

FY2008 First Half Financial Results

(For the Six months ended September 30, 2007)

English Translation of the Original Japanese-Language Document



November 12, 2007

Company name : ISUZU MOTORS LIMITED
 Stock exchange on which the shares are listed : Tokyo Stock Exchange in Japan
 Code number : 7202
 URL : <http://www.isuzu.co.jp/world/investor/index.html>
 Representative : Susumu Hosoi, President
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 Scheduled Date for Submission of Semi-annual Securities Report : mid-December, 2007

(Amounts have been rounded down to the nearest million yen.)

1. Consolidated Financial Highlights (April 1, 2007 through September 30, 2007)

<1> Consolidated Financial Results

(% indicates increase/decrease from previous 1st half term.)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
FY2008 1st Half	874,479	6.0	48,319	△ 16.2	53,774	△ 14.3	37,009	△ 33.2
FY2007 1st Half	824,742	11.9	57,626	52.2	62,747	54.5	55,408	113.0
FY2007	1,662,925	-	106,980	-	114,697	-	92,394	-

	Net Income per Share	Net Income per Share after Dilution of Potential Stock
	yen	yen
FY2008 1st Half	21.60	21.37
FY2007 1st Half	46.61	30.90
FY2007	64.83	51.54

Note: Equity Income/Loss from Affiliated Companies
 FY2008 1st Half 7,272 millions of yen
 FY2007 1st Half 6,903 millions of yen
 FY2007 12,340 millions of yen

<2> Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	millions of yen	millions of yen	%	yen
FY2008 1st Half	1,232,954	393,656	27.7	201.65
FY2007 1st Half	1,189,859	321,166	24.5	194.75
FY2007	1,232,181	389,061	27.8	177.68

Note: Total Amount of Shareholders' Equity
 FY2008 1st Half 341,817 millions of yen
 FY2007 1st Half 292,001 millions of yen
 FY2007 342,042 millions of yen

<3> Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the End of the Term
	millions of yen	millions of yen	millions of yen	millions of yen
FY2008 1st Half	69,506	△ 21,624	△ 82,275	112,341
FY2007 1st Half	76,433	△ 11,942	△ 41,437	130,327
FY2007	114,478	△ 33,760	△ 49,128	140,363

2. Cash Dividends

	Dividend per Share				
	1st Quarter	Interim	3rd Quarter	Year-End	Total
	yen	yen	yen	yen	yen
FY2007	-	-	-	4.00	4.00
FY2008	-	-	-	-	5.00
FY2008 (Forecast)	-	-	-	5.00	

3. Consolidated Forecast for FY2008 (April 1, 2007 through March 31, 2008)

(% indicates increase/decrease from previous term.)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
Year-End	1,750,000	5.2	100,000	△ 6.5	107,000	△ 6.7	80,000	△ 13.4	46.28

4. Others

<1> Significant Changes in the Scope of Consolidation : None

<2> Changes in Accounting Principles, Procedures and Presentation for Consolidation

Changes due to Revisions of Accounting Standards : Adopted

Changes due to Factors other than Revision of Accounting Standards : None

<3> Number of Stocks Issued (Common Stock)

Number of Stocks Issued and Outstanding at the End of the Term (Including Treasury Stock)	FY2008 1st Half	1,696,845,339	shares
	FY2007 1st Half	1,141,289,786	shares
	FY2007	1,696,845,339	shares
Number of Treasury Stock at the End of the Term	FY2008 1st Half	1,700,983	shares
	FY2007 1st Half	1,365,045	shares
	FY2007	1,492,689	shares

Note: Please refer to page 12 on the number of shares as the basis for calculating "Net Income per share (Consolidated)".

(Reference) Non-consolidated Financial Highlights

1. Non-consolidated Financial Highlights (April 1, 2007 through September 30, 2007)

<1> Non-consolidated Financial Results

(% indicates increase/decrease from previous 1st half term.)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
FY2008 1st Half	496,991	0.4	26,537	△ 26.2	31,209	△ 21.0	30,603	△ 15.0
FY2007 1st Half	495,192	12.5	35,969	84.9	39,481	24.2	35,992	51.2
FY2007	973,884	-	61,491	-	68,273	-	68,325	-

	Net Income per Share
	yen
FY2008 1st Half	17.85
FY2007 1st Half	30.27
FY2007	47.87

<2> Non-consolidated Financial Position

	Total Assets	Net Assets	Ratio of Shareholders' Equity	Net Assets per Share
	millions of yen	millions of yen	%	yen
FY2008 1st Half	871,258	273,627	31.4	161.38
FY2007 1st Half	886,721	259,439	29.3	166.14
FY2007	899,783	292,807	32.5	148.62

Note: Total Amount of Shareholders' Equity

FY2008 1st Half	273,627	millions of yen
FY2007 1st Half	259,439	millions of yen
FY2007	292,807	millions of yen

2. Non-consolidated Forecast of FY2008 (April 1, 2007 through March 31, 2008)

(% indicates increase/decrease from previous term.)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
Year-End	1,000,000	2.7	54,000	△ 12.2	57,000	△ 16.5	55,000	△ 19.5	31.82

※Explanation on the usage of the financial projection and others

The financial projection is calculated based on the information available presently. There are possibilities that the actual financial result would differ largely due to various factors.

Considering the financial results of the current 1st half term and the outlook of the 2nd half term, the forecast of FY2008 has been revised and raised.

