

# **FINANCIAL RESULTS OF NISSAN MOTOR CO.,LTD**

**<FOR THE NINE MONTHS ENDED AND THE  
THIRD QUARTER ENDED DECEMBER 31, 2006>**

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# 1. Consolidated Statements of Income

The nine-month period ended December 31

(in millions of Yen)

	FY2006 third quarter (The nine-month)	FY2005 third quarter (The nine-month)	Change		FY 2005
			Amount	%	
<b>NET SALES</b>	100% <b>6,877,162</b>	100% <b>6,792,259</b>	<b>84,903</b>	<b>1.2 %</b>	100% <b>9,428,292</b>
COST OF SALES	5,244,096	5,064,453	179,643		7,040,987
Gross profit	23.7% 1,633,066	25.4% 1,727,806	(94,740)	(5.5) %	25.3% 2,387,305
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	1,101,356	1,096,647	4,709		1,515,464
<b>Operating income</b>	7.7% <b>531,710</b>	9.3% <b>631,159</b>	<b>(99,449)</b>	<b>(15.8) %</b>	9.2% <b>871,841</b>
NON-OPERATING INCOME	53,694	50,510	3,184		74,799
Interest and dividend income	16,499	17,061	(562)		21,080
Equity in earnings of unconsolidated subsidiaries & affiliates	18,775	20,975	(2,200)		37,049
Foreign exchange gain	7,876	-	7,876		-
Other non-operating income	10,544	12,474	(1,930)		16,670
NON-OPERATING EXPENSES	47,440	76,198	(28,758)		100,768
Interest expense	20,503	18,837	1,666		25,646
Amortization of net retirement benefit obligation at transition	8,190	8,386	(196)		11,145
Foreign exchange loss	-	28,910	(28,910)		34,836
Other non-operating expenses	18,747	20,065	(1,318)		29,141
<b>Ordinary income</b>	7.8% <b>537,964</b>	8.9% <b>605,471</b>	<b>(67,507)</b>	<b>(11.1) %</b>	9.0% <b>845,872</b>
EXTRAORDINARY GAINS	51,968	48,468	3,500		82,455
EXTRAORDINARY LOSSES	64,589	71,144	(6,555)		119,286
<b>Income before income taxes and minority interests</b>	7.6% <b>525,343</b>	8.6% <b>582,795</b>	<b>(57,452)</b>	<b>(9.9) %</b>	8.6% <b>809,041</b>
INCOME TAXES	131,770	188,736	(56,966)		254,408
MINORITY INTERESTS	14,939	28,374	(13,435)		36,583
<b>NET INCOME</b>	5.5% <b>378,634</b>	5.4% <b>365,685</b>	<b>12,949</b>	<b>3.5 %</b>	5.5% <b>518,050</b>

The three-month period ended December 31

(in millions of Yen)

	FY2006 third quarter (The three-month)	FY2005 third quarter (The three-month)	Change	
			Amount	%
<b>NET SALES</b>	100% <b>2,342,762</b>	100% <b>2,301,284</b>	<b>41,478</b>	<b>1.8 %</b>
COST OF SALES	1,788,064	1,708,690	79,374	
Gross profit	23.7% 554,698	25.8% 592,594	(37,896)	(6.4) %
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	371,633	372,973	(1,340)	
<b>Operating income</b>	7.8% <b>183,065</b>	9.5% <b>219,621</b>	<b>(36,556)</b>	<b>(16.6) %</b>
NON-OPERATING INCOME	13,204	13,607	(403)	
Interest and dividend income	6,157	4,991	1,166	
Equity in earnings of unconsolidated subsidiaries & affiliates	4,043	4,308	(265)	
Other non-operating income	3,004	4,308	(1,304)	
NON-OPERATING EXPENSES	19,168	23,396	(4,228)	
Interest expense	6,555	6,085	470	
Amortization of net retirement benefit obligation at transition	2,734	2,717	17	
Foreign exchange loss	2,014	5,701	(3,687)	
Other non-operating expenses	7,865	8,893	(1,028)	
<b>Ordinary income</b>	7.6% <b>177,101</b>	9.1% <b>209,832</b>	<b>(32,731)</b>	<b>(15.6) %</b>
EXTRAORDINARY GAINS	17,417	22,506	(5,089)	
EXTRAORDINARY LOSSES	24,874	16,984	7,890	
<b>Income before income taxes and minority interests</b>	7.2% <b>169,644</b>	9.4% <b>215,354</b>	<b>(45,710)</b>	<b>(21.2) %</b>
INCOME TAXES	63,368	71,570	(8,202)	
MINORITY INTERESTS	1,819	8,801	(6,982)	
<b>NET INCOME</b>	4.5% <b>104,457</b>	5.9% <b>134,983</b>	<b>(30,526)</b>	<b>(22.6) %</b>

