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(Securities code: 7211)

June 4, 2024

(Start date of measures for provision in electronic format: May 24, 2024)

To our shareholders

1-21, Shibaura 3-chome, Minato-ku, Tokyo

MITSUBISHI MOTORS CORPORATION

Representative Executive Officer, President & CEO Takao Kato

NOTICE OF THE 55TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are hereby notified of the 55th Ordinary General Meeting of Shareholders of MITSUBISHI MOTORS CORPORATION (“MMC”) to be held as described as below.

In the course of convening this General Meeting of Shareholders, MMC took measures to provide information in electronic format, namely posting information on MMC’s website under “Notice of the 55th Ordinary General Meeting of Shareholders (including Items Excluded From Paper-Based Documents).” Please access this information via the link below.

MMC’s website <https://www.mitsubishi-motors.com/jp/investors/stockinfo/meeting.html> (in Japanese)



In addition to the above website, this information is also posted on the Tokyo Stock Exchange (TSE) website.

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

Tokyo Stock
Exchange website
(Listed Company
Search page)

To access this information, please visit the Listed Company Search page of the TSE website (listed above). Enter “MITSUBISHI MOTORS CORPORATION” in the “Issue name” field or “7211” in the “Code” field and click “Search.” Then, click “Basic information,” “Documents for public inspection/PR information,” and “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting” in that order.



If you cannot attend the meeting, you can exercise your voting rights via the Internet or in writing. Please read the Reference Documents for General Meeting of Shareholders and exercise your voting rights so that your vote is received by 5:45 p.m. on Wednesday, June 19, 2024.

We will provide a livestreaming of the meeting from the opening to the closing on the date it is held so that shareholders can view the meeting from their homes, etc. In addition, because shareholders can submit questions in advance via the Internet and MMC plans to explain matters of great interest to shareholders at the General Meeting of Shareholders, MMC strongly recommends that you use this method. Details are provided later in this document.

- **Please refer to the guide on pages 3 to 7 of this Notice of Ordinary General Meeting of Shareholders for information on how to exercise your voting rights via the Internet or in writing and how to view the livestream on the day of the meeting.**

1. **Date and time** Thursday, June 20, 2024 at 10:00 a.m. (Reception opens at 9:30 a.m.) (Japan time)
2. **Place** 1-1-50, Shirokanedai, Minato-ku, Tokyo
“DAIGO,” B2F, SHERATON MIYAKO HOTEL TOKYO
3. **Purposes**
Matters to report
 1. Contents of FY2023 (from April 1, 2023 to March 31, 2024) Business Report, contents of Consolidated Financial Statements and Audit Reports of Accounting Auditors and Audit Committee on the Consolidated Financial Statements
 2. Report on the FY2023 (from April 1, 2023 to March 31, 2024) Financial Statements**Matters for resolution**
 - Proposal No. 1 Appropriation of Surplus
 - Proposal No. 2 Partial Amendments to the Articles of Incorporation
 - Proposal No. 3 Election of 13 Members of the Board

Matters to decide in the course of convening the meeting

- Treatment of multiple votes cast for a single proposal
 - (a) If the shareholder exercises his/her voting right via the Internet and in writing, only the vote cast via the Internet is valid.
 - (b) If the shareholder exercises his/her voting right via the Internet more than once, only the vote cast last is valid.
- If neither “for” nor “against” for each proposal is indicated on the voting form, MMC will treat such voting forms as indicating “for.”
- If MMC revises information to be provided in electronic format, MMC will post a notice indicating that fact in addition to the original and revised content on MMC’s website and the TSE website.
- The following information among information to be provided in electronic format is not included in the paper-based documents delivered to shareholders who have made a request for delivery of such documents pursuant to laws and regulations and Article 13 of MMC’s Articles of Incorporation. The Audit Committee and the Accounting Auditors have audited documents subject to audit, which include the below-mentioned items.
 - (a) “Major businesses,” “Major offices, research & development centers, plants, etc.,” “Employees,” “Major lenders,” “Share acquisition rights of MMC,” “Accounting Auditors,” and “System to ensure appropriate business activities and outline of the operating status of such systems” of Business Report
 - (b) Consolidated Statement of Changes in Net Assets and Notes to Consolidated Financial Statements
 - (c) Statement of Changes in Net Assets and Notes to Financial Statements

Notice on Exercising Voting Rights

Exercising Voting Rights via the Internet

Use a PC, smartphone, or other device to log in to the website for exercising voting rights (listed below) and indicate your approval or disapproval.

Voting deadline: No later than 5:45 p.m. on Wednesday, June 19, 2024 (Japan time)

Smartphones and other devices

Please scan the QR code® located on the lower right of the voting form with your smartphone or other device.

You can simply login to the website for exercising voting rights without entering your login ID and temporary password.

* QR code is a registered trademark of DENSO WAVE INCORPORATED.

PC

1. Please access the website for exercising voting right(s).

Website for exercising voting right(s):

<https://evote.tr.mufg.jp/>

2. Please enter your login ID and temporary password printed on the voting form.

Enter your login ID and temporary password.

Click “Log in.”

Indicate your approval or disapproval by following the instructions on the screen.

In case you need instructions for how to operate your smartphone or personal computer in order to exercise your voting rights via the Internet, please contact:

Mitsubishi UFJ Trust and Banking Corporation

Stock Transfer Agency Department Help Desk

Tel: 0120-173-027 (Toll free only from Japan / Hours: 9:00 a.m. to 9:00 p.m. JST)

Exercising Voting Rights in Writing

Please indicate either “for” or “against” for each proposal using the voting form, and return it to arrive by the voting deadline. If neither “for” nor “against” for each proposal is indicated on the voting form, MMC will treat such voting forms as indicating “for.”

Voting deadline: To be received no later than 5:45 p.m. on Wednesday, June 19, 2024 (Japan time)

Please indicate your approval or disapproval for each proposal listed here.

Proposal No. 1 and Proposal No. 2

If you approve Mark a ○ in the box marked “賛”

If you disapprove Mark a ○ in the box marked “否”

Proposal No. 3

If you approve all candidates: Mark a ○ in the box marked “賛”

If you disapprove all candidates: Mark a ○ in the box marked “否”

If you selectively disapprove certain candidates: Mark a ○ in the box marked “賛” and write the number of each candidate you choose to disapprove in the vacant box below.

- Handling of duplicate exercising of voting rights in writing and/or via the Internet
 - (1) In case a voting right is exercised in duplicate via the Internet and in writing, exercising of voting rights over the Internet shall be regarded as valid.
 - (2) In case a voting right is exercised via the Internet in duplicate, the last exercising of the voting right shall be regarded as valid.
- Registered institutional investors may use the “Electronic Proxy Voting Platform for Institutional Investors” that is operated by ICJ Inc.
- Please note that the website for accessing this platform is unavailable from 2:30 a.m. through 4:30 a.m.

Shareholders Attending the General Meeting of Shareholders

Date and time: Thursday, June 20, 2024 at 10:00 a.m. (Japan time)

Place: “DAIGO,” B2F, SHERATON MIYAKO HOTEL TOKYO, 1-1-50, Shirokanedai, Minato-ku, Tokyo

- Please present the voting form at the reception desk.
- You may name one (1) shareholder who holds voting rights of MMC to act as proxy and exercise your voting rights. To do so, please submit a document evidencing the authority of proxy.
- MMC strictly prohibits photography and audio and video recording in the venue on the day of the General Meeting of Shareholders as well as posting such records on social media or elsewhere.

Guide to livestreaming and submission of questions in advance

We will broadcast the General Meeting of Shareholders from the “Engagement Portal,” a website exclusively for shareholders, so that they can view the meeting from their homes. In addition, we will accept questions from shareholders before the meeting.

How to log in to the “Engagement Portal,” the exclusive website for shareholders

Please access and use the “Engagement Portal” (hereinafter referred to as the “Website”), a website exclusively for shareholders, by entering the following URL directly on your smartphone or PC, or by reading the QR code®.

The Website will be open to the public from the time of receipt of this Notice of Convocation to June 20, 2024.

<https://engagement-portal.tr.mufg.jp/>



1. Please enter your Login ID and Password on the shareholder authentication screen (login screen).

Login ID: 3220 (4 digit number) + shareholder number (8 digit number) (12 digit number in total)

©The shareholder number is provided in the voting form.

Password: The postcode number of your registered address in the shareholder registry as of March 31, 2024

(7 digit number) + 2024 (4 digit number) (11 digit number in total)

(e.g.) For postcode 123-4567 → Password: 12345672024

©This is not a temporary password that appears on the voting form.

2. Please agree to the Terms of Use and click the “Login” button.

Recommended system requirements

The recommended system requirements for the Website are listed in the URL below. Please check it in advance.

Please note that Internet Explorer cannot be used.

<https://www.tr.mufg.jp/daikou/pdf/faq.pdf>

How to view livestreaming

1. Streaming time

From 10:00 a.m. on June 20, 2024 (Thu.) until the end of the General Meeting of Shareholders.

- The website for viewing on the day will be accessible 30 minutes prior to the start of the meeting, at around 9:30 a.m.

2. How to view

On the day of the meeting, please log in to the Website, click the “View Live on the Day” button, agree to the Terms of Use for Viewing Live on the Day, and click the “View” button.

- Photographing the venue on the day will be taken from the rear of the venue out of consideration for the privacy of attending shareholders; however, please understand that attending shareholders may be captured in pictures in some cases.

How to register questions in advance

Of the questions submitted prior to the General Meeting of Shareholders, MMC plans to explain matters of great interest to shareholders in addition to responding to questions at the venue on the day of the General Meeting of Shareholders.

- Please note that MMC is not able to provide individual responses for all of the questions submitted prior to the General Meeting of Shareholders.

1. Deadline:

No later than 5:00 p.m. on Sunday, June 16, 2024 (Japan time)

2. How to register

- (a) After logging in to the Website, please click the “Questions in Advance” button.
- (b) Please select a question category, enter your question, agree to the Terms of Use, and click the “Confirm” button.
- (c) After confirming the content of your question, please click the “Submit” button.

Points to note

- Viewing the General Meeting of Shareholders by livestreaming does not constitute attendance at the General Meeting of Shareholders under the Companies Act, and you will be unable to exercise voting rights, ask questions, give opinions (or move motions) on the day of the General Meeting of Shareholders. Please exercise your voting rights in advance via the Internet or in writing.
- If you become unable to livestream the meeting via the Internet on the day due to some circumstances, please ask for guidance on the MMC’s website.
(<https://www.mitsubishi-motors.com/en/investors/stockinfo/meeting.html>)
- Please be aware that your PC environment or Internet connection environment may cause faults in the video or audio of the livestream.
- Telecommunication fees for viewing the meeting are to be borne by the shareholder.
- Viewing is restricted to the shareholder alone.
- Photography, video, recording, saving, or publication via social media, etc., of the livestream is strictly prohibited.

Inquiries regarding the Website

Mitsubishi UFJ Trust and Banking Corporation Stock Transfer Agency Department

Tel: 0120-676-808 (Toll free only from Japan)

Weekdays 9:00 a.m. - 5:00 p.m. except for Saturdays, Sundays, national holidays, etc. (On the day of the General Meeting of Shareholders, from 9:00 to the end of the General Meeting of Shareholders)

After the livestreaming is finished, the General Meeting of Shareholders will be available to view on video for about one month after the meeting. Please visit MMC's website to access the video.

- The video will cover the meeting to up to the point before the questions from shareholders on the day.

MMC's website (provides a recorded video of proceedings)

(<https://www.mitsubishi-motors.com/en/investors/stockinfo/meeting.html>)



【55th Ordinary General Meeting of Shareholders】

Reference Documents for General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

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

Having comprehensively considered the state of business performance for the full term and other such factors, MMC would like to set the end-of-term dividend at 5 yen per share. Including the interim dividend of 5 yen, this will make the dividend for the term 10 yen per share.

1. Type of dividend
Cash
2. Dividend allocation to shareholders and total amount of dividends
5 yen per common stock of MMC
Total dividend: 7,447,385,040 yen
3. Effective date of dividend
June 21, 2024

Proposal No. 2 Partial Amendments to the Articles of Incorporation

1. Reason for Proposal

The Company proposes making additions, amendments, and the like to Article 3 (Purpose) of the Articles of Incorporation to clarify the business purpose in line with the current status of the Company’s business and to respond to future business development and diversification of business content.

2. Details of the Amendments

Details of the amendments are as follows.

(Amendments are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p>(Purpose)</p> <p>Article 3. The purpose of the Corporation is to engage in the following businesses:</p> <ol style="list-style-type: none"> 1. To develop, design, manufacture, assemble, sell and purchase, export and import and otherwise deal in motor vehicles and components thereof and replacement parts and accessories therefor. 2. To develop, design, manufacture, assemble, sell and purchase, export and import and otherwise deal in agricultural machinery and industrial engines, etc., and components thereof and replacement parts and accessories therefor. 3. To develop, design, manufacture, assemble, sell and purchase, export and import and otherwise deal in machine tools, press machinery, casting and forging machinery, machinery and equipment for assembly, metal mold jigs and tools, and measuring machinery. 4. To sell and purchase used motor vehicles and components thereof and replacement parts and accessories therefor. 5. To carry out the agency business of non-life insurance and of insurance under the Automobile Accident Compensation Security Act. 	<p>(Purpose)</p> <p>Article 3. The purpose of the Corporation is to engage in the following businesses:</p> <ol style="list-style-type: none"> 1. To develop, design, manufacture, assemble, sell and purchase, export and import and otherwise deal in motor vehicles and components thereof and replacement parts and accessories therefor. 2. To develop, design, manufacture, assemble, sell and purchase, export and import and otherwise deal in agricultural machinery and industrial engines, etc., and components thereof and replacement parts and accessories therefor. 3. To develop, design, manufacture, assemble, sell and purchase, export and import and otherwise deal in machine tools, press machinery, casting and forging machinery, machinery and equipment for assembly, metal mold jigs and tools, and measuring machinery. 4. To sell and purchase used motor vehicles and components thereof and replacement parts and accessories therefor. 5. To carry out the following: agency business of non-life insurance; agency business of insurance under the Automobile Accident Compensation Security Act; <u>and insurance solicitation business for life insurance.</u>

Current Articles of Incorporation	Proposed Amendments
<p>6. To carry out the construction business, the civil engineering business, the electrical engineering business, the telecommunication engineering business and the machinery and equipment installation business.</p> <p>7. Information processing, information transmission, information providing, and development, sale and purchase, and lease of software.</p> <p>8. Transport by land, sea or air, warehousing, and other transportation services related thereto.</p> <p>9. Sale and purchase, lease, agency and management of real estate.</p> <p>10. Acquisition, operation and management of facilities with regard to education, healthcare, sports, exhibitions, dining, and accommodation, etc., and stores, etc. attached thereto.</p> <p>11. To carry out the general leasing business, the leasing agency business, the rental services and the financial business.</p> <p style="text-align: center;">(Newly established)</p> <p style="text-align: center;">(Newly established)</p> <p><u>12.</u> To carry out consulting, survey, research, technical development and technical guidance relating to any of the foregoing and development, licensing, and sale and purchase of inventions, devices, designs and know-how, etc. relating to any of the foregoing.</p> <p><u>13.</u> To carry out any business incidental or relating to any of the foregoing.</p>	<p>6. To carry out the construction business, the civil engineering business, the electrical engineering business, the telecommunication engineering business and the machinery and equipment installation business.</p> <p>7. Information processing, information transmission, information providing, and development, sale and purchase, and lease of software.</p> <p>8. Transport by land, sea or air, warehousing, and other transportation services related thereto.</p> <p>9. Sale and purchase, lease, agency and management of real estate.</p> <p>10. Acquisition, operation and management of facilities with regard to education, healthcare, sports, exhibitions, dining, and accommodation, etc., and stores, etc. attached thereto.</p> <p>11. To carry out the general leasing business, the leasing agency business, the rental services and the financial business.</p> <p><u>12. Generation of electricity, and supply and sale of electricity.</u></p> <p><u>13. Worker dispatching.</u></p> <p><u>14.</u> To carry out consulting, survey, research, technical development and technical guidance relating to any of the foregoing and development, licensing, and sale and purchase of inventions, devices, designs and know-how, etc. relating to any of the foregoing.</p> <p><u>15.</u> To carry out any business incidental or relating to any of the foregoing.</p>

Proposal No. 3 Election of 13 Members of the Board

As the terms of office of 13 current Members of the Board will expire at the conclusion of this Ordinary General Meeting of Shareholders, MMC proposes the election of 13 Members of the Board. The candidates for election are as on the pages 13 and 14.

The policy for nominating candidates for Directors and the composition and size of the Board of Directors are determined as follows by the Nomination Committee, the majority of members of which are Outside Directors. Based on the policy, the Nomination Committee held several discussions and nominated the candidates for Directors to propose to the General Meeting of Shareholders.

Policy for the Nomination of Candidates for Directors

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

Composition and Size of the Board

In accordance with the above nomination policy, the independence and diversity of the Board shall be ensured as follows:

Size and composition	<p>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.</p> <p>It shall be ensured that the Board is composed of the number of people who can openly and constructively discuss and exchange opinions.</p>	
Nomination policy	Outside Directors	<p>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.</p>
	Internal Directors	<p>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.</p>

No.	Name		Current position and responsibility in MMC	Board of Directors Meeting attendance (FY2023)	Term of office (at the conclusion of this meeting)
1	Tomofumi Hiraku	Reappointment Outside Independent	Chairman of the Board (Outside Director) Member of the Nomination Committee	17/17	3 years
2	Takao Kato	Reappointment	Member of the Board Representative Executive Officer, President & CEO Member of the Compensation Committee	17/17	5 years
3	Hitoshi Inada	Reappointment	Member of the Board Member of the Audit Committee	17/17	2 years
4	Shunichi Miyanaga	Reappointment Outside	Member of the Board (Outside Director) Member of the Compensation Committee (Chairperson)	16/17	10 years
5	Main Kohda (Real Name: Tokuko Sawa)	Reappointment Outside Independent	Member of the Board (Outside Director) Member of the Nomination Committee (Chairperson) Member of the Compensation Committee	17/17	6 years
6	Kenichiro Sasae	Reappointment Outside Independent	Member of the Board (Outside Director) Member of the Nomination Committee Member of the Compensation Committee	15/17	5 years
7	Hideyuki Sakamoto	Reappointment Outside	Member of the Board (Outside Director) Member of the Nomination Committee	16/17	5 years

No.	Name		Current position and responsibility in MMC	Board of Directors Meeting attendance (FY2023)	Term of office (at the conclusion of this meeting)
8	Yoshihiko Nakamura	Reappointment	Member of the Board (Outside Director) Member of the Audit Committee (Chairperson)	17/17	4 years
		Outside			
		Independent			
9	Joji Tagawa	Reappointment	Member of the Board (Outside Director) Member of the Compensation Committee	17/17	4 years
		Outside			
10	Takahiko Ikushima	Reappointment	Member of the Board (Outside Director) Member of the Audit Committee	17/17	4 years
		Outside			
11	Takehiko Kakiuchi	Reappointment	Member of the Board (Outside Director) Member of the Nomination Committee	15/17	2 years
		Outside			
12	Kanetsugu Mike	Reappointment	Member of the Board (Outside Director) Member of the Audit Committee	17/17	2 years
		Outside			
13	Junko Ogushi	Reappointment	Member of the Board (Outside Director) Member of the Audit Committee	14/14	1 year
		Outside			
		Independent			

Knowledge, experience, and expertise of the Board

The knowledge, experience, and expertise that are important for the Board of a listed company operating globally in the automotive industry amid major changes, shall be defined as follows: “management experience at a listed company,” “expertise in the automotive field,” “expertise in law, accounting or finance,” and “knowledge of world affairs or social and economic trends.”

