors understands that capital is in high demand, as it allows companies to achieve sustainable growth through the further promotion of technological innovations and environmental efforts. On this foundation, it is our basic policy to maintain the stable distribution of profits to shareholders after comprehensively considering cash flows, financial condition, and business performance. In light of recent trends in the business environment, by the end of fiscal 2024 we hope to finalize our medium- to long-term investment policy for future growth, including electrification and carbon neutrality. We will then present a specific policy for shareholder returns at an early date. As we move forward with these considerations, for fiscal 2024 we intend to award annual dividends of ¥15 per share (up ¥5 per share), as our next step to improving shareholder returns.

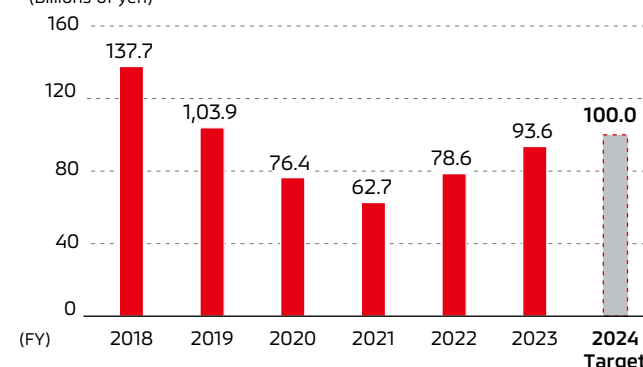
Operating Performance and Forecast

(Billions of yen, thousands of units)

	FY2023 (Actual)	FY2024 (Forecast)
Sales volume (retail)	815	895
Net sales	2,789.6	2,880.0
Operating profit	191.0	190.0
Ordinary profit	209.0	190.0
Profit attributable to owners of the parent	154.7	144.0

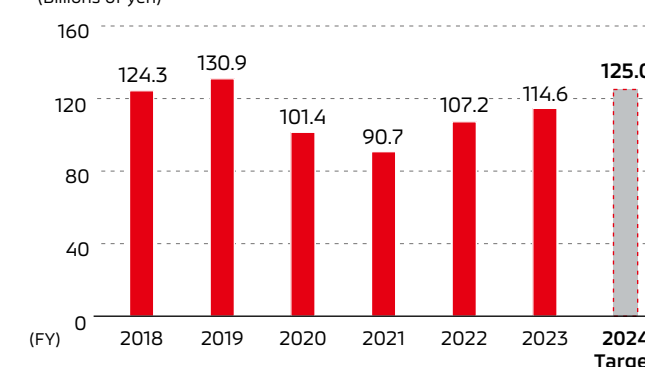
Capital Expenditures

(Billions of yen)



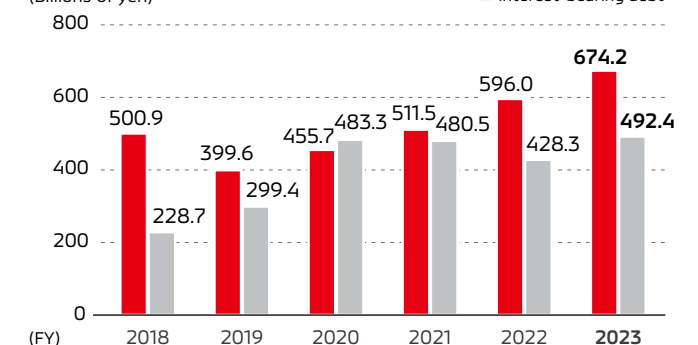
R&D Expenses

(Billions of yen)



Cash and Deposits/Interest-Bearing Debt

(Billions of yen)



Feature: We Aim to Realize a Sustainable Society and Sustainable Growth for the Mitsubishi Motors Group.

Long-Term Road Map

In developing Mitsubishi Motors' mid-term business plan, through activities called "15-Year Plan" with a global view of the world 15 years from now in mind, we established a road map in the three areas of technology, regional communities, and the mobility business. We believe that there are three major societal changes that will bring about significant transition in the environment surrounding the automotive industry over the next 15 years.

The first is the global challenge of climate change. In the automotive industry, we see advances in batteries and biofuels as supporting the achievement of a carbon-neutral.

The second is the customer image. Generation Z, who are digital natives and prioritize experience and empathy, will be the core automotive purchasing group and user group in future, and we believe that this will greatly change marketing and sales activities going forward.

The third is the diverse and ever-evolving digital technologies. We recognize that incorporating these

evolutions is essential for enhancing our competitiveness in areas such as autonomous driving, connected car service, and the mobility business.

Environmental Targets 2030

In our previous mid-term business plan, "Small but Beautiful," we emphasized strengthening environmental technologies with a focus on plug-in hybrid electric vehicles (PHEV). In November 2020, we announced the Environmental Plan Package (Environmental Policy, Environmental Vision 2050, and Environmental Targets 2030) that sets our direction and targets for environmental initiatives looking ahead to the next 30 years.

In response to the increasing interest in carbon neutrality, in 2022, we declared our commitment to achieving carbon neutrality throughout our supply chain and revised our Environmental Vision 2050 accordingly. Furthermore, in 2023, we revised our Environmental Targets 2030, specifically raised our FY2030 business activities CO₂ emissions reduction target by "-50% compared with the FY2018 level," maintaining our

current targets of "- 40% compared with the FY2010 level" for average CO₂ emissions from new vehicles and "50% for FY2030" for the electrified vehicles sales ratio, we have also established a lofty target of "100% in

FY2035" for the electrified vehicles sales ratio. In order to solve the global issue of climate change, we will continue to make steady progress in these initiatives.

► Environmental Targets 2030

Revised Targets

CO₂ emissions from business activities
(Total Emissions of Scope 1 and 2)

-40% → -50%
(Compared to FY2014) (compared to FY2018)

Added Targets

- **Ratio of electrified vehicles sales 100% by FY2035**
- **Promoting CO₂ emission reduction activities through collaborations with suppliers/transporters in the fields of procurement and logistics**
- **Provision of energy management services utilizing electrified vehicles and used batteries**

Mid-Term Business plan, "Challenge 2025"

We developed the new mid-term business plan, "Challenge 2025," announced in March 2023, performing backcasting the road map for the technology, regional communities, and mobility business sectors outlined in our "15-Year Plan."

In "Challenge 2025," we have set three major challenges to achieve the sustainable growth of Mitsubishi Motors amid the significant environmental changes that surround us.

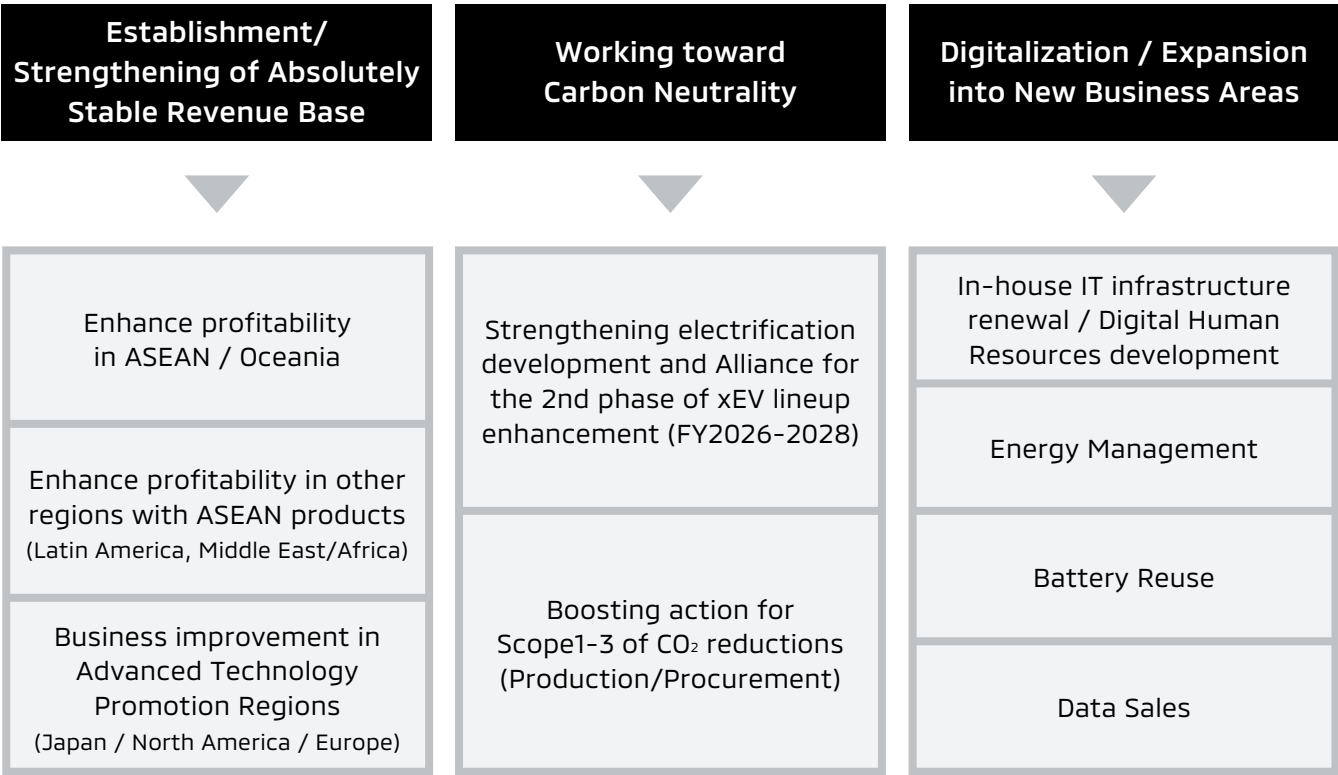
Firstly, it is a regional strategy to establish a stable revenue base. We set the global market into three categories and after clarifying the role of each region, we work to establish and strengthen the absolutely stable revenue base.

Long-Term Road Map

	2020	2025	2030	2035
Societal Changes	Increased awareness of CN		Initiatives to achieve CN / Battery evolution	
	Generation Z (prioritize Experience, Empathy, and Time Performance)		To Generation α...	
	Digital Technology Evolution (Comms(5G/6G), DX, AI, Robotics, and Metaverse)			
Mid-Term Business Plan	"Small but Beautiful"	"Challenge 2025"		
Vehicle Electrification	Mainly ICE	ICE / HEV / PHEV / BEV mixed		Mainly HEV / PHEV / BEV Mainly BEV
DX/ New Business	Use of digital tech in business	System upgrade DX		Fully fledged rollout of new business using digital tech
Business Form	Vehicle sales After sales	Value chain expansion New business challenges		Vehicle sales + securing profit in new business areas Deeper collaboration with partners (energy management, etc.)
Regional Strategy	Global rollout	Focus area selection and role clarification		Clarifying regional roles and securing profit in each region

* Internal combustion engine vehicles

The 3 Major Challenges in "Challenge 2025"



Particularly in the ASEAN, which we have categorized as a growth driver, from FY2023, we will roll out a series of new products that encapsulate "Mitsubishi Motors-ness." We will work to improve the brand value of Mitsubishi Motors by closely linking those products and opportunities for customers to experience them. And in ASEAN countries we will grow the number of sales outlets, increase area coverage, improve store facilities and customer interaction methods, improve convenience for customers through digitalization, and take other actions to achieve quality improvement in both sales and services.

Secondly, it is "working towards carbon neutrality." As the automotive maker that was the first in the world to achieve mass production of BEV and SUV PHEV models, we will bolster our development of electrification technology, while collaborating within the Alliance. Over the next five years, we will roll out nine electrified vehicles in the market. Our numerical targets for the environment are set on a Tank-to-Wheel basis. By combining the quietness and pleasant acceleration performance that are the

attractive features of electrified vehicles with durability and reliability in technology and four-wheel control that forms our DNA, we will introduce to the market electrified vehicles that embody "Mitsubishi Motors-ness." We will continue to work on car manufacturing that combines ever-evolving IT and digital technologies with comfortable and advanced interior spaces, aiming to create a more attractive and fulfilling mobility life that awakens their adventurous spirit. Additionally, we will strengthen our efforts in further electrification, not only by reducing battery costs but also by minimizing cost of ownership for our customers through energy management and the reuse of used batteries. We will also aim to reduce emissions of greenhouse gas that originate from our business activities.

Thirdly, it is "digitalization/expansion into new business areas." Based on the assumption that the digital natives who are Generation Z will become the core automotive purchaser and user group, we will renew our IT infrastructure in operations and go forward with digital transformation.

Furthermore, we believe that electrification and the evolution of digital technology will provide opportunities for new business such as energy management and the data business. During the period of the new mid-term business plan, we will explore the possibilities of new business, and work to build an infrastructure for a subsequent full-scale undertaking.

As the business environment changes rapidly, the key for us to grow sustainably and achieve improved corporate value is "employees." In FY2022, we had many discussions of the ideal standards for Mitsubishi Motors. We updated our action guideline "MMC WAY," by taking on ever more challenges that each and every one of our employees faces in uncharted areas with the aim of meeting the expectations of our stakeholders and contributing to the realization of a sustainable society. In order to establish a fulfilling workplace, foster talent, and ensure a diverse workforce as the basis for implementing the "MMC WAY," we will promote the following initiatives which are aligned with our management strategy.

"Mitsubishi Motors-ness"

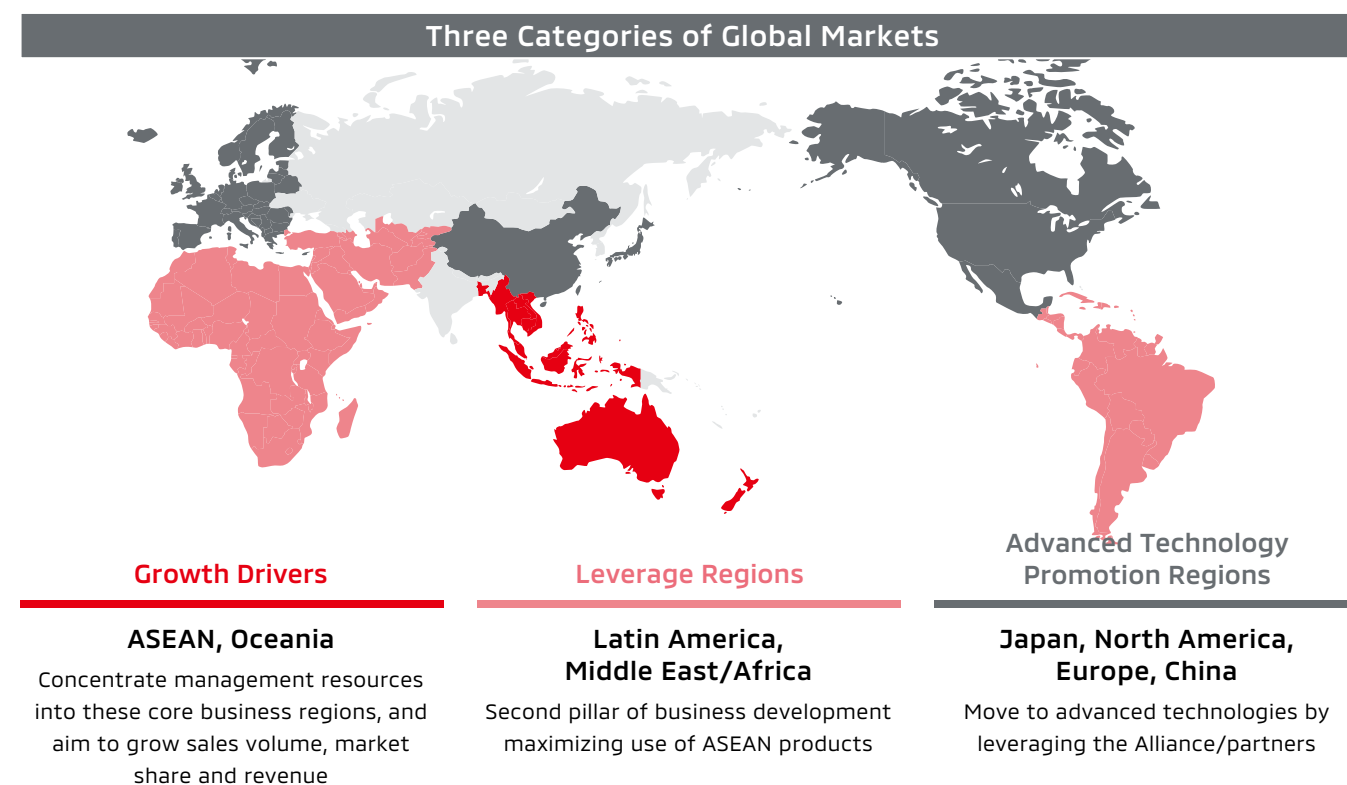
In order to encourage customers to choose our products, we have redefined "Mitsubishi Motors-ness" in our new mid-term business plan, "Challenge 2025."