## 2. Consolidated Balance Sheets (Condensed)

(in millions of Yen)

	as of Dec 31, 2006	as of Mar 31, 2006	Change	as of Dec 31, 2005
<b>[ASSETS]</b>				
<b>CURRENT ASSETS</b>	<b>6,268,142</b>	<b>6,022,254</b>	<b>245,888</b>	<b>5,689,442</b>
Cash on hand and in banks	389,467	414,772	(25,305)	225,477
Notes & accounts receivable	573,431	488,600	84,831	495,783
Sales finance receivables	3,398,593	3,589,127	(190,534)	3,346,843
Marketable securities	21,447	11,589	9,858	29,014
Inventories	1,124,972	856,499	268,473	963,569
Deferred tax assets	337,439	314,859	22,580	287,356
Other current assets	422,793	346,808	75,985	341,400
<b>FIXED ASSETS</b>	<b>5,741,689</b>	<b>5,458,664</b>	<b>283,025</b>	<b>5,224,586</b>
Property, plant and equipment	4,768,238	4,438,808	329,430	4,252,908
Intangible assets	184,984	186,949	(1,965)	171,664
Investment securities	368,930	403,386	(34,456)	380,140
Long-term loans receivable	26,090	18,520	7,570	19,948
Deferred tax assets	171,544	163,550	7,994	167,906
Other fixed assets	221,903	247,451	(25,548)	232,020
<b>DEFERRED ASSETS</b>	<b>-</b>	<b>508</b>	<b>(508)</b>	<b>646</b>
<b>TOTAL ASSETS</b>	<b>12,009,831</b>	<b>11,481,426</b>	<b>528,405</b>	<b>10,914,674</b>
<b>[LIABILITIES]</b>				
<b>CURRENT LIABILITIES</b>	<b>5,244,577</b>	<b>4,851,709</b>	<b>392,868</b>	<b>4,528,757</b>
Notes & accounts payable	979,478	983,594	(4,116)	877,607
Short-term borrowings	3,095,303	2,533,766	561,537	2,509,961
Deferred tax liabilities	7,507	8,063	(556)	2,256
Accrued warranty costs	93,256	81,112	12,144	73,153
Capital lease obligations	46,708	58,523	(11,815)	60,577
Other current liabilities	1,022,325	1,186,651	(164,326)	1,005,203
<b>LONG-TERM LIABILITIES</b>	<b>3,025,073</b>	<b>3,255,841</b>	<b>(230,768)</b>	<b>3,219,937</b>
Bonds and debentures	732,688	708,207	24,481	606,747
Long-term borrowings	1,239,961	1,445,688	(205,727)	1,498,904
Deferred tax liabilities	507,087	502,091	4,996	501,812
Accrued warranty costs	126,080	132,107	(6,027)	127,125
Accrued retirement benefits	209,312	267,695	(58,383)	278,943
Capital lease obligations	61,738	71,708	(9,970)	77,117
Other long-term liabilities	148,207	128,345	19,862	129,289
<b>TOTAL LIABILITIES</b>	<b>8,269,650</b>	<b>8,107,550</b>	<b>162,100</b>	<b>7,748,694</b>
<b>[MINORITY INTERESTS]</b>				
<b>MINORITY INTERESTS IN CONSOLIDATED SUBSIDIARIES</b>	<b>-</b>	<b>285,893</b>	<b>(285,893)</b>	<b>284,248</b>
<b>[SHAREHOLDERS' EQUITY]</b>				
<b>COMMON STOCK</b>	<b>-</b>	<b>605,814</b>	<b>(605,814)</b>	<b>605,814</b>
<b>CAPITAL SURPLUS</b>	<b>-</b>	<b>804,470</b>	<b>(804,470)</b>	<b>804,470</b>
<b>RETAINED EARNINGS</b>	<b>-</b>	<b>2,116,825</b>	<b>(2,116,825)</b>	<b>1,962,545</b>
<b>UNREALIZED HOLDING GAIN ON SECURITIES</b>	<b>-</b>	<b>14,340</b>	<b>(14,340)</b>	<b>10,101</b>
<b>TRANSLATION ADJUSTMENTS</b>	<b>-</b>	<b>(204,313)</b>	<b>204,313</b>	<b>(242,036)</b>
<b>TREASURY STOCK</b>	<b>-</b>	<b>(249,153)</b>	<b>249,153</b>	<b>(259,162)</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>-</b>	<b>3,087,983</b>	<b>(3,087,983)</b>	<b>2,881,732</b>
<b>TOTAL LIABILITIES, MINORITY INTERESTS &amp; SHAREHOLDERS' EQUITY</b>	<b>-</b>	<b>11,481,426</b>	<b>(11,481,426)</b>	<b>10,914,674</b>
<b>[NET ASSETS]</b>				
<b>SHAREHOLDERS' EQUITY</b>	<b>3,510,925</b>	<b>-</b>	<b>3,510,925</b>	<b>-</b>
Common stock	605,814	-	605,814	-
Capital surplus	804,470	-	804,470	-
Retained earnings	2,321,247	-	2,321,247	-
Treasury stock	(220,606)	-	(220,606)	-
<b>VALUATION, TRANSLATION ADJUSTMENTS AND OTHERS</b>	<b>(83,974)</b>	<b>-</b>	<b>(83,974)</b>	<b>-</b>
Unrealized holding gain on securities	7,336	-	7,336	-
Translation adjustments	(141,494)	-	(141,494)	-
Other	50,184	-	50,184	-
<b>STOCK SUBSCRIPTION RIGHTS</b>	<b>2,599</b>	<b>-</b>	<b>2,599</b>	<b>-</b>
<b>MINORITY INTERESTS</b>	<b>310,631</b>	<b>-</b>	<b>310,631</b>	<b>-</b>
<b>TOTAL NET ASSETS</b>	<b>3,740,181</b>	<b>-</b>	<b>3,740,181</b>	<b>-</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>12,009,831</b>	<b>-</b>	<b>12,009,831</b>	<b>-</b>

