

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2011 [Japan GAAP]

Company name: **Mitsubishi Motors Corporation**
 Listing: First Section, the Tokyo Stock Exchange
 Stock code: 7211
 URL: <http://www.mitsubishi-motors.co.jp/>
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 Scheduled date to file quarterly report: August 6, 2010
 Scheduled date to deliver cash dividends: TBD
 Quarterly earnings supplementary explanatory documents: Yes
 Quarterly earnings presentation: Yes

(Figures less than one million yen are rounded, unless otherwise noted)

1. Consolidated performance for the first quarter of fiscal year 2010 (from April 1, 2010 to June 30, 2010)

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2010 1 st quarter	403,733	55.8	(4,495)	-	(5,791)	-	(11,756)	-
FY2009 1 st quarter	259,115	(57.5)	(29,613)	-	(27,768)	-	(26,436)	-

	Net income per share	Diluted net income per share
	Yen	Yen
FY2010 1 st quarter	(2.12)	-
FY2009 1 st quarter	(4.77)	-

(2) Consolidated financial position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
June 30, 2010	1,198,970	209,642	16.7	(42.86)
March 31, 2010	1,258,669	234,478	17.8	(38.54)

Reference: Equity As of June 30, 2010: ¥200,235 million As of March 31, 2010: ¥224,184 million

2. Cash dividends

Record date	Cash dividends per share				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2009	-	0.00	-	0.00	0.00
FY2010	-				
FY2010 (Forecast)		0.00	-	0.00	0.00

Note: Revisions to the forecasts of cash dividends in the current quarter: Nil

3. Consolidated earnings forecasts for fiscal year 2010 (from April 1, 2010 to March 31, 2011)

(Percentages indicate changes over the same period in the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY2010 2 nd quarter	850,000	48.3	5,000	-	0	-	(9,000)	-	(1.63)
Full year	1,900,000	31.4	45,000	223.3	30,000	131.1	15,000	215.3	2.71

Note: Revisions to the consolidated earnings forecasts in the current quarter: Nil

4. Others (For more details, please refer to the section of "4. Others" of [Qualitative Information and Financial Statements] on page 6.)

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of simple accounting as well as specific accounting for preparing the quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, procedures, and methods of presentation for preparing the quarterly consolidated financial statements (changes described in the section of "Changes in significant matters forming the basis of preparing the quarterly consolidated financial statements")
 - 1) Changes due to revisions to accounting standards: Yes
 - 2) Changes due to other reasons: No
- (4) Number of issued shares (common stock)
 - 1) Total number of issued shares and outstanding at the end of the period (including treasury stock)

As of June 30, 2010:	5,537,956,840 shares
As of March 31, 2010:	5,537,956,840 shares
 - 2) Number of shares of treasury stock at the end of the period

As of June 30, 2010:	88,060 shares
As of March 31, 2010:	87,254 shares
 - 3) Average number of shares during the period (cumulative from the beginning of the fiscal year)

FY2010 1 st quarter:	5,537,869,131 shares
FY2009 1 st quarter:	5,537,816,526 shares

* Quarterly review procedures:

As of when this summary of quarterly financial results have been released as flash report, we have not completed the review for the quarterly financial reporting required in accordance with the Financial Instruments and Exchange Act.

* Proper use of earnings forecasts, and other special matters:

1. The consolidated earnings forecasts for the 2nd quarter and full year announced on April 27, 2010 were not revised in this document.
2. The earnings 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 foreign exchange rates may cause actual results to differ materially from these forecast figures.

[Qualitative Information and Financial Statements]

1. Qualitative information on consolidated operating results

The business environment in the term for the first quarter of fiscal year 2010 saw the continuation of the overall global economy's mild recovery. However, in contrast to the high growth of Asian countries led by China, economic recovery in European countries was sluggish and the gap between regions increased. In particular, the euro progressively weakened, triggered by the financial crisis in Greece. Furthermore, with the rebuilding of world finances, worsened by the worldwide recession after the "Lehman Shock" becoming a major task mainly for advanced countries, concerns regarding further effects on the economic recovery remain, and the business environment continues to remain opaque and harsh.

