NOTICE OF 2016 ORDINARY GENERAL MEETING OF SHAREHOLDERS

Mitsubishi Corporation

Note: This is an unofficial translation of the Japanese language original version, and is provided for your convenience only, without any warranty as to its accuracy or as to the completeness of the information. The Japanese original version is the sole official version.
If minor amendments are required to matters contained in the Business Report, the financial statements, the Matters for Resolution or other documents, Mitsubishi Corporation will post revisions on its website (http://www.mitsubishicorp.com/).

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Note: "Mitsubishi Corporation Group" in the Business Report represents Mitsubishi Corporation's "group of enterprises" pursuant to Article 120, Paragraph 2 of the Ordinance for Enforcement of the Companies Act.

(Translation)

May 31, 2016

Notice of 2016 Ordinary General Meeting of Shareholders

Dear Shareholders,

This is to notify you that an ordinary general meeting of the shareholders of Mitsubishi Corporation for the fiscal year ended March 31, 2016 will be held as described below. Your attendance at the meeting is cordially requested.

1. Date and Time: Friday, June 24, 2016 at 10:00 a.m.
2. Place: The Prince Park Tower Tokyo, Convention Hall (B2 floor), 8-1, Shibakoen 4-chome, Minato-ku, Tokyo
3. Agenda for the Meeting:

[Matters for Reporting]

1. *Report on the consolidated statement of financial position and the non-consolidated balance sheet as of March 31, 2016, and the consolidated and non-consolidated statements of income and statements of changes in equity for the fiscal year ended March 31, 2016 (from April 1, 2015 to March 31, 2016) and business report for the same fiscal year.*
2. *The audit reports of the independent auditors and the Audit & Supervisory Board concerning the consolidated financial statements.*

[Matters for Resolution]

1. *To Approve the Proposed Appropriation of Surplus*
2. *To Elect 11 Directors*
3. *To Elect 3 Audit & Supervisory Board Members*

If you attend the meeting, please bring the enclosed voting form to the reception desk. You are also requested to bring with you this booklet as relevant documents for the proceedings.

If you are unable to attend the meeting, you may exercise your voting right by mail or via the Internet. If exercising your right by mail, please complete the required procedures and ensure we receive the form no later than 5:30 p.m. on Thursday, June 23, 2016 (Japan Time). Procedures for exercising your voting right via the Internet must also be completed by 5:30 p.m. on Thursday June 23, 2016 (Japan Time). Please refer to the "Information on Exercising Voting Right" on the last two pages of this Notice.

When exercising your voting right by proxy, the enclosed voting form and a document testifying the proxy authority must be submitted to the reception desk. The proxy can only be entrusted to one shareholder with a voting right in accordance with the relevant provision in the Articles of Incorporation.

Ken Kobayashi
Representative Director, Chairman of the Board
Mitsubishi Corporation

Reference Documents

Details of Each Proposal

1. To Approve the Proposed Appropriation of Surplus

The proposed appropriation of surplus for the fiscal year ended March 31, 2016 is as follows.
In line with the policy of maintaining stable dividends irrespective of changes in the business environment set out in New Strategic Direction during the three years beginning from fiscal year 2013 to fiscal year 2015, the Board of Directors proposes to pay ¥25 per common share as the year-end dividend. As a result, total dividends for fiscal year 2015 will be ¥50 per common share which include the interim dividend of ¥25 per common share.

1. Year-end dividends
   (1) Dividends to be paid
   Cash
   (2) Allotment of dividend assets for shareholders and total amount
   ¥25 per common share of Mitsubishi Corporation
   Total amount: ¥39,615,881,125
   (3) Effective date of payment of surplus available for dividends
   June 27, 2016

2. Other retained earnings
   (1) Increase in retained earnings and amount
   Unappropriated retained earnings: ¥328,000,000,000
   (2) Decrease in retained earnings and amount
   General reserve: ¥328,000,000,000

(Translation)

2. *To Elect 11 Directors*

The term of all 14 Directors will expire at the close of this Ordinary General Meeting of Shareholders.
Accordingly, the Board proposes the following 11 candidates for election as Directors, as detailed below. Of the 11 candidates, 5 are candidates for Outside Director. All such candidates meet the requirements of independent director, as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Directors specified by Mitsubishi Corporation.

(See pages 11 to 21 for detailed information on the Selection Criteria for Outside Directors and information on Outside Director candidates.)

Candi-date number	Name	Age		Present position and responsibilities at Mitsubishi Corporation	Years served as Director	Member of Governance & Compensation Committee
1	Ken Kobayashi	67	Renomination	Chairman of the Board	6 years	○
2	* Takehiko Kakiuchi	60	New election	President & CEO	-	○
3	* Eiichi Tanabe	62	New election	Senior Executive Vice President, Global Strategy & Coordination, Global Research, International Economic Cooperation, Logistics Management, Regional CEO, Asia & Oceania	-	-
4	* Kazuyuki Mori	61	Renomination	Member of the Board, Executive Vice President, Regional Strategy (Japan), General Manager, Kansai Branch	2 years	-
5	* Yasuhito Hirota	59	Renomination	Member of the Board, Executive Vice President, Corporate Communications, Corporate Administration, CSR & Environmental Affairs, Legal, Human Resources, Chief Compliance Officer	2 years	-
6	* Kazuyuki Masu	57	New election	Executive Vice President, Chief Financial Officer	-	-
7	Ryozo Kato	74	Renomination, Outside Director, Independent Director	Member of the Board	7 years	○
8	Hidehiro Konno	71	Renomination, Outside Director, Independent Director	Member of the Board	6 years	○
9	Akihiko Nishiyama	63	Renomination, Outside Director, Independent Director	Member of the Board	1 year	○

(Translation)

Candi-date number	Name	Age		Present position and responsibilities at Mitsubishi Corporation	Years served as Director	Member of Governance & Compensation Committee
10	Hideaki Omiya	69	New Election, Outside Director, Independent Director	-	-	-
11	Toshiko Oka	52	New Election, Outside Director, Independent Director	-	-	○ (scheduled)

(Notes)

1. Each candidate denoted by an asterisk is supposed to be appointed as Representative Director at Board of Director Meeting which will be held after this Ordinary General Meeting of Shareholders if this resolution is approved.
2. Mitsubishi Corporation has concluded agreements with Messrs. Ryozo Kato, Hidehiro Konno and Akihiko Nishiyama limiting their liability according to Article 423, Paragraph 1 of the Companies Act. According to the agreements, the maximum liability of each is the minimum amount stipulated under Article 425, Paragraph 1 of the Companies Act. If this proposal is approved, Mitsubishi Corporation will extend agreements limiting their liability with the above-mentioned 3 individuals and conclude new agreements with Mr. Hideaki Omiya and Ms. Toshiko Oka to the same effect.

1. Ken Kobayashi <Date of Birth Feb. 14, 1949 67 years old>

Renomination

Number of Shares owned:
112,134
Years served as Director:
6 years (as of close of this Ordinary General Meeting of Shareholders)

Job History, Positions and Responsibilities

Jul. 1971	Joined Mitsubishi Corporation
Apr. 2003	Senior Vice President, General Manager, Singapore Branch
Jun. 2004	Senior Vice President, Division COO, Plant Project Div.
Apr. 2006	Senior Vice President, Division COO, Ship, Aerospace & Transportation Systems Div.
Apr. 2007	Executive Vice President, Group CEO, Industrial Finance, Logistics & Development Group
Jun. 2007	Member of the Board, Executive Vice President, Group CEO, Industrial Finance, Logistics & Development Group
Jun. 2008	Executive Vice President, Group CEO, Industrial Finance, Logistics & Development Group
Apr. 2010	Senior Executive Vice President, Executive Assistant to President
Jun. 2010	Member of the Board, President & CEO
Apr. 2016	Chairman of the Board (present position)

Important Concurrent Position

Outside Director, Nissin Foods Holdings Co., Ltd.

Reasons for Nomination as Director

Mr. Kobayashi has been Chairman of the Board since April 2016 after having served as President & CEO from June 2010 to March 2016, prior to which he held a range of positions that included General Manager, Singapore Branch, Division COO, Plant Project Div., Division COO of Ship, Aerospace & Transportation Systems Div., and Group CEO, Industrial Finance, Logistics & Development Group. He has abundant business experience at Mitsubishi Corporation and insight on management of a *sogo shosha* in general and on global business management as well as supervisory and operational experience. Accordingly, he has been nominated to continue in the position of Director.

2. Takehiko Kakiuchi <Date of Birth Jul. 31, 1955 60 years old>

New election

Number of Shares owned:
61,128

Job History, Positions and Responsibilities

Apr. 1979	Joined Mitsubishi Corporation
Apr. 2010	Senior Vice President, Division COO, Foods (Commodity) Div.
Apr. 2011	Senior Vice President, General Manager, Living Essential Group CEO Office, Division COO, Foods (Commodity) Div.
Apr. 2013	Executive Vice President, Group CEO, Living Essentials Group
Apr. 2016	President & CEO (present position)

Reasons for nomination as Director

Mr. Kakiuchi has been President & CEO since April 2016 after having served as Division COO, Foods (Commodity) Div., Group CEO, Living Essentials Group and in other positions. He has abundant business experience at Mitsubishi Corporation and insight on management of a *sogo shosha* in general and on global business management as well as supervisory and operational experience. Accordingly, he has been nominated for the position of Director.

3. <u>Eiichi Tanabe</u> <Date of Birth Sep. 16, 1953 62 years old>

New election

Number of Shares owned:
28,647

Job History, Positions and Responsibilities

Apr. 1978	Joined Mitsubishi Corporation
May 2001	Left Mitsubishi Corporation, Joined Lawson, Inc. (Director) Held the position of: Member of the Board, Executive Vice President and Member of the Board, Senior Executive Vice President
Jun. 2007	Left Lawson, Inc., Joined Mitsubishi Corporation
Apr. 2008	Senior Vice President, Treasurer
Apr. 2011	Senior Vice President, General Manager, Industrial Finance, Logistics & Development Group CEO Office
Apr. 2012	Executive Vice President, Group CEO, Industrial Finance, Logistics & Development Group
Apr. 2016	Senior Executive Vice President, Global Strategy & Coordination, Global Research, International Economic Cooperation, Logistics Management, Regional CEO, Asia & Oceania (present position)

Reasons for nomination as Director

Mr. Tanabe has been Senior Executive Vice President, Global Strategy & Coordination, Global Research, International Economic Cooperation, Logistics Management, Regional CEO, Asia & Oceania since April 2016, after having served as Senior Executive Vice President of Lawson, Inc., Treasurer, and Group CEO of Industrial Finance, Logistics & Development Group. He has abundant business experience at Mitsubishi Corporation and insight on management of a *sogo shosha* in general and on regional management and supervisory experience. Accordingly, he has been nominated for the position of Director.

4. Kazuyuki Mori <Date of Birth Feb. 22, 1955 61 years old>

Renomination

Number of Shares owned:
29,057
Years served as Director:
2 years (as of close of this Ordinary General Meeting of Shareholders)

Job History, Positions and Responsibilities

Apr. 1977	Joined Mitsubishi Corporation
Apr. 2010	Senior Vice President, Division COO, Natural Gas Business Div. A
Apr. 2013	Executive Vice President, Division COO, Natural Gas Business Div.
Apr. 2014	Executive Vice President, Regional Strategy (Japan), General Manager, Kansai Branch
Jun. 2014	Member of the Board, Executive Vice President, Regional Strategy (Japan), General Manager, Kansai Branch (present position)

Reasons for nomination as Director

Mr. Mori currently serves as Executive Vice President, Regional Strategy (Japan), General Manager, Kansai Branch, after having served as Division COO, Natural Gas Business Div. and in other positions. He has abundant business experience at Mitsubishi Corporation and insight on management of a *sogo shosha* in general and on regional management and supervisory experience. Furthermore, as General Manager of the Kansai Branch, he has responsibility for alternative Head Office functions in the event of a major natural disaster and so forth. Accordingly, he has been nominated to continue in the position of Director.

5. Yasuhito Hirota <Date of Birth Nov. 5, 1956 59 years old>

Renomination

Number of Shares owned:
32,129
Years served as Director:
2 years (as of close of this Ordinary General Meeting of Shareholders)

Job History, Positions and Responsibilities

Apr. 1980	Joined Mitsubishi Corporation
Apr. 2010	Senior Vice President, General Manager, Corporate Administration Dept.
Apr. 2011	Senior Vice President, Senior Assistant to Senior Executive Vice President, Corporate Communications, Corporate Administration, CSR & Environmental Affairs, Legal, Human Resources, General Manager, Corporate Administration Dept.
Apr. 2014	Executive Vice President, Corporate Communications, Corporate Administration, CSR & Environmental Affairs, Legal, Human Resources
Jun. 2014	Member of the Board, Executive Vice President, Corporate Communications, Corporate Administration, CSR & Environmental Affairs, Legal, Human Resources
Apr. 2016	Member of the Board, Executive Vice President, Corporate Communications, Corporate Administration, CSR & Environmental Affairs, Legal, Human Resources, Chief Compliance Officer (present position)

Reasons for Nomination as Director

Mr. Hirota currently serves as Executive Vice President, Corporate Communications, Corporate Administration, CSR & Environmental Affairs, Legal, Human Resources, after having served as General Manager, Corporate Communications Dept. and General Manager, Corporate Administration Dept. and in other positions. He has abundant business experience at Mitsubishi Corporation and insight on management of a *sogo shosha* in general and on supervisory and operational experience. Accordingly, he has been nominated to continue in the position of Director.

6. Kazuyuki Masu <Date of Birth Feb. 19, 1959 57 years old>

New election

Number of Shares owned:
10,774

Job History, Positions and Responsibilities

Apr. 1982 Joined Mitsubishi Corporation

Apr. 2013 Senior Vice President, General Manager, Corporate Accounting Dept.

Apr. 2016 Executive Vice President, Chief Financial Officer (present position)

Reasons for nomination as Director

Mr. Masu has been Executive Vice President, Chief Financial Officer since April 2016 after having served as General Manager, Corporate Accounting Dept. and in other positions. He has abundant business experience at Mitsubishi Corporation and insight on management of a *sogo shosha* in general and on supervisory and operational experience. Accordingly, he has been nominated for the position of Director.

[Selection Criteria for Outside Directors and Outside Audit & Supervisory Board Members]

To make the function of Outside Directors and Outside Audit & Supervisory Board Members stronger and more transparent, Mitsubishi Corporation has set forth Selection Criteria for Outside Directors and Outside Audit & Supervisory Board Members as follows, after deliberation by the Governance & Compensation Committee, which is composed with a majority of Outside Directors, Outside Audit & Supervisory Board Members and Outside Members.

[Selection Criteria for Outside Directors]

1. Outside Directors are elected from among those individuals who have an eye for practicality founded on a wealth of experience as corporate executive officers, as well as an objective and specialist viewpoint based on extensive insight regarding global conditions and social and economic trends. Through their diverse perspectives, Outside Directors help ensure levels of decision-making and management oversight appropriate to the Board of Directors.

2. To enable Outside Directors to fulfill their appointed task, attention is given to maintain their independency*; individuals incapable of preserving this independency in effect will not be selected to serve as Outside Directors.

3. Mitsubishi Corporation's operations span a broad range of business domains; hence there may be cases of conflict of interest stemming from business relationships with firms home to a corporate executive officer appointed as Outside Directors. Mitsubishi Corporation appropriately copes with this potential issue through the procedural exclusion of the director in question from matters related to the conflict of interest, and by preserving a variety of viewpoints through the selection of numerous Outside Directors.

[Selection Criteria for Outside Audit & Supervisory Board Members]

1. Outside Audit & Supervisory Board Members are selected from among individuals who possess wealth of knowledge and experience across various fields that is helpful in performing audits. Neutral and objective auditing, in turn, will ensure sound management.

2. To enable Outside Audit & Supervisory Board Members to fulfill their appointed task, attention is given to maintain their independency*; individuals incapable of preserving this independency will not be selected to serve as Outside Audit & Supervisory Board Members.

(Note) Independency for the purpose of Selection Criteria for Outside Directors and Outside Audit & Supervisory Board Members

To make a judgment of independence, Mitsubishi Corporation checks if the person concerned meets the conditions for independent directors and independent auditors as specified by stock exchanges in Japan such as the Tokyo Stock Exchange, Inc., and whether the person concerned is currently any of the following items (1) to (7) and whether they have been at any time in the past 3 fiscal years.

(1) A major shareholder of Mitsubishi Corporation (a person or entity directly or indirectly holding 10% or more of the voting rights), or a member of business personnel of such shareholder (*1).

(2) A member of business personnel of a creditor of Mitsubishi Corporation exceeding the threshold set by Mitsubishi Corporation (*2).

(3) A member of business personnel of a supplier or a customer of Mitsubishi Corporation exceeding the threshold set by Mitsubishi Corporation (*3).

(4) A provider of professional services, such as a consultant, lawyer, or certified public accountant, receiving cash or other financial benefits from Mitsubishi Corporation, other than directors' or audit & supervisory board members ' remuneration, where the amount exceeds ¥10 million per fiscal year.

(5) A representative or partner of Mitsubishi Corporation's independent auditor.

(6) A person belonging to an organization that has received donations exceeding a certain amount (*4) from Mitsubishi Corporation.

(7) A person who has been appointed as an Outside Director or Outside Audit & Supervisory Board Member of Mitsubishi Corporation for more than 8 years.

*1 A member of business personnel refers to a managing director, corporate officer, executive officer, or other employee of a company.

*2 Creditors exceeding the threshold set by Mitsubishi Corporation refer to creditors to whom Mitsubishi Corporation owes an amount exceeding 2% of Mitsubishi Corporation's consolidated total assets.

*3 Suppliers or customers exceeding the threshold set by Mitsubishi Corporation refer to suppliers or customers whose transactions with Mitsubishi Corporation exceed 2% of Mitsubishi Corporation's consolidated revenues.

*4 Donations exceeding a certain amount refer to donations of more than ¥20 million per fiscal year.

If a person is still judged to be effectively independent despite one or more of the above items (1) to (7) applying, Mitsubishi Corporation will explain and disclose the reason at the time of their appointment as an Outside Director or Outside Audit & Supervisory Board Members.

7. Ryozo Kato <Date of Birth Sep. 13, 1941 74 years old>

Renomination | Outside Director | Independent Director

Number of Shares owned:
13,708
Years served as Director:
7 years (as of close of this Ordinary General Meeting of Shareholders)
Attendance at Board of Directors Meetings
(the fiscal year ended March 31, 2016)
Regular: 12 held, 12 attended / Extraordinary: 3 held, 3 attended

Job History, Positions and Responsibilities

Apr. 1965	Joined the Ministry of Foreign Affairs of Japan Held the positions of: Director-General, Asian Affairs Bureau, Director, General Affairs, Director Foreign Policy, and Ambassador to the U.S.
Jun. 2008	Retired from the Ministry of Foreign Affairs of Japan
Aug. 2008	Senior Corporate Advisor, Mitsubishi Corporation
Jun. 2009	Member of the Board, Mitsubishi Corporation (Present position)

Message from the candidate for appointment as Outside Director

For global companies, one of the important themes they need to address is diversity from a broad perspective spanning age, sex, nationality, culture and different senses of values. Mitsubishi Corporation has taken up this theme, making efforts to access knowledge of the outside through the Governance & Compensation Committee and the International Advisory Committee, each an advisory body to the Board. I will continue to provide my views from the standpoint of Outside Director and to contribute to in-depth discussions to help the Mitsubishi Corporation Group embrace diversity.

Reasons for nomination as Outside Director

Mr. Kato has been offering advice to Mitsubishi Corporation's management and properly oversees execution of business from an objective and professional perspective based on his international way of thinking and extensive insight regarding global conditions developed through foreign diplomacy, having held key posts at the Ministry of Foreign Affairs of Japan. Accordingly, he has been nominated to continue in the position of Outside Director.

Supplementary Information with respect to Independence and Important Concurrent Position

1. Independence of Outside Director

Mr. Kato meets the requirements of independent director as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Directors specified by Mitsubishi Corporation. There is no supplementary information in terms of independence.

2. Business relationships between Mitsubishi Corporation and entities where the candidate holds important concurrent position

Not applicable

8. Hidehiro Konno <Date of Birth Jul. 23, 1944 71 years old>

Renomination | Outside Director | Independent Director

Number of Shares owned:
14,373
Years served as Director:
6 years (as of close of this Ordinary General Meeting of Shareholders)
Attendance at Board of Directors Meetings
(the fiscal year ended March 31, 2016)
Regular: 12 held, 12 attended / Extraordinary: 3 held, 3 attended

Job History, Positions and Responsibilities

Apr. 1968	Joined Ministry of International Trade and Industry ("MITI") Having held the positions of: Director-General, Commerce & Distribution Policy, Director-General, International Trade Administration Bureau, Director-General, International Trade Policy Bureau and Vice-Minister for International Affairs
Jul. 2002	Retired from MITI
Feb. 2003	Chairman & CEO, Nippon Export and Investment Insurance ("NEXI") (resigned in Jul. 2009)
Jan. 2010	Senior Corporate Advisor, Mitsubishi Corporation
Jun. 2010	Member of the Board, Mitsubishi Corporation (present position)

Message from the candidate for appointment as Outside Director

Mitsubishi Corporation is a company that has been making continuous efforts to enhance corporate governance on the basis of "The Three Corporate Principles" which are "Corporate Responsibility to Society," "Integrity and Fairness" and "Global Understanding Through Business." In order to make further progress, I think it is important to obtain understanding of the principles and sense of values of this thinking among the businesses in which the company invests. To that end, I have travelled extensively to various work places in Japan and abroad, and have held discussions with executives and employees. I will continuously contribute to further growth of Mitsubishi Corporation by providing appropriate advice and supervision based on a close understanding of the operation of each work place.

Reasons for nomination as Outside Director

Mr. Konno has been offering advice to Mitsubishi Corporation's management and properly oversees execution of business from an objective and professional perspective based on his extensive insight regarding domestic and global economic trends, having held key posts at MITI and NEXI. Accordingly, he has been nominated to continue in the position of Outside Director.

Supplementary Information with respect to Independence and Important Concurrent Position

1. Independence of Outside Director

Mr. Konno meets the requirements of independent director as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Directors specified by Mitsubishi Corporation. Supplementary information in terms of independence is as follows:

- Mr. Konno is chairman (part-time position) of general incorporated foundation Koushikai, a non-profitable association that engages in helping Japanese next-generation leaders to be cosmopolitan with liberal arts. Mitsubishi Corporation pays about ¥2.0 million per year to the association mainly as membership dues as a regular member. These payments are consistent with activities of the association under its philosophy. In addition, Mr. Konno receives no compensation from the association, therefore he does not benefit personally.
- Until July 2009, Mr. Konno served as Chairman & CEO of NEXI, which is wholly owned by the Japanese government and offers trade insurance based on the Trade Insurance and Investment Act for business risks that conventional insurances are unable to cover, including the inability to export cargo due to international disputes. Although Mitsubishi Corporation utilizes trade insurance provided by NEXI, it has been about 7 years since his resignation. Therefore, there is no relationship between him and those transactions.

2. Business relationships between Mitsubishi Corporation and entities where the candidate holds important concurrent position

Not applicable

9. Akihiko Nishiyama <Date of Birth Jan. 4, 1953 63 years old>

Renomination | Outside Director | Independent Director

Number of Shares owned:
5,219
Years served as Director:
1 year (as of close of this Ordinary General Meeting of Shareholders)
Attendance at Board of Directors Meetings
(the fiscal year ended March 31, 2016)
Regular: 10 held, 10 attended / Extraordinary: 2 held, 2 attended
* Attendance at Board of Directors meetings of Mr. Nishiyama indicates after his appointment for Outsider Director on June 19, 2015.

Job History, Positions and Responsibilities

Apr. 1975 Joined Tokyo Gas Co., Ltd. (resigned in Mar. 2015)

Apr. 2001 Visiting professor, Policy Studies, Graduate School of Social Sciences, Hosei University (resigned in Mar. 2003)

Apr. 2004 Professor, Dept. of International Liberal Arts, Tokyo Jogakkan College

Apr. 2011 Councilor, Tokyo Jogakkan College; Professor, Dept. of International Liberal Arts, Tokyo Jogakkan College (resigned in Mar. 2013)

Apr. 2013 Adjunct Professor, Hitotsubashi University (present position)

Jun. 2015 Member of the Board, Mitsubishi Corporation (present position)

(Note)
Mr. Nishiyama served as Head of Nishiyama Research Institute, Tokyo Gas Co., Ltd. from April 2004 until March 2015. However, his primary position during this period was professor of the universities mentioned above, and he had no involvement with business execution of Tokyo Gas Co., Ltd.

Important Concurrent Position

Adjunct professor, Hitotsubashi University

Message from the candidate for appointment as Outside Director

Since I was appointed as Outside Director in last June, I have had interactive sessions with all business groups and each department at Corporate Staff Section. Meanwhile, I have provided various advice to enhance constructive discussions between outsiders and insiders as well as among outsiders in the light of reflecting perspectives of shareholders and investors into the management. To achieve further growth, I believe it will be important for Outside Directors to share the business strategies and risks the company faces and to move forward consolidated management with a view to increasing longer-term growth. I will support management functions from both proactive and defensive perspectives.

Reasons for nomination as Outside Director

Mr. Nishiyama has been offering advice to Mitsubishi Corporation's management and properly oversees execution of business from an objective and professional perspective based on his research activities relating to corporate management and human resource development at universities, and many years of experience in the business. Accordingly, he has been nominated to continue in the position of Outside Director.

Supplementary Information with respect to Independence and Important Concurrent Position

1. Independence of Outside Director

Mr. Nishiyama meets the requirements of independent director as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Directors specified by Mitsubishi Corporation. There is no supplementary information in terms of independence.

2. Business relationships between Mitsubishi Corporation and entities where the candidate holds important concurrent position

Mitsubishi Corporation has no business relationship with Hitotsubashi University.

10. Hideaki Omiya <Date of Birth Jul. 25, 1946 69 years old>

New Election | Outside Director | Independent Director

Number of Shares owned:
5,500

Job History

Jun. 1969	Joined Mitsubishi Heavy Industries, Ltd. ("MHI")
Jun. 2002	Member of the Board, MHI
Jun. 2005	Member of the Board, Executive Vice President, MHI
Apr. 2007	Member of the Board, Senior Executive Vice President, MHI
Apr. 2008	Member of the Board, President and CEO, MHI
Apr. 2013	Chairman of the Board, MHI (present position)

Important Concurrent Position

Chairman of the Board, MHI
Outside Director, Seiko Epson Corporation

Message from the candidate for appointment as Outside Director

For Mitsubishi Corporation to continue to grow as a global company, I believe it must enhance its international competitiveness and its ability to respond to change quickly. Under the leadership of new President & CEO Mr.Kakiuchi, I believe Mitsubishi Corporation will achieve that continuous growth as it sharpens its competitive edge. From the standpoint of an Outside Director, I will offer my views to support Mitsubishi Corporation's growth based on an insight of the strengths and weaknesses of Japanese companies and of Mitsubishi Corporation obtained through the experience as a corporate manager in the manufacturing sector.

Reasons for nomination as Outside Director

Mitsubishi Corporation expects that Mr. Omiya will provide advice to Mitsubishi Corporation's management from a practical perspective based on his extensive insight developed through management of MHI, a manufacturer that conducts business around the world, as Chairman and former President and CEO. Accordingly, he has been nominated for the position of Outside Director.

Supplementary Information with respect to Independence and Important Concurrent Position

1. Independence of Outside Director

Mr. Omiya meets the requirements of independent director as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Directors specified by Mitsubishi Corporation. Supplementary information in terms of independence is as follows:

- Mr. Omiya was Member of the Board, President and CEO of MHI, from April 2008 to March 2013 and has been Chairman of the Board of MHI since April 2013. MHI and Mitsubishi Corporation have a relationship of cross-directorship whereby each has an outside director assigned from the other. In addition, the two companies have business transactions, though these transactions do not exceed 2% of Mitsubishi Corporation's consolidated revenues.

- Since June 2015, Mr. Omiya has been chairman (part-time position) of The Mitsubishi Foundation which provides financial support for activities related to academic research and social welfare. Mitsubishi Corporation contributed more than ¥20 million per year to the foundation, but these contributions are consistent with the foundation's activities under its mission as a public interest incorporated foundation. In addition, Mr. Omiya receives no compensation from the foundation, therefore he does not benefit personally. Accordingly, his independence is assured.

2. Business relationships between Mitsubishi Corporation and entities where the candidate holds important concurrent position

Mitsubishi Corporation and MHI have business transactions, but there is no special relationship (specified related party, etc). Also, Mitsubishi Corporation has no business relationship with Seiko Epson Corporation.

11. Toshiko Oka <Date of Birth Mar. 7, 1964 52 years old>

New Election | Outside Director | Independent Director

Number of Shares owned:
-

Job History

Apr. 1986	Joined Tohmatsu Touche Ross Consulting Limited (currently ABeam Consulting Ltd.)
Jul. 2000	Joined Asahi Arthur Anderson Limited
Sep. 2002	Principal, Deloitte Tohmatsu Consulting Co., Ltd. (currently ABeam Consulting Ltd.) (resigned in Aug. 2012)
Apr. 2005	President and Representative Director, ABeam Consulting Ltd. After change of company name, Chief Executive Officer, PricewaterhouseCoopers Deals Advisory LLC (resigned in Mar. 2016)
Apr. 2016	Partner, PwC Advisory LLC (scheduled to resign in Jun. 2016)

Important Concurrent Position

Outside Audit & Supervisory Board Member, Astellas Pharma Inc.
Outside Corporate Auditor, Happinet Corporation

Message from the candidate for appointment as Outside Director

With the business model of *sogo shosha* shifting from one centering on trading to one that seeks to expand earnings through managing businesses of affiliates, it becomes more important to raise the value of partner companies and companies in which they have invested. I will offer proposals from an outside perspective about practical approaches that will contribute to raising the value of the Mitsubishi Corporation Group based on the experiences I have obtained in seeking to enhance the value of client companies in my role as a business consultant.

Reasons for nomination as Outside Director

Mitsubishi Corporation expects that Ms. Oka will provide advice to Mitsubishi Corporation's management from a practical and diversified perspective based on her many years of experience in the consulting industry and experience as outside director of various companies. Accordingly, she has been nominated for the position of Outside Director.

Supplementary Information with respect to Independence and Important Concurrent Position

1. Independence of Outside Director

Ms. Oka meets the requirements of independent director as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Directors specified by Mitsubishi Corporation. Supplementary information in terms of independence is as follows:

- Ms. Oka has been a training lecturer for the Mitsubishi Corporation Group under a contract with Human Link Corporation, a wholly owned subsidiary of Mitsubishi Corporation, with commission payments of around ¥2 million per year. There are no plans to renew the above-mentioned contract with Ms. Oka subsequent to her appointment as an Outside Director of Mitsubishi Corporation.

