Results for the Year Ended March 2017 and Forecasts for the Year Ending March 2018

May 9, 2017

Mitsubishi Corporation

(Forward-Looking Statements)

- This release contains forward-looking statements about Mitsubishi Corporation's future plans, strategies, beliefs and performance that are not historical facts. Such statements are based on the company's assumptions and beliefs in light of competitive, financial and economic data currently available and are subject to a number of risks, uncertainties and assumptions that, without limitation, relate to world economic conditions, exchange rates and commodity prices.
- Accordingly, Mitsubishi Corporation wishes to caution readers that actual results may differ materially from those projected in this release and that Mitsubishi Corporation bears no responsibility for any negative impact caused by the use of this release.

(Notes Regarding these Presentation Materials)

- Consolidated net income in this presentation shows the amount of net income attributable to owners of the Parent, excluding noncontrolling interests.

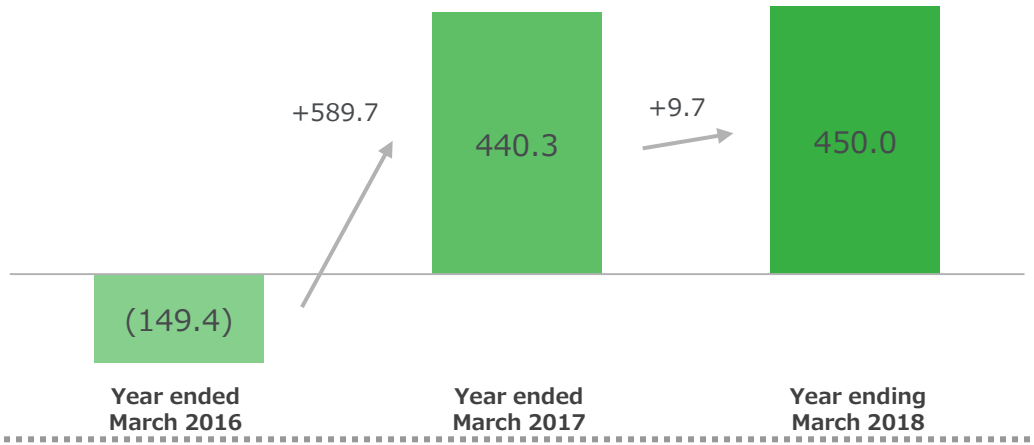
Results for the Year Ended March 2017 and Forecasts for the Year Ending March 2018

(Billion yen)	Year ended March 2016 result	Year ended March 2017 result	Changes	Year ended March 2017*1 forecast	Changes	Year ending March 2018 forecast
Consolidated Net Income (Loss)	**(149.4)**	**440.3**	**+589.7**	**440.0**	**+0.3**	**450.0**
Annual Dividend per Share	50 yen	80 yen	+30 yen	70 yen	+10 yen	80 yen

*1 : Released on February 2, 2017

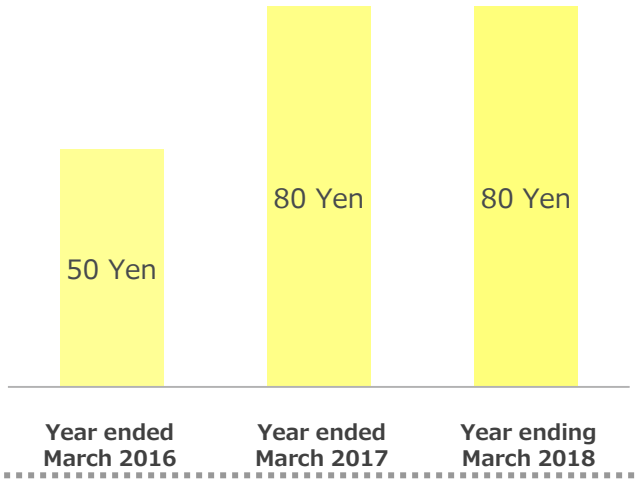
Results for the year ended March 2017, Forecasts for the year ending March 2018

- ✓ Earnings increased 589.7 billion yen, mainly due to reduced production costs and higher market prices in the Australian coal business, in addition to the rebound from major losses of 426.0 billion yen recorded in the previous year.
- ✓ The forecast for the year ending March 2018 is 450.0 billion yen, an increase of 9.7 billion yen, mainly due to the rebound from one-off losses, although earnings decreased due to lower market prices in the Australian coal business.



