

3. SEMI-ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

1) Consolidated Balance Sheets

The following information has been prepared in accordance with accounting principles generally accepted in Japan.

(in millions of Yen)

	as of	as of	Change		as of
	3/31/07	9/30/07	Amount	Rate	9/30/06
[ASSETS]					
CURRENT ASSETS	6,492,886	6,552,354	59,468	0.9%	6,099,540
Cash on hand and in banks	457,925	432,324	(25,601)		432,147
Notes and accounts receivable	679,119	765,752	86,633		565,493
Finance receivables	3,557,223	3,404,604	(152,619)		3,417,347
Marketable securities	28,255	22,859	(5,396)		31,276
Inventories	1,004,671	1,144,308	139,637		951,542
Deferred tax assets	324,979	310,990	(13,989)		357,345
Other	440,714	471,517	30,803		344,390
FIXED ASSETS	5,909,322	5,957,545	48,223	0.8%	5,630,395
Property, plant and equipment	4,877,188	4,919,925	42,737		4,676,982
Intangible assets	185,313	176,646	(8,667)		187,731
Investment securities	386,212	431,130	44,918		353,530
Long-term loans receivable	26,322	24,539	(1,783)		20,163
Deferred tax assets	157,495	134,921	(22,574)		161,456
Other	276,792	270,384	(6,408)		230,533
TOTAL ASSETS	12,402,208	12,509,899	107,691	0.9%	11,729,935
[LIABILITIES]					
CURRENT LIABILITIES	5,575,319	5,489,475	(85,844)	(1.5%)	5,092,764
Notes and accounts payable	1,103,186	1,126,649	23,463		977,409
Short-term borrowings	3,097,411	3,109,655	12,244		2,933,559
Deferred tax liabilities	9,064	2,277	(6,787)		2,716
Accrued warranty costs	92,279	92,610	331		94,784
Lease obligations	50,421	48,898	(1,523)		48,843
Other	1,222,958	1,109,386	(113,572)		1,035,453
LONG-TERM LIABILITIES	2,949,895	2,985,057	35,162	1.2%	3,015,202
Bonds and debentures	729,707	815,230	85,523		723,757
Long-term borrowings	1,167,814	1,078,072	(89,742)		1,232,301
Deferred tax liabilities	507,600	538,494	30,894		508,475
Accrued warranty costs	130,111	121,764	(8,347)		126,413
Accrued retirement benefits	194,494	183,025	(11,469)		220,892
Director's retirement benefits	-	2,474	2,474		-
Lease obligations	59,140	61,476	2,336		64,722
Other	161,029	184,522	23,493		138,642
TOTAL LIABILITIES	8,525,214	8,474,532	(50,682)	(0.6%)	8,107,966
[NET ASSETS]					
SHAREHOLDERS' EQUITY	3,586,616	3,699,282	112,666	3.1%	3,464,578
Common stock	605,814	605,814	-		605,814
Capital surplus	804,470	804,470	-		804,470
Retained earnings	2,402,726	2,543,825	141,099		2,287,665
Treasury stock	(226,394)	(254,827)	(28,433)		(233,371)
VALUATION, TRANSLATION ADJUSTMENTS AND OTHERS	(41,379)	(1,744)	39,635	95.8%	(146,177)
Unrealized holding gain on securities	5,826	6,991	1,165		7,264
Unrealized gain from hedging instruments	1,817	1,697	(120)		2,773
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	68,923	74,622	5,699		53,205
Land revaluation of foreign subsidiaries	5,095	6,224	1,129		5,097
Unfunded retirement benefit obligation of foreign subsidiaries	(13,826)	(6,441)	7,385		(12,687)
Translation adjustments	(109,214)	(84,837)	24,377		(201,829)
SHARE SUBSCRIPTION RIGHTS	2,711	2,368	(343)	(12.7%)	2,887
MINORITY INTERESTS	329,046	335,461	6,415	1.9%	300,681
TOTAL NET ASSETS	3,876,994	4,035,367	158,373	4.1%	3,621,969
TOTAL LIABILITIES & NET ASSETS	12,402,208	12,509,899	107,691	0.9%	11,729,935

Note. The amount of short-term borrowings includes current portion of long-term borrowings, bonds and debentures, and commercial paper.

2) Semi-Annual Consolidated Statements of Income

The following information has been prepared in accordance with accounting principles generally accepted in Japan.

(in millions of Yen)

	FY2006 1st half (The six-month)	FY2007 1st half (The six-month)	Change		FY2006
			Amount	Rate	
	100%	100%			100%
NET SALES	4,534,400	5,064,495	530,095	11.7 %	10,468,583
COST OF SALES	3,456,032	3,917,006	460,974		8,027,186
	23.8%	22.7%			23.3%
Gross profit	1,078,368	1,147,489	69,121	6.4 %	2,441,397
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	729,723	780,343	50,620		1,664,458
	7.7%	7.2%			7.4%
Operating income	348,645	367,146	18,501	5.3 %	776,939
NON-OPERATING INCOME	42,504	37,306	(5,198)		65,914
Interest and dividend income	10,342	12,658	2,316		25,546
Equity in earnings of unconsolidated subsidiaries & affiliates	14,732	17,806	3,074		20,187
Foreign exchange gain	9,890	-	(9,890)		5,796
Other	7,540	6,842	(698)		14,385
NON-OPERATING EXPENSES	30,286	44,151	13,865		81,802
Interest expense	13,948	17,887	3,939		30,664
Amortization of net retirement benefit obligation at transition	5,456	5,448	(8)		10,928
Foreign exchange loss	-	7,145	7,145		-
Other	10,882	13,671	2,789		40,210
	8.0%	7.1%			7.3%
Ordinary income	360,863	360,301	(562)	(0.2 %)	761,051
SPECIAL GAINS	34,551	22,994	(11,557)		73,687
SPECIAL LOSSES	39,715	42,737	3,022		137,306
	7.8%	6.7%			6.7%
Income before income taxes and minority interests	355,699	340,558	(15,141)	(4.3 %)	697,432
INCOME TAXES—CURRENT	102,095	64,351	(37,744)		202,328
INCOME TAXES—DEFERRED	(33,693)	57,905	91,598		9,834
MINORITY INTERESTS	13,120	5,883	(7,237)		24,474
	6.0%	4.2%			4.4%
NET INCOME	274,177	212,419	(61,758)	(22.5 %)	460,796

The following information has been prepared in accordance with accounting principles generally accepted in Japan.

The three-month period ended September 30

(in millions of Yen)

	FY2006 2nd quarter (The three-month)	FY2007 2nd quarter (The three-month)	Change	
			Amount	Rate
	100%	100%		
NET SALES	2,324,013	2,618,009	293,996	12.7 %
COST OF SALES	1,769,957 23.8%	2,002,118 23.5%	232,161	
Gross profit	554,056	615,891	61,835	11.2 %
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	358,756 8.4%	397,184 8.4%	38,428	
Operating income	195,300	218,707	23,407	12.0 %
NON-OPERATING INCOME	22,405	17,526	(4,879)	
Interest and dividend income	5,190	6,003	813	
Equity in earnings of unconsolidated subsidiaries & affiliates	8,998	8,509	(489)	
Foreign exchange gain	5,385	-	(5,385)	
Other	2,832	3,014	182	
NON-OPERATING EXPENSES	13,589	27,215	13,626	
Interest expense	7,297	9,736	2,439	
Amortization of net retirement benefit obligation at transition	2,739	2,723	(16)	
Foreign exchange loss	-	5,155	5,155	
Other	3,553	9,601	6,048	
	8.8%	8.0%		
Ordinary income	204,116	209,018	4,902	2.4 %
SPECIAL GAINS	31,607	5,729	(25,878)	
SPECIAL LOSSES	31,854	22,632	(9,222)	
	8.8%	7.3%		
Income before income taxes and minority interests	203,869	192,115	(11,754)	(5.8 %)
INCOME TAXES	34,302	70,327	36,025	
MINORITY INTERESTS	5,541	1,674	(3,867)	
	7.1%	4.6%		
NET INCOME	164,026	120,114	(43,912)	(26.8 %)

3) Consolidated Statements of Changes in Net Assets

[in millions of Yen, () indicates loss or minus]

As of March 31, 2007

	SHAREHOLDERS' EQUITY				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total Shareholders' Equity
Balances as of March 31, 2006	605,814	804,470	2,116,825	(249,153)	3,277,956
Changes in FY2006					
Cash dividends paid	-	-	(131,064)	-	(131,064)
Bonuses to directors and statutory auditors	-	-	(560)	-	(560)
Net income	-	-	460,796	-	460,796
Disposal of treasury stock	-	-	(3,477)	33,134	29,657
Purchases of treasury stock	-	-	-	(10,375)	(10,375)
Changes due to merger	-	-	361	-	361
Changes in the scope of consolidation	-	-	(3,728)	-	(3,728)
Changes in the scope of equity method	-	-	(763)	-	(763)
Net changes in items other than those in shareholders' equity (note)	-	-	(35,664)	-	(35,664)
Total changes in FY2006	-	-	285,901	22,759	308,660
Balances as of March 31, 2007	605,814	804,470	2,402,726	(226,394)	3,586,616

	VALUATION, TRANSLATION ADJUSTMENTS AND OTHERS							SHARE SUBSCRIPTION RIGHTS	MINORITY INTERESTS	TOTAL NET ASSETS
	Unrealized holding gain on securities	Unrealized gain from hedging instruments	Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	Land revaluation of foreign subsidiaries	Unfunded retirement benefit obligation of foreign subsidiaries	Translation adjustments	Total Valuation, Translation Adjustments and Others			
Balances as of March 31, 2006	14,340	-	-	-	-	(204,313)	(189,973)	3,144	285,893	3,377,020
Changes in FY2006										
Cash dividends paid	-	-	-	-	-	-	-	-	-	(131,064)
Bonuses to directors and statutory auditors	-	-	-	-	-	-	-	-	-	(560)
Net income	-	-	-	-	-	-	-	-	-	460,796
Disposal of treasury stock	-	-	-	-	-	-	-	-	-	29,657
Purchases of treasury stock	-	-	-	-	-	-	-	-	-	(10,375)
Changes due to merger	-	-	-	-	-	-	-	-	-	361
Changes in the scope of consolidation	-	-	-	-	-	-	-	-	-	(3,728)
Changes in the scope of equity method	-	-	-	-	-	-	-	-	-	(763)
Net changes in items other than those in shareholders' equity (note)	(8,514)	1,817	68,923	5,095	(13,826)	95,099	148,594	(433)	43,153	155,650
Total changes in FY2006	(8,514)	1,817	68,923	5,095	(13,826)	95,099	148,594	(433)	43,153	499,974
Balances as of March 31, 2007	5,826	1,817	68,923	5,095	(13,826)	(109,214)	(41,379)	2,711	329,046	3,876,994

(note) As a result of the adoption of a new accounting standard for consolidated statement of changes in net assets, 35,664 million Yen which had been included in retained earnings until FY2005 has been reclassified to valuation, translation adjustments and others.

