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## Consolidated Financial Results for the Third Quarter of FY2008

(All financial information has been prepared in accordance with G.A.A.P. in Japan)

February 5, 2009

Company name : SUZUKI MOTOR CORPORATION

Listings: the First Section of Tokyo Stock Exchange

Code No. : 7269

URL: <http://www.suzuki.co.jp/ir/index.html>

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(Amounts less than one million yen have been omitted)

### 1. Consolidated results for the cumulative third quarter of FY2008 (April 1 - December 31, 2008)

(1) Consolidated management results (cumulative) (Percentage indicates change from the same period of the previous year)

	Net sales		Operating income		Ordinary income		Net income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
FY 2008 third quarter	2,334,734	—	66,478	—	71,505	—	21,632	—
FY 2007 third quarter	2,578,715	15.2	117,047	18.2	127,546	20.6	67,685	17.7

	Net income per share, Basic	Net income per share, Diluted
	Yen	Yen
FY 2008 third quarter	48.31	42.31
FY 2007 third quarter	150.09	131.47

#### (2) Consolidated financial positions

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million Yen	Million Yen	%	Yen
FY 2008 third quarter	2,029,710	755,172	32.2	1,504.78
FY 2007	2,409,165	902,894	32.3	1,726.21

[Reference] Net assets excluding minority interests (*Jikoshihon*): FY2008 third quarter 654,030 Million Yen  
FY2007 778,609 Million Yen

### 2. Cash dividends

	Cash dividends per share				
	First quarter	Second quarter	Third quarter	End of year	Total
	Yen	Yen	Yen	Yen	Yen
FY2007	—	8.00	—	8.00	16.00
FY2008	—	8.00	—	—	—
FY2008 (Forecast)	—	—	—	8.00	16.00

[Note] Revision of cash dividends forecast during the quarter ended December 31, 2008: None

### 3. Forecast of consolidated results for FY 2008 (April 1, 2008 - March 31, 2009)

(Percentage indicates change from the previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
FY2008	3,000,000	- 14.3	67,000	- 55.2	72,000	- 54.1	22,000	- 72.6	49.47

[Note] Revisions of forecast of consolidated results during the quarter ended December 31, 2008: Yes

## 4. Others

(1) Changes in significant subsidiaries during period

(Changes in specified subsidiaries (*Tokuteikogaisha*) that accompany with a change in the scope of consolidation.): None

(2) Application of simplified accounting treatment and accounting treatment specific to preparation of consolidated quarterly financial statements: Yes

[Note: Please refer to the “【Qualitative Information, Financial Statements】 4. Others” on page 5 for details.]

(3) Change of principles, procedures and indication methods of accounting treatment for preparing consolidated quarterly financial statements

1) Changes due to the revision of the accounting standards: Yes

2) Changes other than 1): Yes

[Note: Please refer to the “【Qualitative Information, Financial Statements】 4. Others” on page 5 for details.]

(4) Number of outstanding shares (common stock)

1) Number of outstanding shares at end of period (including treasury stock):

FY2008 third quarter	542,647,091	FY2007	542,647,091
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2) Number of treasury stock at end of period

FY2008 third quarter	108,011,906	FY2007	91,594,918
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3) Average number of outstanding shares during period (consolidated cumulative quarters)

FY2008 third quarter	447,767,971	FY2007 third quarter	450,959,908
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### \* Explanation regarding the appropriate use of forecasts of business results, other information

- The forward-looking statements are calculated based on currently available information and assumptions and contain risks and uncertainty. Please note that the actual results may greatly vary by the changes of various factors.

Those factors, which may influence the actual results, include economic conditions and the trend of demand in major markets and the fluctuation of foreign exchange rate (mainly Yen/US dollar rate, Yen/Euro rate).

Please refer to the “【Qualitative Information, Financial Statements】 3. “Qualitative Information for Consolidated Business Forecasts” on page 5 for details

- The “Accounting Standards for Quarterly Financial Statements” (Accounting Standards Board of Japan; ASBJ Statement No.12, March 14, 2007) and the “Implementation Guidance for Accounting Standards for Quarterly Financial Statements” (ASBJ Guidance No.14, March 14, 2007) are applied from this consolidated fiscal year. In addition, the Group prepares the consolidated quarterly financial statements in accordance with the “Rules for Consolidated Quarterly Financial Statements”.

