FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 2016

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Mitsubishi Corporation

FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED MARCH 31, 2016

(Based on IFRS) (Consolidated)

1. Consolidated operating results for the year ended March 31, 2016

(1) Revenues and income

Note:
Figures less than one million yen are rounded.
%: change from the previous year

	Revenues		Profit before tax		Profit for the year		Profit for the year attributable to owners of the Parent		Comprehensive income	
For the year ended	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
March 31, 2016	6,925,582	(9.7)	(92,823)	−	(132,664)	−	(149,395)	−	(810,395)	−
March 31, 2015	7,669,489	0.4	574,722	8.0	406,391	5.2	400,574	10.9	714,825	4.6

	Profit for the year attributable to owners of the Parent per share (basic)	Profit for the year attributable to owners of the Parent per share (diluted)	Return on equity attributable to owners of the Parent	Pre-tax income to total assets ratio
For the year ended	Yen	Yen	%	%
March 31, 2016	(93.68)	(93.68)	(2.9)	(0.6)
March 31, 2015	246.39	245.83	7.5	3.5

Share of profit of investments accounted for using the equity method for the years ended March 31, 2016 and 2015 were (175,389) million and 203,818 million respectively.

(2) Financial position

	Total assets	Total equity	Equity attributable to owners of the Parent	Ratio of equity attributable to owners of the Parent to total assets	Equity per share attributable to owners of the Parent
As of	Millions of Yen	Millions of Yen	Millions of Yen	%	Yen
March 31, 2016	14,916,256	5,017,522	4,592,516	30.8	2,898.23
March 31, 2015	16,774,366	6,055,555	5,570,477	33.2	3,437.75

(3) Cash Flows

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the end of the year
For the year ended	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
March 31, 2016	700,105	(503,854)	(364,528)	1,500,960
March 31, 2015	798,264	(154,852)	(305,334)	1,725,189

2. Dividends

	Cash dividends per share (Yen)					Cash dividends (annual)	Payout ratio (consolidated)	Dividends on equity attributable to owners of the Parent (consolidated)
(Record date)	1Q end	2Q end	3Q end	4Q end	Annual	Millions of Yen	%	%
March 31, 2015	−	40.00	−	30.00	70.00	113,404	28.4	2.1
March 31, 2016	−	25.00	−	25.00	50.00	79,226	−	1.6
March 31, 2017 (Forecast)	−	30.00	−	30.00	60.00	—	38.0	—

(1) Regarding the above dividend for the year ended March 31, 2016, please refer to page 7, "(2) Capital Structure Policy and Dividend Policy" under "3. Basic Policy Regarding the Appropriation of Profits" of "Operating Results and Financial Position".
(2) Breakdown of 2Q end dividend for the year ended March 31, 2015: Regular dividend 30.00Yen; commemorative dividend 10.00Yen

3. Outlook for the fiscal year ending March 31, 2017 (April 1, 2016 to March 31, 2017)

Note:
%: change from the previous year.

	Profit for the year attributable to owners of the Parent		Profit for the year attributable to owners of the Parent per share
For the year ending	Millions of Yen	%	Yen
March 31, 2017	250,000	−	157.77

Consolidated forecasts for the six months ending September 30, 2016 have been omitted because MC manages performance outlooks on an annual basis only.

4. Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries causing changes in scope of consolidation) : Yes

New companies : 0

Excluded companies : 1 (ALPAC FOREST PRODUCTS INC.)

For details, please refer to page 25, "(3) Significant Changes in Subsidiaries During the Year (IFRS)" under "7. Notes Concerning Consolidated Financial Statements (IFRS)" of "Consolidated Financial Statements".

(2) Changes in accounting principles, and accounting estimate

-1- Changes in accounting principles required by IFRS: None

-2- Changes other than -1-: None

-3- Changes in accounting estimate: Yes

Regarding the number of shares that serve as the basis for calculating consolidated profit for the year attributable to Mitsubishi Corporation per share, please refer to page 24, "(1) Changes in Accounting Policies and Changes in Accounting Estimates (IFRS)" under "7. Notes Concerning Consolidated Financial Statements" of "Consolidated Financial Statements".

(3) Number of shares issued (Common stock)

-1- Number of shares issued at year-end (including treasury stock)	(March 31, 2016)	1,590,076,851	(March 31, 2015)	1,624,036,751
-2- Number of treasury stock at year-end	(March 31, 2016)	5,482,335	(March 31, 2015)	3,653,124
-3- Average number of shares during each of the following fiscal years	(March 31, 2016)	1,594,779,417	(March 31, 2015)	1,625,754,309

Please refer to page 27, "(5) Earnings Per Share (IFRS)" under "7. Notes Concerning Consolidated Financial Statements" of "Consolidated Financial Statements" regarding the number of shares that serve as the basis for calculating consolidated profit for the year attributable to Mitsubishi Corporation per share.

Disclosure Regarding Audit Procedures

As of the date of disclosure of this earnings release, an audit of the consolidated financial statements is being carried out in accordance with the Financial Instruments and Corporate Exchange Act.

Forward-looking Statements

Earnings forecasts and other forward-looking statements in this release are based on data currently available to management and certain assumptions that management believes are reasonable. The achievement of said forecasts cannot be promised. Actual results may therefore differ materially from these statements for various reasons. For cautionary notes concerning assumptions for earnings forecasts and use of earnings forecasts, please refer to page 5, "(3) Forecasts for the Year Ending March 2017" under "2. Consolidated Results" of "Operating Results and Financial Position".

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※ Mitsubishi Corporation will hold an earnings conference in Tokyo for the year ended March 2016 on May 12, 2016 (Thursday) from 10:00 to 12:00 (Japan Time), inviting institutional investors and analysts to join.
The conference material will be accessible in Japanese from the following URL:
http://www.mitsubishicorp.com/jp/ja/ir/index.html

(English interpretation of the conference call will be posted on our web site as soon as it becomes available.)

Operating Results and Financial Position

1. General Operating Environment

In the year ended March 2016, the U.S. economy continued to experience a solid recovery, driven by consumer spending. In Europe, there were continuing signs of an upturn in overall economic conditions. Meanwhile, certain emerging nations experienced a slowdown in economic growth. In addition, international financial markets experienced turbulence and international commodity markets continued to fall, due to factors such as increasing uncertainty about the Chinese economy and an interest rate hike in the U.S. Economic growth in Japan was sluggish due to lackluster external demand, although internal demand showed signs of recovery.

2. Consolidated Results

(Profit for the year, as used hereinafter, refers to profit for the year attributable to owners of the Parent.)

(1) Summary of the Year Ended March 2016 Results

Revenues decreased 743.9 billion yen, or 10%, to 6,925.6 billion yen, mainly due to the decline in oil prices.

Gross profit decreased 111.0 billion yen, or 9%, to 1,098.9 billion yen, mainly due to lower earnings on transactions stemming from a downturn in resource-related market prices.

Selling, general and administrative expenses remained nearly flat, to 1,016.0 billion yen.

Finance income decreased 81.8 billion yen, or 40%, to 123.1 billion yen due to lower dividend income from resource-related business investees.

Share of profit of investments accounted for using the equity method decreased 379.2 billion yen to a loss of 175.4 billion yen. Factors behind this decline included lower equity method earnings due to a downturn in resource-related market prices and impairment losses on resource-related assets.

As a result, profit for the year declined 550.0 billion yen, to a loss of 149.4 billion yen.

(2) Segment Information

1) Global Environmental & Infrastructure Business Group

The Global Environmental & Infrastructure Business Group conducts infrastructure projects, related trading operations and other activities in power generation, water, transportation and other infrastructure fields that serve as a foundation for industry.

The segment recorded profit for the year of 32.5 billion yen, an increase of 12.1 billion yen year over year.

The higher earnings mainly reflected a reversal of provision for loss on guarantee obligations in connection with a North Sea oil field project.

2) Industrial Finance, Logistics & Development Group

The Industrial Finance, Logistics & Development Group is developing shosha-type industrial finance business. These businesses range from asset management, infrastructure investment, and buyout investment to leasing, real estate development and logistics services.

The segment recorded profit for the year of 40.3 billion yen, an increase of 0.2 billion yen year over year.

3) Energy Business Group
The Energy Business Group conducts a number of activities including oil and gas exploration, development and production (E&P) business; investment in natural gas liquefaction projects; trading of crude oil, petroleum products, carbon materials and products, liquefied natural gas (LNG), and liquefied petroleum gas (LPG); and planning and development of new energy business.

The segment recorded loss for the year of 9.8 billion yen, a decrease of 92.1 billion yen year over year.

This decrease mainly reflected the recording of impairment losses on resource-related assets and the lower dividend income from resource-related business investees due to the downturn in market prices.

4) Metals Group
The Metals Group trades, develops business and invests in a range of fields. These include steel products such as steel sheets and thick plates, steel raw materials such as coking coal and iron ore, and non-ferrous raw materials and products such as copper and aluminum.

The segment recorded loss for the year of 360.7 billion yen, a decrease of 374.6 billion yen year over year.

This decrease mainly reflected the recording of impairment losses on resource-related assets.

5) Machinery Group
The Machinery Group handles sales, finance and logistics across many different sectors, in which it also invests. These fields include machine tools, agricultural machinery, construction machinery, mining machinery, elevators, escalators, ships, aerospace-related equipment and motor vehicles.

The segment recorded profit for the year of 62.2 billion yen, a decrease of 29.1 billion yen year over year.

This decrease mainly reflected a slowdown of the motor vehicle business in Asia and one-off losses associated with the ship business.

6) Chemicals Group
The Chemicals Group trades chemical products in a broad range of fields, in which it also develops business and invests. These fields extend from basic materials such as ethylene, methanol, and salt produced from crude oil, natural gas, minerals, plants, marine resources and so forth, to midstream and downstream products such as plastics, electronic materials, food ingredients, fertilizer and fine chemicals.