	Millions of yen
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	49,915
Land revaluation of foreign subsidiaries	5,134
Unfunded retirement benefit obligation of foreign subsidiaries	(19,385)
Total amount reclassified from retained earnings to valuation, translation adjustments and others	35,664

As of September 30, 2007

	SHAREHOLDERS' EQUITY				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total Shareholders' Equity
Balances as of March 31, 2007	605,814	804,470	2,402,726	(226,394)	3,586,616
Changes in FY2007 1st half					
Cash dividends paid	-	-	(69,921)	-	(69,921)
Net income	-	-	212,419	-	212,419
Disposal of treasury stock	-	-	(1,390)	13,506	12,116
Purchases of treasury stock	-	-	-	(41,939)	(41,939)
Changes due to merger	-	-	21	-	21
Changes in the scope of consolidation	-	-	(30)	-	(30)
Total changes in FY2007 1st half	-	-	141,099	(28,433)	112,666
Balances as of September 30, 2007	605,814	804,470	2,543,825	(254,827)	3,699,282

	VALUATION, TRANSLATION ADJUSTMENTS AND OTHERS							SHARE SUBSCRIPTION RIGHTS	MINORITY INTERESTS	TOTAL NET ASSETS
	Unrealized holding gain on securities	Unrealized gain from hedging instruments	Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	Land revaluation of foreign subsidiaries	Unfunded retirement benefit obligation of foreign subsidiaries	Translation adjustments	Total Valuation, Translation Adjustments and Others			
Balances as of March 31, 2007	5,826	1,817	68,923	5,095	(13,826)	(109,214)	(41,379)	2,711	329,046	3,876,994
Changes in FY2007 1st half										
Cash dividends paid	-	-	-	-	-	-	-	-	-	(69,921)
Net income	-	-	-	-	-	-	-	-	-	212,419
Disposal of treasury stock	-	-	-	-	-	-	-	-	-	12,116
Purchases of treasury stock	-	-	-	-	-	-	-	-	-	(41,939)
Changes due to merger	-	-	-	-	-	-	-	-	-	21
Changes in the scope of consolidation	-	-	-	-	-	-	-	-	-	(30)
Net changes in items other than those in shareholders' equity	1,165	(120)	5,699	1,129	7,385	24,377	39,635	(343)	6,415	45,707
Total changes in FY2007 1st half	1,165	(120)	5,699	1,129	7,385	24,377	39,635	(343)	6,415	158,373
Balances as of September 30, 2007	6,991	1,697	74,622	6,224	(6,441)	(84,837)	(1,744)	2,368	335,461	4,035,367

As of September 30, 2006

	SHAREHOLDERS' EQUITY				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total Shareholders' Equity
Balances as of March 31, 2006	605,814	804,470	2,116,825	(249,153)	3,277,956
Changes in FY2006 1st half					
Cash dividends paid	-	-	(61,329)	-	(61,329)
Bonuses to directors and statutory auditors	-	-	(560)	-	(560)
Net income	-	-	274,177	-	274,177
Disposal of treasury stock	-	-	(1,293)	15,807	14,514
Purchases of treasury stock	-	-	-	(25)	(25)
Changes in the scope of consolidation	-	-	(3,728)	-	(3,728)
Changes in the scope of equity method	-	-	(763)	-	(763)
Net changes in items other than those in shareholders' equity (note)	-	-	(35,664)	-	(35,664)
Total changes in FY2006 1st half	-	-	170,840	15,782	186,622
Balances as of September 30, 2006	605,814	804,470	2,287,665	(233,371)	3,464,578

	VALUATION, TRANSLATION ADJUSTMENTS AND OTHERS							SHARE SUBSCRIPTION RIGHTS	MINORITY INTERESTS	TOTAL NET ASSETS
	Unrealized holding gain on securities	Unrealized gain from hedging instruments	Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	Land revaluation of foreign subsidiaries	Unfunded retirement benefit obligation of foreign subsidiaries	Translation adjustments	Total Valuation, Translation Adjustments and Others			
Balances as of March 31, 2006	14,340	-	-	-	-	(204,313)	(189,973)	3,144	285,893	3,377,020
Changes in FY2006 1st half										
Cash dividends paid	-	-	-	-	-	-	-	-	-	(61,329)
Bonuses to directors and statutory auditors	-	-	-	-	-	-	-	-	-	(560)
Net income	-	-	-	-	-	-	-	-	-	274,177
Disposal of treasury stock	-	-	-	-	-	-	-	-	-	14,514
Purchases of treasury stock	-	-	-	-	-	-	-	-	-	(25)
Changes in the scope of consolidation	-	-	-	-	-	-	-	-	-	(3,728)
Changes in the scope of equity method	-	-	-	-	-	-	-	-	-	(763)
Net changes in items other than those in shareholders' equity (note)	(7,076)	2,773	53,205	5,097	(12,687)	2,484	43,796	(257)	14,788	22,663
Total changes in FY2006 1st half	(7,076)	2,773	53,205	5,097	(12,687)	2,484	43,796	(257)	14,788	244,949
Balances as of September 30, 2006	7,264	2,773	53,205	5,097	(12,687)	(201,829)	(146,177)	2,887	300,681	3,621,969

(note) As a result of the adoption of a new accounting standard for consolidated statement of changes in net assets, 35,664 million Yen which had been included in retained earnings until FY2005 has been reclassified to valuation, translation adjustments and others.

	Millions of yen
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	49,915
Land revaluation of foreign subsidiaries	5,134
Unfunded retirement benefit obligation of foreign subsidiaries	(19,385)
Total amount reclassified from retained earnings to valuation, translation adjustments and others	35,664

4) Consolidated Statements of Cash Flows

The following information has been prepared in accordance with accounting principles generally accepted in Japan.

(in millions of Yen)

	FY2006 first half	FY2007 first half	FY2006
Operating activities			
Income before income taxes and minority interests	355,699	340,558	697,432
Depreciation and amortization	355,321	409,972	771,223
Impairment loss	7,787	4,100	22,673
(Reversal of) Provision for doubtful receivables	5,145	(1,410)	9,996
Unrealized loss on investments	374	259	459
Interest and dividend income	(10,343)	(12,658)	(25,546)
Interest expense	68,853	82,692	145,547
Gain on sales of property, plant and equipment	(630)	(16,624)	(28,485)
Loss on disposal of fixed assets	8,801	7,448	25,403
Gain on sales of investment securities	(5,545)	(2,505)	(3,566)
Increase in trade receivables	(70,000)	(95,357)	(114,960)
Decrease in finance receivables	170,075	87,825	44,341
Increase in inventories	(83,139)	(118,669)	(88,765)
(Decrease) Increase in trade payables	(95,355)	(4,311)	54,368
Amortization of net retirement benefit obligation at transition	5,456	5,448	10,928
Retirement benefit expenses	29,806	25,766	55,438
Payments related to retirement benefits	(56,977)	(25,280)	(157,821)
Other	(30,713)	(18,767)	12,118
Sub-total	654,615	668,487	1,430,783
Interest and dividends received	10,036	12,504	24,622
Interest paid	(68,455)	(81,315)	(143,650)
Income taxes paid	(114,118)	(81,649)	(268,928)
Total	482,078	518,027	1,042,827
Investing activities			
(Increase) Decrease in short-term investments	2,191	(980)	7,210
Purchases of fixed assets	(260,098)	(246,201)	(546,848)
Proceeds from sales of property, plant and equipment	16,869	41,425	72,308
Purchases of leased vehicles	(517,096)	(461,310)	(957,356)
Proceeds from sales of leased vehicles	167,584	215,504	304,912
Long-term loans made	(3,410)	(6,814)	(12,625)
Collection of long-term loans receivable	1,680	3,940	4,211
Purchases of investment securities	(9,221)	(19,077)	(17,117)
Proceeds from sales of investment securities	25,056	2,118	36,486
Purchase of subsidiaries' shares resulting in changes in scope of consolidation	(802)	-	(1,391)
Proceeds from sales of subsidiaries' shares resulting in changes in scope of consolidation	-	1,664	1,308
Other	13,275	13,937	(5,685)
Total	(563,972)	(455,794)	(1,114,587)
Financing activities			
(Decrease) Increase in short-term borrowings	412,007	(35,850)	492,538
Increase in long-term borrowings	389,979	382,595	969,461
Increase in bonds and debentures	53,385	193,535	123,730
Repayment of long-term borrowings	(499,538)	(474,506)	(1,102,015)
Redemption of bonds and debentures	(164,833)	(34,571)	(190,515)
Proceeds from minority interests	-	-	260
Purchases of treasury stock	(24)	(41,939)	(10,375)
Proceeds from sales of treasury stock	14,049	12,066	29,087
Repayment of lease obligations	(36,827)	(30,990)	(66,775)
Cash dividends paid	(61,329)	(69,921)	(131,064)
Cash dividends paid to minority shareholders	(1,685)	(3,792)	(7,453)
Other	11	7	33
Total	105,195	(103,366)	106,912
Effect of exchange rate changes on cash and cash equivalents	2,223	8,797	16,640
(Decrease) Increase in cash and cash equivalents	25,524	(32,336)	51,792
Cash and cash equivalent at beginning of the period	404,212	469,388	404,212
Increase due to inclusion in consolidation	13,384	27	13,384
Cash and cash equivalent at end of the period	443,120	437,079	469,388

5) Basis of Semi-Annual Consolidated Financial Statements

1. Number of Consolidated Subsidiaries and Companies Accounted for by the Equity Method

(1) Consolidated subsidiaries : 175 companies (Domestic 82, Overseas 93)

Subsidiaries other than the above companies were excluded from consolidation because the effect of not consolidating them was immaterial to the Company's consolidated financial statements.