If the proposals at this General Meeting of Shareholders are approved as proposed, the knowledge, experience, and expertise of each Director on MMC’s Board of Directors will be as follows:

Name	Classification	Persons with management experience in a listed company	Persons with expertise in the automotive field	Persons with expertise in legal, accounting or finance	Experts on world affairs or social and economic trends
1 Tomofumi Hiraku	Outside Independent				•
2 Takao Kato			•		
3 Hitoshi Inada				•	
4 Shunichi Miyanaga	Outside	•			
5 Main Kohda	Outside Independent				•
6 Kenichiro Sasae	Outside Independent				•
7 Hideyuki Sakamoto	Outside		•		
8 Yoshihiko Nakamura	Outside Independent			•	
9 Joji Tagawa	Outside		•		
10 Takahiko Ikushima	Outside			•	
11 Takehiko Kakiuchi	Outside	•			
12 Kanetsugu Mike	Outside	•			
13 Junko Ogushi	Outside Independent			•	

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

No. 1

Tomofumi Hiraku

Reappointment	Outside Director	Independent Director
Date of birth	March 23, 1956	
Term of office as Director	3 years	
Number of MMC shares owned	27,822	
Attendance at Meetings in FY2023		
Board of Directors	17/17	
Nomination Committee	11/11	



History, position and responsibility in MMC and important concurrent positions

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

(Responsibility)

Member of the Nomination Committee

Reasons for nomination as a candidate for Outside Director and outline of expected roles

Although Mr. Tomofumi Hiraku does not have experience of involvement in the management of a company by means other than serving as an outside officer, he has extensive experience, knowledge and personal networks across industries at large, having held important posts such as Director-General, Kansai Bureau and Director-General, Manufacturing Industries Bureau at the Ministry of Economy, Trade and Industry, as well as having been involved in energy policy planning at the Agency for Natural Resources and Energy. As such, MMC continuously proposes him as a candidate for Outside Director with the expectation that with these qualities, he will be able to actively supervise the MMC's management and offer advice and recommendations to MMC as the Chairperson of the Board of Directors meeting.

If he is elected, he will chair the Board of Directors meeting as the Chairman of the Board and will be involved as a Member of the Nomination Committee in the selection of candidates for MMC's officers and the like from an objective and neutral standpoint.

No. 2

Takao Kato

Reappointment



Date of birth	February 21, 1962
Term of office as Director	5 years
Number of MMC shares owned	27,721
Attendance at Meetings in FY2023	
Board of Directors	17/17
Compensation Committee	9/9

History, position and responsibility in MMC and important concurrent positions

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

(Responsibility) Member of the Compensation Committee

Reasons for nomination as a candidate for Director

Mr. Takao Kato has many years of experience and insight concerning management of MMC's global business, including experience of serving as President of PT Mitsubishi Motors Krama Yudha Indonesia, one of MMC group's largest overseas manufacturing bases. In addition, he has been engaged in MMC's management since June 2019 as CEO. As such, MMC continuously proposes him as a candidate for Member of the Board with the expectation that he will play an important role in the decisions in significant matters and business execution of MMC.

If he is elected, he will be involved as a Member of the Compensation Committee in decision-making such as determining the MMC's officer compensation system as a representative of MMC's executive side.

No. 3

Hitoshi Inada

Reappointment

Date of birth	June 4, 1957
Term of office as Director	2 years
Number of MMC shares owned	31,034
Attendance at Meetings in FY2023	
Board of Directors	17/17
Audit Committee	15/15



History, position and responsibility in MMC and important concurrent positions

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

(Responsibility) Member of the Audit Committee

Reasons for nomination as a candidate for Director

Mr. Hitoshi Inada has achievements, considerable experience and insight gained over many years in legal affairs, compliance, and corporate governance at a general trading company that operates worldwide and at MMC. As such, MMC again proposes him as a candidate for Member of the Board with the expectation that he will apply this experience and insight to the management of MMC.

If he is elected, he will be involved as a full-time Member of the Audit Committee in the audit of the execution of duties by Executive Officers and Directors as well as the selection of the Accounting Auditor.

No. 4

Shunichi Miyanaga

Reappointment

Outside Director

Date of birth	April 27, 1948
Term of office as Director	10 years
Number of MMC shares owned	24,074
Attendance at Meetings in FY2023	
Board of Directors	16/17
Compensation Committee	9/9



History, position and responsibility in MMC and important concurrent positions

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

(Responsibility) Member of the Compensation Committee (Chairperson)

<Important concurrent positions> Chairman of the Board, Mitsubishi Heavy Industries, Ltd.
Outside Director, Mitsubishi Corporation

Reasons for nomination as a candidate for Outside Director and outline of expected roles

Mr. Shunichi Miyanaga has considerable experience, achievements and insight nurtured through his long-standing career in corporate management at the manufacturing company that operates worldwide. As such, MMC continuously proposes him as a candidate for Outside Director with the expectation that with these qualities, he will be able to actively supervise MMC's management and offer advice and recommendations to MMC.

If he is elected, he will be involved as the Chairperson of the Compensation Committee in decision-making such as determining the MMC's officer compensation system from an objective and neutral standpoint.

No. 5

Main Kohda

(Real Name: Tokuko Sawa)

Reappointment	Outside Director	Independent Director
Date of birth	April 25, 1951	
Term of office as Director	6 years	
Number of MMC shares owned	17,567	
Attendance at Meetings in FY2023		
Board of Directors	17/17	
Nomination Committee	11/11	
Compensation Committee	9/9	



History, position and responsibility in MMC and important concurrent positions

September 1995	Started as an independent Novelist (to the present)
January 2003	Member of Financial System Council, Ministry of Finance Japan
April 2004	Visiting Professor, Faculty of Economics, Shiga University
March 2005	Member of the Council for Transport Policy, Ministry of Land, Infrastructure, Transport and Tourism
November 2006	Member of Government Tax Commission
June 2010	Member of the Board of Governors, Japan Broadcasting Corporation
June 2012	Outside Director, Japan Tobacco Inc.
June 2013	Outside Director, LIXIL Group Corporation
June 2016	Outside Director, Japan Exchange Group (to the present)
June 2018	Member of the Board, MMC (to the present)
(Responsibility)	Member of the Nomination Committee (Chairperson) Member of the Compensation Committee
<Important concurrent positions>	Novelist Outside Director, Japan Exchange Group (scheduled to retire in June 2024) External Director, CAPCOM CO., LTD. (scheduled to be appointed in June 2024)

Reasons for nomination as a candidate for Outside Director and outline of expected roles

Although Ms. Main Kohda does not have experience of involvement in the management of a company by means other than serving as an outside officer, she has keen acumen and an objective perspective as an author in addition to deep knowledge about international finance as well as considerable insight and experience gained as a Member of the Council of the Ministry of Finance and the Ministry of Land, Infrastructure, Transport and Tourism. As such, MMC continuously proposes her as a candidate for Outside Director with the expectation that with these qualities, she will be able to actively supervise MMC's management and offer advice and recommendations to MMC.

If she is elected, she will be involved as the Chairperson of the Nomination Committee in the selection of candidates for MMC's officers and the like, and as a Member of the Compensation Committee, in decision-making such as determining the MMC's officer compensation system from an objective and neutral standpoint.

No. 6

Kenichiro Sasae

Reappointment

Outside Director

Independent Director

Date of birth	September 25, 1951
Term of office as Director	5 years
Number of MMC shares owned	15,651
Attendance at Meetings in FY2023	
Board of Directors	15/17
Nomination Committee	10/11
Compensation Committee	7/9



History, position and responsibility in MMC and important concurrent positions

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

(Responsibility)	Member of the Nomination Committee Member of the Compensation Committee
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<Important concurrent positions>	President, The Japan Institute of International Affairs Outside Director, SEIREN CO., LTD. Outside Director, Fujitsu Limited Outside Director, Asahi Group Holdings, Ltd.
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Reasons for nomination as a candidate for Outside Director and outline of expected roles

Although Mr. Kenichiro Sasae does not have experience of involvement in the management of a company by means other than serving as an outside officer, he has a broad international understanding as a diplomat and considerable insight and experience, having held important posts at the Ministry of Foreign Affairs. As such, MMC continuously proposes him as a candidate for Outside Director with the expectation that with these qualities, he will be able to actively supervise MMC's management and offer advice and recommendations to MMC.

If he is elected, he will be involved as a Member of the Nomination Committee in the selection of candidates for MMC's officers and the like, and as a Member of the Compensation Committee, in decision-making such as determining the MMC's officer compensation system from an objective and neutral standpoint.

No. 7

Hideyuki Sakamoto

Reappointment

Outside Director

Date of birth	April 15, 1956
Term of office as Director	5 years
Number of MMC shares owned	15,651
Attendance at Meetings in FY2023	
Board of Directors	16/17
Nomination Committee	10/11



History, position and responsibility in MMC and important concurrent positions

April 1980	Joined Nissan Motor Co., Ltd.
April 2008	Corporate Officer, Nissan PV Product Development Div. No.1, Nissan Motor Co., Ltd.
May 2009	Corporate Officer, Alliance Common Platform and Components, Nissan Motor Co., Ltd.
April 2012	Corporate Vice President, Production Engineering Div., Nissan Motor Co., Ltd.
April 2014	Executive Vice President, Product Engineering, Nissan Motor Co., Ltd.
June 2014	Director, Executive Vice President, Product Engineering, Nissan Motor Co., Ltd.
January 2018	Director, Executive Vice President, MFG & SCM Operations, Nissan Motor Co., Ltd.
June 2018	Chairman of the Board, Nissan Motor Kyushu Co., Ltd. (to the present)
August 2018	Board Member, Chairman, AICHI MACHINE INDUSTRY CO., LTD. (to the present)
September 2018	Chairman, JATCO Ltd
June 2019	Member of the Board, MMC (to the present)
June 2019	Executive Officer, Executive Vice President, Manufacturing & SCM Operations, Nissan Motor Co., Ltd.
February 2020	Director, Executive Officer, Executive Vice President, Manufacturing & SCM Operations, Nissan Motor Co., Ltd.
July 2023	Director, Executive Officer, Executive Vice President, Manufacturing & SCM, Nissan Purchasing, Nissan Motor Co., Ltd.
November 2023	Director, Executive Officer, Executive Vice President, Manufacturing & SCM, Purchasing, Nissan Motor Co., Ltd.
April 2024	Director, Executive Officer, Executive Vice President, Chief Monozukuri Officer, Manufacturing & SCM, Purchasing, AFL, Nissan Motor Co., Ltd. (to the present)
(Responsibility)	Member of the Nomination Committee
<Important concurrent positions>	Director, Executive Officer, Executive Vice President, Nissan Motor Co., Ltd. Chairman of the Board, Nissan Motor Kyushu Co., Ltd. Board Member, Chairman, AICHI MACHINE INDUSTRY CO., LTD.

Reasons for nomination as a candidate for Outside Director and outline of expected roles

Mr. Hideyuki Sakamoto has considerable insight and experience gained as a member of the management team of an automobile manufacturer that operates worldwide. As such, MMC continuously proposes him as a candidate for Outside Director with the expectation that with these qualities, he will be able to actively supervise MMC's management and offer advice and recommendations to MMC.

If he is elected, he will be involved as a Member of the Nomination Committee in the selection of candidates for MMC's officers and the like from an objective and neutral standpoint.

No. 8

Yoshihiko Nakamura

Reappointment	Outside Director	Independent Director
Date of birth	November 28, 1956	
Term of office as Director	4 years	
Number of MMC shares owned	12,561	
Attendance at Meetings in FY2023		
Board of Directors	17/17	
Audit Committee	15/15	



History, position and responsibility in MMC and important concurrent positions

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

(Responsibility) Member of the Audit Committee (Chairperson)

<Important concurrent positions> CPA Yoshihiko Nakamura Accounting Office
Outside Director (Audit & Supervisory Committee member), Seika Corporation

Reasons for nomination as a candidate for Outside Director and outline of expected roles

Although Mr. Yoshihiko Nakamura does not have experience of involvement in the management of a company by means other than serving as an outside officer, he has considerable knowledge as a specialist in accounting and auditing, having been active as an accountant for many years. As such, MMC continuously proposes him as a candidate for Outside Director with the expectation that with these qualities, he will be able to actively supervise MMC's management and offer advice and recommendations to MMC.

If he is elected, he will be involved as the Chairperson of the Audit Committee in the audit of the execution of duties by Executive Officers and Directors as well as the selection of the Accounting Auditor from an objective and neutral standpoint.

No. 9

Joji Tagawa

Reappointment

Outside Director

Date of birth	July 12, 1960
Term of office as Director	4 years
Number of MMC shares owned	12,561
Attendance at Meetings in FY2023	
Board of Directors	17/17
Compensation Committee	9/9



History, position and responsibility in MMC and important concurrent positions

April 1983	Joined Nissan Motor Co., Ltd.
April 2006	Corporate Officer, Treasury Department and Investor Relations Department, Nissan Motor Co., Ltd.
April 2010	Corporate Officer, Investor Relations Department and M&A Support Department, Nissan Motor Co., Ltd.
April 2014	Corporate Vice President, Investor Relations and M&A Support Department, Nissan Motor Co., Ltd.
April 2019	Corporate Vice President, Investor Relations, Nissan Motor Co., Ltd.
December 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.
April 2020	Senior Vice President, Chief Sustainability Officer, Corporate Service, Environment/CSR, External & Government Affairs, IP Promotion and Investor Relations Department, Nissan Motor Co., Ltd.
April 2020	Outside Director, Renault (to the present)
June 2020	Member of the Board, MMC (to the present)
June 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.
April 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)

(Responsibility) Member of the Compensation Committee

<Important concurrent positions> Senior Vice President, Nissan Motor Co., Ltd.
Outside Director, Renault

Reasons for nomination as a candidate for Outside Director and outline of expected roles

Mr. Joji Tagawa has considerable insight and experience gained as a member of the management team of an automobile manufacturer that operates worldwide. As such, MMC continuously proposes him as a candidate for Outside Director with the expectation that with these qualities, he will be able to actively supervise MMC's management and offer advice and recommendations to MMC.

If he is elected, he will be involved as a Member of the Compensation Committee in decision-making such as determining the MMC's officer compensation system from an objective and neutral standpoint.

No. 10

Takahiko Ikushima

Reappointment

Outside Director

Date of birth	January 13, 1967
Term of office as Director	4 years
Number of MMC shares owned	12,561
Attendance at Meetings in FY2023	
Board of Directors	17/17
Audit Committee	15/15



History, position and responsibility in MMC and important concurrent positions

April 1990	Joined Nissan Motor Co., Ltd.
November 2019	Division General Manager, Budget and Accounting Department, Global Revenue and Regional Financial Management Group, General Manager, MC-Controller, LCV-BU, Nissan Motor Co., Ltd.
December 2019	Corporate Vice President, Global Controller, Accounting, Nissan Motor Co., Ltd.
June 2020	Member of the Board, MMC (to the present)
August 2021	Corporate Vice President, Global Controller, Regions' Performance Control, Nissan Motor Co., Ltd.
April 2024	Senior Vice President, Global Controller, Regions' Performance Control, Nissan Motor Co., Ltd. (to the present)

(Responsibility) Member of the Audit Committee

<Important concurrent positions> Senior Vice President, Nissan Motor Co., Ltd.

Reasons for nomination as a candidate for Outside Director and outline of expected roles

Mr. Takahiko Ikushima has considerable insight and experience gained as a member of the management team of an automobile manufacturer that operates worldwide. As such, MMC continuously proposes him as a candidate for Outside Director with the expectation that with these qualities, he will be able to actively supervise MMC's management and offer advice and recommendations to MMC.

If he is elected, he will be involved as a Member of the Audit Committee in the audit of the execution of duties by Executive Officers and Directors as well as the selection of the Accounting Auditor from an objective and neutral standpoint.

No. 11

Takehiko Kakiuchi

Reappointment

Outside Director

Date of birth	July 31, 1955
Term of office as Director	2 years
Number of MMC shares owned	4,136
Attendance at Meetings in FY2023	
Board of Directors	15/17
Nomination Committee	11/11



History, position and responsibility in MMC and important concurrent positions

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

(Responsibility) Member of the Nomination Committee

<Important concurrent positions> Chairman of the Board, Mitsubishi Corporation

Reasons for nomination as a candidate for Outside Director and outline of expected roles

Mr. Takehiko Kakiuchi has considerable experience and achievements as a manager in a general trading company that operates worldwide and extensive insight into global business management. As such, MMC again proposes him as a candidate for Outside Director with the expectation that with these qualities, he will be able to actively supervise MMC's management and offer advice and recommendations to MMC.

If he is elected, he will be involved as a Member of the Nomination Committee in the selection of candidates for MMC's officers and the like from an objective and neutral standpoint.

No. 12

Kanetsugu Mike

Reappointment	Outside Director
Date of birth	November 4, 1956
Term of office as Director	2 years
Number of MMC shares owned	–
Attendance at Meetings in FY2023	
Board of Directors	17/17
Audit Committee	15/15



History, position and responsibility in MMC and important concurrent positions

April 1979	Joined The Mitsubishi Bank, Ltd.
June 2005	Executive Officer, The Bank of Tokyo-Mitsubishi, Ltd. Executive Officer, Mitsubishi Tokyo Financial Group, Inc.
May 2009	Managing Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (“BTMU”)
May 2011	Managing Officer, Mitsubishi UFJ Financial Group, Inc. (“MUFG”)
June 2011	Member of the Board of Directors, Managing Executive Officer, BTMU
May 2013	Senior Managing Executive Officer, BTMU
October 2015	Executive Chairman of MUFG Americas Holdings Corporation Executive Chairman of MUFG Union Bank, N.A.
May 2016	Deputy President, BTMU
May 2016	Senior Managing Corporate Executive, MUFG
June 2016	Member of the Board of Directors, Deputy President, BTMU
June 2017	President & CEO, BTMU Member of the Board of Directors, Deputy Chairman, MUFG
April 2019	Member of the Board of Directors, President & Group CEO, MUFG
April 2020	Member of the Board of Directors, Deputy Chairman, MUFG
April 2021	Member of the Board of Directors, Chairman, MUFG (to the present)
June 2022	Member of the Board, MMC (to the present)
June 2022	Outside Director, Tokio Marine & Nichido Fire Insurance Co., Ltd. (to the present)
April 2023	Vice Chairperson, KEIZAI DOYUKAI (Japan Association of Corporate Executives) (to the present)
June 2023	Outside Statutory Auditor, Tokyo Kaikan Co., Ltd. (to the present)
(Responsibility)	Member of the Audit Committee
<Important concurrent positions>	Member of the Board of Directors, Chairman, MUFG Outside Director, Tokio Marine & Nichido Fire Insurance Co., Ltd. Vice Chairperson, KEIZAI DOYUKAI (Japan Association of Corporate Executives) Outside Statutory Auditor, Tokyo Kaikan Co., Ltd.

Reasons for nomination as a candidate for Outside Director and outline of expected roles

Mr. Kanetsugu Mike has considerable experience and extensive insight as a manager of an international financial institution. As such, MMC again proposes him as a candidate for Outside Director with the expectation that with this experience and insight, he will be able to actively supervise MMC’s management and offer advice and recommendations to MMC.

If he is elected, he will be involved as a Member of the Audit Committee in the audit of the execution of duties by Executive Officers and Directors as well as the selection of the Accounting Auditor from an objective and neutral standpoint.

No. 13

Junko Ogushi

Reappointment	Outside Director	Independent Director
Date of birth	August 23, 1960	
Term of office as Director	1 year	
Number of MMC shares owned	1,771	
Attendance at Meetings in FY2023		
Board of Directors	14/14	
Audit Committee	12/12	



History, position and responsibility in MMC and important concurrent positions

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

(Responsibility) Member of the Audit Committee

<Important concurrent positions> Senior Partner, Attorney at Law, Atsumi & Sakai
Auditor, Tokyo Metropolitan Industrial Technology Research Institute
Outside Director, Hibiya Engineering, Ltd.

Reasons for nomination as a candidate for Outside Director and outline of expected roles

Although Ms. Junko Ogushi does not have experience of involvement in the management of a company by means other than serving as an outside officer, she has considerable expert knowledge and extensive insight as a legal specialist, having been active as an attorney at law for many years. As such, MMC again proposes her as a candidate for Outside Director with the expectation that with these qualities, she will be able to actively supervise MMC's management and offer advice and recommendations to MMC.

If she is elected, she will be involved as a Member of the Audit Committee in the audit of the execution of duties by Executive Officers and Directors as well as the selection of the Accounting Auditor from an objective and neutral standpoint.