The segment recorded profit for the year of 30.5 billion yen, a decrease of 0.9 billion yen year over year.

7) Living Essentials Group

The Living Essentials Group provides products and services, develops businesses and invests in various fields closely linked with people's lives, including food products and food, textiles, essential supplies, healthcare, distribution and retail. These fields extend from the procurement of raw materials to the consumer market.

The segment recorded profit for the year of 73.5 billion yen, a decrease of 47.0 billion yen year over year.

This decrease mainly reflected the rebound of a reversal of impairment losses in the previous fiscal year.

(3) Forecasts for the Year Ending March 2017

For the year ending March 2017, we forecast profit for the year of 250.0 billion yen. Please note that the basic assumptions for this forecast are as follows.

Reference: Change of basic assumptions

	Year Ended March 2016 (Actual)	Year Ending March 2017 (Forecasts)	Changes
Exchange rate	120.1 JPY/USD	110.0 JPY/USD	-10.1 JPY/USD
Crude oil price	45.5 US$/BBL	37.0 US$/BBL	-8.5 US$/BBL
Interest rate (TIBOR)	0.16 %	0.20 %	+0.04 %

(4) Changes in Assets, Liabilities and Equity

Total assets as of March 31, 2016 was 14,916.3 billion yen, a decrease of 1,858.1 billion yen from March 31, 2015, mainly due to a decrease in trade and other receivables and inventories in line with lower transaction prices and sales volumes, and a decrease in investments accounted for using the equity method due to the recording of a loss on these investments.

Total liabilities was 9,898.7 billion yen, a decrease of 820.1 billion yen from March 31,2015, mainly due to a decrease in trade and other payables in line with lower transaction prices and sales volumes, and a decrease in debt because of the repayment of borrowings and the impact of exchange rates.

Net interest-bearing liabilities, which is gross interest-bearing liabilities minus cash, cash equivalents and time deposits, decreased 152.2 billion yen from March 31, 2015 to 4,315.5 billion yen. The net debt-to-equity ratio, which is net interest-bearing liabilities divided by equity attributable to owners of the Parent, was 0.9.

Equity attributable to owners of the Parent was 4,592.5 billion yen, a decrease of 978.0 billion yen from March 31, 2015. This decrease was mainly due to net loss recognized, declines in unrealized gains on other investments designated as FVTOCI in line with falling resource prices, and declines in exchange differences on translating foreign operations accompanying the yen’s appreciation.

(5) Cash Flows

Cash and cash equivalents as of March 31, 2016 was 1,501.0 billion yen, down 224.2 billion yen from March 31, 2015

(Operating activities)

Net cash provided by operating activities was 700.1 billion yen, mainly due to dividend income and cash flows from operating transactions, as well as the recovery of working capital, despite the payment of income taxes.

(Investing activities)

Net cash spent in investing activities was 503.9 billion yen. Investing activities spent net cash mainly due to investments in energy resource businesses and the acquisition of shares in Olam International Limited, an agricultural production-related company, despite cash provided by the collection of loans receivable, the sale of shares in listed companies and the sales of aircraft by subsidiaries.

As a result, free cash flow, the sum of operating and investing cash flows, was positive 196.2 billion yen.

(Financing activities)

Net cash spent in financing activities was 364.5 billion yen. Financing activities spent net cash mainly due to the repayment of borrowings, redemption of bonds, purchase of treasury stock and the payment of dividends at the Parent, despite cash provided by the issuance of hybrid bonds and the hybrid loans.

3. Basic Policy Regarding the Appropriation of Profits

(1) Investment Plans

Please refer to the new management strategy to be announced separately today.

(2) Capital Structure Policy and Dividend Policy

Our basic policy is to sustain growth and maximize corporate value by balancing earnings growth, capital efficiency and financial soundness. For this, we will continue to utilize retained earnings for investments to drive growth, while maintaining our financial soundness.

Moreover, under New Strategic Direction, we introduced a two-staged dividend policy to ensure a certain amount of return to shareholders regardless of changes in the external environment. Accordingly, we plan to pay a yearly base dividend of 50 yen per common share, regardless of our earnings level each year, as the stable portion of this two-staged dividend. On top of that, we will pay a performance based variable dividend at a consolidated dividend payout ratio of at least 30% on profit for the year above 350.0 billion yen each year, while taking our capital demand for investing in further growth into consideration.

In light of the 149.4 billion yen in loss for the year ended March 2016, the Board of Directors today passed a resolution setting a total dividend per common share applicable to the fiscal year ended March 2016 of 50 yen (making the year-end dividend 25 yen per common share, having paid an interim dividend of 25 yen per common share).

Furthermore, we plan to pay a total dividend of 60 yen per common share for the year ending March 2017. For the background of this forecast, please refer to the new management strategy to be announced separately today.

[For Reference: Annual Dividend per Common Share]
Year ended March 2009 = 52 yen
Year ended March 2010 = 38 yen
Year ended March 2011 = 65 yen
Year ended March 2012 = 65 yen
Year ended March 2013 = 55 yen
Year ended March 2014 = 68 yen
Year ended March 2015 = 70 yen
Year ended March 2016 = 50 yen

4. Business Risks

(1) Risks of Changes in Global Macroeconomic Conditions

As we conduct businesses on a global scale, our operating results are impacted by economic trends in overseas countries as well as those in Japan.

For instance, a decline in prices of energy and metal resources could have a large impact on our resource-related import transactions and earnings from business investments. Furthermore, the worldwide economic slowdown could affect our entire export-related business, including plants, construction machinery parts, automobiles, steel products, ferrous raw materials, chemical products, and other products.

In Thailand and Indonesia, we have various automobile businesses, including automobile assembly plants, distribution and sales companies and financial services companies jointly established with Japanese automakers. Since automobile sales volume reflects internal demand in each of these countries, economic trends in both Thailand and Indonesia may have a significant bearing on earnings from our automobile operations.

In the year ended March 2016, the global economy saw an increase in volatility in the financial and commodity markets, mainly due to concerns about the forecast for the Chinese economy and the Greek debt crisis, along with rising geopolitical risk as a result of the situation in Ukraine and the Middle East and others. Volatility in the financial and commodity markets also increased due to an interest rate hike in the U.S. In emerging countries, the pace of economic growth has slowed even among major countries such as China and Brazil, mainly due to slower growth in investment and exports, compounded by structural problems within these countries.

(2) Market Risks

Unless otherwise stated, calculations of effects on future profit for the year are based on profit for the year ended March 2016.

1) Commodity Market Risk

In the course of our business activities, we are exposed to various risks relating to movements in prices of commodities as a trader, an owner of rights to natural and energy resources, and a producer and seller of industrial products of our investees. Product categories that may have a large impact on our operating results are as follows:

(Energy Resources)

We hold upstream rights to LNG and crude oil, and/or liquefaction facilities in Australia, Malaysia, Brunei, Sakhalin, Indonesia, Gulf of Mexico (United States), Gabon, Angola and other regions. Movements in LNG and crude oil prices may have a significant impact on operating results in these businesses.

With the exception of some temporary rallies, crude oil prices remained low throughout the year ended March 2016. Despite some signs of an increase in demand for oil, Saudi Arabia, Russia and other major oil-producing counties maintained high levels of production, and U.S. shale oil production did not fall off significantly under the condition of the lower oil prices. As a result, crude oil and petroleum product inventories reached historically high levels. Under these supply and demand conditions, at one point in January 2016 the crude oil price (WTI) fell to its lowest level since 2008. Going forward, non-OPEC production is expected to decline due to lower investment stemming from low oil prices, and the supply–demand balance is expected to gradually recover in the second half of 2016. However, drawing down high inventory levels will take some time. Considering that the forecast for crude oil prices remains uncertain, future developments must be watched closely.

Fundamentally, LNG prices are linked to crude oil prices. It is estimated that a US$1/BBL fluctuation in the price of crude oil would have an approximate 2.0 billion yen effect on profit for the year for LNG and crude oil combined in a given year, mainly through a change in equity method earnings. However, fluctuations in the price of LNG and crude oil might not be immediately reflected in our operating results because of timing differences.

(Metal Resources)

Through wholly owned Brisbane, Australia, subsidiary Mitsubishi Development Pty Ltd (MDP), we sell coking coal, which is used for steel manufacturing, and thermal coal, which is used for electricity generation. Fluctuations in the price of coking coal may affect our consolidated operating results through MDP's earnings. MDP's operating results cannot be determined by the coal price alone since MDP's results are also significantly affected by fluctuations in exchange rates for the Australian dollar, U.S. dollar and yen, as well as adverse weather and labor disputes.

In addition, as a producer, we are exposed to the risk of price fluctuations in copper. A US$100 fluctuation in the price per MT of copper would have a 0.9 billion yen effect on our profit for the year (a US¢10 price fluctuation per lb of copper would have a 1.9 billion yen effect on our profit for the year). However, variables beside price fluctuations can also have an impact. These include the grade of mined ore, the status of production operations, and reinvestment plans (capital expenditures). Therefore, the impact on earnings cannot be determined by the copper price alone.

(Petrochemical Products)

We are engaged in a broad range of trading activities for petrochemical products manufactured from raw materials such as naphtha and natural gas. The prices of petrochemical products are largely determined for each product on an individual basis based on the prices of the above raw materials, supply-demand dynamics and other factors. Fluctuations in the prices of these raw materials may affect earnings from these trading transactions.

We have made investments in manufacturing and sales companies for petrochemicals such as ethylene glycol, paraxylene and methanol in Saudi Arabia, Malaysia and Venezuela. Our investment earnings would be affected by changes in the operating results of these companies due to price movements.

2) Foreign Currency Risk

We bear risk of fluctuations in foreign currency rates relative to the yen in the course of our trading activities, such as export, import and offshore trading. While we use forward contracts and other hedging strategies, there is no assurance that we can completely avoid foreign currency risk.

