

## Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2012 [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 10, 2011

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 2011 (from April 1, 2011 to June 30, 2011)

#### (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	%
FY2011 1 <sup>st</sup> quarter	431,949	7.0	12,233	-	10,301	-	4,270	-
FY2010 1 <sup>st</sup> quarter	403,733	55.8	(4,495)	-	(5,791)	-	(11,756)	-

Note: Comprehensive income FY2011 1<sup>st</sup> quarter: ¥ (554) million (- %) FY2010 1<sup>st</sup> quarter: ¥ (23,558) million (- %)

	Net income per share	Diluted net income per share
	Yen	Yen
FY2011 1 <sup>st</sup> quarter	0.77	0.43
FY2010 1 <sup>st</sup> quarter	(2.12)	-

#### (2) Consolidated financial position

As of	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
June 30, 2011	1,293,280	246,462	18.4
March 31, 2011	1,312,511	248,092	18.2

Reference: Equity As of June 30, 2011: ¥ 237,659 million As of March 31, 2011: ¥ 238,774 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
FY2010	-	0.00	-	0.00	0.00
FY2011	-				
FY2011 (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 2011 (from April 1, 2011 to March 31, 2012)

(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
FY2011 2 <sup>nd</sup> half	880,000	1.8	18,000	161.4	13,000	87.0	0	-	0.00
Full year	1,950,000	6.6	50,000	24.1	40,000	2.7	20,000	28.0	3.61

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

For revisions to consolidated earnings forecasts, please refer to "Revision to First-Half Results Forecast for FY2011", which has been announced today (August 1, 2011).

## 4. Others

- (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: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
  - 1) Changes in accounting policies due to revisions to accounting standards: No
  - 2) Changes in accounting policies due to other reasons: No
  - 3) Changes in accounting estimates: No
  - 4) Restatement: 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, 2011:	5,537,956,840 shares
As of March 31, 2011:	5,537,956,840 shares
  - 2) Number of shares of treasury stock at the end of the period
 

As of June 30, 2011:	92,128 shares
As of March 31, 2011:	91,142 shares
  - 3) Average number of shares during the period (cumulative from the beginning of the fiscal year)
 

FY2011 1 <sup>st</sup> quarter:	5,537,865,221 shares
FY2010 1 <sup>st</sup> quarter:	5,537,869,131 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:

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 of the first three months of fiscal year 2011 was incredibly difficult due to many factors. The main factor was the Great East Japan Earthquake which occurred on March 11, a mega-disaster that contributed to the shutdowns of nuclear reactors at the Fukushima Daiichi Plant, leading to an electricity crisis. The Great East Japan Earthquake also disrupted supply chains, leading to a large drop in production of automobiles. The Great East Japan Earthquake also affected consumers' behavior to that of a "conservation" mood, leading to negative consumption. All of this was made worse by the slow response of the national government to rebuild the area quickly. As if this was not enough, other factors contributed to an incredibly harsh environment: a continually strengthening yen and continually rising oil and rare earth prices.

In the midst of this operating environment, the Mitsubishi Motors Group's net sales increased 28.2 billion yen, or 7% year-on-year to 431.9 billion yen, with increases in wholesale sales volume.

Operating income rose 16.7 billion yen year-on-year, to a profit of 12.2 billion yen. The improvement was made possible through mainly by higher net sales, together with other factors such as reductions in materials and other costs, which more than offset the negative impact of the strong yen.

Ordinary income rose 16.1 billion yen year-on-year to a profit of 10.3 billion yen.

Net income rose 16.1 billion yen year-on-year to a profit of 4.3 billion yen.

Global retail sales volume in the first quarter of fiscal 2011 totaled 267,000 units, an increase of 16 percent or 37,000 units over the same period last fiscal year. Sales volume by region were as follows:

In Japan, Mitsubishi Motors posted a sales volume of 34,000 units, a decrease of 11 percent or 4,000 units over the same period last year. Factors behind the lower volume include a drop in demand following the ending of the government's eco-car incentives in September last year coupled with effects from the Great East Japan Earthquake.

In North America, Mitsubishi Motors posted a sales volume of 31,000 units, an increase of 51 percent or 10,000 units over the same period last year. The factors contributing to this substantial increase include higher sales in the United States which stemmed mainly from the launch of the *Outlander Sport* in October last year.

In Europe, Mitsubishi Motors posted a sales volume of 64,000 units, an increase of 39 percent or 18,000 units over the same period last year. Factors contributing to the region's increase were increased year-on-year sales in major Western European markets including Germany, Italy, and France. This was accomplished despite the lagging overall demand in those markets by strong sales of the *ASX*, launched in June of last year. Also contributing to the higher volume in the region was a significant increase in unit sales in Russia where demand is recovering.