CONSOLIDATED STATEMENT OF INCOME

(millions of yen)

	First half FY2008	First half FY2007	Change	FY2007
Net sales	874,479	824,742	49,737	1,662,925
Cost of sales	755,581	697,301	58,280	1,413,402
GROSS PROFIT	118,897	127,441	(8,543)	249,523
Selling, general and administrative expenses	70,578	69,815	763	142,542
OPERATING INCOME	48,319	57,626	(9,306)	106,980
Non-operating income	12,438	11,452	986	20,762
Interest and dividend income	2,772	2,185	587	3,980
Amortization of negative goodwill	10	93	(82)	250
Equity income from affiliated companies	7,272	6,903	368	12,340
Other	2,383	2,270	112	4,190
Non-operating expenses	6,983	6,330	652	13,046
Interest expense	4,424	4,271	153	8,391
Other	2,558	2,059	499	4,654
ORDINARY INCOME	53,774	62,747	(8,973)	114,697
Extraordinary gains	245	4,327	(4,081)	6,215
Gain on sale of property, plant & equipment	229	322	(93)	1,327
Gain on sale of investment securities	9	18	(8)	108
Gain on dissolution of employee pension fund	-	577	(577)	685
Gain on the transfer to the Government of the substitutional portion of employee pension fund liabilities	-	2,531	(2,531)	2,531
Other	6	876	(870)	1,561
Extraordinary losses	4,858	5,724	(866)	13,428
Loss on disposal of property, plant & equipment	2,086	2,583	(496)	5,642
Unrealized holding loss on non-consolidated subsidiaries & affiliates	529	206	323	1,094
Loss on sale of investment securities	12	214	(201)	367
Loss on impairment of property, plant & equipment	12	132	(120)	1,000
Dismantlement and other cost on former Kawasaki Plant	-	1,534	(1,534)	1,534
Special warranty expense	1,374	-	1,374	-
Other	842	1,053	(210)	3,789
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	49,161	61,350	(12,188)	107,483
Income taxes (current)	9,072	8,144	927	14,260
Income taxes (deferred)	(253)	(5,773)	5,519	(6,441)
Minority interest	3,333	3,570	(237)	7,270
NET INCOME	37,009	55,408	(18,399)	92,394

Note: Amounts have been rounded down to the nearest million yen.

CONSOLIDATED BALANCE SHEET

(millions of yen)

	September 30, 2007	March 31, 2007	Change	September 30, 2006
[ASSETS]				
CURRENT ASSETS	600,832	605,221	(4,388)	579,100
Cash and time deposits	108,615	134,136	(25,521)	130,975
Trade notes and accounts receivable	270,445	272,154	(1,708)	259,421
Inventories	162,653	133,083	29,569	129,470
Deferred tax assets	29,287	34,312	(5,025)	33,221
Other	32,777	34,481	(1,704)	29,430
Allowance for doubtful accounts	(2,945)	(2,947)	2	(3,418)
NON-CURRENT ASSETS	632,121	626,960	5,161	610,758
Property, plant & equipment	493,297	490,495	2,801	479,203
Buildings and structures	102,596	101,541	1,054	99,151
Machinery, equipment and vehicles	92,918	88,876	4,042	76,783
Land	271,935	270,884	1,050	266,823
Construction in progress	7,513	13,556	(6,043)	22,696
Other	18,333	15,636	2,697	13,748
Intangible assets	8,536	9,672	(1,135)	9,361
Other	8,536	9,672	(1,135)	9,361
Investments & other assets	130,287	126,791	3,496	122,193
Investment securities	105,494	105,241	253	93,839
Long-term loans receivable	4,275	4,155	119	4,224
Deferred tax assets	8,812	7,358	1,454	6,689
Other	22,655	20,109	2,546	26,921
Allowance for doubtful accounts	(10,950)	(10,073)	(877)	(9,482)
TOTAL ASSETS	1,232,954	1,232,181	773	1,189,859

Note: Amounts have been rounded down to the nearest million yen.

CONSOLIDATED BALANCE SHEET

(millions of yen)

	September 30, 2007	March 31, 2007	Change	September 30, 2006
[LIABILITIES]				
CURRENT LIABILITIES	512,398	486,249	26,148	506,325
Trade notes and accounts payable	335,450	309,713	25,736	311,314
Short-term borrowings	70,772	75,154	(4,381)	84,215
Current portion of bonds	-	3,410	(3,410)	3,020
Deferred income tax	8,700	7,921	778	8,685
Accrued expenses	49,952	47,956	1,995	52,058
Accrued bonus costs	12,634	13,604	(969)	12,434
Provisions for warranty costs	4,281	3,696	585	4,158
Deposits received	4,176	2,738	1,438	4,288
Other	26,429	22,053	4,376	26,149
NON-CURRENT LIABILITIES	326,899	356,869	(29,970)	362,366
Bonds	50,000	50,000	-	50,000
Long-term borrowings	145,074	168,663	(23,589)	177,558
Deferred tax liabilities	3,435	9,545	(6,110)	8,069
Deferred tax liabilities related to land revaluation	55,827	55,827	-	55,827
Accrued retirement benefits	57,929	57,320	608	57,073
Long-term deposits received	1,247	1,470	(222)	1,790
Negative goodwill	361	1,077	(715)	644
Other	13,023	12,965	58	11,402
TOTAL LIABILITIES	839,298	843,119	(3,821)	868,692
[NET ASSETS]				
SHAREHOLDERS' EQUITY	236,416	247,205	(10,788)	210,123
Common stock	40,644	40,644	-	40,644
Capital surplus	50,427	50,427	-	50,427
Retained earnings	145,775	156,467	(10,691)	119,319
Treasury stock	(431)	(334)	(97)	(268)
VALUATION, FOREIGN CURRENCY TRANSLATION AND OTHER ADJUSTMENTS	105,401	94,837	10,563	81,878
Unrealized holding gain and loss on securities	10,238	12,319	(2,080)	11,670
Unrealized holding gain and loss from hedging activities	8	39	(30)	(414)
Unrealized holding gain and loss on land revaluation	74,073	73,981	91	73,650
Foreign currency translation adjustments	21,081	8,498	12,583	(3,027)
MINORITY INTEREST	51,838	47,018	4,819	29,164
TOTAL NET ASSETS	393,656	389,061	4,594	321,166
TOTAL LIABILITIES & NET ASSETS	1,232,954	1,232,181	773	1,189,859

Note: Amounts have been rounded down to the nearest million yen.