In addition, dividends received from overseas businesses and equity in earnings of overseas consolidated subsidiaries and affiliates are relatively high in proportion to our profit for the year. Because most of these earnings are denominated in foreign currencies, which are converted to yen solely for reporting purposes, an appreciation in the yen relative to foreign currencies has a negative impact on profit for the year. In terms of sensitivity, a 1 yen change relative to the U.S. dollar would have an approximate 1.5 billion yen effect on profit for the year.

Regarding our investments in overseas businesses, an appreciation in the yen poses the risk of lowering shareholders' equity through a negative effect on exchange differences on translating foreign operations. Consequently, we implement various measures to prevent increased exposure to foreign currency risk on investments, such as by hedging foreign currency risks with respect to new large investments. However, there is no assurance that we can completely avoid these risks.

3) Stock Price Risk

As of March 31, 2016, we owned approximately 1,430.0 billion yen (market value) of marketable securities, mostly equity issues of customers, suppliers and affiliated companies. These investments expose us to the risk of fluctuations in stock prices. The valuation above represented net unrealized gains of approximately 350.0 billion yen based on market prices, a figure that could change depending on future trends in stock prices. In our corporate pension fund, some of the pension assets are managed by marketable stocks. Accordingly, a fall in stock prices could cause an increase in pension expenses by reducing pension assets.

4) Interest Rate Risk

As of March 31, 2016, we had gross interest-bearing liabilities of 6,042.6 billion yen. Because almost all of these liabilities bear floating interest rates, there is a risk of an increase in interest expenses caused by a rise in interest rates.

The vast majority of these interest-bearing liabilities correspond to trade receivables, loans receivable and other operating assets that are positively affected by changes in interest rates. Because a rise in interest rates produces an increase in income from these assets, while there is a timing difference, interest rate risk is offset. For the remaining interest-bearing liabilities exposed to interest rate risk without such offsets, commensurate asset holdings such as investment securities, property and equipment generate trading income as well as other income streams such as dividends that are strongly correlated with economic cycles. Accordingly, even if interest rates increase as the economy improves, leading to higher interest expenses, we believe that these expenses would be offset by an increase in income from the corresponding asset holdings. However, our operating results may be negatively affected temporarily if there is a rapid rise in interest rates because increased income from commensurate asset holdings would fail to offset the effects of a preceding increase in interest expenses.

To monitor market movements in interest rates and respond flexibly to market risks, we established the ALM (Asset Liability Management) Committee. This committee establishes fund procurement strategy and manages the risk of interest rate fluctuations.

(3) Credit Risk

We extend credit to customers in the form of trade credit, including accounts receivables and advance payments, finance, guarantees and investments due to our various operating transactions. We are therefore exposed to credit risk in the form of losses arising from deterioration in the credit of or bankruptcy of customers. Furthermore, we utilize derivative instruments, primarily swaps, options and futures, for the purpose of hedging risks. In this case, we are exposed to the credit risk of the counterparties to these derivative instruments.

To manage this risk, we have established credit and transaction limits for each customer as well as introduced an internal rating system. Based on internal rules determined by internal ratings and the amount of credit, we also require collateral or a guarantee depending on the credit profile of the counterparty. There is no guarantee that we will be able to completely avoid credit risk with these risk hedging strategies. We reduce transactions and take measures to protect our receivables when there is deterioration in the credit condition of customers. We also have a policy for dealing with bankrupt customers and work to collect receivables. However, failure to collect receivables and other credit could affect our operating results.

(4) Country Risk

We bear country risk in relation to transactions and investments with overseas companies in the form of delays or inability to collect cash or conduct business activities due to political and socioeconomic conditions in the countries where they are domiciled.

We take appropriate risk hedging measures that involve, in principle, hedges via third parties through such means as taking out insurance, depending on the nature of the project. Furthermore, we have established a Country Risk Committee, under which country risk is managed through a country risk countermeasure system. The country risk countermeasure system classifies countries with which we conduct business into six categories based on risk money, as well as creditworthiness by country (country rating). Country risk is controlled through the establishment of risk limits for each category.

However, even with these risk hedging measures, it is difficult to completely avoid risks caused by deterioration in the political, economic, or social conditions in the countries or regions where our customers, portfolio companies or we have ongoing projects. Such eventualities may have an impact on our operating results.

(5) Business Investment Risk

We participate in the management of various companies by acquiring equity and other types of interests. These business investment activities are carried out with the aim of increasing our commercial rights and deriving capital gains. However, we bear various risks related to business investments, such as the possible inability to recover our investments and exit losses and being unable to earn the planned profits. Regarding the management of business investment risk, in the case of new business investments, we clarify the meaning and purpose of the investment, quantitatively grasp the downside risk of investments and evaluate whether the return on our investments based on the characteristics of a business exceeds the minimum expected rate of return. After investing, we manage risk on an individual basis with respect to business investments to achieve the investment goals in the Business Plan formulated every year. Furthermore, we apply Exit Rules for the early sale of our equity interest or the liquidation of the investee in order to efficiently replace assets in our portfolio.

Notwithstanding these initiatives, although we follow strict standards for the selection and management of investments, it is difficult to completely avoid the risk of investments not delivering the expected profits. Therefore, our operating results could be affected by changes in the business environment and such actions as the withdrawal from an investment.

(6) Risks Related to Specific Investments

(Investment in and Operations with Mitsubishi Motors Corporation)

Following requests from Mitsubishi Motors Corporation (MMC), we injected equity totaling 140.0 billion yen in MMC from June 2004 through January 2006 by subscribing to ordinary and preferred MMC shares. Based on the Mitsubishi Motors Capital Restructuring Plan announced by MMC on November 6, 2013, we invested part of MMC's preferred shares that we own in an anonymous association, and converted all the remaining shares into MMC's common shares on March 5, 2014. Furthermore, we cooperate with MMC to develop business at sales companies mainly outside of Japan and across the related value chain. Our risk exposure to MMC itself was approximately 125.0 billion yen as of March 31, 2016. Our risk exposure in connection with investments in businesses, finance, trade receivables and other related business was approximately 210.0 billion yen as of March 31, 2016 (of which, risk exposure in connection with the sales finance business was approximately 110.0 billion yen). Our total MMC-related risk exposure, including both the aforementioned risk exposure to MMC itself and our risk exposure to related business, was thus around 335.0 billion yen as of March 31, 2016.

In April 2016, MMC announced inappropriate practices with regard to its fuel consumption testing, and we view an investigation into these circumstances as a matter of topmost priority. Fluctuations in MMC's stock price affect our shareholders' equity, and the results of this investigation could affect the performance of related businesses.

For the year ended March 2016, MMC posted consolidated sales of 2,267.8 billion yen, operating profit of 138.4 billion yen and profit for the year of 89.1 billion yen.

(Investments in Australian Coking Coal and Other Metal Resource Interests)
In November 1968, we established wholly owned subsidiary Mitsubishi Development Pty Ltd (MDP), headquartered in Brisbane, Australia, to engage in coal development. In 2001, we acquired through MDP a 50% interest in the BMA coking coal business (BMA) in Queensland, Australia, for approximately 100.0 billion yen, and engage in this business with a partner, BHP Billiton Limited, headquartered in Melbourne, Australia. BMA has grown into one of the world's largest coking coal businesses, currently producing 66 million tons per year. In addition to coking coal, MDP engages in the exploration, development, production and sale of other metal resources (thermal coal, iron ore and uranium). As of March 31, 2016, the book value of MDP's fixed assets amounted to approximately 1,070.0 billion yen.

MDP's commodity market risks have the potential to affect our operating performance. For details, please refer to the section entitled "(2) 1) Commodity Market Risk (Metal Resources)."

(Investments in Interests in Chilean Copper Assets and Other Resource Interests)
We hold shares in Anglo American Sur S.A. (AAS), which holds Chilean copper resource interests, with Anglo American Plc (AAC), headquartered in London, United Kingdom, and a joint venture between Corporación Nacional del Cobre de Chile, a nationally operated copper production company headquartered in Santiago, and Mitsui & Co., Ltd. Ownership interests in AAS are 50.1% by AAC, 29.5% by the Joint Venture and 20.4% by us, which we acquired for 4.51 billion U.S. dollars.

AAS holds a significant portfolio of copper assets in Chile, including the Los Bronces mine, the El Soldado mine, the Chagres copper smelter and large-scale prospective exploration properties. (AAS' total copper production was approximately 440,000 tonnes in 2015.)

We apply the equity method to its investment in AAS. As an investment accounted for using the equity method, during the year we conducted an impairment test on our investment in AAS. As AAS' production and development plans are long-term, we judged that an evaluation was necessary from a medium- to long-term perspective, including revisions in copper price forecasts. In relation to copper prices, we formulated a forecast, taking into account fundamentals such as the future supply/demand environment and the data provided by external financial institutions and other organizations. Because AAS' production and development plans are long-term, medium- to long-term price forecasts have a more significant impact on the valuation of our investment in AAS than do price fluctuations in the short term. Taking into overall consideration sluggish copper market prices and the extended timeframe for the development of mining projects, on March 31, 2016, we recorded an impairment loss of 271.2 billion yen, resulting in a book value of approximately 190.0 billion yen as of March 31, 2016.

We are also evaluating our other investments in copper asset interests, as well as investments related to crude oil, gas, LNG and coking coal, from a medium- to long-term perspective.

(7) Risks Related to Compliance
We are engaged in businesses in all industries through our many offices around the world. These activities subject us to a wide variety of laws and regulations. Specifically, we must comply with the Companies Act, tax laws, Financial Instruments and Exchange Act, anti-monopoly laws, international trade-related laws, environmental laws and various business laws in Japan. In addition, in the course of conducting business overseas, we must abide by the laws and regulations in the countries and regions where we operate.