Further, the consolidated quarterly financial statements are prepared based on the revised “Rules for Consolidated Quarterly Financial Statements” in accordance with the proviso of Item 5, Paragraph 1, Article 7 of the supplementary rules of the “Cabinet Order for Partial Revision of Regulation for Terminology, Forms and Preparation of Financial Statements” (Cabinet Order No. 50 of August 7, 2008).

# **【Qualitative Information, Financial Statements】**

## **1. Consolidated Management Results (Management results of this fiscal year)**

For the management environment of the Group during this consolidated cumulative third quarter, the world economy rapidly deteriorated from September; the US and the European economy declined, and the Asian economy further decelerated, influenced by the global financial crisis. While the global economy further decelerated, the Japanese economy was also faced with an extremely severe situation. In addition to a large decline in export and production, the environment surrounding companies changed drastically on account of yen appreciation and the stock price reduction, and the employment situation rapidly deteriorated.

Under these circumstances, consolidated sales were ¥2,334,734 million (90.5% y-o-y) for this consolidated cumulative third quarter, below consolidated sales of the consolidated cumulative third quarter of the previous year, on account of the sales reduction in North America, Europe and Asia. As for consolidated profits, operating income, ordinary income and net income declined to ¥66,478 million (56.8% y-o-y), ¥71,505 million (56.1% y-o-y) and ¥21,632 million (32.0% y-o-y), respectively, because the reduced costs, reduced depreciation/amortization and operating expenses, etc were unable to cover the reduced profits on account of the reduced sales, increased raw material costs, exchange influences and increased research and development expenses.

### **< The operating results by business segmentation > (Motorcycle business)**

In the rapid slowdown of the world economy, sales in North America and Europe were rapidly reduced, and sales of the motorcycle business were ¥372,550 million (85.9% y-o-y). Operating income declined to ¥565 million (3.2% y-o-y) because the reduced costs, reduced depreciation/amortization and operating expenses, etc. were unable to cover the reduced profits by reduced sales and exchange influences.

### **(Automobile business)**

While the overall domestic demand is declining, the Group tried to expand sales by completely changing the models of “Wagon R” and “Alto Lapin” for mini vehicles and launching compact car the “Splash” by Magyar Suzuki Corporation Ltd. in Hungary. Domestic sales, however, were slightly below sales of the consolidated cumulative third quarter of the previous year. On the other hand, overseas sales were below those of the consolidated cumulative third quarter of the previous year on account of the large sales decline in North America, Europe and Asia as well as the exchange influences by rising yen despite the sales expansion efforts such as the new launching of the “Splash” in Europe and the “A-star” in India. As a result, sales of the automobile business were ¥1,937,120 million (92.8% y-o-y), and operating income declined to ¥52,121 million (57.8% y-o-y) because the reduced costs and reduced operating expenses, etc. were unable to cover the reduced profits by reduced sales, increased raw material prices and exchange influences.

### **(Financial services business)**

The financial services business is newly classified from this consolidated second quarter to indicate the business details of the Group more clearly. Sales and operating income for this consolidated cumulative third quarter were ¥58,366 million and ¥3,127 million, respectively.

### **(Other businesses)**

Sales and operating income of other businesses were ¥51,384 million (89.7% y-o-y) and ¥8,042 million (87.9% y-o-y), respectively, on account of reduced sales of outboard motors in North America and Europe despite increased domestic sales.

## < The operating results of geographical segmentation >

### **(Japan)**

Sales were ¥1,423,195 million (89.8% y-o-y) on account of sales reduction for North America and Europe. Operating income declined to ¥32,073 million (54.5% y-o-y) because the reduced costs and reduced operating expenses, etc. were unable to cover the reduced profits by reduced sales, increased raw material costs and exchange influences.

### **(Europe)**

Sales declined to ¥496,348 million (84.7% y-o-y) on account of reduced sales in the economic recession. Operating income declined to minus ¥606 million on account of reduced sales and the change in the sales composition of automobiles.

### **(North America)**

Sales declined to ¥190,598 million (61.1% y-o-y) on account of reduced sales in the economic recession and credit crunch started by the financial crisis. Operating income declined to minus ¥9,336 million.

### **(Asia)**

Sales declined to ¥569,364 million (90.3% y-o-y) by the sales reduction in Pakistan and influences by the currency conversion to Yen on account of yen appreciation despite increased sales of P.T. Suzuki Indomobil Motor in Indonesia. Operating income declined to ¥24,183 million (54.8% y-o-y) on account of reduced sales, increased raw material costs and exchange influences.

