January 28, 2005

Mitsubishi Heavy Industries, Ltd.
Mitsubishi Corporation
The Bank of Tokyo-Mitsubishi, Ltd.

Joint Statement Concerning Mitsubishi Motors Revitalization Plan

Tokyo, January 28, 2005 – Mitsubishi Motors Corporation (“MMC”) today announced the “Mitsubishi Motors Revitalization Plan” to revitalize its business.

Since MMC announced its original business revitalization plan last May, the company has made continuing, concerted and unstinting efforts at every level. However, since last year the company has been severely criticized by the public for its handling of past recalls, resulting in sluggish sales, especially in Japan and North America, that have made it difficult for the company to achieve the targets hoisted in that revitalization agenda. At the same time, deterioration in the company’s creditworthiness has generated concerns toward its ability to secure financial backing. In response, MMC has developed a new Mitsubishi Motors Revitalization Plan incorporating drastic measures to rectify the current situation.

In conjunction with the formulation of the revised revitalization plan, a team of outside experts totaling 150 conducted a detailed due diligence (“DD”) review of MMC’s business. Based on the team’s recommendations, MMC has also incorporated a number of significant measures and policies for achieving structural reform. These include a major overhaul of its business strategy for North America, inauguration of OEM supply of mini-passenger car to Nissan Motor Co., Ltd., and probing the potential for a business tie-up with PSA Peugeot Citroën of France. With respect to risk factors, especially sales volume, the DD team’s examinations and recommendations have been incorporated here as well, resulting in a new revitalization plan deemed both feasible and highly achievable.

Mitsubishi Heavy Industries, Ltd. (“MHI”), Mitsubishi Corporation (“MC”) and The Bank of Tokyo-Mitsubishi, Ltd. (“BTM”) (“the three Mitsubishi group companies”) have reviewed the new Mitsubishi Motor Revitalization Plan and the judgments rendered by the DD team. In response to a request from MMC, the three Mitsubishi group companies have agreed to subscribe for a total of 270 billion yen (MHI: 50 billion yen, MC: 70 billion yen, BTM: 150 billion yen) worth of MMC's ordinary shares and convertible preferred shares. The move will permit MMC to increase its capital base through the allocation of new shares to the third parties. The three Mitsubishi group companies will raise the ratio of their total voting rights to more than 34% within fiscal 2005 (the year ending March 31, 2006).

Takashi Nishioka, Chairman of Mitsubishi Heavy Industries, will concurrently assume the position of MMC Chairman and CEO. The three Mitsubishi group companies continue to collectively support MMC's revitalization initiative

Subscribing MMC's new shares, MHI will increase its voting right ratio in the automaker to more than 15%. MHI will turn MMC into an equity-method affiliate again within fiscal 2005.

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