

(TRANSLATION OF ORIGINAL JAPANESE)

FY2007 Third Quarter Results: Consolidated Financial Statements

February 5, 2008

(April 1, 2007 through December 31, 2007)

Mitsubishi Motors Corporation

(Code: 7211 1st Section, Tokyo and Osaka Stock Exchanges)

Code No.: 7211

(URL <http://www.mitsubishi-motors.co.jp/>)

Representative: Osamu Masuko; President

Contact: Yoshikazu Nakamura; Executive Officer, and

Corporate General Manager of Corporate and Social Responsibility Promotion Office TEL: +81-3-6852-4206

(All amounts described in this report are rounded down to the nearest million yen.)

1. Financial highlights (April 1, 2007 through December 31, 2007)

(1) Consolidated financial results

Note: Percentages indicate changes over the same period in the previous fiscal year.

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
FY2007 3Q	1,947,333	26.1	51,972	715.4	39,252	-	21,665	-
FY2006 3Q	1,544,090	0.9	6,373	-	-6,370	-	-11,764	-
FY2006 full year	2,202,869	-	40,237	-	18,542	-	8,745	-

	Net Income per Share-Basic	Net Income per Share-Diluted
	Yen	Yen
FY2007 3Q	3.94	2.38
FY2006 3Q	-2.14	-
FY2006 full year	1.59	0.96

(2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Million Yen	Million Yen	%	Yen
FY2007 3Q	1,728,843	340,558	18.9	-20.02
FY2006 3Q	1,694,530	276,073	15.6	-32.44
FY2006 full year	1,778,693	308,304	16.6	-26.73

2. Cash dividends

Record Date	Cash Dividends per Share		
	Interim	Year-end	Full Year
	Yen	Yen	Yen
FY2006	-	-	0.00
FY2007	-	-	0.00
FY2007 (Forecast)	-	-	-

3. FY2007 consolidated financial results forecast (April 1, 2007 through March 31, 2008) [Reference]

Note: Percentages indicate changes over the same period in the previous fiscal year.

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
FY2007 full year	2,670,000	21.2	80,000	98.8	60,000	223.6	20,000	128.7	3.64

4. Others

- (1) Significant changes in subsidiaries during the period (those changes in specified subsidiaries resulting in a change in scope of consolidation): No
- (2) Adoption of simplified accounting methods: Yes
- (3) Changes in accounting methods: No

Note: For details, please refer to 4. *Others, Qualitative information and financial statements* on page 4.

*Disclaimer regarding forward-looking information including appropriate use of forecasted financial results

These financial results forecasts are based on judgments and estimates that have been made on the basis of currently available information and are subject to a number of risks and uncertainties. Changes in the company's business environment, in market trends and in exchange rates may cause actual results to differ materially from these forecast figures.

[Qualitative information and financial statements]

1. Qualitative information on consolidated financial results

Consolidated net sales for the FY2007 third quarter (nine months from April 1 to December 31, 2007) increased by 403.2 billion yen, or 26.1%, from the FY2006 third quarter to 1,947.3 billion yen. Major factors contributing to this increase are increased sales volumes in overseas markets, the start of SUV supplies to PSA Peugeot Citroen, and favorable yen exchange rates.

Although sales by unit volume (retail) decreased in Japan, overall sales increased 117 thousand units year-on-year to 1,016 thousand units, due to an increase in volume in all regions other than Japan, including North America, Europe and Asia and other regions.

Regionally, unit volume totals were as follows. In Japan, due to the effect of decreased minicar sales, the volume decreased 19 thousand units year-on-year to 151 thousand units. In North America, due mainly to new models being introduced, the volume increased by 11 thousand units year-on-year to 134 thousand units. In Europe, continued strong growth in Russia and the Ukraine boosted the region's volume by 48 thousand units year-on-year to 254 thousand units. In Asia and the other regions, unit volume increased 77 thousand units year-on-year to 477 thousand units thanks to factors including the recovery of Indonesia, which had declined significantly in the previous year, as well as continued steady sales in Latin America, the Middle East and Africa.