- Ms. Oka served as Principal, Deloitte Tohmatsu Consulting Co., Ltd. (currently ABeam Consulting Ltd.) until August 2012. Although Mitsubishi Corporation has business transactions with that company, it has been about 4 years since her resignation. Therefore, there is no relationship between her and those transactions.

2. Business relationships between Mitsubishi Corporation and entities where the candidate holds important concurrent position

Mitsubishi Corporation and Astellas Pharma Inc. have business transactions, but there is no special relationship (specified related party, etc). Also, Mitsubishi Corporation has no business relationship with Happinet Corporation.

3.*To Elect 3 Audit & Supervisory Board Members*

The term of Audit & Supervisory Board Members Eiko Tsujiyama, Hideyo Ishino and Tadashi Kunihiro will expire at the close of this Ordinary General Meeting of Shareholders. Accordingly, the Board proposes the following 3 candidates for election as Outside Audit & Supervisory Board Members, as detailed below.
Audit & Supervisory Board has already given consent to this proposal. Also, all of the candidates meet the requirements of independent director as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Audit & Supervisory Board Members specified by Mitsubishi Corporation.

(See pages 11 to 12 and 23 to 27 for detailed information on the Selection Criteria for Outside Audit & Supervisory Board Members and information on Outside Audit & Supervisory Board Members candidates.)

Candi-date number	Name	Age		Present position at Mitsubishi Corporation	Years served as Audit & Supervisory Board Members	Member of Governance & Compensation Committee
1	Tadashi Kunihiro	60	Renomination, Outside Audit & Supervisory Board Member, Independent Auditor	Audit & Supervisory Board Member	4 years	○
2	Ikuo Nishikawa	64	New election, Outside Audit & Supervisory Board Member, Independent Auditor	-	-	-
3	Yasuko Takayama	58	New election, Outside Audit & Supervisory Board Member, Independent Auditor	-	-	-

(Note)

Mitsubishi Corporation has concluded an agreement with Mr. Tadashi Kunihiro limiting his liability according to Article 423, Paragraph 1 of the Companies Act. According to the agreement, the maximum liability of him is the minimum amount stipulated under Article 425, Paragraph 1 of the Companies Act. If this proposal is approved, Mitsubishi Corporation will extend the agreement limiting his liability with Mr. Kunihiro and conclude new agreements with Mr. Ikuo Nishikawa and Ms. Yasuko Takayama to the same effect.

1. Tadashi Kunihiro <Date of Birth Nov. 29, 1955 60 years old>

Renomination | Outside Audit & Supervisory Board Member | Independent Auditor

Number of Shares owned:
1,910
Years served as Audit & Supervisory Board Member:
4 years (as of close of this Ordinary General Meeting of Shareholders)
Attendance at Board of Directors Meetings
(the fiscal year ended March 31, 2016)
Regular: 12 held, 12 attended / Extraordinary: 3 held, 2 attended
Audit & Supervisory Board meetings: 15 held, 15 attended

Job History and Positions

Apr. 1986 Admitted to the Japan Bar

Jan. 1994 Attorney at Kunihiro Law Office (currently T. Kunihiro & Co., Attorneys-at-Law) (present position)

Jun. 2012 Audit & Supervisory Board Member, Mitsubishi Corporation (present position)

Important Concurrent Position

Attorney at T. Kunihiro & Co., Attorneys-at-Law.

Message from the candidate for appointment as Outside Audit & Supervisory Board Member

Risks companies face are becoming more complex and diverse, and compliance requirements have become more demanding. Crisis management is a process of restoring the credibility and sustainability of corporation, and I have been offering advice and guidance on putting in place structures for crisis management processes even in normal times. I will keep conducting appropriate audits together with both accountant auditors and in-house auditing departments while maintaining close communications with executive management.

Reasons for nomination as Audit & Supervisory Board Member

Mr. Kunihiro has been conducting neutral and objective audits based on his extensive insight regarding corporate-related laws (such as the Companies Act and the Financial Instruments and Exchange Act of Japan) which was developed through many years of experience as attorney. Accordingly, he has been nominated to continue in the position of Audit & Supervisory Board Member.

(Translation)

Supplementary Information with respect to Independence and Important Concurrent Position

1. Independence as Outside Audit & Supervisory Board Member

Mr. Kunihiro meets the requirements of independent auditor, as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Audit & Supervisory Board Members specified by Mitsubishi Corporation. There is no supplementary information in terms of independence.

2. Business relationships between Mitsubishi Corporation and entities where the candidate holds important concurrent position

Mitsubishi Corporation has no business relationship with T. Kunihiro & Co., Attorneys-at-Law.

2. Ikuo Nishikawa <Date of Birth Jul. 1, 1951 64 years old>

New Election | Outside Audit & Supervisory Board Member | Independent Auditor

Number of Shares owned:

-

Job History

Oct. 1974	Joined EIKO Certified Public Tax Accountant's Corporation (currently Ernst & Young ShinNihon LLC)
Sep. 1990	Representative Partner, KPMG Century Audit Corporation (currently Ernst & Young ShinNihon LLC) (resigned in Jul. 2001)
Apr. 2007	Chairman, Accounting Standards Board of Japan (resigned in Mar. 2014)
Apr. 2012	Professor, Faculty of Business & Commerce of Keio University (present position)

Important Concurrent Position

Professor, Faculty of Business & Commerce of Keio University
Outside Director, Eisai Co., Ltd.
Outside Corporate Auditor, Megmilk Snow Brand Co., Ltd.

Message from the candidate for appointment as Outside Audit & Supervisory Board Member

For companies to earn the trust of stakeholders, appropriate financial statements must be prepared by managers with high integrity, and it is important to have structures in place to disclose those statements in a timely and sufficient manner. I aim to provide supervision from objective and professional perspectives applying my experience as a certified public accountant and as Chairman of Accounting Standards Board of Japan to support Mitsubishi Corporation's ongoing commitment to enhancing transparent internal control and compliance systems.

Reasons for nomination as Outside Audit & Supervisory Board Member

Mitsubishi Corporation expects that Mr. Nishikawa will conduct neutral and objective audits based on his extensive insights regarding accountant developed through many years of experience as a certified public accountant. Accordingly, he has been nominated for the position of Audit & Supervisory Board Member.

Supplementary Information with respect to Independence and Important Concurrent Position

1. Independence as Outside Audit & Supervisory Board Member

Mr. Nishikawa meets the requirements of independent auditor as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Audit & Supervisory Board Members specified by Mitsubishi Corporation. There is no supplementary information in terms of independence.

2. Business relationships between Mitsubishi Corporation and entities where the candidate holds important concurrent position

Mitsubishi Corporation has business transactions with Eisai Co., Ltd. and Megmilk Snow Brand Co., Ltd., but there are no special relationships (specified related party, etc). Also, Mitsubishi Corporation has no business relationship with Keio University.

3. Yasuko Takayama <Date of Birth Mar. 8, 1958 58 years old>

New Election | Outside Audit & Supervisory Board Member | Independent Auditor

Number of Shares owned:

-

Job History

Apr. 1980 Joined Shiseido Company, Limited
Having held the positions of:
General Manager, Consumer Information Center,
General Manager, Consumer Relations Department,
General Manager, Social Affairs and Consumer Relations Department, and
General Manager, Corporate Social Responsibility Department

Jun. 2011 Audit & Supervisory Board Member, Shiseido Company, Limited

Jun. 2015 Advisor (part-time position) , Shiseido Company, Limited (present position)

Important Concurrent Position

Outside Director, The Chiba Bank, Ltd.
Outside Director, Nippon Soda Co., Ltd.

Message from the candidate for appointment as Outside Audit & Supervisory Board Member

Through my experience working at a consumer goods manufacturer as head of the CSR department and as Audit & Supervisory Board Member, I have come to believe that establishing transparent and effective governance structures that win the trusts of diverse stakeholders—including shareholders and investors, partner companies, consumers, employees and society as a whole—is essential for companies to achieve continuous growth. Mitsubishi Corporation has been making efforts to reinforce structures in this area, and I will play a steadfast role as an Outside Audit & Supervisory Board Member in support of the company's continuing commitment to obtaining the understanding and support of its stakeholders.

Reasons for nomination as Outside Audit & Supervisory Board Member

Mitsubishi Corporation expects that Ms. Takayama will conduct neutral and objective audits based on her extensive insight developed through many years of experience as Audit & Supervisory Board Member at Shiseido Company, Limited and as outside director at various companies. Accordingly, she has been nominated for the position of Audit & Supervisory Board Member.

Supplementary Information with respect to Independence and Important Concurrent Position

1. Independence of Outside Audit & Supervisory Board Members

Ms. Takayama meets the requirements of independent auditor as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan, as well as Selection Criteria for Outside Audit & Supervisory Board Members specified by Mitsubishi Corporation. Supplementary information in terms of independence is as follows:

- Ms. Takayama worked as an employee at Shiseido Company, Limited until June 2011. Although Mitsubishi Corporation has business transactions with that company, it has been about 5 years since Ms. Takayama left her position as a direct employee. Therefore, there is no relationship between her and those transactions.

2. Business relationships between Mitsubishi Corporation and entities where the candidate holds important concurrent position

Mitsubishi Corporation has business transactions with The Chiba Bank, Ltd. and Nippon Soda Co., Ltd., but there are no special relationships (specified related party, etc).

<Reference>

■ Approaches to Corporate Governance

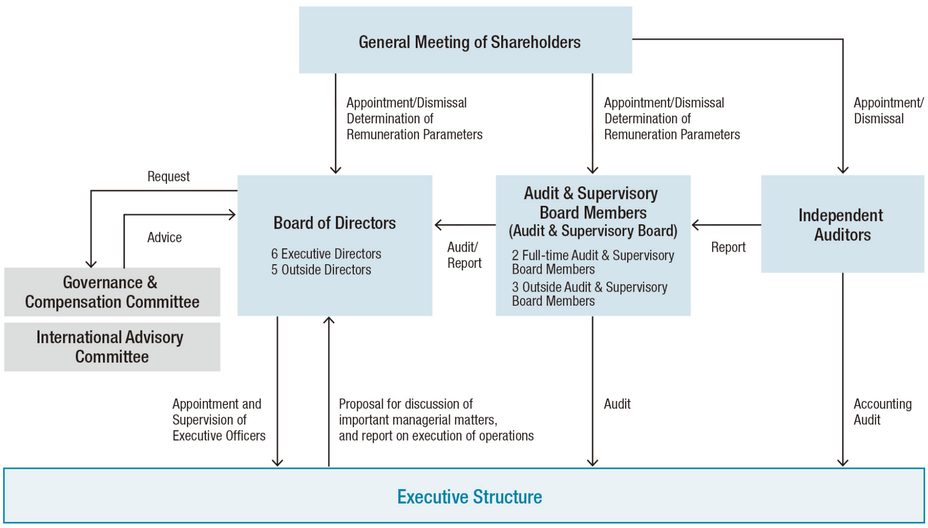
-Mitsubishi Corporation's Corporate Governance System Supporting Sustainable Growth

[Basic Policy]

Mitsubishi Corporation's corporate philosophy is enshrined in the Three Corporate Principles. Through corporate activities rooted in the principles of fairness and integrity, Mitsubishi Corporation strives to continuously raise corporate value. Mitsubishi Corporation believes that by helping to enrich society, both materially and spiritually, it will also meet the expectations of shareholders, customers and all other stakeholders.

In order to achieve these goals, Mitsubishi Corporation recognizes strengthening corporate governance on an ongoing basis as its important subject concerning management as it is foundation for ensuring sound, transparent and efficient management. Mitsubishi Corporation, based on the Audit & Supervisory Board Member System, is thus working to put in place a corporate governance system that is even more effective. This includes strengthening management supervision through such measures as appointing Outside Directors and Outside Audit & Supervisory Board Members who satisfy the conditions for Independent Directors or Independent Audit & Supervisory Board Members, and establishing advisory bodies to the Board of Directors where the majority of members are Outside Directors and Outside Audit & Supervisory Board Members and other experts from outside Mitsubishi Corporation. At the same time, Mitsubishi Corporation uses the executive officer system etc. for prompt and efficient decision-making and business execution.

《Corporate Governance Framework》



*This diagram indicates the number of Directors and Audit & Supervisory Board Members after the Ordinary General Meeting of Shareholders if the resolution No.2 and No.3 is approved.

[Board of Directors]
The Board of Directors is responsible for making decision concerning important management issues and overseeing business execution. In-house Directors utilize their rich experience of working within Mitsubishi Corporation and Outside Directors utilize their practical, objective and professional perspectives to ensure appropriate decision-making and management oversight. The composition of the Board of Directors and the policy and process for appointing nominated Directors are deliberated at the Governance & Compensation Committee, and then decided by the Board of Directors as follows:

■Composition of the Board of Directors and the Policy for Appointing Nominated Directors
To ensure Mitsubishi Corporation's decision-making and management oversight are appropriate for a *sogo shosha* involved in diverse businesses and industries in a wide range of fields, several Directors are appointed from both within and outside Mitsubishi Corporation with the depth of experience and high levels of knowledge and expertise needed for fulfilling their duties.
More specifically, in addition to Chairman of the Board and the President & CEO, Mitsubishi Corporation's in-house Directors are appointed from executive persons responsible for companywide management, Corporate Staff operations, and other areas. Outside Directors are appointed from those who possess a practical perspective of highly experienced officers and those who possess an objective and professional perspective with a deep insight on global developments and socio-economic trends.
In principle, the Board of Directors is an appropriate size for conducting deliberations, with one third or more being made up of Outside Directors.

■Process for Appointing Nominated Directors
Based on the above policy, the President & CEO proposes a list of nominated Directors, which is then deliberated at the Governance & Compensation Committee and resolved by the Board of Directors before being presented at the Ordinary General Meeting of Shareholders.

■Matters Deliberated by the Board of Directors
Matters requiring a resolution by the Board of Directors in accordance with laws and regulations and the Articles of Incorporation and important matters concerning management are resolved by the Board of Directors. In particular, for acquisitions and disposals of shares, equity stakes, and fixed assets, and investments and loans involving loans and guarantees, the Board of Directors sets out monetary threshold standards for each of various type of risks, such as credit risk, market risk and business investment risk (amounts do not exceed 1% of total assets and are set individually depending on the nature of the risk). Investments and loans that exceed this monetary threshold are deliberated and resolved by the Board of Directors.
Furthermore, business execution other than these matters for resolution by the Board of Directors is entrusted to Executive Officers in accordance with the allocation of duties decided by the Board of Directors for prompt and efficient business execution. Business is executed

through President, as the Chief Executive Officer, and the Executive Committee (held twice monthly), as a management decision-making body to take responsibility for business execution. Further, the Board of Directors strives to construct an internal control system for increasing corporate value by conducting appropriate, valid and efficient business execution in conformity with laws, regulations and the Articles of Incorporation. Each year, the Board checks on the implementation of the internal control system and makes ongoing improvements and enhancements.

■Evaluation of the Effectiveness of the Board of Directors

To heighten the effectiveness of the Board of Directors continuously, interviews involving respective directors and Audit & Supervisory Board Members are conducted about the functioning and management of the Board of Directors. Based on the content of these interviews, the Governance & Compensation Committee conducts reviews of the effectiveness of the Board of Directors. Further, at meetings of the Board of Directors, based on the deliberations of the Governance & Compensation Committee, analysis and evaluation of the Board of Directors is conducted, which is utilized to improve management and other matters. In the review of the fiscal year ended March 31, 2016, the Board of Directors was evaluated as being appropriately composed and managed, providing information in advance about respective agenda items, and conducting adequate deliberations through active exchanges of opinion during meetings. Therefore, it was confirmed that the Board of Directors has adequate systems for the exercise of oversight functions and that these functions are being realized appropriately.

In addition, the opinion was expressed that, to enhance the effectiveness of the Board of Directors even further, it is important to take measures to unceasingly enhance the provision of information to Outside Directors and Outside Audit & Supervisory Board Members and to take measures to increase opportunities outside the Board of Directors for free exchanges of opinions and communication among Outside Directors and Outside Audit & Supervisory Board Members and among outsiders and internal management in relation to significant agenda items.

Based on the analysis and evaluations of the Governance & Compensation Committee and the Board of Directors, Mitsubishi Corporation will take continuous measures to enhance the effectiveness of the Board of Directors.

[Audit & Supervisory Board]

The Audit & Supervisory Board audits Directors’ decision-making process and their performance of duties according to the Companies Act and other laws and regulations, Mitsubishi Corporation’s Articles of Incorporation and internal rules and regulations. In-house Audit & Supervisory Board Members conduct audits from a perspective of their rich experience of working within Mitsubishi Corporation, and Outside Audit & Supervisory Board Members from a neutral and objective perspective, to ensure that management is sound.
The composition of the Audit & Supervisory Board and the policy and procedure for appointment of nominated Audit & Supervisory Board Members are deliberated by the Governance & Compensation Committee, and then, decided by the Board of Directors as follows:

■Composition of the Audit & Supervisory Board and the Policy for Appointing Nominated Audit & Supervisory Board Members

To ensure Mitsubishi Corporation’s sound business development and improve its social credibility through audits, several Audit & Supervisory Board Members are appointed from within and outside Mitsubishi Corporation with the depth of experience and high level of expertise needed for conducting audits.
More specifically, in-house Audit & Supervisory Board Members are appointed from those with knowledge and experience in corporate management, finance, accounting, risk management, or other areas. Outside Audit & Supervisory Board Members are appointed from those with rich knowledge and experience across various fields.
In principle, the total number of Audit & Supervisory Board Members is 5, with more than half their number being made up of Outside Audit & Supervisory Board Members.

■Process for Appointment of Nominated Audit & Supervisory Board Members

Based on the above policy, the President & CEO consults with Senior Audit & Supervisory Board Member and creates a proposal for appointment of nominated Audit & Supervisory Board Members, which is then deliberated by the Governance & Compensation Committee and approved by the Audit & Supervisory Board before being resolved by the Board of Directors and presented at the Ordinary General Meeting of Shareholders.

■Board of Directors’ Office and Audit & Supervisory Board Members' Office

To ensure that the Directors and Audit & Supervisory Board Members are able to perform their management supervision and audit functions adequately, the Board of Directors’ Office and the Audit & Supervisory Board Members' Office have been established, and have been providing necessary information appropriately and in a timely manner for them to perform their duties.
For Outside Directors and Outside Audit & Supervisory Board Members, the Board of Directors’ Office and the Audit & Supervisory Board Members' Office provide Board of Directors’ meeting materials and explanations as well as hold joint presentations about management strategies, important matters, and other topics before the Board of Directors’ meetings to ensure

that they can participate in the discussion fully. The offices also provide an orientation to newly appointed Outside Directors and Outside Audit & Supervisory Board Members, as well as ongoing opportunities to understand the business of Mitsubishi Corporation, including annual observation tours of subsidiaries and affiliates and opportunities for dialogue with the management. Furthermore, to enhance the effectiveness of the management supervision function, Mitsubishi Corporation holds meetings of the Governance & Compensation Committee, the President's Performance Evaluation Committee, and other bodies comprising a majority of Outside Directors and Outside Audit & Supervisory Board Members in their memberships. Also, Mitsubishi Corporation endeavors to enhance close cooperation among Outside Directors and Outside Audit & Supervisory Board Members through such measures as holding small meetings for Outside Directors and Outside Audit & Supervisory Board Members approximately four times a year to provide opportunities for free discussion about a wide range of themes relating to the business management and the corporate governance of Mitsubishi Corporation.

●Small Meetings for Outside Directors and Outside Audit & Supervisory Board Members

Mitsubishi Corporation endeavors to enhance close cooperation among Outside Directors and Outside Audit & Supervisory Board Members by providing opportunities for free discussion about a wide range of themes relating to the business management and the corporate governance of Mitsubishi Corporation (convened approximately four times a year).

●Observation Tours of Subsidiaries and Affiliates

For further understanding of the Mitsubishi Corporation Group's wide range of business lines, Outside Directors and Audit & Supervisory Board Members participate in observation tours of the sites of Mitsubishi Corporation Group companies and other sites, which are conducted every year.

[Board of Directors' Advisory Bodies]

■Governance & Compensation Committee

Since its establishment in 2001, the Governance & Compensation Committee has met around twice a year. While a majority of the members of the Committee are Outside Directors and Outside Audit & Supervisory Board Members and Outside Members, the Committee conducts continuous reviews of corporate governance-related issues at Mitsubishi Corporation and also discusses the remuneration system for Executive Officers, including the policy for setting remuneration and appropriateness of remuneration levels, and monitors operation of this system.

<Main Discussion Themes>

・Composition of the Board of Directors and Audit & Supervisory Board, policy on appointment of and proposals for appointment of Directors and Audit & Supervisory Board Members
・Requirements of President and CEO and basic policy on the appointment, proposals for appointment of President and CEO
・Review of the remuneration system including the policy for setting remuneration and appropriateness of remuneration levels
・Assessment of operations of the Board of Directors

[Appointment of President and CEO]

Based on the requirements of President and CEO and the basic policy on the appointment, which were confirmed by the Governance & Compensation Committee, and following deliberations by this committee, the Board of Directors decided on the appointment of President and CEO Takehiko Kakiuchi, who assumed this position in April 2016.

Furthermore, the President's Performance Evaluation Committee has been established as a subcommittee to the Governance & Compensation Committee, to deliberate the assessment on the President's performance.

<Composition of Committee (*Committee Chairman)> (as of April 1, 2016)

■Outside members (6):
Kunio Ito
Ryozo Kato, Outside Director
Hidehiro Konno, Outside Director
Sakie T. Fukushima, Outside Director
Akihiko Nishiyama, Outside Director
Tadashi Kunihiro,
Outside Audit & Supervisory Board Member

■In-house members (3):
Ken Kobayashi,* Chairman of the Board
Takehiko Kakiuchi, President & CEO
Hideyuki Nabeshima, Senior Audit & Supervisory Board Member

■**International Advisory Committee**

The International Advisory Committee has met annually since its establishment in 2001. Members of the Committee offer proposals and advice from an international standpoint on Mitsubishi Corporation’s management and business strategies as it develops its business globally. Further, the committee reports on the political and economic conditions of respective regions and exchanges opinions.

<Main discussion themes>

・The global business environment (political and economic conditions, IT and innovation)
・Progress on New Strategic Direction
・Business strategy of Mitsubishi Corporation

■Composition of Committee (*Committee Chairman) (as of April 1, 2016)

Outside members (8):
Dr. Herminio Blanco Mendoza, former Secretary of Trade & Industry (Mexico)
Professor Joseph S Nye, Harvard University Distinguished Service Professor and Sultan of Oman Professor (U.S.A.)
Mr. Ratan Tata, Chairman, Tata Trusts (India)
Mr. George Yeo, Chairman of Kerry Logistics Network (Singapore)
Mr. Jaime Augusto Zobel de Ayala ii, Chairman and CEO, Ayala Corporation (the Philippines)
Mr. Niall FitzGerald, Former CEO & Chairman, Unilever (Ireland)
Ryozo Kato, Outside Director
Hidehiro Konno, Outside Director

■In-house members (4):
Yorihiko Kojima,*
Member of the Board, Honorary Chairman
Senior Adviser to the Board
Ken Kobayashi, Chairman of the Board
Takehiko Kakiuchi, President & CEO
Eiichi Tanabe, Senior Executive Vice President

■Policy for Setting Directors' and Audit & Supervisory Board Members' Remuneration

In line with the Basic Policy on Corporate Governance (see page 28), Mitsubishi Corporation has established remuneration system for Directors and Audit & Supervisory Board Members and related systems to ensure a sustainable increase in corporate value, and strives to administer the system with a high degree of transparency. The basic policy, composition of remuneration, and method for setting remuneration are as follows.

◇Directors' Remuneration

(1) In-house Directors

i) Basic Policy

A remuneration system for Mitsubishi Corporation in-house Directors has been designed to provide further incentive and motivation to improve business results and a sustainable corporate value, further align the Directors' interests with those of the shareholders, and strengthen the link with business results. The level of remuneration is set by comparing levels of remuneration at other companies in the same industry and other major Japanese companies of similar scale, and is also commensurate with business results. For in-house Directors who also serve as Executive Officers, the position as an Executive Officer is taken into account as one factor when setting Directors' remuneration.

The policy for setting remuneration, appropriateness of remuneration levels, and operation of remuneration system for in-house Directors are discussed and monitored by the Governance & Compensation Committee.

ii) Composition

The remuneration of in-house Directors consists of Directors' Base Remuneration, Individual Performance Bonus, Bonus, Stock-option-based Remuneration, and Reserved Retirement Remuneration. The details of each type of remuneration are explained on page 37.

Further, given that the Chairman of the Board's role is primarily one of providing a supervisory function for management, from the fiscal year ending March 31, 2017, the Chairman of the Board shall be paid Directors' Base Remuneration only, which does not have a component linked with business results in the same way as Outside Directors.

(2) Outside Directors

The basic policy and composition for remuneration for Outside Directors' remuneration is to pay Directors' Base Remuneration only, due to their role as an independent supervisory function for management. Outside Directors' remuneration does not have a component linked with business results.

(3) Method for Setting Remuneration

Regarding Directors' Base Remuneration, Individual Performance Bonus, Stock-option-based Remuneration and Reserved Retirement Remuneration, the 2010

Ordinary General Meeting of Shareholders approved a payment limit of ¥1.6 billion per annum. Remuneration is paid within this remuneration limit subject to resolution of the Board of Directors.
Meanwhile, Bonuses are subject to approval by the Ordinary General Meeting of Shareholders, given their strong linkage to Mitsubishi Corporation's business results.

[Bonuses for the Fiscal Year ended March 31, 2016]
Given that net income (loss) in the fiscal year ended March 31, 2016 was less than consolidated capital cost, no bonuses were paid to executive officers in this fiscal year, based on the policy for payment of bonuses (see page 37). Therefore, a resolution relating to bonuses to in-house Directors has not been submitted for approval to this Ordinary General Meeting of Shareholders.

《In-house Directors' Remuneration》

Remuneration type	Remuneration composition	Fixed/ Variable (Note 1)	Form of payment	Included within remuneration limit (Note 2)
Base Remuneration	An amount determined according to position, paid monthly	Fixed	Cash	○
Individual Performance Bonus	For Directors who also serve as Executive Officers, Individual Performance Bonuses are determined and paid on an individual basis after the President's yearly performance assessment of each Director for the previous fiscal year. The assessment on the President's performance is deliberated by the President's Performance Evaluation Committee, a subcommittee to the Governance & Compensation Committee. The subcommittee comprises the Chairman, who also serves as the Chairman of the Governance & Compensation Committee, and members made up of Outside Directors and Outside Audit & Supervisory Board Members.	Variable (Single year)	Cash	○
Bonus	Bonuses are determined and paid on an individual basis after deciding whether or not Bonuses will be paid and what the total amount will be based on the previous year's consolidated earnings and other factors. Bonuses are distributed from earnings where Mitsubishi Corporation achieves a level of earnings that leads to improved corporate value. Specifically, Bonuses are only paid when consolidated net income (attributable to owners of Mitsubishi Corporation) exceeds consolidated capital cost, and an upper limit is set for the total amount to be paid.	Variable (Single year)	Cash	− (Paid upon resolution of the Ordinary General Meeting of Shareholders)
Stock-option-based Remuneration	Stock options as remuneration are grants from the perspective of aligning Directors' interests with those of shareholders and creating value over the medium and long terms. Stock options cannot be exercised for two years from the date they are granted. As a basic policy, in-house Directors cannot sell shares, including shares acquired by exercising stock options, during their terms of office until their shareholdings reach a certain level.	Variable (Medium to long term)	Shares (Stock acquisition rights)	○
Reserved Retirement Remuneration	Reserved Retirement Remuneration is set aside in a certain amount every year as consideration for the performance of duties, and the accumulated amount is calculated and paid in full upon retirement of a director by resolution of the Board of Directors.	Fixed	Cash	○

(Note 1) "Fixed" indicates a fixed payment amount and "Variable" indicates a payment amount that varies based on performance and other factors. "Single year" indicates amounts that correspond to previous fiscal year performance or individual performance assessment. "Medium to long term" is used for stock options as remuneration to indicate their role as a medium- to long-term incentive.

(Note 2) "○" indicates remuneration paid by a resolution of the Board of Directors within the ¥1.6 billion per annum limit approved by the 2010 Ordinary General Meeting of Shareholders.

◇Audit & Supervisory Board Members' Remuneration

(1) Basic Policy and Composition

The remuneration for Audit & Supervisory Board Members is limited to monthly Audit & Supervisory Board Members' Base Remuneration only, due to their role as an independent supervisory function for management. Audit & Supervisory Board Members remuneration does not have a performance-linked component.

(2) Method for Setting Remuneration

The monthly remuneration of Audit & Supervisory Board Members was set at an upper limit of ¥15 million per month in total by resolution of the 2007 Ordinary General Meeting of Shareholders. Audit & Supervisory Board Members' Base Remuneration is paid within this remuneration limit subject to discussions by the Audit & Supervisory Board Members.

Fiscal 2015 Business Report (April 1, 2015 through March 31, 2016)

Review of Operations

■ Summary of Operating Results for the Mitsubishi Corporation Group

[Business Lines]

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 also are involved in diverse businesses by actively investing in areas such as natural resources development and infrastructure, and we are engaged in finance businesses. Furthermore, 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.

[Consolidated Results]

1. Summary of Fiscal Year Ended March 31, 2016 Results

Revenues for the fiscal year ended March 2016 decreased 743.9 billion yen (10 %) year on year to 6,925.6 billion yen, mainly due to the decline in oil prices.

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

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

In other P/L items, finance income decreased 81.8 billion yen (40%) year on year to 123.1 billion yen, mainly due to such factors as lower dividend income from resource-related investees. Also, impairment losses on property, plant and equipment were recognized.

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.