### **(Other regions)**

Sales increased to ¥72,704 million (113.9% y-o-y) because of a sales increase in Oceania, Middle and South America and Africa, but operating income declined to ¥2,863 million (62.7% y-o-y) on account of the increased operating expenses, etc.

Further, since the “Rules for Consolidated Quarterly Financial Statements” are applied from this consolidated fiscal year, the percentage of increase or decrease from the same period of the previous year for the consolidated management results are shown as references.

## **2. Consolidated Financial Positions**

### **(Assets, liabilities and net assets)**

As for the financial conditions at the end of this consolidated cumulative third quarter, total assets were ¥2,029,710 million (down ¥379,454 million y-o-y), total liabilities were ¥1,274,538 million (down ¥231,732 million y-o-y), and total net assets were ¥755,172 million (down ¥147,722 million y-o-y).

### **(Cash flow)**

As for the cash flow conditions for this consolidated cumulative third quarter, funds for operating activities were ¥11,525 million as a result of the payment of accounts payable-trade incurred before decreased production, while the income decreased by decreased production and shipping adjustment. On the other hand, free cash flow was minus ¥184,465 million as a result of the payment of funds of ¥195,990 million for the purchase of property, plant and equipment, etc in the investment activities. Further, funds of ¥29,668 million were reduced in the financing activities by the purchase of treasury stocks for ¥22,383 million.

As a result, the balance of cash and cash equivalents at the end of this consolidated cumulative third quarter declined to ¥219,511 million, down ¥236,857 million from the end of the previous consolidated fiscal year.

### 3. Qualitative Information for Consolidated Business Forecasts

The Group revised downward the business forecast on October 31 of the last year since the prospect of the automobile sales is obscure in the world financial crisis.

However, automobile sales afterwards declined more than had been expected, and yen further rose against currency of each country. The environment surrounding the Group has been largely changing.

Based on these situation, we will revise our full-year business forecast as follows. Despite some uncertain factors such as the future economic trend and exchanges, the Group shall make a concerted effort for the reform in every field.

#### [Consolidated Business Forecasts]

Net Sales	3,000.0 bln yen	(- 14.3% y-o-y, - 200.0 bln yen compare to previous forecast)
Operating income	67.0 bln yen	(- 55.2% y-o-y, - 33.0 bln yen compare to previous forecast)
Ordinary income	72.0 bln yen	(- 54.1% y-o-y, - 38.0 bln yen compare to previous forecast)
Net income	22.0 bln yen	(- 72.6% y-o-y, - 38.0 bln yen compare to previous forecast)
ForEx rates	100 yen/US\$, 140 yen/Euro	

#### [Non-Consolidated Business Forecasts]

Net Sales	1,600.0 bln yen	(- 21.2% y-o-y, - 220.0 bln yen compare to previous forecast)
Operating income	5.0 bln yen	(- 92.6% y-o-y, - 28.0 bln yen compare to previous forecast)
Ordinary income	4.0 bln yen	(- 93.6% y-o-y, - 29.0 bln yen compare to previous forecast)
Net income	1.0 bln yen	(- 97.6% y-o-y, - 21.0 bln yen compare to previous forecast)
ForEx rates	105 yen/US\$, 145 yen/Euro	

\* The business forecasts mentioned above are calculated based on currently available information and assumptions and contain risks and uncertainty. Please note that the actual results may greatly vary by the changes of various factors. Those factors, which may influence the actual results, include economic conditions and the trend of demand in major markets and the fluctuation of foreign exchange rate (mainly Yen/US dollar rate, Yen/Euro rate).

### 4. Others

(1) Changes in significant subsidiaries during period

(Changes in specified subsidiaries (*Tokuteikogaisha*) that accompany with a change in the scope of consolidation.): None

(2) Application of simplified accounting treatment and accounting treatment specific to preparation of consolidated quarterly financial statements

1) Simplified accounting treatment

There is no important matter regarding to simplified methods applied.

2) Accounting treatment specific to preparation of consolidated quarterly financial statements

[Calculation of tax expenses]

As for tax expenses, the effective tax rate after applying the tax effect accounting to the income before income taxes etc of the consolidated fiscal year including this consolidated third quarter shall be reasonably estimated, and the income before income taxes etc shall be multiplied by this estimated effective tax rate. Further, the income taxes-current and income taxes-deferred shall be indicated as income taxes.