In Asia & Other Regions, Mitsubishi Motors posted a sales volume of 138,000 units, an increase of 11 percent or 13,000 units over the same period last year. This growth was driven mainly from strong sales in major ASEAN bloc countries including Thailand and Indonesia as well as supported by firm performances in other regions such as Latin America led by Brazil.

### 2. Qualitative information on consolidated financial position

Total assets as of June 30, 2011 amounted to 1,293.3 billion yen, a decrease of 19.2 billion yen from the end of FY2010. Out of total assets, cash and cash deposits amounted to 320.9 billion yen, a 3.8 billion yen increase from the end of FY2010. Total liabilities amounted to 1,046.8 billion yen, decreasing 17.6 billion yen from the end of FY2010. Out of total liabilities, the balance of interest-bearing debt was 400.9 billion yen, an increase of 3.0 billion yen from the end of FY2010 due to new funding amounts exceeding debt repayment amounts. In spite of profitability in net income of 4.3 billion yen, this was offset by foreign currency translation adjustment leading to net assets amounting to 246.5 billion yen, a decrease of 1.6 billion yen from the end of FY2010.

### 3. Qualitative information on consolidated earnings forecasts

After examining the results for the first quarter of fiscal year 2011, Mitsubishi Motors has decided to revise upward its fiscal 2011 first-half (April 1 through September 30) consolidated forecasts announced on June 13, 2011 for financial results including net sales, operating income, ordinary income, and net income. For details, please refer to the "Revision to First-Half Results Forecast for FY2011" which has been announced on August 1, 2011.

As to fiscal year 2011 full-year forecasts, in view of the many uncertainties that may impact the company's operations, these including the strong yen, electrical power shortages in Japan, and uncertainty of the direction of the global economy, Mitsubishi Motors has decided to leave its full-year forecasts announced on June 13 of this year unchanged.

#### 4. Others

- (1) Changes in significant subsidiaries during the period  
N/A

## 5. Consolidated financial statements

### (1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2011	As of June 30, 2011
Assets		
Current assets		
Cash and deposits	317,097	320,892
Notes and accounts receivable-trade	114,432	97,504
Merchandise and finished goods	127,457	130,035
Work in process	24,305	25,382
Raw materials and supplies	37,524	37,160
Other	125,969	118,902
Allowance for doubtful accounts	(10,207)	(9,027)
Total current assets	736,579	720,850
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	85,461	83,968
Machinery, equipment and vehicles, net	127,578	121,764
Tools, furniture and fixtures, net	61,402	55,183
Land	101,161	100,962
Construction in progress	7,960	12,357
Total Property, plant and equipment	383,564	374,235
Intangible assets	11,856	11,444
Investments and other assets		
Investment securities	73,031	77,343
Other	118,707	120,400
Allowance for doubtful accounts	(11,226)	(10,994)
Total investments and other assets	180,512	186,749
Total noncurrent assets	575,932	572,429
Total assets	1,312,511	1,293,280

(Millions of yen)

	As of March 31, 2011	As of June 30, 2011
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	278,595	267,882
Short-term loans payable	219,954	222,246
Accounts payable-other and accrued expenses	97,159	72,527
Income taxes payable	9,016	7,854
Provision for product warranties	28,211	28,245
Other	67,646	82,432
Total current liabilities	700,584	681,189
Noncurrent liabilities		
Long-term loans payable	177,995	178,608
Provision for retirement benefits	106,921	108,033
Provision for directors' retirement benefits	912	912
Other	78,005	78,074
Total noncurrent liabilities	363,835	365,628
Total liabilities	1,064,419	1,046,817
<b>Net assets</b>		
Shareholders' equity		
Capital stock	657,355	657,355
Capital surplus	432,666	432,666
Retained earnings	(750,200)	(745,930)
Treasury stock	(15)	(15)
Total shareholders' equity	339,805	344,075
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,464	12,172
Deferred gains or losses on hedges	3,055	605
Foreign currency translation adjustment	(114,551)	(119,194)
Total accumulated other comprehensive income	(101,030)	(106,416)
Minority interests	9,318	8,802
Total net assets	248,092	246,462
Total liabilities and net assets	1,312,511	1,293,280

(2) Consolidated statement of income and Consolidated statement of comprehensive income

Consolidated statement of income

(Millions of yen)

	FY2010 1 <sup>st</sup> quarter (from April 1, 2010 to June 30, 2010)	FY2011 1 <sup>st</sup> quarter (from April 1, 2011 to June 30, 2011)
Net sales	403,733	431,949
Cost of sales	348,371	357,202
Gross profit	55,361	74,747
Selling, general and administrative expenses		
Advertising and promotion expenses	15,175	15,895
Freightage expenses	9,008	9,926
Provision of allowance for doubtful accounts	-	(836)
Directors' compensations, salaries and allowances	14,241	14,829
Provision for retirement benefits	1,173	1,223
Depreciation	2,705	2,319
Research and development expenses	6,225	8,391
Other	11,328	10,764
Total selling, general and administrative expenses	59,857	62,514
Operating income (loss)	(4,495)	12,233
Non-operating income		
Interest income	318	981
Equity in earnings of affiliates	2,314	1,429
Other	991	272
Total non-operating income	3,625	2,683
Non-operating expenses		
Interest expenses	3,286	3,624
Litigation expenses	1,114	413
Other	520	577
Total non-operating expenses	4,921	4,614
Ordinary income (loss)	(5,791)	10,301
Extraordinary income		
Gain on sales of noncurrent assets	14	24
Reversal of allowance for doubtful accounts	1,420	-
Other	89	3
Total extraordinary income	1,525	27