- (Notes)
1. There are no special conflicts of interests between MMC and each director candidate.
 2. MMC has concluded agreements with Mr. Tomofumi Hiraku, Mr. Hitoshi Inada, Mr. Shunichi Miyanaga, Ms. Main Kohda, Mr. Kenichiro Sasae, Mr. Hideyuki Sakamoto, Mr. Yoshihiko Nakamura, Mr. Joji Tagawa, Mr. Takahiko Ikushima, Mr. Takehiko Kakiuchi, Mr. Kanetsugu Mike and Ms. Junko Ogushi limiting their liability for damages to the higher of 7 million yen or the minimum amount of liability stipulated in Article 425, paragraph (1) of the Companies Act for the liability stipulated in Article 423, paragraph (1) of the same Act. MMC intends to continue the above-mentioned limitation of liability agreements with the candidates if their elections are approved.
 3. MMC has entered into a directors and officers liability insurance policy with an insurance company. The contents of the insurance policy are outlined in “Outline of the directors and officers liability insurance policy, etc.” of the Business Report. If the election of each candidate is approved and they assume office, they will become insureds under the insurance policy. MMC intends to renew the policy with the same terms and conditions at the time of its next renewal.
 4. MMC has designated Mr. Tomofumi Hiraku, Ms. Main Kohda, Mr. Kenichiro Sasae, Mr. Yoshihiko Nakamura and Ms. Junko Ogushi as independent directors provided for by Tokyo Stock Exchange, Inc., and has notified the Exchange to that effect. The five individuals above meet the Independence Standards and Qualification for Outside Directors established by MMC.
 5. In 2020, when Ms. Main Kohda served as an outside director at Japan Exchange Group, Inc. (“JPX”), a system failure occurred in the cash equity trading system “arrowhead” at its subsidiary Tokyo Stock Exchange, Inc. (“TSE”), which resulted in the suspension of all TSE’s trading for the entire day. As a result, JPX was issued with business improvement orders in November 2020, stating that there was an inadequacy with a setting for the automatic switchover regarding the failed device, and that TSE had not developed sufficient rules for trading resumption.

From before the occurrence of the aforementioned incident, Ms. Main Kohda had been providing suggestions as necessary concerning what a market operation with a high degree of stability and reliability should look like at the board of director meetings of JPX. After the aforementioned incident, she fulfilled her duties by providing evaluation and suggestions relating to matters such as the cause of the system failure, the appropriateness of JPX’s and TSE’s response before and after the incident, and measures for recurrence prevention as a committee member of the Investigation Committee of Independent Outside Directors in Relation to the System Failure, established by JPX, while providing a report on the status of the aforementioned committee’s investigation and the results of its investigation at the board of directors meetings of JPX.
 6. Mr. Hideyuki Sakamoto serves as a Director and Executive Officer at Nissan Motor Co., Ltd. On March 7, 2024, the company received a recommendation from the Japan Fair Trade Commission, regarding transactions with 36 suppliers subject to the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (the “Subcontract Act”). Part of the rebates received from these suppliers were deemed to violate Article 4, paragraph (1), item (iii) of the Subcontract Act (prohibition of reducing the amount of subcontract proceeds). According to this recommendation, the total amount of rebates deemed to be reductions in subcontracting proceeds is 3,023 million 676,843 yen for the period from January 2021 to April 2023. The company has already refunded the amount considered to be reductions in subcontracting proceeds to these suppliers and has discontinued the use of rebates. The company takes this recommendation very seriously and is reinforcing the periodical inspections system on compliance with laws, as well as providing thorough education and periodic training to officers and employees involved in subcontracting transactions, to strengthen its compliance system. Additionally, the company is working on thorough measures to prevent recurrence and aiming to improve the fairness of future transactions.
 7. Mr. Kanetsugu Mike serves as an Outside Director at Tokio Marine & Nichido Fire Insurance Co., Ltd. On December 26, 2023, the company received a business improvement order based on the Insurance Business Act from the Financial Services Agency. The order states that, regarding the

company's insurance premium adjustments, there were actions deemed to violate antitrust law, actions deemed inappropriate in light of the purpose of the law, and underlying attitude problems. Mr. Mike was not aware of these facts beforehand but has been consistently making suggestions from the perspective of strengthening internal control and compliance with laws at board of directors meetings and other occasions. Since becoming aware of these facts, he has been fulfilling his duties by conducting thorough investigations, analyzing root causes, and instructing the development of measures to prevent recurrence.

8. Mr. Shunichi Miyanaga currently serves as a Director at Mitsubishi Corporation, a specified affiliated business operator (major trading partner) and has served as such in the past ten years.
9. Mr. Hideyuki Sakamoto currently serves as a Director, Executive Officer, Executive Vice President at Nissan Motor Co., Ltd., a specified affiliated business operator (major trading partner) and has served as Director, Executive Vice President, and Executive Officer and Executive Vice President in the past ten years. In addition, he served as a Chairman at JATCO Ltd, a specified affiliated business operator (MMC's affiliate) in the past ten years. Moreover, he has served as a Director at NMKV Co., Ltd. (MMC's affiliate) in the past ten years.
10. Mr. Joji Tagawa currently serves as a Senior Vice President at Nissan Motor Co., Ltd., a specified affiliated business operator (major trading partner) and has served as Corporate Vice President and Senior Vice President in the past ten years. Moreover, he has received remuneration as a Senior Vice President in the last two years, and he plans on continue receiving remuneration as a Senior Vice President.
11. Mr. Takahiko Ikushima currently serves as a Senior Vice President at Nissan Motor Co., Ltd., a specified affiliated business operator (major trading partner) and has served as an employee, a Corporate Vice President, and a Senior Vice President in the past ten years. Moreover, he has received remuneration as a Corporate Vice President and a Senior Vice President in the last two years, and he plans on continue receiving remuneration as a Senior Vice President.
12. Mr. Takehiko Kakiuchi currently serves as a Chairman of the Board of Mitsubishi Corporation, a specified affiliated business operator (major trading partner) and has served as an Executive Vice President, President and CEO, Member of the Board and President and CEO, and Chairman of the Board of Mitsubishi Corporation in the past ten years.
13. If this proposal is approved, the composition of each committee will be as follows:
 - Nomination Committee: Ms. Main Kohda (Chairperson), Mr. Kenichiro Sasae, Mr. Hideyuki Sakamoto, Mr. Tomofumi Hiraku and Mr. Takehiko Kakiuchi
 - Compensation Committee: Mr. Shunichi Miyanaga (Chairperson), Ms. Main Kohda, Mr. Kenichiro Sasae, Mr. Joji Tagawa and Mr. Takao Kato
 - Audit Committee: Mr. Yoshihiko Nakamura (Chairperson), Mr. Takahiko Ikushima, Mr. Kanetsugu Mike, Ms. Junko Ogushi and Mr. Hitoshi Inada

Reference

Independence Standards and Qualification for Outside Directors

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

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

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

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

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

*4 large (amount): an amount of consideration received from MMC that is 10 million yen or more

Reference

Corporate Governance: Basic Views and Policies

MMC considers compliance to be its highest priority, and makes the continual strengthening and improvement of corporate governance a management priority in order to achieve sustainable growth and improvement of the MMC's medium and long-term corporate value so as to meet the expectations of all of its stakeholders, including its shareholders and customers, based on the corporate philosophy (Vision & Mission).

In order to strengthen and improve corporate governance, MMC will work to make explicit the separation of the roles of and to enhance the functioning of supervisory and executive functions as a company with three committees, and it will also further enhance the soundness, transparency, and objectivity of management.

Our basic framework and views to corporate governance are summarized in our Corporate Governance Guidelines and are disclosed on the MMC's website below.

MMC's website: <https://www.mitsubishi-motors.com/en/sustainability/governance/guideline.pdf>

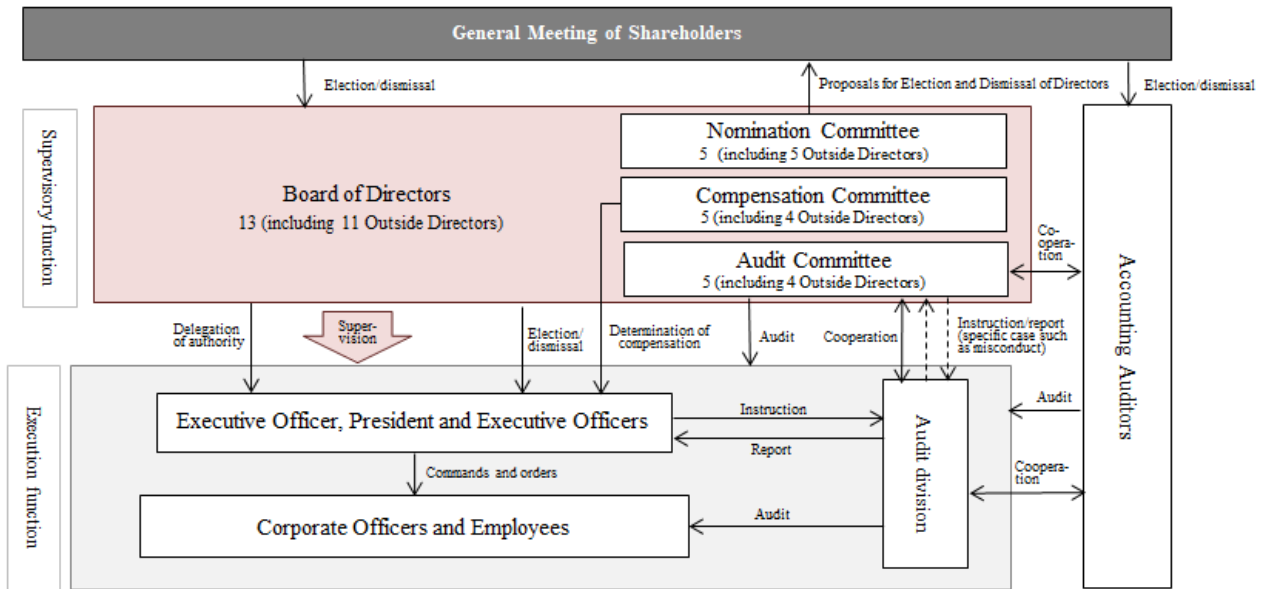
Corporate Governance Structure

The Board of Directors decides certain material items related to business management, and delegates decision-making authority for the execution of other business to Executive Officers. Then, the Board of Directors and the three committees, comprising of Nomination Committee, Compensation Committee and Audit Committee, fulfill the function of supervising the execution of business by the Executive Officers. The majority of the Board of Directors and each Committees is composed of Outside Directors, and a system is in place to ensure that fair and transparent corporate governance functions substantially.

The Nomination Committee determines candidates for Directors, deliberates in advance on the selection and dismissal of Executive Officers in connection with decisions of the Board of Directors, and formulates succession plans for the Executive Officer, President.

The Compensation Committee determines the compensation system for Directors and Executive Officers and the amount of compensation to be paid based on the system, etc.

The Audit Committee conducts audits of the execution of duties by Directors and Executive Officers and the operation of internal controls, etc.



(Note) The number of persons in the case of approval of Proposal No. 3 at this General Meeting of Shareholders is presented.

Reference

Evaluation of Effectiveness of the Board of Directors

In an effort to improve effectiveness of corporate governance, MMC conducts evaluation of the effectiveness of the Board of Directors once a year by questionnaire survey to all Members of the Board, and reports the results to the Board of Directors.

In FY2023, in pursuit of enhancing the oversight capability of the Board, MMC conducted a questionnaire survey about the aspects listed below, targeting all the Board Members.

<Aspects evaluated>

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

The following is a summary of the effectiveness of the Board of Directors for FY2023, which takes into account opinions and feedback received from each Member of the Board:

- The Board of Directors of MMC is generally deemed effective.
- What is reaffirmed is the importance of continuing to deepen discussions on medium- to long-term, overarching management strategy. To further improve, it is important to advance the following initiatives:
 - Enhanced sharing and understanding of management-related information, which are fundamental to improving the quality of discussion, oversight, and decision-making
 - Substantiation of opportunities for strategic discussions, including setting related agendas

Based on the above summary and identified issues, the Board is considering the following actions:

- Expanding the forum for discussions about management-related information, such as on the business and operational environment as well as the execution of operations by key divisions
- Further enhancing opportunities for strategic discussions, such as on regional strategy, capital strategy, and talent strategy, through agenda setting
- Establishing more appropriate criteria for matters to be discussed by the Board to deepen discussions on medium- to long-term, overarching management strategy as a monitoring board

MMC would endeavor continuously for even heightened effectiveness of the Board and enhanced corporate governance through these initiatives.

Business Report

(From April 1, 2023 to March 31, 2024)

1. Matters regarding the current state of the corporate group

(1) Progress and results of the business

The consolidated results of the MITSUBISHI MOTORS CORPORATION group (the “MMC group”) in the fiscal year under review are as follows.

In the second half of the fiscal year under review, an inventory shortage stemming from a shortage of semiconductors, etc. was generally eliminated, and the competitive environment on the sales scene began to normalize. On the other hand, in the ASEAN region to which MMC gives priority, the business environment surrounding the MMC group was severe in general mainly due to a considerable decrease in overall demand for automobiles in some countries.

In this harsh business environment, the MMC group clarified the priority order of costs, and focused on improvement of sales quality or “take-home proceeds improvement activities.” However, the results slightly fell below the revised forecasts.

As a result, full-year global sales volume was 815,000 units, down 2% from the previous fiscal year, and full-year consolidated net sales were 2,789.6 billion yen, up 13% from the previous fiscal year. Sluggish overall demand in some areas of ASEAN, fiercer competition due to alleviation of constraints on supply of vehicles, and a deterioration in material expenses and transportation expenses were overcome by improvements in selling prices in line with the improvement of sales quality and favorable exchange rates, resulting in consolidated operating profit of 191.0 billion yen (up 0.5 billion yen year on year). Consolidated ordinary profit was 209.0 billion yen (up 27.0 billion yen year on year), and consolidated net income (profit attributable to owners of parent) was 154.7 billion yen (down 14.0 billion yen year on year).

As for the consolidated results of each business, net sales in the automotive business were 2,771.6 billion yen (up 329.6 billion yen year on year), and operating profit was 187.9 billion yen (up 1.8 billion yen year on year). Net sales in the financial services business were 38.0 billion yen (up 2.9 billion yen year on year), and operating profit was 4.4 billion yen (down 0.5 billion yen year on year). The net sales and operating profit figures of each business are prior to eliminations on consolidation.

Concerning dividends for the fiscal year under review, MMC has requested the payment of an end-of-term dividend of 5 yen per share at this Ordinary General Meeting of Shareholders.

Performance highlights

- Net sales: 2,789.6 billion yen (+13% year on year)
- Operating profit: 191.0 billion yen (+0.5 billion yen year on year)
- Ordinary profit: 209.0 billion yen (+27.0 billion yen year on year)
- Profit attributable to owners of parent: 154.7 billion yen (−14.0 billion yen year on year)

Concerning shareholder returns, there is great demand for capital in order to achieve sustainable growth, such as through further promotion of technological innovations and environmental efforts; therefore, it is our basic policy to maintain the stable distribution of profits to shareholders after comprehensively considering cash flows, financial conditions and business performance. In light of developments of the recent business environment, MMC hopes to compile a medium- to long-term investment policy toward future growth for measures for electrification and for carbon neutrality, and other matters again near the end of FY2024, and then present its specific policy on shareholder returns. While conducting such examinations, MMC intends to realize dividends of 15 yen per share annually (dividend increase by 5 yen) as a step for improvement of shareholder returns with regard to dividends for the fiscal year ending March 31, 2025, the next fiscal year.

The fiscal year under review, which was the first fiscal year of the mid-term business plan “Challenge 2025,” became the starting point that significantly changed the course from the past, through review of the regional portfolio including China and Russia, launch of new models/review of the product mix including introduction of models from alliance partners, launch of HEVs for the first time in the MMC group, and other means. As it was a period of transition for model change and the ASEAN market was stagnant, MMC struggled to cope with the situation. On the other hand, the take-home proceeds improvement strategy steadily progressed, and a certain amount of revenue was generated mainly through the hit of *Delica Mini* and *Triton*, which embody the appeal of Mitsubishi Motors-ness, and the hit of HEVs of which the development was advanced in the past few years. As such, the fiscal year under review was also a year in which MMC got confidence about next growth.

As for FY2024, the external environment remains unstable principally due to heightened geopolitical risks and concerns about the future of the economy of each country. Furthermore, in the automotive industry, while demand for BEVs has once leveled off, there have been movements that are completely different from those just 6 months ago, such as the increasing presence of HEVs and PHEVs. Although changes in the world are extremely rapid and sharp, MMC believes that the direction of major changes remains unchanged. In any case, MMC will further realize measures for growth in FY2024 to appropriately capture a turning point for changes and turn it into an opportunity.

(2) State of capital expenditure

The MMC group invested a total of 93.6 billion yen as capital expenditure in the fiscal year under review, mainly as a result of investment in development equipment and production equipment for new products and technologies.

(3) State of financing

The necessary funds for the fiscal year under review were covered mainly with cash reserves and borrowings. The balance of borrowings of the MMC group as of March 31, 2024 was 463.9 billion yen.

(4) Issues to be addressed

The MMC group’s recognition of management issues based on recent changes to the business environment and approach to our corporate strategy are as below.

In the automotive industry, the concept of an automobile as a means of mobility for people and transportation for goods is changing largely with electrification as a countermeasure against global warming and with the development of technologies such as AI and IoT. We believe that we are welcoming a period of immense change that happens only once every hundred years.

In March 2023, the MMC group unveiled “Challenge 2025,” the mid-term business plan for FY2023 through FY2025. On the basis of the resilient and agile business structure put in place through structural reforms enacted thus far, “Challenge 2025” consists of expanding our business in a manner suitable for the uniqueness of each region and country. We will establish a stable revenue base through the continuation of company-wide revenue improvement activities. Furthermore, to realize further growth and tackle challenges heading into the next generation, we plan to steadily increase research and development expenses as well as capital expenditure. The following are specific initiatives towards achieving key goals.

1. Sales of 1.1 million units, operating profit of 220.0 billion yen (operating profit margin of 7%)
2. Introduce 16 models (including nine EV models) in the next five years
3. Achieve further growth in the ASEAN and Oceania regions and enhance earning power in other regions using ASEAN-targeted products

4. Using our alliances, respond to regions promoting advanced technologies starting with Europe and the United States
5. Reduce greenhouse gas emissions in an effort to achieve carbon neutrality
6. Promote digitalization and expand into new business fields
7. Further strengthen alliances (e.g. mutual complementation with OEM parts)

During the fiscal year under review, the initial year of the mid-term business plan, we primarily implemented the following initiatives.

Firstly, on the product front, we continuously introduced strategic vehicles for the ASEAN market: the new 1-ton pickup truck *Triton*, the new compact SUV *Xforce*, and HEV models of the crossover MPVs *XPANDER* and *XPANDER CROSS*. Moving forward, we will intensify the sales of these models and expand their distribution to other regions. Additionally, we commenced sales of the Kei-car super height wagon *Delica Mini* in Japan. Moreover, we received OEM supply from the Renault group, our alliance partner, for the new *ASX* and the new *Colt*, and launched their sales in the European market. The success of these new models is viewed as a crucial step towards MMC's sustainable growth.

Secondly, regarding the improvement in sales quality, in addition to the "revenue improvement activities" leading to sales price improvement, favorable exchange rates have also contributed to an increase in revenue per vehicle. In terms of regional strategy, while some parts of the ASEAN market are experiencing delayed recovery, profitability has improved in Latin America and the Middle East/Africa, where ASEAN-targeted products can be deployed. Additionally, in North America, success in sales that highlight the value has resulted in a positive shift in the car model mix. On the other hand, due to rapid market changes in the Chinese automotive industry, we have fundamentally reassessed the MMC group's strategy in China and discontinued local production of completed vehicles. Regarding assembly and production of completed vehicles in Russia, which was suspended due to Russia's military invasion of Ukraine, we have decided not to resume production.

Furthermore, as part of our investment towards achieving sustainable growth, we have decided to invest in Ampere, an EV & software company established by the Renault group, to strengthen electric vehicle development and alliances for the accelerated phase of electrification.

Moving forward, under the MMC group's vision of "Create a vibrant society by realizing the potential of mobility," we aim to realize a sustainable society and the MMC group's sustainable growth. We will organize the materiality in conducting business, aiming to achieve carbon neutrality, establish a workplace where human rights are respected and diverse talent can thrive, and conduct transparent management for all stakeholders.

Reference

For MMC's initiatives for realization of a sustainable society, please see MMC's website below.

<https://www.mitsubishi-motors.com/en/sustainability/index.html>

(5) Financial position and operating results

	FY2020	FY2021	FY2022	FY2023
Net sales <i>(In millions of yen)</i>	1,455,476	2,038,909	2,458,141	2,789,589
Automobile business	1,436,480	2,018,754	2,442,041	2,771,559
Financial service business	35,788	37,974	35,056	37,956
Elimination of transactions among segments	(16,793)	(17,819)	(18,956)	(19,925)
Operating profit <i>(In millions of yen)</i>	(95,321)	87,331	190,495	190,971
Ordinary profit <i>(In millions of yen)</i>	(105,203)	100,969	182,022	209,040
Profit (loss) attributable to owners of parent <i>(In millions of yen)</i>	(312,317)	74,037	168,730	154,709
Earnings per share <i>(In yen)</i>	(209.88)	49.76	113.38	103.97
Net assets <i>(In millions of yen)</i>	525,251	630,301	830,376	1,044,456
Stockholders' equity per share <i>(In yen)</i>	341.44	407.82	538.28	679.45
Total assets <i>(In millions of yen)</i>	1,856,279	1,928,443	2,201,524	2,454,470

- (Notes)
1. Earnings per share is calculated using the number of shares after deduction of the average number of treasury shares during each fiscal year from the average number of issued shares during each fiscal year.
 2. Stockholders' equity per share is calculated using the number of shares after deduction of the number of treasury shares at each fiscal year end from the total number of issued shares at each fiscal year end.
 3. The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations have been applied from the beginning of FY2021, and each figure for FY2021 onward is after applying such accounting standards.

