

May 8, 2024

Consolidated Financial Results for FY 2023 Full Year (April 1, 2023 through March 31, 2024) [Japan GAAP]

Company name: **Mitsubishi Motors Corporation**
 Listing: Prime Market, the Tokyo Stock Exchange
 Stock code: 7211
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 Scheduled date of ordinary general shareholders' meeting: June 20, 2024
 Scheduled date to file Securities Report: June 21, 2024
 Scheduled date to deliver cash dividends: June 21, 2024
 Earnings supplementary explanatory documents: Yes
 Earnings presentation: Yes

1. Consolidated performance for the full year 2023 (April 1, 2023 to March 31, 2024)

(Figures less than one million yen are rounded, unless otherwise noted)

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2023	2,789,589	13.5	190,971	0.2	209,040	14.8	154,709	(8.3)
FY2022	2,458,141	20.6	190,495	118.1	182,022	80.3	168,730	127.9

Note: Comprehensive income FY2023 : ¥ 232,786million (14.8%) FY2022 : ¥ 202,703million (89.9%)

	Net income per share-basic	Net income per share-diluted	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to sales
	Yen	Yen	%	%	%
FY2023	103.97	103.96	17.1	9.0	6.8
FY2022	113.38	113.36	24.0	8.8	7.7

Reference: Equity income (loss) from affiliates FY2023 : ¥ 5,259million FY2022 : ¥ (12,209)million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	2,454,470	1,044,456	41.2	679.45
March 31, 2023	2,201,524	830,376	36.4	538.28

Reference: Net assets excluding share subscription rights and non-controlling interests

As of March 31, 2024: ¥ 1,010,213million As of March 31, 2023: ¥ 801,139million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from Investing activities	Cash flows from financing activities	Cash & cash equivalents at end of period
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
FY2023	140,806	(138,865)	37,674	674,204
FY2022	173,576	(53,145)	(61,865)	595,930

2. Cash dividends

Record Date	Cash dividend per share					Total annual cash dividends	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter	Second quarter	Third quarter	Fiscal year end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
FY2022	–	0.00	–	5.00	5.00	7,447	4.4	1.1
FY2023	–	5.00	–	5.00	10.00	14,894	9.6	1.6
FY2024 (Forecast)	–	7.50	–	7.50	15.00		15.5	

3. Consolidated earnings forecasts for fiscal year 2024 (from April 1, 2024 to March 31, 2025)

(Percentages indicate changes over the same period in the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	2,880,000	3.2	190,000	(0.5)	190,000	(9.1)	144,000	(6.9)	96.85

Note

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards: No
 - (ii) Changes in accounting policies due to other reasons: No
 - (iii) Changes in accounting estimates: No
 - (iv) Restatement: No

- (3) Number of shares issued and outstanding (common stocks)
- (i) Total number of shares issued and outstanding at the end of the period (including treasury stock)
- As of March 31, 2024: 1,490,282,496 shares
- As of March 31, 2023: 1,490,282,496 shares
- (ii) Number of shares of treasury stock at the end of the period
- As of March 31, 2024: 3,474,193 shares
- As of March 31, 2023: 1,956,603 shares
- (iii) Average number of shares during the period (cumulative from the beginning of the fiscal year)
- As of March 31, 2024: 1,488,016,489 shares
- As of March 31, 2023: 1,488,218,402 shares

Note: The number of treasury shares at the end of each period includes shares of the Company held by the BIP Trust Account (2,668,506 shares as of March 31, 2024 and 1,103,450 shares as of March 31, 2023). The shares of the Company held by the BIP Trust Account is included in the number of treasury shares deducted in the calculation of average number of shares during each period (1,451,630 shares as of March 31, 2024 and 1,108,328 shares as of March 31, 2023).

Reference: Overview of the Unconsolidated Financial Results

1. Unconsolidated Results for FY2023 (from April 1, 2023 to March 31, 2024)

(1) Unconsolidated operating results (Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2023	2,348,961	14.8	102,035	(7.1)	190,792	(3.1)	166,108	(12.1)
FY2022	2,045,567	26.7	109,832	220.0	196,864	277.9	189,066	370.9

	Net income per share-basic	Net income per share-diluted
	Yen	Yen
FY2023	111.63	111.62
FY2022	127.04	127.02

(2) Unconsolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	1,361,425	657,491	48.3	442.20
March 31, 2023	1,226,610	506,999	41.3	340.63

Reference: Net assets excluding share subscription rights and non-controlling interests

As of March 31, 2024: ¥ 657,467 million As of March 31, 2023: ¥ 506,970 million

* This Financial Results report is out of scope of review by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters:

(Note for the description about financial forecasts)

This material contains forward-looking statements, based on judgments and estimates that have been made on the basis of currently available information. By nature, such statements are subject to uncertainty and risk. Therefore, you are advised that the final results might be significantly different from the aforementioned statements due to changes in economic environments related to our business, market trends, fluctuations in interest rates and exchange rates, changes in laws, regulations and government policies, etc.

