

# FY2008 First Quarter Financial Results



**Mitsubishi Motors Corporation**

**July 29, 2008**

## Operating & ordinary income increased Net profitability achieved

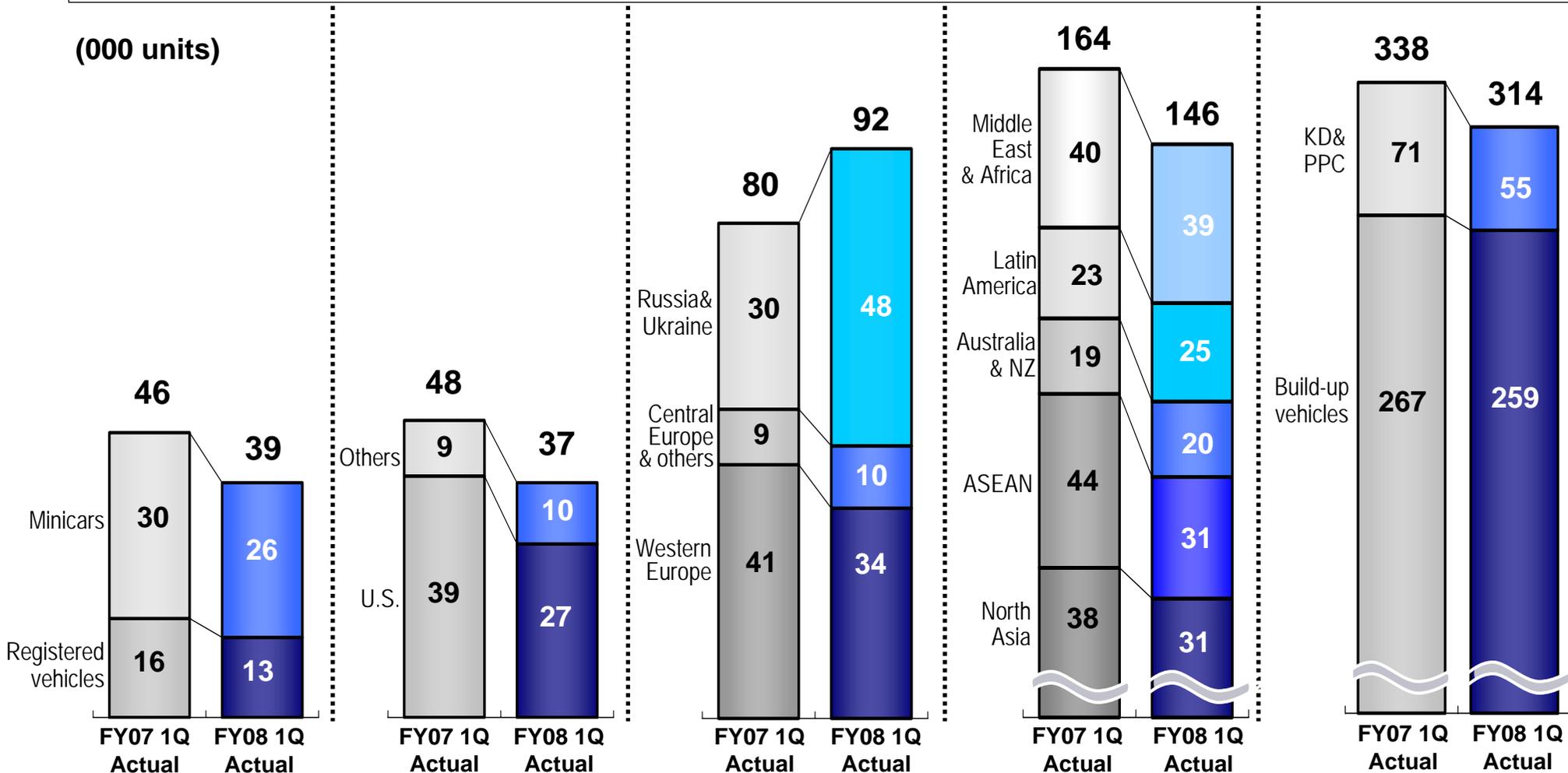
(100 million yen/ 000 units)

	<b>FY07 1Q</b> (Apr-Jun '07) Actual	<b>FY08 1Q</b> (Apr-Jun '08) Actual	<b>Change</b>	FY08 1H Apr.25, '08 Forecast
<b>Revenue</b>	<b>6,308</b>	<b>6,101</b>	<b>-207</b>	<b>12,500</b>
<b>Operating Income</b>	<b>60</b>	<b>99</b>	<b>+39</b>	<b>150</b>
<b>Ordinary Income</b>	<b>26</b>	<b>162</b>	<b>+136</b>	<b>100</b>
<b>Net Income</b>	<b>-82</b>	<b>103</b>	<b>+185</b>	<b>0</b>
<b>Unit Volume (retail)</b>	<b>338</b>	<b>314</b>	<b>-24</b>	<b>628</b>