(3) Change of principles, procedures and indication methods of accounting treatment for preparing consolidated quarterly financial statements

1) Application of the “Accounting Standard for Quarterly Finance Statements”.

The “Accounting Standards for Quarterly Financial Statements” (Accounting Standards Board of Japan; ASBJ Statement No.12, March 14, 2007) and the “Implementation Guidance for Accounting Standards for Quarterly Financial Statements” (ASBJ Guidance No.14, March 14, 2007) are applied from this consolidated fiscal year. In addition, the Group prepares the consolidated quarterly financial statements in accordance with the “Rules for Consolidated Quarterly Financial Statements”.

Further, the consolidated quarterly financial statements are prepared based on the revised “Rules for Consolidated Quarterly Financial Statements” in accordance with the proviso of Item 5, Paragraph 1, Article 7 of the supplementary rules of the “Cabinet Order for Partial Revision of Regulation for Terminology, Forms and Preparation of Financial Statements” (Cabinet Order No. 50 of August 7, 2008).

2) Change of evaluation standards and evaluation methods of important assets

[Inventories]

The “Accounting Standard for Measurement of Inventories” (ASBJ Statement No.9, July 5, 2006) is applied from this consolidated first quarter, and the evaluation standards are changed from the “cost or market method of mainly gross average method” to the “cost method of mainly gross average method (method of devaluation of book values based on the reduction of profitability for values on the balance sheets).”

Influences by the above-mentioned change on operating income, ordinary income and income before income taxes etc. for the consolidated cumulative third quarter are insignificant.

3) Application of the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements”

The “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ Practical Issues Task Force No.18, May 17, 2006) is applied from this consolidated first quarter, and necessary adjustments in the consolidation process are made.

Influences by the above-mentioned change on operating income, ordinary income and income before income taxes etc. for the consolidated cumulative third quarter are insignificant.

4) Application of the “Accounting Standard for Lease Transactions”

Accounting treatment similar to that for rental transactions had been applied to finance lease transactions in which ownership is not transferred. However, the “Accounting Standards for Lease Transactions (Corporate Accounting Standard No. 13, June 17, 1993 (First Subsection of the Corporate Accounting Council), revised on March 30, 2007)” and the “Guidance on Accounting Standards for Lease Transactions” (Corporate Accounting Standards Application Guideline No. 16, January 18, 1994 (Accounting System Committee of the Japanese Institute of Certified Public Accountants), revised on March 30, 2007 by ASBJ) may be applied to the consolidated quarterly financial statements for the consolidated fiscal year that started on or after April 1, 2008, so such accounting standards, etc. are applied from this consolidated cumulative first quarter, and thus the accounting treatment for ordinary sales transactions are applied.

Influences by the above-mentioned change on operating income, ordinary income and income before income taxes etc. of this consolidated cumulative third quarter are insignificant.

(4) Review of medium term three-year plan

We announced “Suzuki medium term three-year plan (April 2008 - March 2011)” on April 24 of the last year to achieve consolidated sales of ¥4,000.0 billion, but based on a substantial change in the economic environment, we have decided to review the medium term three-year plan.

We plan to announce the new plans based on the external environment at the appropriate time.

## 5. Consolidated Financial Statements for the Third Quarter of FY2008

### (1) Consolidated Quarterly Balance Sheets

(Amount: Yen in million)

	FY2008 third quarter (As of December 31, 2008)	FY2007 (As of March 31, 2008)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	116,436	129,447
Notes and accounts receivables-trade	237,148	331,172
Marketable securities	146,333	345,984
Merchandise and finished goods	336,386	360,287
Work in process	28,157	21,982
Raw materials and supplies	48,240	58,489
Other	221,853	240,186
Allowance for doubtful accounts	- 3,533	- 4,512
<b>Total current assets</b>	<b>1,131,022</b>	<b>1,483,038</b>
<b>Noncurrent assets</b>		
Property, plant and equipment	592,913	601,112
Intangible assets	2,271	3,722
<b>Investment and other assets</b>		
Investment securities	135,417	161,000
Other	170,092	161,380
Allowance for doubtful accounts	- 1,210	- 1,003
Allowance for investment loss	- 796	- 87
<b>Total investments and other assets</b>	<b>303,503</b>	<b>321,290</b>
<b>Total noncurrent assets</b>	<b>898,687</b>	<b>926,126</b>
<b>Total assets</b>	<b>2,029,710</b>	<b>2,409,165</b>