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

Current 1st Half Term (From April 1, 2007 to September 30, 2007)

(millions of yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
As of March 31, 2007	40,644	50,427	156,467	(334)	247,205
Change of the period					
Cash dividends			(7,587)		(7,587)
Reversal of unrealized holding gain and loss on land revaluation			(91)		(91)
Net income			37,009		37,009
Acquisition of treasury stock				(97)	(97)
Acquisition of preferred stock				(40,000)	(40,000)
Cancellation of preferred stock			(40,000)	40,000	-
Changes in the scope of equity method			(20)		(20)
Net changes on items other than shareholders' equity					
Total change of the period	-	-	(10,691)	(97)	(10,788)
As of September 30, 2007	40,644	50,427	145,775	(431)	236,416

	Valuation, foreign currency translation & other adjustments					Minority interest	Total net assets
	Unrealized holding gain and loss on securities	Unrealized holding gain and loss from hedging activities	Unrealized holding gain and loss on land revaluation	Foreign currency translation adjustments	Total valuation, foreign currency translation & other adjustments		
As of March 31, 2007	12,319	39	73,981	8,498	94,837	47,018	389,061
Change of the period							
Cash dividends							(7,587)
Reversal of unrealized holding gain and loss on land revaluation							(91)
Net income							37,009
Acquisition of treasury stock							(97)
Acquisition of preferred stock							(40,000)
Cancellation of preferred stock							-
Changes in the scope of equity method							(20)
Net changes on items other than shareholders' equity	(2,080)	(30)	91	12,583	10,563	4,819	15,383
Total change of the period	(2,080)	(30)	91	12,583	10,563	4,819	4,594
As of September 30, 2007	10,238	8	74,073	21,081	105,401	51,838	393,656

Note: Amounts have been rounded down to the nearest million yen.

Previous 1st Half Term (From April 1, 2006 to September 30, 2006)

(millions of yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
As of March 31, 2006	40,644	50,427	68,689	(229)	159,532
Change of the period					
Cash dividends ※			(4,428)		(4,428)
Reversal of unrealized holding gain and loss on land revaluation			(5)		(5)
Net income			55,408		55,408
Acquisition of treasury stock				(39)	(39)
Changes in the scope of consolidation			(371)		(371)
Changes in the scope of equity method			26		26
Net changes on items other than shareholders' equity					
Total change of the period	-	-	50,629	(39)	50,590
As of September 30, 2006	40,644	50,427	119,319	(268)	210,123

	Valuation, foreign currency translation & other adjustments					Minority interest	Total net assets
	Unrealized holding gain and loss on securities	Unrealized holding gain and loss from hedging activities	Unrealized holding gain and loss on land revaluation	Foreign currency translation adjustments	Total valuation, foreign currency translation & other adjustments		
As of March 31, 2006	15,014	-	74,138	(4,334)	84,818	26,816	271,167
Change of the period							
Cash dividends ※							(4,428)
Reversal of unrealized holding gain and loss on land revaluation							(5)
Net income							55,408
Acquisition of treasury stock							(39)
Changes in the scope of consolidation							(371)
Changes in the scope of equity method							26
Net changes on items other than shareholders' equity	(3,343)	(414)	(488)	1,306	(2,939)	2,348	(591)
Total change of the period	(3,343)	(414)	(488)	1,306	(2,939)	2,348	49,999
As of September 30, 2006	11,670	(414)	73,650	(3,027)	81,878	29,164	321,166

※ This was the distribution of profits based on the General Meeting of Shareholders held in June, 2006.

Note: Amounts have been rounded down to the nearest million yen.

Previous Term (From April 1, 2006 to March 31, 2007)

(millions of yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
As of March 31, 2006	40,644	50,427	68,689	(229)	159,532
Change of the period					
Cash dividends ※			(4,428)		(4,428)
Reversal of unrealized holding gain and loss on land revaluation			156		156
Net income			92,394		92,394
Acquisition of treasury stock				(104)	(104)
Changes in the scope of consolidation			(371)		(371)
Changes in the scope of equity method			26		26
Net changes on items other than shareholders' equity					
Total change of the period	-	-	87,777	(104)	87,672
As of March 31, 2007	40,644	50,427	156,467	(334)	247,205

	Valuation, foreign currency translation & other adjustments					Minority interest	Total net assets
	Unrealized holding gain and loss on securities	Unrealized holding gain and loss from hedging activities	Unrealized holding gain and loss on land revaluation	Foreign currency translation adjustments	Total valuation, foreign currency translation & other adjustments		
As of March 31, 2006	15,014	-	74,138	(4,334)	84,818	26,816	271,167
Change of the period							
Cash dividends ※							(4,428)
Reversal of unrealized holding gain and loss on land revaluation							156
Net income							92,394
Acquisition of treasury stock							(104)
Changes in the scope of consolidation							(371)
Changes in the scope of equity method							26
Net changes on items other than shareholders' equity	(2,694)	39	(157)	12,832	10,019	20,201	30,221
Total change of the period	(2,694)	39	(157)	12,832	10,019	20,201	117,894
As of March 31, 2007	12,319	39	73,981	8,498	94,837	47,018	389,061

※ This was the distribution of profits based on the General Meeting of Shareholders held in June, 2006.