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

### 3. Segment information

#### 1. Business Segment information

The nine-month period ended December 31, 2006

(in Millions of yen)

	Automobile	Sales Financing	Total	Eliminations	Consolidated
Net sales					
(1) Sales to third parties	6,384,668	492,494	6,877,162	—	6,877,162
(2) Inter-group sales and transfers	19,089	11,427	30,516	(30,516)	—
Total	6,403,757	503,921	6,907,678	(30,516)	6,877,162
Operating expenses	5,965,584	449,547	6,415,131	(69,679)	6,345,452
Operating income	438,173	54,374	492,547	39,163	531,710

The nine-month period ended December 31, 2005

(in Millions of yen)

	Automobile	Sales Financing	Total	Eliminations	Consolidated
Net sales					
(1) Sales to third parties	6,406,856	385,403	6,792,259	—	6,792,259
(2) Inter-group sales and transfers	19,467	10,659	30,126	(30,126)	—
Total	6,426,323	396,062	6,822,385	(30,126)	6,792,259
Operating expenses	5,868,697	345,653	6,214,350	(53,250)	6,161,100
Operating income	557,626	50,409	608,035	23,124	631,159

The three-month period ended December 31, 2006

(in millions of Yen)

	Automobile	Sales Financing	Total	Eliminations	Consolidated
Net sales					
(1) Sales to third parties	2,170,632	172,130	2,342,762	—	2,342,762
(2) Inter-group sales and transfers	6,088	3,972	10,060	(10,060)	—
Total	2,176,720	176,102	2,352,822	(10,060)	2,342,762
Operating expenses	2,024,725	159,151	2,183,876	(24,179)	2,159,697
Operating income	151,995	16,951	168,946	14,119	183,065

The three-month period ended December 31, 2005

(in millions of Yen)

	Automobile	Sales Financing	Total	Eliminations	Consolidated
Net sales					
(1) Sales to third parties	2,161,003	140,281	2,301,284	—	2,301,284
(2) Inter-group sales and transfers	5,197	3,401	8,598	(8,598)	—
Total	2,166,200	143,682	2,309,882	(8,598)	2,301,284
Operating expenses	1,973,326	127,696	2,101,022	(19,359)	2,081,663
Operating income	192,874	15,986	208,860	10,761	219,621