Operating income for the period under review improved by 45.6 billion yen from 6.4 billion yen in the FY2006 third quarter to 52.0 billion yen. This was due to an improvement in results in volume/mix and favorable foreign exchange rates, despite an increase in sales expenses resulting from the release of several new models. The company incurred a non-operating loss of 12.7 billion yen due mainly to the negative balance of interest received and paid, as well as foreign exchange losses. Consequently, ordinary income for the period totaled a gain of 39.3 billion yen, up 45.7 billion yen compared with an ordinary loss of 6.4 billion yen in the FY2006 third quarter. The company posted net income for the period totaling 21.7 billion yen, up 33.5 billion yen compared with a net loss of 11.8 billion yen in the FY2006 third quarter, despite recording of the PCB (polychlorinated biphenyls) waste disposal cost and an increase in tax expenses due to increased profits at our consolidated overseas subsidiaries.

2. Qualitative information on consolidated financial position

Total assets at the end of the FY2007 third quarter totaled 1,728.8 billion yen, a drop of 49.9 billion yen from the 1,778.7 billion yen recorded at the end of FY2006 (March 31, 2007). Balance of interest-bearing debt fell 107.3 billion yen from the March 31, 2007 balance of 503.8 billion yen, to 396.5 billion yen due mainly to scheduled debt repayments and redemption of bonds. Net assets increased 32.2 billion yen from the end of FY2006 (March 31, 2007) to 340.5 billion yen, due mainly to the net income recorded in the period.

3. Qualitative information on consolidated financial results forecast

Mitsubishi Motors has revised the full-year forecasts for fiscal 2007 it announced on October 30 2007 to reflect the current sales environment and the restructuring costs related to the closure of the production facility in Australia, announced today.

The company has revised its full-year global retail sales volume forecast to 1,337,000 vehicles, a reduction of 25,000 on the figure announced on October 30, 2007, on the basis of current market trends.

The company has reduced its full-year net sales forecast to 2,670 billion yen, 30 billion yen less than the October forecast, to reflect the impact of the revised sales volume forecast.

Despite these downward revisions, however, the company upwardly revises its operating income forecast by 10 billion yen to 80 billion yen and ordinary income forecast by 13 billion yen to 60 billion yen as it expects to make up for the drop in sales as a result of favorable changes in exchange rates, mainly the Euro, and through cost reductions.

Mitsubishi Motors leaves its full-year net income forecast of 20 billion yen announced last October unchanged as it expects to make up extraordinary losses incurred through the closure of its production facility in Australia by raising the profitability of its operations.

Consolidated results forecasts

(Million yen)

	Revenue	Operating income	Ordinary income	Net income
Previous forecast (A)	2,700,000	70,000	47,000	20,000
Revised forecast (B)	2,670,000	80,000	60,000	20,000
Change in amount (B-A)	30,000	10,000	13,000	-
Percentage change	1.1%	14.3%	27.7%	-
(For reference only) Results for same period last fiscal year (year ending March 2007)	2,202,869	40,237	18,542	8,745

The forecast for consolidated retail unit volume is as follows:

(1000 units)

Region	Fiscal Year 2007 Forecast	Fiscal Year 2006 Results
Japan	228	247
North America	168	164
Europe	331	282
Asia & Others	610	537
Total	1,337	1,230

* These forecasts are based on judgments and estimates that have been made on the basis of currently available information and are subject to a number of risks, uncertainties, and assumptions. Changes in the company's business environment, in market trends, or in exchange rates may cause actual results to differ materially from these forecasts.