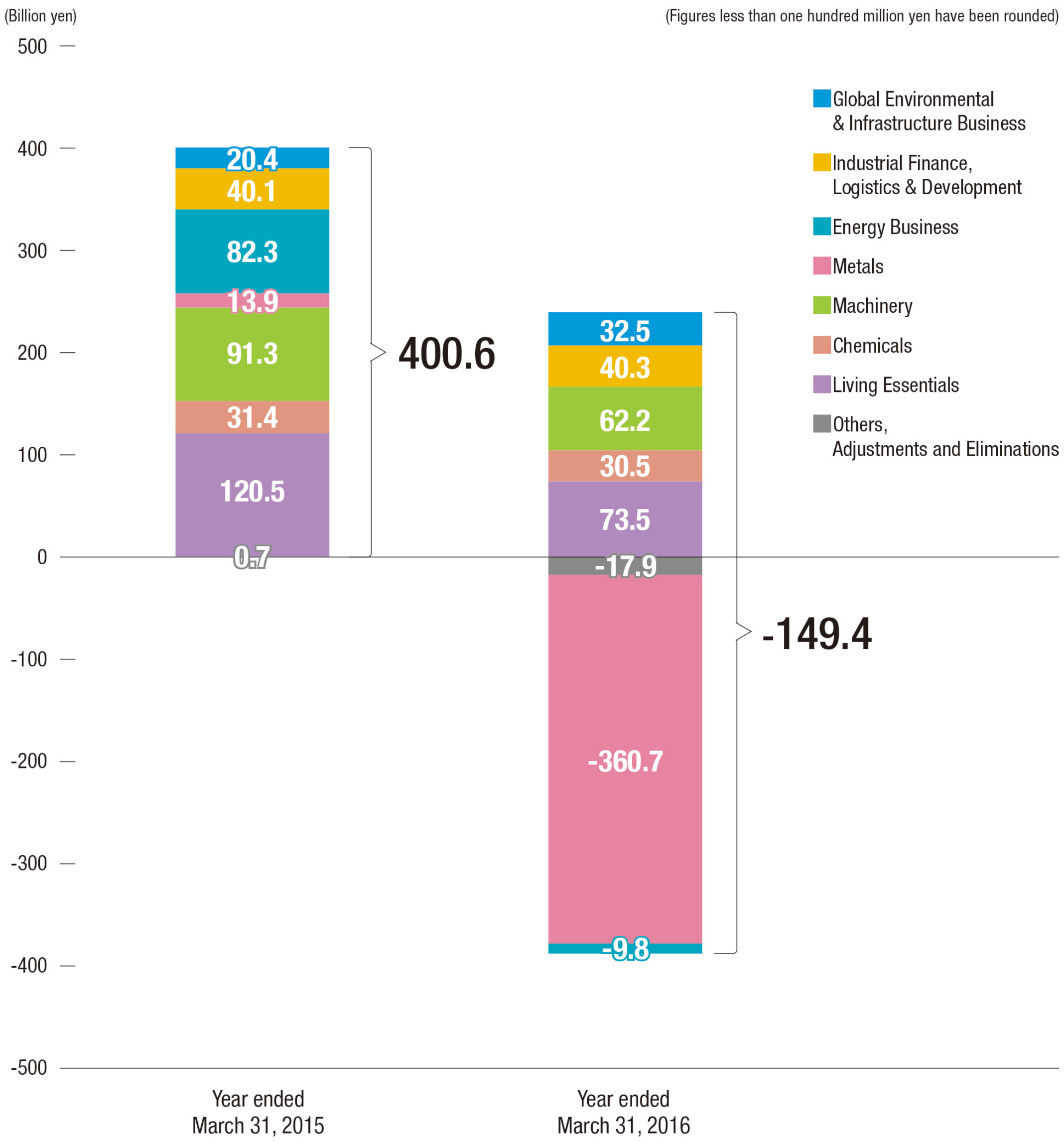
As a result, consolidated net income (net loss) attributable to owners of Mitsubishi Corporation for the fiscal year ended March 2016 decreased 550.0 billion yen to a net loss of 149.4 billion yen.

Notes:

1. This Business Report for the fiscal year ended March 2016 is prepared based on International Financial Reporting Standards (IFRS).
2. “Consolidated net income (net loss)” in this Business Report represents net income (net loss) attributable to owners of Mitsubishi Corporation, excluding non-controlling interests.

2. Segment Information

Consolidated Net Income (Net Loss) by Segment

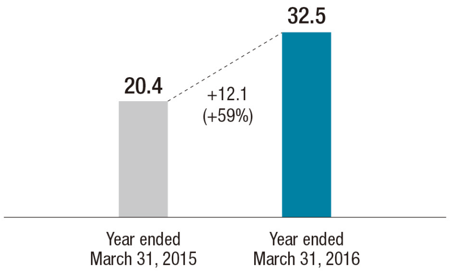


Note: Figures for the Global Environmental & Infrastructure Business represent those of the Global Environmental & Infrastructure Business Group's infrastructure-related businesses. Figures for this Group's environment-related businesses are included in Others, Adjustments and Eliminations.

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.

■**Consolidated Net Income** (Billion yen)



[Main Factors]
<Positive>
・Recording of gain on a reversal of provision for loss on guarantee in connection with a North Sea oil field project.

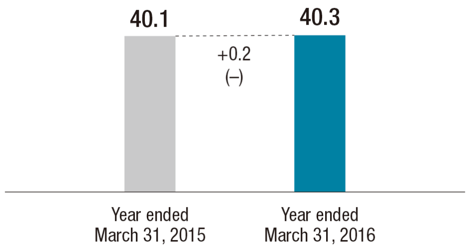
[TOPIC] Mitsubishi Corporation Enters into a Capital Alliance with Turkey's Calik Enerji

In June 2015, Mitsubishi Corporation agreed to enter into a capital alliance to build a strategic partnership with Calik Enerji Sanayi ve Ticaret A.S. (CE), an integrated energy-related infrastructure services company, which is owned by Calik Holding, a leading conglomerate in Turkey. By leveraging this partnership with CE, Mitsubishi Corporation is seeking to expand its businesses in the infrastructure sector including energy, power, and other sectors in fast growing economies such as Turkey and its surrounding countries in Central Asia, the Middle East, and North Africa.

2) Industrial Finance, Logistics & Development Group in the Philippines

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

■**Consolidated Net Income** (Billion yen)



[Main Factors]
-

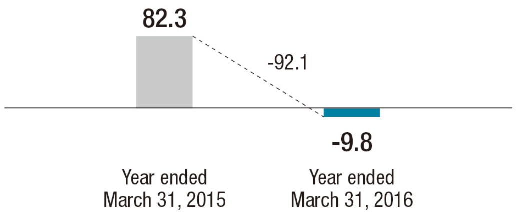
[TOPIC] Mitsubishi Corporation to Develop Office Building in the Philippines

In September 2015, Mitsubishi Corporation launched a new office development project in Makati City in the Philippines. Makati is home to one of the biggest business districts in Manila. The project is based on a tie-up with Century Properties Group Inc. Leveraging its expertise in real estate development projects and the advantages that come with Japan's advanced technologies and sophisticated product planning with the know-how Mitsubishi Corporation has, Mitsubishi Corporation intends to continue proactively expanding its involvement in high-quality real estate development projects in Southeast Asian countries, including the Philippines, Vietnam, Indonesia, Myanmar, and Thailand.

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 businesses.

■Consolidated Net Income (Billion yen)



[Main Factors]
<Negative>
- Recognition of impairment losses on resource-related investees due to deterioration of market conditions.
- Decrease in dividends received from resource-related investees due to deterioration of market conditions.

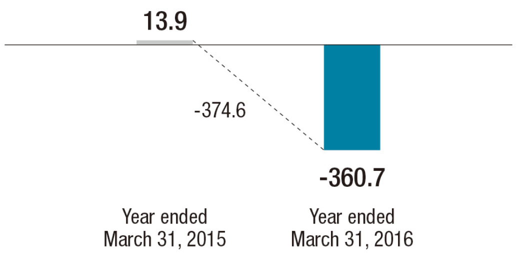
[TOPIC] First Shipment of LNG from Donggi-Senoro Project

In August 2015, in a liquefied natural gas (LNG) project being advanced in Indonesia, PT Donggi-Senoro LNG (DSLNG) shipped the first LNG cargo from Donggi-Senoro LNG Project. Mitsubishi Corporation owns 45% shares of DSLNG. DSLNG liquefies natural gas produced from a gas field in Central Sulawesi State in Indonesia and sells approximately two million tons of LNG annually to electric utility companies and utility companies in Japan and South Korea. Aiming to contribute to the stable supply of energy in East Asia, Mitsubishi Corporation will work to ensure continuous operations that are safe and reliable.

4) Metals Group

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

■Consolidated Net Income (Billion yen)



[Main Factors]
<Negative>
- Recognition of impairment losses on resource-related assets.
- Decrease in dividends received from resource-related investees due to deterioration of market conditions.

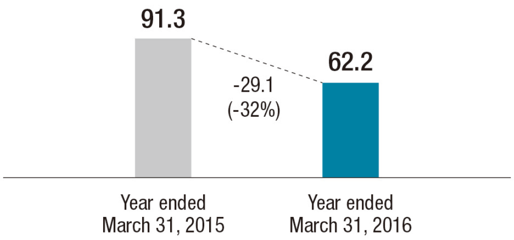
[TOPIC] Third Expansion of the Hay Point Coal Terminal

In September 2015, through MITSUBISHI DEVELOPMENT PTY LTD (MDP), a wholly-owned subsidiary of Mitsubishi Corporation, BHP Billiton Mitsubishi Alliance (BMA), which is a joint venture in Queensland, Australia, between resource major BHP Billiton and MDP, increased the annual shipping capacity of Hay Point Coal Terminal to 55 million tons through the third expansion of the terminal which BMA owns. This expansion of facilities is in response to BMA's increased production volume. Through its highly efficient production and transport capabilities, Mitsubishi Corporation will continue providing reliable supplies of high quality coking coal to the global market going forward.

5) Machinery Group

The Machinery Group is involved in sales, finance and logistics and investment in a wide range of fields which include machine tools, agricultural machinery, construction equipment, mining equipment, elevators and escalators, ships, aerospace-related equipment and motor vehicles.

■**Consolidated Net Income** (Billion yen)



[Main Factors]
<Negative>
・Decrease in earnings from automobile-related businesses in Asia.

・Recognition of one-time loss in ship business.

[TOPIC] Set up A New Elevator Plant in India

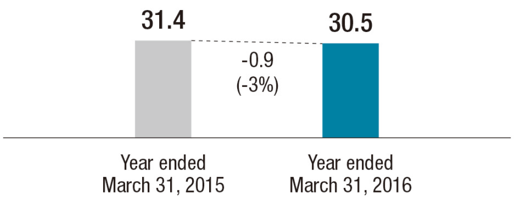
In May 2015, it was decided to set up a new plant in India at Mitsubishi Elevator India Private Limited (IMEC) to start the manufacturing of elevators for the Indian market. The escalator and elevator market in India is growing rapidly in keeping with the country's rapid economic growth, and demand is expected to see continued growth. As its escalator and elevator market continues to grow, India stands to be positioned as one of the world's most important markets in this business. Mitsubishi Corporation will continue to strengthen its business foundations in India.

6) Chemicals Group

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

■**Consolidated Net Income** (Billion yen)

[Main Factors]
-



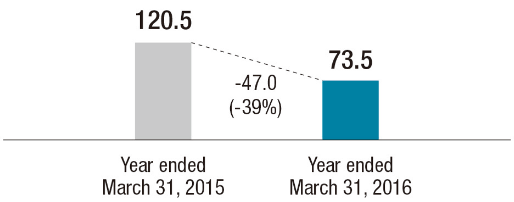
[TOPIC] Producing of Methanol and Dimethyl Ether in Trinidad and Tobago

In September 2015, Mitsubishi Corporation made a final investment decision on the methanol and dimethyl ether production and distribution business in Trinidad and Tobago. In this project, MC is working jointly with Mitsubishi Gas Chemical Company, Inc. and Mitsubishi Heavy Industries, Ltd. in japan and the state-owed National Gas Company and Massy Holding in Trinidad and Tobago. Producing methanol and dimethyl ether mainly from natural gas will enhance the value of the natural gas produced in Trinidad and Tobago. Through this project, Mitsubishi Corporation will be making a contribution to economic growth in the country and other Caribbean for methanol and dimethyl ether.

7) Living Essentials Group

The Living Essentials Group conducts businesses that support and further enrich the daily lives of consumers around the world by providing lifestyle essentials related to food, clothing and shelter. It supplies products and services, develops businesses and invests in various products fields covering an expansive range of areas from upstream to downstream parts of the value chain.

■**Consolidated Net Income** (Billion yen)



[Main Factors]
<Negative>
・Decrease due to absence of previous fiscal year's recognition of one-time gain.
(Previous fiscal year: Gain on reversal of impairment losses recognized in prior fiscal years.)

[TOPIC] Mitsubishi Corporation Acquires Stake in Olam International

In August 2015, Mitsubishi Corporation reached an agreement with Olam International Limited, a Singapore-based agricultural products company, to acquire a 20% stake and form a business agreement. Mitsubishi Corporation aims to accelerate business development in Japan and globally while contributing to the provision of a stable supply of resources to consumers around the world, one area of increased focus is agricultural production-related businesses, including farming, trading, and processing. In particular, the company has been expanding its global procurement network for raw materials such as coffee, cocoa and edible nuts, which are projected to see a notable increase in global demand in the coming years.

(Introduction of Group Directly Under the President)

Business Service Group

The Business Service Group provides IT functions that the businesses of the Mitsubishi Corporation Group and client companies require and conducts related investment and other measures. Further through collaboration with business partners in Japan and overseas, the group secures and provides flexible, competitive IT services that have global reach. At the same time, group supports initiatives to utilize digital technology in business and contributes to the ongoing corporate value enhancement and business expansion of the Mitsubishi Corporation Group and client companies.

[Activities of the Business Service Group]

Development of Digital Business

Through partners like Tata Consultancy Services and overseas offices such as the silicon valley branch, we gather information on new technology trends and business models. With this information and through cooperation with Mitsubishi Corporation's business groups, Mitsubishi Corporation are supporting and promoting business development in the industrial sector where the effects of digitalization are significant.

[Consolidated Financial Position]

1. Changes in Assets, Liabilities and Shareholders' 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 declined 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.

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.

2. Cash Flows

(Operating activities)

Net cash provided by operating activities was 700.1 billion yen, mainly due to dividend income and cash flow 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 investment in energy resource businesses and the acquisition of shares in Olam International Limited, agricultural production Company based in Singapore, despite cash provided by the collection of loans receivable, the sale of shares in listed companies and the sales of aircraft by subsidiaries.

(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, the redemption of bonds, purchase of treasury stock, and the payment of dividends at the Parent, despite provided by the issuance of hybrid bonds (unsecured and subordinated bonds) and hybrid loans (unsecured and subordinated loans).

Cash and cash equivalents at March 31, 2016 were 1,501.0 billion yen, down 224.2 billion yen from March 31, 2015.

[Capital Expenditures]

MITSUBISHI DEVELOPMENT PTY LTD (MDP) invested approximately 31.3 billion yen mainly to maintain existing facilities and expand production capacity. MDP is a wholly owned Australian subsidiary of Mitsubishi Corporation that produces, sells and invests in metal resources, mainly coal.

[Issuance of Corporate Bonds]

The Mitsubishi Corporation Group flexibly issues bonds as its primary means of procuring funds.

During the fiscal year ended March 31, 2016, Mitsubishi Corporation issued hybrid bonds (unsecured and subordinated bonds), totaling 200.0 billion yen. Furthermore, Mitsubishi Corporation Finance PLC, a wholly owned subsidiary of Mitsubishi Corporation based in the U.K., issued bonds totaling approximately 18.0 billion yen as part of the Euro Medium Term Note Programme. MC Finance & Consulting Asia Pte. Ltd, a wholly owned subsidiary of Mitsubishi Corporation based in Singapore, issued bonds totaling 60 million Singapore dollars (approximately 5.1 billion yen) as part of the Multicurrency Medium Term Note Programme.

[Important Business Combinations]

●Acquisition of Olam International Limited Shares

The Mitsubishi Corporation Group acquired 20% of the shares in Olam International Limited, an agricultural production-related company based in Singapore, making it an affiliate of Mitsubishi Corporation.

●Acquisition of Interest in Hunter Valley Operations by MITSUBISHI DEVELOPMENT PTY LTD

MITSUBISHI DEVELOPMENT PTY LTD (a wholly owned subsidiary of Mitsubishi Corporation, located in Australia, hereinafter, MDP), transferred all of its shares in its affiliate Coal & Allied Industries Limited (MDP owned a 20% interest, based in Australia, hereinafter, C&A), an Australian company that produces and sells thermal coal, to joint venture partner Rio Tinto Limited. Subsequently, MDP acquired a 32.4% interest in the Hunter Valley Operations mine, in which C&A previously had a 100% interest.

■ Operating Results and Financial Position

Mitsubishi Corporation Group Consolidated Operating Results and Financial Position

(Million yen)

	Item＼Fiscal Year Ended	<U.S. GAAP>		<IFRS>		
		March 31, 2013	March 31, 2014	March 31, 2014	March 31, 2015	March 31, 2016
Consolidated	Revenues	5,968,774	7,589,255	7,635,168	7,669,489	6,925,582
	Net Income (Loss) attributable to Owners of Mitsubishi Corporation	360,028	444,793	361,359	400,574	(149,395)
	Shareholders' Equity	4,179,698	4,774,244	5,067,666	5,570,477	4,592,516
	Total Assets	14,410,665	15,291,699	15,901,125	16,774,366	14,916,256
	Basic Net Income (Loss) attributable to Owners of Mitsubishi Corporation per Share (yen)	¥218.66	¥269.93	¥219.30	¥246.39	(¥93.68)
	R O E	9.4%	9.9%	7.5%	7.5%	(2.9%)

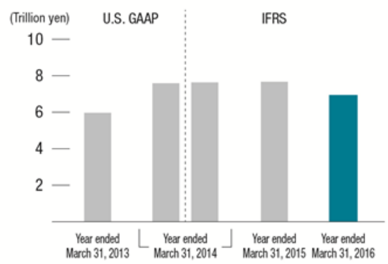
(Figures less than one million yen are rounded to the nearest million)

Notes:

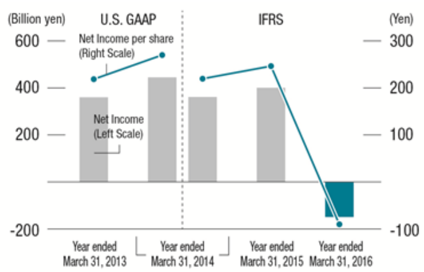
1. For the years accounted for using accounting standards generally accepted in the United States of America (U.S. GAAP) in the above table (fiscal years ended March 2013 to 2014), figures are derived from financial information included in the consolidated financial statements which are prepared in conformity with terms, form and preparation methods of U.S. GAAP in accordance with Article 120-2, Paragraph 1 of the Ordinance on Company Accounting of Japan. In addition, for the years accounted for using International Financial Reporting Standards (IFRS) (fiscal years ended March 2014, 2015 and 2016), figures are derived from financial information included in the consolidated financial statements based on IFRS in accordance with Article 120, Paragraph 1 of the Ordinance on Company Accounting of Japan.
2. Shareholders' equity for the years accounted for using International Financial Reporting Standards (IFRS) represents equity attributable to owners of Mitsubishi Corporation, excluding non-controlling interests.

[Mitsubishi Corporation Group (Consolidated)]

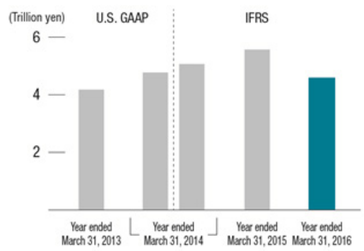
《Revenues》



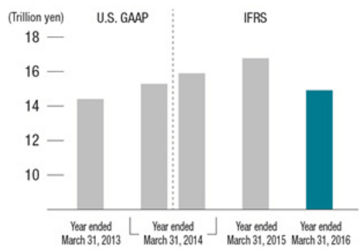
《Net Income attributable to Owners of Mitsubishi Corporation and Basic Net Income attributable to Owners of Mitsubishi Corporation per Share》



《Shareholders' Equity》



《Total Assets》



(Translation)

Mitsubishi Corporation Non-Consolidated Operating Results and Financial Position

(Million yen)

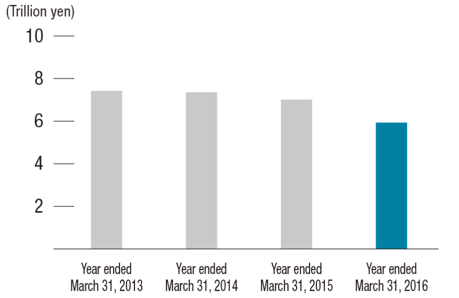
	Item＼Fiscal Year Ended	March 31, 2013	March 31, 2014	March 31, 2015	March 31, 2016
Non-consolidated	Net Sales	7,420,781	7,355,181	7,013,434	5,929,566
	Net Income (Loss)	318,551	416,686	289,744	(156,328)
	Total Equity	2,292,559	2,518,119	2,690,523	2,336,230
	Total Assets	8,114,710	7,962,764	8,249,804	7,548,952
	Basic Net Income (Loss) per Share (yen)	¥193.44	¥252.86	¥178.21	(¥98.02)
	Dividend per Share (yen)	¥55	¥68	¥70	¥50 (Including interim ¥25)

(Figures less than one million yen are rounded down)

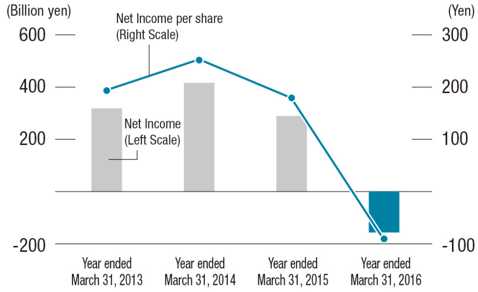
Notes: The year-end dividend applicable to the fiscal year ended March 31, 2016 is proposed at 25 yen per share and approval will be sought at the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2016 (see page 2).

[Mitsubishi Corporation (Non-consolidated)]

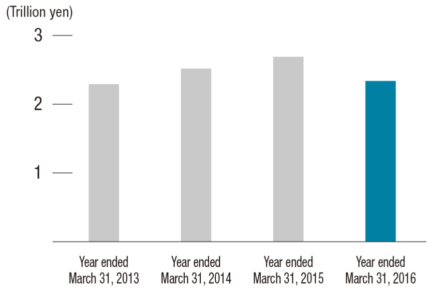
《Net Sales》



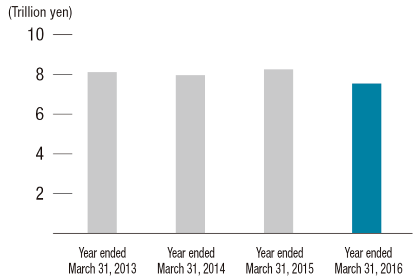
《Net Income and Basic Net Income per Share》



《Total Equity》



《Total Assets》



■Key Themes for the Mitsubishi Corporation Group

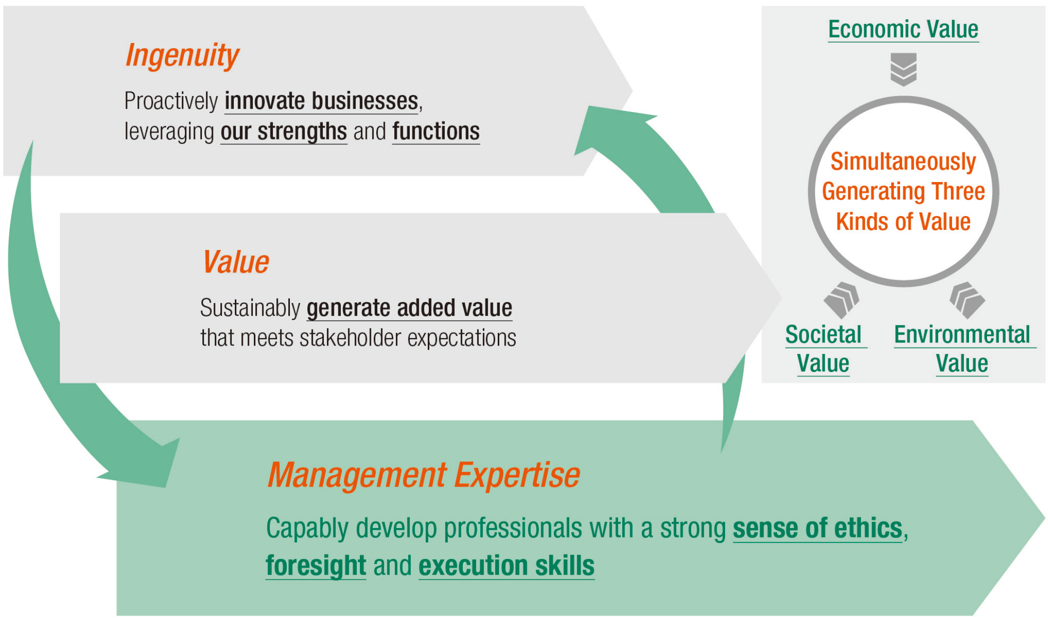
Under the midterm management plan "New Strategic Direction" during the three years beginning with fiscal year 2013, Mitsubishi Corporation redefined its value as a *sogo shosha* being capable of "providing upside potential as well as stable earnings throughout business cycles by managing a portfolio diversified by business model, industry, market and geography." As we continuously optimized our portfolio and maintained financial discipline, we have strived to realize our growth vision circa 2020 as doubling our businesses.

In May 2016, Mitsubishi Corporation established "Midterm Corporate Strategy 2018" that covers the three years beginning with fiscal year 2016, aiming the challenge of evolving our business model from investing to managing.

"Midterm Corporate Strategy 2018 - Evolving Our Business Model from Investing to Managing"

1. Corporate Vision

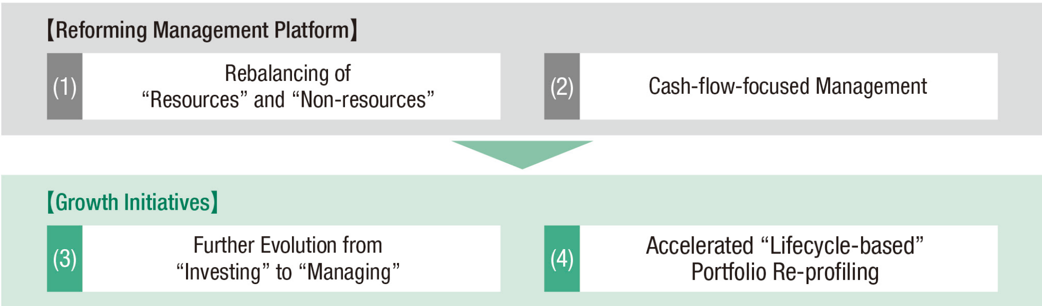
Mitsubishi Corporation shall leverage its ingenuity to create new business models and generate value for societies, thereby developing the highest level of management expertise.



(Translation)

2. Management Approach Over the Next Three Years

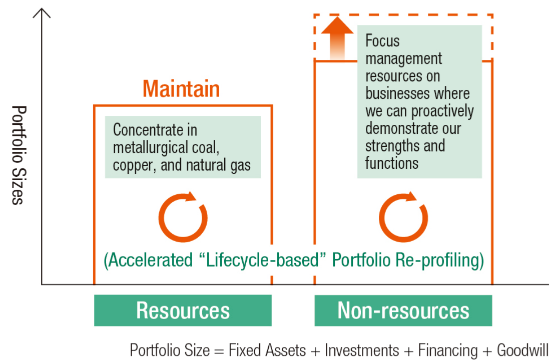
Recognizing necessity to develop a solid foundation of earnings which is not to be influenced by resource prices based on a growing volatility of resource business, Mitsubishi Corporation reforms the management platform by “Rebalancing of Resources and Non-resources” and “Cash-flow-focused Management,” and simultaneously executes “Further Evolution from Investing to Managing” and “Accelerated Lifecycle-based Portfolio Re-profiling” as a growth initiatives.



(1) Rebalancing of “Resources” and “Non-resources”

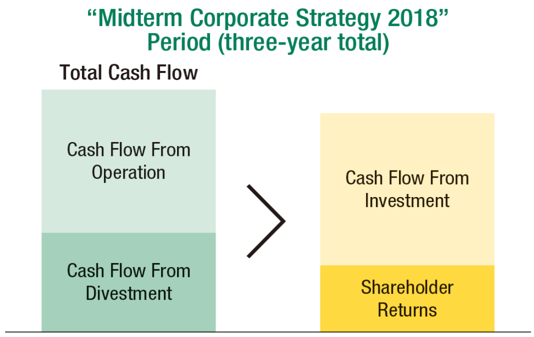
In Resources, Mitsubishi Corporation shall focus its investments in metallurgical coal, copper and natural gas, optimizing the quality of its portfolios while maintaining their overall sizes.

In Non-resources, Mitsubishi Corporation shall re-profile its portfolios by investing in growing businesses where the company can proactively demonstrate its strengths.



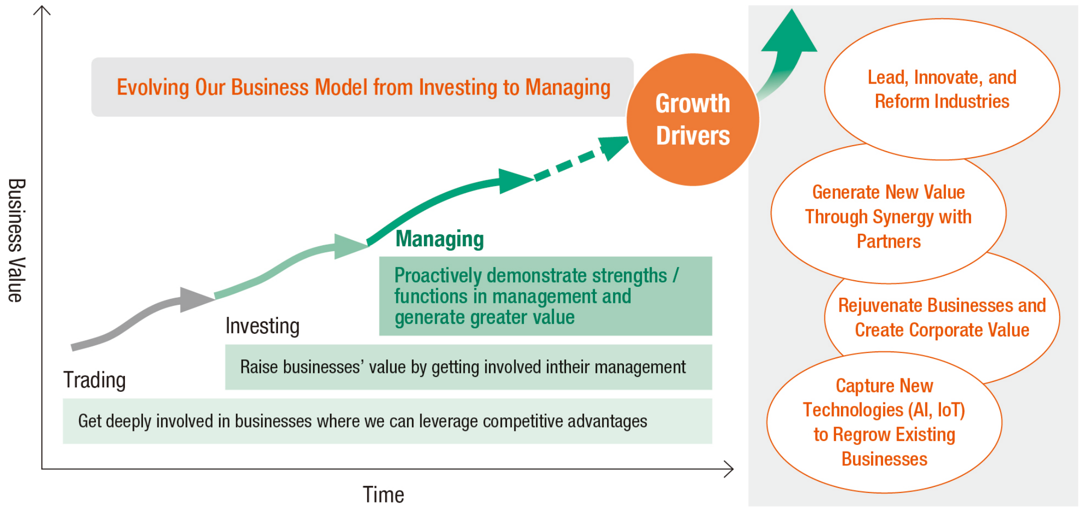
(2) Cash-flow-focused Management

Have Corporate and the Business Groups focus on managing cash flow and controlling interest-bearing debt to maintain business stability and remain flexible amidst economic uncertainty. Specifically, over the next three years, we will manage investments and shareholder returns within our total cash flow.