Year-on-year retail sales volume by unit increased in Japan and Asia and Other Regions but remained at about the same levels in North America and decreased in Europe. The result being an overall retail sales volume increase of 44 thousand units, or 21% year-on-year to 257 thousand units.

Year-on-year retail sales results by region were as follows: In Japan, registered vehicle sales increased by 4 thousand units with the continuation of eco-car tax reductions and incentives, in addition to strong sales of the *Colt* series and *Outlander* and the introduction of the all-new *RVR* in February. Minicar sales also increased by 3 thousand units with strong sales of the *eK Wagon* and other models. Accordingly, total sales volume for Japan increased by 7 thousand units, or 22% year-on-year to 38 thousand units.

In North America, sales volume in the United States, Canada, and Mexico hovered at about the same levels as last year with the region overall performing at 21 thousand units. In Europe, the new *ASX* compact crossover which was sequentially released from June showed initial success. However, with negative factors such as a major year-on-year sales drop in Germany, where overall demand slumped as a result of expiration of scrap incentives, the region's sales volume decreased by 3 thousand units, or -6% year-on-year, to 46 thousand units. In Asia and Other Regions, sales performance surpassed last year's levels in all markets. With particularly strong growth in China, in those countries of the ASEAN bloc including Thailand, the Philippines, Indonesia, among others, as well as in Australia, the overall region's sales volume increased by 40 thousand units, or 37% year-on-year to 152 thousand units.

Net sales increased 144.6 billion yen, or 56% year-on-year to 403.7 billion yen due to the increase in sales volume.

Operating income rose 25.1 billion yen year-on-year, from an operating loss of 29.6 billion yen to a loss of 4.5 billion yen due to increases in sales volume, an improvement in profitability in MMC's Japanese subsidiaries, and raw material and other cost reductions.

Ordinary income rose 22.0 billion yen year-on-year from an operating loss of 27.8 billion yen to a loss of 5.8 billion yen.

Net income rose 14.6 billion yen year-on-year from a net loss of 26.4 billion yen to a loss of 11.8 billion yen.

2. Qualitative information on consolidated financial position

Total assets as of June 30, 2010 amounted to 1,199.0 billion yen, a decrease of 59.7 billion yen from those at the end of FY2009. Total liabilities amounted to 989.3 billion yen, decreasing 34.9 billion yen from those at the end of FY2009. Out of total liabilities, the balance of interest-bearing debt was 378.7 billion yen, a decrease of 14.0 billion yen from the balance at the end of FY2009. Net assets decreased 24.8 billion yen from those at the end of FY2009 to 209.6 billion yen.

3. Qualitative information on consolidated earnings forecasts

MMC leaves the FY2010 first-half and full-year consolidated forecasts announced on April 27, 2010 unchanged at this time.

4. Others

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation)

N/A

- (2) Application of simple accounting as well as specific accounting for preparing the quarterly consolidated financial statements

With respect to the inventories at the end of the first quarter period, physical inventory counts are omitted and the inventories are determined by the reasonable calculation method based on the physical inventories at the end of FY2009.

Depreciation expense of noncurrent assets to which the declining balance method is applied is determined dividing the depreciation expense for the consolidated fiscal year proportionally over the period.

- (3) Changes in accounting policies, procedures, and methods of presentation for preparing the quarterly consolidated financial statements

a. Change in the accounting policies

Adoption of accounting standard for asset retirement obligation:

From the beginning of the 1st quarter of this fiscal year, the *“Accounting Standards for Asset Retirement Obligations”* (ASBJ Statement No. 18, issued on March 31, 2008) and *“Guidance on Accounting Standards for Asset Retirement Obligations”* (ASBJ Guidance No. 21, issued on March 31, 2008) have been adopted. Accordingly, the operating loss and ordinary loss increased by ¥ 66 million and net loss before income taxes for the 1st quarter increased ¥ 2,772 million as compared to the amount that would have been recorded under the previous method. The change in asset retirement obligations by adoption of these standards is ¥ 5,054 million.