(6) Major subsidiaries (As of March 31, 2024)

Company Name	Location	Capital Stock (In millions)	Ownership (%)	Business Lines
Higashi Nihon Mitsubishi Motor Sales Co., Ltd.	Tokyo	JPY 100	100.00	Automobile sales
Nishi Nihon Mitsubishi Motor Sales Co., Ltd.	Osaka	JPY 100	100.00	Automobile sales
Mitsubishi Automotive Logistics Technology Co., Ltd.	Kanagawa	JPY 436	100.00	Automobile sales of parts and maintenance
Suiryo Plastics Co., Ltd.	Okayama	JPY 100	100.00	Manufacture of automobile parts
Mitsubishi Automotive Engineering Co., Ltd.	Aichi	JPY 350	100.00	Automobile development
Mitsubishi Motors Finance Co., Ltd.	Tokyo	JPY 3,000	100.00	Auto sales financing
Mitsubishi Motors North America, Inc.	U.S.A.	USD 398	100.00	Automobile sales
Mitsubishi Motors Europe B.V.	Netherlands	EUR 237	100.00	Automobile sales
Mitsubishi Motors (Thailand) Co., Ltd.	Thailand	THB 7,000	100.00	Automobile manufacturing, sales
Mitsubishi Motors Australia, Ltd.	Australia	AUD 1,789	100.00	Automobile sales
Mitsubishi Motors Philippines Corp.	Philippines	PHP 1,640	100.00	Automobile manufacturing, sales
PT Mitsubishi Motors Krama Yudha Indonesia	Indonesia	IDR 2,200,000	51.00	Automobile manufacture
Mitsubishi Motors Vietnam Co., Ltd.	Vietnam	VND 410,812	41.20	Automobile manufacture, sales
Mitsubishi Motor Sales of Canada, Inc.	Canada	CAD 2	100.00	Automobile sales

2. Stock of MMC (As of March 31, 2024)

(1) Total number of issuable shares

1,575,000,000 shares

(2) Total number of issued shares

1,490,282,496 shares (no change from the end of the previous fiscal year)

(3) Number of shareholders

241,711 persons (decreased by 3,993 persons from the end of the previous fiscal year)

(4) Major shareholders

Name of Shareholder	Number of Shares	Ratio of Shareholding
Nissan Motor Co., Ltd.	506,620,577 shares	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 above ratios of shareholding have been calculated excluding treasury shares (805,488 common stock). Treasury shares do not include MMC shares held by the officer compensation BIP Trust (2,668,506 shares).

(5) Shares issued to Members of the Board and Executive Officers as consideration for execution of their duties during the fiscal year under review

	Number of Shares	Number of Eligible Recipients
Members of the Board (excluding Outside Directors) and Executive Officers	148,652 shares	11

(Notes) 1. A description of MMC's share-based compensation is provided in "3. Members of the Board and Executive Officers (3) Compensation, etc. of Members of the Board and Executive Officers"(*) of the Business Report.

2. The above information indicates the number of shares issued to incumbent officers as Long-Term Performance-Linked Compensation and those issued to retired officers.

* The information is not stated in the documents delivered to shareholders who have not requested delivery of written documents. Please refer to the same item in "Notice of the 55th Ordinary

General Meeting of Shareholders (including Items Excluded From Paper-Based Documents)”
posted on MMC’s website on the Internet whose address is stated on page 2 of this notice.

3. Members of the Board and Executive Officers

(1) Members of the Board (As of March 31, 2024)

Position and Responsibility	Name	Important Concurrent Positions
Chairman of the Board (Outside Director) Member of the Nomination Committee	Tomofumi Hiraku	
Member of the Board Member of the Compensation Committee	Takao Kato	Representative Executive Officer, President & CEO
Member of the Board Member of the Audit Committee	Hitoshi Inada	
Member of the Board (Outside Director) Member of the Compensation Committee (Chairperson)	Shunichi Miyanaga	Chairman of the Board, Mitsubishi Heavy Industries, Ltd. Outside Director, Mitsubishi Corporation
Member of the Board (Outside Director) Member of the Nomination Committee (Chairperson) Member of the Compensation Committee	Main Kohda	Novelist Outside Director, Japan Exchange Group
Member of the Board (Outside Director) Member of the Nomination Committee Member of the Compensation Committee	Kenichiro Sasae	President, The Japan Institute of International Affairs Outside Director, SEIREN CO., LTD. Outside Director, Fujitsu Limited Outside Director, Asahi Group Holdings, Ltd.
Member of the Board (Outside Director) Member of the Nomination Committee	Hideyuki Sakamoto	Director, Executive Officer, Executive Vice President, Nissan Motor Co., Ltd. Chairman of the Board, Nissan Motor Kyushu Co., Ltd. Board Member, Chairman, AICHI MACHINE INDUSTRY CO., LTD.
Member of the Board (Outside Director) Member of the Audit Committee (Chairperson)	Yoshihiko Nakamura	CPA Yoshihiko Nakamura Accounting Office Outside Director (Audit & Supervisory Committee Member), Seika Corporation
Member of the Board (Outside Director) Member of the Compensation Committee	Joji Tagawa	Senior Vice President, Nissan Motor Co., Ltd. Outside Director, Renault
Member of the Board (Outside Director) Member of the Audit Committee	Takahiko Ikushima	Corporate Vice President, Nissan Motor Co., Ltd.
Member of the Board (Outside Director) Member of the Nomination Committee	Takehiko Kakiuchi	Chairman of the Board, Mitsubishi Corporation

Position and Responsibility	Name	Important Concurrent Positions
Member of the Board (Outside Director) Member of the Audit Committee	Kanetsugu Mike	Member of the Board of Directors, Chairman, Mitsubishi UFJ Financial Group, Inc. Outside Director, Tokio Marine & Nichido Fire Insurance Co., Ltd. Vice Chairperson, KEIZAI DOYUKAI (Japan Association of Corporate Executives) Outside Statutory Auditor, Tokyo Kaikan Co., Ltd.
Member of the Board (Outside Director) Member of the Audit Committee	Junko Ogushi	Senior Partner, Attorney at Law, Atsumi & Sakai Auditor, Tokyo Metropolitan Industrial Technology Research Institute Outside Director, Hibiya Engineering, Ltd.

- (Notes)
1. Mr. Yoshihiko Nakamura, Member of the Audit Committee, holds a certificate of certified public accountant and has an extensive knowledge in finance and accounting.
 2. Mr. Kanetsugu Mike, Member of the Audit Committee, has a wealth of experience accumulated over many years at financial institutions and extensive knowledge in finance and accounting.
 3. MMC has nominated Mr. Hitoshi Inada, Member of the Audit Committee as a full-time Member of the Audit Committee in order to have him conduct audits on a daily basis, work to collect information and improve the audit environment, communicate audit-related information to the Audit Committee in a timely and appropriate manner, as well as ensure smooth execution of overall audit business.
 4. Ms. Main Kohda, Member of the Board, retired from the position of Outside Director of Japan Tobacco Inc. on March 22, 2024.
 5. Mr. Kanetsugu Mike, Member of the Board, was appointed as Vice Chairperson of KEIZAI DOYUKAI (Japan Association of Corporate Executives) on April 27, 2023 and as Outside Statutory Auditor of Tokyo Kaikan Co., Ltd. on June 29, 2023.
 6. MMC has submitted notifications, specifying Mr. Tomofumi Hiraku, Ms. Main Kohda, Mr. Kenichiro Sasae, Mr. Yoshihiko Nakamura and Ms. Junko Ogushi as independent directors, to Tokyo Stock Exchange, Inc.

(2) Executive Officers (As of March 31, 2024)

Position	Name	Responsibility and Important Concurrent Positions
Representative Executive Officer, President & CEO	Takao Kato	
Representative Executive Officer, Executive Vice President	Hiroshi Nagaoka	Responsible for Development / Product Strategy / Total Customer Satisfaction (TCS) / Design
Representative Executive Officer, Executive Vice President	Tatsuo Nakamura	Responsible for Sales
Representative Executive Officer, Executive Vice President	Kentaro Matsuoka	CFO
Senior Executive Officer	Mitsunori Kitao	Responsible for Production / Procurement
Executive Officer	Koichi Namiki	Responsible for Product Strategy and Division General Manager, Product Strategy Div.
Executive Officer	John Signoriello	Responsible for Global Marketing & Sales
Executive Officer	Tomoo Yoshida	Responsible for Procurement
Executive Officer	Ikuro Hirozane	Responsible for Internal Control / General Affairs / Corporate Affairs and Division General Manager, Corporate Affairs Div.
Executive Officer	Yoichi Yokozawa	Responsible for Corporate Strategy Management

- (Notes)
1. Executive Officer Mr. Takao Kato serves concurrently as a Member of the Board.
 2. As of March 31, 2024, Mr. Hiroshi Nagaoka retired as Representative Executive Officer, Executive Vice President. Mr. Nagaoka assumed the position of Advisor of MMC on April 1 of the same year.
 3. As of June 30, 2023, Mr. Koji Ikeya retired as Representative Executive Officer, Executive Vice President (CFO). Mr. Ikeya assumed the position of Advisor of MMC on July 1 of the same year.
 4. Mr. Kentaro Matsuoka assumed the position of Representative Executive Officer, Executive Vice President (CFO) on July 1, 2023.
 5. As of September 30, 2023, Mr. Noboru Tsuji retired as Senior Executive Officer. He was responsible for corporate governance at the time of retirement. Mr. Tsuji assumed the position of Chairman of Mitsubishi Motors (Thailand) Co., Ltd. (MMTh) on October 1 of the same year.
 6. As of March 31, 2024, Mr. Mitsunori Kitao retired as Senior Executive Officer. Mr. Kitao assumed the position of Advisor of MMC on April 1 of the same year.
 7. As of March 31, 2024, Mr. John Signoriello retired as Executive Officer. Mr. Signoriello assumed the position of Chairman of Mitsubishi Motors Australia, Ltd. (MMAL) on April 1 of the same year.
 8. The status of Executive Officers as of April 1, 2024 is as follows.

Position	Name	Responsibility and Important Concurrent Positions
Representative Executive Officer, President & CEO	Takao Kato	
Representative Executive Officer, Executive Vice President	Tatsuo Nakamura	Responsible for Sales
Representative Executive Officer, Executive Vice President	Kentaro Matsuoka	CFO
Representative Executive Officer, Executive Vice President	Takeshi Yamaguchi	Responsible for Development / TCS / Design
Senior Executive Officer	Koichi Namiki	Responsible for Product Strategy and Division General Manager, Product Strategy Div.
Executive Officer	Tomoo Yoshida	Responsible for Procurement
Executive Officer	Ikuro Hirozane	Responsible for Internal Control / General Affairs / Corporate Affairs and Division General Manager, Corporate Affairs Div.
Executive Officer	Yoichi Yokozawa	Responsible for Corporate Strategy Management
Executive Officer	Yasuko Takazawa	Responsible for Legal & Corporate Governance and Division General Manager, Legal & Corporate Governance Div. Outside Audit & Supervisory Board Member, Nomura Research Institute, Ltd.
Executive Officer	Yasuhisa Yamamoto	Responsible for Production

(3) Compensation, etc. of Members of the Board and Executive Officers

- (a) Total amount of compensation for FY2023
(A year from April 1, 2023 to March 31, 2024)

Classification	Total Amount of Compensation (millions of yen)	Number of Payees (persons) and Amount of Compensation by Type (millions of yen)					
		Monetary Compensation					
		Base Compensation		Short-Term Performance-Linked Compensation		Additional Individual Compensation	
		Number of Payees	Amount of Compensation	Number of Payees	Amount of Compensation	Number of Payees	Amount of Compensation
Members of the Board	247	13	247	–	–	–	–
(of which, Outside Directors)	(213)	(12)	(213)	–	–	–	–
Executive Officers	902	12	441	12	231	11	32
Total	1,150	25	688	12	231	11	32

Classification	Number of Payees (persons) and Amount of Compensation by Type (millions of yen)							
	Share-Based Compensation						Monetary Compensation	
	Long-Term Performance-Linked Compensation		Deferred Retirement Compensation		Stock Options Granted Linked to Performance in Previous Fiscal Years		Others	
	Number of Payees	Amount of Compensation	Number of Payees	Amount of Compensation	Number of Payees	Amount of Compensation	Number of Payees	Amount of Compensation
Members of the Board	–	–	–	–	–	–	–	–
(of which, Outside Directors)	–	–	–	–	–	–	–	–
Executive Officers	12	109	12	38	1	0	1	49
Total	12	109	12	38	1	0	1	49

- (Notes)
- The number shown in the above table for Members of the Board indicates the number of persons who, of the total of 14 persons served as Members of the Board during FY2023, received compensation as Members of the Board. In addition, the number includes one Member of the Board (of which, one is an 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.
 - From FY2017 to FY2020, MMC granted Stock Options to Executive Directors as compensation for each fiscal year linked to business performance, etc. in the previous fiscal year. The amounts under “Stock Options Granted Linked to Performance in Previous Fiscal Years” are the amounts that were posted as expenses incurred for granting those share acquisition rights for FY2023.
 - Since the performance evaluation for FY2023 has not completed, the amount of “Short-Term Performance-Linked Compensation” and “Additional Individual Compensation” to be paid to incumbent officers has not yet been fixed. Accordingly, the above figures show the sum of the amounts that were posted as provision for the fiscal year under review and the amounts paid to one officer who resigned during the period. Furthermore, in June 2023, the amount of “Short-Term

Performance-Linked Compensation” to be paid for FY2022 was fixed at 185 million yen, and the amount of “Additional Individual Compensation” to be paid for FY2022 was fixed at 35 million yen. These amounts are not included in the compensation amounts in the above table.

5. “Long-Term Performance-Linked Compensation” is performance-linked compensation using the Board Incentive Plan Trust (“BIP Trust”), which is the compensation system that MMC introduced starting from FY2020. Since the performance evaluation for FY2023 has not completed and the amount to be paid to incumbent officers has not yet been fixed, the above table shows the total of the 96 million yen posted as expenses for granting points (equivalent to 262,410 shares of MMC) posted as a provision during FY2023 and the 12 million yen consisting of the amount posted as a provision for long-term performance-linked compensation for FY2023 that MMC plans to pay in cash as a substitute to one non-Japanese officer who is not eligible for the BIP Trust and the amount paid to one officer who resigned during the period.

Furthermore, in June 2023, the amount of “Long-Term Performance-Linked Compensation” to be paid for FY2022 was fixed at 20 million yen (equivalent to 93,063 shares of MMC) plus 1 million yen that MMC paid in cash as a substitute to one non-Japanese officer who is not eligible for the BIP Trust. This amount is not included in the compensation amount in the above table.

6. “Deferred Retirement Compensation” is fixed compensation using the BIP Trust. The above table shows the total of the 36 million yen posted as expenses for granting points (equivalent to 98,280 shares of MMC) during FY2023 for the BIP Trust and the 2 million yen posted as a provision for deferred retirement compensation for FY2023 that MMC plans to pay in cash as a substitute to one non-Japanese officer who is not eligible for the BIP Trust.
7. “Others” is the 49 million yen equivalent to the tax adjustment allowance, housing allowance and other fringe benefits for one Executive Officer.

- (b) Policy for determining the content of compensation of individual officers, etc.

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. In addition, MMC’s Compensation Committee has designed individual compensation categories in accordance with said policy, and has determined or will determine individual compensation, etc. for Directors and Executive Officers for the fiscal year under review after appropriate deliberations, etc., in accordance with such design, and MMC believes that this is in line with said policy.

<Basic approach>

- i) The compensation system shall contribute to the MMC group’s sustainable growth and long-term improvement of corporate value.
- ii) The compensation system shall be linked with corporate results in order to motivate Executive Officers to accomplish management strategies and management plans as well as to achieve targeted corporate results in an appropriate manner.
- iii) The compensation levels shall contribute to securing professionals who measure up to ideal standards for management personnel that MMC expects for those responsible for corporate operation to have.
- iv) The compensation system shall increase a shared awareness of profits with shareholders and awareness of shareholder-focused management.
- v) The decision-making process relating to compensation shall be highly transparent and objective.

- (c) Partial revision to the officer compensation system

MMC has revised part of the officer compensation system in conjunction with efforts towards the new mid-term business plan “Challenge 2025,” reducing the proportion of fixed compensation and increasing the proportion of performance-linked compensation.

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

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

In consideration of the role of Members of the Board in supervising overall execution from a position independent of business execution, the compensation of Members of the Board who do not serve concurrently as Executive Officers consists of only Base Compensation, which is fixed compensation, and an additional fixed amount of compensation (allowance) according to their duties as the Chairperson or Member of the Nomination Committee, Compensation Committee and Audit Committee.

(ii) Executive Officers

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

	Fixed/ Performance-linked	Payment method	Compensation ratio (decided according to position) FY2023
Base Compensation	Fixed	Cash	44 to 58%
Deferred Retirement Compensation		Shares (BIP Trust)	6 to 10%
Additional Individual Compensation	Performance-linked	Cash	0 to 5%
Short-Term Performance-Linked Compensation			16 to 23%
Long-Term Performance-Linked Compensation		Shares (BIP Trust)	16 to 23%

<Deferred Retirement Compensation>

Deferred Retirement Compensation is accrued by deferring a portion of the payment of fixed compensation (6 to 10%), and paid upon retirement.

<Additional Individual Compensation>

Additional Individual Compensation is an incentive for each Executive Officer (excluding the President) to achieve individual targets set for his or her area of responsibility, in addition to MMC’s overall targets. The Executive Officer, President approves and determines the individual targets set by each Executive Officer for sales, profit, cost reduction, quality, productivity improvement, etc., and evaluates the degree of achievement.

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

Planned payment period July 2024

<Short-Term Performance-Linked Compensation>

Short-Term Performance-Linked Compensation is compensation to incentivize the payee to achieve the single-year business performance targets based on annual plans. So that this compensation effectively

functions as an incentive to aim for the achievement of management targets, indicators have been established for the MMC group's management targets.

For FY2023, while maintaining profitability, we have established “consolidated operating profit” and “profit attributable to owners of parent” as KPI from the standpoint of aiming to share value with our shareholders and have made our target levels those set forth in the annual plan.

KPI, targets and percentage weight, and payment formula

KPI	Targets (for 100% achievement) (billions of yen)	Results (billions of yen)	Percentage weight	Payment formula	Planned payment period
Consolidated operating profit	150.0	191.0	50%	Total amount of prescribed remuneration × compensation ratio × achievement rate (50 to 150%) × percentage weight	July 2024
Profit attributable to owners of parent	100.0	154.7	50%		

(Note) Although the actual amounts for each KPI are provided, the payment amounts, together with the Additional Individual Compensation and Long-Term Performance-Linked Compensation, will be decided following deliberation at a future meeting of the Compensation Committee.

<Long-Term Performance-Linked Compensation>

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

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

Since FY2023, we have adopted a method (new method) where we set annual targets for each of three fiscal years, including the fiscal year under review, and calculate the payment amount based on the average achievement rate for each year. This amount will be paid after the completion of the three fiscal years. Additionally, for FY2023 and FY2024, we have decided to pay the Executive Officers who were in office at the end of FY2022 an amount that, in addition to achievement rates, is based on two-thirds of the prescribed amount for FY2023 and one-third of the prescribed amount for FY2024, on the basis of the previous system, as an adjustment for the difference due to the transition to the new method.