(Amount: Yen in million)

	FY2008 third quarter (As of December 31, 2008)	FY2007 (As of March 31, 2008)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	494,366	605,372
Short-term loans payable	168,144	196,390
Income taxes payable	5,797	24,857
Provision for product warranties	58,493	63,022
Other	220,080	277,152
<b>Total current liabilities</b>	<b>946,882</b>	<b>1,166,795</b>
<b>Noncurrent liabilities</b>		
Convertible bonds	29,605	29,606
Bonds with subscription rights to shares	149,975	149,975
Long-term loans payable	74,460	74,684
Provision for retirement and severance benefits	42,159	46,395
Other provision	8,960	10,813
Other	22,495	27,999
<b>Total noncurrent liabilities</b>	<b>327,655</b>	<b>339,474</b>
<b>Total liabilities</b>	<b>1,274,538</b>	<b>1,506,270</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	120,210	120,210
Capital surplus	138,142	138,143
Retained earnings	729,540	717,357
Treasury stock	- 241,876	- 219,499
<b>Total shareholders' equity</b>	<b>746,016</b>	<b>756,212</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	75	16,549
Deferred gains or losses on hedges	6,756	9,236
Foreign currency translation adjustment	- 98,817	- 3,389
<b>Total valuation and translation adjustments</b>	<b>- 91,985</b>	<b>22,396</b>
Minority interests	101,141	124,285
<b>Total net assets</b>	<b>755,172</b>	<b>902,894</b>
<b>Total liabilities and net assets</b>	<b>2,029,710</b>	<b>2,409,165</b>



## (2) Consolidated Quarterly Statements of Income

(The consolidated cumulative third quarter)

(Amount: Yen in million)

	FY2008 cumulative third quarter (April 1 – December 31, 2008)
Net sales	2,334,734
Cost of sales	1,785,938
Gross profit	548,796
Selling, general and administrative expenses	482,317
Operating income	66,478
Non-operating income	
Interest income	16,877
Dividends income	2,625
Equity in earnings of affiliates	1,120
Other	15,439
Total non-operating income	36,061
Non-operating expenses	
Interest expenses	7,607
Loss on valuation of securities	18,703
Other	4,723
Total non-operating expenses	31,035
Ordinary income	71,505
Extraordinary income	
Gain on sales of noncurrent assets	1,217
Gain on sales of investment securities	0
Total extraordinary income	1,217
Extraordinary loss	
Loss on sales of noncurrent assets	708
Loss on sales of investment securities	0
Impairment loss	344
Total extraordinary loss	1,052
Income before income taxes etc.	71,670
Income taxes	39,016
Minority interests in income	11,021
Net income	21,632

### (3) Consolidated Quarterly Statements of Cash Flows

(Amount: Yen in million)

FY2008 cumulative third quarter  
(April 1 – December 31, 2008)

Cash flows from operating activities	
Income before income taxes etc.	71,670
Depreciation and amortization	105,695
Impairment loss	344
Interest and dividends income	- 19,502
Interest expenses	7,607
Equity in (earnings) losses of affiliates	- 1,120
Loss (gain) on valuation of securities	18,703
Decrease (increase) in notes and accounts receivable-trade	67,353
Decrease (increase) in inventories	- 27,668
Increase (decrease) in notes and accounts payable-trade	- 86,759
Increase (decrease) in accrued expenses	- 41,054
Other, net	- 52,741
Subtotal	42,527
Interest and dividends income received	17,144
Interest expenses paid	- 6,549
Income taxes paid	- 41,598
Net cash provided by (used in) operating activities	11,525
Cash flows from investment activities	
Payments into time deposits	- 53,632
Proceeds from withdrawal of time deposits	24,267
Purchase of short-term investment securities	- 6,226
Proceeds from sales of short-term investment securities	6,111
Purchases of property, plant and equipment	- 141,539
Proceeds from sales of property, plant and equipment	2,699
Purchases of intangible assets	- 482
Purchases of investment securities	- 24,048
Other, net	- 3,138
Net cash provided by (used in) investment activities	- 195,990
Cash flows from financing activities	
Net increase (decrease) in short-term loans payable	- 15,607
Proceeds from long-term loans payable	19,582
Repayment of long-term loans payable	- 2,015
Cash dividends paid	- 7,217
Cash dividends paid to minority shareholders	- 1,946
Purchase of treasury stock	- 22,383
Other, net	- 81
Net cash provided by (used in) financing activities	- 29,668
Effect of exchange rate changes on cash and cash equivalents	- 22,724
Net increase (decrease) in cash and cash equivalents	- 236,857
Cash and cash equivalents at beginning of fiscal year	456,369
Cash and cash equivalents at end of current period	219,511