# FY2008 1Q Regional Unit Volume (vs. FY07 1Q Actual; retail base)

Japan	North America	Europe	Asia & others	Total
FY08 1Q Actual vs. FY07 1Q Actual				
-7	-11	+12	-18	-24
(-15%)	(-23%)	(+14%)	(-11%)	(-7%)

(000 units)

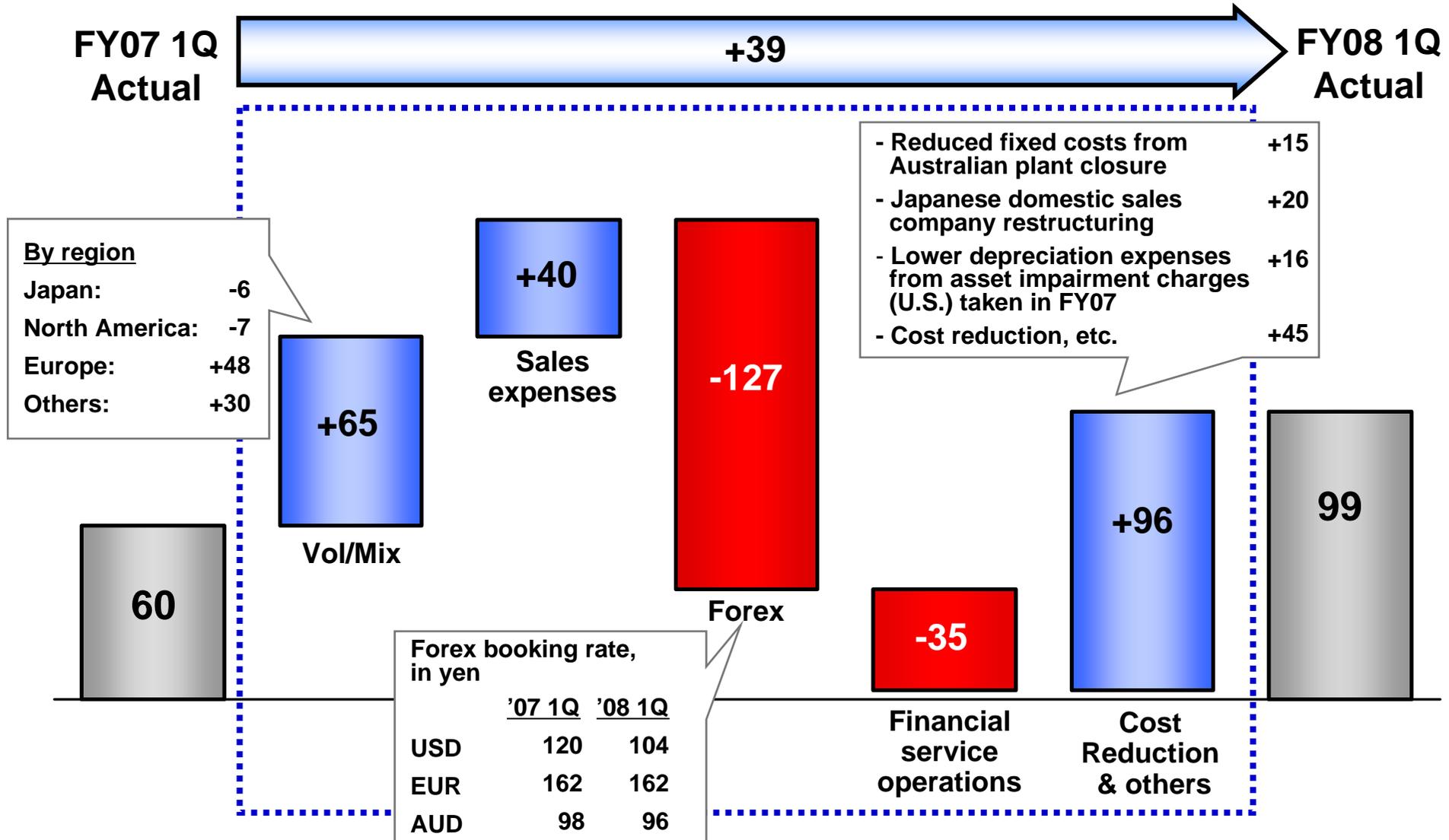


Note: -Unit volume figure excludes OEM volume. Unit volumes of FY2008 1Q refer to preliminary results.  
 -Unit volumes of Puerto Rico for FY2007 (4,000 units) & FY2008 (2,000 units) are included in Latin America.