KPI, targets and percentage weight, and payment formula (new method)

KPI	Classification	Targets for FY2023 (for 100% achievement)	Results	Percentage weight	Payment formula	Planned payment period
EBITDA	Financial	*1	Exceeded the target by 41.7 billion yen	40%	Total amount of prescribed remuneration × compensation ratio × average achievement rate for 3 fiscal years including the fiscal year under review (50% to 150%) × percentage weight	August 2026
ASEAN marginal profit	Financial	*1	Fell short of the target by 28.9 billion yen	40%		
CO ₂ emissions by business activities (FY2023)	ESG	*2	Undetermined	10%	Total amount of prescribed remuneration × compensation ratio × average achievement rate for 3 fiscal years including the fiscal year under review (50% to 150%) × percentage weight	
Employee engagement (FY2024)	ESG	*3	Undetermined	10%		

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

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

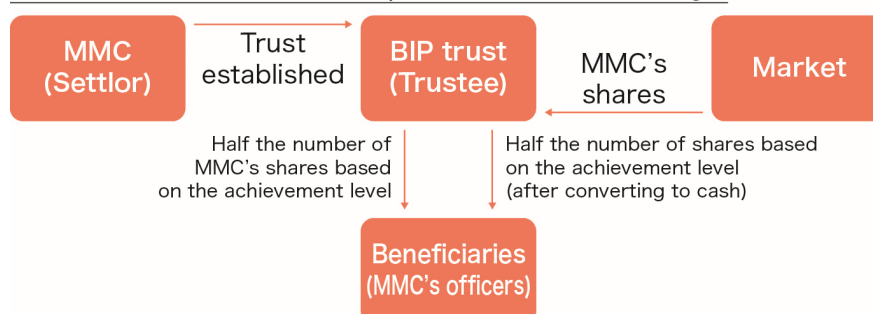
*3 The goal for each fiscal year has been set at +1 point based on the score produced from the employee engagement survey implemented in FY2023.

(Note) Although results for financial KPI are provided, the payment amounts, together with the Additional Individual Compensation and Short-Term Performance-Linked Compensation, will be decided following deliberation at a future meeting of the Compensation Committee.

<Share-based compensation (BIP trust)>

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

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



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

(4) Outside Directors

(a) Relationships between MMC and entities where Outside Directors hold important concurrent positions (As of March 31, 2024)

Name	Important Concurrent Positions	Relations with MMC
Tomofumi Hiraku		
Shunichi Miyanaga	Chairman of the Board, Mitsubishi Heavy Industries, Ltd.	Sale of automobiles, etc.
	Outside Director, Mitsubishi Corporation	Sale of automobiles outside Japan, etc.
Main Kohda	Novelist	No notable relations
	Outside Director, Japan Exchange Group	No notable relations
Kenichiro Sasae	President, The Japan Institute of International Affairs	MMC is a member of this organization.
	Outside Director, SEIREN CO., LTD.	Purchase of parts, etc.
	Outside Director, Fujitsu Limited	Use of software, etc.
	Outside Director, Asahi Group Holdings, Ltd.	No notable relations
Hideyuki Sakamoto	Director, Executive Officer, Executive Vice President, Nissan Motor Co., Ltd.	OEM supply of automobiles, purchase of parts, etc.
	Chairman of the Board, Nissan Motor Kyushu Co., Ltd.	No notable relations
	Board Member, Chairman, AICHI MACHINE INDUSTRY CO., LTD.	Purchase of parts, etc.
Yoshihiko Nakamura	CPA Yoshihiko Nakamura Accounting Office	No notable relations
	Outside Director (Audit & Supervisory Committee Member), Seika Corporation	No notable relations
Joji Tagawa	Senior Vice President, Nissan Motor Co., Ltd.	OEM supply of automobiles, purchase of parts, etc.
	Outside Director, Renault	Receipt of OEM supplied automobiles, etc.
Takahiko Ikushima	Corporate Vice President, Nissan Motor Co., Ltd.	OEM supply of automobiles, purchase of parts, etc.
Takehiko Kakiuchi	Chairman of the Board, Mitsubishi Corporation	Sale of automobiles outside Japan, etc.
Kanetsugu Mike	Member of the Board of Directors, Chairman, Mitsubishi UFJ Financial Group, Inc.	Bank transactions with a subsidiary of the company
	Outside Director, Tokio Marine & Nichido Fire Insurance Co., Ltd.	Non-life insurance policy, etc.
	Vice Chairperson, KEIZAI DOYUKAI (Japan Association of Corporate Executives)	No notable relations
	Outside Statutory Auditor, Tokyo Kaikan Co., Ltd.	No notable relations

Name	Important Concurrent Positions	Relations with MMC
Junko Ogushi	Senior Partner, Attorney at Law, Atsumi & Sakai	No notable relations
	Auditor, Tokyo Metropolitan Industrial Technology Research Institute	No notable relations
	Outside Director, Hibiya Engineering, Ltd.	No notable relations

(b) Principal activities

Name	Attendance at Board of Directors, etc.	Outline of comments at the Board of Directors Meetings and of duties conducted in relation to expected roles
Tomofumi Hiraku	Board of Directors Meeting: 17/17 Nomination Committee: 11/11	He used experience in key role in the Ministry of Economy, Trade and Industry (METI) and extensive insight regarding the industrial sector at large, to offer opinions, advice, etc., as needed from an objective perspective independent from the management team responsible for business execution. In addition, he contributed to the improvement of MMC's governance through conducting the management of board meetings as the Chairperson of the Board of Directors, and deliberations on the nomination of Director candidates and the appointment of Executive Officers as a Member of the Nomination Committee, etc.
Shunichi Miyanaga	Board of Directors Meeting: 16/17 Compensation Committee: 9/9	He used knowledge and insight based on extensive experience in corporate management as a senior executive of a globally operating manufacturing company to offer opinions, advice, etc., as needed from an objective perspective independent from the management team responsible for business execution. In addition, he contributed to the improvement of MMC's governance through conducting deliberations on the MMC's officer compensation system as the Chairperson of the Compensation Committee, etc.
Main Kohda	Board of Directors Meeting: 17/17 Nomination Committee: 11/11 Compensation Committee: 9/9	She used advanced knowledge of international finance and deep insight as an author to offer opinions, advice, etc., as needed from an objective perspective independent from the management team responsible for business execution. In addition, she contributed to the improvement of MMC's governance through conducting deliberations on the nomination of Director candidates and the appointment of Executive Officers as the Chairperson of the Nomination Committee, and deliberations on the MMC's officer compensation system as a Member of the Compensation Committee, etc.
Kenichiro Sasae	Board of Directors Meeting: 15/17 Nomination Committee: 10/11 Compensation Committee: 7/9	He used experience in key role in the Ministry of Foreign Affairs and international sensitivity and extensive insight as a diplomat to offer opinions, advice, etc., as needed from an objective perspective independent from the management team responsible for business execution. In addition, he contributed to the improvement of MMC's governance through conducting deliberations on the nomination of Director candidates and the appointment of Executive Officers as a Member of the Nomination Committee, and deliberations on the MMC's officer compensation system as a Member of the Compensation Committee, etc.

Name	Attendance at Board of Directors, etc.	Outline of comments at the Board of Directors Meetings and of duties conducted in relation to expected roles
Hideyuki Sakamoto	Board of Directors Meeting: 16/17 Nomination Committee: 10/11	He used knowledge and insight based on extensive experience in corporate management as a member of the management team of a globally operating automobile manufacturer, to offer opinions, advice, etc., as needed from an objective perspective independent from the management team responsible for business execution. In addition, he contributed to the improvement of MMC's governance through conducting deliberations on the nomination of Director candidates and the appointment of Executive Officers as a Member of the Nomination Committee, etc.
Yoshihiko Nakamura	Board of Directors Meeting: 17/17 Audit Committee: 15/15	He used his expertise as a certified public accountant to offer opinions, advice, etc. as needed from an objective perspective independent from the management team responsible for business execution. In addition, he contributed to the improvement of MMC's governance through working to maintain and improve the soundness of MMC's management through audits as the Chairperson of the Audit Committee, etc.
Joji Tagawa	Board of Directors Meeting: 17/17 Compensation Committee: 9/9	He used knowledge and insight based on extensive experience in corporate management as a member of the management team of a globally operating automobile manufacturer, to offer opinions, advice, etc., as needed from an objective perspective independent from the management team responsible for business execution. In addition, he contributed to the improvement of MMC's governance through conducting deliberations on the MMC's officer compensation system as a Member of the Compensation Committee, etc.
Takahiko Ikushima	Board of Directors Meeting: 17/17 Audit Committee: 15/15	He used knowledge and insight based on extensive experience in corporate management as a member of the management team of a globally operating automobile manufacturer, to offer opinions, advice, etc., as needed from an objective perspective independent from the management team responsible for business execution. In addition, he contributed to the improvement of MMC's governance through working to maintain and improve the soundness of MMC's management through audits as a Member of the Audit Committee, etc.
Takehiko Kakiuchi	Board of Directors Meeting: 15/17 Nomination Committee: 11/11	He used knowledge and insight based on extensive experience in corporate management as a senior executive of a general trading company that operates worldwide to offer opinions, advice, etc., as needed from an objective perspective independent from the management team responsible for business execution. In addition, he contributed to the improvement of MMC's governance through conducting deliberations on the nomination of Director candidates and the appointment of Executive Officers as a Member of the Nomination Committee, etc.

Name	Attendance at Board of Directors, etc.	Outline of comments at the Board of Directors Meetings and of duties conducted in relation to expected roles
Kanetsugu Mike	Board of Directors Meeting: 17/17 Audit Committee: 15/15	He used knowledge and insight based on extensive experience in corporate management gained through his career as a senior executive at international financial institutions, to offer opinions, advice, etc., as needed from an objective perspective independent from the management team responsible for business execution. In addition, he contributed to the improvement of MMC's governance through working to maintain and improve the soundness of MMC's management through audits as a Member of the Audit Committee, etc.
Junko Ogushi	Board of Directors Meeting: 14/14 Audit Committee: 12/12	She used her expertise as a lawyer to offer opinions, advice, etc. as needed from an objective perspective independent from the management team responsible for business execution. In addition, she contributed to the improvement of MMC's governance through working to maintain and improve the soundness of MMC's management through audits as a Member of the Audit Committee, etc.

(Note) As Junko Ogushi was appointed as Member of the Board and Member of the Audit Committee on June 22, 2023, the number of Board of Directors meetings and the number of Audit Committee meetings available for attendance for her differ from those for the other Members of the Board.

(5) Outline of contracts for limitation of liability

MMC has concluded agreements with Members of the Board who do not serve concurrently as Executive Officers limiting their liability for damages to the higher of 7 million yen or the minimum amount of liability stipulated in Article 425, paragraph (1) of the Companies Act for the liability stipulated in Article 423, paragraph (1) of the same Act.

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

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

(i) Scope of insureds

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

(ii) Outline of content of insurance policy

The insurance policy covers the insured's amount of indemnification and such costs as related litigation expenses incurred from claims for damages arising from acts (including nonfeasance) carried out by the insured as an officer or a person at a certain position of a company of (i). However, losses and costs personally incurred by directors and officers through criminal acts and intentional illegal activities, such as bribery, are not covered by the policy as a measure to ensure that the proper performance of duties of officers, etc., is not impaired. The full amount of insurance premiums is borne by MMC and its subsidiaries.

Consolidated Financial Statements
Consolidated Balance Sheet
(As of March 31, 2024)

(In millions of yen)

Assets		Liabilities and net assets	
(Assets)	2,454,470	(Liabilities)	1,410,014
Current assets	1,627,849	Current liabilities	1,175,202
Cash and deposits	674,234	Notes and accounts payable – trade	337,434
Notes and accounts receivable – trade, and contract assets	151,006	Electronically recorded obligations – operating	102,141
Finance receivables	240,517	Short-term borrowings	68,053
Merchandise and finished goods	317,485	Commercial papers	43,500
Work in process	24,684	Current portion of long-term borrowings	224,612
Raw materials and supplies	69,717	Lease liabilities	3,719
Short-term loans receivable	7,027	Accounts payable – other, and accrued expenses	232,510
Other	144,510	Income taxes payable	9,540
Allowance for doubtful accounts	(1,333)	Provision for product warranties	68,048
		Other	85,641
Non-current assets	826,620	Non-current liabilities	234,811
Property, plant and equipment	498,135	Long-term borrowings	127,781
Buildings and structures	92,079	Lease liabilities	24,690
Machinery, equipment and vehicles	187,469	Deferred tax liabilities	203
Tools, furniture and fixtures	66,496	Retirement benefit liability	20,367
Land	122,506	Other	61,768
Construction in progress	29,583		
Intangible assets	44,904	(Net assets)	1,044,456
Intangible assets	44,904	Shareholders' equity	960,518
Investments and other assets	283,579	Share capital	284,382
Investment securities	104,094	Capital surplus	199,585
Long-term loans receivable	5,013	Retained earnings	478,239
Retirement benefit asset	17,224	Treasury shares	(1,688)
Deferred tax assets	86,313	Accumulated other comprehensive income	49,694
Other	75,445	Valuation difference on available-for-sale securities	2,045
Allowance for doubtful accounts	(4,511)	Deferred gains or losses on hedges	(739)
		Foreign currency translation adjustment	35,454
		Remeasurements of defined benefit plans	12,933
		Share acquisition rights	23
		Non-controlling interests	34,219
Total	2,454,470	Total	2,454,470

Consolidated Statement of Income
(From April 1, 2023 to March 31, 2024)

(In millions of yen)

Net sales	2,789,589
Cost of sales	2,220,743
Gross profit	568,846
Selling, general and administrative expenses	377,874
Operating profit	190,971
Non-operating income	34,409
Interest and dividend income	13,993
Foreign exchange gains	12,888
Share of profit of entities accounted for using equity method	5,259
Other	2,268
Non-operating expenses	16,340
Interest expenses	6,054
Litigation expenses	5,422
Other	4,863
Ordinary profit	209,040
Extraordinary income	1,506
Gain on sales of non-current assets	481
Gain on liquidation of subsidiaries	824
Other	200
Extraordinary losses	29,714
Loss on retirement of non-current assets	3,348
Impairment loss	1,294
Loss related to Russian operations	1,313
Loss related to Chinese operations	23,002
Other	755
Profit before income taxes	180,832
Income taxes – current	27,577
Income taxes – deferred	(7,307)
Profit	160,562
Profit attributable to non-controlling interests	5,852
Profit attributable to owners of parent	154,709

Non-Consolidated Financial Statements

Balance Sheet

(As of March 31, 2024)

(In millions of yen)

Assets		Liabilities and net assets	
(Assets)	1,361,425	(Liabilities)	703,934
Current assets	838,263	Current liabilities	674,559
Cash and deposits	368,435	Electronically recorded obligations – operating	99,740
Accounts receivable – trade	274,098	Accounts payable – trade	224,788
Finished goods	37,993	Current portion of long-term borrowings	150,000
Work in process	14,099	Lease liabilities	114
Raw materials and supplies	33,700	Accounts payable – other	106,572
Prepaid expenses	3,326	Accrued expenses	9,349
Short-term loans receivable	17,998	Income taxes payable	1,479
Accounts receivable – other	64,163	Deposits received	11,153
Other	25,421	Provision for product warranties	41,332
Allowance for doubtful accounts	(975)	Other	30,030
Non-current assets	523,162	Non-current liabilities	29,374
Property, plant and equipment	221,418	Lease liabilities	144
Buildings	31,634	Guarantee deposits received	1,653
Structures	6,354	Provision for retirement benefits	19,218
Machinery and equipment	62,582	Asset retirement obligations	3,810
Vehicles	1,684	Other	4,548
Tools, furniture and fixtures	36,382	(Net assets)	657,491
Land	70,344	Shareholders' equity	656,712
Construction in progress	12,436	Share capital	284,382
Intangible assets	38,770	Capital surplus	203,441
Intangible assets	38,770	Capital reserve	118,680
Investments and other assets	262,972	Other capital surplus	84,760
Investment securities	8,394	Retained earnings	170,577
Shares of subsidiaries and affiliates	183,353	Legal reserve	5,605
Long-term loans receivable	2,251	Other retained earnings	164,971
Investments in capital of subsidiaries and affiliates	7,733	Retained earnings brought forward	164,971
Guarantee deposits	4,950	Treasury shares	(1,688)
Long-term prepaid expenses	15,947	Valuation and translation adjustments	754
Deferred tax assets	34,614	Valuation difference on available-for-sale securities	1,500
Other	6,205	Deferred gains or losses on hedges	(745)
Allowance for doubtful accounts	(478)	Share acquisition rights	23
Total	1,361,425	Total	1,361,425

Statement of Income

(From April 1, 2023 to March 31, 2024)

(In millions of yen)

Net sales	2,348,961
Cost of sales	2,012,223
Gross profit	336,737
Selling, general and administrative expenses	234,701
Operating profit	102,035
Non-operating income	97,210
Interest and dividend income	82,326
Foreign exchange gains	13,839
Other	1,044
Non-operating expenses	8,453
Interest expenses	812
Other	7,641
Ordinary profit	190,792
Extraordinary income	2,585
Gain on sales of non-current assets	657
Gain on liquidation of subsidiaries	1,831
Other	96
Extraordinary losses	29,244
Loss on retirement of non-current assets	2,036
Loss related to Russian operations	887
Loss related to Chinese operations	25,255
Other	1,064
Profit before income taxes	164,133
Income taxes – current	4,615
Income taxes – deferred	(6,589)
Profit	166,108

English Translation of Independent Auditor's Report on the Consolidated Financial Statements

Independent Auditor's Report

May 17, 2024

The Board of Directors

MITSUBISHI MOTORS CORPORATION

Ernst & Young ShinNihon LLC
Tokyo, Japan

Hirohisa Fukuda
Designated Engagement Partner
Certified Public Accountant

Takeshi Saida
Designated Engagement Partner
Certified Public Accountant

Taichi Muto
Designated Engagement Partner
Certified Public Accountant

Opinion

Pursuant to Article 444, paragraph (4) of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets, and notes to the consolidated financial statements of MITSUBISHI MOTORS CORPORATION and its consolidated subsidiaries (the Group) applicable to the fiscal year from April 1, 2023 to March 31, 2024.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position and results of operations of the Group, applicable to the fiscal year ended March 31, 2024, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

As described in "Subsequent events", in a product liability lawsuit filed in the Philadelphia Court of Common Pleas, Pennsylvania, the United States, the judgment was awarded on May 6, 2024 (U.S. local time) against MMC's North American subsidiary, Mitsubishi Motors North America, Inc. (MMNA), ordering MMNA to pay damages in the amount of 1,010 million US dollars.

Our opinion is not modified in respect of these matters.

Other information

The other information comprises the Business report and the related supplementary schedules. The Audit Committee responsible for overseeing the Group's reporting process of the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, convey details of measures taken in order to eliminate obstruction factors or safeguards applied in order to reduce obstruction factors to acceptable levels.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

English Translation of Independent Auditor's Report on the Financial Statements

Independent Auditor's Report

May 17, 2024

The Board of Directors

MITSUBISHI MOTORS CORPORATION

Ernst & Young ShinNihon LLC
Tokyo, Japan

Hirohisa Fukuda
Designated Engagement Partner
Certified Public Accountant

Takeshi Saida
Designated Engagement Partner
Certified Public Accountant

Taichi Muto
Designated and Engagement Partner
Certified Public Accountant

Opinion

Pursuant to Article 436, paragraph (2), item (i), of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets, and notes to the financial statements and the related supplementary schedules (hereinafter collectively referred to as "financial statements") of MITSUBISHI MOTORS CORPORATION (the "Company") applicable to the fiscal year from April 1, 2023 to March 31, 2024.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position and results of operations applicable to the fiscal year ended March 31, 2024, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

As described in "Subsequent events", in a product liability lawsuit filed in the Philadelphia Court of Common Pleas, Pennsylvania, the United States, the judgment was awarded on May 6, 2024 (U.S. local time) against MMC's North American subsidiary, Mitsubishi Motors North America, Inc. (MMNA), ordering MMNA to pay damages in the amount of 1,010 million US dollars.

Our opinion is not modified in respect of these matters.

Other information

The other information comprises the Business report and the related supplementary schedules. The Audit Committee responsible for overseeing the Company's reporting process of the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

The Audit Committee is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the financial statements is not expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, convey details of measures taken in order to eliminate obstruction factors or safeguards applied in order to reduce obstruction factors to acceptable levels.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Audit Report of the Audit Committee

Audit Report

The Audit Committee has audited the performance of duties by the Members of the Board and Executive Officers during the fiscal year from April 1, 2023 to March 31, 2024. We hereby report the methods and the results of the audit as follows:

1. Methods and Contents of Audit

The Audit Committee received reports on a regular basis from the Members of the Board, Executive Officers, employees, and other relevant personnel, requested explanations as necessary, and provided opinions with respect to the contents of the Board of Directors' resolutions pursuant to Article 416, paragraph (1), item (i), (b) and (e) of the Companies Act and the status of the development and maintenance of the systems that are maintained based on such resolutions (internal control systems). The Audit Committee also conducted audit using the following methods.

