

## Booking of financial losses consequent to closing of Australian subsidiary production facility

Mitsubishi Motors Corporation hereby gives notice that for the 2007 fiscal year (April 1 2007 to March 31 2008) it will be booking as a loss restructuring and other expenses incurred as a result of closing the production facility of its Australian subsidiary as per following details.

### 1. Reason for booking of loss

Mitsubishi Motors Corporation (MMC) and its production and sales subsidiary in Australia, Mitsubishi Motors Australia Ltd.(MMAL), after a detailed analysis of the current structure of their operations in Australia, today decided to cease production activities and to concentrate on the sales and marketing of imported built-up vehicles in order to assure long-term growth of their business in the country. Following this decision, MMC will book as a loss expenses incurred through the closing down of its production facility in Australia.

### 2. Future prospects

#### (1) Impact on MMC earnings

MMC will book a loss of ¥22 billion in fiscal 2007 (April 1 2007 to March 31 2008) for restructuring and other expenses incurred through the closing down of its local production facility in Australia. The majority of this loss will be booked as extraordinary losses. Because MMC expects to be able to make up this loss as a result of improved operating and ordinary profits consequent to higher sales and favorable foreign exchange rate trends, however, the company leaves unchanged its full-year net income forecast of ¥20 billion as announced on October 30 2007.

### 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

(2) Impact on net assets

As stated in the preceding paragraph (1), because the net income forecast after taking into account the loss incurred through the closure of the local production facility in Australia remains unchanged, the company expects there to be no impact on net assets.

For reference: MMAL corporate outline

1. Principal business: Import, assembly and sales of automobiles
2. Background to establishment: In April 1980 Mitsubishi Motors Corporation and Mitsubishi Corporation acquired all the shares of Chrysler Australia Ltd. and changed its name to the current name (MMAL) in October of the same year.
3. Head office: Adelaide, South Australia, Australia
4. Representative: Robert McEniry
5. Capitalization: AU\$1.44 billion
6. Employees: 1,164
7. Relationship to MMC: Consolidated subsidiary
8. Major shareholders and stakes: Mitsubishi Motors Corporation, 100%
9. Site area: 701,600 sq. m.
10. Floor space: 174,000 sq. m.
11. Annual production capacity: 30,000 vehicles
12. Models produced: "380"
13. Models sold: "380", Triton, Lancer, Pajero and others.

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