(2) Companies Accounted for by the Equity Method

Unconsolidated subsidiaries: 31 companies (Domestic 19, Overseas 12)

Affiliates: 15 companies (Domestic 14, Overseas 1)

Subsidiaries and affiliates other than the above companies were not accounted for by the equity method because the effect of not adopting the equity method to them was immaterial to the Company's consolidated net income, retained earnings and others.

(3) Change in the Scope of Consolidation and Equity Method

The change in the scope of consolidation and equity method compared with fiscal year 2006 was summarized as follows:

Number of companies newly included in the scope of consolidation: 4 subsidiaries

Number of companies excluded from the scope of consolidation: 17 subsidiaries

Number of companies newly accounted for by the equity method: Not applicable

Number of companies ceased to be accounted for by the equity method of accounting: 1 company

The increase in the number of consolidated subsidiaries were primarily attributable to those newly established or became material to the consolidated financial statements, and the decrease were mainly due to merger.

2. Fiscal Period of Consolidated Subsidiaries

1) The end of 1st half of FY2007 for the following consolidated subsidiaries is different from that of the Company (September 30)

June 30 half year end Companies : Dongfeng Motor Co., Ltd., Yulon Nissan Motor Co., Ltd., Nissan Europe S.A.S., Nissan Mexicana, S.A. De C. V. and 26 other overseas subsidiaries

2) Nissan Europe S.A.S., Nissan Mexicana, S.A. De C. V. and 20 other consolidated subsidiaries whose half year end is June 30 close at September for consolidation reporting purpose.

With respect to Dongfeng Motor Co., Ltd., Yulon Nissan Motor Co., Ltd. and 6 other companies, the necessary adjustments were made in consolidation to reflect any significant transactions from July 1 to September 30.

3) Until March 31, 2006, since the difference between the fiscal year end of the parent company and those of 55 consolidated subsidiaries was within three months, the operating results of those subsidiaries were consolidated by using their financial statements as of their respective fiscal year ends.

Effective from the year ended March 31, 2007, 22 consolidated subsidiaries have been consolidated by using their financial statements as of the parent fiscal year end which were prepared solely for consolidation purposes. In addition, 33 consolidated subsidiaries have also changed their fiscal year end to March 31.

As this change was made in the 2nd half of last fiscal year, the operating results for the 6-month period from January 1, 2006 to June 30, 2006 of the 55 consolidated subsidiaries have been included in the consolidated financial statements for the 1st half of FY2006, while the operating results for the 6-month period from April 1, 2007 to September 30, 2007 of those subsidiaries have been included in the consolidated financial statements for the 1st half of FY2007.

6) Accounting changes

Accounting change for Directors' retirement benefits

Until March 31, 2007, certain subsidiaries charged expense for retirement benefits for directors and statutory auditors to income when the general shareholders' meeting approved a resolution for those benefits. In April 2007, a new position paper was issued by the Japanese Institute of Certified Public Accountants to clarify the accounting for the retirement benefits for directors and statutory auditors. In this connection, certain subsidiaries began to record an accrual for the retirement benefits for the directors and statutory auditors at the amount which would have been required to pay in accordance with their respective internal rules if those directors and statutory auditors had resigned their offices as of the balance sheet date in order to establish a sound financial position. The effect of this change was to increase selling, general and administrative expenses by 211 million yen, to decrease operating income and ordinary income by the same amount and to decrease income before income taxes and minority interests by 1,336 million yen for the six-month period ended September 30, 2007 compared with the corresponding amounts which would have been recorded if the previous method had been followed. The effect of this change on segment information is explained in the relevant portion of these documents.

As a result of this change, effective April 1, 2007, the accrued retirement benefits for directors and statutory auditors, which had previously been recorded by certain subsidiaries and included in the accrued retirement benefits for employees until March 31, 2007, were separately disclosed in the consolidated financial statements.

7) Notes to Semi-Annual Consolidated Financial Statements

1. Accumulated depreciation of property, plant and equipment

(Millions of yen)

4,486,383

(The above amount includes depreciation of leased assets: 161,508)

2. Discounted notes receivable

(Millions of yen)

173

3. Contingent liabilities

At September 30, 2007, the Company and its consolidated subsidiaries had the following contingent liabilities:

(Millions of yen)

1) As guarantor of employees' housing loans from banks and others	215,304
(152,805 for employees, 62,499 for others)	
2) Commitments to provide guarantees of indebtedness of unconsolidated subsidiaries and affiliates at the request of lending banks	1,007
3) The outstanding balance of installment receivables sold with recourse	5,383

4. Research and development costs included in cost of sales and general and administrative expenses

(Millions of yen)

219,204

5. Impairment losses

<u>Type of assets</u>	<u>Asset category</u>	<u>Location</u>	<u>Millions of yen</u>
Idle assets	Land, Buildings and Structures, Machinery and equipment	Ota-ku, Tokyo, and 45 other locations	2,281
Assets to be sold	Buildings and Structures	Brandenburg, Germany	218
Assets to be disposed of	Land, Buildings and Structures, Machinery, equipment, etc.	Numazu-shi, Shizuoka, and 2 other locations	1,601

6. Consolidated statements of changes in net assets

(FY2007 1st half)

1. Shares issued and outstanding

Type of shares	Number of shares at the end of the prior fiscal year	Increase	Decrease	Number of shares at the end of this period
Common stock (in thousands)	4,520,715	-	-	4,520,715

2. Treasury Stock

Type of shares	Number of shares at the end of the prior fiscal year	Increase	Decrease	Number of shares at the end of this period
Common stock (in thousands)	409,297	34,216	12,967	430,546

(Outline of changes)

Details of the increase are as follows

Increase by purchases of treasury stock	34,192 thousand shares
Increase by purchase of the stocks less than unit	22 thousand shares
Increase in stocks held by companies accounted for by the equity method	2 thousand shares

Details of the decrease are as follows.

Decrease by having exercised new share subscription rights	11,404 thousand shares
Decrease in stocks held by companies accounted for by the equity method	1,563 thousand shares

3. Share subscription rights

Company	Description	Type of shares	Number of shares (in thousands)				Balance at the end of this period (millions of Yen)
			Number of shares at the end of the prior fiscal year	Increase	Decrease	Number of shares at the end of this period	
The Company	Euro-yen bonds with warrant due 2008	Common stock	33,078	-	10,925	22,153	1,121
	Subscription rights as stock options			-			1,247
Total				-			2,368

4. Dividends

(1) Dividends

Resolution	Type of shares	Cash dividends paid (millions of Yen)	Dividends per share (Yen)	Cut off date	Effective date
General meeting of shareholders held on June 20, 2007	Common stock	69,921	17	March 31, 2007	June 21, 2007

(note) Cash dividends paid has been adjusted for the portion of dividends paid to Renault.

(2) Dividends of which cut off date was in the first half of FY2007 and effective date will be in the period after the end of the first half of FY2007.

Type of shares	Common stock
Resources of dividends	Retained earnings
Total dividends (millions of Yen)	81,804 millions of Yen (Dividends per share : 20 Yen)
Cut off date	September 30, 2007
Effective date	November 27, 2007

(note) Total dividends has been adjusted for the portion of dividends paid to Renault.

7. Cash Flows

Cash and cash equivalents at the end of 1st half of fiscal year 2007 are reconciled to the accounts reported in the consolidated balance sheet as follows:

(as of September 30, 2007)	(Millions of yen)
Cash on hand and in banks	432,324
Time deposits with maturities of more than three months	(16,461)
Cash equivalents included in marketable securities (*)	21,216
Cash and cash equivalents	<u>437,079</u>

* These represent short-term highly liquid investments readily convertible into cash held by foreign subsidiaries

8. Segment information

Nissan Motor Co., Ltd. (7201)
FY2007 Semi-Annual Consolidated Financial Results

1. Business segment information

Fiscal year 2006 1st half

(in millions of Yen)

	Automobile	Sales Financing	Total	Eliminations	Consolidated
Net sales					
(1) Sales to third parties	4,214,036	320,364	4,534,400	—	4,534,400
(2) Inter-group sales	13,001	7,455	20,456	(20,456)	—
Total	4,227,037	327,819	4,554,856	(20,456)	4,534,400
Operating expenses	3,940,859	290,396	4,231,255	(45,500)	4,185,755
Operating income	286,178	37,423	323,601	25,044	348,645

Fiscal year 2007 1st half

(in millions of Yen)

	Automobile	Sales Financing	Total	Eliminations	Consolidated
Net sales					
(1) Sales to third parties	4,687,287	377,208	5,064,495	—	5,064,495
(2) Inter-group sales	17,018	4,459	21,477	(21,477)	—
Total	4,704,305	381,667	5,085,972	(21,477)	5,064,495
Operating expenses	4,408,645	337,878	4,746,523	(49,174)	4,697,349
Operating income	295,660	43,789	339,449	27,697	367,146

- Note: 1. Businesses are segmented based on their proximity in terms of types, nature and markets of their products.
2. Major products and services included in each segment are;
- (1) Automobile : Passenger cars, Light trucks and buses, Forklift, Parts for overseas production, etc.
- (2) Sales Financing : Credit, Lease, etc.
3. Until March 31, 2006, since the difference between the fiscal year end of the parent company and those of 55 consolidated subsidiaries was within three months, the operating results of those subsidiaries were consolidated by using their financial statements as of their respective fiscal year ends. Effective the year ended March 31, 2007, 22 consolidated subsidiaries have been consolidated by using their financial statements as of the parent fiscal year end which were prepared solely for consolidation purposes. In addition, 33 consolidated subsidiaries have also changed their fiscal year end to March 31. As this change was made in the second half of last fiscal year, the operating results for the 6-month period from January 1, 2006 to June 30, 2006 of the 55 consolidated subsidiaries have been included in the consolidated financial statements for the 1st half of FY2006, while the operating results for the 6-month period from April 1, 2007 to September 30, 2007 of those subsidiaries have been included in the consolidated financial statements for the 1st half of FY2007.
4. As discussed in "Accounting Changes," certain subsidiaries began to record an accrual for the retirement benefits for the directors and statutory auditors at the amount which would have been required to pay in accordance with their respective internal rules if those directors and statutory auditors had resigned their offices as of the balance sheet date. The effect of this change was to increase operating expenses in the "Automobile" segment by ¥211 million and to decrease the operating income in the "Automobile" segment by the same amount for the six-month period ended September 30, 2007 compared with the corresponding amounts which would have been recorded if the previous method had been followed.