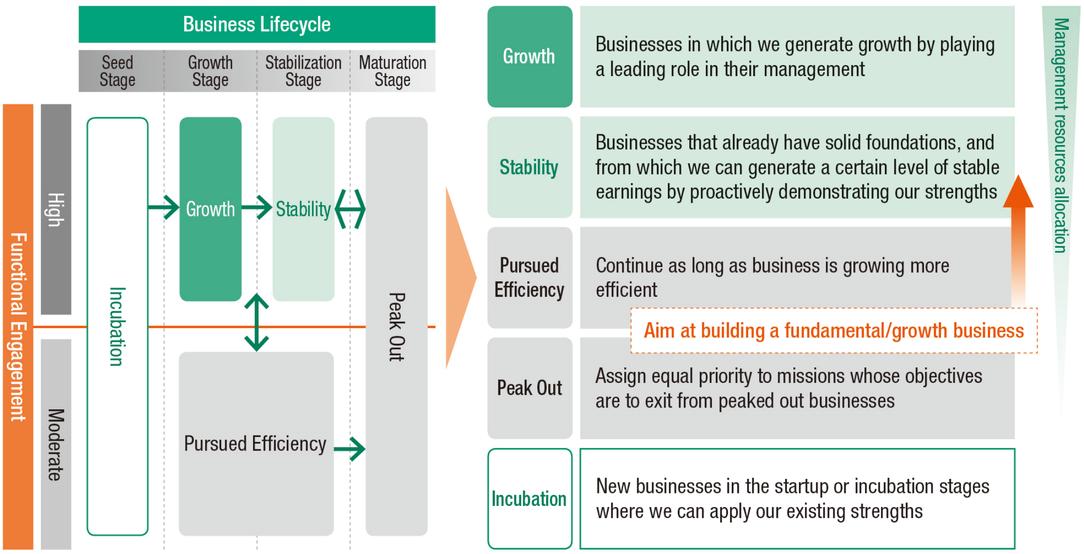
(3) Further Evolution from "Investing" to "Managing"

Promote further growth-driver evolution, from "investing" in businesses to "managing" them and generating continuous value.



(4) "Lifecycle-based" Portfolio Re-profiling

Cognizant of business lifecycles and influencing factors, promote portfolio re-profiling according to our level of functional engagement in each business

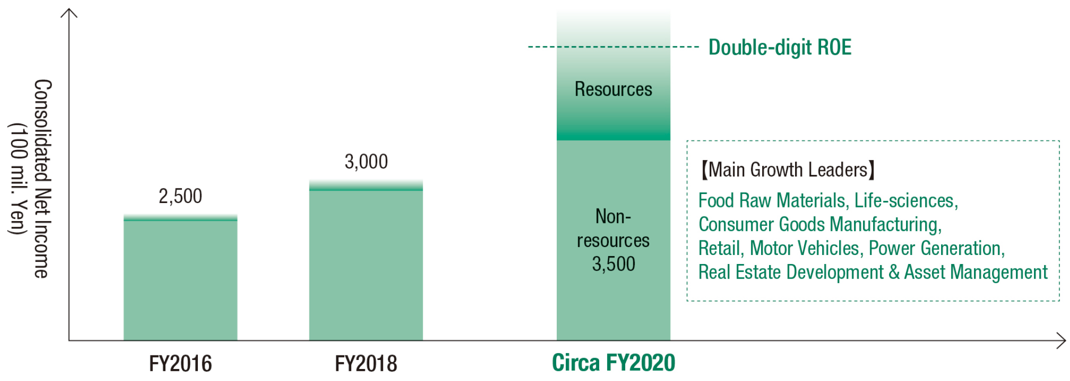


(Translation)

3. Financial Targets & Shareholder Returns

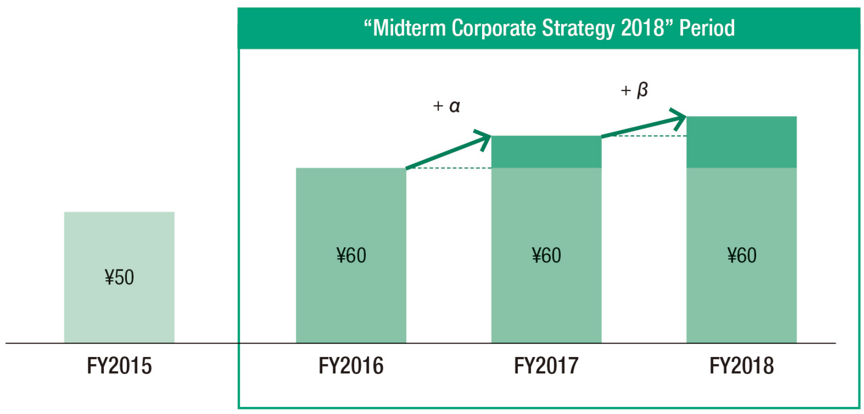
(1) Financial Targets

Aim for double-digit ROE by fiscal year circa 2020 through an effective combination of further growth in Non-resources and portfolio re-profiling in Resources.



(2) Shareholder Returns

Focus on dividend as basic approach to returning value to shareholders and increase dividend flexibly in line with sustainable earnings growth based on a progressive dividend scheme.



Mitsubishi Corporation will steadily execute "Midterm Corporate Strategy 2018" mentioned above, and generate the Economic Value, Societal Value and Environmental Value to meet the expectations of diverse stakeholders through our business under the corporate philosophy "Three Corporate Principles."

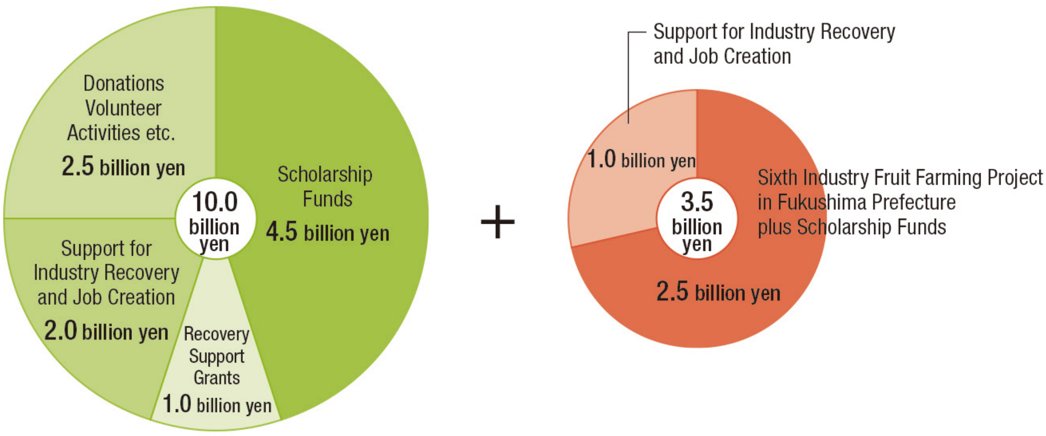
■East Japan Earthquake Recovery Support

In April 2011, Mitsubishi Corporation established the Mitsubishi Corporation East Japan Earthquake Recovery Fund, pledging a contribution of 10.0 billion yen over four years under the spirit of “Corporate Responsibility to Society” of the Three Corporate Principles that form part of its philosophy. Through this fund, Mitsubishi Corporation worked to help with restoration efforts in the affected areas. In March 2012, Mitsubishi Corporation established the Mitsubishi Corporation Disaster Relief Foundation (public interest incorporated foundation), and has continued to revive industry and create jobs in affected areas.

In April 2015, Mitsubishi Corporation contributed an additional 3.5 billion yen to the Mitsubishi Corporation Disaster Relief Foundation over the five years from the fiscal year ended March 31, 2016 to fund the Foundation’s activities. Mitsubishi Corporation is continuing its support activities in order to provide powerful assistance to the recovery of the earthquake-hit regions.

From the fiscal year ended March 31, 2012 to the fiscal year ended March 31, 2015

Additional Contribution
(For additional five years from fiscal year 2015)



Volunteer Activities

In Sendai City, Ishinomaki City and Minamisanriku Town in Miyagi Prefecture; Koriyama City in Fukushima Prefecture; and other affected towns and cities, personnel from the Mitsubishi Corporation Group have taken part in various activities such as assisting the fishing and agriculture industries, building regional community centers, and helping out with regional revival events. Looking ahead, the Mitsubishi Corporation Group employees will continue to take part in activities based on local needs.

A total of 4,119 employees have participated from the fiscal year ended March 31, 2012 to the fiscal year ended March 31, 2016 (including 513 participants in the fiscal year ended March 31, 2016).

Provision of Scholarships

Mitsubishi Corporation provides scholarships for university students who are otherwise unable to continue their studies due to the disaster.

Mitsubishi Corporation awarded scholarships to a total of 4,361 students from the fiscal year ended March 31, 2012 to the fiscal year ended March 31, 2016 (including 666 students in the fiscal year ended March 31, 2016).

Recovery Support Grants

Mitsubishi Corporation provides subsidies to NPOs and others involved with restoration efforts in affected areas. The subsidies are being used in various activities, such as providing welfare benefits, providing a proper education environment and assisting job replacement.

Mitsubishi Corporation made grants to a total of 425 projects from the fiscal year ended March 31, 2012 to the fiscal year ended March 31, 2015.

Industry Recovery and Job Creation

Mitsubishi Corporation has been providing support through investment and finance to business operators working to rebuild businesses and launch new ones, with the cooperation of local financial institutions and other groups in disaster-stricken areas so that the region makes a strong recovery.

In fiscal year ended March 31, 2016, Mitsubishi Corporation decided to provide support for six projects (approximately 50 million yen), including the manufacture and sale of musical instruments, the processing and sale of accessories, marine product processing, and food product processing.

Mitsubishi Corporation supported 50 projects (approximately 2,050 million yen) from the fiscal year ended March 31, 2013 to the fiscal year ended March 31, 2016 (Iwate Prefecture: 15 projects, Miyagi Prefecture: 24 projects, Fukushima Prefecture: 11 projects).

Sixth Industry Fruit Farming Project in Fukushima Prefecture

In February 2015, The Mitsubishi Corporation Disaster Relief Foundation entered into a partnership agreement with Koriyama City in Fukushima Prefecture for a "Sixth Industry Fruit Farming Project," which utilizes local fruit. Further, in October of the same year, Mitsubishi Corporation completed the Fukushima Winery, which began fruit fermentation. In March 2016, the winery shipped its first sparkling wine and cider, for which grapes and apples from Fukushima Prefecture were used.

Mitsubishi Corporation will construct a new business model that conducts the production, processing, and sale of fruit from Fukushima Prefecture in an integrated manner, thereby heightening the added value of agricultural produce and local brands, creating employment, and reinvigorating the local economy.

●**Relief Aid for Victims of the Kumamoto Earthquake**

Mitsubishi Corporation donated 10 million yen to Kumamoto prefecture as emergency relief for the regions affected by the earthquakes in April 2016.

(Translation)

General Information about the Mitsubishi Corporation Group (As of March 31, 2016)

■ Office Network of the Mitsubishi Corporation Group

Mitsubishi Corporation	Head Office	Mitsubishi Shoji Building: 3-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo, Japan (Registered headquarters) Marunouchi Park Building: 6-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo, Japan
	Domestic Office Network	28 offices, including Hokkaido (Sapporo), Tohoku (Sendai), Chubu (Nagoya), Kansai (Osaka), Chugoku (Hiroshima), Kyushu (Fukuoka) branches, etc.
	Overseas Office Network	107 offices, including Headquarters for the Middle East & Central Asia (Dubai), Kuala Lumpur Branch, Singapore Branch, Manila Branch, etc.

Regional Subsidiaries	42 main regional subsidiaries including: Mitsubishi Corporation (Americas), Mitsubishi International Corporation, Mitsubishi de Mexico S.A. de C.V., Mitsubishi Corporation do Brasil S.A., Mitsubishi Corporation International (Europe) Plc., Mitsubishi International GmbH, Mitsubishi Corporation India Private Ltd., Mitsubishi Company (Thailand), Ltd., Thai-MC Company Limited, PT. Mitsubishi Corporation Indonesia, Mitsubishi Corporation China Co., Ltd., Mitsubishi Corporation (Shanghai) Ltd., Mitsubishi Corporation (Hong Kong) Ltd., Mitsubishi Corporation (Taiwan) Ltd., Mitsubishi Corporation (Korea) Ltd., Mitsubishi Australia Limited, etc. (84 locations if it includes the branches and offices of those subsidiaries)

Note: In addition to the above, the Mitsubishi Corporation Group companies have offices, factories and other bases in Japan and overseas. A summary of major Group companies is shown (on page 57) under “Status of Major Subsidiaries and Affiliated Companies.”

■Number of Employees of the Mitsubishi Corporation Group

(Number of employees)

	Global Environmental & Infrastructure Business	Industrial Finance, Logistics & Development	Energy Business	Metals	Machinery	Chemicals	Living Essentials	Others	Total (YoY change)
The Mitsubishi Corporation Group	1,568	1,620	1,639	11,620	9,716	7,152	31,105	3,827	68,247 (△3747)
Mitsubishi Corporation	436	373	550	287	542	640	888	1,663	5,379 (-258)

Notes:

1. The number of employees does not include individuals seconded to other companies and includes individuals seconded from other companies.
2. The number of employees in the Global Environmental & Infrastructure Business Group includes employees working in the infrastructure-related businesses. Employees working in the environment-related businesses in the Global Environmental & Infrastructure Group are included in the number of employees in Others.

■ Status of Major Subsidiaries and Affiliated Companies

Major consolidated subsidiaries and equity-method affiliates

Name of Company	Capital stock (Amounts rounded to the nearest million yen or thousand foreign currency)	Voting rights percentage	Main business
Mitsubishi Corporation (Americas)	US$1,427,832	100	Operational support and management for North American companies subject to consolidation
Mitsubishi Corporation International (Europe) Plc.	£ 120,658	100	Trading
Mitsubishi Corporation (Shanghai) Ltd.	US$91,000	100	Trading
Mitsubishi Corporation Finance PLC	US$90,000	100	Financial investment company
Japan Australia LNG (MIMI) Pty. Ltd.	US$2,604,286	50	Development and sales of LNG
TRI PETCH ISUZU SALES COMPANY LIMITED	THB 3,000,000	88.73	Import / Distribution of automobiles
MITSUBISHI DEVELOPMENT PTY LTD	AUS$450,586	100	Investment, production and sales of coals and other metals resources
Metal One Corporation	¥100,000	60	Steel products operations
Mitsubishi Shokuhin Co., Ltd	¥10,630	62	Wholesale of food products
Lawson, Inc.	¥58,506	33.50	Operation of a convenience store chain

Note: As of March 31, 2016, 1,242 companies are subject to consolidation (815 consolidated subsidiaries and 427 equity-method affiliates).
Previously, the number of companies subject to consolidation was stated as the number of companies for which Mitsubishi Corporation directly implements consolidated accounting procedures. However, from the fiscal year ended March 31, 2016, the number of companies subject to consolidation includes affiliates for which subsidiaries implement consolidated accounting procedures.

■ Stock Information

1. Number of shares authorized for issuance 2,500,000,000 shares

2. Shares of common stock issued, capital stock and number of shareholders

	Shares of common stock issued	Capital stock	Number of shareholders
As of March 31, 2015	1,624,036,751 shares	¥204,446,667,326	264,730
Increase/decrease	-33,959,900	-	+7,835
As of March 31, 2016	1,590,076,851 shares	¥204,446,667,326	272,565

Note: The number of shares of common stock issued decreased by 33,959,900 shares due to cancellation of treasury stocks on August 31, 2015.

■ Stock Acquisition Rights

1. Stock Acquisition Rights at Fiscal Year-end
(1) Stock Acquisition Rights as Stock Options
Directors', Audit & Supervisory Board Members' and Senior Vice Presidents' Holdings

Year issued	No. of stock options	Class and number of shares to be issued upon exercise of stock options	Issue price of stock options	Price per share due upon exercise of stock options (Exercise Price)	Stock option term
2006	1,750	175,000 shares of the Company's common stock	Issued in gratis	¥2,435	From July 22, 2008 through June 27, 2016

Breakdown

Year issued	Directors (Excluding Outside Directors)		Audit & Supervisory Board Members		Senior Vice Presidents	
	No. of stock options	No. of holders	No. of stock options	No. of holders	No. of stock options	No. of holders
2006	1,450	6	150	1	150	1

Notes:
1. The number of acquisition rights granted to Directors who also have duties as Senior Vice Presidents are shown in the column titled "Directors."
2. Stock acquisition rights held by the Audit & Supervisory Board Members were granted while the individual was a Senior Vice President. No stock acquisition rights were granted during the individual's tenure as an Audit & Supervisory Board Member.
3. The total number of shares for the purposes of stock acquisition rights at March 31, 2016 was 844,600 including holdings by retirees.

(2) Stock Acquisition Rights as Stock Options for a Stock-option-based Remuneration Directors', Audit & Supervisory Board Members', Senior Vice Presidents' and Senior Vice Presidents' ("Riji") Holdings

Year issued	No. of stock options	Class and number of shares to be issued upon exercise of stock options	Issue price of stock options	Price per share due upon exercise of stock options (Exercise Price)	Stock option term
2005	460	46,000 shares of the Company's common stock	Issued in gratis	¥1	From August 11, 2005 through June 24, 2035
2006	267	26,700 shares of the Company's common stock	Issued in gratis	¥1	From August 11, 2006 through June 27, 2036
2007	60	6,000 shares of the Company's common stock	Issued in gratis	¥1	From August 7, 2007 through June 26, 2037
2008	200	20,000 shares of the Company's common stock	Issued in gratis	¥1	From August 5, 2008 through June 25, 2038
2009	644	64,400 shares of the Company's common stock	Issued in gratis	¥1	From August 4, 2009 through June 24, 2039
2010	988	98,800 shares of the Company's common stock	Issued in gratis	¥1	From August 3, 2010 through August 2, 2040
For FY 2010 (Issued June 6, 2011)	51	5,100 shares of the Company's common stock	Issued in gratis	¥1	From June 7, 2011 through August 2, 2040
2011	1,438	143,800 shares of the Company's common stock	Issued in gratis	¥1	From August 2, 2011 through August 1, 2041
For FY 2011 (Issued June 4, 2012)	94	9,400 shares of the Company's common stock	Issued in gratis	¥1	From June 5, 2012 through August 1, 2041
2012	3,789	378,900 shares of the Company's common stock	Issued in gratis	¥1	From August 7, 2012 through August 6, 2042
2013	3,890	389,000 shares of the Company's common stock	Issued in gratis	¥1	From August 13, 2013 through August 12, 2043
For FY 2013 (Issued June 2, 2014)	609	60,900 shares of the Company's common stock	Issued in gratis	¥1	From June 3, 2014 through August 12, 2043
2014	5,212	521,200 shares of the Company's common stock	Issued in gratis	¥1	From June 3, 2014 through June 2, 2044
For FY 2014 (Issued June 1, 2015)	164	16,400 shares of the Company's common stock	Issued in gratis	¥1	From June 2, 2015 through June 2, 2044
2015	4,647	464,700 shares of the Company's common stock	Issued in gratis	¥1	From June 2, 2015 through June 1, 2045

Breakdown

Year issued	Directors (Excluding Outside Directors)		Audit & Supervisory Board Member		Senior Vice Presidents		Senior Vice Presidents ("*Riji*")	
	No. of stock options	No. of holders	No. of stock options	No. of holders	No. of stock options	No. of holders	No. of stock options	No. of holders
2005	460	5	–	–	–	–	–	–
2006	239	5	–	–	28	1	–	–
2007	–	–	–	–	60	1	–	–
2008	84	1	–	–	116	2	–	–
2009	–	–	–	–	644	4	–	–
2010	262	2	185	1	541	6	–	–
For FY 2010 (Issued June 6, 2011)	–	–	–	–	51	1	–	–
2011	414	3	194	1	830	9	–	–
For FY 2011 (Issued June 4, 2012)	–	–	–	–	94	1	–	–
2012	1,034	6	283	1	2,248	16	224	8
2013	1,594	8	205	1	1,871	17	220	11
For FY 2013 (Issued June 2, 2014)	–	–	–	–	609	3	–	–
2014	1,961	9	20	1	2,811	26	420	21
For FY 2014 (Issued June 1, 2015)	–	–	–	–	96	1	68	1
2015	1,373	9	8	1	2,251	29	1,015	35

Notes:
1. The number of acquisition rights granted to Directors who also have duties as Senior Vice Presidents are shown in the column titled "Directors."
2. Stock acquisition rights held by the Audit & Supervisory Board Member were granted while the individual was a Director, Senior Vice President or Senior Vice President ("Riji"). No stock acquisition rights have been granted during the individual's tenure as an Audit & Supervisory Board Member.
3. The total number of shares for the purposes of stock acquisition rights at March 31, 2016 was 3,141,600 including holdings by retirees.

2. Stock Acquisition Rights Granted During the Fiscal Year Ended March 31, 2016

Stock Acquisition Rights as Stock-option-based Remuneration in the Fiscal Year Ended March 31, 2016

Date of the resolution on issuance of stock options	May 15, 2015	May 15, 2015
Number of stock options	251	4,765
Number of allottees and rights granted	Senior Vice Presidents 1 people 96 units Senior Vice Presidents ("Riji")* 2 person 155 units	Directors 9 people 1,373 units Senior Vice Presidents 30 people 2,319 units Senior Vice Presidents ("Riji") 37 people 1,073 units
Class and number of shares to be issued upon exercise of stock options	25,100 shares of the Company's common stock	476,500 shares of the Company's common stock
Issue price of stock options	Issued in gratis	
Price per share due upon exercise of stock options (Exercise Price)	¥1	
Stock option term	From June 2, 2015 through June 2, 2044	From June 2, 2015 through June 1, 2045
Other conditions for exercise of stock options	a. A stock option holder may exercise his/her stock options from June 3, 2016 or the day after losing his/her position as either Director, Senior Vice President or Senior Vice President ("Riji") of Mitsubishi Corporation, whichever is earlier, within the Stock Option Term above.	a. A stock option holder may exercise his/her stock options from June 2, 2017 or the day after losing his/her position as either Director, Senior Vice President or Senior Vice President ("Riji") of Mitsubishi Corporation, whichever is earlier, within the Stock Option Term above.
	b. A stock option holder may not exercise his/her stock options after 10 years from the day after losing his/her position as either Director, Senior Vice President or Senior Vice President ("Riji") of Mitsubishi Corporation.	
	c. In the event that a stock option holder forfeits his/her stock options, such stock options cannot be exercised.	

Notes: [*] includes people who retired in the fiscal year ended March 31, 2015.

■ Principal Shareholders

Name of shareholder	No. of shares (Thousands)	Investment ratio (%)
Japan Trustee Services Bank, Ltd. (Trust Account)	131,319	8.28
Tokio Marine & Nichido Fire Insurance Co., Ltd.	74,534	4.70
The Master Trust Bank of Japan, Ltd. (Trust Account)	69,200	4.36
Meiji Yasuda Life Insurance Company	64,846	4.09
The Master Trust Bank of Japan, Ltd. (Mitsubishi Heavy Industries, Limited Account, Retirement Benefit Trust Account)	32,276	2.03
Ichigo Trust Pte. Ltd.	29,483	1.86
The Nomura Trust and Banking Co., Ltd. (Pension Benefit Trust Account, Mitsubishi UFJ Trust and Banking Corporation)	22,088	1.39
THE BANK OF NEW YORK MELLON SA/NV 10	20,258	1.27
Japan Trustee Services Bank, Ltd. (Trust Account 9)	20,149	1.27
Japan Trustee Services Bank, Ltd. (Trust Account 7)	18,956	1.19

(Figures less than 1,000 shares are rounded down)

Note: The investment ratio is computed by excluding 5,441,606 shares of treasury stock held by Mitsubishi Corporation and rounded to two decimal points.

■ Major Lenders

The Mitsubishi Corporation Group has a group finance policy in which domestic and overseas finance subsidiaries, overseas subsidiaries and other entities raise their own funds for distribution to affiliates. The Mitsubishi Corporation Group's borrowing from financial institutions is conducted mainly by Mitsubishi Corporation. The following is a list of major lenders as of March 31, 2016.

Name of lender	Loans payable (Million yen)
Japan Bank for International Cooperation	352,692
Meiji Yasuda Life Insurance Company	292,000
Nippon Life Insurance Company	215,000
Mitsubishi UFJ Trust and Banking Corporation	162,242
Development Bank of Japan Inc.	140,000
Sumitomo Mitsui Trust Bank, Limited	136,144
Sumitomo Life Insurance Company	120,000
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	112,087

(Figures less than one million yen are rounded to the nearest million)

Note: In addition to the above, Mitsubishi Corporation has borrowings of 170,000 million yen from a syndicated loan, a facility arranged by The Bank of Tokyo-Mitsubishi UFJ, Ltd. and Mizuho Bank, Ltd.

■ Internal Control System (System for Ensuring Proper Business)

(Article 362, Paragraph 4, Item 6 of the Companies Act)

On May 8, 2015, the Board of Directors of Mitsubishi Corporation resolved the basic policy of establishing the following internal control systems (pursuant to items enumerated in Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act) for Mitsubishi Corporation, as a whole Mitsubishi Corporation group including its subsidiaries, to improve the corporate value through proper and efficient business operations in conformity with laws and its Articles of Incorporation. Mitsubishi Corporation checks the operating status of these systems and endeavors to continuously improve and strengthen them.

<Basic Policy for the Construction of an Internal Control System>

1. System for the Storage and Management of Information Related to Directors' Execution of Duties

After establishing internal rules and regulations in relation to such matters as persons responsible for management of information in the course of execution of duties and methods and informing all parties, Mitsubishi Corporation shall rigorously reflect the rules and regulations in operations and prepare, process, and store information appropriately.

2. Regulations and Other Systems Concerning Management of Loss Risk

Mitsubishi Corporation shall establish internal rules and regulations for such matters as risk classes, persons responsible for management and methods for each class, and systems. After informing all parties, Mitsubishi Corporation shall rigorously reflect the rules and regulations in operations. In addition, in accordance with the business lines or size of subsidiaries, Mitsubishi Corporation shall encourage the development of necessary risk management systems, thereby appropriately controlling on a corporate group basis risk accompanying the execution of duties.

3. System for Ensuring that Directors Perform Duties Efficiently

(1) The President and CEO shall establish management policies and goals on a corporate group basis, prepare management plans aimed achieving them, and then endeavor to execute duties efficiently by implementing these plans.

(2) Mitsubishi Corporation shall establish internal rules and regulations for such matters as standards and main points relating to reorganization, the division of duties, personnel allocation, and authority. After informing all parties, Mitsubishi Corporation shall rigorously reflect the rules and regulations in operations. Further, in accordance with the business lines or size of subsidiaries, Mitsubishi Corporation shall ensure efficiency by encouraging the establishment of similar internal rules and regulations and other measures.

4. System to Ensure that the Execution of Duties by Directors and Employees Is in Conformity with the Laws and Regulations and Articles of Incorporation

(1) Mitsubishi Corporation shall establish internal rules and regulations for such matters as codes of conduct for officers and employees; Companywide lateral management systems; and measures for prevention, correction, and improvement; and internal whistleblower systems. After informing all parties, Mitsubishi Corporation shall rigorously reflect the rules and

regulations in operations. Further, Mitsubishi Corporation shall realize compliance capabilities on a corporate group basis by encouraging subsidiaries to establish similar systems.

(2) Mitsubishi Corporation shall establish internal rules and regulations for such matters as the establishment of persons responsible for each accounting organization and procedures for the preparation of financial statements in conformity with laws and accounting standards. After informing all parties, Mitsubishi Corporation shall rigorously reflect the rules and regulations in operations and ensure proper and timely disclosure of financial information on a corporate group basis.

(3) Mitsubishi Corporation shall establish internal rules and regulations for such matters as the systems and main points of internal auditing. After informing all parties, Mitsubishi Corporation shall rigorously reflect the rules and regulations in operations and objectively inspect, evaluate, and improve the execution of duties by respective organizations and subsidiaries.

5. System to Ensure the Suitability of Business Conducted by the Stock Company and the Corporate Group Comprising the Parent Company and Subsidiaries

To ensure appropriate duties in the corporate group, Mitsubishi Corporation shall establish basic policies on a corporate group basis while for each subsidiary and affiliate establishing internal rules and regulations for such matters as persons responsible, important management-related items, management methods, and the exercise of shareholder rights. After informing all parties, Mitsubishi Corporation shall rigorously reflect the rules and regulations in operations. Further, these persons responsible shall receive reports required by the Parent Company concerning the status of the execution of duties by directors and others at subsidiaries and shall understand the qualitative and quantitative status and issues of subsidiaries.

6. If Employees Are Required to Assist in the Duties of Audit & Supervisory Board Members, Items Concerning the Said Employees

Mitsubishi Corporation shall establish an independent, dedicated organization to assist Audit & Supervisory Board Members in the execution of their duties.

7. Items Concerning the Independence from Directors of Employees in "6." above

For personnel matters concerning employees assisting in the duties of Audit & Supervisory Board Members, such as evaluations and transfers, Mitsubishi Corporation shall seek the opinions of Audit & Supervisory Board Members and shall respect these opinions.

8. Items Concerning the Ensuring of the Effectiveness of Directions Issued to Employees Assisting in the Duties of Audit & Supervisory Board Members

Employees assisting in the duties of Audit & Supervisory Board Members shall not concurrently perform duties for other divisions and departments and shall exclusively comply with the instructions of Audit & Supervisory Board Members, thereby ensuring the effectiveness of Audit & Supervisory Board Members' directions.

9. System to Enable Directors, Employees, and Others to Report to Audit & Supervisory Board Members and Other Systems for Reporting to Audit & Supervisory Board Members

(1) Audit & Supervisory Board Members shall attend meetings of the Board of Directors and other important management meetings and shall state opinions.

(2) Mitsubishi Corporation shall establish internal rules and regulations for such matters as persons responsible, standards, and methods in relation to reporting to Audit & Supervisory Board Members if there is a risk of substantial detriment occurring.
(3) Mitsubishi Corporation shall encourage the construction of systems, including a system for enabling the persons responsible or officers and employees of respective subsidiaries to report if Audit & Supervisory Board Members request reports relating to subsidiaries and a system to enable the reporting of important matters, including subsidiaries' significant compliance matters, to Audit & Supervisory Board Members.

10. System to Ensure That Persons Who Have Submitted a Report to Audit & Supervisory Board Member Are Not Treated Disadvantageously as a Result of Submitting the Said Report

Mitsubishi Corporation shall prohibit the disadvantageous treatment of officers and employees as a result of having reported to Audit & Supervisory Board Members and shall encourage subsidiaries to rigorously inform the officers and employees of subsidiaries of this policy.

11. Items Concerning Procedures for the Advance Payment or Reimbursement of Expenses Arising from the Execution of Audit & Supervisory Board Member' Duties and Policy Concerning the Processing of Other Expenses or Liabilities Arising from the Execution of the Said Duties

When Audit & Supervisory Board Member submit invoices for such items as reimbursement of expenses incurred in the execution of their duties, excluding cases in which it is recognized that the said expenses were not required for the execution of Audit & Supervisory Board Member' duties, Mitsubishi Corporation shall undertake prompt processing.

12. Other Systems to Ensure That Audit & Supervisory Board Member' Audits Are Executed Effectively

Audit & Supervisory Board Member shall endeavor to communicate with internal related departments and independent auditors, collect information, and conduct investigations, and related departments shall cooperate with these efforts.