Potential risks and uncertainties are not limited to the above and Mitsubishi Motors Corporation (MMC) is not under any obligation to update the information in this material to reflect any developments or events in the future.

If you are interested in investing in MMC, you are requested to make a final investment decision at your own risk, taking the foregoing into consideration. Please note that neither MMC nor any third party providing information shall be responsible for any damage you may suffer due to investment in MMC based on the information shown in this material.

(How to obtain additional information materials / details of the earnings release conference)

Additional information materials are disclosed on the MMC web site on the same day as publication of the results. In addition, an audio recording of the earnings release conference held on the same day will, together with the materials used for the conference, be posted on the MMC website promptly following the conference.

1. Overview of Financial Results, etc.

(1) 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).

(2) 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).

(3) Overview of Cash Flow

The balance of cash and cash equivalents at the end of the fiscal year 2023 increased by 78.3 billion yen from 595.5 billion yen at the end of the previous fiscal year to 674.2 billion yen. The status of each cash flow for the fiscal year 2023 and their factors are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities was 140.8 billion 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.

(Cash flows from investing activities)

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.

(Cash flows from financing activities)

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

	FY2019	FY2020	FY2021	FY2022	FY2023
Ratio of shareholders' equity (%)	39.9	27.4	31.5	36.4	41.2
Ratio of market value to assets (%)	23.5	25.2	25.5	35.3	30.6
Debt repayment coverage (years)	15.9	(11.6)	4.1	2.5	3.5
Interest coverage ratio (%)	4.8	(8.0)	23.2	47.9	24.0

Definitions:

Ratio of shareholders' equity: Shareholders' equity / total assets

Ratio of market value to assets: Total market value of shares / total assets

Debt repayment coverage: Interest bearing liabilities / cash flows from operating activities

Interest coverage ratio: Cash flows from operating activities / interest expenses paid

(Note 1) All figures are calculated based on consolidated financial data.

(Note 2) Total market value of shares is the closing market share price at the end of the period multiplied by the number of outstanding shares (excluding treasury shares) at the end of the period.

(Note 3) Cash flows from operating activities are used.

(Note 4) Interest bearing liabilities indicate all liabilities listed on the consolidated balance sheet for which interest is paid.

(4) Financial Forecast

Forecast for the fiscal year 2024

FY2023 was the first year of our mid-term plan, "Challenge 2025". This is the starting point for the major change from the past, including reviewing our regional portfolio-including the withdrawal from the China and Russia markets, launching new models including OEM supply from alliance partners, reviewing our product mix, and launchings our first HEV model.

We faced difficulties in dealing with the combination of a transitional period for replacing vehicle generations and the economic downturn in the ASEAN region.

However, we made steady progress in our "net revenue strategy". The "Delica Mini" and "Triton", which embody "Mitsubishi Motors-ness", rang the bell, and the HEV model that we have been developing for the past few years became a hit. As a result, we were able to generate a certain level of revenue and gain a sense of momentum toward our future growth.

For FY2024, the external environment remains unstable due to heightened geopolitical risks and concerns about economic downturns in various countries. In addition, the automotive sector is experiencing a completely different trend from just six months ago, as demand for BEV has temporarily reached a plateau and HEV and PHEV have increased their presence.

Changes in the world are extremely rapid and violent, but we view these changes as an opportunity and will implement our initiatives for further growth in FY2024.

The outlook for the fiscal year 2024 (ending March 31, 2025) is as follows:

	FY 2024 Full-year
Net sales	2,880 billion yen
Operating profit	190 billion yen
Ordinary profit	190 billion yen
Profit attributable to owners of parent	144 billion yen

The forecast for consolidated retail sales volume is as follows: (1,000 units)

Region	FY 2024 Forecast	FY 2023 Results
Japan	112	111
North America	185	163
Europe	68	57
Asia	290	262
Others	240	222
Total	895	815

* This material contains forward-looking statements, based on judgments and estimates that have been made on the basis of currently available information. By nature, such statements are subject to uncertainty and risk. Therefore, you are advised that the final results might be significantly different from the aforementioned statements due to changes in economic environments related to our business, market trends, fluctuations in interest rates and exchange rates, changes in laws, regulations, and government policies, etc.