The three-month period ended September 30, 2006

(in millions of Yen)

	Automobile	Sales Financing	Total	Eliminations	Consolidated
Net sales					
(1) Sales to third parties	2,158,945	165,068	2,324,013	—	2,324,013
(2) Inter-group sales	7,687	3,689	11,376	(11,376)	—
Total	2,166,632	168,757	2,335,389	(11,376)	2,324,013
Operating expenses	2,005,944	147,663	2,153,607	(24,894)	2,128,713
Operating income	160,688	21,094	181,782	13,518	195,300

The three-month period ended September 30, 2007

(in millions of Yen)

	Automobile	Sales Financing	Total	Eliminations	Consolidated
Net sales					
(1) Sales to third parties	2,428,245	189,764	2,618,009	—	2,618,009
(2) Inter-group sales	7,397	2,029	9,426	(9,426)	—
Total	2,435,642	191,793	2,627,435	(9,426)	2,618,009
Operating expenses	2,253,999	169,346	2,423,345	(24,043)	2,399,302
Operating income	181,643	22,447	204,090	14,617	218,707

Fiscal year 2006

(in millions of Yen)

	Automobile	Sales Financing	Total	Eliminations	Consolidated
Net sales					
(1) Sales to third parties	9,790,484	678,099	10,468,583	—	10,468,583
(2) Inter-group sales	28,767	16,613	45,380	(45,380)	—
Total	9,819,251	694,712	10,513,963	(45,380)	10,468,583
Operating expenses	9,171,272	618,959	9,790,231	(98,587)	9,691,644
Operating income	647,979	75,753	723,732	53,207	776,939

Note 1. Businesses are segmented based on their proximity in terms of types, nature and markets of their products.

2. Major products and services included in each segment are;

(1) Automobile : Passenger cars, Light trucks and buses, Forklift, Parts for overseas production, etc.

(2) Sales Financing : Credit, Lease, etc.

3. Until March 31, 2006, since the difference between the fiscal year end of the parent company and those of 55 consolidated subsidiaries was within three months, the operating results of those subsidiaries were consolidated by using their financial statements as of their respective fiscal year ends

Effective the year ended March 31, 2007, 22 consolidated subsidiaries have been consolidated by using their financial statements as of the parent fiscal year end which were prepared solely for consolidation purposes. In addition, 33 consolidated subsidiaries have also changed their fiscal year end to March 31

As this change was made in the second half of last fiscal year, the operating results for the 3-month period from April 1, 2006 to June 30, 2006 of the 55 consolidated subsidiaries have been included in the consolidated financial statements for the 2nd quarter of FY2006, while the operating results for the 3-month period from July 1, 2007 to September 30, 2007 of those subsidiaries have been included in the consolidated financial statements for the 2nd quarter of FY2007

4. As discussed in "Accounting Changes," certain subsidiaries began to record an accrual for the retirement benefits for the directors and statutory auditors at the amount which would have been required to pay in accordance with their respective internal rules if those directors and statutory auditors had resigned their offices as of the balance sheet date. The effect of this change was to increase operating expenses in the "Automobile" segment by ¥106 million and to decrease the operating income in the "Automobile" segment by the same amount for the three-month period ended September 30, 2007 compared with the corresponding amounts which would have been recorded if the previous method had been followed.

2. Semi-Annual Consolidated Financial Statements by Business Segment

Nissan Motor Co., Ltd. (7201)
FY2007 Semi-Annual Consolidated Financial Results

* The sales financing segment consists of Nissan Financial Services Co., Ltd. (Japan), Nissan Motor Acceptance Corporation (USA), NR Finance Mexico S.A. de C.V. SOFOM E.N.R (Mexico), NR Finance Services, S.A. de C.V. (Mexico), Nissan Leasing (Thailand) Co., Ltd. (Thailand) and sales financing division of Nissan Canada Inc. (Canada).

* The financial data on the automobile and eliminations segment represents the difference between the consolidated figures and those for the sales financing segment.

1). Balance sheets by business segment

		(in millions of Yen)								
		Automobile & eliminations			Sales Financing			Consolidated total		
		as of 3/31/07	as of 9/30/07	Change	as of 3/31/07	as of 9/30/07	Change	as of 3/31/07	as of 9/30/07	Change
Current assets		2,494,573	2,812,526	317,953	3,998,313	3,739,828	(258,485)	6,492,886	6,552,354	59,468
Cash on hand and in banks		450,916	424,632	(26,284)	7,009	7,692	683	457,925	432,324	(25,601)
Notes & accounts receivable		679,087	765,637	86,550	32	115	83	679,119	765,752	86,633
finance receivables		(209,718)	(82,476)	127,242	3,766,941	3,487,080	(279,861)	3,557,223	3,404,604	(152,619)
Marketable securities		25,658	21,547	(4,111)	2,597	1,312	(1,285)	28,255	22,859	(5,396)
Inventories		986,150	1,117,448	131,298	18,521	26,860	8,339	1,004,671	1,144,308	139,637
Other current assets		562,480	565,738	3,258	203,213	216,769	13,556	765,693	782,507	16,814
Fixed assets		3,997,255	3,987,024	(10,231)	1,912,067	1,970,521	58,454	5,909,322	5,957,545	48,223
Property, plant and equipment		3,097,369	3,079,815	(17,554)	1,779,819	1,840,110	60,291	4,877,188	4,919,925	42,737
Investment securities		384,337	429,328	44,991	1,875	1,802	(73)	386,212	431,130	44,918
Other fixed assets		515,549	477,881	(37,668)	130,373	128,609	(1,764)	645,922	606,490	(39,432)
Total assets		6,491,828	6,799,550	307,722	5,910,380	5,710,349	(200,031)	12,402,208	12,509,899	107,691
Current liabilities		2,019,185	2,166,244	147,059	3,556,134	3,323,231	(232,903)	5,575,319	5,489,475	(85,844)
Notes & accounts payable		1,076,607	1,075,473	(1,134)	26,579	51,176	24,597	1,103,186	1,126,649	23,463
Short-term borrowings		(295,103)	(41,592)	253,511	3,392,514	3,151,247	(241,267)	3,097,411	3,109,655	12,244
Lease obligations		49,819	48,442	(1,377)	602	456	(146)	50,421	48,898	(1,523)
Other current liabilities		1,187,862	1,083,921	(103,941)	136,439	120,352	(16,087)	1,324,301	1,204,273	(120,028)
Long-term liabilities		1,061,127	1,090,791	29,664	1,888,768	1,894,266	5,498	2,949,895	2,985,057	35,162
Bonds and debentures		349,689	398,203	48,514	380,018	417,027	37,009	729,707	815,230	85,523
Long-term borrowings		39,863	12,452	(27,411)	1,127,951	1,065,620	(62,331)	1,167,814	1,078,072	(89,742)
Lease obligations		59,140	61,476	2,336	-	-	-	59,140	61,476	2,336
Other long-term liabilities		612,435	618,660	6,225	380,799	411,619	30,820	993,234	1,030,279	37,045
Total liabilities		3,080,312	3,257,035	176,723	5,444,902	5,217,497	(227,405)	8,525,214	8,474,532	(50,682)
Shareholders' equity		3,152,432	3,236,618	84,186	434,184	462,664	28,480	3,586,616	3,699,282	112,666
Common stock		513,167	513,155	(12)	92,647	92,659	12	605,814	605,814	-
Capital surplus		773,623	773,623	-	30,847	30,847	-	804,470	804,470	-
Retained earnings		2,092,036	2,204,667	112,631	310,690	339,158	28,468	2,402,726	2,543,825	141,099
Treasury stock		(226,394)	(254,827)	(28,433)	-	-	-	(226,394)	(254,827)	(28,433)
Valuation, Translation adjustments and others		(69,979)	(28,517)	41,462	28,600	26,773	(1,827)	(41,379)	(1,744)	39,635
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting		68,887	74,583	5,696	36	39	3	68,923	74,622	5,699
Translation adjustments		(137,380)	(111,342)	26,038	28,166	26,505	(1,661)	(109,214)	(84,837)	24,377
Other		(1,486)	8,242	9,728	398	229	(169)	(1,088)	8,471	9,559
Share Subscription Rights		2,711	2,368	(343)	-	-	-	2,711	2,368	(343)
Minority interests		326,352	332,046	5,694	2,694	3,415	721	329,046	335,461	6,415
Total net assets		3,411,516	3,542,515	130,999	465,478	492,852	27,374	3,876,994	4,035,367	158,373
Total liabilities & net assets		6,491,828	6,799,550	307,722	5,910,380	5,710,349	(200,031)	12,402,208	12,509,899	107,691

Note: 1. Finance receivables of Automobile & eliminations represent the amount eliminated for intercompany transactions related to

wholesale finance made by Sales Financing segment.

2. Borrowings of Automobile & eliminations represent the amount after deducting the amount of internal loans receivable from Sales Financing segment.