5. Consolidated financial statements

(1) Consolidated balance sheets

(Millions of yen)

	As of June 30, 2010	As of March 31, 2010 (Summary)
Assets		
Current assets		
Cash and deposits	266,158	264,323
Notes and accounts receivable-trade	94,412	121,385
Merchandise and finished goods	112,726	115,166
Work in process	23,729	25,847
Raw materials and supplies	39,060	42,855
Other	103,619	113,947
Allowance for doubtful accounts	(9,046)	(10,448)
Total current assets	630,660	673,077
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	88,605	86,018
Machinery, equipment and vehicles, net	131,600	139,260
Tools, furniture and fixtures, net	73,270	79,156
Land	94,854	95,569
Construction in progress	4,162	8,228
Total Property, plant and equipment	392,493	408,234
Intangible assets	11,194	12,435
Investments and other assets		
Investment securities	62,157	64,820
Other	114,296	112,238
Allowance for doubtful accounts	(11,832)	(12,136)
Total investments and other assets	164,621	164,922
Total noncurrent assets	568,309	585,592
Total assets	1,198,970	1,258,669

(Millions of yen)

	As of June 30, 2010	As of March 31, 2010 (Summary)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	246,379	265,028
Short-term loans payable	310,954	319,374
Current portion of bonds	200	200
Accounts payable-other and accrued expenses	86,534	101,190
Income taxes payable	4,818	3,062
Provision for product warranties	27,425	26,331
Other	65,056	58,090
Total current liabilities	741,368	773,278
Noncurrent liabilities		
Long-term loans payable	67,544	73,174
Provision for retirement benefits	106,158	106,354
Provision for directors' retirement benefits	916	927
Other	73,339	70,456
Total noncurrent liabilities	247,958	250,913
Total liabilities	989,327	1,024,191
Net assets		
Shareholders' equity		
Capital stock	657,355	657,355
Capital surplus	432,666	432,666
Retained earnings	(777,578)	(765,988)
Treasury stock	(15)	(15)
Total shareholders' equity	312,427	324,017
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,691	5,494
Deferred gains or losses on hedges	931	(90)
Foreign currency translation adjustment	(116,814)	(105,236)
Total valuation and translation adjustments	(112,191)	(99,832)
Minority interests	9,406	10,293
Total net assets	209,642	234,478
Total liabilities and net assets	1,198,970	1,258,669

(2) Consolidated statement of income

(Millions of yen)

	FY2009 1 st quarter (from April 1, 2009 to June 30, 2009)	FY2010 1 st quarter (from April 1, 2010 to June 30, 2010)
Net sales	259,115	403,733
Cost of sales	237,215	348,371
Gross profit	21,899	55,361
Selling, general and administrative expenses		
Advertising and promotion expenses	11,478	15,175
Freightage expenses	2,505	9,008
Directors' compensations, salaries and allowances	14,623	14,241
Provision for retirement benefits	1,233	1,173
Depreciation	3,034	2,705
Research and development expenses	6,514	6,225
Other	12,123	11,328
Total selling, general and administrative expenses	51,513	59,857
Operating income (loss)	(29,613)	(4,495)
Non-operating income		
Interest income	532	318
Foreign exchange gains	3,449	-
Equity in earning of affiliates	-	2,314
Other	1,597	991
Total non-operating income	5,579	3,625
Non-operating expenses		
Interest expenses	3,054	3,286
Litigation expenses	375	1,114
Other	304	520
Total non-operating expenses	3,735	4,921
Ordinary income (loss)	(27,768)	(5,791)
Extraordinary income		
Gain on sales of noncurrent assets	247	14
Reversal of allowance for doubtful accounts	942	1,420
Reversal of loss on liquidation of subsidiaries and affiliates	474	-
Other	192	89
Total extraordinary income	1,856	1,525
Extraordinary loss		
Loss on retirement of noncurrent assets	275	161
Loss on sales of noncurrent assets	3	48
Early retirement expense	405	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	2,705
Other	55	217
Total extraordinary losses	738	3,133
Income (Loss) before income taxes and minority interests	(26,651)	(7,399)
Income taxes-current	1,402	2,819
Income taxes-deferred	(2,376)	546
Total income taxes	(973)	3,365
Income (loss) before minority interests	-	(10,765)
Minority interests in income	758	991
Net income (loss)	(26,436)	(11,756)