The “Accounting Standards for Quarterly Financial Statements” (Accounting Standards Board of Japan; ASBJ Statement No.12, March 14, 2007) and the “Implementation Guidance for Accounting Standards for Quarterly Financial Statements” (ASBJ Guidance No.14, March 14, 2007) are applied from this consolidated fiscal year. In addition, the Group prepares the consolidated quarterly financial statements in accordance with the “Rules for Consolidated Quarterly Financial Statements”.

Further, the consolidated quarterly financial statements are prepared based on the revised “Rules for Consolidated Quarterly Financial Statements” in accordance with the proviso of Item 5, Paragraph 1, Article 7 of the supplementary rules of the “Cabinet Order for Partial Revision of Regulation for Terminology, Forms and Preparation of Financial Statements” (Cabinet Order No. 50 of August 7, 2008).

#### (4) Assumption for Going Concern

None

#### (5) Segment Information

##### 【Business Segments】

FY2008 consolidated cumulative third quarter (April 1 - December 31, 2008)

(Amount: Yen in million)

	Motorcycle	Automobile	Financial Services	Others	Total	Eliminations or corporate assets	Consolidated
Net sales							
(1) Net sales to external customers	372,550	1,888,480	22,396	51,307	2,334,734	—	2,334,734
(2) Internal net sales or transfer among segments	—	48,640	35,970	76	84,687	(84,687)	—
Total	372,550	1,937,120	58,366	51,384	2,419,422	(84,687)	2,334,734
Operating income	565	52,121	3,127	8,042	63,855	2,622	66,478

[Notes] 1. Segmentation is based on the similarity of their markets and sales method in consideration of the internally used classification.

2. Major products in each business segment

	Major products, etc.
Motorcycle	Motorcycles, Motor-driven bicycles, All terrain vehicles
Automobile	Mini vehicle, Sub-compact vehicle, Standard-sized vehicle
Financial Services	Sales finance etc
Others	Outboard motors, Engines for snowmobiles etc., Electro senior vehicle, Houses

3. Change of business classification method

The Group has traditionally classified the businesses into three categories of “motorcycle business,” “automobile business” and “other businesses,” but from this consolidated second quarter, the Group classifies the businesses into four categories of “motorcycle business,” “automobile business,” “financial services business” and “other businesses” to indicate the business details of the Group more clearly.

As a result, sales increased by ¥26,243 million for the “automobile business”, ¥58,366 million for the “financial services business” and ¥76 million for “other businesses”, and sales decreased by ¥84,687 million for the “eliminations or corporate assets” compared to the traditional method for this consolidated cumulative third quarter. Operating income decreased by ¥5,749 million for the “automobile business” and increased by ¥3,127 million for the “financial services business” and ¥2,622 million for the “eliminations or corporate assets”.

In addition, businesses were classified by the traditional method for the consolidated cumulative first quarter. Therefore, for the consolidated cumulative first quarter, sales decreased by ¥6,537 million for the “automobile business”, ¥15,057 million for the “financial services business” and ¥25 million for “other businesses”, and sales increased by ¥21,545 million for the “eliminations or corporate assets” compared to the method after the change. Further, operating income decreased by ¥961 million for the “financial services business” and increased by ¥245 million for the “automobile business” and ¥678 million for the “eliminations or corporate assets”.

## 【Geographical Segments】

FY2008 consolidated cumulative third quarter (April 1 - December 31, 2008)

(Amount: Yen in million)

	Japan	Europe	North America	Asia	Other areas	Total	Eliminations or corporate assets	Consolidated
Net sales								
(1) Net sales to external customers	1,022,693	490,807	187,935	560,594	72,704	2,334,734	—	2,334,734
(2) Internal net sales or transfer among segments	400,501	5,541	2,663	8,770	0	417,476	(417,476)	—
Total	1,423,195	496,348	190,598	569,364	72,704	2,752,211	(417,476)	2,334,734
Operating income or loss	32,073	- 606	- 9,336	24,183	2,863	49,176	17,301	66,478