(07/3 1,013,908 million yen, 07/9 1,127,138 million yen)

(Interest bearing debt by business segment)

		(in millions of Yen)								
		Automobile & eliminations			Sales Financing			Consolidated total		
		as of 3/31/07	as of 9/30/07	Change	as of 3/31/07	as of 9/30/07	Change	as of 3/31/07	as of 9/30/07	Change
Short-term borrowings from Third Parties		693,500	1,038,172	344,672	2,403,911	2,071,483	(332,428)	3,097,411	3,109,655	12,244
Internal Loans to Sales Financing		(988,603)	(1,079,764)	(91,161)	988,603	1,079,764	91,161	-	-	-
Short-term borrowings (per B/S)		(295,103)	(41,592)	253,511	3,392,514	3,151,247	(241,267)	3,097,411	3,109,655	12,244
Bonds and debentures		349,689	398,203	48,514	380,018	417,027	37,009	729,707	815,230	85,523
Long-term borrowings from Third Parties		65,168	59,826	(5,342)	1,102,646	1,018,246	(84,400)	1,167,814	1,078,072	(89,742)
Internal Loans to Sales Financing		(25,305)	(47,374)	(22,069)	25,305	47,374	22,069	-	-	-
Long-term borrowings (per B/S)		39,863	12,452	(27,411)	1,127,951	1,065,620	(62,331)	1,167,814	1,078,072	(89,742)
Lease obligations		108,959	109,918	959	602	456	(146)	109,561	110,374	813
Internal Loans from Sales Financing		1,918	565	(1,353)	(1,918)	(565)	1,353	-	-	-
Total interest bearing debt		205,326	479,546	274,220	4,899,167	4,633,785	(265,382)	5,104,493	5,113,331	8,838
Cash and cash equivalent		459,964	428,224	(31,740)	9,424	8,855	(569)	469,388	437,079	(32,309)
Net interest bearing debt		(254,638)	51,322	305,960	4,889,743	4,624,930	(264,813)	4,635,105	4,676,252	41,147
Debt for Canton Plant included		94,861	90,704	(4,157)	-	-	-	94,861	90,704	(4,157)
Lease obligations included		108,959	109,918	959	602	456	(146)	109,561	110,374	813
Net interest bearing debt (excluding those related to Canton Plant and lease obligations)		(458,458)	(149,300)	309,158	4,889,141	4,624,474	(264,667)	4,430,683	4,475,174	44,491

2). Statements of income by business segment

(in millions of Yen)

	Consolidated total								
	Automobile & eliminations			Sales Financing					
	04/01/06 - 09/30/06	04/01/07 - 09/30/07	Change	04/01/06 - 09/30/06	04/01/07 - 09/30/07	Change	04/01/06 - 09/30/06	04/01/07 - 09/30/07	Change
Net sales	4,206,581	4,682,828	476,247	327,819	381,667	53,848	4,534,400	5,064,495	530,095
Cost of sales	3,207,621	3,621,399	413,778	248,411	295,607	47,196	3,456,032	3,917,006	460,974
Gross profit	998,960	1,061,429	62,469	79,408	86,060	6,652	1,078,368	1,147,489	69,121
Operating profit as a percentage of net sales	7.4%	6.9%	-0.5%	11.4%	11.5%	0.1%	7.7%	7.2%	-0.5%
Operating profit	311,222	323,357	12,135	37,423	43,789	6,366	348,645	367,146	18,501
Net financial cost	(3,614)	(5,507)	(1,893)	8	278	270	(3,606)	(5,229)	(1,623)
Others	15,212	(605)	(15,817)	612	(1,011)	(1,623)	15,824	(1,616)	(17,440)
Ordinary profit	322,820	317,245	(5,575)	38,043	43,056	5,013	360,863	360,301	(562)
Income before income taxes and minority interests	317,900	297,577	(20,323)	37,799	42,981	5,182	355,699	340,558	(15,141)
Net income	251,251	183,905	(67,346)	22,926	28,514	5,588	274,177	212,419	(61,758)

Detail of Net financial cost

	04/01/06 - 09/30/06	04/01/07 - 09/30/07	Change	04/01/06 - 09/30/06	04/01/07 - 09/30/07	Change	04/01/06 - 09/30/06	04/01/07 - 09/30/07	Change
Total	(3,614)	(5,507)	(1,893)	8	278	270	(3,606)	(5,229)	(1,623)
Interest on Lease obligations	(1,765)	(1,348)	417	(8)	(5)	3	(1,773)	(1,353)	420
Eliminations	(26,327)	(28,917)	(2,590)	-	-	-	(26,327)	(28,917)	(2,590)
Net financial cost by segment	24,478	24,758	280	16	283	267	24,494	25,041	547

3). Statements of cash flows by business segment

(in millions of Yen)

	04/01/06 - 09/30/06			04/01/07 - 09/30/07		
	Consolidated total			Consolidated total		
	Automobile & eliminations	Sales Financing		Automobile & eliminations	Sales Financing	
Operating activities						
Income before income taxes and minority interests	317,900	37,799	355,699	297,577	42,981	340,558
Depreciation and amortization	201,569	153,752	355,321	227,641	182,331	409,972
(Decrease) increase in finance receivables	(103,770)	273,845	170,075	(127,161)	214,986	87,825
Others	(419,962)	20,945	(399,017)	(327,582)	7,254	(320,328)
Subtotal	(4,263)	486,341	482,078	70,475	447,552	518,027
Investing activities						
Proceeds from sales of investment securities	25,056	-	25,056	3,782	-	3,782
Proceeds from sales of property, plant and equipment	16,869	-	16,869	41,411	14	41,425
Purchases of fixed assets	(255,579)	(4,519)	(260,098)	(238,000)	(8,201)	(246,201)
Purchases of leased vehicles	(6,486)	(510,610)	(517,096)	(2,872)	(458,438)	(461,310)
Proceeds from sales of leased vehicles	11,764	155,820	167,584	1,767	213,737	215,504
Others	(11,041)	14,754	3,713	(33,136)	24,142	(8,994)
Subtotal	(219,417)	(344,555)	(563,972)	(227,048)	(228,746)	(455,794)
Financing activities						
(Decrease) increase in short-term borrowings	458,765	(46,758)	412,007	188,948	(224,798)	(35,850)
Decrease or redemption of long-term debt	(130,443)	(143,949)	(274,392)	(38,428)	(88,054)	(126,482)
Increase in bonds and debentures	-	53,385	53,385	99,762	93,773	193,535
Others	(85,645)	(160)	(85,805)	(134,423)	(146)	(134,569)
Subtotal	242,677	(137,482)	105,195	115,859	(219,225)	(103,366)
Effect of exchange rate changes on cash and cash equivalents	2,958	(735)	2,223	8,947	(150)	8,797
(Decrease) increase in cash and cash equivalents	21,955	3,569	25,524	(31,767)	(569)	(32,336)
Cash and cash equivalents at beginning of period	392,505	11,707	404,212	459,964	9,424	469,388
Increase due to inclusion in consolidation	12,571	813	13,384	27	-	27
Cash and cash equivalents at end of period	427,031	16,089	443,120	428,224	8,855	437,079

Note: 1. Increase in short-term borrowings of Automobile & eliminations includes the amounts eliminated for increase (06/9 138,491 million yen, 07/9 112,800 million yen) in internal loans receivable from Sales Financing segment.

2. Increase in long-term borrowings of Automobile & eliminations includes the amounts eliminated for increase (07/9 23,408 million yen) in internal loans receivable from Sales Financing segment.

3.Geographical segment information

Fiscal year 2006 1st half						(in millions of Yen)	
	Japan	North America	Europe	Other foreign countries	Total	Eliminations	Consolidated
Net sales							
(1) Sales to third parties	1,170,119	1,964,032	755,622	644,627	4,534,400	—	4,534,400
(2) Inter-group sales	1,023,673	65,480	42,513	8,890	1,140,556	(1,140,556)	—
Total	2,193,792	2,029,512	798,135	653,517	5,674,956	(1,140,556)	4,534,400
Operating expenses	2,060,124	1,881,941	771,290	621,479	5,334,834	(1,149,079)	4,185,755
Operating income	133,668	147,571	26,845	32,038	340,122	8,523	348,645

Fiscal year 2007 1st half						(in millions of Yen)	
	Japan	North America	Europe	Other foreign countries	Total	Eliminations	Consolidated
Net sales							
(1) Sales to third parties	1,152,460	2,135,675	973,284	803,076	5,064,495	—	5,064,495
(2) Inter-group sales	1,097,883	104,539	108,517	20,372	1,331,311	(1,331,311)	—
Total	2,250,343	2,240,214	1,081,801	823,448	6,395,806	(1,331,311)	5,064,495
Operating expenses	2,129,098	2,074,084	1,042,045	785,270	6,030,497	(1,333,148)	4,697,349
Operating income	121,245	166,130	39,756	38,178	365,309	1,837	367,146

Note: 1. Countries and areas are segmented based on their geographical proximity and their mutual operational relationship.

2. Major countries and areas which belong to segments other than Japan are as follows :

- (1) North America : U.S.A., Canada, Mexico
- (2) Europe : France, U.K., Spain and other European countries
- (3) Others : Asia, Oceania, the Middle East, Central and South America excluding Mexico and South Africa

3. Until March 31, 2006, since the difference between the fiscal year end of the parent company and those of 55 consolidated subsidiaries was within three months, the operating results of those subsidiaries were consolidated by using their financial statements as of the their respective fiscal year ends.

Effective the year ended March 31, 2007, 22 consolidated subsidiaries have been consolidated by using their financial statements as of the parent fiscal year end which were prepared solely for consolidation purposes. In addition, 33 consolidated subsidiaries have also changed their fiscal year end to March 31.

As this change was made in the second half of last fiscal year, the operating results for the 6-month period from January 1, 2006 to June 30, 2006 of the 55 consolidated subsidiaries have been included in the consolidated financial statements for the 1st half of FY2006, while the operating results for the 6-month period from April 1, 2007 to September 30, 2007 of those subsidiaries have been included in the consolidated financial statements for the 1st half of FY2007.

4. As discussed in "Accounting Changes," certain subsidiaries began to record an accrual for the retirement benefits for the directors and statutory auditors at the amount which would have been required to pay in accordance with their respective internal rules if those directors and statutory auditors had resigned their offices as of the balance sheet date. The effect of this change was to increase operating expenses in the "Japan" segment by ¥211 million and to decrease the operating income in the "Japan" segment by the same amount for the six-month period ended September 30, 2007 compared with the corresponding amounts which would have been recorded if the previous method had been followed.