	(Millions of yen)	
	FY2010 1 <sup>st</sup> quarter (from April 1, 2010 to June 30, 2010)	FY2011 1 <sup>st</sup> quarter (from April 1, 2011 to June 30, 2011)
Extraordinary loss		
Loss on retirement of noncurrent assets	161	150
Loss on sales of noncurrent assets	48	7
Loss on disaster	-	634
Loss on adjustment for changes of accounting standard for asset retirement obligations	2,705	-
Other	217	35
Total extraordinary losses	3,133	827
Income (loss) before income taxes and minority interests	(7,399)	9,501
Income taxes	3,365	4,513
Income (loss) before minority interests	(10,765)	4,988
Minority interests in income	991	717
Net income (loss)	(11,756)	4,270

Consolidated statement of comprehensive income

(Millions of yen)

	FY2010 1 <sup>st</sup> quarter (from April 1, 2010 to June 30, 2010)	FY2011 1 <sup>st</sup> quarter (from April 1, 2011 to June 30, 2011)
Income (loss) before minority interests	(10,765)	4,988
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,801)	1,705
Deferred gains or losses on hedges	1,022	(2,450)
Foreign currency translation adjustment	(12,566)	(5,852)
Share of other comprehensive income of associates accounted for using equity method	552	1,054
Total other comprehensive income	(12,793)	(5,542)
Comprehensive income	(23,558)	(554)
Comprehensive income attributable to:		
Owners of the parent	(24,097)	(1,109)
Minority interests	538	555

(3) Notes on premise of going concern

N/A

(4) Segment information

1. Sales and income (loss) for each reportable segment  
FY2010 1<sup>st</sup> quarter (from April 1, 2010 to June 30, 2010)

(Millions of yen)

	Automobiles	Financial services	Total	Adjustment (Note 1)	Amount in the 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: 1. Adjustment of segment income (loss) represents the elimination of intersegment transactions.  
2. The aggregate amount of segment 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 location of the external customers

FY2010 1<sup>st</sup> 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, China  
(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 location of the Company and its consolidated subsidiaries

FY2010 1<sup>st</sup> quarter (from April 1, 2010 to June 30, 2010)

(Millions of yen)

	Japan	North America	Europe	Asia	Oceania	Other	Total	Corporate and eliminations	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, Germany, Russia
- (3) Asia.....Thailand, The Philippines
- (4) Oceania.....Australia, New Zealand
- (5) Other.....U.A.E., Puerto Rico

2. Sales and income (loss) for each reportable segment

FY2011 1<sup>st</sup> quarter (from April 1, 2011 to June 30, 2011)

(Millions of yen)

	Automobiles	Financial services	Total	Adjustment (Note 1)	Amount in the consolidated statement of income (Note 2)
Net sales					
(1) External customers	429,214	2,734	431,949	-	431,949
(2) Intersegment sales & transfers	(123)	-	(123)	123	-
Total	429,090	2,734	431,825	123	431,949
Segment income (loss)	11,092	1,016	12,109	123	12,233

Notes: 1. Adjustment of segment income (loss) represents the elimination of intersegment transactions.

2. The aggregate amount of segment 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 location of the external customers

FY2011 1<sup>st</sup> quarter (from April 1, 2011 to June 30, 2011)

(Millions of yen)

	Japan	North America	Europe	Asia	Oceania	Other	Total
Net sales							
Net sales to external customers	76,112	41,277	117,695	104,774	44,246	47,843	431,949

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, China
- (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 location of the Company and its consolidated subsidiaries

FY2011 1<sup>st</sup> quarter (from April 1, 2011 to June 30, 2011)

(Millions of yen)

	Japan	North America	Europe	Asia	Oceania	Other	Total	Corporate and eliminations	Consolidated
Net sales									
(1) External customers	246,255	38,990	42,284	53,976	44,246	6,196	431,949	-	431,949
(2) Intersegment sales & transfers	100,633	1,274	19,023	59,665	25	-	180,622	(180,622)	-
Total	346,888	40,265	61,307	113,642	44,271	6,196	612,572	(180,622)	431,949
Operating income (loss)	(1,590)	(810)	4,175	10,372	124	384	12,656	(423)	12,233

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

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

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

N/A