"Mitsubishi Motors-ness" means providing customers with a fulfilling mobility life that awakens their adventurous spirit on the basis of reliability backed up by technology that achieves "Eco-friendly x Safety Technology, Peace of Mind and Comfort."

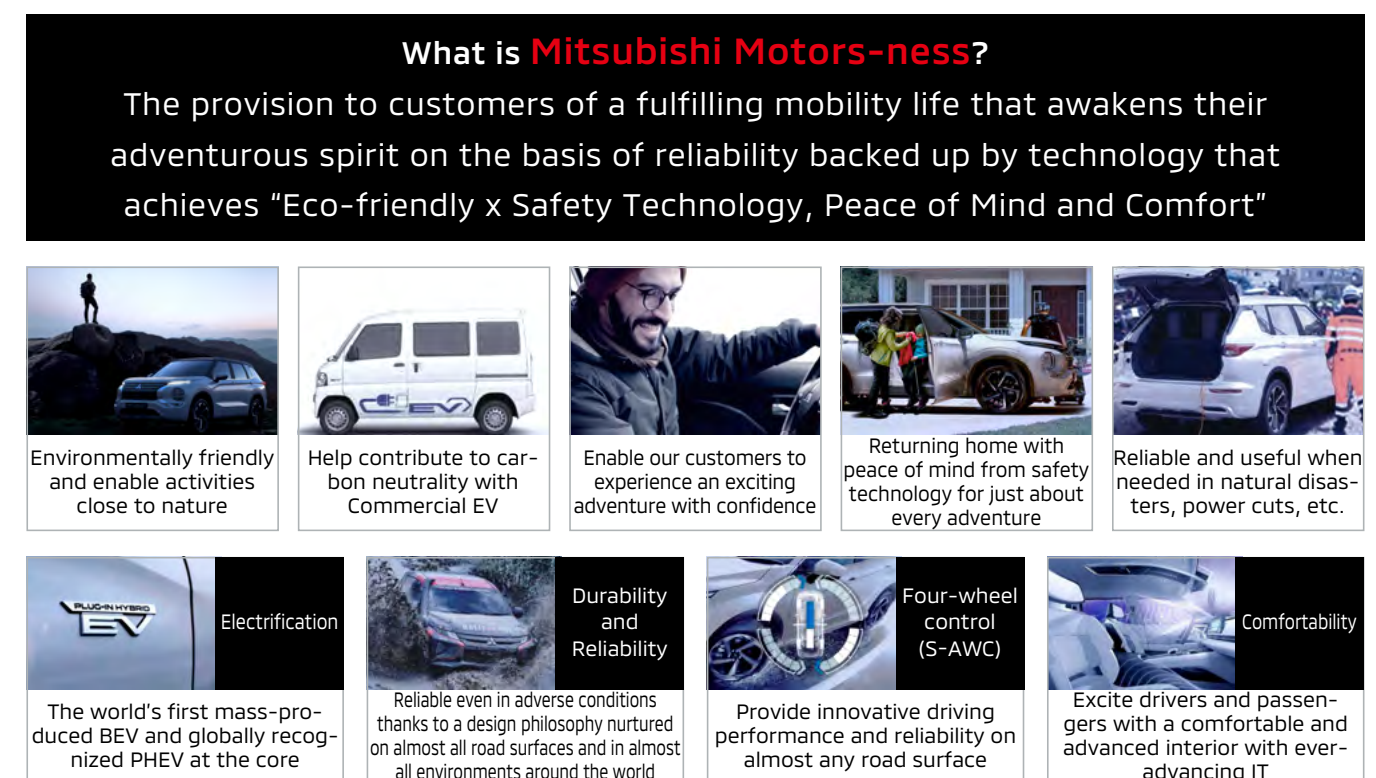
We aim to bring joy to the lives of our customers by providing them with something new, not to mention those who drive uncharted path, but also those simply want to expand their world a little even if they are anxious about driving.

We will thoroughly refine our unique value, of "Mitsubishi Motors-ness," and convey to it to our customers to gain their understanding and empathy. In this way, we will strengthen our brand and promote the penetration of value-oriented businesses.

Regional Strategy



Pursuing "Mitsubishi Motors-ness"



Marketing

Differentiation Essential to Achieving Substantial Sales Growth

Ana Paulina Velazquez

Brand & Marketing Director
Mitsubishi Motors
de Mexico S.A. de C.V. (MMDM)

One of our key goals under the mid-term business plan, “Challenge 2025,” is to achieve significant sales growth. We are currently working toward a 40% year-on-year increase. Mexico tends to be a very competitive market, and it is becoming even more so. Around 2020, 22 car brands were competing in Mexico, but since then more Chinese brands have entered the market. In 2024, there will be 46 brands competing with each other, 25 of which are Chinese brands.

To meet our targets, we must differentiate ourselves in this highly competitive field, so we are marketing our products with the utmost “Mitsubishi Motors-ness.” We appeal to our customers in a way that satisfies their mobility needs and arouses their sense of adventure. In addition to new car sales, we are working on strategies involving after-sales service. We are particularly focused on our customer experience strategy. Here, we seek to ensure that our customers are

satisfied with their overall experience with Mitsubishi Motors through attractive products and excellent service, and to maintain their loyalty. Through such initiatives, we strive to differentiate ourselves and ensure that our customers have an enjoyable experience throughout the entire time they use a Mitsubishi Motors vehicle.

In addition to significant growth in sales, I have another goal that motivates me to work hard at Mitsubishi Motors—the proliferation of electrified vehicles. Electrified vehicles will be an important way to reduce pollution in Mexico, and I believe Mitsubishi Motors is a dependable brand that can achieve this.



Employees at MMDM

We are pursuing quality that exceeds expectations to ensure growth in sales volume.

Ritsu Imaeda

President
Mitsubishi Motors Philippines Corp.
(MMPC)

MMPC, which has around 1,400 employees, is engaged in the manufacture and sale of automobiles and boasts the second largest market share in the Philippines. Currently, sales volume in the Philippines is growing dynamically, and this is one of the most important markets for Mitsubishi Motors.

Since I took office, I have been working to strengthen our quality-related systems. Quality requires a multifaceted approach, incorporating manufacturing quality, sales quality, and service quality. To sustain the growth in sales volume we have experienced in recent years and to grow further, it is very important to achieve quality that exceeds customer expectations. We will pursue quality that increases customer satisfaction in each process from sales to service, including improvement activities focused on customer service at dealers.

From a sustainability perspective, we also want to continue contributing to the development of

Sales



the Philippine machinery industry and the local economy through our business. In 2023, Mitsubishi Motors celebrated its 60th anniversary in the Philippines. We have overcome a number of difficulties during this period, including the Asian currency crisis and the global financial crisis. We are proud of the fact that we have been able to surmount these challenges and continue to manufacture and sell our products in the Philippines, which has contributed in no small measure to the fact that we have the second largest market share and are well accepted in the market. We value this trend and

will continue to do our part, including by supporting the technological growth of our employees and our approximately 60 suppliers.

In closing, I would like to note that even though Japanese cars account for about 80% of the Philippine market, we cannot rest on our laurels. Filipinos have a strong affinity not just for cars, but also for the Japan brand. In order to further enhance our presence, we must not only promote the value of Mitsubishi Motors, but also make contributions that incorporate the appeal of the Japan brand value.



Xforce unveiling ceremony



We promote human resource strategies that encourage new value creation.

Akihito Imai

Assistant Division General Manager
Human Resources Division

To support the fulfillment of our mid-term business plan, Challenge 2025, we have established a Human Resources Development Council consisting of the president and other members of the management team to promote HR strategies that are linked to management strategies. The council is developing specific measures after clearly identifying gaps in human resources. Specifically, to meet current gaps we are striving to thoroughly implement the "MMC WAY" HR philosophy. We are working on human resource recruitment and retention, HR development, organizational development, and DE&I, with a focus on improving quantity and quality.

To ensure the thorough implementation of our HR philosophy, each year we hold workshops at our workplaces based on the MMC WAY, which we updated in fiscal 2022. We have introduced an evaluation system to measure the degree of embodiment by conducting behavioral evaluations based on the new MMC WAY. To secure and retain human resources, we are working

to revise our personnel structure and strengthen the recruitment of new graduates and career workers against a backdrop of new technology development and new business initiatives. In human resource development, we are enhancing management training to strengthen organizational management and guidance and development. We are also stepping up the development of next-generation leaders by introducing a selective training program (Leadership Development Program). For general positions, we define the ideal human resources for each function and job classification. On this basis, we have established an assortment of training programs to provide detailed human resource development. We provide career support for young and mid-career employees through the Global Career Development Program (GCDP), a training program for employees dispatched overseas through mutual personnel exchanges with overseas affiliates. We also conduct engagement surveys to monitor and verify

the effectiveness of company-wide and departmental initiatives, and develop organizational development support programs to cultivate a vibrant workplace.

Based on the "Three Principles," which are positioned as the basic principles common to the Mitsubishi Group, as well as our "Vision," "Mission," and the "MMC WAY," we are proud to work for Mitsubishi Motors, and we are committed to supporting the career development of diverse human resources who respect each other and take on the challenges of change. We are also working to create an environment that encourages the success of each and every one of our employees.



Global Career Development Program (MMTh)

Embracing a Five-Step Approach to Challenge 2025

Madelene Nieves

Vice President
Mitsubishi Motor Sales of
Caribbean, Inc. (MMSC)

I currently oversee the operations of MMSC, which comprises a local distribution center and 19 dealers. My role is to enhance delivery and dealership operations, as well as to improve the customer experience and enhance the brand image. To realize Challenge 2025, MMSC has adopted a five-step approach to the transformation process.

The first step is employee engagement, organizational reform, and diversity. A few years ago, we started engaging employees in the transformation process to embed Mitsubishi Motors-ness, a customer care approach, and social responsibility. Now, our employees understand our role in the transformation process, and our organization is moving from a traditional business model to a customer care approach. Also, we are demonstrating diversity. In a traditionally male-dominated industry, 43% of MMSC's employees and 55% of managers are women.

The second is dealers' holistic business approach. To encourage



this change, MMSC has introduced a "scorecard" that highlights dealers' overall improvements in operational areas.

The third step is brand image enhancement. In pursuit of "Mitsubishi Motors-ness," we are creating digital content that promotes new experiences related to Mitsubishi Motors products. We are offering test drive experiences and reinforcing exhibitions to expand touch points.

Fourth is enhanced compliance. We have created a Compliance Division and are reviewing and revising poli-

cies and procedures, internal controls, contract management, and decision-making process management.

The fifth and final step is contribution to a sustainable society. In 2023, MMSC launched "Mi Society," a social responsibility program. Specific actions are to foster the island's economic development, promote land protection and natural resource conservation, and underpin health and well-being initiatives.

I will continue to make a social contribution through these transformation processes.



MMSC's CX Workshop



Delivering Quality All Over the World from MMKI

Oktobriyanto

Manager
Mitsubishi Motors
Krama Yudha Indonesia (MMKI)

Undeniably, the key to successful production activities is quality. We are confident that MMKI's products deliver the high quality that satisfies our many customers.

The support of all departments and suppliers is crucial to maintaining consistently high quality. For this reason, we are striving to deepen communication and strengthen cooperation among departments, and suppliers not only those involved in production, but also those involved in the next stages, pre-delivery inspection, dealers, and all processes up to the delivery of the vehicle to the customer.

Under our mid-term business plan, "Challenge 2025," our top priority is to meet production targets and improve quality, and we have set quantitative goals. Our quality department has a strategic role in achieving these goals and my challenge is to do my best to meet them. So, as I mentioned, we have put in place a system of close infor-

mation exchange and deeper communication to address quality issues step-by-step. Specifically, quality is discussed daily at three on-site follow-up activity meetings, at the weekly quality review meeting, at the monthly quality review meeting, and at the daily vehicle audit follow-ups. We implement measures to prevent defective products based on close communication at each meeting. In the event of a defective product, we respond promptly, conduct investigations in parallel, and introduce permanent measures to

address the root cause.

Ultimately, in fiscal 2023 we produced approximately 143,000 vehicles. Our defect rate for the first three months after new vehicle launch was 1.0 (below the target of 1.6). We are pleased to have met our production target, improved quality, and delivered high quality products to customers in more than 50 countries and regions around the world. We will continue with these activities so we can surpass the targets set under Challenge 2025.



Production site

We contribute to the environment and safety through liaison activities in the ASEAN region.

Kazuhiko Watanabe

Division General Manager
Development Management Division

The Development Management Division consists of Development Management Department, which manages workload, facility, and development budget to support development, and Certification & Regulation Compliance Department, which investigates regulation information from around the world to support vehicle development in compliance with regulations and works to obtain certifications.

One of our unique activities is our technical liaison activities in the



ASEAN region, where we proactively strengthen communication with local governments and ministries to build win-win relationships that contribute to the environment and safety of the country or region.

For example, ASEAN countries tend to specialize in battery EVs to enforce environmental regulations and promote electrification. However, we understand that HEVs and PHEVs will also be important for some time in the promotion of electrified vehicles. We share this under-

standing with governments, and encourage them to consider supportive policies on an ongoing basis.

In addition, a survey of the needs of customers, governments, and ministries in the ASEAN region has shown that, in addition to reducing CO₂, reducing traffic fatalities is also an issue. In response, we have been planning and implementing activities in the area of road traffic safety in collaboration with industry, academia, and government.



Energy Security & Carbon Neutrality Seminar in Indonesia
(Sponsored by the Bandung Institute of Technology)

At the November 2023 conference, we participated in presentations and panel discussions on the current status and challenges to achieving carbon neutrality and energy security.



Thailand Road Traffic Safety Forum
(Sponsored by the Thailand Accident Research Center)

At the forum held in March 2024, we participated in a presentation and panel discussion on the current status and future vision of traffic accident data analysis, including fatal accidents involving motorcycle riders, which are characteristic of the ASEAN region.

One after another, we are commencing the overseas production and sales of electrified vehicles.

Mitsubishi Motors is promoting the development and popularization of electrified vehicles and their use in society as a priority to address climate change and energy issues. As part of this effort, we have begun production and sales in Thailand and Indonesia.

XPANDER and XPANDER CROSS HEV Models of Crossover MPVs

Achieving the Comfortable, Safe, Secure Road Performance Unique to Electrified Vehicles and Made Possible by an HEV System Derived from PHEVs

The XPANDER is a crossover MPV that combines the comfort and versatility of an MPV with the bold styling and road performance of an SUV. After its debut in Indonesia in 2017, it was subsequently rolled out in the ASEAN region, Latin America, the Middle East, and other markets, with the XPANDER CROSS added in 2019 as the top variant of the series.

The additional HEV models are being produced at the Laem Chabang Plant of Mitsubishi Motors (Thailand) Co., Ltd. The models combine Mitsubishi Motors' trademark electrification and all-wheel control technologies to raise the appeal of the XPANDER series to another level. Newly developed based on our PHEVs, the HEV system delivers an eco-friendly and exhilarating driving experience unique to electrified vehicles. In addition, all-wheel control technologies enable safe, secure driving at will, and a variety of drive modes provide optimal driving on any road surface and in any weather condition. Moreover, drivers can actively choose EV driving according to the situation, such as driving in quiet residential areas early in the morning.