- (1) In accordance with the audit policies, assignment of duties, and other relevant matters established by the Audit Committee, while utilizing telephone lines, the Internet or other communication method, the Committee, in coordination with the internal audit division and other relevant functions, attended important meetings, received reports from the Members of the Board, Executive Officers, and other relevant personnel on matters regarding the performance of their duties, requested explanations as necessary, inspected important approval/decision documents and others, and investigated the status of the corporate affairs and assets at the head office and major business locations. With respect to the subsidiaries, the Audit Committee endeavored to facilitate mutual understanding and information exchange with the Members of the Board, Audit & Supervisory Board Members, and other relevant personnel of each subsidiary and received from subsidiaries reports on their respective businesses as necessary. Concerning the internal control over financial reporting, the Audit Committee received reports on the evaluation and status of audit of that internal control from the Members of the Board, Executive Officers, employees, and other relevant personnel, as well as Ernst & Young ShinNihon LLC, and requested explanations as necessary.
- (2) The Audit Committee monitored and verified whether the Accounting Auditors maintained their independence and properly conducted their audit, received a report from the Accounting Auditors on the status of their performance of duties, and requested explanations as necessary. In addition, the Audit Committee was notified by the Accounting Auditors that they had established a "system to ensure that the performance of the duties of the Accounting Auditors was properly conducted" (the matters set forth in the items of Article 131 of the Regulation on Corporate Accounting) in accordance with such guidelines as the "Quality Control Standards for Audits" (Business Accounting Council), and requested explanations as necessary. With respect to key audit matters, the Audit Committee consulted with, received reports on the status of the audit from, and requested explanation as necessary from Ernst & Young ShinNihon LLC.

Based on the methods described above, the Audit Committee has examined the business report and the related supplementary schedules; the financial statements (balance sheet, statement of income, statement of changes in net assets, and notes to financial statements) and the related supplementary schedules; and the consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets, and notes to consolidated financial statements) for the fiscal year under review.

2. Results of Audit

(1) Results of Audit of Business Report, etc.

- (a) We acknowledge that the business report and the related supplementary schedules fairly present the status of the Company in conformity with the applicable laws and regulations and the Articles of Incorporation of the Company.
- (b) We acknowledge that there is no misconduct or material fact in violation of laws and regulations or the Articles of Incorporation of the Company with regard to the performance of duties by the Members of the Board and Executive Officers.
- (c) We acknowledge that the Board of Directors' resolutions with respect to the internal control systems are appropriate. We did not find any matter to be mentioned with respect to the contents in the business report and the performance of duties by the Members of the Board and Executive Officers concerning the internal control systems, including internal control over financial reporting.

(2) Results of Audit of Financial Statements and Related Supplementary Schedules

We acknowledge that the methods and results of audit performed by the Accounting Auditors Ernst & Young ShinNihon LLC are appropriate.

(3) Results of Audit of Consolidated Financial Statements

We acknowledge that the methods and results of audit performed by the Accounting Auditors Ernst & Young ShinNihon LLC are appropriate.

May 20, 2024

MITSUBISHI MOTORS CORPORATION	Audit Committee
Member of the Audit Committee	Yoshihiko Nakamura
Member of the Audit Committee	Takahiko Ikushima
Member of the Audit Committee	Kanetsugu Mike
Member of the Audit Committee	Junko Ogushi
Member of the Audit Committee (Full-time)	Hitoshi Inada

(Note) Members of the Audit Committee, Yoshihiko Nakamura, Takahiko Ikushima, Kanetsugu Mike and Junko Ogushi are Outside Directors as stipulated in Article 2, item (xv) and Article 400, paragraph (3) of the Companies Act.

Note: This English translation is for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail. We assume no responsibility for this translation or for direct, indirect or any other forms of damage arising from the translation.

Other Items Subject to Measures for Electronic Provision for the 55th Ordinary General Meeting of Shareholders (Items Excluded From Paper-Based Documents)

FY2023 (from April 1, 2023 to March 31, 2024)

Business Report

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MITSUBISHI MOTORS CORPORATION

In accordance with the provisions of laws and regulations and Article 13 of the Company's Articles of Incorporation, the above items are excluded from the paper-based documents delivered to shareholders who have made a request for delivery of such documents.

Major businesses (As of March 31, 2024)

The businesses of the MMC group are as follows:

(a) Automobile business

The principal businesses of MMC groups are the development, manufacture, and sale of automobiles and their parts, and its main products are as follows.

(i) Electric vehicles

Eclipse Cross (PHEV), Outlander (PHEV), MINICAB-EV/L100 EV, eK X EV, XPANDER (HEV), XPANDER CROSS (HEV)*, ASX (PHEV/HEV)*, Colt (HEV)**

(ii) SUVs and pickup trucks

RVR/Outlander Sport/ASX, ASX, Eclipse Cross, Outlander*, Triton/L200/L200 Sportero/Strada, Pajero/Montero*, Pajero Sport/Montero Sport*, Xforce**

(iii) Passenger cars and minivans

Mirage/Space Star, Attrage/Mirage G4*, Delica D:2, Delica D:5, XPANDER*, XPANDER CROSS*, Colt**

(iv) Minicars

eK X, eK Wagon, eK Space, Delica Mini, Townbox, Minicab Truck, Minicab Van

- (Notes) 1. All multiple model names separated by a slash represent one single model. Underlined names are those used solely outside Japan.
2. Those marked with asterisks (*) are vehicle models that are exclusively available outside Japan.

(b) Financial service business

MMC operates business such as automobile lease business and the sale finance business.

Major offices, research & development centers, plants, etc. (As of March 31, 2024)

(a) MMC

Head Office	Minato-ku, Tokyo
Research & Development Center	Okazaki, Aichi
EV Research & Development Center	Okazaki, Aichi
Kyoto Research & Development Center	Kyoto, Kyoto
Tokachi Research & Development Center	Kato-gun, Hokkaido
Okazaki Plant	Okazaki, Aichi
Mizushima Plant	Kurashiki, Okayama
Kyoto Plant	
Kyoto Plant–Kyoto	Kyoto, Kyoto
Kyoto Plant–Shiga	Konan, Shiga
Design Center	Okazaki, Aichi
Tokyo Design	Minato-ku, Tokyo
Software Innovation Center	Minato-ku, Tokyo

(b) Subsidiaries

Subsidiaries are as presented in “Business Report, 1. Matters regarding the current state of the corporate group, (6) Major subsidiaries.”

Employees (As of March 31, 2024)

Business segment	Number of Employees (persons)	
Automobile business	28,788	(8,888)
Financial service business	194	(79)
Total	28,982	(8,967)

- (Notes)
1. The number of employees is the number of employees currently on duty (excluding individuals seconded from the MMC group to other companies and including individuals seconded to the MMC group from other outside companies). Employees at unconsolidated subsidiaries are not included.
 2. The annual average number of temporary employees (temporary contract employees, part-time employees, fixed-term employees, dispatched employees, etc.) shown in the bracket () is not included in total.

Major lenders (As of March 31, 2024)

The status of major MMC's consolidated borrowings at the end of the fiscal year under review is as follows.

(Status of consolidated borrowings)

Lender Name	Balance of Borrowings
MUFG Bank, Ltd.	82,361 million yen
Mizuho Bank, Ltd.	40,791
Sumitomo Mitsui Banking Corporation	37,444

(Note) The above balance of borrowings includes borrowings from overseas subsidiaries, etc. of each bank.

For the purpose of raising working capital in a steady and efficient manner, MMC entered into a commitment line agreement on a credit limit of 152,000 million yen with a syndicate of financial institutions lead-managed by MUFG Bank, Ltd. MMC terminated this agreement as of March 31, 2024, and newly entered into a commitment line agreement, which came into effect on April 1, 2024, on a credit limit of 152,000 million yen with a syndicate of financial institutions lead-managed by MUFG Bank, Ltd.

(Status of the commitment line agreement)

Bank Name	Maximum Borrowing Limit
MUFG Bank, Ltd.	55,000 million yen
Mizuho Bank, Ltd.	25,000
Sumitomo Mitsui Banking Corporation	20,000
Bangkok Bank Public Company Limited	11,500
Others (16 banks)	40,500
Total	152,000

Stock options of MMC (As of March 31, 2024)

Status of the stock options of MMC as of March 31, 2024

	Year granted	Stock options held by Members of the Board and Audit & Supervisory Board Members		Type and number of shares that will be issued	Issue price (per option)	Exercise price	Exercise period
Fourth Round of Stock Options	FY2020	1 Executive Officer of MMC	150 options	Common stock 47,573 shares	40,000 yen	1 yen	From May 1, 2023 to April 30, 2053

Accounting Auditors

(1) Name of Accounting Auditors

Ernst & Young ShinNihon LLC

(2) Amount of compensation to Accounting Auditors for the fiscal year under review

Item	Amount of Compensation
Amount of compensation, etc. for the fiscal year under review	329 million yen
Sum of the amount of money and other material advantage to be paid by MMC and its subsidiaries to Accounting Auditors	413

- (Notes)
1. Among MMC's significant subsidiaries, Mitsubishi Motors North America, Inc. (U.S.), Mitsubishi Motors (Thailand) Co., Ltd. (Thailand) and six other companies are audited by Certified Public Accountants or audit corporations (including persons or entities with equivalent qualifications overseas) other than MMC's Accounting Auditors.
 2. The audit agreement between MMC and the Accounting Auditors does not clearly distinguish the amount of compensation for the audit under the Companies Act and that for the audit under the Financial Instruments and Exchange Act, and the two amounts cannot practically be distinguished from each other. Therefore, the amount of compensation indicated above for the fiscal year under review is the total of these two kinds of amounts.

(3) Reason why the Audit Committee has agreed to the amount of compensation to Accounting Auditors

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

(4) Policy on decision to dismiss or not reappoint Accounting Auditors

If it is deemed that any of the items prescribed in Article 340, paragraph (1) of the Companies Act apply to the Accounting Auditors, the Audit Committee shall dismiss the Accounting Auditors based on the agreement of all Members of the Audit Committee. If this occurs, a Member of the Audit Committee selected by the Audit Committee shall report the dismissal of the Accounting Auditors and the reasons for this dismissal to the first Ordinary General Meeting of Shareholders held after the dismissal.

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

System to ensure appropriate business activities and outline of the operating status of such systems

1 System to ensure appropriate business activities

MMC has developed the corporate vision and missions that enable its group employees to look towards the future, develop a common understanding, and work as one team. In addition, MMC has established MMC WAY, which represents the frame of mind and behavior that each one of employees must practice for missions to realize the vision, and moreover the Global Code of Conduct serving as the foundation for these provisions and the norms to be followed by all officers and employees.

Additionally, to ensure appropriate business activities, MMC has resolved the following matters regarding the Basic Policy on the Establishment of Internal Control Systems at the Board of Directors.

“Basic Policy on the Establishment of Internal Control Systems”

(1) System to ensure that Executive Officers and employees of MMC’s performance of their duties complied with applicable laws and regulations and the Articles of Incorporation of MMC

- (a) To comply with laws and regulations, the Articles of Incorporation and social norms, MMC shall establish a code of conduct, build an organizational structure, and carry out education and training. MMC shall also establish a contact point for reporting internal problems, and shall use the information to prevent and rectify problems and stop them from occurring again.
- (b) MMC shall appoint Outside Directors to monitor company management and it shall enhance auditing through the Audit Committee that includes Outside Directors as the members of such committee.
- (c) The internal audit divisions of MMC shall conduct strict audits to check whether MMC’s business execution is in violation of laws and regulations, the Articles of Incorporation, internal regulations or others. If a problem is discovered, the internal audit divisions shall report it to the relevant Members of the Board or others, and periodically check the status of improvement measures following occurrence.
- (d) As the core organization to address internal control in accordance with the Companies Act, MMC shall establish the Internal Control Committee, with Executive Officer, President & CEO being the chairperson and Director in charge of Internal Control and Corporate Affairs being the vice- chairperson.

(2) Regulations and other systems of MMC to manage risk of loss

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

(3) System to ensure that Executive Officers of MMC’s performance of their duties is executed efficiently

- (a) MMC shall prescribe a management plan throughout the company and clarify detailed business targets and methods of execution at each functional company body in order to achieve the plan. Members of the Board shall periodically receive reports on the plan’s implementation, and shall work to maintain and improve management efficiency.
- (b) MMC shall clarify the roles and authorizations of Members of the Board and Executive Officers of MMC,

and the Board of Directors and the Executive Committee, etc. shall execute business efficiently based on the rules of the Board of Directors and rules of Executive Committee, etc.

- (c) To develop a system for carrying out the Company's efficient organizational operation and business execution, and build a system for carrying out swift and agile decision making of important matters, MMC's Members of the Board shall ensure that they can efficiently perform their duties by entrusting a broad range of decisions regarding business execution to Executive Officers, within a scope provided for under laws and regulations.
 - (d) To promote prompt decision-making of MMC and clarify the decision-making process, MMC shall develop clear and highly transparent standards for authority.
- (4) System to store and manage information related to Executive Officer of MMC's performance of their duties**
- Based on internal rules, MMC shall prepare information pertaining to execution of duties by Executive Officers as physical documents or electronic data and appoint a person responsible for the management of this information. Preparation methods, retention methods, retention periods, duplication methods, disposal methods and other matters shall be determined in accordance with the relative importance of information, and the information shall be appropriately managed.
- (5) System to ensure appropriate business activities of MMC group which comprises MMC, the parent company and the subsidiaries**
- (a) MMC shall determine the bodies with control over MMC's subsidiaries, responsibilities and authorizations for the management of MMC's subsidiaries, management methods and other matters in the internal rules, thus securing proper operation of duties across the business group.
 - (b) MMC shall supervise and manage its subsidiaries, aiming for appropriate business execution by their personnel in line with laws and regulations and the Articles of Incorporation, compliance with its code of conduct, and establishment and improvement of operational audit systems in a manner that is suitable for their sizes, business types, etc.
 - (c) MMC shall establish and strengthen its subsidiaries' risk management systems, depending on their sizes, business types, etc., through giving directions regarding implementation of risk management.
 - (d) MMC shall strengthen, develop and streamline its subsidiaries' business operations, depending on their sizes, business types, etc., through supervising and managing them in accordance with Rules for Management of Subsidiaries and Affiliates and other internal rules.
 - (e) MMC shall improve Rules for Management of Subsidiaries and Affiliates and other internal rules so that it can receive explanations and reports from its subsidiaries regarding important information (e.g., business operations, performance, and financial conditions) in advance or in an ex-post facto manner.
 - (f) MMC and its subsidiaries shall ensure the appropriateness of their respective financial information and develop the bodies and internal rules necessary for the preparation and disclosure of reliable financial reporting.
- (6) Matters related to Members of the Board and employees to assist in duties of the Audit Committee of MMC**
- A body to assist the Audit Committee of MMC with their duties shall be established and dedicated staff shall be allocated to this body.
- (7) Matters related to the independence of Members of the Board and employees assigned to assist the Audit Committee of MMC with their duties from Executive Officers and ensuring the effectiveness of directions given to those Members of the Board and employees**

- (a) The employee assigned to assist the duties of the Audit Committee of MMC shall only carry out duties under the directions of the Audit Committee without concurrently performing duties for Executive Officers or employees of other sections.
 - (b) When personnel changes are made to staff assigned to assist the Audit Committee of MMC with their duties, opinions shall be sought from the Committee in advance. In addition, evaluations of those dedicated staffs shall be carried out by the Audit Committee.
- (8) System to allow the Members of the Board (excluding Members of the Board who are Members of the Audit Committee), Executive Officers and employees of MMC, and the Members of the Board, Audit & Supervisory Board Members, and employees of MMC's subsidiaries or persons received reports from them to report information to the Audit Committee, and other systems related to reporting to the Audit Committee of MMC**
- (a) The Members of the Audit Committee of MMC shall attend both meetings of the Board of Directors and other important meetings of MMC.
 - (b) MMC shall develop a framework to steadily provide important internal information regarding management, compliance and other matters of MMC and its subsidiaries to the Audit Committee and ensure that it is thoroughly operated.
 - (c) Personnel of MMC and its subsidiaries shall report matters regarding business execution promptly and appropriately when requested to do so by MMC's Audit Committee.
 - (d) Executive Officers shall immediately report to the Members of the Audit Committee when discovering that there is a risk of MMC suffering significant damage.
- (9) System to ensure that those who report the matters described in (8) do not face unfavorable treatment on the grounds that such reports are made**
- It is prohibited to unfavorably treat personnel of MMC and its subsidiaries who report such matters directly or indirectly to the Audit Committee on the grounds that such reports are made. This prohibition shall be notified to all personnel of MMC and its subsidiaries.
- (10) Matters related to procedures for the prepayment or reimbursement of expenses incurred for Member of the Audit Committee (limited to those related to the execution of duties of the Audit Committee), in executing duties, and settlement policy for expenses or debt incurred for other related duties**
- In case the Members of the Audit Committee of MMC make requests to MMC for the prepayment of job-related expenses, etc. in accordance with Article 404, paragraph (4) of the Companies Act, these expenses or debts shall be paid promptly or settled after being examined by relevant sections unless it can be verified that these expenses or debts are not necessary for the Members of the Audit Committee to execute their duties.
- (11) Other systems to ensure that the Audit Committees' activities are conducted effectively**
- The Audit Committee of MMC shall periodically conduct exchanges of opinions with Executive Officer, President & CEO, and work in cooperation with the internal auditing division and the Accounting Auditors, thus facilitating proper communication and effective auditing operations.
- (12) System for eliminating criminal or unethical organizations**
- MMC and its subsidiaries shall, in a unified manner across all companies, respond to unreasonable demands from antisocial forces that pose a threat to the order and safety of society with a resolute stance, and shall ensure that they have absolutely no relations with antisocial forces.

2 Outline of the operating status of systems to ensure appropriate business activities

In accordance with the Basic Policy on the Establishment of Internal Control Systems, MMC confirms, at meetings of the Internal Control Committee and the Board of Directors each fiscal year, that activities in the operation and implementation department for internal control are conducted autonomously and improvements are made where needed. The concrete operating status is outlined as follows:

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

- MMC established the Global Code of Conduct with an eye to global activities. Additionally, at the initiative of the Director in charge of Internal Control, General Affairs and Corporate Affairs, MMC has established and put into practice a system to instill efforts to comply with laws and regulations, internal regulations, social norms, and other rules and regulations through Compliance Officers appointed in each Division, and is working on measures to prevent the recurrence of the issues. By sharing these measures with Compliance Officers including the Director in charge of Internal Control, General Affairs and Corporate Affairs at the Compliance Committee meetings held twice annually, they play a role in prior prevention. MMC has similarly set up the position of Compliance Officer and an employee in charge of information security management at major subsidiaries and affiliates both in Japan and overseas, and continues activities to reduce information security and compliance risk. On the aspect of education and training, MMC implements compliance education by hierarchy such as its new employees, career employees and promoted employees and provides education on basic compliance seminar, information security, work overtime and on holidays, etc. through e-Learning to all its employees, led by the Compliance Dept. and Human Resources departments. In FY2023, MMC implemented training for officers conducted by outside instructors and assertive communication training for management-level employees. In addition, each of the major domestic and overseas subsidiaries and affiliates provides education and guidance on each company's own challenges where appropriate. Furthermore, MMC has established consultation offices to prevent and promptly detect fraud or other improper conduct as well as provide a means for an organization's self-correction. These consultation offices consist of an internal office, which receives reports and offers counseling to employees of MMC and domestic subsidiaries and affiliates (Employee Counseling Office), an external office, which is run by outside attorneys, and the Mitsubishi Motors Global Whistleblowing Office, which can be used by employees of major domestic and overseas subsidiaries and affiliates as well. This Global Whistleblowing Office of MMC is located at a specialized, external company that can receive anonymous reports. Furthermore, as a structure for MMC Headquarters to confirm the details of reports at major domestic and overseas subsidiaries and affiliates, it has created and operates a system to gauge and manage group-wide risk.
- The Board of Directors is comprised of 13 members, including 11 Outside Directors. Outside Directors monitor and supervise management decision making by the Board of Directors and the performance of duties by each Member of the Board and Executive Officers more objectively based on their respective considerable experience, deep knowledge, and insights. MMC has adopted the form of a "company with three committees" and worked not only to ensure transparency and objectivity in the procedures related to determining the nomination and compensation of Members of the Board and Executive Officers but also to clarify the division of supervision and execution along with further strengthening governance and securing the transparency of management.
- With the aim of establishing the independence and implementing global audits, as well as expediting investigations necessary for management purposes, the Internal Audit Office, directly reporting to the Executive Officer, President & CEO, performs audits and shares information with the Audit Committee and Accounting Auditors where appropriate.
- Under the Internal Control Committee with the Executive Officer, President & CEO as the chairperson and Director in charge of Internal Control, General Affairs and Corporate Affairs being the vice-chairperson, the Compliance Committee (including the Committee for Compliance with Security-related Laws and

Regulations), the Information Security Committee, the BCM Committee and the J-SOX Promotion Committee were set up, and these committees confirm each activity's plan, implementation status and challenges, and make reports to the Board of Directors after reporting to and conducting deliberations with the Internal Control Committee.