4. Others

- (1) Significant changes in subsidiaries during the period (those changes in specified subsidiaries resulting in a change in scope of consolidation): Not applicable
- (2) Adoption of simplified accounting methods: Applicable
Partial adoption of simplified accounting methods in calculation of income taxes
- (3) Changes in accounting methods from the most recent consolidated fiscal year: Not applicable

5. Consolidated financial statements (Summary)

(1) Consolidated balance sheet (Summary)

Millions of yen

	3/31/2007	12/31/2007	Change	Reference 12/31/2006
Assets				
Current assets	1,059,633	1,025,854	-33,779	947,749
Cash and cash deposits	358,058	378,318	20,260	284,700
Trade notes and accounts receivable	195,021	175,246	-19,775	147,582
Finance receivables	40,480	18,055	-22,425	49,224
Marketable securities	12,225	4,444	-7,781	5,119
Inventories	351,991	340,910	-11,081	351,931
Short-term loans receivable	3,277	267	-3,010	1,284
Deferred tax assets	846	199	-647	1,317
Other	124,825	122,879	-1,946	138,021
Allowance for doubtful accounts	-27,092	-14,467	12,625	-31,431
Non-current assets	719,060	702,988	-16,072	746,780
Property, plant and equipment	517,464	500,954	-16,510	531,677
Intangible fixed assets	38,530	32,101	-6,429	26,209
Long-term finance receivables	18,872	8,971	-9,901	25,254
Investment securities	71,460	81,564	10,104	78,295
Long-term loans receivable	13,262	12,900	-362	12,665
Retained interests in securitized assets	9,358	9,197	-161	12,085
Deferred tax assets	8,468	9,081	613	9,362
Other	59,545	63,836	4,291	69,110
Allowance for doubtful accounts	-17,903	-15,619	2,284	-17,880
<i>Total assets</i>	1,778,693	1,728,843	-49,850	1,694,530

Millions of yen

	3/31/2007	12/31/2007	Change	Reference 12/31/2006
Liabilities				
Current liabilities	1,110,874	1,070,743	-40,131	976,067
Trade notes and accounts payable.....	451,053	456,521	5,468	389,513
Short-term loans payable.....	352,044	296,413	-55,631	283,104
Accrued expenses and other payable.....	194,941	180,262	-14,679	184,254
Accrued income taxes.....	7,220	6,672	-548	4,379
Allowance for warranty claims.....	53,213	55,975	2,762	50,396
Other.....	52,400	74,897	22,497	64,418
Non-current liabilities	359,514	317,541	-41,973	442,389
Bonds.....	53,490	33,460	-20,030	51,670
Long-term loans payable.....	98,316	66,725	-31,591	163,891
Deferred tax liabilities.....	24,259	30,496	6,237	23,720
Accrued retirement benefits.....	105,881	104,035	-1,846	106,015
Accrued retirement benefits for executives.....	1,005	919	-86	1,016
Other.....	76,561	81,905	5,344	96,075
<i>Total liabilities</i>	1,470,389	1,388,285	-82,104	1,418,456
Net assets				
Stockholders' equity				
Common and preferred stock.....	657,342	657,349	7	657,342
Capital surplus.....	432,654	432,661	7	432,654
Retained earnings.....	-740,454	-715,478	24,976	-760,964
Treasury stock.....	-13	-14	-1	-13
<i>Total stockholders' equity</i>	349,528	374,519	24,991	329,018
Valuation, translation adjustments and others				
Unrealized gains/losses on securities.....	10,132	12,884	2,752	9,906
Deferred gains/losses on hedging activities.....	1,393	-1,540	-2,933	-1,845
Translation adjustments.....	-65,272	-59,140	6,132	-72,604
<i>Total valuation, translation adjustments and others</i>	-53,746	-47,796	5,950	-64,544
Minority interest.....	12,522	13,835	1,313	11,599
<i>Total net assets</i>	308,304	340,558	32,254	276,073
<i>Total liabilities and net assets</i>	1,778,693	1,728,843	-49,850	1,694,530

(2) Consolidated statement of income/loss (Summary)