Key Product Features

- An eco-friendly, exhilarating and powerful motor drive made possible by an HEV system derived from PHEVs
- Seven newly developed drive modes for EV driving at will and for safe, secure road performance in various weather and road conditions
- An even more comfortable cabin space for driving with family and friends, plus a dedicated exterior accent for a distinctive look



XPANDER HEV model



XPANDER CROSS HEV model

The MINICAB EV, a Kei-Car Class Electric Commercial Vehicle (Local Name: L100 EV)

Contributing to the Reduction of CO₂ Emissions in the Last Mile of Commercial Use

The MINICAB EV is a kei-car class electric commercial vehicle with a monobox design that we have begun producing at Mitsubishi Motors Krama Yudha Indonesia. By installing EV components without sacrificing cargo capacity, such as by placing the drive battery below the floor in the center, we have provided a large amount of cargo space, and the low center of gravity provides excellent handling stability and good ride comfort. The high-output motor helps retain the smooth and powerful driving performance unique to an electric vehicle, delivering a crisp, stress-free driving. Moreover, enhanced quietness allows users to drive early in the morning or late at night with no fear of disturbing others.

In response to the accelerating efforts for decarbonization aimed at achieving carbon neutrality by 2050, and the growing demand for kei-car class electric commercial vehicles from the logistics industry and government agencies, We will contribute to the reduction of CO₂ emissions in the last mile with the new MINICAB EV.

Key Product Features

- By using a 20kWh drive battery, the cruising range per charge has been extended to 180km (in WLTC mode).
- A normal charging at AC200V (15A) takes approximately 7.5 hours to fully charge the battery.
- Up to 80% of the battery can be charged in approximately 42 minutes with quick charging (when the maximum output current of the quick charger is 60A or higher.)



MINICAB EV

Roundtable Discussion among Outside Directors



Main Kohda

Outside Director
Independent Director
Nomination Committee chair
Compensation Committee member

Tomofumi Hiraku

Chairman of the Board
Outside Director
Independent Director
Nomination Committee member

Junko Ogushi

Outside Director
Independent Director
Audit Committee member

We met with the Company's independent outside directors to discuss the evolution of corporate governance, the mid-term business plan, Challenge 2025, and key issues for future growth.

The Role of Outside Directors at Mitsubishi Motors

Please share your thoughts on the outside director role and what areas should be emphasized.

Kohda The role of the independent outside director is to bring a voice from outside to the management team and provide objectivity and transparency. I became an outside director in 2018, at a time when compliance and performance recovery were priorities, and I said some pretty tough things regarding the need for transparency and objectivity in the decision-making process. Over the past six years, however, the executive team has worked tirelessly. The Company has transformed itself into an entity with a robust management structure, governance has improved, and accountability has become the norm. There is a growing emphasis on long-term perspectives, stakeholder value, and sustainability. I am very happy to see these developments.

Ogushi I was appointed as outside director just last year, so I am not familiar with those difficult times, but I recognize that Mitsubishi Motors has implemented reforms and is now in a phase of normal operation—an evolutionary phase, so to speak. In this context, I place particular emphasis on the perspective of the organization as a whole and on the frontlines. These two perspectives may seem to be opposites, but by being objective and focusing on these perspectives, we can identify areas of difficulty or waste that the execution side might tend to overlook. To achieve this, we must continue to study the Company. In addition to receiving explanations from each department, we are striving to understand our business and workplaces through visits to domestic and overseas production sites and information sharing from the Audit Division.

Hiraku As chairman of the Board of Directors, I encourage candid discussions among the board members. At the same time, I strive to utilize my own knowl-

edge of industrial policymaking, DX, and global management, based on my experience working at the Ministry of Economy, Trade and Industry and IBM Japan.

I believe corporate managers in the automotive industry bear tremendous responsibilities. Companies in the automotive industry have many business partners and other affiliates, and this is one of Japan's mainstay industries. As industrial structures become increasingly complex, the mobility society is also entering a period of unprecedented change, and companies are constantly being challenged to innovate in order to survive.

Kohda The automotive industry is characterized by high unit costs, long usage periods, and an established market for pre-owned vehicles. On a recent trip to Brazil, I saw that the *Lancer Evolution* is extremely popular in the used car market there, and I realized how much of an impact our cars have on the world. Above all, cars are closely interwoven into people's lives. We need to take responsibility for our vehicles from the time of sale to the end of their lives—maybe even after they are scrapped. For this reason, the commitment and pride of the people who make and sell these products are extremely important in this business, and we need to continue nurturing them.

Ogushi Understanding the breadth and depth of the automotive business is no simple matter, given the size of the networks involved, the multiple relationships, overlaps that exist in the supply chain, and the diversity of automotive technologies. Looking just at financial statements, it is impossible to evaluate opportunities and risks without knowing what countries and regions sold which models and how many cars, which domestic and overseas plants produced them, what are the environmental and other regulatory trends in the destination countries and regions, and what is the utilization rate of each plant, among other factors. A wide range of knowledge and information is needed to assess whether limited management resources are being invested effectively.

Governance at Mitsubishi Motors and Its Evolution

What initiatives are needed to strengthen governance further?

Hiraku In June 2019, Mitsubishi Motors designated strengthening corporate governance as a top-priority

management issue and has transitioned to a Company with a Nomination Committee, etc. At the time, only 2% of listed companies in Japan had adopted this organizational form, but in retrospect, it was a wise decision. In 2021, when I was appointed chairman of the Board of Directors as an independent outside director, 11 of the 13 directors were outside directors. Of those, five were independent outside directors. The Board of Directors is unanimous in its view that the current composition of independent outside directors and the number of directors is optimal for Mitsubishi Motors at present. That being said, we will continue striving for optimization based on the opinions of investors and other parties, both inside and outside the Company, as well as in response to changing circumstances.

Kohda I well remember when we transitioned to Company with a Nomination Committee, etc. Rather than spending time developing a framework, we decided to start by implementing reforms and then continuing to make improvements on the fly. The current Nomination Committee recognizes the significance of that institutional redesign and the spirit that drove it.

Looking at the board's composition, outsiders might have concerns about the effectiveness of directors who are from companies on the registry of major shareholders. In reality, I believe discussions are very fair, sincere, and frank. Meanwhile, many Japanese companies are now looking for outside director candidates who have management experience at global companies. In reality, finding such people is not easy. In this respect, outside directors who hail from the Company's major shareholders are highly experienced. We are able to leverage their knowledge and experience in the Company's management, which is hugely beneficial.

Hiraku Outside directors from companies on the registry of major shareholders are not allowed to attend meetings if there is even the slightest possibility of a conflict of interest, and we work to control deliberations strictly. Also, minority interests are a priority for all directors, and the Company has a policy, led by the president, of actively engaging in dialogue with investors.

The effectiveness of the Board of Directors is evaluated annually and is generally regarded as sufficient. I believe, however, that governance is a work in progress that requires iterative evolution. To compensate for the asymmetry of information between outside directors and executive officers, the Company offers various opportunities to obtain information, such as by

having outside directors visit production sites in Japan and overseas. In addition, we are constantly making improvements. For instance, we draft annual plans for deliberation and are revising the agenda selection process, in order to substantively enhance deliberations on the Board of Directors.

Ogushi One of our recent initiatives has been to strengthen the internal control system. While Mitsubishi Motors has already achieved a certain level of compliance, when we looked at all of our domestic and overseas bases we felt the internal control system remained somewhat weak. Over the past year, under the leadership of President Kato we have taken measures to enhance the effectiveness of the internal control system. The new Internal Control Promotion Division was established in July 2024, putting in place a system in which internal control and auditing work in tandem. I find this very encouraging. Since the system's effectiveness depends on how it is implemented, we will continue to exchange opinions and discuss the situation with the Internal Control Promotion Division and the Internal Audit Division.

Kohda I believe a forward-looking perspective will be important. Through structural reforms, the Company has put various foundations in place, and it is now in the position to draw up strategies that are more focused on the future. Our next emphasis will be on nurturing and taking advantage of future talent. The Nomination Committee already creates and operates a succession plan for the management team; we intend to expand the scope of the plan. We also need to raise awareness of the share price and market capitalization to meet stakeholders' expectations of Mitsubishi Motors going forward. We should not be swayed by short-term fluctuations in the share price,



but management based on the cost of capital will become even more important in light of future investments and other factors.

The Challenge 2025 Mid-Term Business Plan

What are your thoughts on Challenge 2025 after its first year?

Hiraku Based on the robust and agile management structure that was achieved through the structural reforms of the previous mid-term business plan, the current plan, Challenge 2025, shifts to a growth trajectory. In formulating this plan, we emphasized the importance of returning to the roots of embodying "Mitsubishi Motors-ness." In the second half of 2021, a "15-year plan consideration team" began to discuss the long-term vision and the shape that Mitsubishi Motors is aiming for in a period of major change that is said to occur only once every 100 years. The results of the team's considerations were used as the basis for the themes of the plan's three challenges, ensuring the direction was clear and consistent with the materiality issues. The three challenges are (1) the establishment/strengthening of an absolutely stable revenue base, after dividing the global market into three categories and clarifying the roles of each region, (2) working toward carbon neutrality by accelerating electrification and reducing greenhouse gas emissions, and (3) digitalization/expansion into new business areas. All the new models introduced in fiscal 2023, the plan's first year, earned high marks, indicating generally steady progress under the individual strategies. Economic slowdowns in Thailand and Indonesia, which the Company had identified as growth areas, caused a drop in overall demand, but such changes in the business environment can always occur. From fiscal 2024, I believe that the key to success will be to closely monitor such changes in the global marketplace and respond flexibly and agilely.

Kohda To date, Company management has focused mainly on taking a "defensive" approach. Frankly, I am pleased to see the word "challenge" appear as the Company adopts a more proactive stance. I believe this approach reflects the mindset of our employees as business performance recovers and we move to a growth trajectory. Going forward, we will need to select and concentrate on challenges.

In an environment of increasing uncertainty involving diversification of the mobility business, geopolitics, and the global environment, society's expectations and demands continue to change. We must be flexible in deciding what challenges to focus our resources on. In the area of sustainability, which is becoming increasingly important, we will pay particular attention to areas where we work together with suppliers, such as human rights and Scope 3 CO₂ emissions. I believe Mitsubishi Motors' scope of responsibility is expanding.

Ogushi As you say, since the main focus of Challenge 2025 is on addressing challenges, we need to focus on monitoring new initiatives and investments. We will place particular emphasis on trends overseas and at Group companies. For example, we have launched a financial services initiative in Asia, and I believe that monitoring our affiliates and investments here will be important.

We also want to emphasize motivation in the proper functioning of internal controls. Some Group companies have been decisive in their implementation of painful reforms, and motivation at those companies is high. While continuing to nurture a spirit of challenge, we will support efforts to conduct internal audits in a calm and objective manner, without giving undue consideration to past history.



Aspirations for the Future

What are your aspirations going forward?

Kohda In order to continue pursuing "Mitsubishi Motors-ness" and taking on new challenges, I believe it is important for development, sales, marketing, and other divisions to collaborate and mutually enhance each other's value. It will also be essential to hone our communication skills, further enhancing our ability

to disseminate information externally and to incorporate diverse knowledge from inside and outside the Company. We need to think about how to recruit, develop, and encourage the human resources that are best suited for Mitsubishi Motors' development. I would like to see a more in-depth discussion about the evolution of our human capital strategy.

Ogushi As this will be my second year in office, I am determined to renew my focus, improve my understanding of the industry and its businesses, and, as I said at the beginning, place an even greater emphasis on taking a bird's-eye view of the organization as a whole and adopting a front-line perspective. We will continue to address various challenges in the face of companies that are larger and more highly capitalized, and some bottlenecks may occur as a result. I plan to work closely with the Audit Division and the Internal Control Promotion Division to keep a close watch for any dip in motivation and to monitor for unreasonable or wasteful behavior.

Hiraku As you have both already mentioned, I also hope to see an increase in the number of highly motivated people who embody "Mitsubishi Motors-ness." To this end, I think it is important to show what an essential presence Mitsubishi Motors can be for society. We believe the new models introduced in fiscal 2023 have played a part in this effort. Mitsubishi Motors will continue to deliver value to society in its own unique way, taking advantage of its portfolio of tough, safe, reliable, and comfortable driving performance technologies such as S-AWC, and its portfolio advantage of having all major powertrains available for both internal combustion engine and electric vehicles. I also hope to see an increase the number of fans who want to drive Mitsubishi Motors cars.



Corporate Governance

Basic Views Regarding Corporate Governance

Based on its corporate philosophy (vision and mission), Mitsubishi Motors considers compliance to be of topmost importance and accordingly aims to meet the expectations of shareholders, customers and all other stakeholders, while achieving sustainable growth and increases in corporate value over the medium to long term, by making the ongoing reinforcement and improvement of governance a management priority.

In addition, the Company has put together its basic framework for and views on corporate governance in the form of "Corporate Government Guidelines" and publishes these guidelines on the Company's website.

Overview of Corporate Governance System

We are a company with a Nomination Committee, etc. in order to achieve swift execution of business in quick response to environmental changes by clearly separating supervisory and execution function and ensuring the soundness and transparency of management through further strengthening of supervision and implementation of more thorough risk management.

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 policy for nominating candidates for Directors and the composition and size

of the overall Board of Directors as follows.

As it is 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 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, candidates for Directors shall be nominated to realize this.

In accordance with the above, the independence and diversity of the Board shall be ensured.

In order to strengthen the supervisory function 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.

Outside Directors shall be nominated based on their diverse knowledge, experience, and expertise, which cannot be obtained from Internal Directors alone, for example, specialists in law, accounting, finance, etc., persons with management experience at global companies above a certain size, and persons with a wealth of knowledge of world affairs or social and economic trends, etc. Importance shall be placed on their eagerness to devote the necessary time and efforts to understand the business of the Company as a group, and

discuss the direction the Company as a group should take, and to express their opinions to the management without hesitation. In addition, the diversity of backgrounds such as gender, age, and internationality shall be also taken into account, as it shall be recognized that multiple perspectives contribute to business promotion and appropriate supervision and auditing.

As for Internal Directors, Executive Officer, President & CEO, 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 who can openly and constructively discuss and exchange opinions.

As of June 21, 2024, the Board comprised 13 Members (2 female Members), and eleven of the thirteen Directors are Outside Directors with extensive experience and high levels of insight, and five of the Outside Directors are Independent Outside Directors.

Committees

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 corporate governance functions in a fair and transparent manner.

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 Representative Executive Officer, President & CEO to the Board of Directors, and discusses succession planning for MMC's President.

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.

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 the person who executes the business to conduct an investigation.

Executive Officers

Executive Officers make decisions on business execution delegated to them by the Board of Directors and are responsible for carrying out their execution. The President is selected as head of the executive department by resolution of the Board of Directors. MMC has 10 Executive Officers (including the President) as of June 24, 2024.

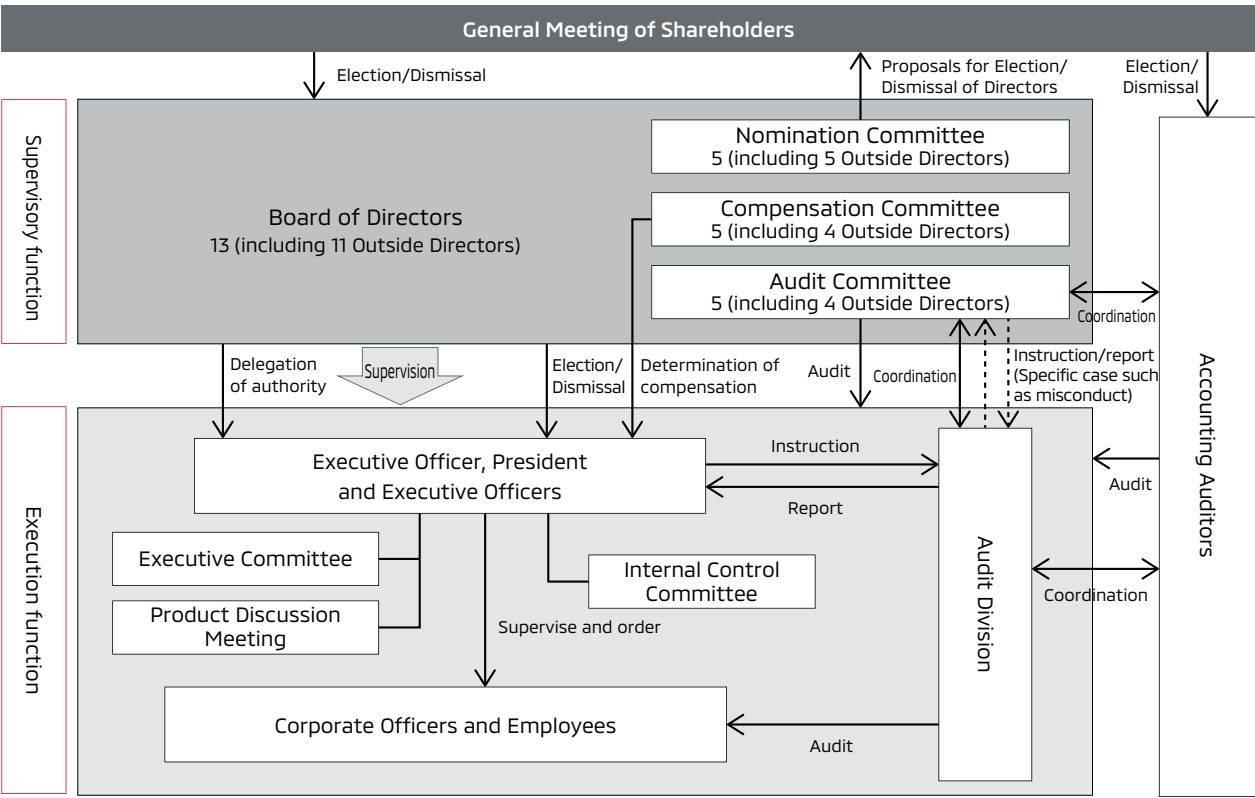
Decision-Making Process in the Execution of the Business of the Company and Related Committees

When executing business, the Executive Officer, Executive Vice President is positioned as the responsible person with authority and responsibility for business execution within the scope of duties, in addition to the President who is the head of the executive department. In addition, delegation of decision-making authority is systematized based on the Delegation of Authority (DOA) Rules, in which items subject to delegation and their scope are defined, and decision-making procedures for major matters are formulated to speed up business execution and improve the transparency of the decision-making process.