<Operating Status of Internal Control System>

Every year, the Mitsubishi Corporation Group conducts monitoring of development and operating status of its internal control system and, in light of these results, implements improvements or helps subsidiaries implement improvements. Further, details of the operating status of the internal control system are reported to the Board of Directors.
The main details of the operating status of the internal control system are as follows.

Management and Storage of Information

For information related to business activities, the person responsible for managing business activities classifies information individually in accordance with its degree of importance. They also instruct users on the handling of this information. The aim is to ensure information security while promoting efficient administrative processing and the sharing of information. The responsible person retains, for a predetermined period, documents that must be stored by law and information that Mitsubishi Corporation specifies as important in terms of internal management. For all other information, the responsible person determines the necessity and period for storage of information, and stores such information accordingly.

Regarding countermeasures for cyber-attacks with such aims as the exploitation or destruction of corporate information, Mitsubishi Corporation takes systemic countermeasures, continuously educates employees, and checks and establishes incident-response systems that include major subsidiaries. Also, Mitsubishi Corporation collaborates with outside specialist bodies to access the latest information and implement appropriate, effective countermeasures.
In the fiscal year ended March 31, 2016, in light of the increasing sophistication of cyber-attacks recently and the beginning of the operation of the national identification number system, Mitsubishi Corporation amended internal rules and regulations relating to information security and the protection of personal information and endeavored to strengthen management of information assets.

Risk Management
Mitsubishi Corporation has designated categories of business activity risk, corresponding to the details and scale of the Mitsubishi Corporation Group's businesses—such as credit, market, business investment, country, compliance, legal, information management, environmental, and natural disaster-related risks—and has specified departments responsible for each category. Furthermore, Mitsubishi Corporation also has in place policies, systems and procedures for managing risk on a consolidated basis, including by responding to new risks by immediately designating a responsible department to manage such risks, and executes operations based on these policies, systems, and procedures.
With respect to individual projects, personnel responsible for the applicable department makes decisions within the scope of their prescribed authority after analyzing and assessing the risk-return profile of each project in accordance with company-wide policies and procedures. Projects are executed and managed on an individual basis in accordance with this approach. Further, in response to the progress of projects or changes in the external environment, Mitsubishi Corporation conducts periodic verification of risk-return profiles.
In addition to managing risk on an individual project basis, Mitsubishi Corporation assesses risk on a consolidated basis with respect to risks that are capable of being monitored quantitatively and manages these risks properly, making reassessments as necessary.
In fiscal year ended March 31, 2016, Mitsubishi Corporation strengthened responses to risks. These efforts included the establishment of a manual concerning the preparation of initial responses and business continuity plans (BCPs) for the Mitsubishi Corporation Group so that it can execute and continue important operations and businesses in the event of a large-scale accident or disaster.

Efficient Business Execution
The President and CEO delineates basic management policies for the Mitsubishi Corporation

Group and sets specific management goals. At the same time, the President and CEO formulates management plans and oversees progress in achieving targets efficiently. The organization is realigned and resources are deployed as necessary so as to achieve management targets in the most efficient manner possible. Furthermore, the organizational chain of command is clearly laid out and authority is delegated to managers and staff of internal organizational bodies to the extent necessary to accomplish targets. These people are required to submit reports regularly. In addition, the President and CEO works in a cycle where he conducts regular follow-up checks regarding the execution of management plans and repeatedly makes revisions to plans after giving consideration to such factors as the level of achievement and the external environment.

Compliance

Compliance, which is defined as acting in compliance with laws and regulations and in conformity with social norms, is regarded as a matter of the highest priority in conducting business activities. Mitsubishi Corporation has formulated a Code of Conduct for all officers and employees, which specifies basic matters in relation to compliance. Efforts are made to ensure that all officers and employees are familiar with the Code of Conduct and that Mitsubishi Corporation's corporate philosophy is understood and practiced throughout the entire Mitsubishi Corporation Group.

To accomplish this, Mitsubishi Corporation has built a Group-wide compliance promotion framework that includes the appointment of the Chief Compliance Officer, who has overall control; the appointment of compliance officers in each organization and subsidiary; and information sharing at regularly convened meetings of the Compliance Committee. Also, Mitsubishi Corporation takes preventive and corrective measures, such as offering any needed training on a consolidated basis regarding the various laws and regulations. Regarding Codes of conduct for officers and employees, for all officers and employees every year Mitsubishi Corporation conducts training seminars and requires the submission of compliance pledges. In addition, to heighten the compliance awareness of officers and employees, the Mitsubishi Corporation Group regularly holds compliance discussions, which enable officers and employees to discuss compliance freely in small groups.

Regarding the status of compliance, in addition to a framework for receiving reports from all officers and employees in internal organizations and subsidiaries throughout the Mitsubishi Corporation Group, Mitsubishi Corporation has established an internal whistleblower system. Through these structures and systems, Mitsubishi Corporation identifies problems and shares information. Regular reports are also made to the Board of Directors and to the Audit & Supervisory Board Members on the status of compliance. Moreover, Mitsubishi Corporation rigorously protects people making reports from internal organizations and subsidiaries to ensure that they do not suffer any disadvantage.

Financial Reporting

To ensure proper and timely disclosure in financial statements, Mitsubishi Corporation has appointed personnel responsible for financial reporting and for preparing financial statements in conformity with legal requirements and accounting standards. These financial statements are released after being discussed and confirmed by Disclosure Committee.

For the internal control system governing financial reporting, Mitsubishi Corporation conducts internal control activities and monitoring in accordance with the internal control system based on the Financial Instruments and Exchange Act. Mitsubishi Corporation develops activities to ensure the effectiveness of internal controls on a consolidated basis.

Auditing and Monitoring

To more objectively review and evaluate business activities, Mitsubishi Corporation conducts regular audits of each organization and subsidiary through an internal audit organization.

Ensuring Proper Business in Group Management

Mitsubishi Corporation has established internal rules and regulations concerning the management of subsidiaries, and specifies a department that is responsible for the oversight of each subsidiary and affiliate. The person responsible in the specified department requires the directors of the subsidiaries to report the business execution and quantitatively monitor business performance, management efficiency and other operational aspects of each company every year. Efforts are also made to monitor qualitative issues such as compliance and risk management. In addition, checks are conducted in relation to the development and operating status of the internal control system and with regard to whether or not improvement is required. In the fiscal year ended March 31, 2016, Mitsubishi Corporation partially amended internal rules and regulations relating to the management of subsidiaries. These amendments further clarify the responsibilities of respective departments responsible for management and are intended to further advance and increase the efficiency of efforts to ensure that the Mitsubishi Corporation Group conducts business appropriately.

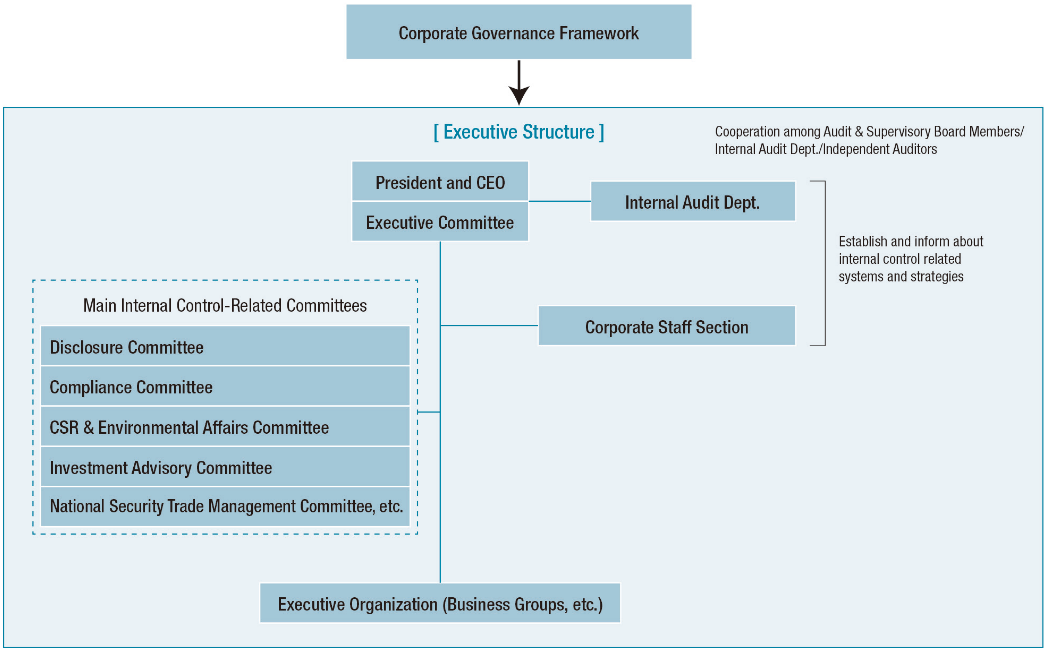
Mitsubishi Corporation strives to ensure proper business conduct by subsidiaries that conform to laws, the Articles of Corporation and internal regulations, by sending Directors to sit on their boards, executing joint venture agreements, exercising its voting rights and in other ways. Through various initiatives designed to sustain growth at each company through efficient business execution, Mitsubishi Corporation aims to raise corporate value on a consolidated basis.

Audit & Supervisory Board Member

The Audit & Supervisory Board Members attend and express opinions at meetings of the Board of Directors and other important management meetings. In addition, the Audit & Supervisory Board Members gather information and conduct surveys, keeping channels of communication open with independent auditors, Directors, Executive Officers and employees of Mitsubishi Corporation, directors and Audit & Supervisory Board Members of subsidiaries, and others, who cooperate with these efforts whenever necessary. Moreover, Mitsubishi Corporation shall bear the necessary expenses to ensure the auditing effectiveness.

If there is a risk of a certain level of financial loss or a major problem, personnel responsible in the department concerned is required to immediately report to Audit & Supervisory Board Members in accordance with predetermined standards and procedures, and subsidiaries are also required to report if necessary, going through the responsible department concerned or other channels. The aforementioned system is actually operating. Further, officers and employees shall not be treated disadvantageously as a result of reporting to Audit & Supervisory Board Members, and subsidiaries are informed rigorously of this policy. To raise the effectiveness of audits conducted by Audit & Supervisory Board Members, an internal organization directly reporting to the Audit & Supervisory Board and personnel working only for Audit & Supervisory Board Members is appointed to assist Audit & Supervisory Board Members in carrying out their duties so that it can quickly respond in assisting Audit & Supervisory Board Members. Mindful of the need for independence, the opinions of Audit & Supervisory Board Members are respected and other factors taken into consideration when evaluating and assignment of personnel to assist them.

《Internal Control Framework》 (as of April 1, 2016)



(Translation)

■Directors and Audit & Supervisory Board Members

Position	Name	Responsibilities at Mitsubishi Corporation and Important Concurrent Positions as of March 31, 2016
Chairman of the Board	Yorihiko Kojima	Outside Director, Takeda Pharmaceutical Company Limited; Outside Director, Mitsubishi Heavy Industries, Ltd.
*President and CEO	Ken Kobayashi	Outside Director, Nissin Foods Holdings Co., Ltd.
*Director, Senior Executive Vice President	Hideto Nakahara	Global Strategy & Business Development, Global Relations, International Economic Cooperation, Logistics Management
*Director, Senior Executive Vice President	Jun Yanai	Group CEO, Energy Business Group; Chief Compliance Officer
*Director, Senior Executive Vice President	Jun Kinukawa	Group CEO, Metals Group; Outside Director, Okamura Corporation
*Director, Senior Executive Vice President	Takahisa Miyauchi	Group CEO, Chemicals Group
*Director, Executive Vice President	Shuma Uchino	Chief Financial Officer
*Director, Executive Vice President	Kazuyuki Mori	Regional Strategy (Japan); General Manager, Kansai Branch
*Director, Executive Vice President	Yasuhito Hirota	Corporate Communications, Corporate Administration, CSR & Environmental Affairs, Legal, Human Resources
**Director	Kazuo Tsukuda	Senior Advisor, Mitsubishi Heavy Industries, Ltd.; Outside Director, Mitsubishi Research Institute, Inc.; Outside Director (Audit & Supervisory Committee Member), Yamaguchi Financial Group, Inc.: Outside Director, Keihan Electric Railway Co., Ltd. (currently Keihan Holdings Co., Ltd.); Outside Director, Fanuc Corporation
**Director	Ryozo Kato	
**Director	Hidehiro Konno	
**Director	Sakie T. Fukushima	President and Director, G&S Global Advisors Inc.; Outside Director, Ajinomoto Co., Inc.; Outside Director, Bridgestone Corporation; Outside Director, J. Front Retailing Co., Ltd.
**Director	Akihiko Nishiyama	Adjunct Professor, Hitotsubashi University
Senior Audit & Supervisory Board Member (full-time)	Hideyuki Nabeshima	
Audit & Supervisory Board Member (full-time)	Hiroshi Kizaki	
***Audit & Supervisory Board Member	Eiko Tsujiyama	Professor, Faculty of Commerce, Waseda University; Outside Director, ORIX Corporation; Outside Audit & Supervisory Board Member , NTT Docomo, Inc.; Audit & Supervisory Board Member (external), Shiseido Company Limited.; Outside Corporate Auditor, Lawson, Inc.
***Audit & Supervisory Board Member	Hideyo Ishino	Outside Corporate Auditor, Ryoden Trading Company, Limited
***Audit & Supervisory Board Member	Tadashi Kunihiro	Attorney at T. Kunihiro & CO., Attorneys-at-Law

Notes:

1. * indicates a Representative Director.
2. ** indicates the fulfillment of the conditions for Outside Directors as provided for in Article 2, Item 15 of the Companies Act.
3. *** indicates the fulfillment of the conditions for Outside Audit & Supervisory Board Members as provided for in Article 2, Item 16 of the Companies Act.
4. ** and *** also indicate fulfillment of the conditions for independent Directors or independent Audit & Supervisory Board Members as specified by the Tokyo Stock Exchange and other stock exchanges in Japan as well as Selection Criteria for Outside Directors and Outside Audit & Supervisory Board Members specified by Mitsubishi Corporation.
5. For Directors who also serve as Executive Officers, Position as Executive Officer is also indicated.
   Responsibilities of Directors Hideto Nakahara, Jun Yanai, Jun Kinukawa, Takahisa Miyauchi, Shuma Uchino, Kazuyuki Mori and Yasuhito Hirota indicate their responsibilities as Executive Officer.
6. Audit & Supervisory Board Member Hideyuki Nabeshima has extensive experience in Mitsubishi Corporation's Corporate Planning Dept. and has a considerable degree of knowledge concerning finance and accounting.
7. Audit & Supervisory Board Member Hiroshi Kizaki has extensive experience in Mitsubishi Corporation's finance and accounting departments and has a considerable degree of knowledge concerning finance and accounting.
8. Audit & Supervisory Board Member Eiko Tsujiyama has served as a university professor (accounting) for many years and has a considerable degree of knowledge concerning finance and accounting.
9. Audit & Supervisory Board Member Hideyo Ishino has many years of experience on the Board of Audit of Japan and has a considerable degree of knowledge concerning finance and accounting.
10. Director and Audit & Supervisory Board Member who retired during the fiscal year ended March 31, 2016 are as follows:
    Director Kunio Ito and Audit & Supervisory Board Member Osamu Noma (retired on June 19, 2015)
11. Director Kazuo Tsukuda retired as Outside Auditor of Yamaguchi Financial Group on June 26, 2015, and on the same date assumed the position of Outside Director (Audit & Supervisory Committee Member) of the same company.
12. Ajinomoto Co., Inc., NTT Docomo, Inc., Okamura Corporation, Shiseido Company, Limited, Bridgestone Corporation, Mitsubishi Research Institute, Inc., Takeda Pharmaceutical Company Limited, Nissin Foods Holdings Co., Ltd., Mitsubishi Heavy Industries, Ltd. and Ryoden Trading Company Limited are suppliers or customers of Mitsubishi Corporation. However, there are no special relationships (specified related party, etc.) between Mitsubishi Corporation and each of these companies.
13. Lawson, Inc., is an affiliated company of Mitsubishi Corporation.
14. There are no business relationships between Mitsubishi Corporation and entities at which the above Directors and Audit & Supervisory Board Members serve concurrently other than those mentioned in 12. to 13. above.

■ Matters Concerning Outside Directors and Audit & Supervisory Board Members

1. Status of Main Activities of Outside Directors and Audit & Supervisory Board Members
(1) Outside Directors

Name	Participation in Board of Directors' Meetings	Attendance at Board of Directors' Meetings
Kazuo Tsukuda	Mr. Tsukuda made remarks from an experienced standpoint as an Outside Director based on his extensive insight developed through management of Mitsubishi Heavy Industries, Ltd., a manufacturer that conducts business around the world, as Chairman and President.	Board of Directors' meetings (Regular): 11 of 12 meetings Board of Directors' meetings (Extraordinary): 2 of 3 meetings
Ryozo Kato	Mr. Kato made remarks from an objective and professional standpoint as an Outside Director based on his international way of thinking and extensive insight regarding global conditions developed through foreign diplomacy, having held key posts at the Ministry of Foreign Affairs of Japan.	Board of Directors' meetings (Regular): 12 of 12 meetings Board of Directors' meetings (Extraordinary): 3 of 3 meetings
Hidehiro Konno	Mr. Konno made remarks from an objective and professional standpoint as an Outside Director based on his extensive insight into domestic and global economic trends, having held key posts at the Ministry of Economy, Trade and Industry and Nippon Export and Investment Insurance.	Board of Directors' meetings (Regular): 12 of 12 meetings Board of Directors' meetings (Extraordinary): 3 of 3 meetings
Sakie T. Fukushima	Ms. Fukushima made remarks from an experienced and diversified standpoint as an Outside Director based on her many years of experience in the consulting industry and experience as a corporate officer at various companies in Japan and in the U.S.	Board of Directors' meetings (Regular): 12 of 12 meetings Board of Directors' meetings (Extraordinary): 2 of 3 meetings
Akihiko Nishiyama	Mr. Nishiyama made remarks from an objective and professional perspective based on his research activities relating to corporate management and human resources development at universities and many years of experience in business.	Board of Directors' meetings (Regular): 10 of 10 meetings Board of Directors' meetings (Extraordinary): 2 of 2 meetings

Note: Attendance at Board of Directors' meetings of Mr. Nishiyama indicates after his appoint for Outsider Director on June 19, 2015.

(2) Outside Audit & Supervisory Board Members

Name	Participation in Board of Directors' and Audit & Supervisory Board' Meetings	Attendance at Board of Directors' and Audit & Supervisory Board' Meetings
Eiko Tsujiyama	Ms. Tsujiyama made remarks from a neutral and objective standpoint as an Outside Audit & Supervisory Board Member based on her research activities regarding accounting at a university and experience as an outside director and outside Audit & Supervisory Board Member at various companies.	Board of Directors' meetings (Regular): 11 of 12 meetings Board of Directors' meetings (Extraordinary): 3 of 3 meetings Audit & Supervisory Board' meetings: 15 of 15 meetings
Hideyo Ishino	Mr. Ishino made remarks from a neutral and objective standpoint as an Outside Audit & Supervisory Board Member based on his extensive insight regarding accounting and finance, having held key posts at the Board of Audit of Japan.	Board of Directors' meetings (Regular): 12 of 12 meetings Board of Directors' meetings (Extraordinary): 3 of 3 meetings Audit & Supervisory Board' meetings: 15 of 15 meetings
Tadashi Kunihiro	Mr. Kunihiro made remarks from a neutral and objective standpoint as an Outside Audit & Supervisory Board Member based on his extensive insight regarding corporate-related laws (such as the Companies Act and the Financial Instruments and Exchange Act of Japan) obtained through his experience as an attorney.	Board of Directors' meetings (Regular): 12 of 12 meetings Board of Directors' meetings (Extraordinary): 2 of 3 meetings Audit & Supervisory Board' meetings: 15 of 15 meetings

2. Outline of Limitation of Liability Agreements

Mitsubishi Corporation has executed agreements with all Outside Directors and Outside Audit & Supervisory Board Members limiting their liability for damages set forth in Article 423, Paragraph 1 of the Companies Act. Based on these agreements, liability for damages is limited to the minimum amount set forth in Article 425, Paragraph 1 of the Companies Act.

■Directors' and Audit & Supervisory Board Member' Remuneration

Total Amounts and Number of Eligible People

Title	Total Remuneration	Base Remuneration and Individual Performance Bonus		Bonus		Stock-option-based Remuneration		Reserved Retirement Remuneration	
		Eligible Persons	Total	Eligible Persons	Total	Eligible Persons	Total	Eligible Persons	Total
Directors (In-house)	1,074	9	629	9	0	9	323	9	122
Directors (Outside)	120	6	120	—	—	—	—	—	—

Title	Total Remuneration	Base remuneration and Individual Performance Bonus		Bonus		Stock-option-based Remuneration		Reserved Retirement Remuneration	
		Eligible Persons	Total	Eligible Persons	Total	Eligible Persons	Total	Eligible Persons	Total
Audit & Supervisory Board Members (In-house)	124	3	124	—	—	—	—	—	—
Audit & Supervisory Board Members (Outside)	39	3	39	—	—	—	—	—	—

(Figures less than one million yen are rounded down)

Notes:

1. The above figures include 1 Director and 1 Audit & Supervisory Board Member who resigned during the fiscal year ended March 31, 2016.
   Furthermore, there were 14 Directors (including 5 Outside Directors) and 5 Audit & Supervisory Board Members (including 3 Outside Audit & Supervisory Board Members) as of March 31, 2016.
2. The Stock-option-based Remuneration above shows the amount recognized as an expense in the fiscal year ended March 31, 2016 related to stock options granted to 9 in-house Directors (Outside Directors are ineligible for payment).
3. In addition to the above, Mitsubishi Corporation paid executive pensions to retired Directors and Audit & Supervisory Board Members. The amounts paid in the fiscal year ended March 31, 2016 were as follows:
   The retirement bonus system, including executive pensions for Directors and Audit & Supervisory Board Members, was abolished at the close of the 2007 Ordinary General Meeting of Shareholders.
   Mitsubishi Corporation paid 165 million yen to 98 Directors (Outside Directors were ineligible for payment).
   Mitsubishi Corporation paid 6 million yen to 10 Audit & Supervisory Board Members (Outside Audit & Supervisory Board Members were ineligible for payment).

(Translation)

■Executive Officers (as of April 1, 2016)

Title	Name	Position, etc. as of April 1, 2016
President and CEO	Takehiko Kakiuchi	
Senior Executive Vice President	Eiichi Tanabe	Global Strategy & Coordination, Global Relations, International Economic Cooperation, Logistics Management, Regional CEO, Asia & Oceania
Executive Vice President	Toshimitsu Urabe	Group CEO, Business Service Group
Executive Vice President	Shunichi Matsui	Regional CEO, East Asia, President, Mitsubishi Corporation China Co., Ltd.,
Executive Vice President	Kazuyuki Mori*	Regional Strategy (Japan), General Manager, Kansai Branch
Executive Vice President	Kazushi Okawa	Group CEO, Machinery Group
Executive Vice President	Yasuhito Hirota*	Corporate Communications, Corporate Administration, CSR & Environmental Affairs, Legal, Human Resources, Chief Compliance Officer
Executive Vice President	Hajime Hirano	Group CEO, Energy Business Group
Executive Vice President	Hiroshi Sakuma	Group CEO, Global Environmental & Infrastructure Business Group
Executive Vice President	Yuichi Hiromoto	Assistant to Corporate Functional Officer
Executive Vice President	Kanji Nishiura	Group CEO, Metals Group
Executive Vice President	Haruki Hayashi	Regional CEO, Europe & Africa, Managing Director, Mitsubishi Corporation International (Europe) Plc.
Executive Vice President	Hidemoto Mizuhara	Regional CEO, North America, President, Mitsubishi Corporation (Americas)
Executive Vice President	Kazuyuki Masu	Chief Financial Officer
Executive Vice President	Takeshi Hagiwara	Group CEO, Chemicals Group
Executive Vice President	Shinya Yoshida	Group CEO, Industrial Finance, Logistics & Development
Executive Vice President	Yutaka Kyoya	Group CEO, Living Essentials Group
Senior Vice President	Kenji Yasuno	Division COO, Ship & Aerospace Div.
Senior Vice President	Masaji Santo	Regional CEO, Latin America
Senior Vice President	Mitsuyuki Takada	General Manager, Global Strategy & Coordination Dept.
Senior Vice President	Kenichi Koyanagi	General Manager, Nagoya Branch
Senior Vice President	Yoichi Shimoyama	Deputy Regional CEO, East Asia, President, Mitsubishi Corporation (Hong Kong) Ltd.
Senior Vice President	Akira Murakoshi	President, Mitsubishi Company (Thailand), Ltd., President, Thai-MC Company, Limited, General Manager, Vientiane Liaison Office
Senior Vice President	Masakazu Sakakida	Chairman & Managing Director, Mitsubishi Corporation India Private Ltd., Deputy Regional CEO, Asia & Oceania
Senior Vice President	Keisuke Hoshino	President and CEO, Mitsubishi Corporation RtM International Pte. Ltd.
Senior Vice President	Koichi Wada	Division COO, Natural Gas Business Div.
Senior Vice President	Tsutomu Takanose	Deputy General Manager, Kansai Branch
Senior Vice President	Katsuhiro Ito	General Manager, Corporate Strategy & Planning Dept.
Senior Vice President	Mitsumasa Icho	General Manager, Risk Management Dept.
Senior Vice President	Takajiro Ishikawa	Division COO, Asset Management Business Div.
Senior Vice President	Yasuteru Hirai	Deputy Regional CEO, East Asia, President, Mitsubishi Corporation (Shanghai) Ltd.
Senior Vice President	Noboru Tsuji	Division COO, Motor Vehicle Business Div.
Senior Vice President	Norikazu Tanaka	Division COO, Mineral Resources Investment Div.
Senior Vice President	Fuminori Hasegawa	Division COO, Petroleum Business Div.
Senior Vice President	Tetsuji Nakagawa	Division COO, Infrastructure Business Div.
Senior Vice President	Hidenori Takaoka	General Manager, Energy Business Group CEO Office

Senior Vice President	Noriyuki Tsubonuma	Managing Director & CEO, Mitsubishi Australia Ltd., Managing Director, Mitsubishi New Zealand Ltd., Deputy Regional CEO, Asia & Oceania
Senior Vice President	Yasushi Okahisa	Division COO, Industrial Finance Div.
Senior Vice President	Tsunehiko Yanagihara	EVP, Mitsubishi Corporation (Americas) (work location: Silicon Valley)
Senior Vice President	Masatsugu Kurahashi	Chief Regional Officer, Indonesia, President, PT. Mitsubishi Corporation Indonesia
Senior Vice President	Nodoka Yamasaki	Division COO, Living Essential Distribution Div.
Senior Vice President	Kotaro Tsukamoto	Metal One Corporation
Senior Vice President	Katsuya Nakanishi	Regional CEO, Middle East & Central Asia
Senior Vice President	Jun Nishizawa	Deputy Division COO, Natural Gas Business Div.
Senior Vice President	Tatsuo Nakamura	Senior Vice President, Mitsubishi Motors Corporation
Senior Vice President	Osamu Takeuchi	Division COO, Commodity Chemicals Div. B
Senior Vice President	Kazunori Nishio	Division COO, Retail Div.

Notes: * indicates Executive Officers who serve concurrently as Directors.

■ Matters Concerning Independent Auditors

1. Name of Mitsubishi Corporation's Independent Auditors

Deloitte Touche Tohmatsu LLC

2. Independent Auditors' Fees for the Fiscal Year Ended March 31, 2016

	Amount paid (Million yen)
Amount of fees for services in accordance with Article 2, Paragraph 1 of the Certified Public Accountants Act of Japan (Act No. 103 of 1948) (Note 1)	745
Amount of fees for services other than those prescribed in Article 2, Paragraph 1 of the Certified Public Accountants Act of Japan (Note 2)	22
Total amount of fees paid by Mitsubishi Corporation to the independent auditors for the fiscal year ended March 31, 2016	767
Total amount of fees to be paid by Mitsubishi Corporation and consolidated subsidiaries (Note 3)	2,074

(Figures less than one million yen are rounded to the nearest million)

(Note 1) Fees for services prescribed in Article 2, Paragraph 1 of the Certified Public Accountants Act of Japan (Act No. 103 of 1948) are fees, etc., for audit certification services relating to English language financial statements prepared based on accounting standards generally accepted in the International Financial Reporting Standards and audit certification based on the Companies Act and the Financial Instruments and Exchange Act.

(Note 2) Fees for services other than those prescribed in Article 2, Paragraph 1 of the Certified Public Accountants Act of Japan are fees for Mitsubishi Corporation training, overseas tax return work, etc.

(Note 3) Some subsidiaries are audited by certified public accountants or independent auditors (including persons with qualifications equivalent to these qualifications in overseas countries) other than Mitsubishi Corporation's independent auditors.

3. Reason for Agreement of the Audit & Supervisory Board with the Remuneration of Independent Auditors, etc.

As a result of confirming such items as details of the audit plans, status of the execution of duties, and the basis for calculation of the remuneration estimates of the independent auditors, these were deemed to be reasonable in light of the perspectives of ensuring the quality of the auditing of the independent auditors and ensuring independence. Therefore, an agreement in accordance with Article 399, Paragraph 1 of the Companies Act was concluded with respect to the amount of such items as remuneration of independent auditors.

4. Policy for the Dismissal or Non-reappointment of Independent Auditors

Mitsubishi Corporation has a policy to dismiss independent auditors based on the unanimous agreement of all Audit & Supervisory Board Members if any of the items set forth in Article 340, Paragraph 1 of the Companies Act is applicable to the independent auditors. In this instance, at the Ordinary General Meeting of Shareholders first convened after the dismissal, an Audit & Supervisory Board Member selected by the Audit & Supervisory Board will report on the dismissal of the independent auditors and the reason for this action.

Furthermore, if the Audit & Supervisory Board decides it is appropriate to dismiss or not to reappoint the independent auditors after comprehensively taking into consideration and evaluating the independent auditors' execution of duties and other circumstances, the Audit & Supervisory Board will submit a proposal to the Ordinary General Meeting of Shareholders to dismiss or not to reappoint the independent auditors concerned and to appoint new independent auditors.

(Translation)

Consolidated Statement of Financial Position (Prepared based on IFRS)

(Millions of Yen)

ASSETS

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

LIABILITIES AND EQUITY

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

(Figures less than one million yen are rounded to the nearest million.)

(Translation)

Consolidated Statement of Income (Prepared based on IFRS)

(Millions of Yen)

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

(Figures less than one million yen are rounded to the nearest million.)