Fiscal year 2005

(in millions of Yen)

	Automobile	Sales Financing	Total	Eliminations	Consolidated
Net sales					
(1) Sales to third parties	8,895,143	533,149	9,428,292	—	9,428,292
(2) Inter-group sales and transfers	28,563	14,794	43,357	(43,357)	—
Total	8,923,706	547,943	9,471,649	(43,357)	9,428,292
Operating expenses	8,160,292	478,218	8,638,510	(82,059)	8,556,451
Operating income	763,414	69,725	833,139	38,702	871,841

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, trucks and buses, forklift, parts for production in overseas countries, etc.

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

## 2. Geographical Segment information

The nine-month period ended December 31, 2006

(in Millions of yen)

	Japan	North America	Europe	Other foreign countries	Total	Eliminations	Consolidated
Net sales							
(1) Sales to third parties	1,720,686	3,083,847	1,115,610	957,019	6,877,162	—	6,877,162
(2) Inter-group sales and transfers	1,642,660	97,115	61,994	15,408	1,817,177	(1,817,177)	—
Total	3,363,346	3,180,962	1,177,604	972,427	8,694,339	(1,817,177)	6,877,162
Operating expenses	3,146,661	2,940,977	1,137,067	929,023	8,153,728	(1,808,276)	6,345,452
Operating income	216,685	239,985	40,537	43,404	540,611	(8,901)	531,710

The nine-month period ended December 31, 2005

(in Millions of yen)

	Japan	North America	Europe	Other foreign countries	Total	Eliminations	Consolidated
Net sales							
(1) Sales to third parties	1,912,448	2,909,511	1,056,734	913,566	6,792,259	—	6,792,259
(2) Inter-group sales and transfers	1,628,999	91,473	50,069	8,336	1,778,877	(1,778,877)	—
Total	3,541,447	3,000,984	1,106,803	921,902	8,571,136	(1,778,877)	6,792,259
Operating expenses	3,247,152	2,735,652	1,061,710	876,910	7,921,424	(1,760,324)	6,161,100
Operating income	294,295	265,332	45,093	44,992	649,712	(18,553)	631,159

## The three-month period ended December 31, 2006

(in millions of Yen)

	Japan	North America	Europe	Other foreign countries	Total	Eliminations	Consolidated
Net sales							
(1) Sales to third parties	550,567	1,119,815	359,988	312,392	2,342,762	-	2,342,762
(2) Inter-group sales and transfers	618,987	31,635	19,481	6,518	676,621	(676,621)	-
Total	1,169,554	1,151,450	379,469	318,910	3,019,383	(676,621)	2,342,762
Operating expenses	1,086,537	1,059,036	365,777	307,544	2,818,894	(659,197)	2,159,697
Operating income	83,017	92,414	13,692	11,366	200,489	(17,424)	183,065

## The three-month period ended December 31, 2005

(in millions of Yen)

	Japan	North America	Europe	Other foreign countries	Total	Eliminations	Consolidated
Net sales							
(1) Sales to third parties	584,553	1,053,588	365,663	297,480	2,301,284	-	2,301,284
(2) Inter-group sales and transfers	584,464	37,393	15,411	2,809	640,077	(640,077)	-
Total	1,169,017	1,090,981	381,074	300,289	2,941,361	(640,077)	2,301,284
Operating expenses	1,074,105	991,015	354,167	288,624	2,707,911	(626,248)	2,081,663
Operating income	94,912	99,966	26,907	11,665	233,450	(13,829)	219,621

## Fiscal year 2005

(in millions of Yen)

	Japan	North America	Europe	Other foreign countries	Total	Eliminations	Consolidated
Net sales							
(1) Sales to third parties	2,674,549	4,100,662	1,414,674	1,238,407	9,428,292	-	9,428,292
(2) Inter-group sales and transfers	2,194,405	138,585	82,632	13,928	2,429,550	(2,429,550)	-
Total	4,868,954	4,239,247	1,497,306	1,252,335	11,857,842	(2,429,550)	9,428,292
Operating expenses	4,478,536	3,852,304	1,430,127	1,194,714	10,955,681	(2,399,230)	8,556,451
Operating income	390,418	386,943	67,179	57,621	902,161	(30,320)	871,841