Millions of yen, %

	4/1/'06-12/31/'06	4/1/'07-12/31/'07	Change	% Change	Reference 4/1/'06-3/31/'07
Net sales	1,544,090	1,947,333	403,243	26.1	2,202,869
Cost of sales	1,258,905	1,614,036	355,131	28.2	1,788,897
Gross profit before reversal of deferred profit on installment sales	285,185	333,297	48,112	16.9	413,971
Reversal of deferred profit on installment sales	0	0	0		0
Gross profit.....	285,186	333,297	48,111	16.9	413,972
Selling, general and administrative expenses	278,812	281,325	2,513		373,735
Operating income/loss	6,373	51,972	45,599	715.4	40,237
Non-operating income	9,527	11,083	1,556		11,351
(Interest and dividend income)	(6,407)	(6,869)	(462)		(8,098)
(Other income).....	(3,120)	(4,214)	(1,094)		(3,253)
Non-operating expenses	22,271	23,803	1,532		33,046
(Interest expense)	(14,889)	(16,626)	(1,737)		(20,777)
(Other expenses)	(7,381)	(7,177)	(-204)		(12,268)
Ordinary income/loss.....	-6,370	39,252	45,622	-	18,542
Extraordinary gains.....	11,040	8,154	-2,886		23,401
Extraordinary losses	7,450	10,459	3,009		18,839
Net income/loss before income taxes.....	-2,780	36,948	39,728	-	23,104
Income taxes	7,972	13,226	5,254		12,303
Minority interest	-1,011	-2,057	-1,046		-2,055
Net income/loss	-11,764	21,665	33,429	-	8,745

(3) Consolidated statement of changes in net assets (Summary)

FY2007 3Q 4/1/07-12/31/07

Millions of yen

	Stockholders' equity				Total stockholders' equity
	Common and preferred stock	Capital surplus	Retained earnings	Treasury stock	
Balance as of March 31, 2007	657,342	432,654	-740,454	-13	349,528
Changes in items during the period					
Issuance of stock	7	7			14
Net income			21,665		21,665
Acquisition of treasury stock				-0	-0
Increase due to companies newly accounted for by the equity method			3,311		3,311
Net changes in items other than stockholders' equity					
Total changes in items during the period	7	7	24,976	-0	24,990
Balance as of December 31, 2007	657,349	432,661	-715,478	-14	374,519

	Valuation, translation adjustments and others				Minority interest	Total net assets
	Unrealized gains/losses on securities	Deferred gains/losses on hedging activities	Translation adjustments	Total valuation, translation adjustments and others		
Balance as of March 31, 2007	10,132	1,393	-65,272	-53,746	12,522	308,304
Changes in items during the period						
Issuance of stock						14
Net income						21,665
Acquisition of treasury stock						-0
Increase due to companies newly accounted for by the equity method						3,311
Net changes in items other than stockholders' equity	2,751	-2,933	6,132	5,949	1,313	7,263
Total changes in items during the period	2,751	-2,933	6,132	5,949	1,313	32,254
Balance as of December 31, 2007	12,884	-1,540	-59,140	-47,796	13,835	340,558

(4) Segment information

Business segment (4/1/'07–12/31/'07)

Millions of yen

FY2007 3Q	Automobiles	Financial services	Total	Corporate and eliminations	Consolidated
Net sales & operating income/loss					
Net sales					
(1) External customers	1,926,301	21,032	1,947,333	–	1,947,333
(2) Intersegment sales & transfers	(100)	–	(100)	100	–
Total	1,926,200	21,032	1,947,232	100	1,947,333
Operating expenses	1,885,340	10,021	1,895,361	–	1,895,361
Operating income/loss	40,860	11,010	51,871	100	51,972

Notes: 1. Segments are divided by sector and by market.