Knowledge, Experience and Specialization of the Board of Directors as a Whole (Skill Matrix)					
Name	Classification	Person with Management experience at a listed company	Person with expertise in the automotive field	Person with specialization in law, accounting or finance	Expert in world affairs, social and economic trends, etc.
Tomofumi Hiraku	Outside/independent				●
Takao Kato			●		
Hitoshi Inada				●	
Shunichi Miyanaga	Outside	●			
Main Kohda	Outside/independent				●
Kenichiro Sasae	Outside/independent				●
Hideyuki Sakamoto	Outside		●		
Yoshihiko Nakamura	Outside/independent			●	
Joji Tagawa	Outside		●		
Takahiko Ikushima	Outside			●	
Takehiko Kakiuchi	Outside	●			
Kanetsugu Mike	Outside	●			
Junko Ogushi	Outside/independent			●	

Note: The table above does not represent all the knowledge and experience possessed by each director.

Corporate Governance Structures (June 21, 2024)



Important management matters are decided after deliberation at the "Executive Committee (EC)," which is composed of all Executive Officers and chaired by the President.

Furthermore, important matters related to product projects are decided after deliberation at the "Product Meeting (PDM)."

Moreover, matters related to internal control are decided after deliberation at the "Internal Control Committee." For each of these, the President serves as Chairperson and relevant Executive Officers are members.

Conflicts of Interest

Transactions between the Company and Directors or Executive Officers that particularly compete with the Company's business operations or conflict with the Company's interests require prior resolution from, and after-the-fact reporting to, the Board in accordance with the rules of the Board (hereinafter referred to as the "Rules of the Board"). In addition, the Rules of the Board stipulate that Directors with a special interest in a resolution of the Board shall not participate in such resolution.

Furthermore, the Company conducts transactions with related parties, such as its Officers or major shareholders, based on the validation of multiple related departments and approval of the person in charge, pursuant to the delegation of authority rules (hereinafter referred to as the "DOA"), after the Company has sufficiently considered the economic rationality to confirm there is no harm to the Company's interests, which is the same process the Company goes through with non-related parties.

Analysis and Evaluation of the Effectiveness of the Board of Directors

To improve the effectiveness of corporate governance, the Company annually evaluates the effectiveness of its Board through a questionnaire survey of all Directors and the results of this survey are reported to the Board.

In FY2023, we conducted a survey of all Directors under the following scope for the purpose of enhancement of Board's oversight capability.

<Aspects evaluated>

1. Structure and operations of the Board
2. Management and business strategy
3. Corporate ethics and risk management
4. Monitoring of the management team
5. Dialogue with shareholders
6. Committees

Below is a summary of the effectiveness of the Board in FY2023, taking into account the comments received from each Director

- The Company's Board of Directors is generally judged to be effective.
- The importance of deepening discussions on medium- to long-term and big-picture management strategies was confirmed. The importance of further improvement by promoting the following initiatives was noted.
 - Deeper sharing and understanding of management-related information as a basis for improving the qual-

ity of discussion, supervision, and decision-making
- Creating concrete opportunities for strategy discussions, including setting relevant agendas

Based on the above summary and recognition of issues, the Board is considering proceeding with the following actions.

- Expand opportunities for discussion of management-related information, such as management and business environment and the status of business execution in key divisions
- Further enhance opportunities for strategic discussions through the establishment of agendas such as key regional strategies, capital strategies, and human resource strategies
- Make the criteria for submission of proposals to the Board more suitable in terms of enhancing discussions as a management board on medium- to long-term, broad-based management strategies

Through these efforts, we will further improve the effectiveness of the Board and continue to strengthen corporate governance.

Executive Compensation

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.

<Basic approach>

1. The compensation system shall contribute to MMC group's sustainable growth and medium-to long-term improvement of corporate value.
2. 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.
3. 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.
4. The compensation system shall increase a shared awareness of profits with shareholders and awareness of shareholder-focused management.
5. The decision-making process relating to compensation shall be highly transparent and objective.

Based on these policies, the Compensation Committee determines the method calculating remuneration and individual remuneration amounts of the directors and executive officers.

Remuneration for Directors who do not concurrently serve as Executive Officers shall be basic compensation, which is a fixed amount, considering that their role is to supervise the overall execution of business from a standpoint independent from the execution of business. In addition, the chairpersons and members of the Nomination Committee, Compensation Committee, and Audit Committee receive only a fixed amount of remuneration that is added in accordance with their duties.

The compensation of Executive Officers (including Executive Officers who serve concurrently as Members

Total Compensation Paid to Corporate 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			Monetary compensation	
		Base Compensation	Short-term Performance-linked Compensation	Additional Individual Compensation	Long-term Performance-linked Compensation	Deferred Retirement Compensation	Stock Options Granted Linked to Performance in Previous Fiscal Years	Others	
Members of the Board (Excluding Outside Directors)	33	33	—	—	—	—	—	—	1
Executive Officers	908	441	235	32	110	38	0	49	12
Outside Directors and Outside Audit & Supervisory Board Members	213	213	—	—	—	—	—	—	12

Notes: The number shown in the above table for Outside Directors and Outside Audit & Supervisory Board Members indicates the number of persons who, of the total of 12 persons served as Outside Directors or Outside Audit & Supervisory Board Members during FY2023, received compensation as Members of the Board. In addition, the number includes one Outside Director who resigned during FY2023.
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.

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 (BIP Trust; see the page50). 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.

Based on the recognition that addressing sustainability is a high priority management issue management issue for the Group, from FY2022 we have added the following ESG-related items as indicators for determining medium-to-long-term performance-linked compensation.

• Environmental indicator:

We have introduced "CO₂ emissions from business activities" as an indicator for measuring progress in addressing climate change and other increasingly environmental issues.

• Social indicator:

We have introduced "employee engagement" as an indicator to gauge employees' job satisfaction and pride in working for the Company.

Note: For details of executive compensation, please see the section of our annual securities report entitled "Executive Compensation."

Internal Control Systems

Basic Approach, Policies and Organization

Based on the "Basic Policy on the Establishment of Internal Control Systems" resolved at the Board of Directors, Mitsubishi Motors monitors the status of operations and strives to improve and reinforce internal control systems.

We recognize the gravity of its improper conduct in fuel consumption testing, on top of past quality problems. As one of its priority measures aimed at regaining trust, in FY2017 we appointed a Global Risk Control Officer to manage compliance and operational, hazard risks and report regularly to the Board of Directors on governance

improvement measures. (In FY2023, the title was changed to the Executive Officer for Internal Control Promotion/General Administration/Corporate Affairs.) Furthermore, in order to reinforce, and improve the efficiency of, its handling of internal controls based on laws and regulations, it revised its internal control system. In the revised system, the J-SOX Promotion Committee, under the direct control of the Executive Officer, Executive Vice President (CFO), handles internal control related to financial reporting in accordance with the Financial Instruments and Exchange Act. The Internal Control Committee, chaired by the Executive Officer, President & CEO and vice-chaired by the Executive Officer in charge of Global Risk Control, promotes internal control related to the Companies Act. This Internal Control Committee confirms and evaluates the contents reported and /or resolved at subcommittees in each internal control field, such as compliance, information security, business continuity management, and J-SOX, in accordance with the "Basic Policy on the Establishment of Internal Control Systems."

From FY2022, we expanded the scope of risks covered to address the new risks that have emerged in recent years and are intricately intertwined with multiple risk factors (strategy, finance, operational and hazard risks) for a single event. In addition, we have established the Internal Control Promotion Office under the supervision of the Executive Officer for Internal Control/Corporate Affairs to identify and prevent potential risks, respond to emergencies when risks materialize, and make the Company's major risks visible.

We have been working to establish a global internal control structure by gradually establishing and operating internal control committees from FY2018 at main affiliates in Japan and overseas. In addition, we have established a system in which a designated department is responsible for the overall management of each affiliated company, and related internal departments support the responsible department according to their roles, providing various support, checks and

balances, and supervision to strengthen the affiliate and promote its development. Furthermore, internal rules have been established to ensure that important information at subsidiaries is reported to the Company in a timely and appropriate manner, and subsidiaries operate in accordance with these rules. To ensure the appropriateness of financial reporting, a specialized organization has been set up under the J-SOX Promotion Committee described above. This organization follows up on and gathers information about systems in place at the Company and its affiliates, the scope of evaluation, the evaluation status of companies subject to evaluation, the improvement status and other matters.

We have also positioned the Internal Audit Division as independent of business execution. The Internal Audit Division coordinates with other committees, including the Internal Control Committee, with the aim of achieving effective and efficient internal control system operation.

Going forward, we will continue with initiatives to further reinforce governance by working to ensure compliance with laws and regulations and to promote proper, effective business execution in line with changes in the domestic and overseas environments.

Compliance

Basic Approach and Policies

Corporate activities are closely interlinked with various laws and public systems such as those related to the Governance environment, labor, and consumer protection.

Corporate activities must be carried out in compliance with these laws and systems. Mitsubishi Motors recognizes that the failure to appropriately comply with these laws, regulations, and systems would not only impede its business continuity, but would also place significant burdens on society and the environment.

In order to fulfill its social responsibilities as a company by not only complying with laws, international rules, and internal regulations but also by respecting changing social norms to the greatest degree possible, we have issued a "Global Code of Conduct" to serve as a standard of conduct for all executives and employees. We are also redoubling our efforts to enhance our compliance framework and employee training, including those at our major associates in Japan and overseas. We review the "Global Code of Conduct" as necessary. In

■ Establishment of Internal and External Consultation Offices

To prevent and promptly detect improper conduct, Mitsubishi Motors has established an internal consultation office (Employee Consultation Office) allowing employees of the Company or its subsidiaries and associates in Japan to report or consult about such conduct. Outside the Company, we have set up a consultation office, the "MMC Hotline," staffed by outside attorneys, as well as the Mitsubishi Motors Global Hotline, accessible to employees both in Japan and overseas. In FY2022, these offices fielded 94 reports or consultations.

■ Education and Training

Every fiscal year we formulate compliance-related education and training programs, and offer them to employees stratified by each job rank. Each division also draws up and conducts its own measures under the direction of the compliance officer.

■ Policies and Approach

The "Global Code of Conduct" clearly stipulates that Mitsubishi Motors executives and employees shall comply with laws and regulations and shall maintain fair and equitable relationships with public servants and business partners. Moreover, we have built and operate a system that is designed to prevent corruption.

■ Political Involvement (Political Contributions)

Recognizing that reasonable expenditures are required to appropriately maintain a democratic government, the Company considers making political contributions to be one aspect of its social responsibility. When making such contributions, we do so in accordance with the Public Offices Election Act, the Political Funds Control Act, and other laws and regulations related to politics. We also ensure to follow our own internal rules for approval.

■ Information Security

Our measures to ensure information security include putting in place and reviewing internal regulations related to information security, strengthening management of information assets and measures to counter ransomware due to malware infections and cyber attacks, regularly conducting drills based on the assumption of an incident at CSIRT, the organization that prevents security incidents and responds promptly to incidents when they do occur, providing employees with e-learning about information security, e-mail-based training, and alerts via our intranet, monitoring information security activities by the Information Security Committee.

■ Protection of Personal Information

Based on our Privacy Policy, we have built a management framework by establishing internal rules and taking other measures. We also conduct education, such as through the use of e-learning for employees. In addition, rules on personal information protection are being strengthened around the world. We coordinate with our bases in individual countries, putting in place systems to respond appropriately with their laws and regulations on the protection of personal information.

■ Security Export Controls

The Company sincerely believes in the importance of strict security trade controls to prevent the proliferation of weapons of mass destruction and the excessive accumulation of conventional weapons in order to maintain international peace and security. To conduct strict export controls, we have established "Security Export Control Regulations." We ensure the legality of our export transactions through our management system, with its the Security Export Control Committee, led by the Executive Officer, President & CEO, who serves as chief security trade control officer.

2019, we made revisions to clarify our policy on respect for human rights and anti-corruption initiatives.

Management Structure

At Mitsubishi Motors, to prevent compliance infractions and information security incidents, under the direction of the Executive Officer for Internal Control/Corporate Affairs each division appoints a compliance officer, and department heads serve as code leaders.

Compliance officers work closely with the code leaders to prevent compliance violations within their departments. When a compliance violation occurs, corrective actions are taken, prevention of recurrence and effectiveness are confirmed, and horizontal deployment is implemented and reported to the Executive Officer for Internal Control.

Major subsidiaries and associates in Japan and overseas also appoint compliance officers. To help prevent compliance infractions, in FY2018 we established and started operating Mitsubishi Motors Global Hotline.

The Board of Directors is provided with regular reports on these compliance structures, efforts related to education and the formulation or revision of the Global Code of Conduct, as well as the status of any compliance infractions and their countermeasures.

In the event of a major incident, an emergency response organization is set up in accordance with the emergency response manual, and a system is in place to ensure that an appropriate response is taken.

As for internal controls related to financial reporting, we verify compliance structures and procedures for financial summaries. If inadequate controls are found at a company being evaluated, we request reporting on the nature of the problem and improvements being made. In FY2023, we checked the status of 19 Group companies (Mitsubishi Motors, 6 domestic associates, and 12 overseas associates).

In FY2023, we experienced no serious compliance infractions that might damage our credibility with customers, investors, or other parties.

Risk Management

Basic Approach and Policies

Mitsubishi Motors has defined a policy for the management of business risks in the form of the "Basic Policy on the Establishment of Internal Control Systems," and promotes risk management activities throughout the entire Mitsubishi Motors Group. We consider it one of our most critical management issues to appropriately assess risks to the Mitsubishi Motors Group's business, prevent risks from occurring, and engage in appropriate management to minimize the impact of risks if they do occur.

Development of Risk Management Framework

We have 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, we select risks that the entire Mitsubishi Motors Group faces directly, that have a high potential impact and a high degree of urgency. For each risk, we assign "risk owners," and work as quickly as possible to reduce these risks.

In divisional risk management, we have appointed risk management officers to each division or plant. These officers work to reduce risks through repeated application of the PDCA cycle involving identifying and evaluating each risk, devising and implementing countermeasures, and monitoring.

Affiliated company risk management involves regular confirmation by Mitsubishi Motors of the status of initiatives addressing various risks faced by subsidiaries and associates and activities such as business continuity planning improvements. Improvement suggestions and guidance are provided as required.

As a new strengthening measure, the Internal Control Promotion Office was established in FY2022. As geopolitical risks, risks related to economic security, risks related to business and human rights, etc. that are intricately intertwined with strategy, finance, operational and hazard risks, have surfaced in recent years, the Company has established a system to manage risks with expanded scope.