Potential risks and uncertainties are not limited to the above and Mitsubishi Motors is not under any obligation to update the information in this presentation to reflect any developments or events in the future. If you are interested in investing in Mitsubishi Motors, you are requested to make a final investment decision at your own risk, taking the foregoing into consideration. Please note that neither Mitsubishi Motors nor any third party providing information shall be responsible for any damage you may suffer due to investment in Mitsubishi Motors based on the information shown in this presentation.

2. Basic policy on accounting standards

In consideration of possibilities that these consolidated financial statements may be subject to trend analysis and/or comparison with other companies' financial statements, the MMC Group's policy is to produce its consolidated financial statements according to Japanese accounting standards.

The MMC Group's policy regarding harmonization with IFRS is to apply appropriate measures based on consideration of domestic and overseas economic situation(s).

3. Consolidated financial statements

(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	595,961	674,234
Notes and accounts receivable – trade, and contract assets	184,633	151,006
Finance receivables	226,042	240,517
Merchandise and finished goods	259,848	317,485
Work in process	24,835	24,684
Raw materials and supplies	66,901	69,717
Short-term loans receivable	1,022	7,027
Other	121,481	144,510
Allowance for doubtful accounts	(5,766)	(1,333)
Total current assets	1,474,959	1,627,849
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	86,288	92,079
Machinery, equipment and vehicles, net	134,524	187,469
Tools, furniture and fixtures, net	56,044	66,496
Land	116,734	122,506
Construction in progress	61,011	29,583
Total property, plant and equipment	454,603	498,135
Intangible assets	40,003	44,904
Investments and other assets		
Investment securities	95,361	104,094
Long-term loans receivable	2,760	5,013
Retirement benefit asset	4,045	17,224
Deferred tax assets	74,029	86,313
Other	59,660	75,445
Allowance for doubtful accounts	(3,898)	(4,511)
Total investments and other assets	231,959	283,579
Total non-current assets	726,565	826,620
Total assets	2,201,524	2,454,470

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	369,495	337,434
Electronically recorded obligations - operating	92,009	102,141
Short-term borrowings	31,330	68,053
Commercial papers	47,500	43,500
Current portion of long-term borrowings	73,098	224,612
Lease obligations	3,519	3,719
Accounts payable - other and accrued expenses	233,874	232,510
Income taxes payable	13,510	9,540
Provision for product warranties	54,605	68,048
Provision for contingent loss	10,504	-
Other	77,939	85,641
Total current liabilities	1,007,389	1,175,202
Non-current liabilities		
Long-term borrowings	248,048	127,781
Lease obligations	24,785	24,690
Deferred tax liabilities	320	203
Retirement benefit liability	36,688	20,367
Other	53,915	61,768
Total non-current liabilities	363,758	234,811
Total liabilities	1,371,148	1,410,014
Net assets		
Shareholders' equity		
Capital stock	284,382	284,382
Capital surplus	199,620	199,585
Retained earnings	338,424	478,239
Treasury shares	(989)	(1,688)
Total shareholders' equity	821,438	960,518
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	977	2,045
Deferred gains or losses on hedges	(35)	(739)
Foreign currency translation adjustment	(5,438)	35,454
Remeasurements of defined benefit plans	(15,802)	12,933
Total accumulated other comprehensive income	(20,298)	49,694
Share acquisition rights	29	23
Non-controlling interests	29,208	34,219
Total net assets	830,376	1,044,456
Total liabilities and net assets	2,201,524	2,454,470

(2) Consolidated statements of income and Consolidated statements of comprehensive income

Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	2,458,141	2,789,589
Cost of sales	1,935,341	2,220,743
Gross profit	522,799	568,846
Selling, general and administrative expenses		
Advertising and promotion expenses	51,535	63,009
Freightage expenses	72,747	93,593
Provision of allowance for doubtful accounts	(605)	(159)
Remuneration, salaries and allowances for directors (and other officers)	74,711	81,438
Retirement benefit expenses	3,982	4,444
Depreciation	14,516	16,690
Research and development expenses	61,025	57,642
Other	54,390	61,215
Total selling, general and administrative expenses	332,304	377,874
Operating profit (loss)	190,495	190,971
Non-operating income		
Interest income	7,623	13,412
Dividend income	677	580
Foreign exchange gains	5,421	12,888
Share of profit of entities accounted for using equity method	-	5,259
Other	2,603	2,268
Total non-operating income	16,326	34,409
Non-operating expenses		
Interest expenses	3,559	6,054
Litigation expenses	4,306	5,422
Financing expenses	706	692
Share of loss of entities accounted for using equity method	12,209	-
Other	4,017	4,171
Total non-operating expenses	24,799	16,340
Ordinary profit (loss)	182,022	209,040
Extraordinary income		
Gain on sales of non-current assets	27,271	481
Gain on sales of investment securities	24	97
Gain on liquidation of subsidiaries	-	824
Other	398	103
Total extraordinary income	27,693	1,506

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Extraordinary losses		
Loss on retirement of non-current assets	1,941	3,348
Loss on sales of non-current assets	1,713	119
Impairment loss	5,015	1,294
Loss related to the Russian business	19,928	1,313
Loss related to the Chinese business	10,504	23,002
Other	2,483	635
Total extraordinary losses	41,586	29,714
Profit (loss) before income taxes	168,129	180,832
Income taxes – current	36,410	27,577
Income taxes – deferred	(44,642)	(7,307)
Total income taxes	(8,232)	20,270
Profit (loss)	176,361	160,562
Profit (loss) attributable to non-controlling interests	7,630	5,852
Profit (loss) attributable to owners of parent	168,730	154,709

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit (loss)	176,361	160,562
Other comprehensive income		
Valuation difference on available-for-sale securities	(134)	1,067
Deferred gains or losses on hedges	(10)	(732)
Foreign currency translation adjustment	20,773	38,388
Remeasurements of defined benefit plans, net of tax	(1,670)	28,720
Share of other comprehensive income of entities accounted for using equity method	7,384	4,781
Total other comprehensive income	26,342	72,224
Comprehensive income	202,703	232,786
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	194,190	224,703
Comprehensive income attributable to non-controlling interests	8,512	8,083

(3) Consolidated statements of changes in net assets

(Millions of yen)

For the fiscal year ended March 31, 2023	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	284,382	199,837	169,694	(1,382)	652,531
Changes of items during period					
Profit (loss) attributable to owners of parent			168,730		168,730
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				7	7
Exercise of share acquisition rights		(216)		385	169
Net changes of items other than shareholders' equity					
Total changes of items during period		(216)	168,730	393	168,906
Balance at end of current period	284,382	199,620	338,424	(989)	821,438

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	1,111	(31)	(32,571)	(14,267)	(45,759)	195	23,334	630,301
Changes of items during period								
Profit (loss) attributable to owners of parent								168,730
Purchase of treasury shares								(0)
Disposal of treasury shares								7
Exercise of stock acquisition rights								169
Net changes of items other than shareholders' equity	(134)	(3)	27,133	(1,534)	25,460	(166)	5,874	31,168
Total changes of items during period	(134)	(3)	27,133	(1,534)	25,460	(166)	5,874	200,075
Balance at end of current period	977	(35)	(5,438)	(15,802)	(20,298)	29	29,208	830,376

(Millions of yen)

For the fiscal year ended March 31, 2024	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	284,382	199,620	338,424	(989)	821,438
Changes of items during period					
Dividends of surplus			(14,894)		(14,894)
Profit (loss) attributable to owners of parent			154,709		154,709
Purchase of treasury shares				(785)	(785)
Disposal of treasury shares				43	43
Exercise of share acquisition rights		(35)		41	6
Net changes of items other than shareholders' equity					
Total changes of items during period		(35)	139,815	(699)	139,080
Balance at end of current period	284,382	199,585	478,239	(1,688)	960,518

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	977	(35)	(5,438)	(15,802)	(20,298)	29	29,208	830,376
Changes of items during period								
Dividends of surplus								(14,894)
Profit (loss) attributable to owners of parent								154,709
Purchase of treasury shares								(785)
Disposal of treasury shares								43
Exercise of stock acquisition rights								6
Net changes of items other than shareholders' equity	1,067	(704)	40,893	28,736	69,993	(5)	5,011	74,999
Total changes of items during period	1,067	(704)	40,893	28,736	69,993	(5)	5,011	214,079
Balance at end of current period	2,045	(739)	35,454	12,933	49,694	23	34,219	1,044,456