Note: Amounts have been rounded down to the nearest million yen.

CONSOLIDATED STATEMENT OF CASH FLOWS

(millions of yen)

	First half FY2008	First half FY2007	Change	FY2007
I Cash Flows from Operating Activities				
Income before income taxes and minority interests	49,161	61,350	(12,188)	107,483
Depreciation and amortization	19,279	13,553	5,725	28,173
Amortization of negative goodwill	(10)	(93)	82	(250)
Equity loss (gain) of unconsolidated subsidiaries and affiliates	(7,272)	(6,903)	(368)	(12,340)
Increase (decrease) in accrued retirement benefits	836	(5,407)	6,244	(5,081)
Increase (decrease) in provisions for warranty costs	585	(187)	772	(648)
Increase (decrease) in accrued bonus costs	(978)	311	(1,290)	1,474
Increase (decrease) in allowance for doubtful accounts	589	(27)	617	(1,006)
Interest and dividend income	(2,772)	(2,185)	(587)	(3,980)
Interest expense	4,424	4,271	153	8,391
Gain on sale of property, plant and equipment	(229)	(322)	93	(1,327)
Loss on disposal of property, plant and equipment	2,086	2,583	(496)	5,642
Loss (gain) on sale of investment securities	6	196	(189)	260
Loss on impairment of property, plant and equipment	12	132	(120)	1,000
Other extraordinary losses	142	1,629	(1,487)	1,029
Decrease (increase) in trade notes and accounts receivable	17,555	(4,955)	22,511	(2,506)
Decrease (increase) in inventories	(25,649)	5,809	(31,459)	2,969
Decrease (increase) in other current assets	7,109	2,523	4,585	6,924
Increase (decrease) in trade notes and accounts payable	8,859	11,950	(3,090)	(630)
Increase (decrease) in accrued expenses	774	(212)	986	(4,586)
Increase (decrease) in deposits received	554	267	287	(1,607)
Increase (decrease) in other liabilities	1,604	(2,024)	3,628	(465)
Other	(469)	(71)	(398)	37
(Subtotal)	76,200	82,190	(5,989)	128,954
Cash received from interest and dividends	6,838	8,719	(1,881)	11,292
Cash paid for interest	(4,467)	(4,235)	(232)	(8,401)
Cash paid for income taxes	(9,065)	(10,241)	1,176	(17,367)
Net Cash Provided by Operating Activities	69,506	76,433	(6,926)	114,478
II Cash Flows from Investing Activities				
Payments for investment securities	(3,196)	(848)	(2,348)	(3,745)
Proceeds from sale of investment securities	207	997	(789)	1,146
Payments for property, plant and equipment	(17,362)	(22,505)	5,143	(49,340)
Proceeds from sales of property, plant and equipment	196	1,651	(1,454)	3,662
Payments for long-term loans	(79)	(393)	314	(451)
Proceeds from long-term loans	71	6,272	(6,201)	6,507
Decrease (increase) in short-term loans receivable	705	(60)	766	(26)
Decrease (increase) in fixed deposits	191	1,516	(1,324)	1,560
Other	(2,358)	1,429	(3,787)	6,925
Net Cash Provided by (Used in) Investing Activities	(21,624)	(11,942)	(9,682)	(33,760)
III Cash Flows from Financing Activities				
Increase (decrease) in short-term borrowings	(5,761)	(10,738)	4,976	(16,655)
Proceeds from long-term borrowings	70	100	(30)	17,100
Payments for long-term borrowings	(23,986)	(24,784)	798	(54,834)
Payments for redemption of bonds	(3,610)	-	(3,610)	-
Proceeds from minority shareholders	1,428	-	1,428	11,750
Payments for acquisition of preferred stock	(40,000)	-	(40,000)	-
Payments for acquisition of treasury stock	(83)	(36)	(46)	(102)
Cash dividends paid by parent company	(7,566)	(4,404)	(3,161)	(4,411)
Cash dividends paid to minority shareholders	(2,766)	(1,572)	(1,193)	(1,975)
Net Cash Provided by (Used in) Financing Activities	(82,275)	(41,437)	(40,838)	(49,128)
IV Effect of Exchange Rate Changes on Cash and Cash Equivalents	3,496	1,011	2,485	2,512
V Increase in Cash and Cash Equivalents	(30,896)	24,065	(54,962)	34,101
VI Cash and Cash Equivalents at the Beginning of the Term	140,363	106,495	33,868	106,495
VII Increase (Decrease) due to Changes in the Scope of Consolidation	2,874	(233)	3,107	(233)
VIII Cash and Cash Equivalents at the End of the Term	112,341	130,327	(17,985)	140,363

Note: Amounts have been rounded down to the nearest million yen.