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 follow:

(1) North America : U.S.A., Canada, Mexico

(2) Europe : France, U.K., Spain and other European countries

(3) Others : Asia, Oceania, the Middle and Near East, Central and South America excluding Mexico and South Africa



### 3. Overseas Net sales

The nine-month period ended December 31, 2006

(in Millions of yen)

	North America	Europe	Other foreign countries	Total
(1) Overseas net sales	3,002,462	1,120,183	1,235,097	5,357,743
(2) Consolidated net sales				6,877,162
(3) Overseas net sales as a percentage of consolidated net sales	43.6%	16.3%	18.0%	77.9%

The nine-month period ended December 31, 2005

(in Millions of yen)

	North America	Europe	Other foreign countries	Total
(1) Overseas net sales	2,854,355	1,063,399	1,212,417	5,130,171
(2) Consolidated net sales				6,792,259
(3) Overseas net sales as a percentage of consolidated net sales	42.0%	15.7%	17.8%	75.5%

The three-month period ended December 31, 2006

(in Millions of yen)

	North America	Europe	Other foreign countries	Total
(1) Overseas net sales	1,088,594	354,634	417,831	1,861,059
(2) Consolidated net sales				2,342,762
(3) Overseas net sales as a percentage of consolidated net sales	46.5%	15.1%	17.8%	79.4%

The three-month period ended December 31, 2005

(in Millions of yen)

	North America	Europe	Other foreign countries	Total
(1) Overseas net sales	1,042,721	365,144	395,787	1,803,652
(2) Consolidated net sales				2,301,284
(3) Overseas net sales as a percentage of consolidated net sales	45.3%	15.9%	17.2%	78.4%

Fiscal year 2005

(in Millions of yen)

	North America	Europe	Other foreign countries	Total
(1) Overseas net sales	4,014,475	1,414,929	1,655,630	7,085,034
(2) Consolidated net sales				9,428,292
(3) Overseas net sales as a percentage of consolidated net sales	42.6%	15.0%	17.6%	75.2%

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 and Near East, Central and South America excluding Mexico and South Africa

## 4.Consolidated Sales Volume

### Consolidated wholesale units by region

The nine-month period ended December 31.

(Units)

	FY2006 third quarter	FY2005 third quarter	Change	(Reference) FY05
Japan	486,291	561,246	(74,955)	810,968
North America	949,252	980,881	(31,629)	1,369,630
Europe	428,091	460,434	(32,343)	597,250
Others	549,761	571,766	(22,005)	759,766
Total	2,413,395	2,574,327	(160,932)	3,537,614

Note: Period of counting units

Japan and North America ( except for Mexico ) April/2006 - December/2006

North America ( Mexico only) and Europe January/2006 - September/2006

The three-month period ended December 31.

(Units)

	FY2006 third quarter	FY2005 third quarter	Change
Japan	147,203	155,037	(7,834)
North America	336,319	334,961	1,358
Europe	132,577	157,437	(24,860)
Others	192,225	187,784	4,441
Total	808,324	835,219	(26,895)

Note: Period of counting units

Japan and North America ( except for Mexico ) October/2006 - December/2006

North America ( Mexico only) and Europe July/2006 - September/2006

**【Reference】**

**Non-Consolidated Financial Statements**

**Non-Consolidated Statements of Income (Condensed)**

**The nine-month period ended December 31**

(in millions of Yen)