We have established a Compliance Committee, which is headed by a Chief Compliance Officer, who is at the forefront of our efforts to raise awareness of compliance. This officer also directs and supervises compliance with laws and regulations on a consolidated basis.

Notwithstanding these initiatives, compliance risks cannot be completely avoided. Failure to fulfill our obligations under related laws and regulations could affect our businesses and operating results.

(8) Risks From Natural and Other Types of Disasters

An unforeseeable event, such as a natural disaster like an earthquake, heavy rain or flood, abnormal climatic conditions, or infectious diseases such as a new strain of influenza, or a large-scale accident, acts of terrorism or riots, that affects our employees and damages our offices, facilities or systems could hinder sales and production activities.

We have established adequate countermeasures, having implemented an employee safety check system; formulated a disaster contingency manual and a business contingency plan (BCP); implemented earthquake-proof measures for buildings, facilities or systems (including backup of data); introduced a program of disaster prevention drills; prepared stocks of necessary goods; and collaborated and shared information with offices, subsidiaries and related companies both in Japan and overseas. However, no amount of preparation of this sort can completely avoid the risk of damage caused by a natural disaster. Accordingly, damage from a natural disaster could affect our businesses and operating results.

Note:

Earnings forecasts and other forward-looking statements in this release are based on data currently available to management and certain assumptions that management believes are reasonable. The achievement of said forecasts cannot be promised. Actual results may therefore differ materially from these statements for various reasons.

Subsidiaries and Affiliated Companies

Mitsubishi Corporation's subsidiaries and affiliates are diverse organizations engaged in a wide variety of activities on a global scale. We manufacture and market a wide range of products, including energy, metals, machinery, chemicals and living essentials through our domestic and overseas network. We are also involved in diverse businesses by actively investing in areas such as natural resources development and infrastructure, and we are engaged in finance businesses. We are also engaged in diversified businesses such as creating new business models in the fields of new energy and the environment, and new technology-related businesses. Some of our basic functions enhance the above activities and enable us to provide various services to customers.
Mitsubishi Corporation organizes business groups according to products and services. Products and services are managed through the business groups of the Parent company, subsidiaries, and Affiliated companies (Subsidiaries: 815; Affiliated companies, etc.: 427).
The following table shows products and services by business groups and major subsidiaries and affiliated companies.

	PRODUCTS OR SERVICES	MAJOR SUBSIDIARIES	MAJOR AFFILIATED COMPANIES
GLOBAL ENVIRONMENTAL & INFRASTRUCTURE BUSINESS	New Energy, Power Generation, Water, Transportation, Plants, Engineering, etc.	Diamond Generating Asia, Limited Diamond Generating Corporation Diamond Generating Europe Limited Diamond Transmission Corporation Limited Mitsubishi Corporation Machinery, Inc.	Chiyoda Corporation Guara Norte S.A.R.L
INDUSTRIAL FINANCE, LOGISTICS & DEVELOPMENT	Asset Management, Buyout Investment, Leasing, Real Estate (Development & Finance), Logistics, etc.	Diamond Realty Investments, Inc. MC Aviation Partners Inc. Mitsubishi Corp.-UBS Realty Inc. Mitsubishi Corporation LT, Inc. Mitsubishi Corporation Urban Development, Inc.	Mitsubishi Auto Leasing Holdings Corporation Mitsubishi UFJ Lease & Finance Company Ltd.
ENERGY BUSINESS	Petroleum Products, Carbon, Crude Oil, LPG, LNG, etc.	Cutbank Dawson Gas Resources Ltd. Diamond Gas Sakharin B.V. Diamond Gas Netherlands B.V. Mitsubishi Corporation Energy Co., Ltd. Petro-Diamond Singapore (PTE) Ltd.	Brunei LNG Sendirian Berhad Japan Australia LNG (MIMI) Pty. Ltd. MI Berau B.V.
METALS	Steel Products, Coals, Iron Ore, Non-Ferrous Metals & Minerals, Non-Ferrous Metal Products, etc.	JECO Corporation Metal One Corporation Mitsubishi Corporation RtM Japan Ltd. Mitsubishi Development Pty Ltd	Anglo American Sur S.A. Compania Minera Del Pacifico S.A. Iron Ore Company of Canada Mozal S.A.R.L.
MACHINERY	Industrial Machinery, Ships, Satellite & Aerospace, Automobiles, etc.	Diamond Star Shipping Pte. Ltd. Isuzu UTE Australia Pty Ltd. Nikken Corporation P.T. Dipo Star Finance Tri Petch Isuzu Sales Company Limited The Colt Car Company Ltd.	FF Sheffe B.V. GUARA MV23 B.V. P.T. Krama Yudha Tiga Berlian Motors
CHEMICALS	Petrochemical Products, Raw Material for Synthetic Fiber, Fertilizer, Functional Chemicals, Synthetic Raw Materials and Plastics, Food Additives, Feed Additives, Pharmaceuticals and Agricultural Chemicals, Electronic Materials, etc.	Chuo Kagaku Co., Ltd. MC Ferticom Co., Ltd. Mitsubishi Corporation Life Sciences Limited Mitsubishi Shoji Chemical Corporation Mitsubishi Corporation Plastics Ltd.	Exportadora de Sal, S.A de C.V. Metanol de Oriente, METOR, S.A. SPDC Ltd.
LIVING ESSENTIALS	Foods, Textiles, Daily Necessities, Healthcare, Distribution, Retail, etc.	Cermaq Group AS Indiana Packers Corporation MC Healthcare,Inc. Mitsubishi Shokuhin Co., Ltd. Princes Limited	Lawson, Inc. Life Corporation MCC Development Corporation Olam International Limited
OTHER	Finance, Accounting, Human Resources Management, General Affairs, IT, Insurance, etc.	MC Finance Australia Pty Ltd. MC Finance & Consulting Asia Pte. Ltd. Mitsubishi Corporation Financial & Management Services (Japan) Ltd. Mitsubishi Corporation Finance PLC	SIGMAXYZ Inc. Tata Consultancy Services Japan,Ltd.
REGIONAL SUBSIDIARIES	Handling of a broad range of products, similar to the Parent company in Japan	Mitsubishi Corporation (Americas) Mitsubishi Corporation International (Europe) Plc. Mitsubishi Corporation (Shanghai) Ltd.	

Notes:
1. From March 31, 2016, the total number of subsidiaries and affiliated companies includes companies directly consolidated and applied the equity method by subsidiaries. The total number represents companies which the Company directly consolidates or to which it applies the equity method before March 31, 2015.
2. Affiliated companies, etc. include joint ventures (jointly controlled companies) and joint operations (jointly controlled businesses).
3. The Global Environmental & Infrastructure Business includes only the infrastructure-related businesses in the Global Environmental & Infrastructure Business Group that are managed and controlled as an independent business segment.
4. On October 1, 2015, Mitsubishi Shoji Sekiyu Co., Ltd. merged with MC Energy, Inc. Mitsubishi Shoji Sekiyu Co., Ltd. was subsequently renamed as Mitsubishi Corporation Energy Co., Ltd.

Management Policies

Please refer to the new management strategy to be announced separately today.

Basic Concept Regarding Selection of Accounting Standards

Mitsubishi Corporation has applied IFRS to enhance its financial reporting's international comparability and availability.

Consolidated Financial Statements

Mitsubishi Corporation and subsidiaries

1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IFRS)

March 31, 2015 and 2016

ASSETS	Millions of Yen	
	March 31, 2015	March 31, 2016
Current assets		
Cash and cash equivalents	1,725,189	1,500,960
Time deposits	156,090	226,186
Short-term investments	31,913	28,763
Trade and other receivables	3,473,352	2,923,060
Other financial assets	203,348	148,718
Inventories	1,301,547	1,033,752
Biological assets	69,600	65,261
Advance payments to suppliers	243,939	222,299
Assets classified as held for sale	77,045	91,864
Other current assets	326,667	316,328
Total current assets	7,608,690	6,557,191
Non-current assets		
Investments accounted for using the equity method	3,220,455	2,869,873
Other investments	2,243,344	1,990,215
Trade and other receivables	603,908	488,817
Other financial assets	112,434	139,593
Property, plant and equipment	2,395,261	2,297,384
Investment property	80,524	70,578
Intangible assets and goodwill	329,081	291,116
Deferred tax assets	38,728	91,349
Other non-current assets	141,941	120,140
Total non-current assets	9,165,676	8,359,065
Total	16,774,366	14,916,256

Mitsubishi Corporation and subsidiaries

1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IFRS)
March 31, 2015 and 2016

LIABILITIES AND EQUITY	Millions of Yen	
	March 31, 2015	March 31, 2016
Current liabilities		
Borrowings	1,513,876	1,482,348
Trade and other payables	2,511,142	2,153,748
Other financial liabilities	161,916	84,252
Advances from customers	232,165	213,058
Income tax payables	41,204	38,104
Provisions	39,434	55,121
Liabilities directly associated with assets classified as held for sale	9,071	26,235
Other current liabilities	470,177	380,371
Total current liabilities	4,978,985	4,433,237
Non-current liabilities		
Borrowings	4,835,117	4,560,258
Trade and other payables	74,123	84,078
Other financial liabilities	25,851	18,647
Retirement benefit obligation	69,482	64,914
Provisions	153,596	233,779
Deferred tax liabilities	544,483	469,589
Other non-current liabilities	37,174	34,232
Total non-current liabilities	5,739,826	5,465,497
Total liabilities	10,718,811	9,898,734
Equity		
Common stock	204,447	204,447
Additional paid-in capital	266,688	262,738
Treasury stock	(7,796)	(14,509)
Other components of equity		
Other investments designated as FVTOCI	677,672	364,386
Cash flow hedges	(18,609)	(18,664)
Exchange differences on translating foreign operations	856,628	568,217
Total other components of equity	1,515,691	913,939
Retained earnings	3,591,447	3,225,901
Equity attributable to owners of the Parent	5,570,477	4,592,516
Non-controlling interests	485,078	425,006
Total equity	6,055,555	5,017,522
Total	16,774,366	14,916,256