These risk management initiatives are regularly reported to the Board as major internal control activities and their effectiveness is confirmed.

We are working on disaster countermeasures and Business Continuity Management (BCM) in line with our basic policy to prepare disaster such as earthquake or other natural disaster or an outbreak of infectious disease—to ensure the safety of customers, as well as employees and their families, and provide mutual support to local communities. In FY2020, we established the "BCM Committee" as a permanent meeting body. In 2022, we consolidated our existing internal initiatives to strengthen BCM activities during normal times and take measures across the company.

In order to establish a system to ensure an appropriate response, we have created an emergency response manual which provides for the setup of an emergency response organization and the chain of command. In addition, a company-wide BCP operating procedures are also in place.

We conduct company-wide BCP drills annually, in which a company-wide BCP headquarters is set up, employees' safety and damage situations are reported from each plant, and instructions are given by the company-wide BCP headquarters, under the assumption that an emergency has occurred.

In order to prepare for unforeseen contingencies, we operate emergency contact system that enable the rapid communication of information to the senior management, as well as a swift and accurate response.

We have built stockpiles as preparations against the possibility that employees will be unable to return to their homes for a three-day period (in accordance with the Metropolitan Tokyo Ordinance on Measures for Stranded Persons). At plants, we are also working with neighboring municipalities to improve stockpiles and welcome visitors.

Business-related risks

Important risks that may significantly affect the business results, financial position, cash flow position, 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 risk other than those listed

below. Any of the risks listed below might impact the business 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 contains uncertainties.

Risks related to the market and business (operational risks)

Impacts of parts and raw material procurement	Risk that, if supplies from 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, production of our products will be delayed or stopped, and costs may increase Risk that, with the increasing enactment of laws and regulations in various countries that require companies to address human rights, the Company could be accused of violating laws and regulations if human rights risks in the supply chain are not properly addressed
Impact of product quality and safety	Risk that 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, the Group may be affected by the incurring of substantial costs, evaluation of the Company's products, damage to its brand image, decline in sales, etc.
Impact of laws and regulations, etc.	Given the various laws and regulations apply in the countries where the business operates, risk that violations of laws and regulations, or inadequate response in terms of content, effectiveness, and speed, may result in being subject to administrative investigations by regulatory authorities, penalties, or becoming involved in related lawsuits, thereby adversely affecting the compliance and reputation of the Mitsubishi Motors Group
Impacts of lawsuits and other legal procedures	As we may become involved as parties in various lawsuits and other legal proceedings with users, business partners, third parties and others in the course of our business activities, risk that unfavorable judgments could be made against us in these ongoing legal proceedings or any future legal proceedings. Although we have insurance coverage for product liability claims that is believed to be able to cover damages in the event of a loss in the product liability lawsuit, risk of unexpected verdicts with unforeseen outcomes
Impact of infringement of intellectual property rights	Risk of incurring legal costs due to unlawful infringement of the Mitsubishi Motors Group's intellectual property rights Risk of the Mitsubishi Motors Group suspending the manufacture and sale of its products, unforeseen license fee payments, compensation payments, evaluation and reduced demand for its products, arising from unexpected allegations of intellectual property infringement by third parties
Impact of IT and information security	Risk that, due to hacking and cyberattacks on our infrastructure, products, and services, inadequate management or human error within the Group or at contractors, or occurrence of natural disasters there may be leakage of confidential, personal, and other information including information concerning our technologies, suspension of our important operations and services, improper paperwork or destruction/falsification of important data resulting 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

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

Impact on the sales strategy and response to competitor trends	By promoting the medium-term business plan "Challenge 2025," which poses "regional strategy to establish a stable revenue base," "promotion of efforts to achieve carbon neutrality" and "digital transformation and initiatives towards new business" as its main challenges, and providing customers with products and services bearing the distinct hallmarks of Mitsubishi Motors, the Group aims to maintain and expand sales volume and market share and improve profitability. Despite these efforts, we face the risk that such a strategy does not progress as planned and we are unable to implement measures that surpass our competitors.
Impact of product and technology development	Risk that we cannot sufficiently capture the values and needs of customers even with our research and development based on detailed study and/or cannot provide customers with new technologies and products in a timely manner because of internal and external factors, causing sales market share, sales and profitability to decline
Impacts of alliances with other companies	Risks associated with business operations through alliances and joint ventures with other companies, including changes in the partner's business strategy, disagreements in alliance policy between parties, modifications or dissolution of the alliance or joint venture relationship due to changes in the investment ratio, deterioration in the financial condition of the alliance or joint venture partner, and the risk of not achieving expected results
Impact of the personnel and labor strategy	Risk that the Group's competitiveness may decline if recruitment and retention do not proceed as planned due to hiring difficulties and increased liquidity in the labor market Risk of a loss of trust and confidence among our customers due to any Group company and related party acting in a way that creates a human rights problem, or of damage to our brand image due to a deterioration of our social trust that impacts our business foundations
Influence of climate change	Risk 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 Risk that costs of production and procurement rise due to expanding the introduction of carbon pricing, etc. Risk that the procurement of components, manufacture, sale and distribution of products, etc. are delayed or suspended due to more frequent or severe natural disasters, such as flooding, than predicted in countries or regions where manufacturing bases of the Group and its business partners are located
Risks related to finance and the economy (financial risks)	
Impact of foreign exchange rate fluctuations	Risk that the yen conversion value of foreign currency denominated assets and liabilities arising from our business operations may fluctuate significantly, affecting profit and loss for the period, due to highly volatile foreign exchange rates
Impacts of changes in the market environment	Risk that business activities may be affected by an economic downturn, financial crisis, etc. in an individual region and country Risk that if transportation costs rise, it could be difficult to secure ships for transportation, or ship arrangements could be delayed, adversely affecting our production and sales activities
Credit risk of business partners	Risk that deterioration in the external environment or other factors may cause a downturn in the performance of our business partners, which may affect the collection of our accounts receivable
Impact of the liquidity of funds	Risk that we may be unable to raise the required amount of funds on appropriate terms from financial markets or correspondent financial institutions due to an economic or financial crisis or deterioration of our credit rating
Risks related to business continuity (hazard risks)	
Impacts of war, terrorism, political instability, and deteriorating security	Risk of the procurement of components or the manufacture, sale and distribution of products being delayed or suspended, or the risk of costs increasing, due to terrorism, war, civil war, political instability, security instability, or the like occurring on a larger scale than expected
Impact of natural disasters, accidents and outbreak of infectious diseases	Risk of facilities, such as development, manufacturing and sales bases, being damaged due to a natural disaster, accident or spread of infectious disease on a scale larger than anticipated, or the risk of the procurement of components, manufacture, sale and distribution of products being delayed or suspended

Members of the Board

Tomofumi Hiraku
Chairman of the Board
Outside Director
Independent Director
Nomination Committee
member



Apr. 1978 Joined the Ministry of International Trade and Industry (MITI) (present: Ministry of Economy, Trade and Industry (METI))
Apr. 1993 Director, Industrial Labor Policy Office, Industrial Policy Bureau, MITI
May 1994 Consul, Consulate-General of Japan at Vancouver, Canada, Ministry of Foreign Affairs
Jun. 1997 Director, Tariff Division, International Economic Affairs Department, International Trade Policy Bureau, MITI
Jul. 1998 Director-General, General Coordination and Policy Planning Department, Kansai Bureau, MITI (present: Ministry of Economy, Trade and Industry (METI))
Jun. 2000 Director, Planning Division, Coal and New Energy Department, Agency for Natural Resources and Energy, MITI
Jan. 2001 Director, Policy Planning Division, Energy Conservation and Renewable Energy Department, Agency for Natural Resources and Energy, METI
Jul. 2002 Director, Economic and Fiscal Management Bureau, Cabinet Office, Government of Japan
Sep. 2005 Director-General for Manufacturing Industries Policy, Manufacturing Industries Bureau, METI
Jul. 2006 Director-General for Natural Resources and Energy Policy, Agency for Natural Resources and Energy, METI
Jul. 2008 Director-General, Kansai Bureau, METI
Jul. 2009 Director-General, Manufacturing Industries Bureau, METI
Oct. 2010 Executive Advisor, IBM Japan, Ltd.
Jun. 2021 Chairman of the Board, MMC (to the present)

Takao Kato
Director
Compensation
Committee member



Apr. 1984 Joined MMC
Apr. 2010 Senior Expert of the Russian Assembly Business Promotion Office, MMC
May 2010 PCMA RUS Deputy Manufacturing Director
Apr. 2014 Vice Plant General Manager of Nagoya Plant, MMC
Apr. 2015 President, PT Mitsubishi Motors Krama Yudha Indonesia
Jun. 2019 Member of the Board, Representative Executive Officer, CEO, MMC
Apr. 2021 Member of the Board, Representative Executive Officer, President & CEO, MMC (to the present)

Hitoshi Inada
Director
Audit Committee
member



Apr. 1980 Joined Mitsubishi Corporation
Apr. 2009 General Manager of Legal Dept., Mitsubishi Corporation
Jul. 2010 Senior Vice President (Compliance), Mitsubishi International Corporation
Oct. 2011 Vice Corporate General Manager of Corporate Planning Office, MMC
Apr. 2013 Corporate Vice President, Vice Corporate General Manager of Corporate Planning Office, MMC
Apr. 2015 Corporate Vice President, Corporate General Manager of CSR Promotion Office, MMC
Jul. 2016 Senior Executive Officer, Corporate General Manager of CSR Promotion Office, MMC
Jan. 2017 Senior Executive Officer (Legal), Corporate General Manager of CEO/COO Office, MMC
Oct. 2017 Senior Executive Officer (Corporate Governance), MMC
Apr. 2019 Senior Vice President (Corporate Governance), MMC
Jun. 2019 Executive Officer, Senior Vice President (Corporate Governance), MMC
Apr. 2020 Senior Executive Officer (Corporate Governance), MMC
Jun. 2022 Member of the Board, MMC (to the present)

Shunichi Miyanaga
Outside Director
Compensation
Committee chair



Apr. 1972 Joined Mitsubishi Heavy Industries, Ltd.
Jun. 2008 Member of the Board, Executive Vice President, Mitsubishi Heavy Industries, Ltd.
Apr. 2011 Member of the Board, Senior Executive Vice President, Mitsubishi Heavy Industries, Ltd.
Apr. 2013 Member of the Board, President, Mitsubishi Heavy Industries, Ltd.
Apr. 2014 Member of the Board, President, CEO, Mitsubishi Heavy Industries, Ltd.
Jun. 2014 Member of the Board, MMC (to the present)
Apr. 2019 Chairman of the Board, Mitsubishi Heavy Industries, Ltd. (to the present)
Jun. 2019 Outside Director, Mitsubishi Corporation (to the present)

Main Kohda
Outside Director
Independent Director
Nomination
Committee chair
Compensation
Committee member



Sep. 1995 Started as an independent Novelist (to the present)
Jan. 2003 Member of Financial System Council, Ministry of Finance Japan
Apr. 2004 Visiting Professor, Faculty of Economics, Shiga University
Mar. 2005 Member of the Council for Transport Policy, Ministry of Land, Infrastructure, Transport and Tourism
Nov. 2006 Member of Government Tax Commission
Jun. 2010 Member of the Board of Governors, Japan Broadcasting Corporation
Jun. 2012 Outside Director, Japan Tobacco Inc.
Jun. 2013 Outside Director, LIXIL Group Corporation
Jun. 2016 Outside Director, Japan Exchange Group
Jun. 2018 Member of the Board, MMC (to the present)
Jun. 2024 External Director, CAPCOM CO., LTD. (to the present)

Kenichiro Sasae
Outside Director
Independent Director
Nomination Committee
member
Compensation
Committee member



Apr. 1974 Joined Ministry of Foreign Affairs
Apr. 2000 Executive Assistant to the Prime Minister for Foreign Affairs
Apr. 2001 Deputy Director-General, Foreign Policy Bureau
Mar. 2002 Director-General, Economic Affairs Bureau, Ministry of Foreign Affairs
Jan. 2005 Director-General, Asian and Oceania Affairs Bureau, Ministry of Foreign Affairs
Jan. 2008 Senior Deputy Minister for Foreign Affairs
Aug. 2010 Vice-Minister for Foreign Affairs
Sep. 2012 Ambassador Extraordinary and Plenipotentiary of Japan to the United States of America
Jun. 2018 President and Director General, The Japan Institute of International Affairs
Jun. 2019 Outside Director, SEIREN CO., LTD. (to the present)
Jun. 2019 Member of the Board, MMC (to the present)
Dec. 2020 President, The Japan Institute of International Affairs (to the present)
Jun. 2021 Outside Director, Fujitsu Limited (to the present)
Mar. 2022 Outside Director, Asahi Group Holdings, Ltd. (to the present)

Hideyuki Sakamoto
Outside Director
Nomination
Committee member



Apr. 1980 Joined Nissan Motor Co., Ltd.
Apr. 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.
Apr. 2012 Corporate Vice President, Production Engineering Div., Nissan Motor Co., Ltd.
Apr. 2014 Executive Vice President, Product Engineering, Nissan Motor Co., Ltd.
Jun. 2014 Director, Executive Vice President, Product Engineering, Nissan Motor Co., Ltd.
Jan. 2018 Director, Executive Vice President, MFG & SCM Operations, Nissan Motor Co., Ltd.
Jun. 2018 Chairman of the Board, Nissan Motor Kyushu Co., Ltd. (to the present)
Aug. 2018 Board Member, Chairman, AICHI MACHINE INDUSTRY CO., LTD. (to the present)
Sep. 2018 Chairman of the Board, JATCO Ltd
Jun. 2019 Member of the Board, MMC (to the present)
Jun. 2019 Executive Officer, Executive Vice President, Manufacturing & SCM Operations, Nissan Motor Co., Ltd.
Feb. 2020 Director, Executive Officer, Executive Vice President, Manufacturing & SCM Operations, Nissan Motor Co., Ltd.
Jul. 2023 Director, Executive Officer, Executive Vice President, Manufacturing & SCM, Nissan Purchasing, Nissan Motor Co., Ltd.
Nov. 2023 Director, Executive Officer, Executive Vice President, Manufacturing & SCM, Purchasing, Nissan Motor Co., Ltd.
Apr. 2024 Director, Executive Officer, Executive Vice President, Chief Monozukuri Officer, Manufacturing & SCM, Purchasing, AFL, Nissan Motor Co., Ltd. (to the present)

Yoshihiko Nakamura
Outside Director
Independent Director
Audit Committee chair



Nov. 1979 Joined Peat Marwick Mitchell & Company (present: KPMG AZSA LLC)
Mar. 1983 Registered as certified public accountant
Oct. 1994 Partner (Representative), Minato Audit Corp. (present: KPMG AZSA LLC)
Oct. 2003 Partner, KPMG AZSA LLC
Jun. 2019 Substitute Auditor, Seika Corporation
Jul. 2019 Started CPA Yoshihiko Nakamura Accounting Office (to the present)
Jun. 2020 Member of the Board, MMC (to the present)
Jun. 2020 Auditor, Seika Corporation
Jun. 2022 Outside Director (Audit & Supervisory Committee member), Seika Corporation (to the present)

Joji Tagawa
Outside Director
Compensation
Committee member



Apr. 1983 Joined Nissan Motor Co., Ltd.
Apr. 2006 Corporate Officer, Treasury Department and Investor Relations Department, Nissan Motor Co., Ltd.
Apr. 2010 Corporate Officer, Investor Relations Department and M&A Support Department, Nissan Motor Co., Ltd.
Apr. 2014 Corporate Vice President, Investor Relations and M&A Support Department, Nissan Motor Co., Ltd.
Apr. 2019 Corporate Vice President, Investor Relations, Nissan Motor Co., Ltd.
Dec. 2019 Senior Vice President, Chief Sustainability Officer, Board of Directors Office, Corporate Management Office, Corporate Service, Environment/CSR, External & Government Affairs, IP promotion and Investor Relations Department, Nissan Motor Co., Ltd.
Apr. 2020 Senior Vice President, Chief Sustainability Officer, Corporate Service, Environment/CSR, External & Government Affairs, IP promotion, and Investor Relations Department, Nissan Motor Co., Ltd.
Apr. 2020 Outside Director, Renault SA (to the present)
Jun. 2020 Member of the Board, MMC (to the present)
Jun. 2021 Senior Vice President, Chief Sustainability Officer, Compliance, Corporate Service, Crisis Management and Security, Environment/Sustainability, External & Government Affairs, IP Customer Business Development, Nissan Motor Co., Ltd.
Apr. 2024 Senior Vice President, Chief Sustainability Officer, Corporate Service, Crisis Management and Security, Environment/Sustainability, External & Government Affairs, IP Customer Business Development, Nissan Motor Co., Ltd. (to the present)