	FY2006 third quarter ( The nine-month )	FY2005 third quarter ( The nine-month )	Change	FY 2005
<b>NET SALES</b>	100% <b>2,621,396</b>	100% <b>2,839,449</b>	<b>(218,052)</b>	100% <b>3,895,553</b>
<b>COST OF SALES</b>	2,191,380	2,321,311	(129,930)	3,189,629
Gross profit	16.4% 430,016	18.2% 518,138	(88,122)	18.1% 705,924
<b>SELLING, GENERAL AND ADMINISTRATIVE EXPENSES</b>	267,446	298,977	(31,531)	451,765
<b>Operating income</b>	6.2% <b>162,569</b>	7.7% <b>219,160</b>	<b>(56,590)</b>	6.5% <b>254,159</b>
<b>NON-OPERATING INCOME</b>	<b>14,246</b>	<b>8,927</b>	<b>5,319</b>	<b>141,841</b>
Interest and dividend income	8,176	6,411	1,764	137,445
Foreign exchange gains	3,190	-	3,190	-
Other non-operating income	2,879	2,515	364	4,396
<b>NON-OPERATING EXPENSES</b>	<b>20,486</b>	<b>44,080</b>	<b>(23,593)</b>	<b>58,845</b>
Interest expense	7,443	7,706	(262)	10,051
Amortization of net retirement benefit obligation at transition	6,040	6,244	(204)	8,258
Foreign exchange loss	-	22,050	(22,050)	26,459
Other non-operating expenses	7,002	8,078	(1,075)	14,075
<b>Ordinary income</b>	6.0% <b>156,329</b>	6.5% <b>184,007</b>	<b>(27,678)</b>	8.7% <b>337,156</b>
<b>EXTRAORDINARY GAINS</b>	<b>40,274</b>	<b>10,666</b>	<b>29,607</b>	<b>34,552</b>
<b>EXTRAORDINARY LOSSES</b>	<b>65,688</b>	<b>39,502</b>	<b>26,186</b>	<b>92,097</b>
<b>Income before income taxes</b>	5.0% <b>130,914</b>	5.5% <b>155,172</b>	<b>(24,257)</b>	7.2% <b>279,610</b>
Income taxes	37,730	49,856	(12,126)	39,017
<b>Net income</b>	3.6% <b>93,184</b>	3.7% <b>105,315</b>	<b>(12,130)</b>	6.2% <b>240,593</b>

**The three-month period ended December 31**

(in millions of Yen)

	FY2006 third quarter ( The three-month )	FY2005 third quarter ( The three-month )	Change
<b>NET SALES</b>	100% <b>924,409</b>	100% <b>936,091</b>	<b>(11,681)</b>
<b>COST OF SALES</b>	768,616	765,522	3,093
Gross profit	16.9% 155,793	18.2% 170,568	(14,774)
<b>SELLING, GENERAL AND ADMINISTRATIVE EXPENSES</b>	95,345	94,820	525
<b>Operating income</b>	6.5% <b>60,448</b>	8.1% <b>75,748</b>	<b>(15,300)</b>
<b>NON-OPERATING INCOME</b>	<b>4,566</b>	<b>2,314</b>	<b>2,252</b>
Interest and dividend income	2,008	1,052	955
Foreign exchange gains	1,898	-	1,898
Other non-operating income	660	1,261	(601)
<b>NON-OPERATING EXPENSES</b>	<b>7,356</b>	<b>11,517</b>	<b>(4,160)</b>
Interest expense	2,608	2,490	117
Amortization of net retirement benefit obligation at transition	2,013	2,013	-
Foreign exchange loss	-	4,744	(4,744)
Other non-operating expenses	2,734	2,268	466
<b>Ordinary income</b>	6.2% <b>57,658</b>	7.1% <b>66,545</b>	<b>(8,887)</b>
<b>EXTRAORDINARY GAINS</b>	<b>2,175</b>	<b>3,377</b>	<b>(1,202)</b>
<b>EXTRAORDINARY LOSSES</b>	<b>4,161</b>	<b>2,534</b>	<b>1,627</b>
<b>Income before income taxes</b>	6.0% <b>55,672</b>	7.2% <b>67,389</b>	<b>(11,717)</b>
Income taxes	24,670	26,779	(2,109)
<b>Net income</b>	3.4% <b>31,002</b>	4.3% <b>40,609</b>	<b>(9,607)</b>

**Non-Consolidated Balance Sheets (Condensed)**

(in millions of Yen)