(Translation)

Consolidated Statement of Changes in Equity (Prepared based on IFRS)

(Millions of Yen)

Item	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2015 (Reference only)
Common stock		
Balance, beginning of year	¥204,447	¥204,447
Balance, end of year	204,447	204,447
Additional paid-in capital		
Balance, beginning of year	266,688	265,356
Compensation costs related to stock options	1,175	1,346
Sales of treasury stock upon exercise of stock options	(1,268)	(1,379)
Equity transactions with non-controlling interests and others	(3,857)	1,365
Balance, end of year	262,738	266,688
Treasury Stock		
Balance, beginning of year	(7,796)	(14,081)
Sales of treasury stock upon exercise of stock options	2,937	2,989
Purchases and sales - net	(99,969)	(60,013)
Cancellation	90,319	63,309
Balance, end of year	(14,509)	(7,796)
Other components of equity		
Balance, beginning of year	1,515,691	1,259,252
Other comprehensive income attributable to owners of the Parent	(638,928)	286,326
Transfer to retained earnings	37,176	(29,887)
Balance, end of year	913,939	1,515,691
Retained earnings		
Balance, beginning of year	3,591,447	3,352,692
Net income (loss) attributable to the owners of the Parent	(149,395)	400,574
Cash dividends paid to owners of the Parent	(88,223)	(127,437)
Sales of treasury stock upon exercise of stock options	(433)	(960)
Cancellation of treasury stock	(90,319)	(63,309)
Transfer from other components of equity	(37,176)	29,887
Balance, end of year	3,225,901	3,591,447
Equity attributable to owners of the Parent	4,592,516	5,570,477
Non-controlling interests		
Balance, beginning of year	485,078	471,704
Cash dividends paid to non-controlling interests	(25,199)	(24,212)
Equity transactions with non-controlling interests and others	(12,801)	9,661
Net income attributable to non-controlling interests	16,731	5,817
Other comprehensive income (loss) attributable to non-controlling interests	(38,803)	22,108
Balance, end of year	425,006	485,078
Total equity	¥5,017,522	¥6,055,555
Comprehensive income attributable to		
Owners of the Parent	(¥788,323)	¥686,900
Non-controlling interests	(22,702)	27,925
Total comprehensive income	(¥810,395)	¥714,825

(Figures less than one million yen are rounded to the nearest million.)

(Translation)

Notes to Consolidated Financial Statements

Basis of Preparing Consolidated Financial Statements

Notes Concerning Significant Accounting Policies (for the fiscal year ended March 2016)

1. Basis of Preparing Consolidated Financial Statements

(1) Standards of Preparing Consolidated Financial Statements

These consolidated financial statements of Mitsubishi Corporation (the "Parent") and its consolidated subsidiaries (collectively, "the Company") have been prepared under International Financial Reporting Standards ("IFRS") in accordance with the first paragraph of Article 120 of the Ordinance on Company Accounting of Japan. Pursuant to the second sentence of the paragraph, certain disclosures and notes required by IFRS have been omitted.

(2) New major standards and interpretations applied

The Company did not apply such standards and interpretations.

(3) Significant accounting judgments, estimates and assumptions

In preparing IFRS-based financial statements, management is required to make judgments, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods that are affected.

Significant changes in accounting judgments, estimates and assumptions in the consolidated financial statements for the fiscal year ended March 2016 are as follows:

(Impairment losses on investments accounted for using the equity method)

An impairment test was performed with regard to investments accounted for using the equity method associated with Anglo American Sur S.A. (head office: Santiago, Chile), a Chilean copper mining interest holding company in which the Company holds 20.4% of the voting rights through a consolidated subsidiary. The copper price forecasts, which are used for impairment tests, have been formulated by the Company (the Parent and its consolidated subsidiaries) by examining economic fundamentals regarding future demand circumstances and other factors as well as data provided by external financial institutions. These investments were evaluated from a medium-to long-term perspective, taking into account copper price forecasts, in consideration of the fact that Anglo American Sur's production and development plans stretch over a long period of time. As Anglo American Sur's production and development plans stretch over a long period of time, medium-to long-term price forecasts bear even more weight on evaluations of the investment in Anglo American Sur than short-term price trends. Based on a comprehensive assessment of factors such as the downward revision of medium-to-long-term copper price forecasts due to the longer amount of time expected for the business environment to improve amid sluggish copper market conditions, as well as the extended timeframe now required for development of new mining projects, an impairment loss of 271,194 million yen was recorded through income (loss) from investments accounted for using the equity method.

In addition, an impairment test was performed with regard to interests in the Browse Joint Venture LNG project in Western Australia, in which 7.2% of the voting rights are owned through Japan Australia LNG (MIMI Browse) Pty Ltd and is accounted for using the equity method by the Company, which owns 50% of its voting rights. In light of the sharp drop in crude oil and gas prices as well as the decision to postpone previously advanced development plans for floating liquefaction facilities for a considerable period, an impairment loss of 40,362 million yen was recorded through income from investments accounted for using the equity method.

(Impairment losses on property, plant and equipment)

In the fiscal year ended March 2016, the Company recorded impairment losses of 102,544 million yen in line with changes in the business environment as "impairment losses on property, plant and equipment" in the Consolidated Statement of Income. In recognizing and measuring impairment losses, the Company measured the recoverable amount primarily using value in use. For the discount rate, the Company used a rate that reasonably reflects the rate of return that is considered to be the market-average rate incorporating the risks specific to the cash-generating units. These impairment losses include impairment losses of 41,608 million yen on iron ore mining-related assets held by MITSUBISHI DEVELOPMENT PTY LTD, brought about by stagnant natural resource prices and other factors, and impairment losses of 10,894 million yen on mining exploration and development assets in Papua New Guinea held by Diamond Gas Niugini B.V. and other entities.

(Provisions)

In ship-related businesses, allowance for doubtful receivables of 10,707 million yen was included in selling, general and administrative expenses to reflect a decline in collateral value following a drop in ship prices.

In the fiscal year ended March 31, 2015, a provision for loss on guarantees of obligations was recorded with regard to the North Sea oil field projects for which the Company guarantees the debt of its partners. However, through negotiations with local government officials and others seeking the closure of these projects, it was decided that refund would be paid to the guarantors. Accordingly, an amount of 15,333 million yen was included in other income (expenses) - net to reflect the reversal of this provision.

In addition, as the forecast amount of expenses required for closing the projects has increased, provision for asset retirement obligation of 40,690 million yen was recorded as provisions (under current liabilities and non-current liabilities).

(Recoverability of deferred tax assets)

In deferred tax assets for deductible temporary differences, tax credits, and tax losses carried forward, the Company records amounts where it is possible that the deferred tax asset will be recovered through the future generation of taxable profit and reversal of taxable temporary differences. In the fiscal year ended March 31, 2016, the recoverability of deferred tax assets was reviewed in light of forecasts for future taxable profit and revisions to the schedule for reversal taxable temporary differences, and certain deferred tax assets that were assumed to be recoverable were partially derecognized.

(Fair value of financial instruments)

Please refer to “Notes Concerning Financial Instruments.”

2. Scope of Consolidation and Application of the Equity Method

(Number of Companies)

	As of March 31, 2016	As of March 31, 2015	Increase/(decrease)
Number of subsidiaries	815	823	(8)
Number of associates	427	408	19
Total	1,242	1,231	11

Note:
The total number of subsidiaries and associates stated above previously included only entities that the Parent directly consolidated or for which it directly applied the equity method. However, beginning with the fiscal year ended March 31, 2016, the total number of subsidiaries and associates includes not only the entities that the Parent directly consolidated, but also the entities that are consolidated or accounted for using the equity method through subsidiaries.

Entities in which the Company does not have control regardless of the possession of more than half of the voting rights

MI Berau B.V.
The Company holds 56% of voting rights in MI Berau, in the Netherlands, participating in the Tangguh LNG Project in Indonesia, that was established with INPEX CORPORATION ("INPEX"), which holds 44% of voting rights. Under the joint venture agreement with INPEX, significant decisions regarding MI Berau's operations require unanimous consent by the Company and INPEX. The rights given to INPEX in the joint venture agreement are considered substantive participating rights, and MI Berau is not controlled solely by the Company. Accordingly, the Company accounts for its investment in MI Berau using the equity method as a joint venture.

Sulawesi LNG Development Ltd.
The Company holds 75% of voting rights in Sulawesi LNG Development, a UK corporation. Sulawesi LNG Development is a holding company, investing in the Donggi Senoro LNG Project in Indonesia, that was established with Korea Gas Corporation (KOGAS), which holds a 25% ownership interest. Under the shareholders' agreement with KOGAS, significant decisions regarding Sulawesi LNG Development's operations require unanimous consent by the Company and KOGAS. The rights given to KOGAS in the shareholders' agreement are considered substantive participating rights, and Sulawesi LNG Development is not controlled solely by the Company. Accordingly, the Company accounts for its investment in Sulawesi LNG Development using the equity method as a joint venture.

3. Primary Changes in the Scope of Consolidation and the Application of the Equity Method

Subsidiaries	[New]	MC JIIP HOLDINGS INC. DIAMOND LNG MALAYSIA SDN. BHD.
	[Exclusion]	MC Aviation Financial Services (Europe) B.V. Alpac Forest Products Inc.
Associates	[New]	Olam International Limited
	[Exclusion]	Nikkei MC Aluminium Co., Ltd. Mitsubishi Motor Sales (China) Co., Ltd. Rokko Butter Co., Ltd.

4. Significant Subsidiaries and Associates

Subsidiaries	Mitsubishi Corporation (Americas) Mitsubishi Corporation International (Europe) Plc Mitsubishi Corporation (Shanghai) Ltd. MITSUBISHI CORPORATION FINANCE PLC TRI PETCH ISUZU SALES COMPANY LIMITED MITSUBISHI DEVELOPMENT PTY LTD Metal One Corporation Mitsubishi Shokuhin Co., Ltd
Associates	Japan Australia LNG (MIMI) Pty. Ltd. Lawson, Inc.

5. Significant Accounting Policies

(1) Basis of consolidation

(i) Subsidiaries

The Parent consolidates the investees that it directly or indirectly controls. Therefore, the Company generally consolidates its majority-owned subsidiaries. However, even in cases where the Company does not own the majority of voting rights, if the Company is deemed to effectively control the decision-making body, the investee is treated as a consolidated subsidiary. In cases where the Company has the majority of voting rights in a company but other shareholders have substantive rights to participate in the decision-making of the ordinary course of business of the Company, the Company does not have control, and the equity method is applied.

The consolidated financial statements include net income and other comprehensive income of subsidiaries from the day on which control was obtained to the day on which control was lost. Adjustments have been made to the financial statements of subsidiaries as necessary to adhere to the accounting policies adopted by the Company.

All significant intercompany accounts and transactions have been eliminated.

Changes in ownership interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Parent's interest and non-controlling interests is adjusted to reflect changes in their relative interest in the subsidiaries. Any difference between the amount of non-controlling interests and the fair value of the consideration paid or received is recognized directly in equity and attributed to the Parent.

If control over a subsidiary is lost, the difference between (a) the sum of the fair value of consideration received and the fair value of remaining interest and (b) assets (including goodwill), liabilities and the previous carrying amount of non-controlling interests of the subsidiary, is recognized in net income. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 "Financial Instruments" or the cost on initial recognition of investment in associates or joint venture.

(ii) Business combinations

Business combinations (acquisition of businesses) are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the fair values at the acquisition date (namely, the day on which the Company obtains control) of the assets transferred by the Company, the liabilities incurred by the Company to former owners of the acquiree and the equity interests issued by the Company in exchange for control over the acquiree. The Company accounts for acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except as follows:

• Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with IAS 12 "Income Taxes" and IAS 19 "Employee Benefits," respectively.

• Assets or disposal groups that are classified as held for sale in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" are measured in accordance with the Standard.

• Liabilities or equity instruments related to share-based remuneration of the acquiree or share-based remuneration of the Company entered into to replace such arrangements of the acquiree are measured in accordance with IFRS 2 "Share-based Payment."

In cases where the sum of the consideration transferred, the amount of non-controlling interests in the acquiree, and the fair value of equity interests in the acquiree held previously by the acquirer exceed the net amount of identifiable assets and liabilities at the acquisition date, goodwill is measured at the excess amount.

If the net amount of identifiable assets and liabilities at the acquisition date exceeds the sum of the consideration transferred, the amount of non-controlling interests in the acquiree, and the fair value of equity interest in the acquiree held previously by the Company, the excess amount is immediately recognized in net income as bargain purchase gain.

In the case of a business combination achieved in stages, equity interest in the acquiree held previously by the Company is remeasured at fair value at the acquisition date (i.e. the day on which the Company obtains control), and gains or losses incurred are recognized in net income. Amounts arising from interests in the

acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to net income or other comprehensive income where such treatment would be appropriate if the interest were disposed of.
If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. During the measurement period, which does not exceed one year, the Company retrospectively adjusts the provisional amounts recognized at the acquisition date or recognizes additional assets or liabilities to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognized as of that date.

(iii) Associates and joint ventures
The equity method is applied to investments in associates and joint ventures. An associate is an entity that is not controlled solely or jointly by the Company but for which the Company is able to exercise significant influence over the decisions on financial and operating or business policies. If the Company has 20% or more but no more than 50% of the voting rights of another entity, the Company is presumed to have significant influence over that entity. Entities over which the Company is able to exert significant influence on their decisions regarding financial and operating or business policies through agreements with other investors even if it holds less than 20% of the voting rights are also included in associates. On the other hand, the equity method is not applied in cases where the Company is judged to not have significant influence even if it holds 20% or more of the voting rights.
A joint venture is a joint arrangement (i.e., arrangement of which two or more parties have joint control) whereby the parties that have joint control have rights to the net assets of an independent entity. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions on activities that have a significant impact on the returns of the arrangement require the unanimous consent of the parties sharing control and those activities are undertaken jointly by the parties.
Under the equity method, the investment in an associate or a joint venture is initially recognized at cost and the carrying amount is increased or decreased to recognize the Company's share of the net assets of the associate or the joint venture after the date of acquisition. The Company's share of the net income of the associate or the joint venture is recognized in the Company's net income. The Company's share of the other comprehensive income of the associate or the joint venture is recognized in the Company's other comprehensive income. When the Company's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture, the Company discontinues recognizing its share of further losses. After the Company's interest including any long-term interests that, in substance, form part of the Company's net investment in the associate or joint venture is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. All significant profits associated with intercompany transactions, excluding business transfers, have been eliminated in proportion to interests in associates and joint ventures.
An associate or a joint venture is accounted for using the equity method from the date they become an associate or joint venture. On initial recognition, the amount of investment in excess of interests with respect to the net fair value of assets, liabilities, and contingent liabilities of associates and joint ventures is recognized as the amount corresponding to goodwill, and is included in the carrying amount of investments.
In cases where equity method investments are disposed of and significant influence is lost, any remaining investments are measured at fair value at the disposal date, and are accounted for as financial assets in accordance with IFRS 9 "Financial Instruments." The difference between the previous carrying amount and fair value of the remaining investments is recognized in net income as a gain or loss on disposal of such investments. The amount previously recognized as other comprehensive income by associates and joint ventures is accounted for by determining whether or not it would be reclassified into net income as if the related assets or liabilities had been directly disposed of.

(iv) Joint operations
Joint operations are joint arrangements whereby the parties that have joint control have rights to the assets, and obligations for the liabilities, relating to the contractual arrangement. For investments in joint operations, only the Company's share of assets, liabilities, revenues, and expenses arising from the jointly controlled operating activities is recognized. All significant intercompany accounts and transactions have been eliminated in proportion to interests.

(v) Investment Entities
If an associate or a joint venture of the Company meets the definition of an investment entity, the associate or joint venture does not consolidate its subsidiaries, and measures its investment in its subsidiaries at fair value

through profit or loss in accordance with IFRS 9 "Financial Instruments." IFRS 10 “Consolidated Financial Statements” defines an investment entity as an entity that:
(a) obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
(b) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
(c) measures and evaluates the performance of substantially all of its investments on a fair value basis.

(vi) Reporting Date
When the Company prepares consolidated financial statements, certain subsidiaries, associates and joint arrangements prepare financial statements with a fiscal year end on or after December 31, but prior to the Parent's fiscal year end of March 31 for which unification of the fiscal year end is impracticable since the local legal system or contractual terms among shareholders requires the fiscal year end to be different from that of the Parent. It is also impracticable for such entities to provide the provisional closing of accounts at the end of the reporting period of the Parent due to the characteristics of the business, operations, or other practical factors. Where this is the case, adjustments have been made to the consolidated financial statements of the Company for the effects of significant transactions or events that occurred between the end of the reporting period of the subsidiaries, associates or joint arrangements and that of the consolidated financial statements.

(2) Foreign currency translation
Items denominated in foreign currencies in the consolidated financial statement are translated at the exchange rate at the transaction date, and monetary items are retranslated at the exchange rate as at the fiscal year end. Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The difference arising from the retranslation of monetary items is generally recognized in "Other income (expenses) - net" in the consolidated statement of income.
The assets and liabilities of foreign operations are translated into Japanese yen at the respective year-end exchange rates. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period. Exchange differences arising from translation are recognized in other comprehensive income, after giving consideration to the effect of income taxes, and accumulated in "Other components of equity."
In the event of a loss of control due to the disposal of foreign operations, the cumulative amount of exchange difference is reclassified into net income. In the case of partial disposal that does not lead to the loss of control of a subsidiary, the ratio of ownership interest in the cumulative amount of exchange difference is reallocated to non-controlling interests, but no amount is recognized in net income. In other cases of partial disposal that leads to the loss of significant influence or joint control, the amount proportionate to the disposal of the cumulative amount of exchange difference is reclassified into net income.
Goodwill and fair value adjustments resulting from the acquisition of foreign operations are retranslated as assets and liabilities of such foreign operations as at the end of the reporting period, and exchange differences are recognized in "Other components of equity" and accumulated in equity.

(3) Financial instruments
Prior to January 1, 2015, the Company early-applied IFRS 9 "Financial Instruments" (revised in December 2011) to the accounting treatment of financial instruments. Effective January 1, 2015, the Company early-applied IFRS 9 “Financial Instruments” (revised in November 2013). Accordingly, the Company has accounted for all hedging relationships designated on or after January 1, 2015 based on the requirements of IFRS 9 “Financial Instruments” (revised in November 2013).

(i) Non-derivative financial assets
The Company recognizes trade and other receivables on the date they arise. The Company recognizes all other financial assets at the trade date on which the Company became a party to the contract concerning such financial instruments.
The Company recognizes financial assets at fair value. Financial assets not recorded at fair value through profit or loss also include transaction costs that are directly attributable to the acquisition of the financial assets. After initial recognition, financial assets are measured either at amortized cost or at fair value.

(ii) Financial assets measured at amortized cost

Financial assets are measured at amortized cost using the effective interest method if both of the following conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest rate is the rate that discounts estimated future cash receipts (including all fees paid or received, transaction costs, and other premium/discounts) through the expected life of a financial asset, or where appropriate, a shorter period to the net carrying amount on initial recognition.

In cases where a financial asset measured at amortized cost is derecognized, the difference between the carrying amount and the consideration received or receivable is recognized in net income.

(iii) Impairment of financial assets measured at amortized cost

The Company assesses evidence of impairment of financial assets measured at amortized cost individually and as a whole. For assets for which the contractual cash flows are unlikely to be recovered in full, impairment is assessed on an individual basis. Investment rating, contractual nature of the investments, underlying collateral, rights to, and advantages of the investment's cash flows and the condition of the issuers are assessed comprehensively when recognizing and measuring the impairment. Assets for which impairment need not be assessed individually are assessed collectively to determine whether or not there is any impairment that has occurred but has not been identified. When assessing assets collectively for impairment, the amount expected to be irrecoverable is calculated based on the historical loss rate, probability of default, etc. When impairment is recognized, the carrying amount of the financial asset shall be reduced either directly or through use of an allowance account.

(iv) Financial assets measured at fair value

Financial assets other than those measured at amortized cost are measured at fair value, and changes in their fair value are recognized as profit or loss (FVTPL). However, the Company elects to designate some equity instruments as financial assets measured at fair value through other comprehensive income (FVTOCI) if the investments are not held for trading. A financial asset is classified as held for trading if:

(a) it has been acquired or incurred principally for the purpose of selling or repurchasing it in the near term;

(b) on initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking; or

(c) it is a derivative (except for derivatives that are financial guarantee contracts or designated and effective hedging instruments).

Changes in the fair value of financial assets measured at FVTOCI are directly transferred from other comprehensive income to retained earnings in the event of derecognition of such assets, and are not recognized in net income. Dividend income from financial assets measured at FVTOCI is recognized in net income, as part of finance income at the time when the right to receive payment of the dividend is established.

(v) Derecognition of financial assets

The Company derecognizes financial assets when and only when the contractual rights to the cash flows from the financial assets expire, or when the financial assets and substantially all the risks and rewards of ownership are transferred. In cases where the Company neither transfers nor retains substantially all the risks and rewards of ownership but continues to control the assets transferred, the Company recognizes the retained interest in assets and related liabilities that might be payable.

(vi) Cash and cash equivalents

Cash equivalents are short-term (original maturities of three months or less), highly liquid investments (including short-term time deposits, commercial paper, debt securities and certificates of deposit) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(vii) Non-derivative financial liabilities

The Company initially recognizes debt securities and subordinated debt instruments issued by the Company on the issue date. All other financial liabilities are recognized on the transaction date on which the Company becomes a party to the contract concerning the financial instruments.

The Company derecognizes financial liabilities when the obligation specified in the contract is discharged or

canceled or expires.
Financial liabilities are initially recognized at fair value, net of direct transaction costs. After initial recognition, financial liabilities are measured at amortized cost using the effective interest method. The effective interest rate is the rate that discounts the estimated future cash payments (including all fees paid, transaction costs, and other premium/discounts) through the expected life of the financial liability, or a shorter period (where appropriate) to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

(viii) Equity
Common stock
The amount of equity instruments issued by the Parent is recognized in common stock and additional paid-in capital, and direct issue costs (net of tax) are deducted from additional paid-in capital.

Treasury stock
When the Company acquires treasury stock, the sum of the consideration paid and direct transaction costs after tax is recognized as a deduction from equity. When the Company disposes of treasury stock, gains (losses) on sales of treasury stock, including the exercise of stock options, is recognized in additional paid-in capital.

(ix) Hedge accounting and derivatives
The Company utilizes derivative instruments primarily to manage interest rate risks, to reduce exposure to movements in foreign exchange rates, and to hedge the commodity price risk of various inventory and trading commitments. All derivative instruments are reported at fair value as assets or liabilities. In the case where transactions with offsetting effects cannot be used to mitigate market risk, the Company applies hedge accounting by designating such derivatives as a hedging instrument of either a fair value hedge, a cash flow hedge or a hedge on net investment in foreign operations, to the extent that hedge accounting criteria are met.
The Company assesses hedge effectiveness at the start of the hedging relationship, on a quarterly basis, or upon a significant change in the circumstances affecting the hedge effectiveness requirements, by confirming whether or not the relationship is such that changes in the fair value or cash flows of the hedging instrument have an effective offsetting relationship in the fair value or cash flows of the hedged item that are attributable to a hedged risk.

Fair value hedges
Derivative instruments designated as hedging instruments of fair value hedges primarily consist of interest rate swaps used to convert fixed-rate financial assets or debt obligations to floating-rate financial assets or debt. Changes in fair values of hedging derivative instruments are recognized in net income, offset against the changes in the fair value due to the risk of the related financial assets, financial liabilities, and firm commitments being hedged and are included in "Other income (expenses) - net" in the consolidated statement of income.
The application of hedge accounting is discontinued in cases where the Company revokes the hedging relationship, in cases where the hedging instrument expires or is sold, terminated, or exercised, and in cases where it no longer qualifies for hedge accounting. Effective from the early application of IFRS 9 “Financial Instruments” (revised in November 2013), hedging relationships may not be voluntarily revoked unless there is a change in the risk management objective. Accordingly, in cases where a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective remains unchanged, the Company adjusts the hedging ratio to reestablish the effectiveness of the hedging relationship. Furthermore, the Company discontinues the application of hedge accounting in cases where there is a change in the risk management objective for the hedging relationship. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortized to net income from the date on which the Company discontinues hedge accounting.

Cash flow hedges
Derivative instruments designated as hedging instruments of cash flow hedges include interest rate swaps to convert floating-rate financial liabilities to fixed-rate financial liabilities, and forward exchange contracts to eliminate variability in functional-currency-equivalent cash flows on forecasted sales transactions. Additionally, commodity swaps and futures contracts that qualify as cash flow hedges are utilized. The effective portion of changes in the fair values of derivatives that are designated as cash flow hedges are deferred and recognized in other comprehensive income and accumulated in other components of equity. Derivative unrealized gains and

losses included in other components of equity are reclassified into net income at the time that the associated hedged transactions are recognized in net income. Any ineffectiveness is recognized directly in net income.
The application of hedge accounting is discontinued in cases where the Company revokes the hedging relationship; in cases where the hedging instrument expires or is sold, terminated, or exercised; or in cases where it no longer qualifies for hedge accounting. Effective from the early application of IFRS 9 “Financial Instruments” (revised in November 2013), hedging relationships may not be voluntarily revoked unless there is a change in the risk management objective. Accordingly, in cases where a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective remains unchanged, the Company adjusts the hedging ratio to reestablish the effectiveness of the hedging relationship. Furthermore, the Company discontinues the application of hedge accounting in cases where there is a change in the risk management objective for the hedging relationship. Any gain or loss recognized in other comprehensive income and accumulated in other components of equity at that time of discontinuing hedge accounting remains in equity and is reclassified into net income when the forecasted transaction is ultimately recognized in net income. When a forecasted transaction is no longer expected to occur, the gain or loss accumulated in other components of equity is recognized immediately in net income.

Hedges of net investment in foreign operations
The Company uses forward exchange contracts and non-derivative financial instruments such as foreign-currency-denominated debt in order to reduce the foreign currency exposure in the net investment in a foreign operation. The effective portion of changes in fair values of hedging instruments is accumulated in "Exchange differences on translating foreign operations" within other components of equity.

Derivative instruments used for other than hedging activities
The Company enters into commodity and financial derivative instruments as part of its brokerage services in commodity futures markets and its trading activities. The Company clearly distinguishes derivatives used for brokerage services and trading activities from derivatives used for risk management purposes. As part of its internal control policies, the Company has set strict limits on the positions that can be taken in order to manage potential losses for these derivative transactions, and periodically monitors the open positions for compliance.
Changes in fair value of derivatives not designated as hedging instruments and held or issued for trading purposes are recognized in net income.

(x) Financial guarantee contracts
Liabilities under financial guarantee contracts issued by the Company are initially measured at fair value, and if not designated as FVTPL, are measured at the higher of:
• The amount of contractual obligations calculated in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets"; or
• The amount initially recognized, less, when appropriate, cumulative amortization recognized in accordance with accounting policies for revenue recognition.

(xi) Offsetting financial assets and financial liabilities
If the Company currently has a legally enforceable right to set off the recognized amount of financial assets against the recognized amount of financial liabilities and has the intention either to settle on a net basis or to realize assets and settle liabilities simultaneously, the Company offsets financial assets against financial liabilities and presents the net amount in the consolidated statement of financial position.

(4) Inventories
Inventories are recognized at the lower of cost or net realizable value based on the moving average method or specific cost method. Net realizable value is presented in the amount of estimated selling price of inventories, less the estimated costs of completion and the estimated costs necessary to make the sale.
Inventories acquired with the purpose of generating a profit from short-term price fluctuations are measured at fair value less costs to sell.

(5) Biological assets
Biological assets are measured at fair value less costs to sell, with any changes therein recognized in net income. Costs to sell include all costs that would be necessary to sell the assets, including transportation costs. Agricultural produce harvested from biological assets is reclassified into inventories at fair value less costs to sell at the point of harvest.

(6) Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are recognized at cost, net of accumulated depreciation and accumulated impairment losses.

Cost includes the expenses directly attributable to the acquisition of the assets, the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs to be capitalized. If the useful life of property, plant and equipment varies from component to component, each component is recognized as a separate item of property, plant and equipment.

(ii) Depreciation

Land is not depreciated. Depreciation of other classes of property, plant and equipment is calculated based on the depreciable amount. The depreciable amount is calculated by deducting the residual value from the cost of the asset or the amount equivalent to the cost. Depreciation of property, plant and equipment other than mineral resources-related property is calculated principally using the straight-line method for buildings and structures, the straight-line or declining-balance method for machinery and equipment, and the straight-line method for aircraft and vessels mainly over the following estimated useful lives.

Buildings and structures	2 to 60 years
Machinery and equipment	2 to 40 years
Aircraft and vessels	5 to 25 years

Assets related to the acquisition of contractual right for the exploration, evaluation, development, and production of oil and gas or mining resources are classified as mineral resources-related property. Mineral resources-related property is amortized principally using the unit-of-production method based on the proven or probable reserves.

Improvements in finance lease assets are amortized over the lesser of the useful life of the improvement or the term of the underlying lease. The above depreciation method was adopted as it most closely reflects the pattern in which the asset's future economic benefits are expected to be consumed.

The depreciation method, estimated useful life and residual value are reviewed at each period end, and amended as necessary.

(iii) Derecognition

Carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in net income when the item is derecognized.

(7) Investment property

Investment property is property held to earn rentals, for long-term capital appreciation, or both. Real estate held for sale in the ordinary course of business (real estate held for development and resale) and real estate held to use in the production or supply of goods or services or for administrative purposes (property, plant and equipment) are not included. The Company applies the cost method to investment property, and measures investment property at cost, net of accumulated depreciation and accumulated impairment losses. Investment property is depreciated using the straight-line method over its estimated useful life, which is mainly 5 to 50 years. An investment property is derecognized on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. The gain or loss arising from the derecognition of an investment property is included in net income when the investment property is derecognized.

(8) Intangible assets and goodwill

(i) Research and development costs

Expenditures related to research activities to obtain new scientific or technical knowledge and understanding are recognized as an expense as incurred.

Development costs are capitalized only if they are reliably measurable, the product or process is technically and commercially feasible, it is probable that future economic benefits will be generated, and the Company has the intention and sufficient resources to complete the development and to use or sell them. Other development costs are recognized as an expense as incurred.

(ii) Other intangible assets

Other intangible assets with finite useful lives acquired by the Company are measured at cost, net of accumulated amortization and accumulated impairment losses. Intangible assets with indefinite useful lives are not amortized but measured at cost, net of accumulated impairment losses.

(iii) Goodwill

Initial recognition

Goodwill arising from acquisition of subsidiaries is included in "Intangible assets and goodwill" in the consolidated statement of financial position. Measurement of goodwill at the time of initial recognition is described in (1) Basis of consolidation (ii) Business combinations above.

Measurement after initial recognition

Goodwill is measured at cost, net of accumulated impairment losses. The carrying amount of investments accounted for using the equity method includes the carrying amount of goodwill.

At the time of disposal of related cash-generating units, goodwill is derecognized and the amount is recognized in net income.