<Geographical Segment Information>

Current 1st Half Term (April 1, 2007 through September 30, 2007)

(millions of yen)

	Japan	North America	Asia	Other	Total	Eliminations	Consolidated
Sales and Operating profit							
Total sales							
Sales to third parties	532,459	72,960	226,388	42,670	874,479	—	874,479
Interarea sales and transfers	77,967	1,402	28,039	1,357	108,768	(108,768)	—
Total sales	610,427	74,363	254,428	44,028	983,247	(108,768)	874,479
Operating expenses	576,271	72,645	244,597	41,212	934,725	(108,565)	826,160
Operating profit	34,156	1,718	9,830	2,816	48,521	(202)	48,319
Assets	952,163	72,946	181,351	37,766	1,244,227	(11,272)	1,232,954

Previous 1st Half Term (April 1, 2006 through September 30, 2006)

(millions of yen)

	Japan	North America	Asia	Other	Total	Eliminations	Consolidated
Sales and Operating profit							
Total sales							
Sales to third parties	532,777	75,464	196,049	20,451	824,742	—	824,742
Interarea sales and transfers	84,563	3,650	20,444	42	108,700	(108,700)	—
Total sales	617,341	79,114	216,494	20,493	933,443	(108,700)	824,742
Operating expenses	572,929	75,404	207,922	19,915	876,171	(109,054)	767,116
Operating profit	44,412	3,710	8,571	578	57,272	354	57,626
Assets	985,019	60,477	137,016	15,061	1,197,575	(7,716)	1,189,859

Previous Term (April 1, 2006 through March 31, 2007)

(millions of yen)

	Japan	North America	Asia	Other	Total	Eliminations	Consolidated
Sales and Operating profit							
Total sales							
Sales to third parties	1,034,727	161,294	429,751	37,152	1,662,925	—	1,662,925
Interarea sales and transfers	167,645	7,429	44,795	1,746	221,617	(221,617)	—
Total sales	1,202,372	168,723	474,546	38,899	1,884,542	(221,617)	1,662,925
Operating expenses	1,123,885	163,742	452,434	37,416	1,777,479	(221,534)	1,555,944
Operating profit	78,487	4,981	22,112	1,482	107,063	(82)	106,980
Assets	989,356	66,259	171,965	16,755	1,244,337	(12,156)	1,232,181

1. This segmentation is based on the geographical area.
2. Major countries or areas included
 - (1) North America---USA
 - (2) Asia---Singapore, China, Philippines, Thailand, Indonesia
 - (3) Other---Australia, South Africa, United Kingdom, Germany
3. Amounts have been rounded down to the nearest million yen.

<Overseas Sales>

Current 1st Half Term (April 1, 2007 through September 30, 2007)

(millions of yen)

	North America	Asia	Other	Total
1 Overseas sales	81,372	241,219	218,437	541,028
2 Consolidated sales	-	-	-	874,479
3 Overseas sales per Consolidated sales	% 9.3	% 27.6	% 25.0	% 61.9

Previous 1st Half Term (April 1, 2006 through September 30, 2006)

(millions of yen)

	North America	Asia	Other	Total
1 Overseas sales	82,519	215,884	153,796	452,200
2 Consolidated sales	-	-	-	824,742
3 Overseas sales per Consolidated sales	% 10.0	% 26.2	% 18.6	% 54.8

Previous Term (April 1, 2006 through March 31, 2007)

(millions of yen)

	North America	Asia	Other	Total
1 Overseas sales	175,379	456,408	336,506	968,294
2 Consolidated sales	-	-	-	1,662,925
3 Overseas sales per Consolidated sales	% 10.5	% 27.4	% 20.2	% 58.2

1. This segmentation is based on the geographical area.
2. Major countries or areas included
 - (1) North America---USA
 - (2) Asia---China, Thailand, Indonesia, Philippines
 - (3) Other---United Kingdom, Germany, Spain, Chile, South Africa, Australia
3. Overseas sales are sales to all countries and areas except Japan made by the parent company and its consolidated subsidiaries.
4. Amounts have been rounded down to the nearest million yen.

<Information on Net per Share (Consolidated)>

	First half FY2008	First half FY2007	FY2007
Net Assets per Share	201.65 yen	194.75 yen	177.68 yen
Net Income per Share	21.60 yen	46.61 yen	64.83 yen
Net Income per Share After Dilution of Potential Stock	21.37 yen	30.90 yen	51.54 yen
(Basis of Calculation)			
Net Assets per Share	millions of yen	millions of yen	millions of yen
Total Net Assets	393,656	321,166	389,061
Amounts Excluded from Calculation	51,838	99,164	87,823
(Capital Attributable to Preferred Stock)	(-)	(70,000)	(40,000)
(Minority Interest)	(51,838)	(29,164)	(47,018)
(Dividend Paid to Preferred Stock Shareholders)	(-)	(-)	(805)
Numerator Used for Calculation	341,817	222,001	301,237
Net Income per Share	millions of yen	millions of yen	millions of yen
Net Income	37,009	55,408	92,394
Profit not Attributable to Common Stock	-	-	352
(Preferred Dividend as Distribution of Profits)	(-)	(-)	(352)
Profit Attributable to Common Stock	37,009	55,408	92,041
Average Number of Stocks Issued (Common Stock)	1,713,716,923 shares (1,695,230,122)	1,188,653,542 shares (1,139,991,742)	1,419,786,903 shares (1,371,125,102)
(Class IV Preferred Stock)	(18,486,801)	(48,661,800)	(48,661,800)
Net Income per Share After Dilution of Potential Stock	millions of yen	millions of yen	millions of yen
Adjustments to Net Income	-	-	352
(Preferred Dividend as Distribution of Profits)	(-)	(-)	(352)
Number of Common Stocks Increased (Convertible Stocks with Future Conversion Dates)	18,486,801 shares (18,486,801)	604,217,356 shares (604,217,356)	373,023,966 shares (48,661,800)
(Convertible Stocks Converted During the Period)	(-)	(-)	(324,362,166)

1. Average Number of Stocks Issued and Outstanding

	First half FY2008	First half FY2007	FY2007
Common Stock (excluding Treasury Stock)	shares	shares	shares
Consolidated	1,695,230,122	1,139,991,742	1,371,125,102
Non-consolidated	1,695,595,569	1,140,276,676	1,371,411,766
Preferred Stock (excluding Treasury Stock)			
Class I Preferred Stock	-	37,500,000	21,894,446
Class III Preferred Stock	21,610,169	25,000,000	25,000,000
Class IV Preferred Stock	21,610,169	25,000,000	25,000,000