Shareholder Return

- ✓ In light of the results for the year ended March 2017, the forecast for the year ending March 2018 and cash flows, the annual dividend per share for the year ended March 2017 and year ending March 2018 have been set at 80 yen.



Results and Forecasts based on the revised categorization

	Year ended March 2016 result	Year ended March 2017 result	Changes	Year ended March 2017 forecast	Changes	Year ending March 2018 forecast
Business-related sector	281.7	339.5	+57.8	326.0	+13.5	327.0
Market-related sector	(416.5)	100.2	+516.7	103.0	(2.8)	97.0
Consolidated Net Income (Loss)	(149.4)	440.3	+589.7	440.0	+0.3	450.0

Revised categorization

- ✓ Revise business categorization to “market-related sector” and “business-related sector,” based on market risk sensitivity.
- ✓ Assume an optimal balance by the end of fiscal year 2018 by keeping the “market-related” portfolio size unchanged.

<Previous>

Non-resource

Power generation/
Ships (commercial vessels)/
Retail/Motor vehicles/
Life science/
Real estate/ etc.

Resource

Mineral resources
(coking coal, copper, etc.)/
North American shale gas/
LNG/ etc.

<Revised>

Business-related sector

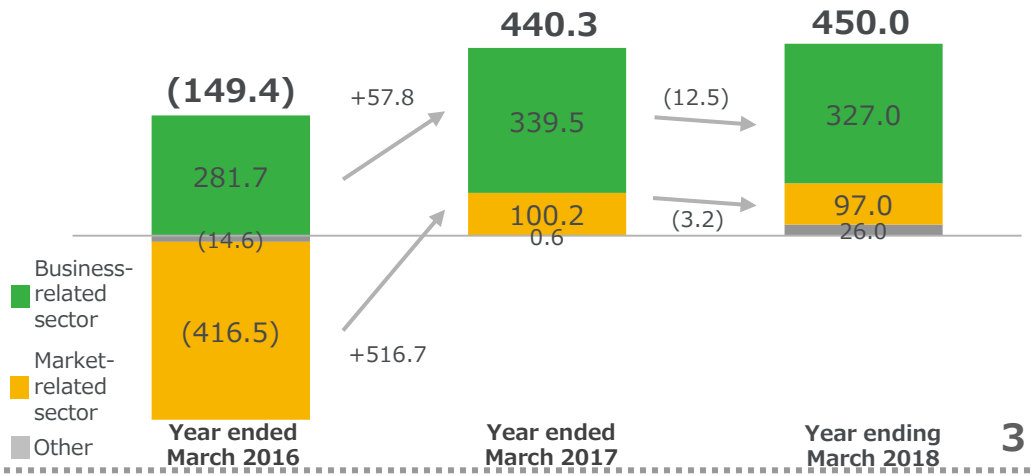
Power Generation/LNG/
Retail/Motor vehicles/
Life science/
Real estate/ etc.