Mitsubishi Corporation and subsidiaries

2. CONSOLIDATED STATEMENT OF INCOME (IFRS)
Years ended March 31, 2015 and 2016

	Millions of Yen	
	Year ended March 31, 2015	Year ended March 31, 2016
Revenues	7,669,489	6,925,582
Cost of revenues	(6,459,595)	(5,826,705)
Gross profit	1,209,894	1,098,877
Selling, general and administrative expenses	(998,751)	(1,015,968)
Gains on investments	45,351	46,334
Reversal of impairment losses from investment accounted for using the equity method	94,247	―
Gains on disposal of property, plant and equipment	21,937	21,392
Impairment losses on property, plant and equipment	(115,208)	(102,544)
Other income (expense)-net	(45,411)	(37,787)
Finance income	204,920	123,124
Finance costs	(46,075)	(50,862)
Share of profit (loss) of investments accounted for using the equity method	203,818	(175,389)
Profit (loss) before tax	574,722	(92,823)
Income taxes	(168,331)	(39,841)
Profit (loss) for the year	406,391	(132,664)
Profit (loss) for the year attributable to:		
Owners of the Parent	400,574	(149,395)
Non-controlling interests	5,817	16,731
	406,391	(132,664)

Mitsubishi Corporation and subsidiaries

3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)
Years ended March 31, 2015 and 2016

	Millions of Yen	
	Year ended March 31,2015	Year ended March 31,2016
Profit (loss) for the year	406,391	(132,664)
Other comprehensive income (loss)		
Items that will not be reclassified to profit or loss for the year:		
Gains (losses) on other investments designated as FVTOCI	62,063	(294,716)
Remeasurement of defined benefit pension plans	28,447	(49,636)
Share of other comprehensive income of investments accounted for using the equity method	(2,498)	(25,493)
Total	88,012	(369,845)
Items that may be reclassified to profit or loss for the year:		
Cash flow hedges	(6,588)	2,259
Exchange differences on translating foreign operations	180,211	(274,809)
Share of other comprehensive income of investments accounted for using the equity method	46,799	(35,336)
Total	220,422	(307,886)
Total other comprehensive income (loss)	308,434	(677,731)
Total comprehensive income	714,825	(810,395)
Comprehensive income attributable to:		
Owners of the Parent	686,900	(788,323)
Non-controlling interests	27,925	(22,072)
	714,825	(810,395)

Mitsubishi Corporation and subsidiaries

4. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)

Years ended March 31, 2015 and 2016

	Millions of Yen	
	Year ended March 31,2015	Year ended March 31,2016
Common stock:		
Balance at the beginning of the year	204,447	204,447
Balance at the end of the year	204,447	204,447
Additional paid-in capital:		
Balance at the beginning of the year	265,356	266,688
Compensation costs related to stock options	1,346	1,175
Sales of treasury stock upon exercise of stock options	(1,379)	(1,268)
Equity transactions with non-controlling interests and others	1,365	(3,857)
Balance at the end of the year	266,688	262,738
Treasury stock:		
Balance at the beginning of the year	(14,081)	(7,796)
Sales of treasury stock upon exercise of stock options	2,989	2,937
Purchases and sales—net	(60,013)	(99,969)
Cancellation	63,309	90,319
Balance at the end of the year	(7,796)	(14,509)
Other components of equity:		
Balance at the beginning of the year	1,259,252	1,515,691
Other comprehensive income (loss) attributable to owners of the Parent	286,326	(638,928)
Transfer to retained earnings	(29,887)	37,176
Balance at the end of the year	1,515,691	913,939
Retained earnings:		
Balance at the beginning of the year	3,352,692	3,591,447
Profit (loss) for the year attributable to owners of the Parent	400,574	(149,395)
Cash dividends paid to owners of the Parent	(127,437)	(88,223)
Sales of treasury stock upon exercise of stock options	(960)	(433)
Cancellation of treasury stock	(63,309)	(90,319)
Transfer from other components of equity	29,887	(37,176)
Balance at the end of the year	3,591,447	3,225,901
Equity attributable to owners of the Parent	5,570,477	4,592,516
Non-controlling interests:		
Balance at the beginning of the year	471,704	485,078
Cash dividends paid to non-controlling interests	(24,212)	(25,199)
Equity transactions with non-controlling interests and others	9,661	(12,801)
Profit for the year attributable to non-controlling interests	5,817	16,731
Other comprehensive income (loss) attributable to non-controlling interests	22,108	(38,803)
Balance at the end of the year	485,078	425,006
Total equity	6,055,555	5,017,522

Mitsubishi Corporation and subsidiaries

5. CONSOLIDATED STATEMENT OF CASH FLOWS (IFRS)
Years ended March 31, 2015 and 2016

	Millions of Yen	
	Year ended March 31,2015	Year ended March 31,2016
Operating activities:		
Profit (loss) for the year	406,391	(132,664)
Adjustments to reconcile profit (loss) for the year to net cash provided by operating activities:		
Depreciation and amortization	206,559	219,699
Gains on investments	(45,351)	(46,334)
Reversal of impairment losses from investment accounted for using the equity method	(94,247)	—
Losses on property, plant and equipment	93,271	81,152
Finance income —net of finance costs	(158,845)	(72,262)
Share of profit (loss) of investments accounted for using the equity method	(203,818)	175,389
Income taxes	168,331	39,841
Changes in trade receivables	249,283	300,823
Changes in inventories	71,875	211,722
Changes in trade payables	(156,622)	(293,040)
Other—net	57,860	85,751
Dividends received	383,007	216,206
Interest received	79,706	87,112
Interest paid	(67,683)	(70,594)
Income taxes paid	(191,453)	(102,696)
Net cash provided by operating activities	798,264	700,105
Investing activities:		
Payments for property, plant and equipment	(307,539)	(249,062)
Proceeds from disposal of property, plant and equipment	147,181	45,582
Payments for investment property	(17,586)	(23,317)
Proceeds from disposal of investment property	38,135	28,233
Purchases of investments accounted for using the equity method	(167,203)	(336,495)
Proceeds from disposal of investments accounted for using the equity method	164,642	68,749
Acquisitions of businesses—net of cash acquired	(154,449)	(12,873)
Proceeds from disposal of businesses—net of cash divested	8,889	12,208
Purchases of other investments	(76,359)	(314,697)
Proceeds from disposal of other investments	79,448	139,489
Increase in loans receivable	(72,913)	(77,302)
Collection of loans receivable	213,007	290,513
Net (increase) decrease in time deposits	(10,105)	(74,882)
Net cash used in investing activities	(154,852)	(503,854)
Financing activities:		
Net increase (decrease) in short-term debts	(73,876)	(19,719)
Proceeds from long-term debts—net of issuance costs	1,080,358	979,730
Repayment of long-term debts	(1,097,693)	(1,109,316)
Dividends paid to owners of the Parent	(127,437)	(88,223)
Dividends to the non-controlling interests	(24,212)	(25,199)
Payments for acquisition of subsidiary's interests from the non-controlling interests	(12,873)	(6,001)
Proceeds from disposal of subsidiary's interests to the non-controlling interests	9,762	2,976
Net (increase) decrease in treasury stock	(59,363)	(98,776)
Net cash used in financing activities	(305,334)	(364,528)
Effect of exchange rate changes on cash and cash equivalents	55,075	(55,952)
Net increase (decrease) in cash and cash equivalents	393,153	(224,229)
Cash and cash equivalents at the beginning of the year	1,332,036	1,725,189
Cash and cash equivalents at the end of the year	1,725,189	1,500,960

6. Notes Concerning Going Concern Assumption

None

7. Notes Concerning Consolidated Financial Statements (IFRS)

(1) Changes in Accounting Policies and Changes in Accounting Estimates (IFRS)

The important accounting policies applied to the consolidated financial statements for the year ended March 2016 are identical to the accounting policies applied to the consolidated financial statements for the previous fiscal year.

Significant changes in accounting estimates in the consolidated financial statements for the year ended March 2016 are as follows:

(Impairment losses on investments accounted for using the equity method)
The Company conducted an impairment test on the investment in Anglo American Sur S.A. (AAS) as investments accounted for using the equity method. AAS is a Chilean copper mining and smelting company, headquartered in Santiago, of which the Company holds 20.4% in share through a consolidated subsidiary. In relation to copper prices used in the impairment test, the Company formulated price forecasts, taking into account the fundamentals such as the future supply/demand environment and the data provided by external financial institutions. Since AAS's production and development plans are long-term, medium- to long-term price forecasts have a more significant impact on the valuation of our investment in AAS than do price fluctuations in the short-term. The Company recorded an impairment loss of 271,194 million yen in "share of profit (loss) of investments accounted for using the equity method", considering the decline of copper price forecast caused by the recently sluggish copper market prices and the extended time frame for the development of mining projects.
The company owns 7.2% interest in the Browse LNG project in Western Australia through Japan Australia LNG (MIMI Browse), which the Company holds 50% in share. The Company conducted an impairment test on this interest, as investments accounted for using the equity method. As sharp declines in oil and gas prices have resulted in considerable postponement in floating LNG development plans, the Company recognized an impairment loss of 40,362 million yen in "share of profit (loss) of investments accounted for using the equity method".

(Impairment losses on property, plant and equipment)
The Company recorded "impairment losses on property, plant and equipment" of 102,544 million yen in line with changes in its business environment.
In the course of recognizing and measuring impairment losses, the Company measured the recoverable amount primarily using value in use. The Company deliberates the rates as the discount rate, which reasonably reflects the market-average rate of return, which incorporates the risks specific to the cash-generating unit.
These impairment losses included impairment losses of 41,608 million yen on assets related to the iron ore business held by Mitsubishi Development Pty Ltd, and impairment losses of 10,894 million yen on gas exploration and development assets in Papua New Guinea held by Diamond Gas Niugini B.V. and other entities, mainly due to the continuously stagnant natural-resource market prices.