The three-month period ended September 30, 2006

(in millions of Yen)

	Japan	North America	Europe	Other foreign countries	Total	Eliminations	Consolidated
Net sales							
(1) Sales to third parties	597,865	992,267	408,281	325,600	2,324,013	—	2,324,013
(2) Inter-group sales	525,624	30,326	22,494	4,576	583,020	(583,020)	—
Total	1,123,489	1,022,593	430,775	330,176	2,907,033	(583,020)	2,324,013
Operating expenses	1,058,349	932,356	408,683	313,979	2,713,367	(584,654)	2,128,713
Operating income	65,140	90,237	22,092	16,197	193,666	1,634	195,300

The three-month period ended September 30, 2007

(in millions of Yen)

	Japan	North America	Europe	Other foreign countries	Total	Eliminations	Consolidated
Net sales							
(1) Sales to third parties	612,723	1,083,717	497,349	424,220	2,618,009	-	2,618,009
(2) Inter-group sales	589,425	64,889	53,894	12,353	720,561	-720,561	-
Total	1,202,148	1,148,606	551,243	436,573	3,338,570	-720,561	2,618,009
Operating expenses	1,129,571	1,059,205	516,642	415,077	3,120,495	-721,193	2,399,302
Operating income	72,577	89,401	34,601	21,496	218,075	632	218,707

Fiscal year 2006

(in millions of Yen)

	Japan	North America	Europe	Other foreign countries	Total	Eliminations	Consolidated
Net sales							
(1) Sales to third parties	2,478,549	4,550,498	2,038,026	1,401,510	10,468,583	—	10,468,583
(2) Inter-group sales	2,205,469	138,945	128,388	27,528	2,500,330	(2,500,330)	—
Total	4,684,018	4,689,443	2,166,414	1,429,038	12,968,913	(2,500,330)	10,468,583
Operating expenses	4,411,824	4,329,427	2,084,112	1,370,801	12,196,164	(2,504,520)	9,691,644
Operating income	272,194	360,016	82,302	58,237	772,749	4,190	776,939

- Note: 1. 1.Countries and areas are segmented based on their geographical proximity and their mutual operational relationship.
2. 2.Major countries and areas which belong to segments other than Japan are as follows :
(1) North America : U.S.A., Canada, Mexico
(2) Europe : France, U.K., Spain and other European countries
(3) Others : Asia, Oceania, the Middle East, Central and South America excluding Mexico and South Africa
3. Until March 31, 2006, since the difference between the fiscal year end of the parent company and those of 55 consolidated subsidiaries was within three months, the operating results of those subsidiaries were consolidated by using their financial statements as of the their respective fiscal year ends.
Effective the year ended March 31, 2007, 22 consolidated subsidiaries have been consolidated by using their financial statements as of the parent fiscal year end which were prepared solely for consolidation purposes. In addition, 33 consolidated subsidiaries have also changed their fiscal year end to March 31.
As this change was made in the second half of last fiscal year, the operating results for the 3-month period from April 1, 2006 to June 30, 2006 of the 55 consolidated subsidiaries have been included in the consolidated financial statements for the 2nd quarter of FY2006, while the operating results for the 3-month period from July 1, 2007 to September 30, 2007 of those subsidiaries have been included in the consolidated financial statements for the 2nd quarter of FY2007.
4. As discussed in "Accounting Changes," certain subsidiaries began to record an accrual for the retirement benefits for the directors and statutory auditors at the amount which would have been required to pay in accordance with their respective internal rules if those directors and statutory auditors had resigned their offices as of the balance sheet date. The effect of this change was to increase operating expenses in the "Japan" segment by ¥ 106 million and to decrease the operating income in the "Japan" segment by the same amount for the three-month period ended September 30, 2007 compared with the corresponding amounts which would have been recorded if the previous method had been followed.

4. Overseas Net Sales

Overseas net sales and the related percentages of the sales to the total consolidated net sales are summarized as follows:

Fiscal year 2006 1st half				(in millions of Yen)
	North America	Europe	Other foreign countries	Total
(1) Overseas net sales	1,913,868	765,549	817,266	3,496,683
(2) Consolidated net sales				4,534,400
(3) Overseas net sales as a percentage of consolidated net sales [%]	42.2	16.9	18.0	77.1

Fiscal year 2007 1st half				(in millions of Yen)
	North America	Europe	Other foreign countries	Total
(1) Overseas net sales	2,079,036	974,334	1,005,402	4,058,772
(2) Consolidated net sales				5,064,495
(3) Overseas net sales as a percentage of consolidated net sales [%]	41.1	19.2	19.9	80.1

The three-month period ended September 30, 2006				(in millions of Yen)
	North America	Europe	Other foreign countries	Total
(1) Overseas net sales	966,336	412,782	410,163	1,789,281
(2) Consolidated net sales				2,324,013
(3) Overseas net sales as a percentage of consolidated net sales [%]	41.6	17.8	17.6	77.0

The three-month period ended September 30, 2007				(in millions of Yen)
	North America	Europe	Other foreign countries	Total
(1) Overseas net sales	1,058,719	496,688	525,454	2,080,861
(2) Consolidated net sales				2,618,009
(3) Overseas net sales as a percentage of consolidated net sales [%]	40.4	19.0	20.1	79.5

Fiscal year 2006				(in millions of Yen)
	North America	Europe	Other foreign countries	Total
(1) Overseas net sales	4,410,531	2,023,772	1,829,617	8,263,920
(2) Consolidated net sales				10,468,583
(3) Overseas net sales as a percentage of consolidated net sales [%]	42.1	19.3	17.5	78.9

- Note: 1. Overseas net sales include export sales of the Company and its domestic consolidated subsidiaries and sales (other than exports to Japan) of its foreign consolidated subsidiaries.
2. Countries and areas are segmented based on their geographical proximity and their mutual operational relationship
3. Major countries and areas which belong to segments other than Japan are as follows:
(1) North America : USA, Canada, Mexico
(2) Europe : France, U.K., Spain, and other European countries
(3) Other foreign countries : Asia, Oceania, the Middle East, Central and South America excluding Mexico and South Africa
4. Until March 31, 2006, since the difference between the fiscal year end of the parent company and those of 55 consolidated subsidiaries were within three months, the operating results of those subsidiaries were consolidated by using their financial statements as of the their respective fiscal year ends.
Effective the year ended March 31, 2007, 22 consolidated subsidiaries have been consolidated by using their financial statements as of the parent fiscal year end which were prepared solely for consolidation purposes. In addition, 33 consolidated subsidiaries have also changed their fiscal year end to March 31.
As this change was made in the 2nd half of last fiscal year, the operating results for the 6-month period from January 1, 2006 to June 30, 2006 and 3-month period from April 1, 2006 to June 30, 2006 of the 55 consolidated subsidiaries have been included in the consolidated financial statements for the 1st half and 2nd quarter of FY2006, while the operating results for the 6-month period from April 1, 2007 to September 30, 2007 and 3-month period from July 1, 2007 to September 30, 2007 of those subsidiaries have been included in the consolidated financial statements for the 1st half of FY2007 and 2nd quarter of FY2007.

9. Amounts per share

FY2006 1st half (The six-month period)	FY 2007 1st half (The six-month period)	FY2006 (The twelve-month period)
Net assets excluding share subscription rights and minority interests per share ¥807.02	Net assets excluding share subscription rights and minority interests per share ¥904.01	Net assets excluding share subscription rights and minority interests per share ¥862.29
Basic net income per share ¥66.81	Basic net income per share ¥51.77	Basic net income per share ¥112.33
Diluted net income per share ¥66.41	Diluted net income per share ¥51.62	Diluted net income per share ¥111.71

Note: The bases for calculation of basic and diluted net income per share are as follows:

	FY2006 1st half (The six-month period)	FY 2007 1st half (The six-month period)	FY2006 (The twelve-month period)
Basic net income per share The average number of common stock during the period (Thousand shares)	4,103,869	4,103,506	4,102,114
Diluted net income per share			
Increase in common stock (Thousand shares)	24,530	11,163	22,736
(Exercise of warrants (Thousands shares))	19,551	8,232	17,446
(Exercise of share subscription rights (Thousands shares))	4,979	2,931	5,290

10. Omitted disclosure

Disclosure of following items are omitted due to their materiality

- Lease transactions
- Securities
- Derivative transactions
- Stock option
- Business Combinations

8. Production and sales

1) Consolidated production volume

The six-month period ended September 30

(Units)

	FY06 1st half	FY07 1st half	Change	
			Units	%
Japan	575,625	516,608	(59,017)	(10.3 %)
U.S.A.	341,804	328,549	(13,255)	(3.9 %)
Mexico	198,310	246,787	48,477	24.4 %
U.K.	159,759	176,382	16,623	10.4 %
Spain	106,185	105,638	(547)	(0.5 %)
South Africa	20,445	24,793	4,348	21.3 %
Indonesia	1,858	10,367	8,509	458.0 %
Thailand	18,624	28,273	9,649	51.8 %
China	116,141	151,564	35,423	30.5 %
Brazil	-	4,642	4,642	-
Total	1,538,751	1,593,603	54,852	3.6 %

2) Consolidated sales volume by region

The six-month period ended September 30

(Units)

	FY06 1st half	FY07 1st half	Change	
			Units	%
Japan	339,088	318,186	(20,902)	(6.2 %)
North America	612,933	622,463	9,530	1.6 %
Europe	295,514	315,784	20,270	6.9 %
Others	357,536	421,025	63,489	17.8 %
Total	1,605,071	1,677,458	72,387	4.5 %

The three-month period ended September 30

(Units)

	FY06 2nd quarter	FY07 2nd quarter	Change	
			Units	%
Japan	180,826	170,833	(9,993)	(5.5 %)
North America	307,625	319,837	12,212	4.0 %
Europe	161,281	161,093	(188)	(0.1 %)
Others	188,624	222,688	34,064	18.1 %
Total	838,356	874,451	36,095	4.3 %

4.Non-Consolidated Financial Statements

1) Non-Consolidated Balance Sheets

The following information has been prepared in accordance with accounting principles generally accepted in Japan.

(in millions of yen)