Members of the Board

Takahiko Ikushima
Outside Director
Audit Committee
member



Apr. 1990 Joined Nissan Motor Co., Ltd.
Nov. 2019 Division General Manager, Budget and Accounting Department, Global Revenue and Regional Financial Management Group, General Manager, MC-Controller, LCVBU, Nissan Motor Co., Ltd.
Dec. 2019 Corporate Vice President, Global Controller, Accounting, Nissan Motor Co., Ltd.
Jun. 2020 Member of the Board, MMC (to the present)
Aug. 2021 Corporate Vice president, Global Controller, Region's Performance Optimization, Nissan Motor Co., Ltd.
Apr. 2024 Senior Vice President, Global Controller, Regions' Performance Control, Nissan Motor Co., Ltd. (to the present)

Takehiko Kakiuchi
Outside Director
Nomination
Committee member



Apr. 1979 Joined Mitsubishi Corporation
Apr. 2010 Senior Vice President, Division COO, Foods (Commodity) Div., Mitsubishi Corporation
Apr. 2011 Senior Vice President, General Manager, Living Essential Group CEO Office, (Concurrently Division COO, Foods (Commodity) Div., Mitsubishi Corporation
Apr. 2013 Executive Vice President, Group CEO, Living Essentials Group, Mitsubishi Corporation
Apr. 2016 President and CEO, Mitsubishi Corporation
Jun. 2016 Member of the Board, President and CEO, Mitsubishi Corporation
Apr. 2022 Chairman of the Board, Mitsubishi Corporation (to the present)
Jun. 2022 Member of the Board, MMC (to the present)

Kanetsugu Mike
Outside Director
Audit Committee
member



Apr. 1979 Joined The Mitsubishi Bank, Ltd.
Jun. 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")
Jun. 2011 Member of the Board of Directors, Managing Executive Officer, BTMU
May 2013 Senior Managing Executive Officer, BTMU
Oct. 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
Jun. 2016 Member of the Board of Directors, Deputy President, BTMU
Jun. 2017 President & CEO, BTMU
Member of the Board of Directors, Deputy Chairman, MUFG
Apr. 2019 Member of the Board of Directors, President & Group CEO, MUFG
Apr. 2020 Member of the Board of Directors, Deputy Chairman, MUFG
Apr. 2021 Member of the Board of Directors, Chairman, MUFG (to the present)
Jun. 2022 Member of the Board, MMC (to the present)
Jun. 2022 Outside Director, Tokio Marine & Nichido Fire Insurance Co., Ltd. (to the present)
Apr. 2023 Vice Chairperson, KEIZAI DOYUKAI (Japan Association of Corporate Executives) (to the present)
Jun. 2023 Outside Statutory Auditor, Tokyo Kaikan Co., Ltd. (to the present)

Junko Ogushi
Outside Director
Independent Director
Audit Committee
member



Apr. 1984 Corporate work experience (banks, trading companies)
Apr. 1998 Registered as an attorney at law (Member of Tokyo Bar Association)
Apr. 1998 Joined Hibiya Joint Law Office
Jan. 2000 Joined Atsumi & Usui (present: Atsumi & Sakai)
Jan. 2003 Partner, Atsumi & Usui
Jan. 2006 Senior Partner, Atsumi & Usui (to the present)
Oct. 2006 Executive Secretary, Legislative Council of the Ministry of Justice (Insurance Law Subcommittee)
Dec. 2017 Registered as an attorney at law in the State of California
Oct. 2020 Auditor, Tokyo Metropolitan Industrial Technology Research Institute (to the present)
Jun. 2021 Outside Director, Hibiya Engineering, Ltd. (to the present)
Jun. 2023 Member of the Board, MMC (to the present)

Representative Executive Officers and Executive Officers

Takao Kato
Representative Executive Officer
President & CEO

Tatsuo Nakamura
Representative Executive Officer,
Executive Vice President
(responsible for Sales)

Kentaro Matsuoka
Representative Executive Officer,
Executive Vice President
(CFO)

Takeshi Yamaguchi
Representative Executive Officer,
Executive Vice President
(responsible for Engineering/TCS/
Design)

Koichi Namiki
Senior Executive Officer
(responsible for Product Strategy)
Division General Manager, Product
Strategy Division

Tomoo Yoshida
Executive Officer
(responsible for Procurement)

Ikuro Hirozane
Executive Officer
(responsible for Internal Control
Promotion/General Administra-
tion/ Corporate Affairs)
Division General Manager,
Corporate Affairs Division

Yoichi Yokozawa
Executive Officer
(responsible for Corporate
Strategy Management)

Yasuko Takazawa
Executive Officer
(responsible for Legal & Corporate
Governance)
Division General Manager,
Legal & Corporate Governance
Division

Yasuhisa Yamamoto
Executive Officer
(responsible for Production)

Mitsubishi Motors' History

Date	Outline
April 1970	Mitsubishi Motors Corporation (MMC) incorporated as wholly-owned subsidiary of Mitsubishi Heavy Industries, Ltd. (MHI)
June 1970	MMC started business taking over MHI motor vehicle division 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 from MHI to MMC
August 1977	MMC commissioned Nagoya Motor Vehicle Works (presently Okazaki Plant) -Okazaki Plant
December 1979	MMC commissioned 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)
October 1984	MMC took over management 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 subsequently 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 the majority of shares in Toyo Koki Co. Ltd. (renamed "Pajero Manufacturing Co., Ltd." (PMC) in July 1995 and MMC subsequently acquired all PMC shares in March 2003. PMC's production ended in August 2021 and factories were closed down.)
November 1996	MMC commissioned Tokachi Proving Ground in Hokkaido.

Date	Outline
March 2000	MMC signed basic agreement 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 subsequently sold all shares in November 2005)
January 2003	MMC spun off truck and bus operations into a separate company, incorporating them as 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)
March 2008	Car production terminated at MMAL
April 2010	Established a new plant in Russia under the agreement between MMC and France's PSA Peugeot Citroen
December 2012	MMC and MME transferred all shares in Netherlands Car B.V. to VDL Groep B.V. in the Netherlands
March 2015	MMC and Mitsubishi Corporation jointly established PT Mitsubishi Motors Krama Yudha Indonesia (MMKI)
November 2015	Car production terminated at MMNA
May 2016	MMC and Nissan Motor Co., Ltd. signed Strategic Alliance Agreement regarding Capital and Business Alliance (Nissan Motor Co., Ltd. acquired 34% of shares in MMC in October 2016)
June 2019	MMC made the transition to a company with three committees
August 2021	Production ended at PMC and factories shut down
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.

Major Successive Models

1970's-

1980's-

1990's-

2000's-

2010's-

2020's-

Galant GTO (1970)

Lancer (1973)

Minicab EL Truck (1971)

Minica F4 (1972)

Jeep J-58 (1975)

Pajero (Montero, Shogun) (1982)

Starion (1982)

Strada (1986)

Delica Star Wagon (1986)

Lancer Evolution (1992)

Diamante/Sigma (1990)

RVR (1991)

eK Wagon (2001)

Outlander (2001)

Challenger (1996)

i-MiEV (2009)

Triton (2005)

Outlander PHEV (2012)

MINICAB MIEV (2011)

Eclipse Cross (2017)

eK X EV (2022)

Delica Mini (2023)

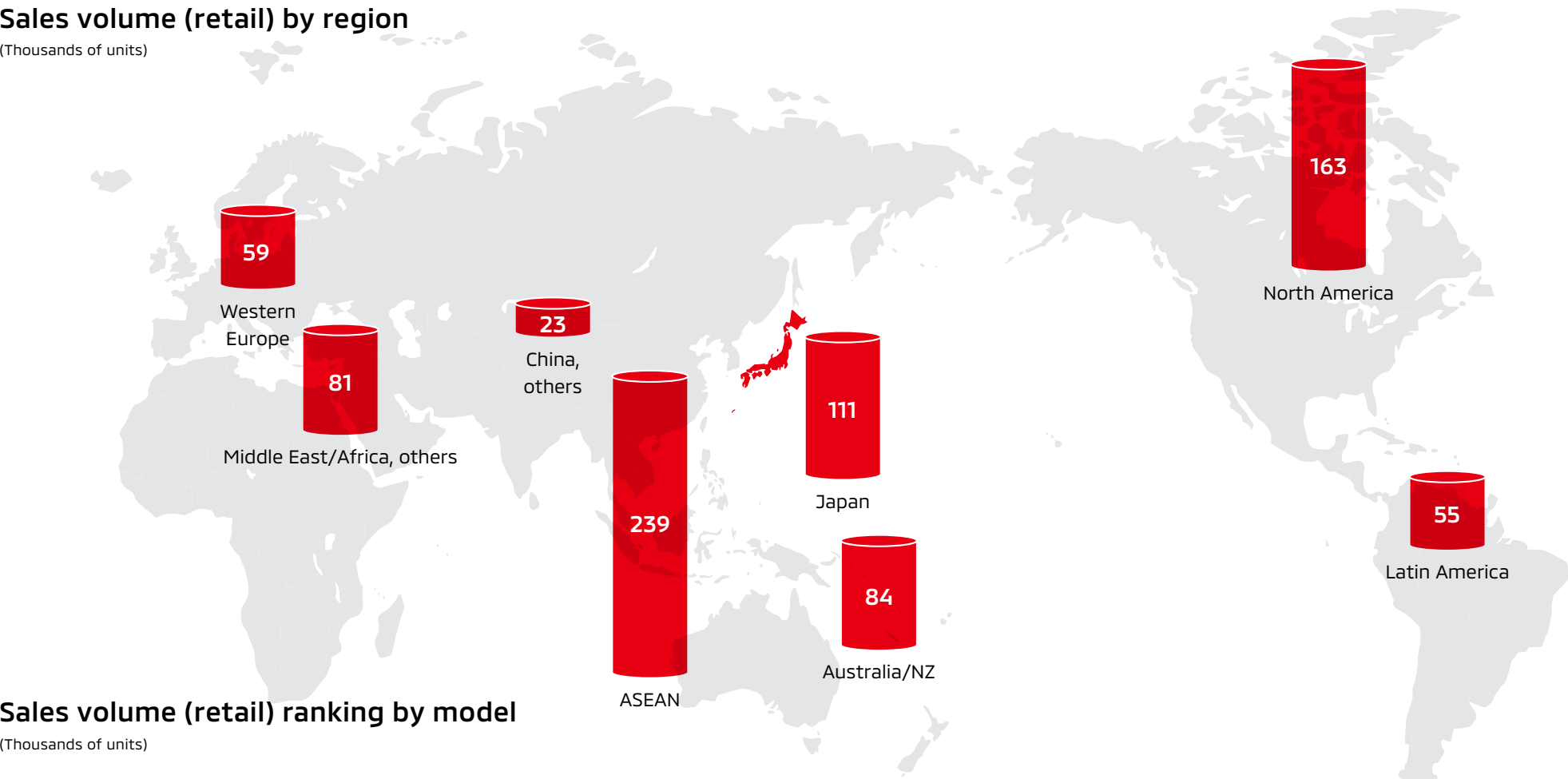
Xforce (2023)

Sales and Production Data

Fiscal 2023 Sales volume (retail): 815,000 units; production volume: 1,011,000 units

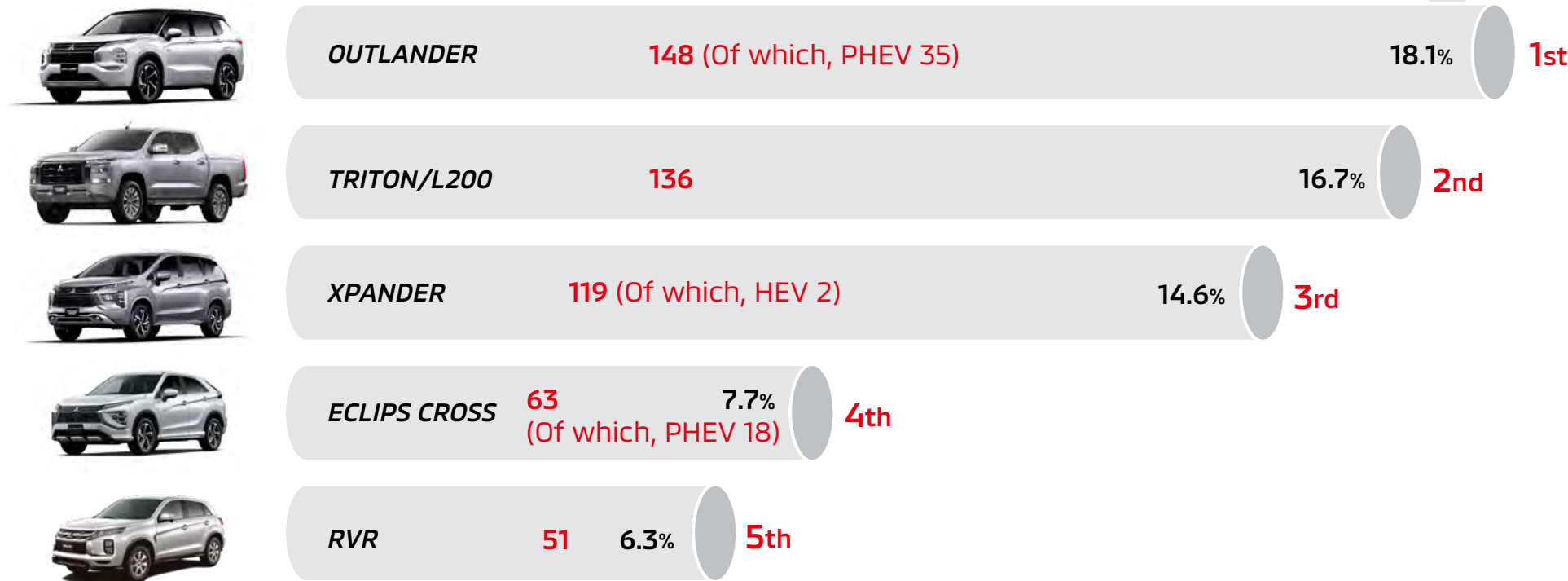
Sales volume (retail) by region

(Thousands of units)



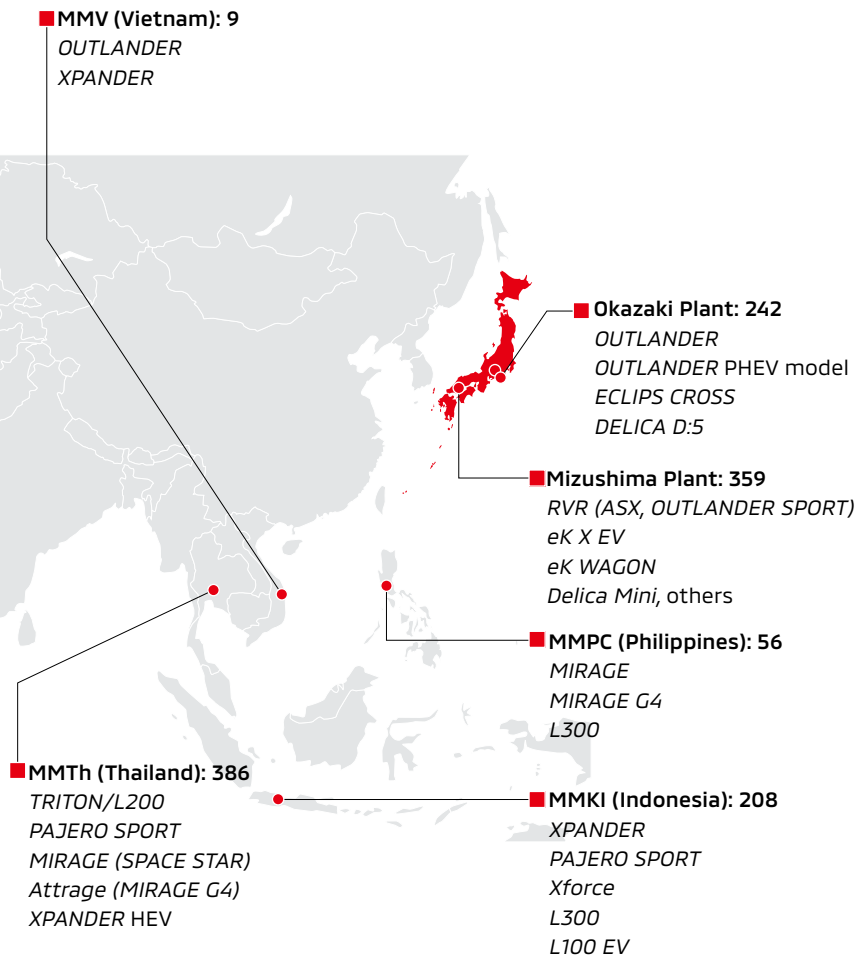
Sales volume (retail) ranking by model

(Thousands of units)