Market-related sector

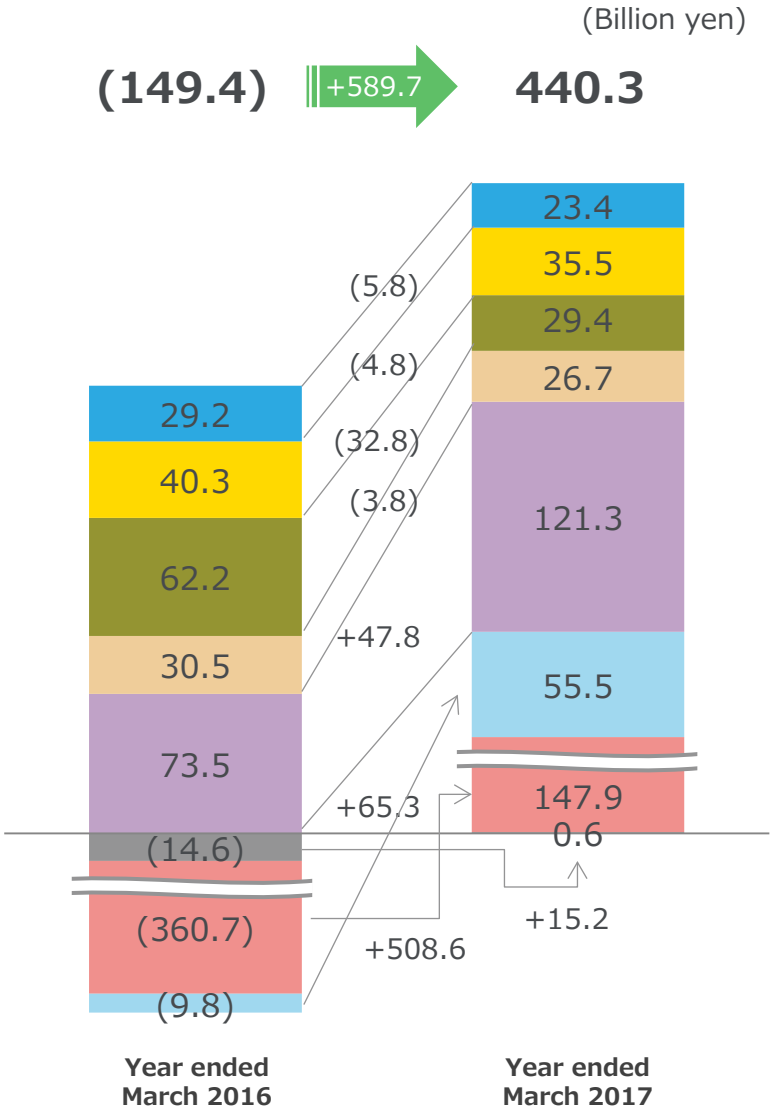
Mineral resources
(coking coal, copper, etc.)/
North American shale gas/
Ships (commercial vessels)/
etc.

Results and Forecasts

- ✓ In the Business-related sector, earnings increased 57.8 billion yen due to one-off gains recognized through acquiring Lawson as a subsidiary and increased earnings in the salmon farming business in addition to a rebound from one-off losses. Excluding one-off gains, earnings are expected to increase in the year ending March 2018.
- ✓ In the Market-related sector, earnings increased 516.7 billion yen, mainly due to reduced production costs and higher market prices in the Australian coal business and the rebound from major losses recorded in the previous year. Earnings are expected to decrease in the year ending March 2018 due to lower earnings from the Australian coal business due to lower market prices, despite the rebound from one-off losses.