	as of 3/31/07	as of 9/30/07	Change		as of 9/30/06
			Amount	Rate	
[ASSETS]					
CURRENT ASSETS	1,301,528	1,536,720	235,192	18.1%	1,541,108
Cash on hand and in banks	39,949	17,785	(22,163)		24,023
Trade notes receivable	393	314	(79)		321
Trade accounts receivable	286,975	375,120	88,144		389,637
Finished products	71,682	87,514	15,832		75,950
Other inventories	85,080	100,863	15,783		81,907
Short-term loans receivable from subsidiaries and affiliates	548,590	725,693	177,103		736,005
Other	274,689	236,408	(38,281)		235,686
Allowance for doubtful accounts	(5,832)	(6,979)	(1,147)		(2,423)
FIXED ASSETS	2,502,841	2,498,803	(4,038)	(0.2%)	2,429,503
Property, plant & equipment	846,222	859,744	13,522		788,878
Buildings	192,856	203,485	10,629		181,668
Machinery & equipment	245,462	256,946	11,484		232,991
Land	139,001	138,612	(389)		139,680
Other	268,902	260,700	(8,202)		234,538
Intangible assets	48,821	45,996	(2,824)		47,377
Investments & other assets	1,607,797	1,593,061	(14,736)		1,593,247
Investment securities	16,714	17,770	1,056		17,095
Investments in stock of subsidiaries and affiliates	1,473,858	1,483,265	9,407		1,477,468
Long-term loans receivable	943	852	(91)		1,041
Prepayment pension cost	39,804	28,955	(10,849)		-
Other	78,558	64,211	(14,346)		99,243
Allowance for doubtful accounts	(2,082)	(1,995)	87		(1,602)
TOTAL ASSETS	3,804,369	4,035,523	231,154	6.1%	3,970,612
[LIABILITIES]					
CURRENT LIABILITIES	1,562,599	1,815,746	253,147	16.2%	1,578,811
Trade notes payable	457	225	(232)		341
Trade accounts payable	444,355	448,947	4,592		408,204
Short-term borrowings	77,000	383,000	306,000		205,000
Current portion of long-term borrowings	9,390	6,952	(2,438)		41,126
Commercial paper	450,000	450,000	-		490,000
Current maturities of bonds	82,316	132,570	50,253		59,763
Accrued expenses	281,565	222,748	(58,817)		212,020
Income taxes payable	7,889	1,028	(6,861)		3,709
Accrued warranty costs	30,842	28,749	(2,093)		30,838
Lease obligations	26,741	32,481	5,739		24,213
Other	152,040	109,043	(42,997)		103,595
LONG-TERM LIABILITIES	466,356	517,326	50,970	10.9%	562,444
Bonds	347,965	397,955	49,989		430,024
Long-term borrowings	41,400	37,950	(3,450)		44,902
Accrued warranty costs	48,213	44,473	(3,740)		48,272
Accrued retirement benefits	-	-	-		10,792
Lease obligations	27,855	29,508	1,653		27,397
Other	922	7,439	6,517		1,055
TOTAL LIABILITIES	2,028,955	2,333,073	304,117	15.0%	2,141,255
[NET ASSETS]					
SHAREHOLDERS' EQUITY	1,766,839	1,693,452	(73,386)	(4.2%)	1,820,928
COMMON STOCK	605,813	605,813	-		605,813
CAPITAL SURPLUS	804,470	804,470	-		804,470
Capital reserve	804,470	804,470	-		804,470
RETAINED EARNINGS	467,878	423,542	(44,336)		528,724
Legal reserve	53,838	53,838	-		53,838
Voluntary reserve	414,039	369,703	(44,336)		474,885
Reserve for reduction of replacement cost of specified properties	69,206	68,842	(363)		68,154
Reserve for losses on overseas investments	479	239	(239)		725
Reserve for special depreciation	884	940	55		749
Unappropriated retained earnings	343,469	299,680	(43,788)		405,255
TREASURY STOCK	(111,323)	(140,374)	(29,050)		(118,079)
VALUATION, TRANSLATION ADJUSTMENTS AND OTHERS	5,863	6,629	766	13.1%	5,540
Unrealized holding gain on securities	5,863	6,629	766		5,969
Deferred gain and loss from hedging instruments	-	-	-		(428)
SHARE SUBSCRIPTION RIGHTS	2,711	2,368	(342)	(12.7%)	2,887
TOTAL NET ASSETS	1,775,413	1,702,450	(72,963)	(4.1%)	1,829,356
TOTAL LIABILITIES & NET ASSETS	3,804,369	4,035,523	231,154	6.1%	3,970,612

【Non-Consolidated】

2) Non-Consolidated Statements of Income

The following information has been prepared in accordance with accounting principles generally accepted in Japan (in millions of yen)

	FY2006 1st Half	FY2007 1st Half	Change		FY2006
			Amount	Rate	
NET SALES	100% 1,696,986	100% 1,740,093	43,107	2.5%	100% 3,608,934
COST OF SALES	1,422,764	1,485,681	62,917		3,030,447
Gross profit	16.2% 274,222	14.6% 254,411	(19,810)	(7.2%)	16.0% 578,487
Selling, general and administrative expenses	172,101	180,178	8,077		392,926
OPERATING INCOME	6.0% 102,121	4.3% 74,233	(27,888)	(27.3%)	5.1% 185,561
NON-OPERATING INCOME	9,679	9,994	314		14,249
Interest and dividend income	6,168	5,914	(253)		9,563
Foreign exchange gain	1,291	-	(1,291)		-
Other	2,219	4,080	1,860		4,685
NON-OPERATING EXPENSES	13,130	16,900	3,769		29,852
Interest expense	4,835	6,316	1,481		9,227
Amortization of net retirement benefit obligation at transition	4,027	4,027	-		8,054
Foreign exchange loss	-	1,383	1,383		23
Other	4,267	5,172	904		12,547
ORDINARY INCOME	5.8% 98,670	3.9% 67,327	(31,343)	(31.8%)	4.7% 169,958
SPECIAL GAINS	38,099	4,875	(33,223)		53,043
Gains on sales of fixed assets	17	3,877	3,859		8,511
Gains on sales of investment securities	11,215	-	(11,215)		17,017
Reversal of allowance for doubtful accounts	25,789	-	(25,789)		25,789
Other	1,077	998	(78)		1,726
SPECIAL LOSSES	61,527	12,588	(48,939)		109,112
Loss on disposal of fixed assets	6,717	4,434	(2,282)		17,464
Impairment loss	77	27	(50)		228
Devaluation loss on investments and receivables	51,137	233	(50,904)		52,909
Other	3,595	7,892	4,297		38,510
INCOME BEFORE INCOME TAXES	4.4% 75,242	3.4% 59,614	(15,628)	(20.8%)	3.2% 113,889
INCOME TAXES-CURRENT	30	(7,373)	(7,404)		4,476
INCOME TAXES-DEFERRED	13,029	33,937	20,908		29,931
NET INCOME	3.7% 62,182	1.9% 33,050	(29,131)	(46.8%)	2.2% 79,481

【Non-Consolidated】

The following information has been prepared in accordance with accounting principles generally accepted in Japan.

The second quarter (July 1, 2007 through Sep 30, 2007)

(in millions of Yen)

	FY2006		FY2007		Change	
	second quarter		second quarter		Amount	Rate
	(The three-month)		(The three-month)			
NET SALES	100%	879,747	100%	931,645	51,897	5.9%
COST OF SALES		743,663		796,751	53,087	
Gross profit	15.5%	136,083	14.5%	134,894	(1,189)	(0.9%)
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES		92,436		93,945	1,508	
Operating income	5.0%	43,647	4.4%	40,949	(2,698)	(6.2%)
NON-OPERATING INCOME		8,448		5,355	(3,093)	
Interest and dividend income		3,988		3,039	(949)	
Foreign exchange gain		2,569		-	(2,569)	
Other		1,890		2,316	425	
NON-OPERATING EXPENSES		7,241		12,478	5,236	
Interest expense		2,762		3,643	880	
Amortization of net retirement benefit obligation at transition		2,013		2,013	-	
Foreign exchange loss		-		3,679	3,679	
Other		2,465		3,141	676	
Ordinary income	5.1%	44,855	3.6%	33,826	(11,028)	(24.6%)
SPECIAL GAINS		11,359		2,156	(9,202)	
SPECIAL LOSSES		58,213		3,781	(54,432)	
Income before income taxes	(0.2%)	(1,999)	3.5%	32,202	34,201	-
Income taxes		(4,397)		16,814	21,211	
Net income	0.3%	2,397	1.7%	15,388	12,990	541.8%

【Non-Consolidated】

3) Non-Consolidated Statements of Changes in Net Assets

As of Mar 31, 2007

[in millions of Yen, () indicates loss or minus]

	Shareholders' equity							
	Common stock	Capital surplus		Retained earnings			Treasury stock	Total Shareholders' equity
		Additional paid-in capital	Total Capital surplus	Legal reserve	Voluntary reserve (Note)	Total Retained earnings		
Balance as of March 31, 2006	605,813	804,470	804,470	53,838	482,326	536,165	(133,351)	1,813,097
Changes in FY2006								
Appropriations of retained earnings in accordance with a resolution approved at the annual general meeting of shareholders								
Reserve provided	-	-	-	-	-	-	-	-
Reserve reversed	-	-	-	-	-	-	-	-
Cash dividends paid	-	-	-	-	(65,979)	(65,979)	-	(65,979)
Bonuses to directors and statutory auditors	-	-	-	-	(390)	(390)	-	(390)
Reserve provided in accordance with the tax regulations	-	-	-	-	-	-	-	-
Reserve reversed in accordance with the tax regulations	-	-	-	-	-	-	-	-
Cash dividends paid	-	-	-	-	(75,014)	(75,014)	-	(75,014)
Net income	-	-	-	-	79,481	79,481	-	79,481
Purchases of treasury stock	-	-	-	-	-	-	(10,374)	(10,374)
Disposal of treasury stock	-	-	-	-	(6,384)	(6,384)	32,402	26,018
Net changes in items other than those in shareholders' equity	-	-	-	-	-	-	-	-
Total changes in FY2006	-	-	-	-	(68,286)	(68,286)	22,028	(46,258)
Balance as of March 31, 2007	605,813	804,470	804,470	53,838	414,039	467,878	(111,323)	1,766,839

	Valuation, Translation adjustments and Others		Share subscription rights	Total Net assets
	Unrealized holding gain on securities	Total Valuation, Translation adjustments and Others		
Balance as of March 31, 2006	13,932	13,932	3,143	1,830,173
Changes in FY2006				
Appropriations of retained earnings in accordance with a resolution approved at the annual general meeting of shareholders				
Reserve provided	-	-	-	-
Reserve reversed	-	-	-	-
Cash dividends paid	-	-	-	(65,979)
Bonuses to directors and statutory auditors	-	-	-	(390)
Reserve provided in accordance with the tax regulations	-	-	-	-
Reserve reversed in accordance with the tax regulations	-	-	-	-
Cash dividends paid	-	-	-	(75,014)
Net income	-	-	-	79,481
Purchases of treasury stock	-	-	-	(10,374)
Disposal of treasury stock	-	-	-	26,018
Net changes in items other than those in shareholders' equity	(8,069)	(8,069)	(432)	(8,501)
Total changes in FY2006	(8,069)	(8,069)	(432)	(54,760)
Balance as of March 31, 2007	5,863	5,863	2,711	1,775,413