2. Number of Stocks Issued and Outstanding at the End of Each Period

	First half FY2008	First half FY2007	FY2007
Common Stock (excluding Treasury Stock)	shares	shares	shares
Consolidated	1,695,144,356	1,139,924,741	1,695,352,650
Non-consolidated	1,695,513,845	1,140,212,453	1,695,643,917
Preferred Stock (excluding Treasury Stock)			
Class I Preferred Stock	-	37,500,000	-
Class III Preferred Stock	-	25,000,000	25,000,000
Class IV Preferred Stock	-	25,000,000	25,000,000

3. Calculation for Indexes

○ Consolidated Financial Results of First Half of FY2008

• Net Income per Share

$$\frac{(\text{Net Income})}{(\text{Average number of stocks issued}) + (\text{Number of Common Stocks Increased calculated by If-Converted Method of Conversion Type Participative Stock}) - (\text{Average Number of Common Stocks for Treasury})}$$

• Net Income per Share after Dilution of Potential Stock

$$\frac{(\text{Net Income}) + (\text{Adjustments to Net Income})}{(\text{Average number of stocks issued}) + (\text{Number of Common Stocks Increased calculated by If-Converted Method of Conversion Type Participative Stock}) + (\text{Number of Common Stocks Increased calculated by If-Converted Method of Conversion Type Stock with Future Conversion Dates}) - (\text{Average Number of Common Stocks for Treasury})}$$

• Net Assets per Share

$$\frac{(\text{Net Assets}) - (\text{Amount of Minority Interest})}{(\text{Number of Stocks Issued at the End of the Period}) - (\text{Number of Common Stocks for Treasury at the End of the Period})}$$

○ Forecast for FY2008

• Net Income per Share (Total for the Period)

$$\frac{(\text{Forecast of Net Income})}{(\text{Number of Common Stocks Issued at the End of the Period}) + (\text{Number of Common Stocks Increased calculated by If-Converted Method of Conversion Type Participative Stock}) - (\text{Number of Common Stocks for Treasury at the End of the Period})}$$

Note: Conversion Type Participative Stock applies to Class IV Preferred Stock.

Conversion Type Stock with Future Conversion Dates applies to Class III Preferred Stocks.

The number of stocks increased based on the if-converted method is calculated on the assumption that the stocks were converted at the beginning of each period.

NON-CONSOLIDATED STATEMENT OF INCOME

(millions of yen)

	First half FY2008	First half FY2007	Change	FY2007
Net sales	496,991	495,192	1,799	973,884
Cost of sales	424,711	408,718	15,992	813,229
GROSS PROFIT	72,280	86,473	(14,192)	160,654
Selling, general and administrative expenses	45,743	50,503	(4,760)	99,163
OPERATING INCOME	26,537	35,969	(9,432)	61,491
Non-operating income	9,731	7,653	2,077	15,684
Interest and dividend income	8,056	7,044	1,011	14,150
Other	1,675	609	1,065	1,533
Non-operating expenses	5,059	4,142	916	8,901
Interest expense	2,934	3,011	(77)	5,931
Other	2,124	1,130	994	2,970
ORDINARY INCOME	31,209	39,481	(8,271)	68,273
Extraordinary gains	2,364	321	2,042	8,552
Gain on sale on property, plant & equipment	1	4	(3)	6
Gain on sale of investment securities	252	317	(64)	8,542
Other	2,110	-	2,110	3
Extraordinary losses	3,310	3,700	(389)	7,714
Loss on disposal of property, plant & equipment	1,029	1,814	(785)	3,158
Unrealized holding loss on subsidiaries & affiliates	876	338	538	744
Special warranty expense	1,374	-	1,374	-
Loss on impairment of property, plant & equipment	12	13	(0)	887
Dismantlement and other cost on former Kawasaki Plant	-	1,534	(1,534)	1,534
Other	18	-	18	1,389
INCOME BEFORE INCOME TAXES	30,263	36,103	(5,839)	69,111
Income taxes (current)	645	835	(190)	1,471
Income taxes (deferred)	(986)	(725)	(261)	(686)
NET INCOME	30,603	35,992	(5,388)	68,325

Note: Amounts have been rounded down to the nearest million yen.

NON-CONSOLIDATED BALANCE SHEET

(millions of yen)