(iv) Amortization

Other than goodwill and intangible assets with indefinite useful lives, intangible assets are amortized by the straight-line method over their estimated useful lives from the day on which the assets became available for use.

The estimated useful life of each asset is mainly as follows.

Software	1 to 15 years
Customer relationships	5 to 24 years
Trade names	5 to 23 years
Trademarks and leasehold	5 to 50 years

The amortization method, estimated useful life, and residual value are reviewed at each period end, and amended as necessary.

(9) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Leases other than finance leases are classified as operating leases.

(i) Lease as lessor

Amounts due from lessees under finance leases are recognized as "Trade and other receivables" at the amount of net investment in the leases, and unearned income is allocated over the lease term at a constant periodic rate of return on the net investments and recognized in the fiscal year to which is attributable. Operating lease income is recognized over the term of underlying leases on a straight-line basis.

(ii) Lease as lessee

Lease assets and lease liabilities under finance leases are initially recognized at the lower of the present value of minimum lease payments or the fair value at the inception the lease. After initial recognition, lease assets are accounted for according to the accounting policies applied to the assets. Lease payments are allocated at a constant periodic rate to the balance of lease liabilities, and are accounted for as a reduction in the amount of finance cost and lease liabilities. Operating leases payments are recognized as an expense on a straight-line basis over the lease term.

(10) Oil and gas exploration and development

Oil and gas exploration and evaluation activity includes:

- Acquisition of rights to explore;
- Gathering exploration data through topographical, geological, geochemical and geophysical studies;
- Exploratory drilling, trenching and sampling;
- Evaluating the technical feasibility and commercial viability of extracting a mineral resource.

Exploration and evaluation expenditures such as geological and geophysical cost, are expensed as incurred. Exploration and evaluation expenditures such as costs of acquiring properties, drilling, and equipping exploratory wells and related plant and equipment are capitalized as property, plant and equipment or intangible assets. The capitalized exploration and evaluation expenditure is not depreciated until production commences. Capitalized exploration and evaluation expenditures are monitored for indications of impairment.

If the capitalized expenditure is determined to be impaired, an impairment loss is recognized based on the fair value.
When capitalized exploration and evaluation expenditure has been established as commercially viable by a final feasibility study, subsequent development expenditures are capitalized and amortized using the unit-of-production method.

(11) Mining operations
Mining exploration costs are recognized as an expense as incurred until the mining project has been established as commercially viable by a final feasibility study. Once established as commercially viable, costs are capitalized and are amortized using the unit-of-production method based on the proven and probable reserves.
The stripping costs incurred during the production phase of a mine are accounted for as variable production costs and are included in the costs of the inventory produced during the period that the stripping costs are incurred. To the extent the benefit is improved access to ore, the stripping costs are recognized as property, plant and equipment or an intangible asset.
For capitalized costs related to mining operations, impairment loss is recognized based on the fair value if it is determined that commercial production cannot commence or capitalized costs are not recoverable.

(12) Non-current assets held for sale
If the carrying amount of non-current assets or disposal groups will be recovered principally through a sale transaction rather than through continuing use, the Company classifies such non-current assets or disposal groups as held for sale, and reclassifies them into current assets. This condition is regarded as met only when the non-current asset or the disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset or disposal group and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.
Non-current assets or disposal groups classified as held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

(13) Borrowing costs
Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.
All other borrowing costs are recognized in net income in the period in which they are incurred.

(14) Impairment of non-financial assets
(i) Assessment for impairment
If there are any events or changes in circumstances indicating that the carrying amount of the Company's non-financial assets excluding inventories and deferred tax assets may not be recoverable, the recoverable amount of such assets are estimated by assuming that there are indications of impairment. Goodwill and intangible assets with indefinite useful lives are tested for impairment at least annually or more frequently if indicators of impairment are present. Goodwill that constitutes part of the carrying amount of investments accounted for using the equity method is not recognized separately, and is not tested for impairment on an individual basis. However, the total amount of investments accounted for using the equity method is assessed for indications of impairment and tested for impairment by treating it as a single asset.
Assessment for impairment is performed with respect to each asset, cash-generating unit or group of cash-generating units. If the carrying amount of the asset, cash-generating unit, or group of cash-generating units exceeds its recoverable amount, an impairment loss is recognized in net income.
The recoverable amount of the asset, cash-generating unit, or group of cash-generating units is the higher of the value in use or the fair value less costs to sell. Value in use is calculated by discounting the estimated future cash flows to the present value using the pretax discount rate reflecting the risks specific to the asset or the cash-generating unit.

(ii) Cash-generating units
In cases where cash flows are generated by multiple assets, the smallest unit that generates cash flows more or less independently from cash flows of other assets or groups of assets is referred to as a cash-generating unit.
A cash-generating unit, including allocated goodwill, is set as the smallest unit at which the goodwill is

monitored for internal management purposes and is a smaller unit than operating segment. If impairment loss is recognized in relation to a cash-generating unit, the carrying amount of any goodwill allocated to the cash-generating unit is reduced first, and if there is any residual amount, other assets of the unit are reduced pro rata on the basis of the carrying amount of each asset in the unit.

(iii) Reversal of impairment loss

Impairment recognized in the past is reversed to the recoverable amount of the asset if there are indications of reversal of impairment and changes in the estimates used to determine the asset’s recoverable amount. However, impairment loss recognized for goodwill is not reversed. Reversal of impairment loss is recognized up to the carrying amount that would have been determined at the time of impairment reversal had no impairment loss been recognized for the asset in prior years.

(15) Post-employment benefits

The Company has adopted defined benefit plans and defined contribution plans.

(i) Defined benefit plans

Obligations related to defined benefit plans are recognized in the amount of benefit obligations under such plans, net of the fair value of pension assets, in the consolidated statement of financial position. Any surplus resulting from this calculation is limited to the present value of any economic benefit available in the form of refunds from the plans or reductions in future contributions to the plans. Benefit obligations are calculated at the discounted present value of the amount of estimated future benefits corresponding to the consideration for services already provided by employees with respect to each plan. The Company remeasures benefit obligations using information provided by qualified actuaries and pension in each period.

Increases or decreases in benefit obligations for employees' past services due to the revision of the pension plan are recognized in net income.

The Company recognizes the increases or decreases in obligations due to the remeasurement of benefit obligations and pension assets of defined benefit plans in other comprehensive income and such increases or decreases are recorded in “Other components of equity” which are immediately reclassified into “Retained earnings.”

(ii) Defined contribution plans

Some subsidiaries have adopted defined contribution plans. Defined contribution plans are post-employment benefit plans in which the employer makes a certain amount of contributions to fund post-employment benefits and does not bear more obligations than the amount contributed. Obligations to make contributions under defined contribution plans are recognized in net income as expenses in the period during which services were provided by employees.

(16) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligations, and is discounted when the time value of money is material.

Provision for decommissioning and restoration

The provision for decommissioning and restoration is reviewed and adjusted each period to reflect developments that could include changes in closure dates, legislation, discount rate or estimated future costs. The amount recognized as a liability for decommissioning and restoration is calculated as the present value of the estimated future costs determined in accordance with local conditions and requirements. An amount corresponding to the provision is capitalized as part of "Property, plant and equipment" and "Investment property" and is depreciated over the life of the corresponding asset. The impact of unwinding of the discount rate applied in establishing the net present value of the provision is recognized in "Finance costs." The applicable discount rate is a pretax rate that reflects the current market assessment of the time value of money.

(17) Stock-based compensation

Stock-based compensation cost is measured at the grant date, based on the estimated fair value of stock-based awards made to directors other than outside directors and executive officers, and is recognized on a straight-line basis over the vesting period with a corresponding increase in equity. The fair values of stock options are estimated using the Black-Scholes option-pricing model.

(18) Revenues

The Company recognizes revenues for each transaction. In principle, the unit of transactions is a single contract. However, in certain circumstances, it is necessary to apply the recognition criteria to separately identifiable components as multiple units in a single contract in order to reflect the substance of the transaction. Conversely, the recognition criteria are applied to two or more contracts together as a single unit when they are linked in such a way that the commercial interest can be achievable with a series of transactions.

Revenues are measured at the fair value of consideration received or receivable.

The Company manufactures a wide variety of products, such as metals, machinery, chemicals, and general consumer merchandise, and develops natural resources. The Company also trades a wide variety of commodities and may take ownership risk of such inventory or merely facilitate the Company's customers' purchase and sale of commodities and other products where it earns a commission for this service.

Revenues from the sale of goods, including products and commodities, are recognized when all the following conditions are satisfied:

- Significant risks and rewards of ownership of the goods have been transferred to the buyer;
- Neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold is retained;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

If there are any trade discounts, volume rebates, etc., with respect to revenues from the sale of products and commodities, they are deducted from revenues.

Revenues from the rendering of services are recognized when all of the following conditions are met by reference to the stage of completion of the transaction at the end of the fiscal year:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of a transaction involving the rendering of services cannot be estimated reliably, revenues are recognized only to the extent of the expenses that are deemed recoverable.

(i) Various streams of revenue

(a) Sale of products and commodities

The Company acts as a principal seller in manufacturing and other activities. It also acts as a principal in various trading transactions where the Company carries commodity inventory and generates a profit or loss on the spread between the bids and ask prices for commodities. Delivery in these transactions is considered to have occurred at the point in time when the delivery conditions, as agreed to by customers, have been met. This is generally when the goods have been delivered to and accepted by the customer, title to the goods has been transferred, or the implementation testing has been duly completed.

(b) Construction contracts

The Company enters into long-term construction contracts as part of its manufacturing business. Revenues from long-term construction projects are accounted for using the percentage-of-completion method in cases where the estimated costs to complete and extent of progress toward completion of long-term contracts are measured reliably and there is an enforceable agreement between the parties who can fulfill the obligations. Otherwise, construction revenue is recognized to the extent of construction costs that are deemed recoverable.

If the amount of cost incurred plus profit exceeds the billing amount at that point in time, the excess amount is recognized in "Trade and other receivables," but if the amount is less than the billing amount at that point in time, the shortfall is recognized as "Trade and other payables." Amounts received prior to the completion of work are recognized in "Advances from customers."

(c) Rendering of services and other services

The Company performs other activities, which consist of services and rental or leasing activities. Service-related activities include performance of various services such as financial and logistics services, information and communications, technical support, and other service-related activities. The Company is engaged in certain rental activities or leasing of properties, including office buildings, aircraft, and other industrial assets. Revenues from service-related activities are recognized when the contracted services have been rendered to third-party customers pursuant to the agreement. Revenues from rental or leasing activities are listed above in section (9) “Leases.”

(ii) Agent Transaction
The Company acts as an agent and records revenues earned from margins and commissions related to various trading transactions in which it acts as an agent. Through these trading activities, the Company facilitates its customers' purchases and sales of commodities and other products, and earns a commission for this service. The trading margins and commissions are recognized when all other revenue recognition criteria have been met.

(iii) Gross and net presentation of revenues
The Company presents revenues on a gross basis in the consolidated statement of income for transactions traded in which the Company is the primary obligor in the sale of products and commodities with general inventory risk before customer orders and in services with significant risk.
For the sale of goods and the rendering of services traded in which the Company acts as an agent, the revenues are presented in the consolidated statement of income on a net basis.

(19) Service concession arrangements
A service concession arrangement is an arrangement between the "grantor" (a public sector entity) and the "operator" (a private sector entity) to provide services that give the public access to major economic and social facilities utilizing private-sector funds and expertise.
With respect to service concession arrangements, revenue and costs are allocated between those relating to construction services and those relating to operation services, and are accounted for separately. Consideration received or receivable is allocated by reference to the relative fair value of services delivered when the amounts are separately identifiable.
When the amount of the arrangement consideration (including minimum revenue guarantee) for the provision of public services is substantially fixed by a contract, the Company recognizes revenues from construction services for public facilities (infrastructures) by the percentage-of-completion method, and recognizes the consideration as a financial asset. The Company accounts for such financial assets in accordance with IFRS 9 "Financial Instruments," at amortized cost, calculates interest income based on the effective interest method, and recognizes it in net income.

(20) Government grants
Government grants are not recognized until there is reasonable assurance that the entity will comply with the conditions attached to the grants and that the grants will be received. Government grants are recognized in net income on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Government grants that are mainly conditional upon the Company acquiring non-current assets by purchase, construction, or other method are recognized by deducting the grants from the carrying amount of the assets in the consolidated statement of financial position and are reclassified into net income on a systematic basis based on reasonable criteria over their useful lives.

(21) Income taxes
Income tax expenses consist of current and deferred taxes. They are recognized in net income, excluding those related to business combinations and items recognized directly in equity or other comprehensive income.
Deferred taxes are recognized for temporary differences between the consolidated financial statement and income tax bases of assets and liabilities.
For taxable temporary differences concerning subsidiaries, associates, and joint arrangements, deferred tax liabilities are recognized. However, deferred tax liabilities are not recognized in cases where the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.
Deferred tax assets arising from deductible temporary differences concerning subsidiaries, associates, and joint arrangements are recognized only to the extent that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been substantively

enacted by the end of the reporting period.

Deferred tax assets are recognized only with respect to unused tax losses, unused tax credits, and deductible temporary differences where it is probable that future taxable income will be reduced. The recoverability of deferred tax assets is reviewed on the last day of each consolidated fiscal year, and the Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized.

The Company recognizes an asset or liability for the effect of uncertainty in income taxes, and the asset or liability is measured at the amount of the reasonable estimate for uncertain tax positions when it is possible, based on the Company's interpretation of tax laws, that the tax positions will be sustained.

The Parent and its wholly owned domestic subsidiaries file a consolidated corporate income tax return as a consolidation group.

(22) Fair value measurements

Certain assets and liabilities are required to be recognized at fair value. The estimated fair values of those assets and liabilities have been determined using market information such as quoted market price and valuation methodologies such as market approach, income approach, and cost approach. There are three levels of inputs that may be used to measure fair value.

(i) Level 1

Quoted prices (unadjusted) in active markets in which transactions take place with sufficient frequency and volume on an ongoing basis for identical assets or liabilities that the Company can access at the measurement date.

(ii) Level 2

Quoted prices for similar assets and liabilities in active markets, quoted prices for identical assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities, and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.

(iii) Level 3

Unobservable inputs for the assets or liabilities that reflect the assumptions that market participants would use when pricing the assets or liabilities. The Company develops unobservable inputs using the best information available in the circumstances, which might include the Company's own data.

Notes Concerning Changes in Presentation Methods

For the year ended March 31, 2015, “Provisions” were included within “Other current liabilities.” However, as the importance of its monetary amount has increased, “Provisions” is now presented separately starting from the consolidated fiscal year under review.

Notes Concerning Consolidated Statement of Financial Position

1. Assets pledged as collateral

(1) Pledged assets

Trade and other receivables (current and non-current)	96,571 million yen
Other investments (current and non-current)	352,544 million yen
Property, plant and equipment (less accumulated depreciation)	130,899 million yen
Investment property (less accumulated depreciation)	20,955 million yen
Others	7,910 million yen
Total	608,879 million yen

(2) Liabilities with the pledged assets listed above

Short-term debt	43,760 million yen
Long-term debt	210,083 million yen
Guarantees of contracts and others	355,036 million yen
Total	608,879 million yen

2. Accumulated depreciation and impairment losses on property, plant and equipment	1,723,996 million yen
3. Accumulated depreciation and impairment losses on investment properties	37,806 million yen
4. Accumulated amortization and impairment losses on intangible assets	137,695 million yen

5. Guarantees

Financial guarantees	672,408 million yen
Performance guarantees	215,074 million yen
Total	887,482 million yen

These guarantees are credit enhancements in the form of standby letters of credit and performance guarantees in order to enable the Company's customers, suppliers, and associates to execute transactions or obtain desired financing arrangements with third parties.

Notes Concerning Consolidated Statement of Changes in Equity

Type and number of shares of treasury stock	5,482,335 shares of common stock

Notes Concerning Financial Instruments

1. Matters Concerning Financial Instruments

The Company, in the normal course of its business, deals with various financial instruments. The Company engages in business transactions with a significant number of customers in a wide variety of industries all over the world, and its receivables from, and guarantees to, such parties are broadly diversified. Consequently, in management's opinion, there is no significant concentration of credit risk in any particular region or to any specific customer. The Company manages credit risk of these financial instruments by setting and approving credit limits and by periodically monitoring the credit standing of counterparties based on the Company's credit risk management policies. The Company requires collateral to the extent considered necessary.

As for derivative transactions, the Company enters into various derivative contracts based on its risk management policy concerning counterparties to mitigate specific risks.

2. Matters Concerning Fair Value of Financial Instruments

The fair value of financial instruments has been determined using available market information such as quoted market prices or valuation methodologies such as the market, income, or cost approaches.

The following assumptions and methods were used to calculate the fair value of each class of financial instrument:

The fair values of investments in marketable securities included in "Short-term investments" and "Other investments" are estimated using quoted market prices in active markets or quoted prices for identical or similar assets in markets that are not active. The fair values of non-marketable investments are estimated primarily using the discounted present value of future cash flows, comparison with similar transactions, the value of net assets per share, and third-party valuations.

For trade and other receivables that have relatively short maturities, the carrying amounts approximate fair value. The fair values of trade and other payables that do not have short-term maturities are determined using a discounted cash flow based on estimated future cash flows, which incorporate the characteristics of the receivables, including principal and contractual interest rates, and discount rates reflecting the Company's assumptions related to credit spread.

For trade and other payables that have relatively short maturities, the carrying amounts approximate fair value. The fair values of trade and other payables that do not have short-term maturities are determined using estimated future cash flows discounted by the interest rate applied to new debt the Company incurred under similar remaining maturities and conditions.

The fair values of borrowings are estimated based on the present value of estimated future cash flows using interest rates that are currently available to the Company for debt with similar terms and remaining maturities.

The fair values of the derivative assets and derivative liabilities are estimated by pricing models using observable market inputs, such as quoted prices, interest rates, and foreign exchange rates. Derivative assets are included under "Other financial assets" and "Other current assets" and derivative liabilities are included under "Other financial liabilities" and "Other current liabilities."

The breakdown of carrying amounts and fair values of financial instruments as of March 31, 2016, is as follows:

(Millions of Yen)

	As of March 31, 2016	
	Carrying Amount	Fair Value
Financial assets:		
Short-term investments and other investments	¥2,018,978	¥2,019,135
Trade and other receivables	2,976,809	3,000,573
Derivative assets	288,311	288,311
Financial liabilities		
Trade and other payables	2,190,252	2,189,934
Bonds and borrowings	6,042,606	5,993,166
Derivative liabilities	102,899	102,899

(Figures less than one million yen are rounded to the nearest million.)

In the fiscal year ended March 2016, the fair value for short-term investments and other investments decreased by 256,254 million yen. The main reason behind this decrease was the drop in the fair value of investments related to natural resources caused by stagnant conditions in the commodities market. The Company primarily possesses investments related to natural resources in Sakhalin Energy Investment Company and Malaysia LNG Dua for LNG, and Minera Escondida, Compania Minera Antamina, and Anglo American Quellaveco for copper.

Notes Concerning Investment Property

1. Matters Concerning Investment Property

The Company holds investment property including office buildings, commercial facilities, and other property for rent in Tokyo as well as other regions.

2. Matters Concerning Fair Value of Investment Property

As of March 31, 2016, the carrying amount of investment property was 70,578 million yen and the fair value was 94,163 million yen.

The carrying amount is calculated as the acquisition cost, net of accumulated depreciation and accumulated impairment losses.

The fair value is determined based on evaluations from independent appraisers with recent appraisal experience in relation to the location and real estate type and with publically certified qualifications suited to a specialist such as a real estate appraiser. These evaluations are based on an income approach utilizing input information, such as anticipated rent fees and discount rates.

Notes Concerning Per-Share Information

Total equity attributable to owners of the Parent per share	2,898.23 yen
Basic net loss attributable to owners of the Parent per share	(93.68 yen)
Diluted net loss attributable to owners of the Parent per share	(93.68 yen)

Note: Diluted earnings per share do not include stock options due to the antidilutive effect caused by net loss in the fiscal year ended March 31, 2016.

Notes Concerning Significant Subsequent Event

There have been no significant subsequent events.

(Translation)

Non-consolidated Balance Sheet

(Millions of Yen)

Item	As of March 31, 2016	As of March 31, 2015 (Reference only)
ASSETS		
Current assets	¥2,933,826	¥3,567,818
Cash and time deposits	1,084,712	1,048,336
Trade notes receivable	69,120	69,516
Trade accounts receivable	763,031	971,509
Short-term investments	41,538	66,259
Inventories	160,386	215,634
Real estate for sale	8,357	9,386
Advance payments to suppliers	183,948	181,483
Accounts receivable - Other	148,908	130,979
Short-term loans	382,318	794,044
Deferred tax assets - current	17,039	18,033
Other current assets	82,680	67,047
Allowance for doubtful receivables	(8,215)	(4,412)
Total property, plant and equipment	4,612,645	4,680,362
Net property, plant and equipment	129,701	130,571
Buildings and structures	37,448	37,856
Land	85,645	85,948
Construction in progress	1,801	1,416
Other property, plant and equipment	4,806	5,349
Intangible assets	44,608	44,888
Software	40,581	37,413
Software in progress	3,168	6,490
Other intangible assets	858	983
Total investments and other assets	4,438,334	4,504,902
Investment securities	895,190	1,082,880
Investments in affiliates -stock	2,896,246	2,706,451
Other investments in affiliates	48,319	99,466
Investments into capital	25,036	28,470
Investment in affiliates into capital	144,691	134,855
Long-term loans receivable	367,058	359,061
Noncurrent trade receivables	10,398	11,274
Long-term prepaid expenses	58,397	64,467
Other investments	35,955	32,698
Allowance for doubtful receivables	(42,958)	(14,724)

Item	As of March 31, 2016	As of March 31, 2015 (Reference only)
LIABILITIES AND EQUITY		
Total current liabilities	¥1,714,702	¥1,859,521
Trade notes payable	39,632	76,811
Trade accounts payable	562,119	729,769
Short-term borrowings	383,582	310,967
Commercial paper	—	10,000
Bonds due for redemption within one year	251,309	155,081
Accounts payable - other	200,888	247,277
Accrued expenses	38,926	44,061
Advances received	187,712	190,102
Deposit liabilities	22,307	40,583
Provision for directors' bonuses	146	386
Other current liabilities	28,077	54,481
Noncurrent liabilities	3,498,019	3,699,758
Long-term borrowings	2,503,599	2,640,570
Bonds	878,663	946,531
Accrued pension and severance liabilities	2,390	2,544
Retirement provision for directors and senior vice presidents	1,977	2,109
Provision for loss on guarantees of obligations	57,074	64,167
Provision for special repairs	543	457
Provision for environmental measures	11,452	11,536
Provision for loss on lease agreements	5,364	7,020
Deferred tax liabilities – noncurrent	24,896	3,631
Asset retirement obligations	1,637	1,679
Other noncurrent liabilities	10,418	19,510
Total liabilities	5,212,721	5,559,280
EQUITY		
Shareholders' equity	2,062,373	2,404,431
Common stock	204,446	204,446
Capital surplus	214,161	214,161
Additional paid-in capital appropriated for legal reserve	214,161	214,161
Retained earnings	1,658,235	1,993,539
Retained earnings appropriated for legal reserve	31,652	31,652
Other retained earnings	1,626,583	1,961,886
Reserve for deferred gain on sales of property	11,543	11,271
General reserve	1,855,760	1,723,760
Unappropriated retained earnings	(240,720)	226,855
Treasury stock	(14,470)	(7,715)
Valuation and translation adjustments	268,003	280,144

Deferred assets	2,480	1,624	Unrealized gains and losses on other securities	311,281	408,764
Bond issuance cost	2,480	1,624	Deferred hedging gains	(43,278)	(128,619)
			Stock acquisition rights	5,854	5,947
			Total equity	2,336,230	2,690,523
Total assets	¥7,548,952	¥8,249,804	Total liabilities and equity	¥7,548,952	¥8,249,804

(Figures less than one million yen are rounded down.)

(Translation)

Non-consolidated Statement of Income

(Millions of Yen)

Item	Fiscal year ended March 31, 2016 (From April 1, 2015 to March 31, 2016)	Fiscal year ended March 31, 2015 (From April 1, 2014 to March 31, 2015) (Reference only)
Net sales	¥5,929,566	¥7,013,434
Cost of sales	(5,810,172)	(6,856,561)
Gross profit	119,393	156,872
Selling, general and administrative expenses	(213,412)	(231,792)
Operating loss	(94,019)	(74,919)
Non-operating income	466,487	564,131
Interest income	26,010	19,550
Dividend income	366,955	499,325
Gains on sales of property, plant and equipment	5,142	208
Gains on sales of investment securities	51,873	27,378
Other income	16,504	17,668
Non-operating expenses	(504,147)	(204,438)
Interest expense	(20,131)	(17,470)
Foreign exchange losses	(12,417)	(8,475)
Loss on sales and disposals of property, plant and equipment	(668)	(253)
Loss on sales of investment securities	(6,645)	(4,580)
Loss on write-down of investment securities	(432,679)	(110,672)
Provision for doubtful receivables from affiliates	(24,956)	(48,484)
Other expenses	(6,648)	(14,502)
Ordinary income (loss)	(131,679)	284,772
Income (loss) before income taxes	(131,679)	284,772
Income taxes - current	4,978	(35,281)
Income taxes - deferred	(29,627)	40,253
Net income (loss)	(¥156,328)	¥289,744

(Figures less than one million yen are rounded down.)

(Translation)

Non-consolidated Statement of Changes in Equity

(Millions of Yen)

Fiscal year ended March 31, 2016 (From April 1, 2015 to March 31, 2016)

	Shareholders' equity									Valuation and translation adjustments			Stock acquisition rights	Total net assets
		Capital surplus		Retained earnings										
					Other retained earnings									
	Common stock	Additional paid-in capital appropriated for legal reserve	Other capital surplus	Retained earnings appropriated for legal reserve	Reserve for deferred gain on sales of property	General reserve	Unappropriated retained earnings	Treasury stock	Total shareholders' equity	Unrealized gains on other securities	Deferred hedging gains	Total valuation and translation adjustments		
Balance as of April 1, 2015	¥204,446	214,161	–	31,652	11,271	1,723,760	226,855	(7,715)	2,404,431	408,764	(128,619)	280,144	5,947	2,690,523
Changes during the fiscal year														
Dividends							(88,222)		(88,222)					(88,222)
Increase in retained earnings due to change in tax rates					272		(272)		–					–
Transfer to general reserve						132,000	(132,000)		–					–
Net loss							(156,328)		(156,328)					(156,328)
Purchase of treasury stock								(100,013)	(100,013)					(100,013)
Sales of Treasury Stock							(432)	2,939	2,506					2,506
Cancellation of Treasury Stock							(90,319)	90,319	–					–
Net changes in items other than shareholders' equity during the fiscal year									–	(97,482)	85,341	(12,141)	(92)	(12,234)
Total changes during the fiscal year	–	–	–	–	272	132,000	(467,576)	(6,755)	(342,058)	(97,482)	85,341	(12,141)	(92)	(354,292)
Balance as of March 31, 2016	204,446	214,161	–	31,652	11,543	1,855,760	(240,720)	(14,470)	2,062,373	311,281	(43,278)	268,003	5,854	2,336,230

(Figures less than one million yen are rounded down)

(Millions of Yen)

Fiscal year ended March 31, 2015 (From April 1, 2014 to March 31, 2015) (Reference only)

	Shareholders' equity									Valuation and translation adjustments			Stock acquisition rights	Total net assets
		Capital surplus		Retained earnings										
					Other retained earnings									
	Common stock	Additional paid-in capital appropriated for legal reserve	Other capital surplus	Retained earnings appropriated for legal reserve	Reserve for deferred gain on sales of property	General reserve	Unappropriated retained earnings	Treasury stock	Total shareholders' equity	Unrealized gains on other securities	Deferred hedging gains	Total valuation and translation adjustments		
Balance as of April 1, 2014	¥204,446	214,161	–	31,652	10,708	1,437,760	415,379	(14,000)	2,300,108	273,841	(61,809)	212,031	5,980	2,518,119
Changes during the fiscal year														
Dividends							(127,437)		(127,437)					(127,437)
Increase in reserve due to change in tax rate					562		(562)		–					–
Transfer to general reserve						286,000	(286,000)		–					–
Net income							289,744		289,744					289,744
Purchases of treasury stock								(60,012)	(60,012)					(60,012)
Sales of treasury stock							(958)	2,988	2,029					2,029
Cancellation of Treasury Stock							(63,309)	63,309	–					–
Net changes in items other than shareholders' equity during the fiscal year									–	134,923	(66,810)	68,113	(33)	68,080
Total changes during the fiscal year	–	–	–	–	562	286,000	(188,523)	6,285	104,323	134,923	(66,810)	68,113	(33)	172,404
Balance as of March 31, 2015	204,446	214,161	–	31,652	11,271	1,723,760	226,855	(7,715)	2,404,431	408,764	(128,619)	280,144	5,947	2,690,523

(Figures less than one million yen are rounded down)

(Translation)

Notes to Non-consolidated Financial Statements

Notes Concerning Significant Accounting Policies (Non-consolidated Financial Statements for the Year Ended March 31, 2016)

1. Measurement and valuation method of Inventories

Inventories held for ordinary sale are measured at the lower of cost or net realizable value. Cost is determined by the average cost method or specific identification method. Inventories held for trading are measured at market value.

2. Measurement and valuation method of Securities

Securities are measured as follows:

- Held-to-maturity securities: at amortized cost
- Securities issued by subsidiaries and affiliated companies: at cost (the cost of securities sold is determined based on the moving average method)
- Other securities

  Marketable securities: at fair value as determined by the market value at the end of the fiscal year.
  (Unrealized gains and losses are recorded in equity. The cost of securities sold is determined based on the moving average method.)
  Non-marketable securities: at cost, based on the moving average method

3. Derivatives

Derivatives are measured at market value.
For those derivative financial instruments used to manage exposures to fluctuations in foreign exchange rates, interest rates, and commodity prices, hedge accounting is applied when the hedge effectiveness requirements are met.

4. Depreciation method of property, plant and equipment

Depreciation of property, plant and equipment (excluding leased assets) is calculated using the declining-balance method. However, depreciation of buildings (excluding fixtures) acquired after March 31, 1998, is calculated using the straight-line method.
Intangible assets are amortized using the straight-line method. Software for internal use is amortized using the straight-line method, based on an estimated useful life of no more than 15 years.
Leased assets under finance leases other than those that transfer ownership are depreciated using the straight-line method based on the lease term as the useful life and residual value of zero. Finance leases other than those that transfer ownership, beginning prior to April 1, 2008, are accounted for as ordinary operating leases.

5. Amortization method of Deferred Assets

Bond issuance expenses are amortized by the interest method over the bond term.