(Provisions)
In the ship business, the Company recorded a provision for doubtful receivables of 10,707 million yen in "selling, general and administrative expenses", mainly due to the reduction of their collateral value in a downturn of ship market prices.
The Company provides guarantees on partners' obligations on a North Sea oil project, and recorded a provision for loss on guarantee obligations for the fiscal year ended March 2015. The Company recorded a 15,333 million yen reversal of provision for loss in "other income–net", as a refund to guaranteed parties as decided after discussions for decommissioning with related parties, including the local government. The company also recorded asset retirement obligations of "provisions (current/non-current liabilities)" amounting to 40,690 million yen on this project as the projection for the decommissioning costs increased.

(2) Scope of Consolidation and Application of the Equity Method (IFRS)

1) Number of consolidated subsidiaries and equity method affiliates

	As of March 31,2015	As of March 31,2016	Change
Consolidated subsidiaries	823	815	-8
Equity-method affiliates	408	427	19
Total	1,231	1,242	11

Note: The total number of subsidiaries and equity method affiliates represents companies which the Company directly consolidates or to which it applies the equity method before March 31, 2015. From March 31, 2016, the total number includes companies directly consolidated and applied the equity method by subsidiaries.

2) Main changes in the scope of consolidation and application of the equity method

[Consolidated subsidiaries]

New: MC JIIP Holdings Inc.
Diamond LNG Malaysia Sdn. Bhd.

Excluded: MC Aviation Financial Services (Europe) B.V.
Alpac Forest Products Inc.

[Equity-method affiliates]

New: Olam International Limited

Excluded: Nikkei MC Aluminium Co., Ltd.
Mitsubishi Motor Sales (China) Co., Ltd.
Rokko Butter Co., Ltd.

(3) Significant Changes in Subsidiaries During the Year (Changes in Specified Subsidiaries Causing Changes in Scope of Consolidation) (IFRS)

From the year ended March 2016, ALPAC FOREST PRODUCTS INC. is excluded from the scope of consolidation of Mitsubishi Corporation due to the divestiture of its shares to a third party.

(4) Segment Information (IFRS)

Year ended March 31, 2015

Millions of Yen

	Global Environmental & Infrastructure Business	Industrial Finance, Logistics & Development	Energy Business	Metals	Machinery	Chemicals	Living Essentials	Total	Other	Adjustments and Eliminations	Consolidated
Gross profit	31,608	75,692	59,155	199,347	197,280	110,870	525,354	1,199,306	13,710	(3,122)	1,209,894
Share of profit (loss) of investments accounted for using the equity method	28,910	33,096	71,598	2,704	32,244	18,756	20,566	207,874	(3,729)	(327)	203,818
Profit (loss) for the year attributable to owners of the Parent	20,448	40,126	82,262	13,856	91,301	31,360	120,514	399,867	(14,931)	15,638	400,574
Total assets	996,202	895,759	2,253,567	4,796,811	1,999,106	975,467	3,144,562	15,061,474	3,555,574	(1,842,682)	16,774,366

Year ended March 31, 2016

Millions of Yen

	Global Environmental & Infrastructure Business	Industrial Finance, Logistics & Development	Energy Business	Metals	Machinery	Chemicals	Living Essentials	Total	Other	Adjustments and Eliminations	Consolidated
Gross profit	36,093	61,774	35,405	139,109	198,021	112,564	505,041	1,088,007	11,855	(985)	1,098,877
Share of profit (loss) of investments accounted for using the equity method	29,480	17,536	(3,985)	(278,896)	25,133	15,424	20,190	(175,118)	430	(701)	(175,389)
Profit (loss) for the year attributable to owners of the Parent	32,519	40,307	(9,763)	(360,732)	62,224	30,513	73,474	(131,458)	780	(18,717)	(149,395)
Total assets	1,006,849	870,322	2,036,199	3,557,899	1,726,900	870,506	3,169,251	13,237,926	3,324,195	(1,645,865)	14,916,256

Notes:

*1. “Other” represents the corporate departments which primarily provide services and operational support to the Company and Affiliated companies.
This column also includes certain revenues and expenses from business activities related to financing and human resource services that are not allocated to reportable operating segments.
Unallocated corporate assets categorized in “Other” consist primarily of cash, time deposits and securities for financial and investment activities.

*2. “Adjustments and Eliminations” includes certain income and expense items that are not allocated to reportable operating segments and intersegment eliminations.

*3. The Company determines the infrastructure-related business of the “Global Environmental & Infrastructure Business Group” as an operating segment and is thus presented as the Global Environmental & Infrastructure Business. The environment-related business categorized in the "Other."

(5) Earnings Per Share (IFRS)

Reconciliations of the basic and diluted profit (loss) for the year attributable to owners of the Parent per share are as follows:

	Year ended March 31,2015	Year ended March 31,2016
Profit (loss) for the year attributable to owners of the Parent per share (Yen)		
Basic	246.39	(93.68)
Diluted	245.83	(93.68)
Numerator (Millions of Yen):		
Profit (loss) for the year attributable to owners of the Parent	400,574	(149,395)
Denominator (Thousands of shares):		
Basic weighted average common shares outstanding	1,625,754	1,594,779
Effect of dilutive securities:		
Stock options	3,720	－
Diluted outstanding shares	1,629,474	1,594,779

Note: Diluted loss for the year attributable to owners of the Parent per share does not include stock options due to the anti-dilutive effect caused by the loss for the year ended March 31, 2016.

(6) Subsequent Events

There are no material subsequent events to be disclosed.

Results for the Year Ended March 2016 and Forecasts for the Year Ending March 2017

May 10, 2016

Mitsubishi Corporation

(Forward-Looking Statements)

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

(Notes Regarding these Presentation Materials)

- Consolidated net income in this presentation shows the amount of net income attributable to owners of the Parent, excluding noncontrolling interests. Equity shows the amount of equity attributable to owners of the Parent, excluding noncontrolling interests, which is a component of total equity.

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Results for the Year Ended March 2016

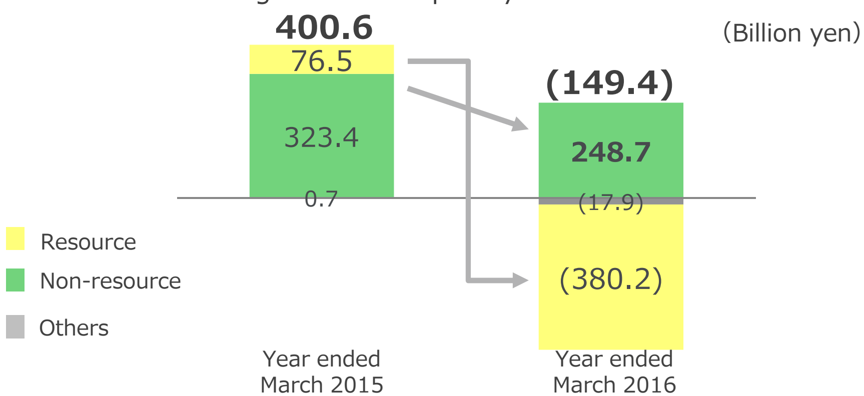
(Billion yen)	Year ended March 2015 result	Year ended March 2016 result	Changes	Year ended March 2016 Forecast *2	Changes
Consolidated Net Income (Loss)	**400.6**	**(149.4)**	**(550.0)**	**(150.0)**	**+0.6**
Resource *1	76.5	(380.2)	(456.7)	(406.3)	+26.1
Non-resource	323.4	248.7	(74.7)	243.0	+5.7

*1 : Refer to page 4

*2 : Released on March 24, 2016

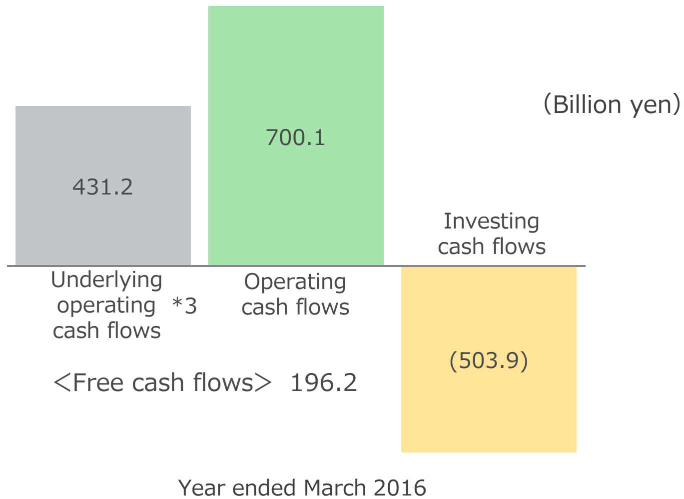
Results for the year ended March 2016

- ✓ Total major losses of 426.0 billion yen.
- ✓ The resource field recorded lower earnings year over year due to impairment losses of 385.0 billion yen, in addition to decreased equity earnings caused by lower market prices.
- ✓ The non-resource field recorded lower earnings year over year due to the absence of a gain on reversal of impairment losses which was recognized in the prior year.



Cash flows for the year ended March 2016

- ✓ Free cash flows were an in-flow of 196.2 billion yen, as the build-up of operating cash flows exceeded investing cash flows, mainly on the acquisition of a stake in Olam International.