- [Notes] 1. Segmentation is based on a geographical adjacency.  
 2. The major countries or areas belonging to segments other than Japan:  
 (1) Europe ..... Hungary, Great Britain and Germany  
 (2) North America ..... USA and Canada  
 (3) Asia ..... India, Indonesia and Pakistan  
 (4) Other areas ..... Australia and Colombia

## 【Overseas net sales】

FY2008 consolidated cumulative third quarter (April 1 - December 31, 2008)

(Amount: Yen in million)

	Europe	North America	Asia	Other areas	Total
I Overseas net sales	596,266	200,016	598,035	231,553	1,625,872
II Consolidated net sales	—	—	—	—	2,334,734
III % of overseas net sales in consolidated net sales	25.5	8.6	25.6	9.9	69.6

- [Notes] 1. Segmentation is based on a geographical adjacency.  
 2. The major countries or areas belonging to each segment:  
 (1) Europe ..... Hungary, Great Britain and Germany  
 (2) North America ..... USA and Canada  
 (3) Asia ..... India, Indonesia and China  
 (4) Other areas ..... Australia and Colombia  
 3. Overseas net sales are the net sales of the Company and consolidated subsidiaries in other countries or areas than Japan.

## (6) Significant changes in Shareholders' Equity

None

## [Reference]

### Consolidated Financial Statements for the Third Quarter of FY2007

#### (1) Quarterly Consolidated Statements of Income

(Amount: Yen in million and less than one million yen have been omitted.)

Item	FY2007 cumulative third quarter (April 1 – December 31, 2007)	
		%
<b>I Net sales</b>	<b>2,578,715</b>	<b>100.0</b>
II Cost of sales	1,928,477	
Gross profit	650,238	25.2
III Selling, general and administrative expenses	533,190	
<b>Operating income</b>	<b>117,047</b>	<b>4.5</b>
IV Non-operating income	30,306	1.2
Interest and dividends income	14,880	
Equity in earnings of affiliates	4,219	
Other	11,206	
V Non-operating expenses	19,808	0.8
Interest expenses	7,266	
Other	12,541	
<b>Ordinary income</b>	<b>127,546</b>	<b>4.9</b>
VI Extraordinary income	981	0.0
Gain on sales of investment securities	571	
Gain on sales of noncurrent assets	409	
VII Extraordinary loss	195	0.0
Loss on sales of noncurrent assets	195	
Income before income taxes etc.	128,332	5.0
Income taxes	41,032	
Minority interests in income	19,613	
<b>Net income</b>	<b>67,685</b>	<b>2.6</b>

## (2) Quarterly Consolidated Statements of Cash Flows

(Amount: Yen in million and less than one million yen have been omitted.)

Item	FY2007 cumulative third quarter (April 1 – December 31, 2007)
<b>I Cash flows from operating activities</b>	
Income before income taxes etc.	128,332
Depreciation and amortization	116,676
Interest and dividends income	- 14,880
Interest expenses	7,266
Equity in earnings of affiliates	- 4,219
Decrease in notes and accounts receivable-trade	49,121
Increase in inventories	- 59,013
Increase in notes and accounts payable-trade	13,266
Decrease in accrued expenses	- 1,293
Other, net	3,736
Subtotal	238,992
Interest and dividends income received	14,493
Interest expences paid	- 7,818
Income taxes paid	- 74,006
<b>Net cash provided by (used in) operating activities</b>	<b>171,660</b>
<b>II Cash flows from investment activities</b>	
Net increase in time deposits	- 4,550
Net decrease in short-term investment securities	9,786
Purchases of property, plant and equipment	- 152,765
Net increase in investment securities	- 8,623
Other, net	27,780
<b>Net cash provided by (used in) investment activities</b>	<b>- 128,373</b>
<b>III Cash flows from financing activities</b>	
Net decrease in short-term loans payable	- 46,365
Net increase in bonds and long-term loans payable	7,881
Cash dividends paid	- 9,304
Other, net	- 17
<b>Net cash provided by (used in) financing activities</b>	<b>- 47,805</b>
IV Effect of exchange rate change on cash and cash equivalents	10,213
V Net increase in cash and cash equivalents	5,693
VI Cash and cash equivalents at beginning of fiscal year	444,335
VII Decrease in cash and cash equivalents at beginning of fiscal year resulting from change of consolidation period of subsidiaries	- 978
<b>VIII Cash and cash equivalents at end of current period</b>	<b>449,050</b>

### (3) Segment Information

#### 1. Business Segments

FY2007 consolidated cumulative third quarter (April 1 - December 31, 2007)

(Amount: Yen in million and less than one million yen have been omitted.)