(4) Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit (loss) before income taxes	168,129	180,832
Depreciation	60,132	67,737
Impairment loss	5,015	1,294
Loss related to the Russian business	19,928	1,313
Loss related to the Chinese business	10,504	23,002
Loss (gain) on liquidation of subsidiaries	-	(824)
Increase (decrease) in allowance for doubtful accounts	(3,632)	(4,258)
Increase (decrease) in retirement benefit liability	8,003	3,560
Interest and dividend income	(8,300)	(13,993)
Interest expenses	3,559	6,054
Foreign exchange losses (gains)	(5,354)	(7,861)
Share of loss (profit) of entities accounted for using equity method	12,209	(5,259)
Loss (gain) on sales and retirement of non-current assets	(23,616)	2,987
Decrease (increase) in notes and accounts receivable - trade	(59,282)	43,597
Decrease(increase) in financial receivables	(3,496)	(14,335)
Decrease (increase) in inventories	(38,739)	(25,751)
Increase (decrease) in notes and accounts payable - trade	63,702	(58,946)
Increase (decrease) in accounts payable - other, and accrued expenses	6,639	1,119
Other, net	(19,341)	(41,426)
Subtotal	196,058	158,843
Interest and dividend income received	13,447	18,833
Interest expenses paid	(3,620)	(5,877)
Income taxes paid	(32,309)	(30,992)
Net cash provided by (used in) operating activities	173,576	140,806
Cash flows from investing activities		
Purchase of property, plant and equipment	(71,041)	(113,964)
Proceeds from sales of property, plant and equipment	36,389	1,768
Purchase of intangible assets	(8,601)	(12,881)
Other, net	(9,891)	(13,788)
Net cash provided by (used in) investing activities	(53,145)	(138,865)

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from financing activities		
Increase (decrease) in short-term loans payable	8,797	34,768
Increase (decrease) in commercial papers	4,500	(4,000)
Proceeds from long-term loans payable	238,541	117,602
Repayments of long-term loans payable	(306,549)	(87,436)
Cash dividends paid	(16)	(14,845)
Dividends paid to non-controlling interests	(2,633)	(3,104)
Other, net	(4,504)	(5,310)
Net cash provided by (used in) financing activities	(61,865)	37,674
Effect of exchange rate change on cash and cash equivalents	25,890	38,658
Net increase (decrease) in cash and cash equivalents	84,456	78,274
Cash and cash equivalents at beginning of period	511,473	595,930
Cash and cash equivalents at end of period	595,930	674,204

(5) Notes to consolidated financial statements

Notes on the going concern assumption

There is no item to be reported.

Additional information

(Stock compensation plan)

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

(1) Outline of the transaction

The Plan adopts a structure called the Board Incentive Plan Trust (hereinafter the "Trust"). Through the Trust, MMC will deliver MMC shares or pay money equivalent to the converted value of such shares to Executive Officers, etc., according to their position and degree of achievement of performance targets.

(2) Treasury shares remaining in the Trust

The MMC's shares remaining in the Trust are recorded as treasury shares in the net assets section at the book value of the Trust (excluding the amount of incidental expenses). The book value of the treasury shares as of March 31, 2024, is 981 million yen, and the number of shares is 2,668,506 shares.

Segment information

(1) Segment Information

FY 2023 (from April 1, 2023 to March 31, 2024)

1. Overview of reportable segments

The reportable segments of the Group are components for which discrete financial information is available, and for which operating results are regularly reviewed by MMC's decision making bodies including the Board of Directors to determine resource allocation to the segments and to assess their performance.

The main business of the Group is automobile business, involving development, design, manufacturing and sales of automobiles and component parts. In addition, as financial service business, we engage in sales finance and leasing services for Group products (Including property sales associated with the expiration and cancellation of lease transactions).

Accordingly, based on the types of products and services offered, the Group determined "automobile business" and "financial service business" as two reportable segments.

2. Calculation method of net sales, profit or loss, assets and other items by reportable segment

The accounting method for the reportable segments is the same as "Material basis of preparation of the consolidated financial statements".

Inter-segment sales and adjustments are based on the prices in arm's-length transactions.