*3 : Refer to page 6

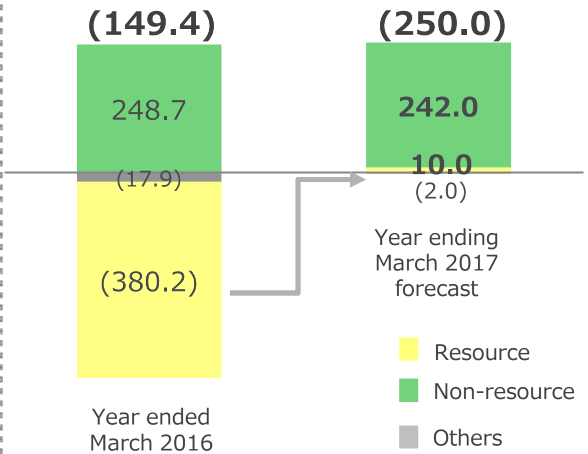
Forecasts for the Year Ending March 2017

(Billion yen)	Year ended March 2016 result	Year ending March 2017 forecast	Changes
Consolidated Net Income (Loss)	**(149.4)**	**250.0**	**+399.4**
Resource	(380.2)	10.0	+390.2
Non-resource	248.7	242.0	(6.7)
Annual Dividend per Share	**50 yen**	**60 yen**	**+10 yen**

Forecast for the year ending March 2017

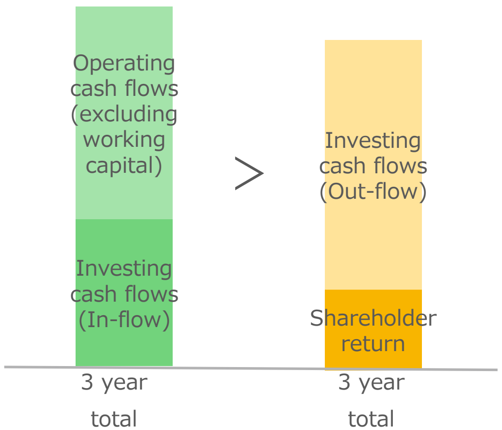
- ✓ The business environment is expected to remain challenging in the resource field.
- ✓ Stable profit is expected in the non-resource field.

(Billion yen)



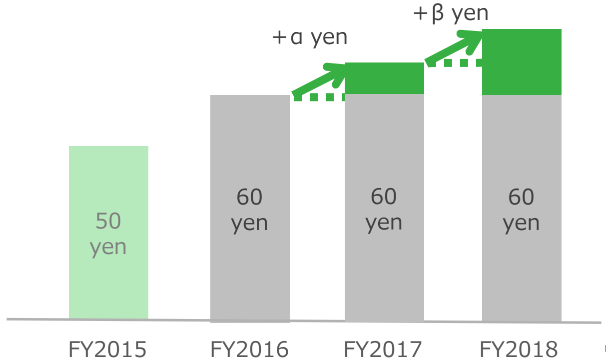
Cash Flow Management Policy

- ✓ We will set a higher priority on cash flow and controlling the level of interest-bearing liabilities.
- ✓ In the upcoming three years, we will conduct investment and shareholder return within the amount of generated cash.



Shareholder Return

- ✓ For the year ending March 2017, we plan a dividend of 60 yen, taking the current business situation into account.
- ✓ We will adopt a progressive dividend policy, led by continuous profit growth.

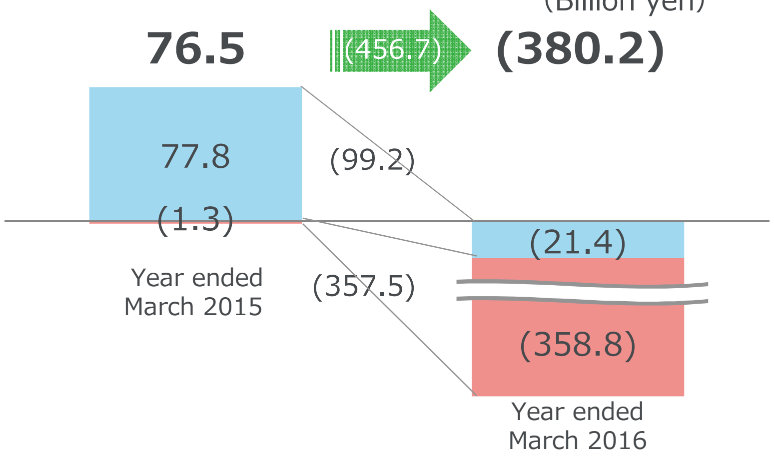


Year-over-Year Segment Net Income (Loss) by Resource and Non-resource Field

Note: Resource is defined as earnings related to natural gas and E&P in the Energy Business, and mineral resource in Metals.

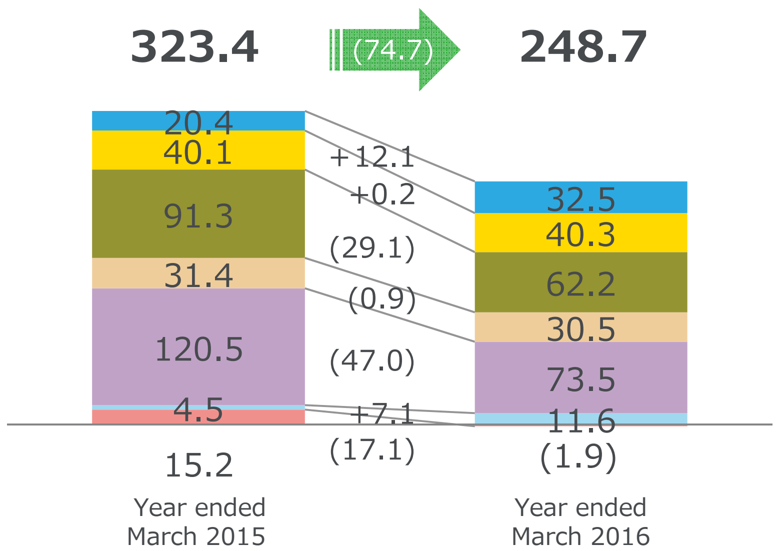
[Resource]

(Billion yen)



[Non-resource]

(Billion yen)



Energy Business - Resource
Decrease of dividends from investments caused by lower market prices as well as impairment losses of assets

Metals - Resource
Impairment losses of assets

Global Environmental & Infrastructure Business +59%
Reversal of provision for losses on guarantee obligations for the North Sea oil project

Industrial Finance, Logistics & Development
–

Machinery -32%
Slowdown of the motor vehicle business in Asia and the deteriorating shipping market

Chemicals
–

Living Essentials -39%
Absence of a gain on reversal of impairment losses recognized in the prior fiscal year

Energy Business – Non-resource +158%
Rebound from a decrease in earnings in the LPG business recognized in the prior fiscal year

Metals – Non-resource
Decreased earnings in the steel business and mineral resource trading

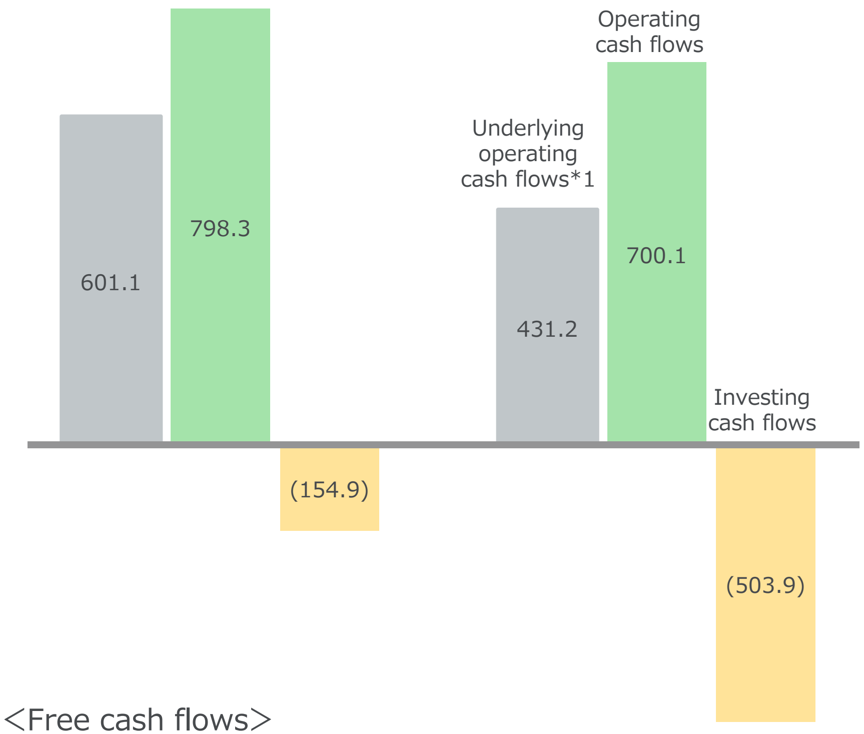
Major Losses in the Year Ended March 2016

(Billion yen)	Amount of major loss	Reason for major losses, etc.
Resource (Metals)		
Chile - Copper (AAS)	(271.0)	Revision of copper price assumptions
Australia - Iron ore	(29.0)	Decline in iron ore prices
South Africa - Ferrochrome	(17.0)	Decline in ferrochrome prices
Sub-total	(317.0)	
Resource (Energy business)		
Australia - Browse LNG	(40.0)	Postponement of development plan
E&P Business		
Asia	(8.0)	Revision of oil & gas price assumptions
Papua New Guinea	(8.0)	Delay of development plan
North Sea (decommissioning costs)	(4.0)	Revision of decommissioning costs
North America	(4.0)	Revision of oil & gas price assumptions
Shale gas	(4.0)	Revaluation of idle assets
Sub-total	(68.0)	
Non-resource	(41.0)	Ship business, overseas power generation business etc.
Total	**(426.0)**	

Cash Flows

(Billion yen)

Year ended March 2015 | **Year ended March 2016**



<Free cash flows>

643.4 | 196.2

[Breakdown of Investing cash flows]