(Note) Details of voluntary reserve

	Reserve for reduction of replacement cost of specified properties	Reserve for losses on overseas investments	Reserve for special depreciation	Unappropriated retained earnings	Total Voluntary reserve
Balance as of March 31, 2006	77,175	1,471	687	402,990	482,326
Changes in FY2006					
Appropriations of retained earnings in accordance with a resolution approved at the annual general meeting of shareholders					
Reserve provided	1,769	-	286	(2,055)	-
Reserve reversed	(7,176)	(499)	(139)	7,814	-
Cash dividends paid	-	-	-	(65,979)	(65,979)
Bonuses to directors and statutory auditors	-	-	-	(390)	(390)
Reserve provided in accordance with the tax regulations	4,094	-	224	(4,318)	-
Reserve reversed in accordance with the tax regulations	(6,657)	(493)	(175)	7,325	-
Cash dividends paid	-	-	-	(75,014)	(75,014)
Net income	-	-	-	79,481	79,481
Purchases of treasury stock	-	-	-	-	-
Disposal of treasury stock	-	-	-	(6,384)	(6,384)
Total changes in FY2006	(7,969)	(992)	197	(59,521)	(68,286)
Balance as of March 31, 2007	69,206	479	884	343,469	414,039

【Non-Consolidated】

As of Sep 30, 2007

[in millions of Yen, () indicates loss or minus]

	Shareholders' equity							
	Common stock	Capital surplus		Retained earnings			Treasury stock	Total Shareholders' equity
		Additional paid-in capital	Total Capital surplus	Legal reserve	Voluntary reserve (Note)	Total Retained earnings		
Balance as of March 31, 2007	605,813	804,470	804,470	53,838	414,039	467,878	(111,323)	1,766,839
Changes in 1st Half FY2007								
Cash dividends paid	-	-	-	-	(75,147)	(75,147)	-	(75,147)
Reserve provided in accordance with the tax regulations	-	-	-	-	-	-	-	-
Reserve reversed in accordance with the tax regulations	-	-	-	-	-	-	-	-
Net income	-	-	-	-	33,050	33,050	-	33,050
Purchases of treasury stock	-	-	-	-	-	-	(41,939)	(41,939)
Decrease of treasury stock	-	-	-	-	(2,239)	(2,239)	12,888	10,649
Net changes except for factors in shareholders' equity	-	-	-	-	-	-	-	-
Total of changes in 1st Half FY2007	-	-	-	-	(44,336)	(44,336)	(29,050)	(73,386)
Balance as of September 30, 2007	605,813	804,470	804,470	53,838	369,703	423,542	(140,374)	1,693,452

	Valuation, Translation adjustments and Others		Share subscription rights	Total Net assets
	Unrealized holding gain on securities	Total Valuation, Translation adjustments and Others		
Balance as of March 31, 2007	5,863	5,863	2,711	1,775,413
Changes in 1st Half FY2007				
Cash dividends paid	-	-	-	(75,147)
Reserve provided in accordance with the tax regulations	-	-	-	-
Reserve reversed in accordance with the tax regulations	-	-	-	-
Net income	-	-	-	33,050
Purchases of treasury stock	-	-	-	(41,939)
Decrease of treasury stock	-	-	-	10,649
Net changes except for factors in shareholders' equity	766	766	(342)	423
Total of changes in 1st Half FY2007	766	766	(342)	(72,963)
Balance as of September 30, 2007	6,629	6,629	2,368	1,702,450

(Note) Details of voluntary reserve

	Reserve for reduction of replacement cost of specified properties	Reserve for losses on overseas investments	Reserve for special depreciation	Unappropriated retained earnings	Total Voluntary reserve
Balance as of March 31, 2007	69,206	479	884	343,469	414,039
Changes in 1st Half FY2007					
Cash dividends paid	-	-	-	(75,147)	(75,147)
Reserve provided in accordance with the tax regulations	2,120	-	143	(2,264)	-
Reserve reversed in accordance with the tax regulations	(2,483)	(239)	(88)	2,811	-
Net income	-	-	-	33,050	33,050
Purchases of treasury stock	-	-	-	-	-
Decrease of treasury stock	-	-	-	(2,239)	(2,239)
Total of changes in 1st Half FY2007	(363)	(239)	55	(43,788)	(44,336)
Balance as of September 30, 2007	68,842	239	940	299,680	369,703

【Non-Consolidated】

As of Sep 30, 2006

[in millions of Yen, () indicates loss or minus]

	Shareholders' equity							
	Common stock	Capital surplus		Retained earnings			Treasury stock	Total Shareholders' equity
		Capital reserve	Total Capital surplus	Legal reserve	Voluntary reserve (Note)	Total Retained earnings		
Balance as of March 31, 2006	605,813	804,470	804,470	53,838	482,326	536,165	(133,351)	1,813,097
Changes in 1st half of FY2006								
Appropriation of retained earnings in accordance with a resolution approved by the annual general meeting of shareholders resolution								
Reserve provided	-	-	-	-	-	-	-	-
Reserve reversed	-	-	-	-	-	-	-	-
Cash dividends paid	-	-	-	-	(65,979)	(65,979)	-	(65,979)
Bonuses to directors and statutory auditors	-	-	-	-	(390)	(390)	-	(390)
Reserve reversed in accordance with the tax regulations	-	-	-	-	-	-	-	-
Net income	-	-	-	-	62,182	62,182	-	62,182
Purchases of treasury stock	-	-	-	-	-	-	(25)	(25)
Disposal of treasury stock	-	-	-	-	(3,254)	(3,254)	15,297	12,043
Net changes in items other than those in shareholders' equity	-	-	-	-	-	-	-	-
Total of changes in 1st half of FY2006	-	-	-	-	(7,441)	(7,441)	15,272	7,831
Balance as of September 30, 2006	605,813	804,470	804,470	53,838	474,885	528,724	(118,079)	1,820,928

	Valuation, Translation adjustments and Others			Share subscription rights	Total Net assets
	Unrealized holding gain on securities	Deferred gain & loss from hedging instruments	Total Valuation, Translation adjustments and Others		
Balance as of March 31, 2006	13,932	-	13,932	3,143	1,830,173
Changes in 1st half of FY2006					
Appropriation of retained earnings in accordance with a resolution approved by the annual general meeting of shareholders resolution					
Reserve provided	-	-	-	-	-
Reserve reversed	-	-	-	-	-
Cash dividends paid	-	-	-	-	(65,979)
Bonuses to directors and statutory auditors	-	-	-	-	(390)
Reserve reversed in accordance with the tax regulations	-	-	-	-	-
Net income	-	-	-	-	62,182
Purchases of treasury stock	-	-	-	-	(25)
Disposal of treasury stock	-	-	-	-	12,043
Net changes in items other than those in shareholders' equity	(7,963)	(428)	(8,391)	(255)	(8,647)
Total of changes in 1st half of FY2006	(7,963)	(428)	(8,391)	(255)	(816)
Balance as of September 30, 2006	5,969	(428)	5,540	2,887	1,829,356

(Note) Detail of voluntary reserve

	Reserve for reduction of replacement cost of specified properties	Reserve for losses on overseas investments	Reserve for special depreciation	Unappropriated retained earnings	Total Voluntary reserve
Balance as of March 31, 2006	77,175	1,471	687	402,990	482,326
Changes in 1st half of FY2006					
Appropriation of retained earnings in accordance with a resolution approved by the annual general meeting of shareholders resolution					
Reserve provided	1,769	-	286	(2,055)	-
Reserve reversed	(7,176)	(499)	(139)	7,814	-
Cash dividends paid	-	-	-	(65,979)	(65,979)
Bonuses to directors and statutory auditors	-	-	-	(390)	(390)
Reserve reversed in accordance with the tax regulations	(3,614)	(246)	(86)	3,947	-
Net income	-	-	-	62,182	62,182
Purchases of treasury stock	-	-	-	-	-
Disposal of treasury stock	-	-	-	(3,254)	(3,254)
Total of changes in 1st half of FY2006	(9,020)	(746)	61	2,264	(7,441)
Balance as of September 30, 2006	68,154	725	749	405,255	474,885

【Non-Consolidated】

4) Other

(1)VEHICLE PRODUCTION

(Units)

	FY2006	FY2007	Change		FY2006
	1st Half	1st Half	Amount	Rate	
Domestic	575,625	516,608	(59,017)	(10.3%)	1,191,937

(2)VEHICLE WHOLE SALES

(Units)

	FY2006	FY2007	Change		FY2006
	1st Half	1st Half	Amount	Rate	
Total vehicle whole sales	650,189	610,613	(39,576)	(6.1%)	1,368,952
Domestic	353,468	335,192	(18,276)	(5.2%)	751,568
Export	296,721	275,421	(21,300)	(7.2%)	617,384
Passenger vehicles	521,678	495,086	(26,592)	(5.1%)	1,102,790
Domestic	289,982	280,407	(9,575)	(3.3%)	625,716
Export	231,696	214,679	(17,017)	(7.3%)	477,074
Commercial vehicles	128,511	115,527	(12,984)	(10.1%)	266,162
Domestic	63,486	54,785	(8,701)	(13.7%)	125,852
Export	65,025	60,742	(4,283)	(6.6%)	140,310

(3)NET SALES

(in millions of yen)

	FY2006	FY2007	Change		FY2006
	1st Half	1st Half	Amount	Rate	
Total net sales	1,696,986	1,740,093	43,107	2.5%	3,608,934
Domestic	638,998	611,721	(27,277)	(4.3%)	1,349,134
Export	1,057,987	1,128,372	70,384	6.7%	2,259,800
Vehicles	1,149,535	1,123,953	(25,581)	(2.2%)	2,459,989
Domestic	529,436	506,523	(22,913)	(4.3%)	1,126,092
Export	620,098	617,429	(2,668)	(0.4%)	1,333,896
Parts and components for overseas production	275,321	324,568	49,246	17.9%	576,290
Domestic	-	-	-	-	-
Export	275,321	324,568	49,246	17.9%	576,290
Automotive parts	146,666	148,307	1,641	1.1%	299,417
Domestic	98,889	94,489	(4,400)	(4.5%)	200,908
Export	47,776	53,818	6,042	12.6%	98,508
Other	99,653	115,644	15,990	16.0%	219,107
Domestic	401	472	70	17.6%	1,150
Export	99,251	115,171	15,919	16.0%	217,956
Sub total of automotive business	1,671,176	1,712,472	41,296	2.5%	3,554,804
Domestic	628,727	601,484	(27,243)	(4.3%)	1,328,152
Export	1,042,448	1,110,988	68,539	6.6%	2,226,652
Forklifts equipment	25,810	27,620	1,810	7.0%	54,130
Domestic	10,271	10,236	(34)	(0.3%)	20,981
Export	15,538	17,384	1,845	11.9%	33,148

Other automotive business consists of royalty income and sales of equipment and tools for production.