(2) Regulations and other systems of MMC to manage risk of loss

- MMC has established a body in charge of promoting its overall (including subsidiaries and affiliates) risk management pursuant to internal rules, and appointed an employee in charge of managing risk identified as a result of risk surveys and interviews with related officers in order to implement activities to reduce risk. In addition, MMC has appointed an employee in charge of risk management at each organization (e.g., Division), and has been working on activities covering all phases from identifying to reducing risk related to the business in charge. The implementation status of these efforts and activities is confirmed by the Internal Control Committee.
- To prepare for the occurrence of unforeseen circumstances, MMC has established a task force organization and response guidelines for an emergency pursuant to internal rules, and developed and operated a system to enable prompt reporting to the Members of the Board and others, and prompt, accurate responses.

(3) System to ensure that Executive Officers of MMC's performance of their duties is executed efficiently

- To maintain and improve management efficiency, MMC adopts resolutions for a medium to long term management plan and an annual business plan at a meeting of the Board of Directors and other meetings in accordance with internal rules. Executive Officers delegated by the Board of Directors assume the responsibility for implementation, and the Board of Directors provides follow-up on the status of implementation of these plans at meetings of Executive Committee and ORM (Operations Review Meeting), which are held regularly. In addition, delegation of decision-making authority is systematized by establishing the Delegation of Authority 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.

(4) System to store and manage information related to Executive Officer of MMC's performance of their duties

- MMC is promoting appropriate management of the storage and retention of information, such as documents pertaining to the Board of Directors, by appointing a person responsible for the management of documents pursuant to internal regulations, in order to promote the appropriate management of the storage and retention of information, such as documents pertaining to the Board of Directors.

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

- At each major subsidiary and affiliate, MMC has also established an internal control committee, chaired by the president or CEO of that entity, to manage internal control. In addition, in accordance with internal rules, MMC has established a division in charge of primary management to serve as the division responsible for overall administration of management for the respective subsidiaries and affiliates, and in conjunction with this, it provides a system in which the functional divisions (production, development, procurement, and sales) and the corporate divisions support the division in charge of primary management as fits their respective roles and provides assistance, checks and supervision in various forms to promote the strengthening and growth of its subsidiaries and affiliates.
- MMC has developed internal rules to ensure the timely and appropriate reporting of important information pertaining to subsidiaries to MMC, and has been promoting operations in compliance with the said guidelines.
- To ensure the appropriateness of financial reporting, MMC has established and has been operating a dedicated

organization, pursuant to internal rules, that provides follow-up on and coordinates, among others, the development of systems, scope of assessment, status of assessment of target companies, and status of improvements at MMC and subsidiaries and affiliates.

- (6) Matters related to Members of the Board and employees to assist in duties of the Audit Committee of MMC**

 - MMC has established a body to assist the Audit Committee with their duties pursuant to internal regulations, and has allocated to this body dedicated staff that does not concurrently perform duties for other sections.

- (7) Matters related to the independence of Members of the Board and employees assigned to assist the Audit Committee of MMC with their duties& Supervisory Board Members to support the Audit Committee from Executive Officers and ensuring the effectiveness of directions given to those Members of the Board and employees**

 - Dedicated staff assigned to assist MMC's Audit Committee with their duties only carries out duties under the direction of those Audit Committee. In addition, personnel changes are made to dedicated staff with the consent of the Audit Committee, and evaluations of those dedicated staff are carried out by the Audit Committee.

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

 - MMC's Members of the Audit Committee attend meetings of the Board of Directors and other important meetings of MMC pursuant to internal regulations.
 - MMC has developed and has been operating a system to steadily provide important information regarding MMC and its subsidiaries to the Audit Committee pursuant to internal regulations. In addition, MMC submits documents or records specified by laws and regulations to the Audit Committee, and promptly responds to any request (if any) for documents or records which the Audit Committee deem necessary.

- (9) System to ensure that those who report the matters described in (8) do not face unfavorable treatment on the grounds that such reports are made**

 - MMC prohibits unfavorable treatment of personnel of MMC and its subsidiaries who report such matters directly or indirectly to MMC's Audit Committee on the grounds that such reports are made. MMC has set out provisions concerning such prohibition in the Global Code of Conduct and its internal regulations. MMC posted these provisions on its intranet to keep all personnel of MMC and its subsidiaries informed of this prohibition.

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

 - MMC secures a certain budget for each fiscal year based on a request from the Audit Committee, in order to respond to expenses incurred by MMC's Audit Committee in executing duties. In addition, upon receiving a request for additional expenses required thereafter, MMC shall promptly pay and settle those expenses or debts.

(11) Other systems to ensure that the Audit Committees' activities are conducted effectively

- MMC's Audit Committee reports its activities to the Board of Directors and conduct exchanges of opinions with Executive Officer, President & CEO, where appropriate, based on the annual audit plan for the purpose of facilitating proper communication and effective auditing operations, and work in cooperation with the internal auditing division and other divisions, as well as the Accounting Auditors, to hold regular meetings and engage in other activities. The audit results of the internal auditing division are reported to the Executive Officer, President & CEO and to the Audit Committee. Furthermore, in addition to the activities of the Audit Committee, MMC's Audit Committee periodically conduct interviews with Executive Officers, etc.

(12) System for eliminating criminal or unethical organizations

- MMC has specified in the Global Code of Conduct that any relationship with antisocial forces shall be blocked. In addition, MMC and its domestic subsidiaries have developed a manual for dealing with criminal or unethical organizations, and keep all personnel informed of such manual.

Consolidated Statement of Changes in Net Assets

(From April 1, 2023 to March 31, 2024)

(In millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of year	284,382	199,620	338,424	(989)	821,438
Changes in items during the period					
Dividends of surplus			(14,894)		(14,894)
Profit 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 in items other than shareholders' equity					
Total changes in items during the period	–	(35)	139,815	(699)	139,080
Balance at end of year	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 year	977	(35)	(5,438)	(15,802)	(20,298)	29	29,208	830,376
Changes in items during the period								
Dividends of surplus								(14,894)
Profit attributable to owners of parent								154,709
Purchase of treasury shares								(785)
Disposal of treasury shares								43
Exercise of share acquisition rights								6
Net changes in items other than shareholders' equity	1,067	(704)	40,893	28,736	69,993	(5)	5,011	74,999
Total changes in items during the period	1,067	(704)	40,893	28,736	69,993	(5)	5,011	214,079
Balance at end of year	2,045	(739)	35,454	12,933	49,694	23	34,219	1,044,456

Notes to Consolidated Financial Statements

1. Basis of consolidated financial statements

(1) Scope of consolidation

(a) Number of consolidated subsidiaries and names of major consolidated subsidiaries

Number of consolidated subsidiaries: 34

Names of major consolidated subsidiaries

Higashi Nihon Mitsubishi Motor Sales Co., Ltd., Mitsubishi Motors Finance Co., Ltd., Mitsubishi Motors North America, Inc., Mitsubishi Motors Europe B.V., Mitsubishi Motors (Thailand) Co., Ltd., Mitsubishi Motors Australia, Ltd., etc.

Change in scope of consolidation

In the fiscal year ended March 31, 2024, Pajero Manufacturing Co., Ltd., which had been a consolidated subsidiary, was excluded from the scope of consolidation due to its completion of liquidation.

(b) Names of major unconsolidated subsidiaries, etc.

Names of major unconsolidated subsidiaries

MITSUBISHI MOTORS WING CO., LTD. (the trade name was changed from MMC Wing Co., Ltd. on December 1, 2023), etc.

Reason for exclusion from scope of consolidation

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

(2) Application of the equity method

(a) Number of affiliates to which the equity method is applied and names of major companies, etc.

Number of affiliates to which the equity method is applied: 17

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

Names of major companies, etc.

JATCO Ltd, etc.

Change in scope of equity method

In the fiscal year ended March 31, 2024, GAC Mitsubishi Motors Co., Ltd., which was formerly an equity method company, was removed from the scope of the equity method due to its sale of equity interests.

GAC Mitsubishi Motors Sales Co., LTD. was included in the scope of equity method due to its acquisition of equity interests.

(b) Names of unconsolidated subsidiaries and affiliates to which the equity method is not applied

Names of major companies, etc.

(Unconsolidated subsidiaries)

MITSUBISHI MOTORS WING CO., LTD. (the trade name was changed from MMC Wing Co., Ltd. on December 1, 2023), etc.

(Affiliates)

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

Reason for non-application of equity method

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

(3) Fiscal year end dates of consolidated subsidiaries

For those overseas consolidated subsidiaries whose fiscal year end date (December 31) is different from the consolidated fiscal year end date (March 31), provisional financial statements are prepared as of March 31, for consolidation purposes.

(4) Accounting policies

(a) Valuation bases and methods of assets

(i) Securities

Held-to-maturity securities: Carried at amortized cost.

Available-for-sale securities

Securities, excluding shares without market value:

Carried at fair value and the cost of securities sold is computed based on the moving average method.

The difference between the acquisition cost and the carrying value of available-for-sale securities, including unrealized gains and losses, is recognized in valuation difference on available-for-sale securities in the accompanying consolidated balance sheet.

Shares without market value:

Carried at cost determined by the moving average method.

(ii) Derivative financial instruments

Carried at fair value (excluding interest rate swaps accounted for by the special treatment)

(iii) Inventories

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

(b) Depreciation and amortization

(i) Property, plant and equipment (excluding leased assets)

Depreciation of property, plant and equipment (excluding leased assets) is principally calculated by the straight line method based on the estimated useful lives for MMC and some domestic consolidated subsidiaries, based on the Corporation Tax Act for the other domestic consolidated subsidiaries, and based on the expected useful lives for the overseas consolidated subsidiaries.

(ii) Intangible assets (excluding leased assets)

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

(iii) Leased assets

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

(c) Allowances and provisions

(i) Allowance for doubtful accounts

The allowance for doubtful accounts is provided based on MMC and its consolidated subsidiaries' historical experience with respect to write-offs and an estimate of the amount of specific uncollectible accounts.

(ii) Provision for product warranties

The provision for product warranty claims of MMC and its domestic subsidiaries is calculated in accordance with the warranty contracts and based on historical experience and estimated future costs relating to claims. The provision for product warranty claims of overseas subsidiaries is calculated based on historical experience and estimated future costs relating to claims.

(d) Revenue and expense recognition

The principal performance obligation in the automobile business is the sale of vehicles and parts. For the normal point in time at which the performance obligation in this sale of vehicles and parts is satisfied (the normal point in time at which revenue is recognized), revenue is recognized when control over the goods or services is transferred to the customer, such as upon delivery of the vehicle. In accordance with the alternative treatment prescribed in paragraph 98 of the "Implementation Guidance on Accounting Standard for Revenue Recognition," for certain sales in Japan and other countries, revenue is recognized at the time of shipment if the period between the time of shipment and the time when control of the goods or products is transferred to the customer is a normal period. Sales incentive payments to sales companies are considered as variable consideration in the calculation of the transaction price, and the estimated amount of sales incentives expected to be paid in the future in the period in which control over the goods or services is transferred is deducted from net sales.

For product warranties provided in connection with the sale of products, etc., the Company recognizes a provision for product warranties for the costs associated with such warranties, as these are warranties that the products sold are in accordance with the specifications agreed upon with the customer.

The principal performance obligations in the finance business are sales financing and the provision of leasing related services (including the sale, etc. of property upon lease expiration or termination). Interest income generated through sales financing is recognized based on the interest method over the contract period. Lease income for operating leases is recognized on a straight-line basis over the lease term, while for finance leases, lease payments received in each period during the lease term are recognized as lease income in the respective periods.

(e) Other significant matters forming the basis of preparing the consolidated financial statements

(i) Translation of foreign currency accounts

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

(ii) Hedge accounting

Forward foreign exchange contracts: deferral hedge accounting (hedges of forecast transactions)

Interest rate currency swaps: deferral hedge accounting or special treatment as prescribed in Accounting Standards for Financial Instruments

(iii) Retirement benefits accounting

Accrued retirement benefits for employees at the end of the fiscal year are calculated based on the retirement benefit obligation and the fair value of the pension plan assets estimated at the end of the fiscal year under review.

Prior service cost is amortized by the straight line method over periods within the estimated average remaining service years of the employees.

Actuarial gains and losses are being amortized by the straight line method over the periods within the estimated average remaining service years of the employees from the following fiscal year.

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

When calculating the retirement benefit obligation, the benefit formula basis was used for attributing the expected defined net benefits to the period until the end of the fiscal year under review.

(iv) Application of the group tax sharing system

The MMC group applies the group tax sharing system.

2. Notes to accounting estimates

(1) Liabilities related to market quality measures

(a) Amount recorded in the consolidated financial statements as of March 31, 2024

	As of March 31, 2024 (millions of yen)
Liabilities related to market quality measures	20,925

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

(b) Information on significant accounting estimates for identified items

(i) Calculation method

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

(ii) Key assumption

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

(iii) Impact on the consolidated financial statements for the fiscal year ending March 31, 2025

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

(2) Contingent liabilities (provision for loss on litigation)

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

The estimation of contingent liabilities (provision for loss on litigation) is also described in “Notes to Consolidated Financial Statements, 4. Notes to consolidated balance sheet, (5) Contingent liabilities”.

3. 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.

4. Notes to consolidated balance sheet

(1) Remaining balance of receivables from contracts with customers, contract assets, and contract liabilities

The amount of receivables from contracts with customers and contract assets in notes and accounts receivable - trade, and contract assets, and the amount of contract liabilities in other under current liabilities and in other under non-current liabilities are provided in "9. Revenue recognition (3) Information to understand the amount of revenue in the current and subsequent fiscal years."

(2) Assets pledged as collateral and liabilities secured

(a) Assets pledged as collateral

Finance receivables	111,174 million yen
Other	905 million yen
<hr/>	
Total	112,079 million yen

(b) Liabilities secured

Short-term borrowings and long-term borrowings (including current portion)	94,382 million yen
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(3) Accumulated depreciation of property, plant and equipment 941,387 million yen

(4) Balance of guarantee liabilities

(a) Guarantee recipients

MM Automobile Schweiz AG	877 million yen
Mitsubishi Corporation	425 million yen
Employees	147 million yen
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Total	1,450 million yen
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(b) Retroactive obligation following liquidation of accounts receivable – trade 1,081 million yen

(5) Contingent liabilities

In a product liability lawsuit filed in the Philadelphia Court of Common Pleas, Pennsylvania, the United States in November 2018, the judgment was awarded on May 6, 2024 (U.S. local time) against MMC's North American subsidiary, Mitsubishi Motors North America, Inc. (MMNA), ordering MMNA to pay damages in the amount of 1,010 million US dollars. We do not accept the above judgement and MMNA plans to appeal to the higher court.

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

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

(6) Commitment line agreement

In order to prepare for increases in demand for funds and to secure funding liquidity, MMC has concluded commitment line agreements with 20 correspondent financial institutions, in addition to overdraft agreements. The outstanding balance of unused commitment line as of March 31, 2024 based on this agreement is as follows:

Total of commitment line	152,000 million yen
Outstanding balance of used commitment line	– million yen
<hr/>	
Unused amount	152,000 million yen

5. Notes to consolidated statement of income

(1) Revenue from contracts with customers

Revenue from contracts with customers and other revenue are not presented in net sales by categories.

The amounts of revenue from contracts with customers are provided in “9. Revenue recognition (1) Information on disaggregation of revenue from contracts with customers.”

(2) Gain on liquidation of subsidiaries

This resulted from completing the liquidation of Pajero Manufacturing Co., Ltd., which was a domestic consolidated subsidiary of MMC.

(3) Loss related to Russian operations

The MMC group engages in assembly, production, and sale of finished vehicles in Russia through one consolidated subsidiary and multiple affiliates in Russia; however, MMC has decided not to resume production in Russia.

As a result, MMC has incurred costs such as disposal loss of components for production and arrears for the return of containers, etc., and has recorded extraordinary losses of 1,313 million yen.

(4) Loss related to Chinese operations

Although GAC Mitsubishi Motors Co., Ltd., which was an affiliate of the MMC group in China, tried to recover its sales volume by releasing a new model in December 2022, it continued to fall short of its plan and has suspended its production since March 2023 in order to adjust its inventory. In light of this situation, we decided to fundamentally review our China strategy and implement structural reforms.

To this end, we recorded a loss related to Chinese operations of 23,002 million yen, which included compensation to related business partners and suppliers, and other associated costs.

6. Notes to consolidated statement of changes in net assets

(1) Class and total number of issued shares at end of the fiscal year ended March 31, 2024

Common stock: 1,490,282,496 shares

(2) Dividends of surplus

(a) Dividend payment

Resolution date	Class of shares	Source of dividend	Total amount of dividend (In millions of yen)	Dividend per share (In yen)	Record date	Effective date
Ordinary General Meeting of Shareholders held on June 22, 2023	Common stock	Retained earnings	7,447	5.0	March 31, 2023	June 23, 2023
Board of Directors meeting held on November 28, 2023	Common stock	Retained earnings	7,447	5.0	September 30, 2023	December 25, 2023

(Notes) 1. The total amount of dividend based on the resolution at the Ordinary General Meeting of Shareholders on June 22, 2023 includes 5 million yen of dividend for the shares of MMC held by the “Board Incentive Plan (BIP) Trust.”

2. The total amount of dividend based on the resolution at the Board of Directors meeting on November 28, 2023 includes 4 million yen of dividend for the shares of MMC held by the “Board Incentive Plan (BIP) Trust.”

(b) Dividends with the cut-off date in the fiscal year ended March 31, 2024 and the effective date in the following fiscal year

Scheduled resolution date	Class of shares	Source of dividend	Total amount of dividend (In millions of yen)	Dividend per share (In yen)	Record date	Effective date
Ordinary General Meeting of Shareholders held on June 20, 2024	Common stock	Retained earnings	7,447	5.0	March 31, 2024	June 21, 2024

(Note) The total amount of dividend based on the resolution at the Ordinary General Meeting of Shareholders on June 20, 2024 includes 13 million yen of dividend for the shares of MMC held by the “Board Incentive Plan (BIP) Trust.”

(3) Class and number of potential shares resulting from the exercise of share acquisition rights (excluding shares for which the exercise period has not commenced) as of March 31, 2024

Common stock: 81,095 shares

7. Financial instruments

(1) Overview of financial instruments

(a) Our policy for managing financial instruments

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

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

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

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

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

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

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

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

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

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

(c) Supplementary explanation on fair value of financial instruments

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

(2) Fair value of financial instruments

The carrying amount, fair value, and the difference between the carrying amount and the fair value of the financial instruments at March 31, 2024 are as follows. Shares without market value (carrying amount in the consolidated balance sheet: 99,871 million yen) are not included in “Available-for-sale securities.” Furthermore, notes for “Cash and deposits,” “Notes and accounts receivable – trade, and contract assets,” “Notes and accounts payable – trade,” “Electronically recorded obligations – operating,” “Short-term borrowings,” “Commercial papers” and “Accounts payable – other, and accrued expenses” have been omitted as the fair values are almost the same as the book values since they are cash and settled in a short period of time.

	Carrying amount	Fair value	Difference
	<i>(In millions of yen)</i>	<i>(In millions of yen)</i>	<i>(In millions of yen)</i>
(a) Finance receivables	240,517	236,788	(3,728)
(b) Investment securities			
Available-for-sale securities	4,223	4,223	–
Total assets	244,741	241,012	(3,728)
(a) Long-term borrowings	352,394	352,074	(319)
Total liabilities	352,394	352,074	(319)
Derivative transactions (*)	(2,396)	(2,396)	–

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

(3) Matters concerning components of fair value of financial instruments by level, etc.

The fair value of financial instruments has been categorized into the following three levels according to the observability and significance of the inputs used in the calculation of fair value.

Level 1 fair value: Fair-value measurement based on quoted prices in active markets for these or identical assets or liabilities.

Level 2 fair value: Fair-value measurement based on inputs that are observable other than Level 1.