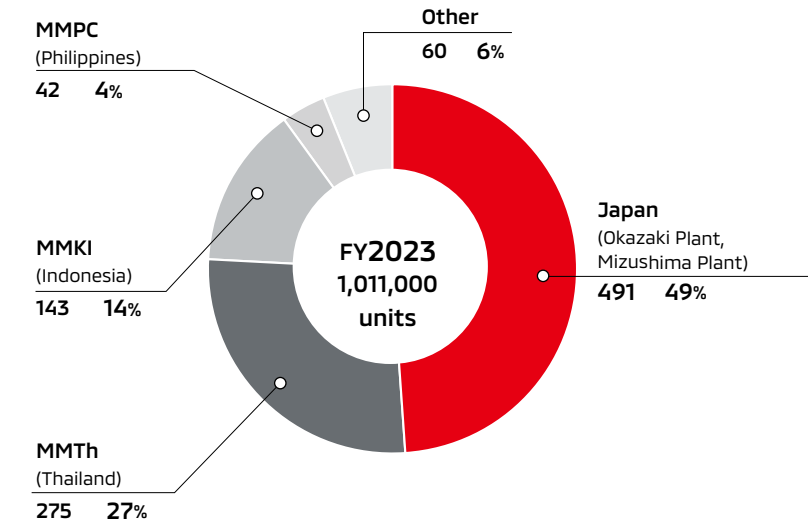
Production capacity

(Thousands of units)
For 2023, based on standard operation



Production results

(Thousands of units)



The count of the number of vehicles produced by plant is based on their site of final assembly, so statistical data may vary from that of the Japan Automobile Manufacturers Association.

Overview of Operations by Region

Sales Volume

(Thousands of units)

	FY2021	FY2022	FY2023	After changes in regional classifications*	
				FY2023	FY2024 (Forecast)
ASEAN	250	262	239	239	277
Oceania	97	88	84	84	86
Latin America/Middle East/Africa, others	159	150	136	138	154
Japan	75	92	111	111	112
North America	156	133	163	163	185
Europe	119	61	59	57	68
China, others	81	48	23	23	13
Total	937	834	815	815	895

Net Sales

(Billions of yen)

	FY2021	FY2022	FY2023	FY2023	FY2024 (Forecast)
ASEAN	466.1	584.6	531.0	531.0	600.0
Oceania	254.7	281.9	319.0	319.0	330.0
Latin America/Middle East/Africa, others	275.2	334.3	394.0	401.6	407.0
Japan	393.9	552.7	609.1	609.1	615.0
North America	397.2	538.0	711.1	711.1	750.0
Europe	235.1	154.2	219.4	211.8	175.0
China, others	16.7	12.4	6.0	6.0	3.0
Total	2,038.9	2,458.1	2,789.6	2,789.6	2,880.0

Operating Profit

(Billions of yen)

	FY2021	FY2022	FY2023
ASEAN	32.1	46.6	20.3
Oceania	28.6	37.2	24.0
Latin America/Middle East/Africa, others	11.3	21.7	38.2
Japan	(10.2)	(6.1)	(13.1)
North America	24.1	81.9	111.9
Europe	(1.3)	6.8	8.4
China, others	2.7	2.4	1.3
Total	87.3	190.5	191.0

* From fiscal 2024 some countries in Europe were regional reclassified to Middle East/Africa, others. Figures for fiscal 2023 have been revised to fit this classification.

ASEAN (Indonesia, Thailand, the Philippines, Vietnam, others)

Performance in the year ended March 31, 2024

In fiscal 2023, we launched the *TRITON* and *Xforce*, starting with Thailand and Indonesia, but sales volume decreased in the region by 23,000 units, to 239,000 units, due to significant declines in total automobile demand in both countries.

Net sales fell ¥53.6 billion year on year, to ¥531.0 billion, and operating profit was down ¥26.3 billion, to ¥20.3 billion.

Outlook for the year ending March 31, 2025

We believe it will take time for demand in Thailand and Indonesia to recover. However, we are gradually rolling out models such as the *TRITON* and *Xforce* in the Philippines, where the economy is strong. Furthermore, in Thailand we have launched the *XPANDER* HEV model, which is experiencing robust sales. For these reasons, in fiscal 2024 we anticipate sales volume of 277,000 units, up 38,000 units from fiscal 2023, and net sales of ¥600.0 billion, up ¥69.0 billion year on year.



TRITON



XPANDER HEV model

Oceania (Australia, New Zealand)

Performance in the year ended March 31, 2024

In fiscal 2023, sales volume fell 4,000 units year on year, to 84,000 units. Congestion at ports, which led to stagnant inland transport, was a major reason.

Net sales grew ¥37.1 billion year on year, to ¥319.0 billion. However, operating profit decreased ¥13.2 billion, to ¥24.0 billion, due to higher costs for materials and transportation.

Outlook for the year ending March 31, 2025

In fiscal 2024, Oceania's is expected to slow due to inflation and high interest rates, but we plan to leverage the *TRITON*, which underwent a full-scale launch in March 2024, to increase sales volume. We expect sales volume to grow 2,000 units from fiscal 2023 levels, to 86,000 units, and anticipate net sales of ¥330.0 billion, up ¥11.0 billion year on year.



TRITON



OUTLANDER PHEV model

Latin America/Middle East/Africa, others

Performance in the year ended March 31, 2024

In fiscal 2023, sales volume decreased by 14,000 units year on year, to 136,000 units, due to intensified competition following the recovery of vehicle supply and the timing of model changeovers for key models.

Net sales expanded ¥59.7 million year on year, to ¥394.0 billion, and operating profit rose ¥16.5 billion, to ¥38.2 billion.

Outlook for the year ending March 31, 2025

In Latin America, we have launched the *L200/TRITON* and the new *OUTLANDER SPORT/Xforce*, and we will gradually roll out the *OUTLANDER PHEV* model, as well. In the Middle East, although the conflict in Israel is a major concern, demand from neighboring countries is generally close to fiscal 2023 levels. We are launching the new *L200/TRITON* and, in some countries, the *Xforce/OUTLANDER SPORT*. In Africa, we are launching the *OUTLANDER SPORT/Xforce* and the *L200/TRITON*. For these reasons, we anticipate sales volume for the region (after taking into account reclassifications in fiscal 2024) of 154,000 units, up 16,000 units from fiscal 2023. We forecast net sales of ¥407.0 billion, up ¥5.4 billion.



L200/TRITON



OUTLANDER SPORT/Xforce

Japan

Performance in the year ended March 31, 2024

In fiscal 2023, favorable sales of the *Delica Mini*, a new super-height kei wagon, pushed up sales volume by 19,000 units year on year, to 111,000 units.

Net sales rose ¥56.4 billion year on year, to ¥609.1 billion, but the operating loss widened by ¥7.0 billion, from ¥6.1 billion to ¥13.1 billion. Major factors included yen depreciation against the U.S. dollar, which pushed up purchasing costs, and a rise in quality-related expenses.

Outlook for the year ending March 31, 2025

In addition to the *OUTLANDER PHEV* model, the *ECLIPSE CROSS*, and the *DELICA D:5*, which enjoys strong popularity, we will leverage the *Delica Mini* and *TRITON*, which have sustained strong orders since their launch, to further expand sales. Accordingly, we anticipate sales volume of 112,000 units, up 1,000 units from fiscal 2023. We expect net sales to grow ¥5.9 billion from fiscal 2023 levels, to ¥615.0 billion.



Delica Mini



TRITON

North America (The United States, Canada, Mexico, others)

Performance in the year ended March 31, 2024

In fiscal 2023, favorable sales of the *OUTLANDER* series pushed up sales volume 30,000 units year on year, to 163,000 units.

Net sales increased ¥173.1 billion year on year, to ¥711.1 billion, and operating profit rose ¥30.0 billion, to ¥111.9 billion.

Outlook for the year ending March 31, 2025

We believe overall demand growth in the North American market will lift sales volume and new sales, to some extent. For fiscal 2024, we forecast sales volume of 185,000 units, up 22,000 units from the fiscal 2023 level. We expect net sales of ¥750.0 billion, up ¥38.9 billion from fiscal 2023.



OUTLANDER PHEV model

Europe (Russia, Germany, the Netherlands, Spain, France, others)

Performance in the year ended March 31, 2024

In fiscal 2023, our sales volume in Europe was down by 2,000 units from fiscal 2022 levels, to 59,000, owing to our withdrawal from production in Russia.

Net sales, on the other hand, grew ¥65.2 billion year on year, to ¥219.4 billion, bolstered by existing *ECLIPSE CROSS* PHEV and *Space Star* models and the launch of two new models (Renault OEM). Operating profit increased ¥1.6 billion year on year, to ¥8.4 billion.

Outlook for the year ending March 31, 2025

In fiscal 2024, we expect automobile demand in Europe to remain at fiscal 2023 levels. Following a change in classifications in fiscal 2024, we anticipate sales volume of 68,000 units, up 11,000 units from fiscal 2023. On the other hand, we expect net sales to fall ¥36.8 billion year on year, to ¥175.0 billion. In addition to discontinuing production and shipments of the *ECLIPSE CROSS* PHEV and *Space Star* models, no models produced and shipped by MMC will be in the market until the launch of the *OUTLANDER* in the second half of fiscal 2024.



ASX

China, others

Performance in the year ended March 31, 2024

Owing to structural reforms, in fiscal 2023 sales volume was down 25,000 units year on year, to 23,000 units.

In line with the drop in sales volume, net sales decreased ¥6.4 billion year on year, to ¥6.0 billion, and operating profit fell ¥1.1 billion, to ¥1.3 billion.

Outlook for the year ending March 31, 2025

Owing to structural reforms, in fiscal 2024 we expect sales volume to drop 10,000 units below fiscal 2023 levels, mainly in the Taiwan market, to 13,000 units. We forecast net sales of ¥3.0 billion, down ¥3.0 billion from fiscal 2023.



OUTLANDER

Consolidated Financial Summary

	FY2019	FY2020	FY2021	FY2022	FY2023
					(In billions of yen)
For the year:					
Net sales	2,270.3	1,455.5	2,038.9	2,458.1	2,789.6
Operating profit (loss)	12.8	(95.3)	87.3	190.5	191.0
Ordinary profit (loss)	(3.8)	(105.2)	101.0	182.0	209.0
Profit (loss) attributable to owners of the parent	(25.8)	(312.3)	74.0	168.7	154.7
Sales volume (retail) (Thousands of units)	1,127	801	937	834	815
R&D expenses	130.9	101.4	90.7	107.2	114.6
Capital expenditures	103.9	76.4	62.7	78.6	93.6
Depreciation	74.8	65.9	53.6	60.1	67.7
Return on equity (ROE) (%)	(3.1)	(48.8)	13.3	24.0	17.1
Per share data:					(In yen)
Earnings per share	(17.32)	(209.88)	49.76	113.38	103.97
Diluted earnings per share*1	—	—	49.74	113.36	103.96
Dividends per share	10.00	0.00	0.00	5.00	10.00
At year-end:					(In billions of yen)
Total assets	1,938.1	1,856.3	1,928.4	2,201.5	2,454.5
Net assets	788.4	525.3	630.3	830.4	1,044.5
Cash and deposits	399.6	455.7	511.5	596.0	674.2
Interest-bearing debt	299.4	483.3	480.5	428.3	492.4
Equity ratio (%)	39.9	27.4	31.5	36.4	41.2
Number of shares outstanding (Thousands)	1,490,282	1,490,282	1,490,282	1,490,282	1,490,282
CO ₂ Emissions*2					
Scope 1 (direct emissions)*3 (x10 ³ t-CO ₂)	110	80	92	95	96
Scope 2 (indirect emissions)*3 (x10 ³ t-CO ₂)	416	285	319	271	264
Scope 3 (x10 ³ t-CO ₂ eq)	35,429	20,286	28,294	28,710	31,743
Energy input*2					
(Primary and secondary energy) (PJ)	9.5	7.0	8.2	8.2	7.5
Generated waste*2 (x10 ³ t)	202	109	143	141	167
Withdrawn water volume*2 (x10 ³ m ³)	5,915	4,420	4,640	4,659	4,268
Number of female managers (Persons)*4	4.5	4.3	5.1	6.1	6.3
Ratio of annual paid leave taken (%)*5	100.6	99.2	89.5	94.8	93.4
Accident rate*6	0.42	0.30	0.20	0.31	0.33
Number of reports to or consultations with the internal employee consultation office (Instances)	166	112	109	74	74

(Note) Changes in accounting methods have not been retroactively applied to previous fiscal years.

*1 Diluted earnings per share for FY2019 and FY2020 are not shown even though there are potential shares, because basic loss per share is reported for each of the fiscal years.

*2 Target sites: Environmental management target companies for each fiscal year (including the Company)

*3 CO₂ emission factors are based on "Greenhouse Gas Emissions Conversion, Reporting, and Announcement System based on the Act on Promotion of Global Warming Countermeasures." Overseas electric power conversion factors are provided by individual utilities. The IEA's "CO₂ Emissions from Fuel Combustion" of each year or "Emission Factors" are used for some locations.

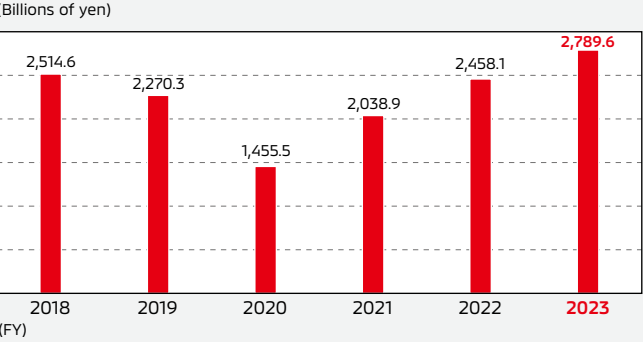
*4 Figures are as of end-March. Ratio is calculated based on the number of all managerial employees including Corporate Officers in the non-consolidated.

*5 Days of annual paid leave taken during the year (days carried forward from the previous year + days granted for the current year) ×100

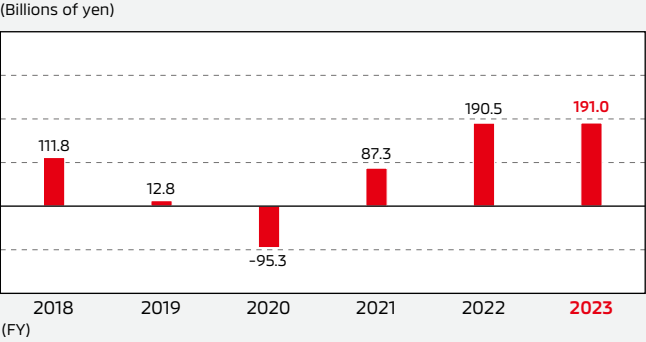
Days of annual paid leave available for the year

*6 Number of accidents with or without loss of workdays per 1 million working hours

Net Sales



Operating Profit



Operational Review

Overview of Financial Results

In the 2H/FY23, inventory shortages caused by semiconductor and shipping constrains were almost resolved, and the competitive environment began to normalize. Overall, the business environment surrounding us has been challenging due to a sharp decline in the total demand for automobiles in some ASEAN countries.

Considering this situation, we reviewed all costs and focused on improving the quality of sales or "net revenue strategy." However, results fell slightly short of the revised full-year operating profit forecast.