(3) Consolidated statement of cash flows (cumulative)

(Millions of yen)

	FY2009 1 st quarter (from April 1, 2009 to June 30, 2009)	FY2010 1 st quarter (from April 1, 2010 to June 30, 2010)
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	(26,651)	(7,399)
Depreciation and amortization	17,329	16,595
Increase (decrease) in allowance for doubtful accounts	(1,723)	(1,031)
Increase (decrease) in provision for retirement benefits	120	35
Interest and dividends income	(884)	(667)
Interest expenses	3,054	3,286
Foreign exchange losses (gains)	(784)	4,167
Equity in (earnings) losses of affiliates	(557)	(2,314)
Loss (gain) on sales and retirement of noncurrent assets	31	195
Decrease (increase) in notes and accounts receivable-trade	20,982	17,856
Decrease (increase) in inventories	16,953	(675)
Increase (decrease) in notes and accounts payable-trade	(9,085)	(10,879)
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	2,705
Early retirement expense	405	-
Other, net	(21,349)	11,554
Subtotal	(2,158)	33,427
Interest and dividends income received	977	708
Interest expenses paid	(3,180)	(3,083)
Payment for early retirement expenses	(1,122)	(138)
Income taxes paid	(2,946)	(894)
Net cash provided by (used in) operating activities	(8,430)	30,019

(Millions of yen)

	FY2009 1 st quarter (from April 1, 2009 to June 30, 2009)	FY2010 1 st quarter (from April 1, 2010 to June 30, 2010)
Net cash provided by (used in) investment activities		
Decrease (increase) in time deposits	12,686	24
Purchase of property, plant and equipment	(10,459)	(13,072)
Proceeds from sales of property, plant and equipment	2,745	2,385
Purchase of investment securities	(0)	(2)
Payments of long-term loans receivable	(2)	(0)
Collection of long-term loans receivable	157	152
Other, net	(936)	(1,009)
Net cash provided by (used in) investment activities	4,189	(11,523)
Net cash provided by (used in) financing activities		
Increase (decrease) in short-term loans payable	(15,339)	127
Proceeds from long-term loans payable	36,400	100
Repayment of long-term loans payable	(3,262)	(6,269)
Redemption of bonds	(25,600)	-
Cash dividends paid to minority shareholders	(586)	(1,077)
Other, net	(1,924)	(2,013)
Net cash provided by (used in) financing activities	(10,313)	(9,133)
Effect of exchange rate change on cash and cash equivalents	973	(7,525)
Net increase (decrease) in cash and cash equivalents	(13,581)	1,837
Cash and cash equivalents at beginning of period	154,666	263,453
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	25	22
Cash and cash equivalents at end of period	141,110	265,313

(4) Notes on premise of going concern

N/A

(5) Segment information

[Business segment]

FY2009 1st quarter (from April 1, 2009 to June 30, 2009)

(Millions of yen)

	Automobiles	Financial services	Total	Corporate and eliminations	Consolidated
Net sales					
(1) External customers	256,193	2,922	259,115	-	259,115
(2) Intersegment sales & transfers	(17)	-	(17)	17	-
Total	256,175	2,922	259,097	17	259,115
Operating income (loss)	(30,200)	569	(29,631)	17	(29,613)

- 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]

FY2009 1st quarter (from April 1, 2009 to June 30, 2009)

(Millions of yen)

	Japan	North America	Europe	Asia	Other	Total	Corporate and eliminations	Consolidated
Net sales								
(1) External customers	127,085	30,759	42,718	20,474	38,076	259,115	-	259,115
(2) Intersegment sales & transfers	52,935	706	4,882	18,936	66	77,528	(77,528)	-
Total	180,021	31,466	47,601	39,411	38,143	336,644	(77,528)	259,115
Operating income (loss)	(25,880)	(3,768)	(1,863)	587	724	(30,200)	587	(29,613)

- Notes:
1. National and regional groupings are classified 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
 - (2) Europe.....The Netherlands
 - (3) Asia.....Thailand, The Philippines
 - (4) Other.....Australia, New Zealand, U.A.E., Puerto Rico