3. Net sales and income (loss), assets and other items for each reportable segment

(Millions of yen)

	Automobiles	Financial services	Total	Adjustment (Note 1)	Grand total (Note 2)
Net sales					
(1) External customers					
Revenue from contracts with customers	2,754,761	12,778	2,767,539	-	2,767,539
Other income	539	21,511	22,050	-	22,050
Subtotal	2,755,300	34,289	2,789,589	-	2,789,589
(2) Intersegment sales & transfers	16,258	3,666	19,925	(19,925)	-
Total	2,771,559	37,956	2,809,515	(19,925)	2,789,589
Segment profit (loss)	187,918	4,427	192,345	(1,373)	190,971
Segment assets	2,142,655	339,290	2,481,945	(27,475)	2,454,470
Other items					
Depreciation (Note 3)	62,320	5,416	67,737	-	67,737
Investment in equity method affiliates	108,048	-	108,048	-	108,048
Increase in property, plant and equipment and intangible assets (Note 3)	102,042	12,742	114,784	-	114,784

Notes: 1. Adjustment represents the elimination of intersegment transactions.

2. Segment income (loss) agrees to the amount of operating income (loss) presented in the consolidated statement of income.

3. Depreciation, increase in property, plant and equipment and intangible assets include the long-term prepaid expenses and depreciation.

(2) Related Information

FY 2023 (from April 1, 2023 to March 31, 2024)

1. Information by product and service

Information by product and service is omitted as this information is defined as the information by reportable segment.

2. Information by geographic region

1) Net sales

Net sales to external customers, classified by the geographic location of the external customers

(Millions of yen)

	Japan	North America	Europe	Asia	Oceania	Other	Total
Net sales							
Net sales to external customers							
Revenue from contracts with customers	587,483	710,708	219,377	537,039	318,946	393,984	2,767,539
Other income	21,616	391	-	-	42	-	22,050
Total	609,100	711,099	219,377	537,039	318,988	393,984	2,789,589

Note: Main countries and regions outside Japan are grouped as follows:

(1) North America.....The United States, Canada, Mexico

(2) Europe.....Germany, Spain, the Netherlands, France

(3) Asia.....Indonesia, Thailand, the Philippines, Vietnam

(4) Oceania.....Australia, New Zealand

(5) Other.....U.A.E., Brazil

Supplementary information

Net sales and operating income (loss) classified by the geographic location of MMC and its consolidated subsidiaries

(Millions of yen)

	Japan	North America	Europe	Asia	Oceania	Other	Total	Adjustment	Grand total
Net sales									
(1) External customers									
Revenue from contracts with customers	1,040,863	700,226	214,628	473,065	318,945	19,810	2,767,539	-	2,767,539
Other income	21,616	391	-	-	42	-	22,050	-	22,050
Subtotal	1,062,480	700,617	214,628	473,065	318,987	19,810	2,789,589	-	2,789,589
(2) inter-segment sales	1,374,555	1,848	1,045	724,177	4	-	2,101,631	(2,101,631)	-
Total	2,437,036	702,466	215,673	1,197,242	318,992	19,810	4,891,221	(2,101,631)	2,789,589
Operating profit (loss)	116,577	24,088	2,281	45,933	11,552	719	201,153	(10,182)	190,971

Note: Main countries and regions outside Japan are grouped as follows:

- (1) North America.....The United States, Mexico, Puerto Rico
- (2) Europe.....The Netherlands
- (3) Asia.....Thailand, Indonesia, the Philippines, Vietnam
- (4) Oceania.....Australia, New Zealand
- (5) Other.....U.A.E.

Per share information

(Yen)

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)	
Net assets per share	679.45
Net income(loss) per share - basic	103.97
Net income per share - diluted	103.96

- Note: 1. In the calculation of basic earnings per share and diluted earnings per share, the shares of the Company held by the BIP Trust Account is included in the number of treasury shares. Therefore, the number of those shares is deducted in calculating the number of common shares outstanding at the end of the year (2,668,506 shares) and the number of weighted average common shares outstanding during the year (1,451,630 shares).
2. Basis for calculating net income per share - The basis is shown below.

(Millions of yen)

	For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)
Net income per share - basic	
Net income(loss) attributable to owners of the parent	154,709
Gain not attributable to ordinary shareholders	-
Net income(loss) attributable to owners of the parent related to common stock	154,709
Average number of shares of common stock outstanding during the period (Unit: Thousands of shares)	1,488,016
Net income per share - diluted	
Adjustment to Net income attributable to owners of the parent	-
Increase in number of shares of common stock (Unit: Thousands of shares)	89
(Subscription rights to shares)	(89)
Overview of dilutive shares not included in the calculation of diluted earnings per share due to the absence of dilutive effect, which had significant changes from the previous consolidated fiscal year	-

Significant subsequent event

There is no item to be reported.