	September 30, 2007	March 31, 2007	Change	September 30, 2006
[ASSETS]				
CURRENT ASSETS	320,439	350,148	(29,708)	340,462
Cash and time deposits	47,685	87,857	(40,172)	77,181
Trade notes receivable	711	658	52	590
Accounts receivable	150,326	154,316	(3,990)	157,356
Finished products	44,943	34,946	9,996	35,218
Productive material	10,643	9,039	1,604	8,679
Work in progress	7,094	6,243	851	6,015
Supplies	7,072	6,708	363	5,850
Advance accounts	3,391	2,017	1,373	2,186
Prepaid expense	1,087	1,121	(34)	1,006
Deferred tax assets	24,106	29,620	(5,513)	29,686
Short-term loans	7,719	8,815	(1,095)	8,138
Short-term loans to employees	5	8	(2)	15
Other accounts receivable	13,163	10,433	2,730	7,354
Other	4,081	1,218	2,862	3,706
Allowance for doubtful accounts	(1,591)	(2,857)	1,265	(2,524)
NON-CURRENT ASSETS	550,818	549,634	1,183	546,259
Property, plant & equipment	321,788	323,446	(1,657)	315,154
Buildings	43,349	42,976	372	42,848
Structures	7,328	7,636	(308)	7,472
Machinery & equipment	53,735	51,759	1,975	47,176
Vehicles	468	443	24	444
Tools, furniture and fixtures	13,046	10,422	2,624	9,043
Land	199,643	199,643	-	193,582
Construction in progress	4,217	10,564	(6,346)	14,585
Intangible assets	6,829	6,876	(47)	6,455
Right of using gas and electricity facilities	4	4	(0)	5
Software	6,774	6,820	(46)	6,398
Other	50	51	(0)	52
Investments & other assets	222,201	219,311	2,889	224,649
Investment securities	27,938	30,857	(2,919)	29,482
Securities investment in subsidiaries and affiliates	123,606	119,030	4,576	120,276
Investment	386	394	(8)	394
Investment in subsidiaries and affiliates	10,653	8,719	1,933	8,978
Long-term loans	2	2	-	20
Long-term loans to employees	24	28	(3)	31
Long-term loans to subsidiaries and affiliates	81,350	84,786	(3,436)	85,377
Long-term prepaid expense	235	827	(592)	536
Deferred tax assets	2,114	-	2,114	-
Other	4,600	4,536	63	12,121
Allowance for doubtful accounts	(28,710)	(29,872)	1,162	(30,125)
Provision for unrealized loss in securities	-	-	-	(2,444)
TOTAL ASSETS	871,258	899,783	(28,525)	886,721

Note: Amounts have been rounded down to the nearest million yen.

NON-CONSOLIDATED BALANCE SHEET

(millions of yen)

	September 30, 2007	March 31, 2007	Change	September 30, 2006
[LIABILITIES]				
CURRENT LIABILITIES	312,465	293,700	18,765	307,408
Trade notes payable	26,833	22,143	4,689	23,392
Accounts payable	169,332	152,588	16,744	160,786
Current portion of bonds	46,918	46,919	(0)	45,509
Other accounts payable	6,703	7,852	(1,149)	6,491
Deferred income tax	374	65	309	221
Accrued expenses	40,060	42,195	(2,135)	46,320
Advances received	179	179	0	89
Deposits received	10,347	10,057	290	12,947
Deferred revenue	0	3	(2)	54
Provisions for warranty costs	4,281	3,696	585	4,158
Accrued bonus costs	7,346	7,861	(515)	6,966
Construction related trade notes payable	86	137	(51)	55
Other	0	-	0	415
NON-CURRENT LIABILITIES	285,164	313,275	(28,110)	319,874
Bonds	50,000	50,000	-	50,000
Long-term borrowings	139,996	163,455	(23,458)	171,127
Accrued retirement benefits	36,538	36,186	351	35,973
Deferred tax liabilities	-	5,154	(5,154)	4,457
Deferred tax liabilities related to land revaluation	54,320	54,320	-	54,320
Warranty deposit	677	634	43	662
Warranty deposit from affiliates	3,632	3,524	107	3,331
TOTAL LIABILITIES	597,630	606,975	(9,344)	627,282
[NET ASSETS]				
SHAREHOLDERS' EQUITY	193,255	210,323	(17,067)	178,128
Common stock	40,644	40,644	-	40,644
Capital surplus	49,855	49,855	-	49,855
Capital reserve	49,855	49,855	-	49,855
Retained earnings	103,131	120,114	(16,983)	87,855
Other retained earnings	103,131	120,114	(16,983)	87,855
Inappropriate retained earnings	103,131	120,114	(16,983)	87,855
Treasury stock	(375)	(291)	(83)	(227)
VALUATION, FOREIGN CURRENCY TRANSLATION AND OTHER ADJUSTMENTS	80,371	82,484	(2,112)	81,310
Unrealized holding gain and loss on securities	9,501	11,583	(2,081)	10,936
Unrealized holding gain and loss from hedging activities	8	39	(30)	(414)
Unrealized holding gain and loss on land revaluation	70,862	70,862	-	70,789
TOTAL NET ASSETS	273,627	292,807	(19,180)	259,439
TOTAL LIABILITIES & NET ASSETS	871,258	899,783	(28,525)	886,721

Note: Amounts have been rounded down to the nearest million yen.

NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

Current 1st Half Term (From April 1, 2007 to September 30, 2007)

(millions of yen)

	Shareholders' Equity						
	Common stock	Capital surplus		Retained Earnings		Treasury stock	Total shareholders' equity
		Capital reserve	Total capital surplus	Other retained earnings Inappropriate retained earnings	Total retained earnings		
As of March 31, 2007	40,644	49,855	49,855	120,114	120,114	(291)	210,323
Change of the period							
Cash dividends				(7,587)	(7,587)		(7,587)
Net income				30,603	30,603		30,603
Acquisition of treasury stock						(83)	(83)
Acquisition of preferred stock						(40,000)	(40,000)
Cancellation of preferred stock				(40,000)	(40,000)	40,000	-
Net changes on items other than shareholders' equity							
Total change of the period	-	-	-	(16,983)	(16,983)	(83)	(17,067)
As of September 30, 2007	40,644	49,855	49,855	103,131	103,131	(375)	193,255

	Valuation, foreign currency translation & other adjustments				Total net assets
	Unrealized holding gain and loss on securities	Unrealized holding gain and loss from hedging activities	Unrealized holding gain and loss on land revaluation	Total valuation, foreign currency translation adjustments & other	
As of March 31, 2007	11,583	39	70,862	82,484	292,807
Change of the period					
Cash dividends					(7,587)
Net income					30,603
Acquisition of treasury stock					(83)
Acquisition of preferred stock					(40,000)
Cancellation of preferred stock					-
Net changes on items other than shareholders' equity	(2,081)	(30)	-	(2,112)	(2,112)
Total change of the period	(2,081)	(30)	-	(2,112)	(19,180)
As of September 30, 2007	9,501	8	70,862	80,371	273,627

Note: Amounts have been rounded down to the nearest million yen.