2. Major products by business segment

(1) AutomobilesPassenger cars

(2) Financial servicesSales-finance products

Geographical segment (4/1/'07–12/31/'07)

Millions of yen

FY2007 3Q	Japan	North America	Europe	Asia	Other areas	Total	Corporate and eliminations	Consolidated
Net sales & operating income/loss								
Net sales								
(1) External customers	981,874	282,917	446,982	80,190	155,369	1,947,333	–	1,947,333
(2) Intersegment sales & transfers	449,609	14,117	38,714	190,099	268	692,809	(692,809)	–
Total	1,431,483	297,034	485,697	270,290	155,638	2,640,143	(692,809)	1,947,333
Operating expenses	1,392,289	299,763	478,749	254,373	156,727	2,581,902	(686,541)	1,895,361
Operating income/loss	39,194	(2,728)	6,948	15,916	(1,089)	58,240	(6,268)	51,972

Notes: 1. National and regional groupings are by geographical proximity and mutual relevance of business activities.

2. Main countries and regions outside Japan are grouped as follows:

(1) North America.....The United States, Puerto Rico

(2) Europe.....The Netherlands

(3) Asia.....Thailand, The Philippines

(4) Other.....Australia, New Zealand, U.A.E.

Overseas sales (4/1/'07–12/31/'07)

Millions of yen

FY2007 3Q	North America	Europe	Asia	Other areas	Total
I. Overseas sales	306,746	657,928	172,844	465,531	1,603,050
II. Consolidated sales					1,947,333
III. Overseas sales as a percentage of total sales	15.8%	33.8%	8.9%	23.8%	82.3%

Notes: 1. National and regional groupings are by geographical proximity and mutual relevance of business activities.

2. Main countries and regions outside Japan are grouped as follows:

(1) North America.....The United States, Puerto Rico

(2) Europe.....The Netherlands, Italy, Germany, Russia

(3) Asia.....Thailand, Malaysia, Taiwan

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

3. Overseas sales are classified by the region of the wholesaler or end users. The figures consist of sales outside of Japan of MMC and its consolidated subsidiaries.

[Reference] Non-consolidated financial statements (Summary)

Non-consolidated statement of income/loss (Summary)

Millions of yen

	FY2006 3Q (4/1/'06-12/31/'06)	FY2007 3Q (4/1/'07-12/31/'07)	Change
Net sales.....	931,243	1,345,007	413,764
Operating income/loss	-20,128	31,253	51,381
Ordinary income/loss	-23,416	23,651	47,067
Net income/loss before income taxes	-28,435	32,620	61,055
Net income/loss.....	-27,702	32,134	59,836

Non-consolidated balance sheet (Summary)

Millions of yen

	3/31/2007	12/31/2007	Change
Assets			
Current assets	695,001	734,888	39,887
Cash and cash deposits	219,758	262,594	42,836
Trade notes and accounts receivable	256,420	216,452	-39,968
Short-term loans receivable	59,265	34,837	-24,428
Other	159,556	221,004	61,448
Non-current assets	471,214	477,757	6,543
Property, plant and equipment	194,372	188,989	-5,383
Intangible fixed assets	13,065	11,435	-1,630
Investments and other assets	263,776	277,332	13,556
Total assets	1,166,216	1,212,645	46,429
Liabilities			
Current liabilities	721,334	747,037	25,703
Trade notes and accounts payable	390,490	434,239	43,749
Short-term loans payable	184,880	154,643	-30,237
Other	145,963	158,154	12,191
Non-current liabilities	236,349	224,296	-12,053
Bonds	27,600	25,600	-2,000
Long-term loans payable	63,924	44,404	-19,520
Other	144,824	154,292	9,468
Total liabilities	957,683	971,334	13,651
Net assets			
Stockholders' equity	198,501	230,650	32,149
Common and preferred stock	657,342	657,349	7
Capital surplus	433,189	433,196	7
Retained earnings	-892,016	-859,881	32,135
Treasury stock	-13	-14	-1
Valuation, translation adjustments and others	10,031	10,659	628
Total net assets	208,533	241,310	32,777
Total liabilities and net assets	1,166,216	1,212,645	46,429