		Year ended March 2015	Year ended March 2016	Main investment/divestiture areas in year ended March 2016
New Investment	Resource	(220.0)	(280.0)	LNG business Coal business in Australia
	Non-resource	(540.0)	(610.0)	Agricultural production-related business Infrastructure business Fund-related business
	Total	(760.0)	(890.0)	
Sales and Collection		580.0	370.0	Collection of loans receivable Aircraft leasing business Ship business
Others *2		25.1	16.1	
Investing cash flows		(154.9)	(503.9)	

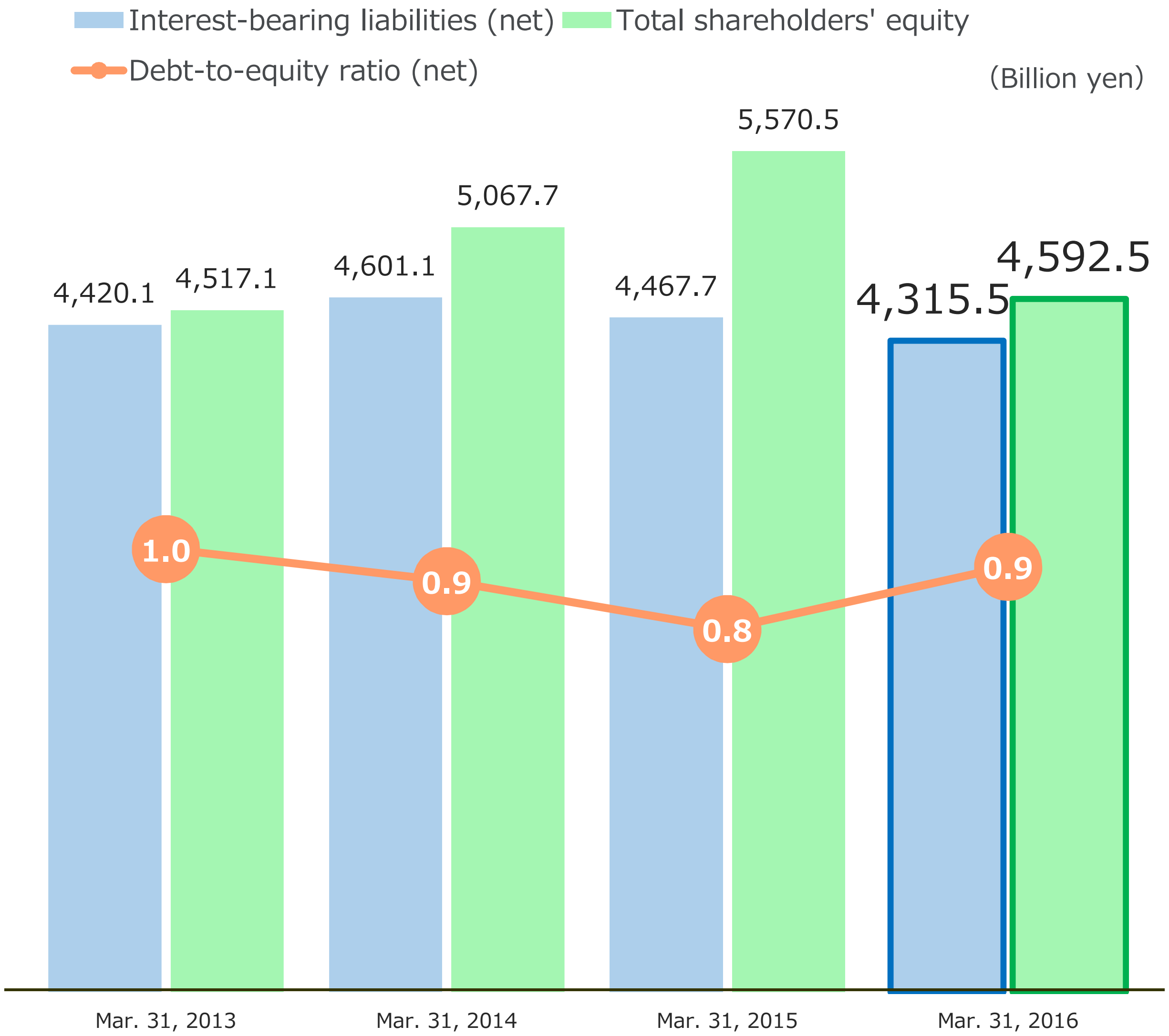
*1 Underlying operating cash flows

Operating cash flows excluding changes in assets and liabilities.

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

*2 Others include activities in the corporate departments, etc.

Equity and Interest-Bearing Liabilities



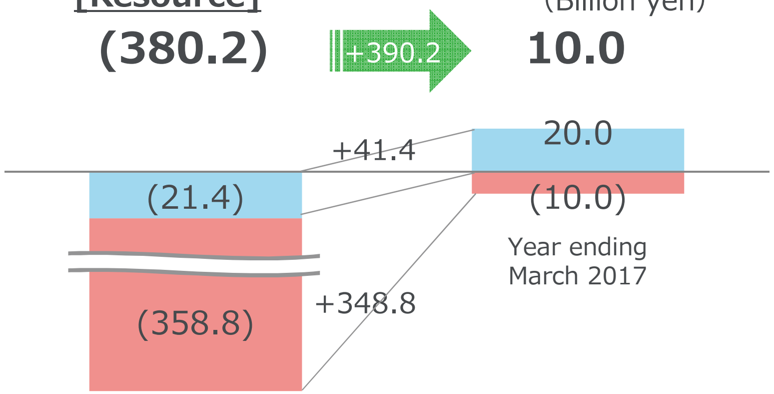
[Main Factors of the Changes in Equity]
(978.0 billion yen decrease against March 31, 2015)

○ Consolidated net income (loss)	(149.4)
○ Exchange differences on translating foreign operations	(288.4)
○ Other investments designated as FVTOCI, etc.	(352.0)
○ Purchase and cancellation of treasury stock	(100.0)
○ Payments of dividends	(88.2)

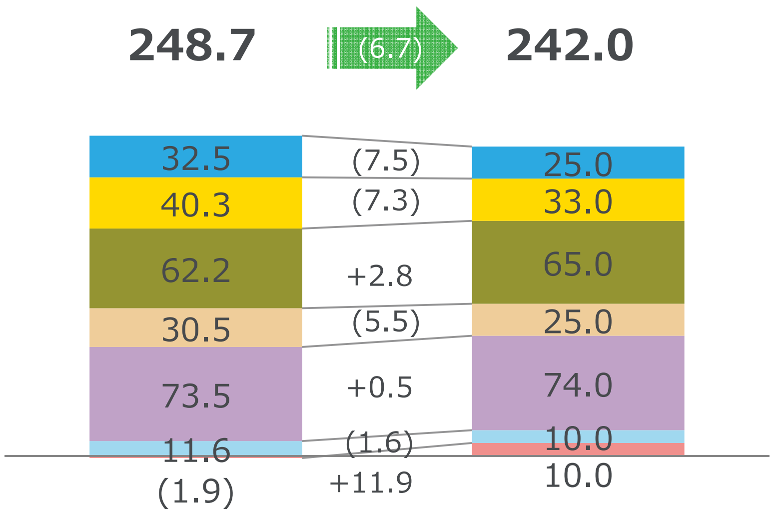
Segment Forecasts for Year Ending March 2017

Note: Resource is defined as earnings related to natural gas and E&P in the Energy Business, and mineral resource in Metals.

[Resource] (Billion yen)



[Non-resource] (Billion yen)



Energy Business - Resource

Rebound due to absence of impairment losses

Metals - Resource

Rebound due to absence of impairment losses

Global Environmental & Infrastructure Business -23%

Absence of reversal of provision for losses on guarantee obligations for the North Sea oil project

Industrial Finance, Logistics & Development -18%

Decrease in gains from sale of aircraft and real estate

Machinery +5%

Absence of one-off losses, despite the slowdown of the motor vehicle business in Asia

Chemicals -18%

Decrease of earnings in the petrochemical-related business

Living Essentials +1%

Increase of earnings from salmon farming business, despite the absence of one-off gains

Energy Business – Non-resource

–

Metals – Non-resource

Increase of earnings from mineral resource trading

(Reference) Market Conditions

[Foreign Exchange, Commodity Prices and Interest Rates]

	Year ended March 2016	Forecast for the year ending March 2017	Changes	Consolidated Net Income Sensitivities
Foreign Exchange (YEN/US$)	120.1	110.0	(10.1)	Depreciation/appreciation of 1 yen per US$1 has a 1.5 billion yen positive/negative impact on a full-year basis.
Crude Oil Price (Dubai) (US$/BBL)	45.5	37	(8.5)	A US$1 rise/decline per barrel increases/reduces full-year earnings by 2.0 billion yen. Current crude oil prices affect consolidated operating performance after 3 to 9 months, due to various formulas for selling prices and differences in the fiscal year-ends of consolidated companies. In addition to crude oil prices, other factors could also affect crude oil-related earnings, such as dividend policy, foreign currency movements, and production/sales volume.
Copper (US$/MT) [¢/ l b]	5,215 [237]	4,630 [210]	(585) [(27)]	A US$100 rise/decline per MT increases/reduces full-year earnings by 0.9 billion yen (A US¢10 rise/decline per lb increases/reduces full-year earnings by 1.9 billion yen). Besides copper price fluctuations, other variables affect earnings from copper mines, such as the grade of mined ore, the status of production operations, and reinvestment plans (capital expenditure) . Therefore, the impact on earnings cannot be determined by the copper price alone.
YEN Interest TIBOR (%)	0.16	0.20	+0.04	The effect of rising interest rates is mostly offset by an increase in operating and investments profits. However, a rapid rise in interest rates could cause a temporary negative effect.
US$ Interest LIBOR (%)	0.41	1.00	+0.59	