Previous 1st Half Term (From April 1, 2006 to September 30, 2006)

(millions of yen)

	Shareholders' Equity						
	Common stock	Capital surplus		Retained Earnings		Treasury stock	Total shareholders' equity
		Capital reserve	Total capital surplus	Other retained earnings Inappropriate retained earnings	Total retained earnings		
As of March 31, 2006	40,644	49,855	49,855	56,291	56,291	(190)	146,600
Change of the period							
Cash dividends ※				(4,428)	(4,428)		(4,428)
Net income				35,992	35,992		35,992
Acquisition of treasury stock						(36)	(36)
Net changes on items other than shareholders' equity							
Total change of the period	-	-	-	31,564	31,564	(36)	31,527
As of September 30, 2006	40,644	49,855	49,855	87,855	87,855	(227)	178,128

	Valuation, foreign currency translation & other adjustments				Total net assets
	Unrealized holding gain and loss on securities	Unrealized holding gain and loss from hedging activities	Unrealized holding gain and loss on land revaluation	Total valuation, foreign currency translation adjustments & other	
As of March 31, 2006	13,899	-	70,789	84,688	231,289
Change of the period					
Cash dividends ※					(4,428)
Net income					35,992
Acquisition of treasury stock					(36)
Net changes on items other than shareholders' equity	(2,963)	(414)	-	(3,377)	(3,377)
Total change of the period	(2,963)	(414)	-	(3,377)	28,149
As of September 30, 2006	10,963	(414)	70,789	81,310	259,439

※ This was the distribution of profits based on the General Meeting of Shareholders held in June, 2006.

Note: Amounts have been rounded down to the nearest million yen.

Previous Term (From April 1, 2006 to March 31, 2007)

(millions of yen)

	Shareholders' Equity						
	Common stock	Capital surplus		Retained Earnings		Treasury stock	Total shareholders' equity
		Capital reserve	Total capital surplus	Other retained earnings Inappropriate retained earnings	Total retained earnings		
As of March 31, 2006	40,644	49,855	49,855	56,291	56,291	(190)	146,600
Change of the period							
Cash dividends ※				(4,428)	(4,428)		(4,428)
Reversal of unrealized holding gain and loss on land revaluation				(73)	(73)		(73)
Net income				68,325	68,325		68,325
Acquisition of treasury stock						(101)	(101)
Net changes on items other than shareholders' equity							
Total change of the period	-	-	-	63,823	63,823	(101)	63,722
As of March 31, 2007	40,644	49,855	49,855	120,114	120,114	(291)	210,323

	Valuation, foreign currency translation & other adjustments				Total net assets
	Unrealized holding gain and loss on securities	Unrealized holding gain and loss from hedging activities	Unrealized holding gain and loss on land revaluation	Total valuation, foreign currency translation adjustments & other	
As of March 31, 2006	13,899	-	70,789	84,688	231,289
Change of the period					
Cash dividends ※					(4,428)
Reversal of unrealized holding gain and loss on land revaluation					(73)
Net income					68,325
Acquisition of treasury stock					(101)
Net changes on items other than shareholders' equity	(2,316)	39	73	(2,203)	(2,203)
Total change of the period	(2,316)	39	73	(2,203)	61,518
As of March 31, 2007	11,583	39	70,862	82,484	292,807

※ This was the distribution of profits based on the General Meeting of Shareholders held in June, 2006.

Note: Amounts have been rounded down to the nearest million yen.

<Information on Net per Share (Non-consolidated)>

	First half FY2008	First half FY2007	FY2007
Net Assets per Share	161.38 yen	166.14 yen	148.62 yen
Net Income per Share	17.85 yen	30.27 yen	47.87 yen
Net Income per Share After Dilution of Potential Stock	17.66 yen	20.07 yen	38.10 yen
(Basis of Calculation)			
Net Assets per Share	millions of yen	millions of yen	millions of yen
Total Net Assets	273,627	259,439	292,807
Amounts Excluded from Calculation	-	70,000	40,805
(Capital Attributable to Preferred Stock)	(-)	(70,000)	(40,000)
(Dividend Paid to Preferred Stock Shareholders)	(-)	(-)	(805)
Numerator Used for Calculation	273,627	189,439	252,002
Net Income per Share	millions of yen	millions of yen	millions of yen
Net Income	30,603	35,992	68,325
Profit not Attributable to Common Stock		-	352
(Preferred Dividend as Distribution of Profits)	(-)	(-)	(352)
Profit Attributable to Common Stock	30,603	35,992	67,973
Average Number of Stocks Issued (Common Stock)	1,714,082,370 shares (1,695,595,569)	1,188,938,477 shares (1,140,276,676)	1,420,073,566 shares (1,371,411,766)
(Class IV Preferred Stock)	(18,486,801)	(48,661,800)	(48,661,800)
Net Income per Share After Dilution of Potential Stock	millions of yen	millions of yen	millions of yen
Adjustments to Net Income	-	-	352
(Preferred Dividend as Distribution of Profits)	(-)	(-)	(352)
Number of Common Stocks Increased (Convertible Stocks with Future Conversion Dates)	18,486,801 shares (18,486,801)	604,217,356 shares (604,217,356)	373,023,966 shares (48,661,800)
(Convertible Stocks Converted During the Period)	(-)	(-)	(324,362,166)