# Analysis of Operating Income (vs. FY2007 1Q Actual)

**Profit increased, mainly due to improved model mix and lower sales expenses**

(100 million yen)



# FY2008 1Q Non-operating and Extraordinary Income (vs. FY07 1Q Actual)

(100 million yen)

	FY07 1Q Actual	FY08 1Q Actual	Change	
<b>Operating Income</b>	<b>60</b>	<b>99</b>	<b>+39</b>	<u>Main Items</u> - Interest income/exp. +24 - Forex +63
<b>Non-operating Income</b>	<b>-34</b>	<b>+63</b>	<b>+97</b>	
<b>Ordinary Income</b>	<b>26</b>	<b>162</b>	<b>+136</b>	<u>Main Items</u> - Restruc. costs* +39 - Corporate tax, etc. +6
<b>Extraordinary Income &amp; Tax</b>	<b>-108</b>	<b>-59</b>	<b>+49</b>	
<b>Net Income</b>	<b>-82</b>	<b>103</b>	<b>+185</b>	

\* Restruc. costs: Costs related to the integration of Japanese domestic consolidated sales companies in Japan booked in FY2007

(100 million yen)

	<u>Mar. 2008</u>	<u>Jun. 2008</u>	<u>Change</u>
<b>Total Assets</b>	<b>16,094</b>	<b>15,593</b>	<b>-501</b>
Cash and cash deposits	3,559	3,558	-1
Inventories	2,996	2,552	-444
<b>Total Liabilities</b>	<b>12,813</b>	<b>12,416</b>	<b>-397</b>
Interest Bearing Debt	3,539	3,320	-219
<b>Net Assets</b>	<b>3,281</b>	<b>3,177</b>	<b>-104</b>

## ■ FY2008 1Q Results

**Operating & ordinary income increased  
Net profitability achieved**

- Sales volume down by 7% year-on-year. Despite an increase in Europe, sales decreased in three regions; Japan, North America, and Asia & others.
- Revenue decreased by 3% year-on-year, due to the stronger yen.
- Operating income increased due to an improvement in model mix and reductions in sales expenses and other costs, offsetting the unfavorable forex rate.
- Ordinary income increased due to increase of interest income/expenditure and forex gains.

## ■ FY2008 Forecast

**Forecast for first half and full year:  
No changes**

Continued sales expansion in emerging countries and further cost reductions are anticipated from 2Q onward, but market trends in Japan, North America and Western Europe plus factors such as rising crude oil and raw materials prices make for an uncertain mix, warranting a cautious outlook for the coming period.