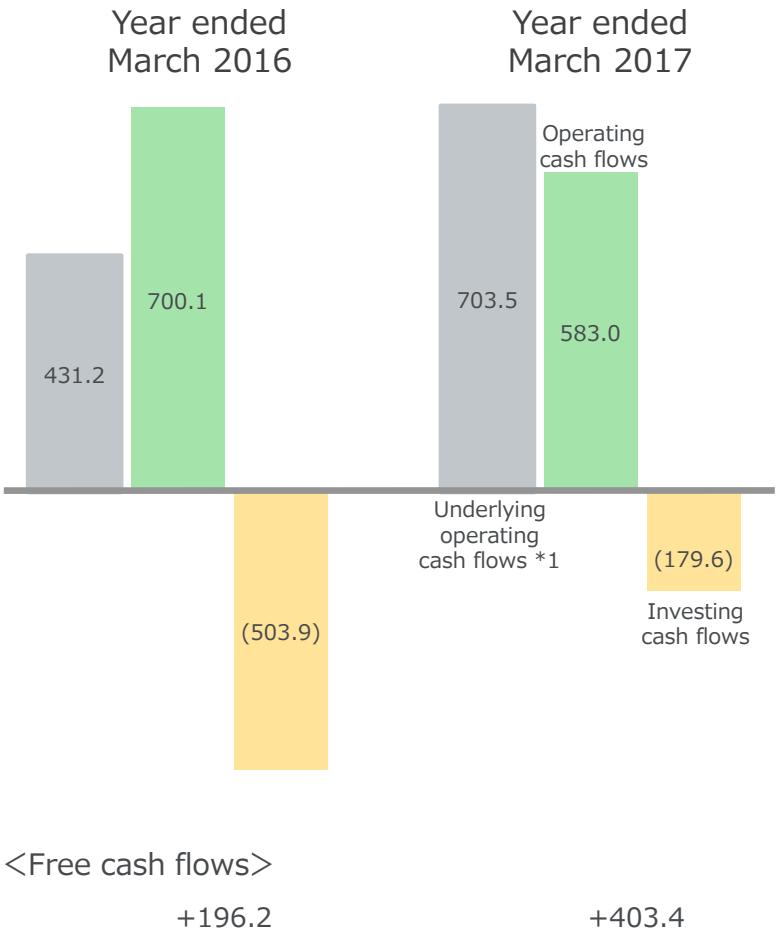


Year-over-Year Segment Net Income (Loss)



- **Global Environmental & Infrastructure Business -20%**
  Absence of one-off gains recorded in the previous year and lower equity income from Chiyoda Corporation, although income from overseas power generation business increased
- **Industrial Finance, Logistics & Development -12%**
  Decrease in earnings from the China real estate business, aircraft-related business and lease business
- **Energy Business**
  Rebound from impairment losses recorded in the previous year, one-off gains on business restructuring of shale gas business and sales of investment in the Asia E&P business
- **Metals**
  Rebound from impairment losses recorded in the previous year, increased earnings in the Australian coal business due to reduced production costs and higher market prices
- **Machinery -53%**
  Decrease in earnings due to impairment losses recorded in the ship-related business
- **Chemicals -12%**
  Decrease in equity income from the petrochemical-related business due to lower market prices and yen appreciation
- **Living Essentials +65%**
  Increase in earnings from the salmon farming business due to market price recovery, and one-off gains recognized through acquiring Lawson as a subsidiary and meat business restructuring
- **Other**
  Rebound from the reversal of deferred tax assets recognized through major losses recorded in the previous year

Cash Flows



<Free cash flows>

+196.2 +403.4

[Breakdown of cash flows]

(Billion yen)

	Underlying Operating CF	Investing CF			Total
		New Investment	Sales and Collection	Net	
Underlying Operating CF & Investing CF	**703.5**	(569.6)	390.0	**(179.6)**	**523.9**

New Investment	Sales and Collection
CVS business (Living Essentials) Real estate business (Industrial Finance, Logistics & Development)	LNG-related business (Energy business) Fund-related business (Industrial Finance, Logistics & Development)