[Overseas sales]

FY2009 1st quarter (from April 1, 2009 to June 30, 2009)

(Millions of yen)

	North America	Europe	Asia	Oceania	Other	Total
I. Overseas sales	31,693	50,466	41,513	31,298	30,555	185,528
II. Consolidated sales						259,115
III. Overseas sales as a percentage of total sales	12.2%	19.5%	16.0%	12.1%	11.8%	71.6%

- Notes:
- National and regional groupings are classified by geographical proximity and mutual relevance of business activities.
 - Main countries and regions outside Japan are grouped as follows:
 - North America.....The United States
 - Europe.....The Netherlands, Italy, Germany, Russia, Ukraine
 - Asia.....Thailand, Malaysia, Taiwan
 - Oceania.....Australia, New Zealand
 - Other.....U.A.E., Puerto Rico
 - 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.

[Segment information]

1) General information about reportable segment

The reportable segment of our Group is the component of our company, for which discrete financial information is available, and whose operating results are regularly reviewed by the company's chief operating decision maker including Board of Directors to make decisions about resources to be allocated to the segment and assess its performance.

The main business of our Group is automobile business, engaged in development, design, manufacturing and sales of automobiles and component parts. In addition, as financing business, we are engaged in sales finance and lease of our group products.

2) Sales and profits or losses for each reportable segment

FY2010 1st quarter (from April 1, 2010 to June 30, 2010)

(Millions of yen)

	Automobiles	Financial services	Total	Adjustment (Note 1)	Amount in the quarterly consolidated statement of income (Note 2)
Net sales					
(1) External customers	400,858	2,875	403,733	-	403,733
(2) Intersegment sales & transfers	47	-	47	(47)	-
Total	400,906	2,875	403,781	(47)	403,733
Segment income (loss)	(4,935)	487	(4,448)	(47)	(4,495)

- Notes:
- Adjustment of segment income (loss) has been derived from the elimination of intersegment transactions.
 - The aggregate amount of segments' income (loss) agrees to the amount of operating income (loss) presented in the consolidated statement of income.

(Supplementary information about geographic information)

1) Net sales to the external customers, classified in accordance with the geographic areas of the external customers
FY2010 1st quarter (from April 1, 2010 to June 30, 2010)

(Millions of yen)

	Japan	North America	Europe	Asia	Oceania	Other	Total
Net sales							
Net sales to external customers	82,424	39,290	105,302	82,704	43,178	50,833	403,733

Notes: 1. Main countries and regions outside Japan are grouped as follows:

- (1) North America.....The United States
- (2) Europe.....The Netherlands, Italy, Germany, Russia, Ukraine
- (3) Asia.....Thailand, Malaysia, Taiwan
- (4) Oceania.....Australia, New Zealand
- (5) Other.....U.A.E., Puerto Rico

2) Net sales and Operating income (loss) classified in accordance with the geographic areas of the Company and its consolidated subsidiaries

FY2010 1st quarter (from April 1, 2010 to June 30, 2010)

(Millions of yen)

	Japan	North America	Europe	Asia	Oceania	Other	Total	Corporate and eliminatio	Consolidated
Net sales									
(1) External customers	258,645	35,690	24,641	34,259	43,178	7,317	403,733	-	403,733
(2) Intersegment sales & transfers	99,550	3,524	20,138	51,162	54	-	174,429	(174,429)	-
Total	358,195	39,215	44,779	85,422	43,233	7,317	578,163	(174,429)	403,733
Operating income (loss)	(12,278)	(3,139)	1,978	6,560	1,807	532	(4,539)	43	(4,495)

Notes: 1. Main countries and regions outside Japan are grouped as follows:

- (1) North America.....The United States
- (2) Europe.....The Netherlands
- (3) Asia.....Thailand, The Philippines
- (4) Oceania.....Australia, New Zealand
- (5) Other.....U.A.E., Puerto Rico

(Additional information)

From the beginning of the 1st quarter of this fiscal year, the company has adopted the "Accounting Standards for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17, issued on March 27, 2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, issued on March 21, 2008).

(6) Notes on significant changes in the amount of shareholders' equity

N/A