	Motorcycle	Automobile	Others	Total	Eliminations or corporate assets	Consolidated
Net sales, operating income or loss						
Net sales						
(1) Net sales to external customers	433,452	2,087,972	57,290	2,578,715	—	2,578,715
(2) Internal net sales or transfer among segments	—	—	—	—	—	—
Total	433,452	2,087,972	57,290	2,578,715	—	2,578,715
Operating expenses	415,794	1,997,732	48,140	2,461,668	—	2,461,668
Operating income	17,658	90,239	9,149	117,047	—	117,047

#### 2. Geographical Segments

FY2007 consolidated cumulative third quarter (April 1 - December 31, 2007)

(Amount: Yen in million and less than one million yen have been omitted.)

	Japan	Europe	North America	Asia	Other areas	Total	Eliminations or corporate assets	Consolidated
Net sales, operating income or loss								
Net sales								
(1) Net sales to external customers	1,002,124	583,378	308,476	620,925	63,810	2,578,715	—	2,578,715
(2) Internal net sales or transfer among segments	582,230	2,426	3,512	9,615	0	597,785	(597,785)	—
Total	1,584,354	585,805	311,989	630,541	63,810	3,176,501	(597,785)	2,578,715
Operating expenses	1,525,486	577,378	311,852	586,411	59,240	3,060,369	(598,701)	2,461,668
Operating income	58,868	8,426	136	44,129	4,570	116,132	915	117,047

#### 3. Overseas net sales

FY2007 consolidated cumulative third quarter (April 1 - December 31, 2007)

(Amount: Yen in million and less than one million yen have been omitted.)

	Europe	North America	Asia	Other areas	Total
I Overseas net sales	687,908	321,331	660,797	217,208	1,887,245
II Consolidated net sales					2,578,715
III % of overseas net sales in consolidated net sales	26.7%	12.5%	25.6%	8.4%	73.2%

## 6. Other Information

### Sales breakdown

(Unit: Thousand and less than one thousand units have been omitted)

(Amount: Yen in million and less than one million yen have been omitted)

		FY2007 cumulative third quarter (Apr. 1 – Dec. 31, 2007)		FY2008 cumulative third quarter (Apr. 1 – Dec. 31, 2008)		Change	
		Unit	Amount	Unit	Amount	Unit	Amount
Motorcycle	Domestic	126	32,592	107	31,054	- 18	- 1,538
	Overseas	1,156	400,859	1,356	341,496	199	- 59,363
	Europe	150	135,072	114	93,331	- 36	- 41,740
	North America	133	110,224	88	68,437	- 45	- 41,786
	Asia	739	95,290	1,007	113,318	268	18,027
	Others	133	60,273	146	66,409	12	6,135
	Sum	1,283	433,452	1,464	372,550	180	- 60,901
Automobile	Domestic	547	644,837	548	640,431	0	- 4,405
	Overseas	1,209	1,443,134	1,203	1,248,048	- 6	- 195,086
	Europe	286	537,674	310	490,359	24	- 47,315
	North America	84	193,220	60	119,924	- 23	- 73,295
	Asia	725	562,132	708	480,318	- 16	- 81,814
	Others	113	150,107	122	157,445	9	7,338
	Sum	1,756	2,087,972	1,751	1,888,480	- 5	- 199,492
Others	Domestic	—	14,039	—	15,174	—	1,134
	Overseas	—	43,250	—	36,133	—	- 7,117
	Europe	—	15,161	—	12,380	—	- 2,781
	North America	—	17,886	—	11,654	—	- 6,231
	Asia	—	3,374	—	4,398	—	1,024
	Others	—	6,827	—	7,699	—	871
	Sum	—	57,290	—	51,307	—	- 5,983
Subtotal	Domestic		691,470		686,660		- 4,809
	Overseas		1,887,245		1,625,677		- 261,568
	Europe		687,908		596,071		- 91,837
	North America		321,331		200,016		- 121,314
	Asia		660,797		598,035		- 62,761
	Others		217,208		231,553		14,345
	Sum		2,578,715		2,312,338		- 266,377
Financial Services				—	22,396	—	22,396
Total			2,578,715		2,334,734		- 243,980