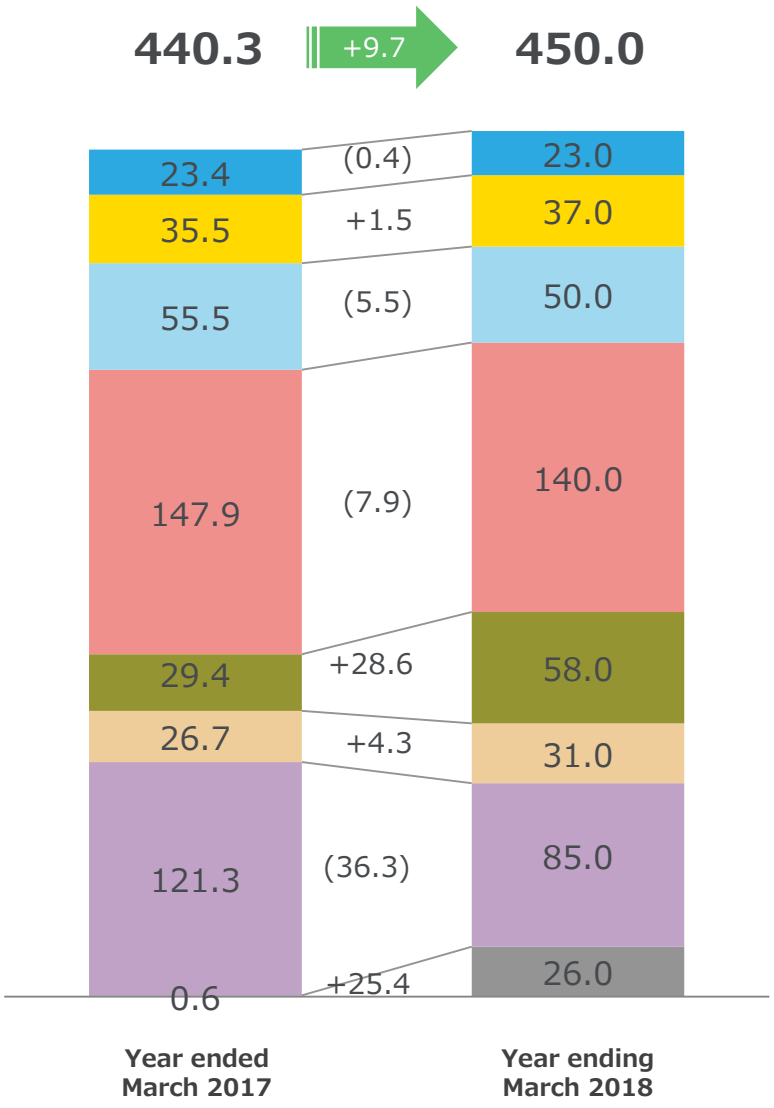
*1 Underlying operating cash flows

Operating cash flows excluding changes in assets and liabilities.

(= Net income (including non-controlling interests) – DD&A
– profits and losses related to investing activities
– equity in earnings of affiliated companies not recovered through dividends
– allowance for bad debt etc. – deferred tax)

Segment Forecasts for Year Ending March 2018

(Billion yen)



Global Environmental & Infrastructure Business

-

Industrial Finance, Logistics & Development

-

Energy Business -10%

Rebound from one-off gains although equity earnings increase due to higher market prices

Metals -5%

Decrease in earnings in the Australian coal business due to lower market prices, despite the rebound from one-off losses

Machinery +97%

Rebound from impairment losses recorded in the ship-related business

Chemicals +16%

Rebound from one-off losses

Living Essentials -30%

Rebound from one-off gains recognized through acquiring Lawson as a subsidiary

Other

Adjustments between the corporate department and business groups, and increase from new investment with companywide support

(Reference) Market Conditions

[Foreign Exchange, Commodity Prices and Interest Rates]

	Year ended March 2017	Year ending March 2018	Changes	Consolidated Net Income Sensitivities
Foreign Exchange (YEN/US$)	108.38	110.00	+1.62	Depreciation/appreciation of 1 yen per US$1 has a 2.5 billion yen positive/negative impact on a full-year basis.
Crude Oil Price (Dubai) (US$/BBL)	47	50	+3	A US$1 rise/decline per barrel increases/reduces full-year earnings by 2.0 billion yen. In addition to changes in crude oil prices, other factors could also affect crude oil-related earnings, such as differences in the fiscal year-ends of consolidated companies, timing of the reflection of the crude oil price in sales prices, dividend policy, foreign currency movements, and production/sales volume.
Copper (US$/MT) [¢/lb]	5,155 [234]	5,512 [250]	+357 [+16]	A US$100 rise/decline per MT increases/reduces full-year earnings by 1.3 billion yen (A US¢10 rise/decline per lb increases/reduces full-year earnings by 2.9 billion yen). Besides copper price fluctuations, other variables affect earnings from copper mines, such as the grade of mined ore, the status of production operations, and reinvestment plans (capital expenditure). Therefore, the impact on earnings cannot be determined by the copper price alone.
YEN Interest TIBOR (%)	0.06	0.10	+0.04	The effect of rising interest rates is mostly offset by an increase in operating and investment profits. However, a rapid rise in interest rates could have a temporary negative effect.
US$ Interest LIBOR (%)	0.86	1.40	+0.54	