	as of Dec 31, 2006	as of Mar 31, 2006	Change	as of Dec 31, 2005
<b>[ASSETS]</b>				
<b>CURRENT ASSETS</b>	<b>1,639,935</b>	<b>1,385,576</b>	<b>254,359</b>	<b>1,597,561</b>
Cash on hand and in banks	16,591	148,532	(131,940)	18,110
Trade notes and accounts receivable	435,623	287,244	148,378	444,300
Inventories	183,123	141,844	41,278	175,253
Short-term loans receivable from subsidiaries & affiliates	771,851	634,755	137,095	807,188
Other	235,220	201,220	34,000	181,214
Allowance for doubtful accounts	(2,474)	(28,020)	25,546	(28,506)
<b>FIXED ASSETS</b>	<b>2,431,281</b>	<b>2,457,922</b>	<b>(26,640)</b>	<b>2,416,918</b>
<b>Property, plant &amp; equipment</b>	<b>798,905</b>	<b>775,073</b>	<b>23,832</b>	<b>737,393</b>
<b>Intangible assets</b>	<b>45,383</b>	<b>49,827</b>	<b>(4,443)</b>	<b>41,873</b>
<b>Investments &amp; other assets</b>	<b>1,586,992</b>	<b>1,633,021</b>	<b>(46,029)</b>	<b>1,637,651</b>
Investment securities	17,224	43,986	(26,761)	18,720
Investments in stock of subsidiaries & affiliates	1,478,521	1,450,004	28,516	1,478,800
Long-term loans receivable	977	1,171	(194)	1,422
Other	92,421	139,579	(47,157)	138,851
Allowance for doubtful accounts	(2,152)	(1,720)	(432)	(144)
<b>DEFERRED ASSETS</b>	-	<b>1,543</b>	<b>(1,543)</b>	<b>1,804</b>
Discounts on bonds	-	1,543	(1,543)	1,804
<b>TOTAL ASSETS</b>	<b>4,071,217</b>	<b>3,845,041</b>	<b>226,175</b>	<b>4,016,284</b>
<b>[LIABILITIES]</b>				
<b>CURRENT LIABILITIES</b>	<b>1,752,789</b>	<b>1,434,848</b>	<b>317,940</b>	<b>1,693,448</b>
Notes & accounts payable	407,347	466,053	(58,706)	413,257
Short-term borrowings	960,776	431,872	528,903	866,033
Accrued warranty costs	30,704	31,717	(1,013)	28,966
Capital lease obligations	23,785	31,667	(7,881)	34,736
Other	330,176	473,537	(143,361)	350,454
<b>LONG-TERM LIABILITIES</b>	<b>522,806</b>	<b>583,162</b>	<b>(60,356)</b>	<b>648,536</b>
Bonds	400,154	430,800	(30,645)	490,800
Long-term borrowings	41,452	50,790	(9,338)	52,328
Accrued warranty costs	48,918	51,248	(2,330)	46,929
Accrued retirement benefits	4,934	22,391	(17,456)	29,366
Capital lease obligations	26,283	26,873	(590)	28,092
Other	1,063	1,059	4	1,019
<b>TOTAL LIABILITIES</b>	<b>2,275,595</b>	<b>2,018,011</b>	<b>257,584</b>	<b>2,341,985</b>
<b>[SHAREHOLDERS' EQUITY]</b>				
<b>COMMON STOCK</b>	-	<b>605,813</b>	<b>(605,813)</b>	<b>605,813</b>
<b>CAPITAL SURPLUS</b>	-	<b>804,470</b>	<b>(804,470)</b>	<b>804,470</b>
<b>RETAINED EARNINGS</b>	-	<b>536,165</b>	<b>(536,165)</b>	<b>404,365</b>
<b>UNREALIZED HOLDING GAIN ON SECURITIES</b>	-	<b>13,932</b>	<b>(13,932)</b>	<b>6,891</b>
<b>TREASURY STOCK</b>	-	<b>(133,351)</b>	<b>133,351</b>	<b>(147,241)</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	-	<b>1,827,030</b>	<b>(1,827,030)</b>	<b>1,674,299</b>
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	-	<b>3,845,041</b>	<b>(3,845,041)</b>	<b>4,016,284</b>
<b>[NET ASSETS]</b>				
<b>SHAREHOLDERS' EQUITY</b>	<b>1,787,234</b>	-	<b>1,787,234</b>	-
Common stock	605,813	-	605,813	-
Capital surplus	804,470	-	804,470	-
Retained earnings	482,264	-	482,264	-
Treasury stock	(105,313)	-	(105,313)	-
<b>VALUATION, TRANSLATION ADJUSTMENTS AND OTHERS</b>	<b>5,787</b>	-	<b>5,787</b>	-
Unrealized holding gain on securities	6,058	-	6,058	-
Deferred instruments loss from hedging	(271)	-	(271)	-
<b>STOCK SUBSCRIPTION RIGHTS</b>	<b>2,599</b>	-	<b>2,599</b>	-
<b>TOTAL NET ASSETS</b>	<b>1,795,621</b>	-	<b>1,795,621</b>	-
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>4,071,217</b>	-	<b>4,071,217</b>	-

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