Level 3 fair value: Fair-value measurement based on inputs for which no observable market data is available.

If multiple inputs that significantly affect the calculation of fair value are used, fair value is classified into the level with the lowest priority for the calculation of fair value within each of the levels to which these inputs belong.

(a) Financial assets and financial liabilities recorded in the consolidated balance sheet at fair value

Category	Fair value			
	Level 1	Level 2	Level 3	Total
	<i>(In millions of yen)</i>	<i>(In millions of yen)</i>	<i>(In millions of yen)</i>	<i>(In millions of yen)</i>
Investment securities				
Available-for-sale securities				
Shares	4,223	–	–	4,223
Derivative transactions				
Currency-related transactions	–	557	–	557
Total assets	4,223	557	–	4,780
Derivative transactions				
Currency-related transactions	–	2,953	–	2,953
Total liabilities	–	2,953	–	2,953

(b) Financial assets and financial liabilities not recorded in the consolidated balance sheet at fair value

Category	Fair value			
	Level 1	Level 2	Level 3	Total
	<i>(In millions of yen)</i>	<i>(In millions of yen)</i>	<i>(In millions of yen)</i>	<i>(In millions of yen)</i>
Finance receivables	–	236,788	–	236,788
Total assets	–	236,788	–	236,788
Long-term borrowings	–	352,074	–	352,074
Total liabilities	–	352,074	–	352,074

(Note) Explanation of valuation techniques used in the calculation of fair value and inputs pertaining to the calculation of fair value

Investment securities

Listed shares are valued using quoted prices. As listed shares are traded on active markets, their fair value is classified as level 1 fair value.

Derivative transactions

The fair value of derivative transactions is determined by quotes provided by counterparty financial institutions and classified as level 2 fair value.

Finance receivables

Finance receivables are classified by certain terms to maturity, and their fair values are determined based on the present values of the respective future cash flows discounted using appropriate rates, such as the rates of government bonds after adding credit risk premiums based on the credit risk classes, and classified as level 2 fair value.

Long-term borrowings

Long-term borrowings are classified by certain terms to maturity, and their fair values are determined based on the respective present values of the total amount of principal and interest discounted using the prevailing interest rates that would be applied if similar loans were made at the valuation date, and classified as level 2 fair value.

8. Per share data

Net assets per share	679.45 yen
Profit per share	103.97 yen

(Note) For the purpose of calculating per share data, the shares of MMC held by the “Board Incentive Plan (BIP) Trust,” which are included in treasury shares, have been excluded from the number of shares at the end of the period and the average number of shares during the period. The number of shares of MMC held by the Trust at the end of the period was 2,668,506 shares, and the average number of such shares during the period was 1,451,630 shares.

9. Revenue recognition

(1) Information on disaggregation of revenue from contracts with customers

(a) The amounts of net sales by reportable segment, and information on disaggregation of revenue

(In millions of yen)

	Automobiles	Financial services	Total
Net sales			
Net sales to external customers			
Revenue from contracts with customers	2,754,761	12,778	2,767,539
Other revenue	539	21,511	22,050
Total	2,755,300	34,289	2,789,589

(b) Net sales to external customers classified by the geographic location of the external customers, and information on disaggregation of revenue

(In 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 revenue	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, France, Spain, the Netherlands
- (3) Asia..... The Philippines, Indonesia, Thailand, Vietnam
- (4) Oceania..... Australia, New Zealand
- (5) Other..... U.A.E., Brazil

- (c) Net sales classified by the geographic location of MMC and its consolidated subsidiaries, and information on disaggregation of revenue

(In millions of yen)

	Japan	North America	Europe	Asia	Oceania	Other	Total
Net sales							
Net sales to external customers							
Revenue from contracts with customers	1,040,863	700,226	214,628	473,065	318,945	19,810	2,767,539
Other revenue	21,616	391	–	–	42	–	22,050
Total	1,062,480	700,617	214,628	473,065	318,987	19,810	2,789,589

(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.

- (2) Information that provides a basis for understanding revenue from contracts with customers

As described in “1. Basis of consolidated financial statements, (4) Accounting policies, (d) Revenue and expense recognition.”

- (3) Information to understand the amount of revenue in the current and subsequent fiscal years

- (a) Outstanding contract assets and contract liabilities, etc.

(In millions of yen)

	Fiscal year ended March 31, 2024	
	Balance at beginning of year	Balance at end of year
Receivables from contracts with customers	173,360	145,069
Contract assets	11,695	6,515
Contract liabilities	25,913	25,550

The amount of revenue recognized in the fiscal year ended March 31, 2024 that was included in contract liabilities as of the beginning of the period was 15,264 million yen.

(b) Transaction price allocated to remaining performance obligations

In noting the transaction prices allocated to the remaining performance obligations, the Company and its consolidated subsidiaries apply the practical expedient and do not include in the notes contracts with an initial expected contract term of one year or less. The performance obligations are mainly related to after-sales services and contracted development in the automobile business, and the aggregate transaction price allocated to the remaining performance obligations and the period over which revenue is expected to be recognized are as follows.

(In millions of yen)

	Fiscal year ended March 31, 2024
Within 1 year	8,243
More than 1 year	13,478
Total	21,722

10. Subsequent events

In a product liability lawsuit filed in the Philadelphia Court of Common Pleas, Pennsylvania, the United States, the judgment was awarded on May 6, 2024 (U.S. local time) against MMC's North American subsidiary, Mitsubishi Motors North America, Inc. (MMNA), ordering MMNA to pay damages in the amount of 1,010 million US dollars. We do not accept the above judgement and MMNA plans to appeal to the higher court.

Statement of Changes in Net Assets
(From April 1, 2023 to March 31, 2024)

(In millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total shareholders' equity
		Capital reserve	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings	Total retained earnings		
						Retained earnings brought forward			
Balance at beginning of year	284,382	118,680	84,796	203,477	5,605	13,758	19,363	(989)	506,234
Net change									
Dividends of surplus						(14,894)	(14,894)		(14,894)
Profit						166,108	166,108		166,108
Purchase of treasury shares								(785)	(785)
Disposal of treasury shares								43	43
Exercise of share acquisition rights			(35)	(35)				41	6
Net changes in items other than shareholders' equity									
Total net change	–	–	(35)	(35)	–	151,213	151,213	(699)	150,478
Balance at end of year	284,382	118,680	84,760	203,441	5,605	164,971	170,577	(1,688)	656,712

	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at beginning of year	693	42	735	29	506,999
Net change					
Dividends of surplus					(14,894)
Profit					166,108
Purchase of treasury shares					(785)
Disposal of treasury shares					43
Exercise of share acquisition rights					6
Net changes in items other than shareholders' equity	806	(787)	18	(5)	13
Total net change	806	(787)	18	(5)	150,491
Balance at end of year	1,500	(745)	754	23	657,491

Notes to Financial Statements

1. Significant accounting policies

(1) Valuation bases and methods of assets

(a) Securities

Shares of subsidiaries and affiliates

Carried at cost determined by the moving average method.

Available-for-sale securities

Securities, excluding shares without market value:

Carried at fair value and the cost of securities sold is computed based on the moving average method.

The difference between the acquisition cost and the carrying value of available-for-sale securities, including unrealized gains and losses, is recognized in valuation difference on available-for-sale securities in the accompanying balance sheet.

Shares without market value:

Carried at cost determined by the moving average method.

(b) Derivative financial instruments

Carried at fair value

(c) Inventories

Finished goods and work in process

Principally stated at cost determined by the first in first out method (the balance sheet carrying value is reduced to recognize any deterioration of recoverability)

Raw materials and supplies

Stated at cost determined by the gross average method (the balance sheet carrying value is reduced to recognize any deterioration of recoverability)

(2) Depreciation and amortization

(a) Property, plant and equipment (excluding leased assets)

Depreciation of property, plant and equipment is calculated by the straight line method based on the estimated useful lives of assets. The estimate useful lives of assets are as follows.

Buildings and structures

3 to 60 years

Machinery, equipment and vehicles

3 to 23 years

Tools, furniture and fixtures

2 to 20 years

(Low value depreciable assets)

Assets for which the acquisition cost is equal to or more than 100,000 yen and less than 200,000 yen are depreciated in even amounts over three years pursuant to the provisions of the Corporation Tax Act.

(b) Intangible assets (excluding leased assets)

Intangible assets are amortized by the straight line method.

Software intended for use by MMC is amortized by the straight line method over the period for which each asset is available for use (10 years in the case of software for some major core systems; 5 years in the case of other software).

(c) Leased assets

Assets recognized under finance leases that do not involve transfer of ownership to the lessee are depreciated by the straight line method based on the contract term under the lease agreement. If a guaranteed residual value is determined in the lease agreement, the said guaranteed residual value is deemed as the residual value of such leased assets. If the residual value is not determined, it is deemed to be zero.

(d) Long-term prepaid expenses

Long-term prepaid expenses are amortized by the straight line method over a fixed period.

(3) Allowances and provisions

(a) Allowance for doubtful accounts

The allowance for doubtful accounts is provided based on MMC's historical experience with respect to write-offs and an estimate of the amount of specific uncollectible accounts.

(b) Provision for product warranties

The provision for product warranty claims is calculated in accordance with the warranty contracts and based on historical experience and estimated future costs relating to claims.

(c) Provision for retirement benefits

Accrued retirement benefits for employees are calculated based on the retirement benefit obligation and the fair value of the pension plan assets estimated at the end of the fiscal year.

Prior service cost is being amortized by the straight line method over a fixed number of years (10 years) within the estimated average remaining service years of the employees.

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

When calculating the retirement benefit obligation, the benefit formula basis was used for attributing the expected defined net benefits to the period until the end of the fiscal year.

(4) Revenue and expense recognition

The principal performance obligation in the automobile business is the sale of vehicles and parts. For the normal point in time at which the performance obligation in this sale of vehicles and parts is satisfied (the normal point in time at which revenue is recognized), revenue is recognized when control over the goods or services is transferred to the customer, such as upon delivery of the vehicle. In accordance with the alternative treatment prescribed in paragraph 98 of the "Implementation Guidance on Accounting Standard for Revenue Recognition," revenue is recognized at the time of shipment if the period between the time of shipment and the time when control of the goods or products is transferred to the customer is a normal period. Sales incentive payments to sales companies are considered as variable consideration in the calculation of the transaction price, and the estimated amount of sales incentives expected to be paid in the future in the period in which control over the goods or services is transferred is deducted from net sales.

For product warranties provided in connection with the sale of products, etc., the Company recognizes a provision for product warranties for the costs associated with such warranties, as these are warranties that the products sold are in accordance with the specifications agreed upon with the customer.

(5) Hedge accounting

Forward foreign exchange contracts

Deferral hedge accounting (hedged of forecast transactions)

(6) Application of the group tax sharing system

MMC applies the group tax sharing system.

2. Notes to accounting estimates

(1) Liabilities related to market quality measures

(a) Amount recorded in the financial statements as of March 31, 2024

	As of March 31, 2024 (millions of yen)
Liabilities related to market quality measure	18,788

(The above amount is included in accounts payable – other in the balance sheet.)

(b) Information on significant accounting estimates for identified items

Notes are omitted as they are identical to those made in the “Notes to Consolidated Financial Statements, 2. Notes to accounting estimates, (1) Liabilities related to market quality measures (b) Information on significant accounting estimates for identified items.”

(2) Contingent liabilities (provision for loss on litigation)

Notes are omitted as they are identical to those made in the “Notes to Consolidated Financial Statements, 2. Notes to accounting estimates, (2) Contingent liabilities (provision for loss on litigation).”

3. Additional information

(Stock compensation plan)

Notes to the stock compensation plan for MMC’s Executive Officers and Corporate Officers, etc. are omitted as they are identical to those made in the “Notes to Consolidated Financial Statements, 3. Additional information.”

4. Notes to balance sheet

(1) Accumulated depreciation of property, plant and equipment 538,061 million yen

(2) Balance of guarantee liabilities

(a) Guarantee recipients

MM Automobile Schweiz AG	877 million yen
Mitsubishi Corporation	425 million yen
Employees	147 million yen

Total 1,449 million yen

(b) Retroactive obligation following liquidation of accounts receivable – trade 1,565 million yen

(3) Contingent liabilities

Notes are omitted as they are identical to those made in the “4. Notes to consolidated balance sheet, (5) Contingent liabilities.”

(4) Monetary receivables from subsidiaries and affiliates, and payables to subsidiaries and affiliates

Short-term monetary receivables	283,655 million yen
Short-term monetary payables	208,520 million yen
Long-term monetary payables	404 million yen

(5) Commitment line agreement

In order to prepare for increases in demand for funds and to secure funding liquidity, MMC has concluded commitment line agreements with 20 correspondent financial institutions, in addition to overdraft agreements. The outstanding balance of unused commitment line as of March 31, 2024 based on this agreement is as follows:

Total of commitment line	152,000 million yen
Outstanding balance of used commitment line	– million yen
<hr/>	
Unused amount	152,000 million yen

5. Notes to statement of income

(1) Transactions with subsidiaries and affiliates

Sales	1,883,904 million yen
Purchases	1,060,924 million yen
Non-operating transactions	119,640 million yen

(2) Total amount of research and development expenses 114,582 million yen

(3) Gain on liquidation of subsidiaries

This resulted from completing the liquidation of Pajero Manufacturing Co., Ltd., a domestic consolidated subsidiary of MMC.

(4) Loss related to Russian operations

MMC engages in assembly, production, and sales of finished vehicles in Russia through one consolidated subsidiary and multiple affiliates in Russia; however, MMC has decided not to resume production in Russia.

As a result, MMC has incurred costs such as disposal loss of components for production and arrears for the return of containers, etc., and has recorded extraordinary loss of 887 million yen.

(5) Loss related to Chinese operations

Although GAC Mitsubishi Motors Co., Ltd., which was an affiliate of MMC in China, tried to recover its sales volume by releasing a new model in December 2022, it continued to fall short of its plan and has suspended its production since March 2023 in order to adjust its inventory. In light of this situation, we decided to fundamentally review our China strategy and implement structural reforms.

To this end we recorded a loss related Chinese operation of 25,255 million yen, which included compensation to related business partners and suppliers, and other associated costs.

6. Notes to statement of changes in net assets

Class and total number of treasury shares at the end of the fiscal year ended March 31, 2024

Common stock: 3,473,994 shares

(Note) The total number of treasury shares as of March 31, 2024 includes 2,668,506 shares of MMC held in the Board Incentive Plan (BIP) Trust.

7. Notes to tax effect accounting

(1) The significant components of deferred tax assets and liabilities

Deferred tax assets

Net operating losses carried forward	243,297 million yen
Allowance for doubtful accounts	425 million yen
Accrued retirement benefits	18,457 million yen
Loss on impairment of subsidiaries and affiliates' shares	120,996 million yen
Liabilities related to market quality measures	5,689 million yen
Provision for product warranties	12,515 million yen
Foreign tax credit carried forward	11,298 million yen
Non-current assets (including impairment loss)	28,257 million yen
Others	19,118 million yen
<hr/>	
Subtotal	460,057 million yen
Less valuation allowance	(423,823) million yen
<hr/>	
Total deferred tax assets	36,233 million yen

Deferred tax liabilities

Valuation difference on available-for-sale securities	(651) million yen
Others	(967) million yen
<hr/>	
Total deferred tax liabilities	(1,618) million yen
<hr/>	
Net deferred tax assets	34,614 million yen

(2) Accounting of corporate tax, local corporate tax and tax effect accounting for these item

MMC has applied the group tax sharing system. Accordingly, we conduct accounting of corporate tax and local corporate tax, or accounting and disclosure of tax effect accounting for these items in accordance with the "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (Practical Solution No. 42, August 12, 2021).

8. Related party transactions

(1) Parent company and major corporate shareholders, etc.

Attribution	Name of company, etc.	Percentage of voting rights held	Relationship with the related party	Details of transactions	Amount of transaction (In millions of yen)	Account title	Balance at year end (In millions of yen)
Related companies	Nissan Motor Co., Ltd.	Direct 34.01	Concurrent positions of corporate officers, cross sharing of engineering assets, etc. and mutual sale of products, etc.	Sales of products, etc. (Note)1	240,193	Accounts receivable – trade	10,327
				Purchase of parts (Note)2	265,611	Electronically recorded obligations – operating	65,493
						Accounts payable – trade	31,438
Related companies	Mitsubishi Corporation	Direct 20.01	Concurrent positions of corporate officers, sales of products, etc. and purchase of raw materials	Sales of products, etc. (Note)1	224,524	Accounts receivable – trade	6,988

(2) Subsidiaries and affiliates

Attribution	Name of company, etc.	Percentage of voting rights held	Relationship with the related party	Details of transactions	Amount of transaction (In millions of yen)	Account title	Balance at year end (In millions of yen)
Subsidiary	Mitsubishi Motors (Thailand) Co., Ltd.	Direct 100.0	Sales of products, etc. and purchase of products, etc.	Purchase of products, etc. (Note)3	575,946	Accounts payable – trade	47,827
Subsidiary	Mitsubishi Motors North America, Inc.	Direct 100.0	Sales of products, etc.	Sales of products, etc. (Note)1	323,909	Accounts receivable – trade	33,484
Subsidiary	Mitsubishi Motors Australia, Ltd.	Direct 100.0	Sales of products, etc.	Sales of products, etc. (Note)1	257,670	Accounts receivable – trade	35,783
Subsidiary	Mitsubishi Motors Europe B.V.	Direct 100.0	Sales of products, etc.	Sales of products, etc. (Note)1	195,384	Accounts receivable – trade	16,065

Attribution	Name of company, etc.	Percentage of voting rights held	Relationship with the related party	Details of transactions	Amount of transaction (In millions of yen)	Account title	Balance at year end (In millions of yen)
Subsidiary	Mitsubishi Motors Philippines Corp.	Direct 100.0	Sales of products, etc.	Sales of products, etc. (Note)1	139,561	Accounts receivable – trade	55,096
Subsidiary	Mitsubishi Motor Sales of Canada, Inc.	Direct 100.0	Sales of products, etc.	Sales of products, etc. (Note)1	141,244	Accounts receivable – trade	23,561
Subsidiary	Mitsubishi Motors de México S.A. de C.V.	Direct 100.0	Sales of products, etc.	Sales of products, etc. (Note)1	63,415	Accounts receivable – trade	17,660
Subsidiary	PT Mitsubishi Motors Krama Yudha Indonesia	Direct 51.0	Purchase of products, etc.	Purchase of products, etc. (Note)3	149,860	Accounts payable – trade	21,334
Affiliate	GAC Mitsubishi Motors Co., Ltd.	Direct 30.0	Financial assistance	Loans (Note)4	9,392	–	–
				Underwriting of capital increase (Note)5	32,421	–	–
Affiliate	JATCO Ltd	Direct 15.04	Purchase of parts	Purchase of parts (Note)2	49,836	Electronically recorded obligations – operating	14,410
						Accounts payable – trade	4,139

Terms and conditions of transactions and the policies on determination thereof:

- (Note) 1 MMC determines selling prices of products, etc. as a result of studies and negotiations, taking market prices and total costs into consideration.
- (Note) 2 MMC determines purchase prices of parts following studies and negotiations taking into consideration estimated costs, prices of current parts, and market prices of each part.
- (Note) 3 MMC determines purchase prices of products, etc., as a result of studies and negotiations taking into consideration estimated costs, prices of current products, etc., and market prices of each product, etc.
- (Note) 4 MMC determines the interest rates for the loans in a reasonable manner taking market interest rates into consideration.
- (Note) 5 As for underwriting of capital increase, MMC makes contribution of loans in kind through a debt-equity swap based on an agreement on price of equity restructuring concluded between shareholders. In addition, the said company was excluded from the scope of application of the equity method and is no longer qualified as a related party due to sale of equity interest held by MMC in the fiscal year under review. The above amount of transaction represents the amount in the period when the said company was a related party.

9. Per share data

Net assets per share	442.20 yen
Profit per share	111.63 yen

(Note) For the purpose of calculating per share data, the shares of MMC held by the Board Incentive Plan (BIP) Trust, which are included in treasury shares, have been excluded from the calculation of the average number of shares during the period. The number of shares of MMC held by the Trust at the end of the period was 2,668,506 shares, and the average number of such shares during the period was 1,451,630 shares.

10. Revenue recognition

(Information that provides a basis for understanding revenue from contracts with customers)

Notes are omitted as they are identical to those made in the “Notes to Consolidated Financial Statements, 9. Revenue recognition.”

11. Subsequent events

Notes are omitted as they are identical to those made in the “Notes to Consolidated Financial Statements, 10. Notes to Subsequent events.”