# Additional Information

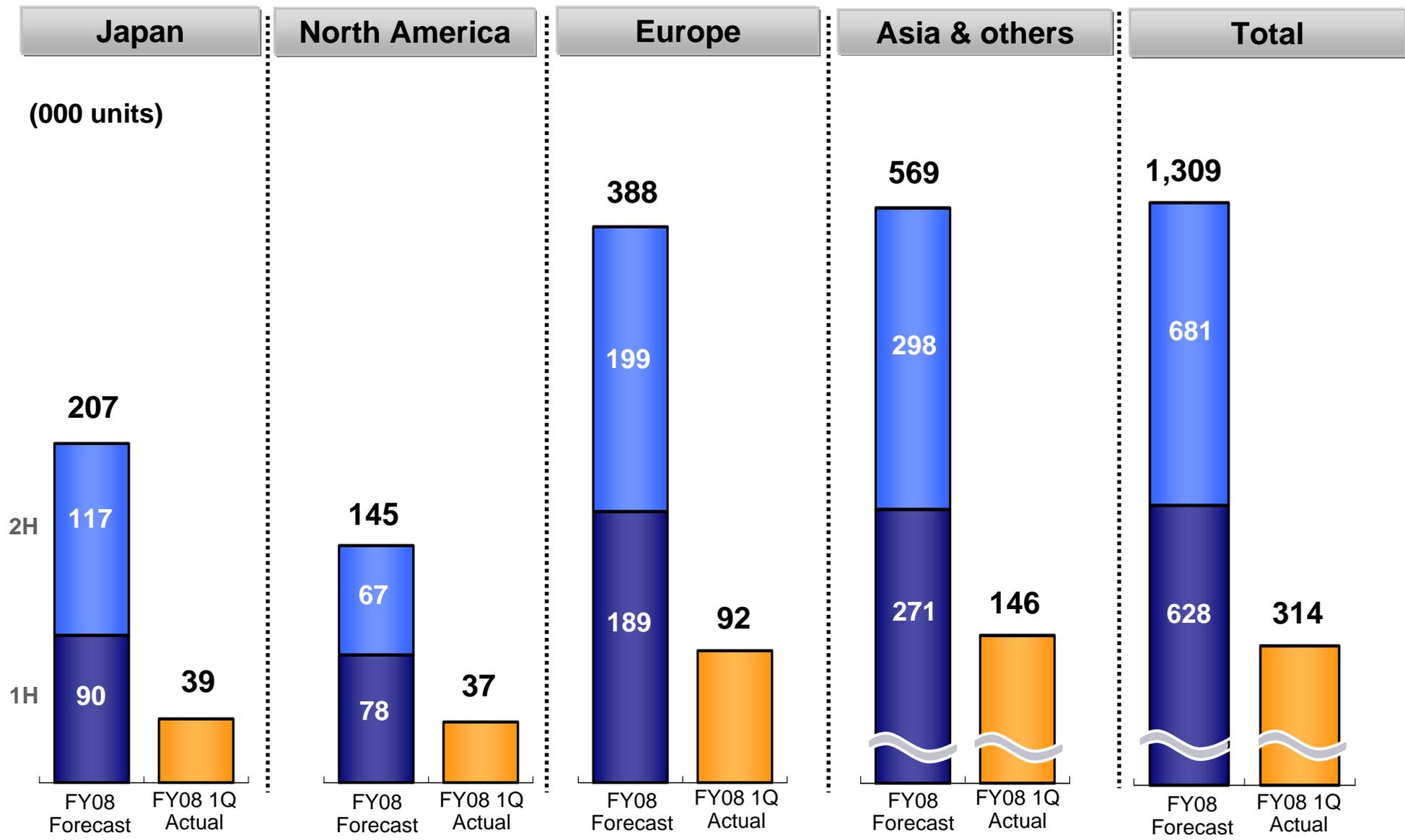


**FY2008 1Q Regional Results (vs. FY2007 1Q Actual)**

(100 million yen)

	<b>FY07 1Q Actual</b>	<b>FY08 1Q Actual</b>	<b>Change</b>	<b>FY08 1H Forecast</b>	<b>FY08 Full-year Forecast</b>
<b>Revenue</b>	<b>6,308</b>	<b>6,101</b>	<b>-207</b>	<b>12,500</b>	<b>26,500</b>
- Japan	1,069	945	-124	2,300	5,200
- North America	1,103	825	-278	1,600	3,000
- Europe	2,267	2,230	-37	4,300	9,400
- Asia & others	1,869	2,101	+232	4,300	8,900
<b>Operating Income</b>	<b>60</b>	<b>99</b>	<b>+39</b>	<b>150</b>	<b>600</b>
- Japan	-118	-44	+74	-80	-120
- North America	-27	-55	-28	-120	-270
- Europe	127	47	-80	60	270
- Asia & others	78	151	+73	290	720

# FY2008 1Q Regional Unit Volume (vs. FY08 Forecast; retail base)



Note: Unit volume figure excludes OEM volume. Unit volumes of FY2008 1Q refer to preliminary results.

# FY2008 1Q News Highlights

## April, 2008

- ✓ MMC shows new *Lancer Evolution* at Beijing International Motor Show — local launch slated for this fall.
- ✓ MMC began production at a new engine plant in Thailand.
- ✓ Standard & Poor's raised its long-term corporate credit rating on MMC to 'B+' from 'B', outlook stable.

## May, 2008

- ✓ PSA Peugeot Citroen and MMC set up a joint venture to produce vehicles in Russia.
- ✓ Moody's upgraded the senior unsecured ratings of MMC to Ba2 from Ba3; outlook positive.

## June, 2008

- ✓ Announced MMC provision of i MiEV electric vehicles for use at the G8 Summit.
- ✓ PSA Peugeot Citroen and MMC laid the first foundation stone of their joint plant at Kaluga in Russia.
- ✓ Cooperative project for electric power-trains between PSA Peugeot Citroen and MMC announced.
- ✓ MMC announced new corporate tagline “Drive @ earth”.
- ✓ MMC and Harbin China powertrain JV signed A/T licensing agreement.
- ✓ MMC signed “Eco-First Commitment” in accord with Ministry of Environment in Japan.

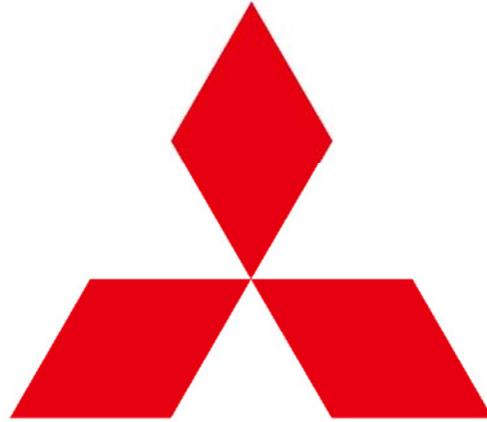
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