6. Foreign Currency Translation of Assets and Liabilities

Monetary assets and liabilities denominated in foreign currencies are translated into Japanese yen at year-end exchange rates with the resulting exchange gains or losses recognized in the nonconsolidated statement of income.

7. Accounting for Allowance for Doubtful Receivables

The allowance for doubtful receivables is established, as to general allowance, based on the Parent’s past credit loss experience; and as to individual doubtful receivables, based on evaluation of potential losses in the receivables outstanding.

8. Accounting for Provision for Directors’ Bonuses

The provision for directors’ bonuses represents the amount deemed to have been incurred in the fiscal year, based on projected payments at the end of the fiscal year.

9. Accounting for Accrued Pension and Severance Liabilities

Accrued pension and severance liabilities are accounted for based on the projected benefit obligations and the plan assets at the balance sheet date.
The unrecognized net actuarial loss is amortized using the straight-line method over the average remaining service period of active employees in service from the following fiscal year. Prior service costs are amortized using the straight-line method over the average remaining service period of employees.

10. Accounting for Retirement Provision for Directors and Executive Officers

Retirement provisions for Directors and Senior Vice Presidents are provided at the amount of estimated retirement benefits to be paid at the end of the fiscal year based on calculation formulas in the bylaws.

The retirement bonuses plan for Directors and Senior Vice Presidents was abolished in the fiscal year ended March 31, 2008. The provision balance as of March 31, 2016, relates to the previous plan.

11. Accounting for Provision for Loss on Guarantees of Obligations

The Parent provides for contingent losses on guarantees of obligations of subsidiaries and other parties in the amount deemed necessary in consideration of their financial conditions and other factors.

12. Accounting for Provision for Special Repairs

The provision for special repairs is provided at the amount allocated to the period based on the estimated amount of expenses required for mandated regular open inspections of oil storage tanks.

13. Accounting for Provision for Environmental Measures

The provision for environmental measures is provided in the amount deemed necessary to cover expenditures for the cost of transport, treatment, and other processing of waste materials for which treatment is mandated by laws and regulations.

14. Accounting for Provision for Loss on Lease Contracts

The provision for loss on lease contracts is provided in the amount deemed necessary for any losses that arise during the noncancellation period when facilities can no longer be expected to be utilized by the Company, through in-house use, resale, or other means in accordance with facility rental agreements.

15. Accounting for Consumption Tax and Similar Local Taxes

Consumption tax and similar local taxes are excluded from income and expenses.

16. Income Taxes

The Parent applies the consolidated tax return filing system.

(Additional information)

As of the fiscal year under review, the Company has early adopted the “Implementation Guidance on Recoverability of Deferred Tax Assets” (Implementation Guidance of Corporate Accounting Standards, No. 26, released on March 28, 2016).

Notes to Non-consolidated Balance Sheet

1. Assets pledged as collateral and significant liabilities with collateral

(1) Assets pledged as collateral

Short-term loans	4	million yen
Investment securities	4,098	million yen
Investments in affiliates - stock	66,866	million yen
Investments in affiliates - other than stock	3,667	million yen
Long-term loans	54	million yen
Other	19,798	million yen
Total	94,490	million yen

Note: Mainly lease deposits and guarantees related to operating transactions and derivative transactions

(2) Significant liabilities with collateral

The Parent pledges its assets as collateral against transaction guarantees and the liabilities of affiliates, but does not have collateral pledged against its liabilities.

2. Accumulated depreciation for property, plant and equipment 80,196 million yen

3. Credit guarantee of indebtedness

Guarantees for borrowings from banks and others by customers and suppliers

(Affiliate) MITSUBISHI DEVELOPMENT PTY LTD	470,863	million yen
(Affiliate) MC FINANCE AUSTRALIA PTY LTD	164,814	million yen
(Affiliate) Mitsubishi Corporation RtM Japan Ltd.	141,637	million yen
(Affiliate) PE WHEATSTONE PTY LTD	125,124	million yen
(Affiliate) P.T. DIPO STAR FINANCE	92,406	million yen
(Affiliate) DIAMOND STAR SHIPPING PTE LTD.	80,512	million yen
(Affiliate) Sulawesi LNG Development Ltd.	77,659	million yen
(Affiliate) MITSUBISHI CORPORATION FINANCE PLC	76,761	million yen
Others (200 companies)	1,300,022	million yen
Total	2,529,802	million yen

The Parent discloses quasi-guarantees on bank loans and other liabilities, included in the above.

In addition to the above, the Parent has a Keep Well Agreement with Mitsubishi International Corporation, an affiliate, in connection with the issuance of their commercial paper and other financial obligations. Although the agreement does not present a guarantee by the Parent to service the debt obligations of this affiliate, it promises the Parent will provide funds for pledging to financial and other institutions in the event that the affiliate experiences either a decline in net assets below a predetermined amount or a shortage in current assets required for paying its debt obligations.

However, as of the end of the fiscal year, this affiliate had maintained net assets above the predetermined amount and had experienced no shortage in current assets.

In addition to the abovementioned credit guarantees for borrowings from banks and others by customers and suppliers, the Parent provides performance guarantees for LNG projects. These performance guarantees are guarantees of the payments for the participating interest in these projects, guarantees for the future funding commitment in accordance with the joint venture agreement, and guarantees of the payment of usage fees for natural gas liquefaction facilities. These guarantees amounted to 697,120 million yen as of March 31, 2016. The main projects included in the above are those in North America and Australia.

4. Trade notes discounted 45,961 million yen

5. Due from/to affiliates:

Short-term receivables	617,119	million yen
Long-term receivables	361,549	million yen
Short-term payables	213,552	million yen

Notes to Non-consolidated Statement of Income

1. Transactions with affiliates

Operating transactions		
Sales	1,641,103	million yen
Purchases	1,150,589	million yen
Transactions other than operating transactions	344,036	million yen

2. Write-down of Investment Securities

Through its wholly owned subsidiary MC Resource Development Ltd. (head office: London, the UK, "MCRD"), the Parent holds 20.4% of the voting rights in Anglo American Sur S.A., a Chilean copper mining interest holding company. In consideration of the sluggish copper market conditions and the extended timeframe now required for development of new mining projects, MCRD recorded an impairment loss on its investment in Anglo America Sur. Based on this development, the Parent has deemed that it will be difficult to recover its investment in MCRD and thus recorded a write-down of investment securities of approximately 235,592 million yen with regard to this company, as well as a valuation allowance for the total amount of deferred tax assets.

In total, 432,679 million yen was recorded as a write-down of investment securities in the fiscal year ended March 31, 2016, following losses on write-downs of resource-related securities stemming from deteriorating market conditions for LNG, crude oil, iron ore, and other resources as well as copper.

3. Provision for doubtful receivables from affiliates

Provision for doubtful receivables from affiliates includes provisions for doubtful receivables and for loss on guarantees of obligations of affiliates, net of reversal.

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Notes to Statement of Changes in Equity

1. Number of shares issued at the end of the fiscal year	Common stock	1,590,076,851 shares
2. Number of shares of treasury stock at the end of the fiscal year	Common stock	5,441,606 shares

3. Matters concerning dividends

(1) Matters concerning dividends paid during the fiscal year under review

Resolution	Class of Shares	Total Dividend	Dividend per Share	Record Date	Effective Date
June 19, 2015 Ordinary General Meeting of Shareholders	Common stock	48,613 million yen	30 yen	March 31, 2015	June 22, 2015
November 5, 2015 Board of Directors Meeting	Common stock	39,610 million yen	25 yen	September 30, 2015	December 1, 2015

(2) Matters concerning dividends to be paid after the end of the fiscal year under review

The Parent plans to submit the following proposal for approval at the Ordinary General Meeting of Shareholders on June 24, 2016.

Total dividend:	39,615,881,125 yen
Dividend per share of common stock:	25 yen
Effective date:	June 27, 2016
Source of funds for dividend:	Retained earnings
Record date:	March 31, 2016

4. Number of shares resulting from the potential exercise of stock acquisition rights at the end of the fiscal year

3,986,200 shares of common stock (excluding shares for which the exercise period has not commenced)

Notes Concerning Income Tax Effects

1. Breakdown of the significant components of deferred tax assets and liabilities

Deferred tax assets	
Allowance for doubtful receivables	25,188 million yen
Accrued expenses	9,074 million yen
Loss on write-down of investment securities	208,703 million yen
Impairment loss on property, plant and equipment and real estate held for sale	558 million yen
Deferred hedging gains and losses	21,169 million yen
Other	34,137 million yen
Subtotal	298,830 million yen
Less valuation allowance	(147,034) million yen
Total deferred tax assets	151,796 million yen
Deferred tax liabilities	
Expenses related to accrued pension and severance liabilities	(4,922) million yen
Reserve for deferred gain on sales of property	(5,094) million yen
Unrealized gain on other securities	(135,984) million yen
Other	(13,644) million yen
Total deferred tax liabilities	(159,646) million yen
Net deferred tax assets/(liabilities)	(7,850) million yen
Current assets	17,039 million yen
Non-current liabilities	(24,896) million yen

2. Reconciliation of the combined statutory income tax rate to the effective income tax rate after giving effect to income tax allocation

Statutory effective tax rate	33.1%
(Adjustments)	
Expenses not deductible for income tax purposes	(1.8%)
Dividends	77.5%
Foreign tax	(4.4%)
Downward revisions of deferred tax assets resulting from a change in tax rate	(12.9)%
Combined income of special foreign subsidiaries, etc.	(5.1%)

Valuation allowance	(104.4%)
Other	(0.7%)
Burden ratio such as corporation tax after application of tax-effect accounting	(18.7%)

3. Adjusted amount of deferred tax assets and deferred tax liabilities pursuant to a change in the tax rates for income taxes

The “Act for Partial Revision of the Income Tax Act, etc.” (law No. 15 of 2016) and the “Act for Partial Revision of Local Taxation Act, etc.” (Special Ordinance No. 13 of 2016) were promulgated by the National Diet on March 29, 2016. Shortly afterwards, the “Ordinance for Partial Revision of Tokyo Metropolitan Government Metropolitan Ordinance” (Tokyo Metropolitan Government Ordinance No. 79 of 2016) was promulgated on March 31, 2016. This resulted in a change in income tax rates from fiscal years beginning on or after April 1, 2016.

In accordance with this change, the statutory income tax rate used for calculating deferred tax assets and deferred tax liabilities is estimated to change from 32.2% to 30.8% for temporary differences expected to be reversed from the fiscal year beginning on April 1, 2016. This estimate takes into account the aforementioned revision to the Tokyo Metropolitan Government Metropolitan Ordinance (Promulgated on March 31, 2016).

Furthermore, the Company estimates a statutory tax rate of 30.6% for temporary differences expected to reverse from the fiscal year beginning on April 1, 2018. This estimate takes into account the assumptions for the calculations stipulated by the revised ordinance for the fiscal year ending March 31, 2017.

In accordance with these tax rate changes, the amount of deferred tax assets (the amount after the deduction of deferred tax liabilities) decreased by 7,806 million yen, and the amount of income taxes-deferred recorded as expenses in the year ended March 31, 2016, increased by the same amount. The amount of deferred tax liabilities (the amount after the deduction of deferred tax assets) corresponding to other comprehensive income (loss) decreased by 6,462 million yen. The components of this decrease were a decrease of 7,388 million yen related to unrealized gains on other securities and an increase of 926 million yen related to deferred gains on hedges.

Notes Concerning Transactions with Related Parties

Category	Name of Company	Ownership interest of voting rights	Relationship With Related Party	Transactions	Transaction Amount (Million yen)	Financial line items	Year-end Balance (Million yen)
Subsidiary	MC FINANCE & CONSULTING ASIA PTE. LTD.	Directly held 100%	Advance of funds	Advance of funds (Note 1)	236,644	Short-term loans	46,343
				Interest received (Note 1)	1,372	Long-term loans	120,636
						Others (current assets)	169
Subsidiary	MC FINANCE AUSTRALIA PTY LTD	Directly held 100%	Advance of funds	Advance of funds (Note 1)	194,062	Short-term loans	171,637
				Interest received (Note 1)	3,142	Others (current assets)	204
			Guarantee obligations	Guarantee obligations (Note 2)	164,814	—	—
Subsidiary	TRI PETCH ISUZU LEASING CO., LTD.	Directly held 43.50% Indirectly held 50%	Advance of funds	Advance of funds (Note 1)	110,238	Short-term loans	44,979
				Interest received (Note 1)	3,926	Long-term loans	47,212
						Others (current assets)	537
Subsidiary	Mitsubishi Corporation Financial & Management Services (Japan) Ltd.	Directly held 100%	Borrowing of funds	Borrowing of funds (Note 1)	28,187	Short-term Borrowings	86,760
				Interest expenses (Note 1)	28	Others (current assets)	18
Subsidiary	MITSUBISHI DEVELOPMENT PTY LTD	Directly held 100%	Guarantee obligations	Guarantee obligations (Note 3)	470,863	—	—
				Receipt of guarantee fee (Note 3)	911	—	
Subsidiary	Mitsubishi Corporation RtM Japan Ltd.	Directly held 100%	Guarantee obligations	Guarantee obligations (Note 3)	141,637	—	—

				Receipt of guarantee fee (Note 3)	42	—	
Affiliated company	PE WHEATSTONE PTY LTD	Indirectly held 39.66%	Guarantee obligations	Guarantee obligations (Notes 3 and 4) Receipt of guarantee fee (Note 3)	125,124 916	— —	—
Subsidiary	P.T.DIPO STAR FINANCE	Indirectly held 95%	Guarantee obligations	Guarantee obligations (Note 3) Receipt of guarantee fee (Note 3)	92,406 996	— —	—
Subsidiary	DIAMOND STAR SHIPPING PTE LTD.	Directly held 100%	Guarantee obligations	Guarantee obligations (Note 3) Receipt of guarantee fee (Note 3)	80,512 59	— —	—
Affiliated company	SULAWESI LNG DEVELOPMENT Ltd.	Directly held 75%	Guarantee obligations	Guarantee obligations (Note 5)	77,659	— —	—
Subsidiary	MITSUBISHI CORPORATION FINANCE PLC	Directly held 100%	Guarantee obligations	Guarantee obligations (Note 3) Receipt of guarantee fee (Note 3)	76,761 62	— —	—

Transaction terms and policy
Notes:
1. The Parent determines conditions of advances and borrowings rationally based on market interest rates.
2. Almost all of the assets used to fund the repayment of the bank loans of the Company are advances of funds to the Parent's related parties, and the Parent provides guarantees separately for those advances of funds and receives guarantee fees. Therefore, the Parent does not receive a guarantee fee from the Company for guarantees for the bank loans of the Company.
3. The Parent provides guarantees for bank loans and receives a guarantee fee based on market interest rates.
4. In connection with the LNG project in Australia discussed under "3. Credit guarantee of indebtedness" in "Notes to Non-consolidated Balance Sheet," the Parent provides a joint performance guarantee for the affiliated company.
5. Despite the guarantees provided for bank loans, etc., the Parent does not receive a guarantee fee from the Company.
6. In addition to the above, in connection with LNG projects in North America discussed under "3. Credit guarantee of indebtedness" in "Notes to Non-consolidated Balance Sheet," Mitsubishi Corporation provides performance guarantees for its subsidiaries.

Notes Concerning Per Share Information

Net assets per share	1,470.61	yen
Basic net loss per share	(98.02)	yen
Diluted net loss per share	(98.02)	yen

Note: Diluted earnings per share do not include stock options due to the antidilutive effect caused by net loss in the fiscal year ended March 31, 2016.

Notes Concerning Significant Subsequent Event

There have been no significant subsequent events.

(Translation)

Consolidated Statement of Other Comprehensive Income (Reference only) (Prepared based on IFRS)

(Millions of Yen)

Item	Fiscal year ended March 2016 (From April 1, 2015 to March 31, 2016)	Fiscal year ended March 2015 (From April 1, 2014 to March 31, 2015)
Net income (loss)	(¥132,664)	¥406,391
Other comprehensive income (loss), net of tax		
Items that will not be reclassified to net income (loss)		
Gains (losses) on other investments designated as FVTOCI	(294,716)	62,063
Remeasurement of defined benefit pension plans	(49,636)	28,447
Share of OCI of equity method investees	(25,493)	(2,498)
Total	(369,845)	88,012
Items that may be reclassified to net income		
Cash flow hedges	2,259	(6,588)
Exchange differences on translating foreign operations	(274,809)	180,211
Share of OCI of equity method investees	(35,336)	46,799
Total	(307,886)	220,422
Total other comprehensive income (loss), net of tax	(677,731)	308,434
Total comprehensive income (loss)	(¥810,395)	¥714,825
Comprehensive income (loss) attributable to:		
Owners of the Parent	(¥788,323)	¥686,900
Non-controlling interests	(22,072)	27,925
	(¥810,395)	¥714,825

(Figures less than one million yen are rounded to the nearest million.)

(Translation)

Consolidated Statement of Cash Flows (Reference only) (Prepared based on IFRS)

(Millions of Yen)

Item	Fiscal year ended March 31, 2016 (From April 1, 2015 to March 31, 2016)	Fiscal year ended March 31, 2015 (From April 1, 2014 to March 31, 2015)
Operating activities		
Net income (loss)	(¥132,664)	¥406,391
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	219,699	206,559
Gains (losses) on investments	(46,334)	(45,351)
Gain on reversal of impairment losses on investments accounted for using the equity method	–	(94,247)
Losses on property, plant and equipment	81,152	93,271
Finance income - net of finance costs	(72,262)	(158,845)
Income from investments accounted for using the equity method	175,389	(203,818)
Income taxes	39,841	168,331
Decrease in trade receivables	300,823	249,283
Decrease in inventories	211,722	71,875
Decrease in trade payables	(293,040)	(156,622)
Other – net	85,751	57,860
Dividend paid	216,206	383,007
Interest received	87,112	79,706
Interest paid	(70,594)	(67,683)
Income taxes paid	(102,696)	(191,453)
Net cash provided by operating activities	700,105	798,264
Investing activities		
Acquisition of property, plant and equipment	(249,062)	(307,539)
Proceeds from sales of property, plant and equipment	45,582	147,181
Acquisition of investment property	(23,317)	(17,586)
Proceeds from disposal of investment property	28,233	38,135
Purchases of investments accounted for using the equity method	(336,495)	(167,203)
Proceeds from disposal of investments accounted for using the equity method	68,749	164,642
Acquisitions of businesses - net of cash acquired	(12,873)	(154,449)
Proceeds from disposal of businesses - net of cash divested	12,208	8,889
Purchases of other investments	(314,697)	(76,359)
Proceeds from disposal of other investments	139,489	79,448
Increase in loans receivable	(77,302)	(72,913)
Collection of loans receivable	290,513	213,007
Net increase in time deposits	(74,882)	(10,105)
Net cash used in investing activities	(503,854)	(154,852)

Item	Fiscal year ended March 31, 2016 (April 1, 2015 to March 31, 2016)	Fiscal year ended March 31, 2015 (April 1, 2014 to March 31, 2015)
Financing activities:		
Net decrease in short-term debts	(19,719)	(73,876)
Proceeds from long-term debts - net of issuance costs	979,730	1,080,358
Repayment of long-term debts	(1,109,316)	(1,097,693)
Payment of dividends	(88,223)	(127,437)
Payment of dividends to the non-controlling interests	(25,199)	(24,212)
Payment for acquisition of subsidiary's interests from the non-controlling interests	(6,001)	(12,873)
Proceeds from sales of subsidiary's interest to the non-controlling interests	2,976	9,762
Net (decrease) increase in treasury stock	(98,776)	(59,363)
Net cash provided by (used in) financing activities	(364,528)	(305,334)
Effect of exchange rate changes on cash and cash equivalents	(55,952)	55,075
Net increase (decrease) in cash and cash equivalents	(224,229)	393,153
Cash and cash equivalents, beginning of year	1,725,189	1,332,036
Cash and cash equivalents, end of year	¥1,500,960	¥1,725,189

(Figures less than one million yen are rounded to the nearest million.)

(Translation)

Segment Information (Reference only) (Prepared based on IFRS)

(Millions of Yen)

	Global Environmental & Infrastructure Business	Industrial Finance, Logistics & Development	Energy Business	Metals	Machinery	Chemicals	Living Essentials	Total	Other	Adjustments and Eliminations	Consolidated
Fiscal year ended March 31, 2016											
Gross profit (loss)	¥36,093	61,774	35,405	139,109	198,021	112,564	505,041	1,088,007	11,855	(985)	1,098,877
Net income (loss) from 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)
Net income (loss) 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
Fiscal year ended March 31, 2015											
Gross profit (loss)	¥31,608	75,692	59,155	199,347	197,280	110,870	525,354	1,199,306	13,710	(3,122)	1,209,894
Net Income (loss) from 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
Net income (loss) 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

(Figures less than one million yen are rounded to the nearest million.)

(Notes)

1. "Other" represents the corporate departments that 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" include certain income and expense items that are not allocated to reportable operating segments and intersegment eliminations.
3. The Global Environmental and Infrastructure Business includes only the infrastructure-related businesses of the Global Environmental & Infrastructure Business Group that are managed and controlled as an independent business segment. The environment-related businesses of this Group are included in Other.

(Translation)

INDEPENDENT AUDITOR'S REPORT (COPY)

May 16, 2016

To the Board of Directors of Mitsubishi Corporation:

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:
Kohei Kan

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:
Masayuki Yamada

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:
Kenichi Yoshimura

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:
Noriaki Kobayashi

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements, namely the consolidated statement of financial position as of March 31, 2016 of Mitsubishi Corporation (the "Company"), and its consolidated subsidiaries, and the related consolidated statement of income and changes in equity for the fiscal year from April 1, 2015 to March 31, 2016, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting which allows companies to prepare consolidated financial statements with the omission of a part of the disclosures required under International Financial Reporting Standards, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the consolidated financial statements referred to above, prepared with the omission of a part of the disclosures required under International Financial Reporting Standards pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting, present fairly, in all material respects, the financial position of Mitsubishi Corporation and its consolidated subsidiaries as of March 31, 2016, and the results of their operations for the year then ended.

Interest

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

(Translation)

INDEPENDENT AUDITOR'S REPORT (COPY)

May 16, 2016

To the Board of Directors of Mitsubishi Corporation:

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:
Kohei Kan

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:
Masayuki Yamada

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:
Kenichi Yoshimura

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:
Noriaki Kobayashi

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the non-consolidated financial statements, namely the non-consolidated balance sheet as of March 31, 2016 of Mitsubishi Corporation (the "Company"), and the related non-consolidated statements of income and changes in equity for the fiscal year from April 1, 2015 to March 31, 2016, and a summary of significant accounting policies and other explanatory information, and the accompanying supplemental schedules.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these non-consolidated financial statements and the accompanying supplemental schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the non-consolidated financial statements and the accompanying supplemental schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the non-consolidated financial statements and the accompanying supplemental schedules. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the non-consolidated financial statements and the accompanying supplemental schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the non-consolidated financial statements and the accompanying supplemental schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the non-consolidated financial statements and the accompanying supplemental schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the non-consolidated financial statements and the accompanying supplemental schedules referred to above present fairly, in all material respects, the financial position of Mitsubishi Corporation as of March 31, 2016, and the results of its operations for the year then ended in accordance with accounting principles generally accepted in Japan.

Interest

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language and “the accompanying supplemental schedules” referred to in this report are not included in the attached financial documents.

(Translation)

AUDIT REPORT OF THE AUDIT & SUPERVISORY BOARD (COPY)

This audit report was prepared following discussions based on the audit reports of each Audit & Supervisory Board Member concerning the conduct of the Directors in the execution of their duties during the Company's fiscal year from April 1, 2015 to March 31, 2016. The Audit & Supervisory Board submits its report as follows.

1. Methods and Details of Audits by the Audit & Supervisory Board Members and the Audit & Supervisory Board

(1) The Audit & Supervisory Board determines auditing policies, the division of duties and other matters, and receives reports from each Audit & Supervisory Board Member on the status and results of audits. In addition, the Audit & Supervisory Board received reports from Directors, and the independent auditors, and others concerning the execution of their duties, and requested explanations when deemed necessary.

(2) In accordance with the auditing policies and division of duties and in conformity with standards for audits by Audit & Supervisory Board Members, as determined by the Audit & Supervisory Board, each Audit & Supervisory Board Member worked to gather information and create an effective audit environment by keeping channels of communication open with Directors, the Internal Audit Department, employees and others. At the same time, the Audit & Supervisory Board Members conducted audits through the following approach.

(a) Each Audit & Supervisory Board Member attended meetings of the Board of Directors and other important management meetings, requested reports from Directors, employees and others concerning the execution of their duties as well as explanations when deemed necessary, and examined important documents supporting decisions and other records and surveyed the status of operations and assets at the Head Office and main offices. In addition, the Audit & Supervisory Board kept channels of communication open and exchanged information with Directors, Audit & Supervisory Board Members and other employees of subsidiaries, and received business reports from subsidiaries when deemed necessary.

(b) The Audit & Supervisory Board regularly received reports from Directors, employees and others about the operation of the internal control system, which was designed based on the Board of Directors resolutions, pursuant to Article 100, Paragraphs 1 and 3 of the Companies Act enforcement regulations as essential for ensuring the execution of duties by Directors described in the business report conforms with laws and the Company's Articles of Incorporation and for otherwise ensuring proper business conduct by the conglomerate consisting of the Company and its subsidiaries. The Audit & Supervisory Board requested explanations when deemed necessary and Audit & Supervisory Board Members expressed their opinions.

(c) Moreover, each Audit & Supervisory Board Member monitored and verified whether the independent auditors, Deloitte Touche Tohmatsu LLC, maintained independence and conducted proper audits. At the same time, reports were received from the independent auditor regarding the status of the execution of its duties, and explanations were requested where deemed necessary. The Audit & Supervisory Board also received notification from the independent auditors that it had established a system for ensuring that duties are performed properly, as prescribed by items in Article 131 of the Accounting Ordinance of the Companies Act, in accordance with the Standards for Quality Control of Audit, as issued by the Business Accounting Council on October 28, 2005. Explanations were requested where deemed necessary.

Based on the above approach, the Audit & Supervisory Board examined the business reports and the accompanying supplemental schedules and non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity, and a summary of significant accounting policies and other explanatory information) and the accompanying supplemental schedules of the company as well as the consolidated financial statements (consolidated statement of financial position, consolidated statement of income, and consolidated statement of change in equity and a summary of significant accounting policies and other explanatory information) for the fiscal year under review.

2. Audit Results

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

As a result of these activities, we certify that:

(a) the business report and the accompanying supplemental schedules present the Company's situation correctly in accordance with laws and ordinances and the Articles of Incorporation of the Company;

(b) there was no improper behavior detected on the part of Directors in the conduct of their duties and no grave instances of violations of either applicable laws or ordinances or the Articles of Incorporation of the Company; and

(c) the details of the Board of Directors' resolutions concerning the internal control system were appropriate and adequate. Furthermore, there was nothing we must point out regarding the contents of the business report or the performance of duties by Directors in connection with said internal control system.

(2) Results of Audit of Non-consolidated Financial Statements and the Accompanying Supplemental Schedules

We confirm that the auditing method and results of the independent auditors, Deloitte Touche Tohmatsu LLC, are appropriate and adequate.

(3) Results of Audit of Consolidated Financial Statements

We confirm that the auditing method and results of the independent auditors, Deloitte Touche Tohmatsu LLC, are appropriate and adequate.

May 17, 2016

Mitsubishi Corporation Audit & Supervisory Board

Hideyuki Nabeshima
Senior Audit & Supervisory Board Member (full-time)

Hiroshi Kizaki
Audit & Supervisory Board Member (full-time)

Eiko Tsujiyama
Audit & Supervisory Board Member

Hideyo Ishino
Audit & Supervisory Board Member

Tadashi Kunihiro
Audit & Supervisory Board Member

Note: Audit & Supervisory Board Members Eiko Tsujiyama, Hideyo Ishino and Tadashi Kunihiro fulfill the conditions for Outside Audit & Supervisory Board Members as provided for in Article 2-16 and Article 335, Paragraph 3 of the Companies Act.

Information on Exercising Voting Right

Please refer to the Notice of 2016 Ordinary General Meeting of Shareholders (page 1) and exercise your voting right using one of the following methods.

- **Attend the general meeting of shareholders**
  Please submit your voting form to the receptionist at the venue.
  Time and date of the general meeting of shareholders is 10:00 a.m. on Friday, June 24, 2016 (Japan Time).

- **Mail**
  Please indicate your approval or disapproval of the proposals on the voting form and return it by mail.
  Voting forms must arrive no later than 5:30 p.m. on Thursday, June 23, 2016 (Japan Time).

- **Internet**
  Please access the voting website (http://www.evote.jp/) and enter your approval or disapproval of the proposals.
  Deadline for exercising voting right is 5:30 p.m. on Thursday, June 23, 2016 (Japan Time).
  ‣‣‣Please see the following page for details.

Note: If you are attending the Ordinary General Meeting of Shareholders, the procedures for exercising voting right via mail (voting form) or the Internet are unnecessary.

(Translation)

Procedures for Exercising Voting Right via the Internet

If you exercise your voting right via the Internet, please refer the following.

1. About the Internet Voting Website

(1) You can exercise your voting right via the Internet by accessing the voting website (http://www.evote.jp/) from a computer, smartphone or mobile phone. (Please note that the site cannot be accessed between 2 a.m. and 5 a.m. daily in Japan Time).

(2) Depending on your Internet usage environment, the service you subscribe to, the type of device you are using or other factors, you may not be able to properly access the website to exercise your voting right.

(3) The website will accept your votes until 5:30 p.m. on Thursday, June 23, 2016 (Japan Time). We advise you to exercise your voting right as early as possible. Please contact the help desk (please refer to information below) if you have any questions.

2. How to Exercise Your Voting Right via the Internet

(1) Once you have accessed to the Internet voting website (http://www.evote.jp/), please enter your login ID and temporary password shown on the bottom right of the voting form. Please cast your vote by following the directions on the screen.

(2) To avoid unauthorized access and tampering, the website will ask you to set a new password once you log on to the website.

3. How We Process Multiple Votes

(1) If you exercise your voting right by both mail and via the Internet, the vote you enter via the Internet will be counted as valid.

(2) If you exercise your voting right multiple times via the Internet, the last vote you enter will be counted as valid.

4. Fees For Accessing the Internet Voting Website

The shareholder will pay all fees arising from accessing the Internet voting website (Internet connection fees, communications fees, etc.) via a computer, smartphone or mobile phone.

For technical inquiries in terms of the Internet voting system, please contact:
Mitsubishi UFJ Trust and Banking Corporation
Corporate Agency Division (Help Desk)
Phone:+88- (0)120-173-027 (toll-free within Japan)
Hours: 9:00 a.m. – 9:00 p.m. (Japan Time)

<**Institutional Investors**>
Please exercise your voting right using the voting platform operated by ICJ if you have applied to use it in advance.