As a result, the number of vehicles sold for the full fiscal year was 815,000 units globally, down 2% from the previous fiscal year, and consolidated net sales for the full fiscal year rose 13% year on year to 2,789.6 billion yen. Weak overall demand in some countries in ASEAN, intensified competition due to relaxed restrictions on vehicle supply, and worsening material and transportation costs were counteracted by improved selling prices accompanying improved sales quality and favorable exchange rates and this helped to increase consolidated operating profit to 191.0 billion yen for the full fiscal year (an increase of 0.5 billion yen year on year). Consolidated ordinary profit was 209.0 billion yen (an increase of 27.0 billion yen year on year) and net income attributable to the owners of the parent company was 154.7 billion yen (a decrease of 14.0 billion yen year on year).

Overview of Financial Position

Total assets at the end of fiscal year 2023 amounted to 2,454.5 billion yen (an increase of 253.0 billion yen from the end of fiscal year 2022). Cash and deposits amounted to 674.2 billion yen (an increase of 78.2 billion yen from the end of fiscal year 2022). Total liabilities amounted to 1,410.0 billion yen (an increase of 38.9 billion yen from the end of fiscal year 2022). Of total liabilities, the interest-bearing debt balance was 492.4 billion yen (an increase of 64.1 billion yen from the end of fiscal year 2022). Net assets

amounted to 1,044.5 billion yen (an increase of 214.1 billion yen from the end of fiscal year 2022).

Cash flow status

The balance of cash and cash equivalents at the end of the fiscal year 2023 increased by 78.2 billion yen from 596.0 billion yen at the end of the previous fiscal year to 674.2 billion yen. Net cash provided by operating activities was 140.8billion yen, a decrease of 32.8 billion yen from 173.6 billion yen provided in the previous fiscal year. This was primarily due to decreases in trade payables. Net cash used in investing activities was 138.9 billion yen, an increase of 85.8 billion yen from 53.1 billion yen used in the previous fiscal year. This was primarily due to a decrease in proceeds from sales of property, plant and equipment and an increase in purchases of property, plant and equipment compared with the previous year. Net cash provided by financing activities was 37.7 billion yen, an increase of 99.6 billion yen from 61.9 billion yen used in the previous fiscal year. This was primarily due to an increase in long-term debt.

Trends in Key Cash Flow Ratios

(FY)	2019	2020	2021	2022	2023
Ratio of shareholders' equity (%)*1	39.9	27.4	31.5	36.4	41.2
Ratio of market value to assets (%)*2	23.5	25.2	25.5	35.3	30.6
Debt repayment coverage (years) *3	15.9	(11.6)	4.1	2.5	3.5
Interest coverage ratio (%)*4	4.8	(8.0)	23.2	47.9	24.0

*1 The shareholders' equity ratio is shareholders' equity divided by total assets.

*2 The shareholders' equity ratio (fair value basis) is market capitalization divided by total assets.

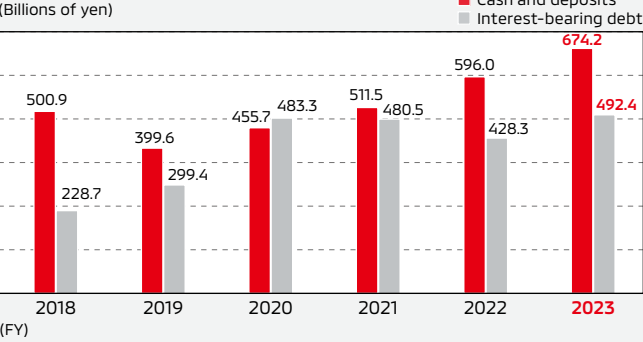
*3 The cash flows/interest-bearing debt ratio is interest-bearing debt divided by cash flow.

*4 The interest coverage ratio is cash flow divided by interest paid.

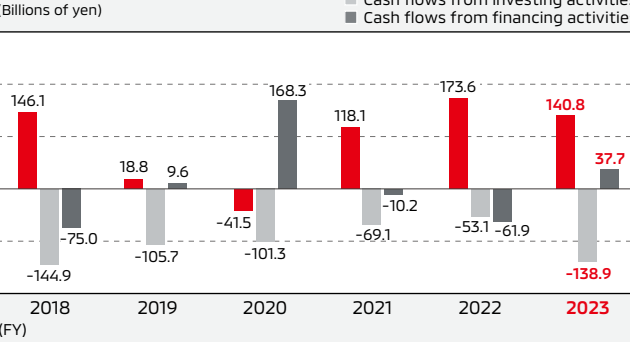
Notes:

- Each indicator is calculated from consolidated financial figures.
- Market capitalization is calculated based on the number of issued shares excluding treasury stock.
- Cash flow refers to operating cash flow.
- Interest-bearing debt includes all liabilities recorded on the consolidated balance sheet for which interest is paid.

Cash and Deposits/Interest-Bearing Debt



Cash Flows



Consolidated Subsidiaries and Affiliates

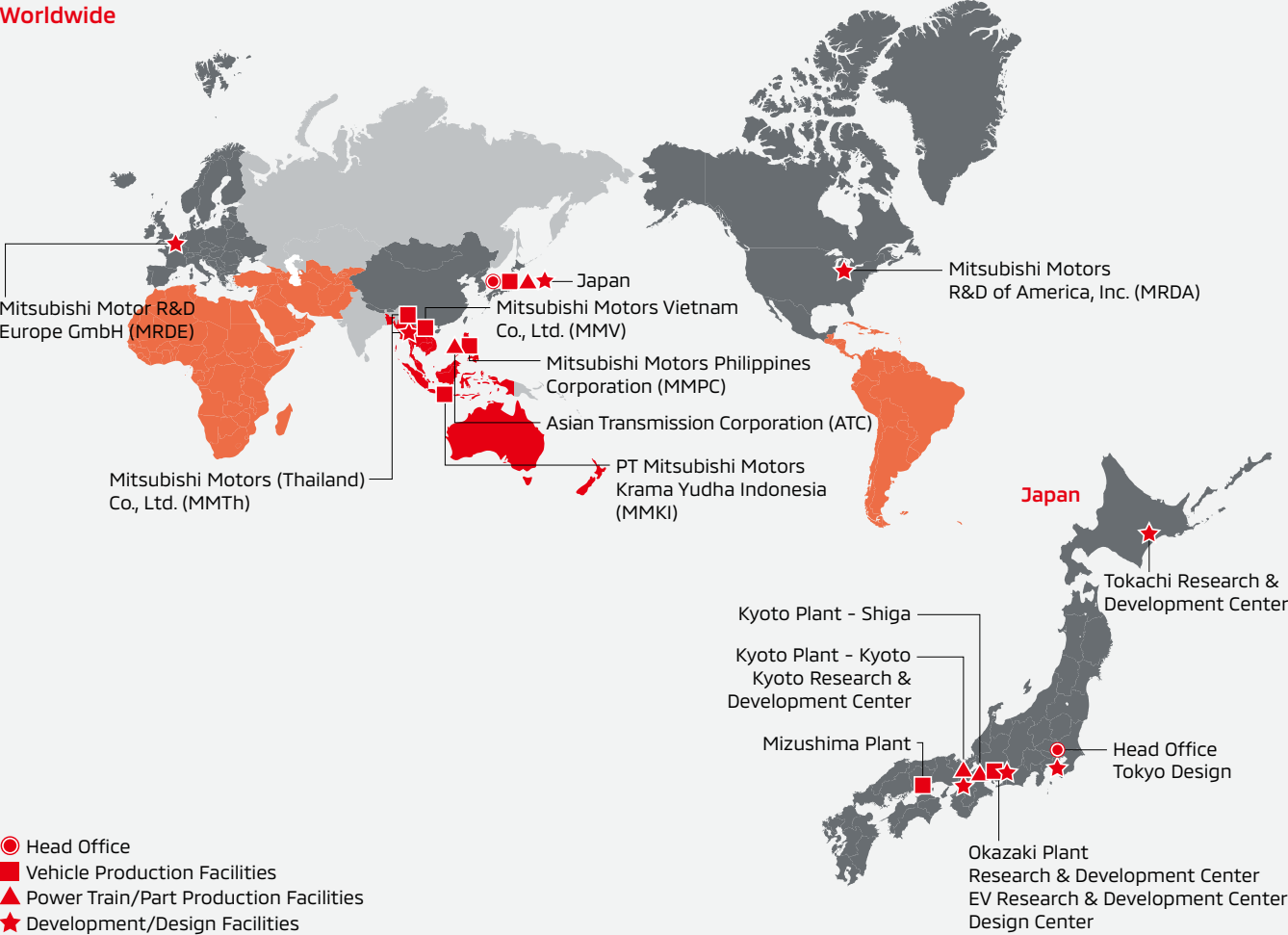
(As of March 31, 2024)

Company Name	Location	Capital Stock (In millions)	Business Lines	Percentage of Voting Stock Holding (%) *1
Consolidated subsidiaries				
Higashi Nihon Mitsubishi Motor Sales Co., Ltd.	Japan	JPY 100	Automobile sales	100.0
Nishi Nihon Mitsubishi Motor Sales Co., Ltd.	Japan	JPY 100	Automobile sales	100.0
Mitsubishi Automotive Logistics Technology Co., Ltd.	Japan	JPY 436	Automobile transport, maintenance and sales of parts	100.0
Mitsubishi Automotive Engineering Co., Ltd.	Japan	JPY 350	Automobile development	100.0
Suiryo Plastics Co., Ltd.	Japan	JPY 100	Manufacture of automobile parts	100.0
Mitsubishi Motors Finance Co., Ltd.	Japan	JPY 3,000	Auto sales financing, leasing, rentals and sales, etc.	100.0
Mitsubishi Motors North America, Inc. (MMNA)*2	U.S.A	USD 398.8	Automobile sales	100.0
Mitsubishi Motors R&D of America, Inc. (MRDA)	U.S.A	USD 2.0	Investigation, testing and research related to automobiles	100.0 (100.0)
Mitsubishi Motor Sales of Canada, Inc. (MMSCAN)	Canada	CAD 2.0	Automobile sales	100.0
Mitsubishi Motor Sales of Caribbean, Inc. (MMSC)	Puerto Rico	USD 47.5	Automobile sales	100.0
Mitsubishi Motors de Mexico S.A. de C.V.	Mexico	MXN 92.0	Automobile sales	100.0
Mitsubishi Motors Europe B.V. (MME)*2	Netherlands	EUR 237.2	Automobile sales	100.0
Mitsubishi Motor R&D Europe GmbH (MRDE)	Germany	EUR 0.8	Investigation, testing and research related to automobiles	100.0
Mitsubishi Motor Sales Netherlands B.V.	Netherlands	EUR 6.8	Automobile sales	100.0
Mitsubishi Motors Australia, Ltd. (MMAL)*2	Australia	AUD 1,789.9	Automobile sales	100.0
Mitsubishi Motors New Zealand Ltd. (MMNZ)	New Zealand	NZD 48.0	Automobile sales	100.0
Mitsubishi Motors (Thailand) Co., Ltd. (MMTh)*2	Thailand	THB 7,000.0	Automobile assembly, sales	100.0
MMTh Engine Co., Ltd.	Thailand	THB 20.0	Manufacturing of automobile engines and press parts	100.0 (100.0)
Mitsubishi Motors Philippines Corp. (MMPC)	Philippines	PHP 1,640.0	Automobile assembly, sales	100.0
Asian Transmission Corp. (ATC)	Philippines	PHP 770.0	Manufacturing of automobile transmissions	100.0
Mitsubishi Motors Middle East and Africa FZE	U.A.E.	UAD 10.0	Automobile parts sales	100.0
MMC Manufacturing Malaysia Sdn. Bhd,	Malaysia	MYR 20.0	Automobile parts sales	60.0
P.T. Mitsubishi Motors Krama Yudha Indonesia	Indonesia	IDR 2,200,000	Automobile assembly	51.0
Mitsubishi Motors Vietnam Co., Ltd.	Vietnam	VND 410,812	Automobile assembly, sales	41.2
10 other subsidiaries in addition to the above				
Equity-method associates				
Tokachi Mitsubishi Motor Sales Co., Ltd.	Japan	JPY 60	Automobile sales	43.48
Nagano Mitsubishi Motor Sales Co., Ltd.	Japan	JPY 40	Automobile sales	49.86
Mie Mitsubishi Motor Sales Co., Ltd.	Japan	JPY 58	Automobile sales	37.11
Kagawa Mitsubishi Motor Sales Co., Ltd.	Japan	JPY 50	Automobile sales	23.0
Miyazaki Mitsubishi Motor Sales Co., Ltd.	Japan	JPY 60	Automobile sales	38.8
Higashi Kanto MMC Parts Sales Co., Ltd.	Japan	JPY 100	Automobile parts sales	33.0 (10.0)
NMKV Co., Ltd	Japan	JPY 10	Automobile planning and development	50.0
MMD Automobile GmbH	Germany	EUR 30.0	Automobile sales	24.99
PT Mitsubishi Motors Krama Yudha Sales Indonesia	Indonesia	IDR 1,300,000	Automobile sales	30.0
8 other associates in addition to the above				
Other related companies				
Company Name	Location	Capital Stock (In millions)	Business Lines	Percentage of Voting Stock Held (%)
Nissan Motor Co., Ltd.*3	Japan	JPY 605,814	Automobile assembly, sales and related business	34.0
Mitsubishi Corporation*3	Japan	JPY 204,447	Wholesale trade	20.0

* 1 Figures in parentheses represent indirect shares.
* 2 Specified subsidiaries. (Mitsubishi Motors North America, Inc. (MMNA), Mitsubishi Motors Europe B.V. (MME), Mitsubishi Motors Australia, Ltd. (MMAL), Mitsubishi Motors (Thailand) Co., Ltd. (MMTh))
* 3 A company submitting an annual securities report.

Principal Facilities

(As of June 30, 2024)



Growth Drivers

ASEAN, Oceania

Concentrate management resources into these core business regions, and aim to grow sales volume, market share and revenue

Leverage Regions

Latin America, Middle East / Africa

Second pillar of business development maximizing use of ASEAN products

Advanced Technology Promotion Regions

Japan, North America, Europe, China

Move to advanced technologies by leveraging the Alliance / partners

Investor Information

(As of March 31, 2024)

Company Name	MITSUBISHI MOTORS CORPORATION
Head Office	3-1-21, Shibaura, Minato-ku, Tokyo 108-8410, Telephone: +81-3-3456-1111
Established	April 22, 1970
Capital	¥284,382 million
Number of Employees	Consolidated: 28,982 Non-consolidated: 13,844
Stock Listing	Tokyo Stock Exchange Prime Market
Securities Code	7211
Number of Shares per Unit	100 shares
Number of Issued Shares	1,490,282,496
Number of Shareholders	241,711

Major Shareholders

Name	Number of shares held (Share)	Ratio of shareholding (%)
Nissan Motor Co., Ltd.	506,620,577	34.01
Mitsubishi Corporation	298,012,214	20.00
The Master Trust Bank of Japan, Ltd. (Trust account)	104,746,400	7.03
Custody Bank of Japan, Ltd. (Trust account)	27,795,920	1.86
Mitsubishi Heavy Industries, Ltd.	21,572,455	1.44
MUFG Bank, Ltd.	14,877,512	0.99
NORTHERN TRUST GLOBAL SERVICES SE, LUXEMBOURG RE LUDU RE: UCITS CLIENTS 15.315 PCT NON TREATY ACCOUNT	12,240,000	0.82
THE BANK OF NEW YORK MELLON 140044	11,611,400	0.77
STATE STREET BANK WEST CLIENT _ TREATY 505234	7,914,200	0.53
Custody Bank of Japan, Ltd. (Trust account 4)	7,348,900	0.49

(Note) The ratio of shareholding is calculated in proportion to the number of issued shares excluding treasury stock (805,488 shares).
The number of "Treasury shares" does not include shares of MMC held by Board Incentive Plan (BIP) Trust (2,668,506 shares).

Administrator of Shareholders Register	Mitsubishi UFJ Trust and Banking Corporation
Address of Handling Office	1-4-5, Marunouchi, Chiyoda-ku, Tokyo Mitsubishi UFJ Trust and Banking Corporation, Corporate Agency Division Toll-free telephone (Japan only) 0120-232-711