

Consolidated Financial Results for the Second Quarter of FY2008

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

31 October 2008

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Listed in the First Section of: Tokyo Stock Exchange
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Start of Payment of Cash Dividends: 28 November 2008

(Amounts less than one million yen have been omitted)

1. Consolidated results for the cumulative second quarter of FY2008 (1 Apr. - 30 Sep. 2008)

(1) Management results (cumulative)

(Percentage indicates change from previous second quarter)

	Net sales		Operating income		Ordinary income		Net income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
FY 2008 Second quarter	1,719,854	-	60,690	-	68,821	-	34,232	-
FY 2007 Second quarter	1,728,792	16.6	78,748	16.1	85,193	19.2	46,070	16.8

	Net income per share, Basic	Net income per share, Diluted
	Yen	Yen
FY 2008 Second quarter	75.90	66.50
FY 2007 Second quarter	102.17	89.48

(2) Financial positions

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million Yen	Million Yen	%	Yen
FY 2008 Second quarter	2,279,320	876,642	33.4	1,685.77
FY 2007	2,409,165	902,894	32.3	1,726.21

[Reference] Shareholders' equity: Second quarter of FY2008: 760,368 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 in the current quarter: None

3. Forecast of consolidated results for FY 2008 (1 Apr. 2008 - 31 Mar. 2009)

(Percentage indicates change from FY2007)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
FY2008	3,200,000	- 8.6	100,000	- 33.1	110,000	- 29.9	60,000	- 25.2	133.02

[Note] Revision of consolidated results in the current quarter: 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 methods and special accounting methods for quarterly financial statements: Yes

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

(3) Changes in accounting principles, procedures and indication, etc. for preparation of 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” of on page 5 for details.]

(4) Number of outstanding shares (common stock)

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

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

Second quarter of FY2008	91,597,046	FY2007	91,594,918
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3) Average number of outstanding shares during period (consolidated cumulative quarters)

Second quarter of FY2008	451,051,195	Second quarter of FY2007	450,920,377
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* Explanation regarding the appropriate use of forecasts of business results, other information

- The forecast was estimated based on the current information available and assumption, which may include risk and uncertainty. Therefore, please be advised that the actual results may extensively vary by the change of many 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” of on page 4 for details

- The “Accounting Standards for Quarterly Financial Statements” (Accounting Standards Board of Japan; ASBJ Statement No.12, 14 March 2007) and the “Implementation Guidance for Accounting Standards for Quarterly Financial Statements” (ASBJ Guidance No.14, 14 March 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 7 August 2008).

* Forecast of non-consolidated results for FY 2008 (1 April 2008 – 31 March 2009)

(Percentage indicates change from FY2007)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
FY2008	1,820,000	- 10.4	33,000	- 51.1	33,000	- 46.9	22,000	- 46.2	48.77

[Note] Revision of non-consolidated results in the current quarter: Yes

【 Qualitative Information, Financial Statements 】

1. Management results of this fiscal year

As for the management environment of the Group during this consolidated cumulative second quarter, the US and European economies as well as the world economy as a whole have further decelerated, affected by the financial market confusions started by the US subprime loan issue, with the unpredictable future outlook continued. In Japan, while the corporate profits have been declining as a result of the soaring crude oil and raw material prices, the facility investment has also been sluggish, and the economic deceleration seems to have intensified with the export reduction brought by the slowdown of the growth of the world economy.

Under these circumstances, consolidated sales were ¥1,719.854 billion (99.5% YoY) for this consolidated cumulative second quarter, slightly below consolidated sales of the same period of the previous year, because a substantial sales decline in North America were not covered by sales in other regions. As for consolidated profits, operating income, ordinary income and net income of the quarter declined to ¥60.690 billion (77.1% YoY), ¥68.821 billion (80.8% YoY) and ¥34.232 billion (74.3% YoY), respectively, because the reduced costs, reduced depreciation/amortization and operating expenses, etc. were unable to cover the reduced profits by the increased raw material costs, exchange influences and increased research and development expenses.

< The operating results by business segmentation >

(Motorcycle business)

Sales of the motorcycle business were ¥282.942 billion (96.8% YoY) on account of the sales reduction in North America and Europe. Operating income declined to ¥6.051 billion (49.9% YoY) because the reduced costs and reduced operating expenses, etc. were unable to cover the exchange influences and reduced sales in North America.

(Automobile business)

Domestic sales were higher than those for the consolidated cumulative second quarter of the previous year as a result of strengthened product ability such as a large improvement of installing a new engine for "ESCUDO" and the sales route expansion in the shrinking overall demands, in addition to favorable sales of a compact car "SWIFT" and a mini car "PALETTE".

On the other hand, overseas sales were below those of the same period of the previous year on account of the influences by currency conversion to Yen affected by the sales decline in North America and the drop in currency value in each Asian country despite efforts for sales expansion by favorable sales of the world strategic cars "SWIFT" and "SX4" and a new launch of "SPLASH" in Europe. As a result, sales of the automobile business were ¥1,413.094 billion (101.2% YoY), but operating income declined to ¥43.624 billion (73.4% YoY) because the reduced costs and reduced operating expenses, etc. were unable to cover the reduced profits by the increased raw material prices and exchange influences.

(Financial Services business)

The financial services business is newly classified from this consolidated cumulative second quarter to indicate the business details of the Group more clearly. Sales and operating income were ¥35.957 billion and ¥2.109 billion, respectively.

(Other businesses)

Sales and operating income of other businesses were ¥39.003 billion (99.0% YoY) and ¥6.153 billion (85.9% YoY), respectively, on account of reduced sales of outboard engines in North America despite increased domestic sales.

< The operating results of geographical segmentation >

(Japan)

Sales were ¥1,021.157 billion (96.1% YoY) on account of the sales reduction for North America. Operating income declined to ¥31.532 billion (82.6% YoY) 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 of automobiles increased by a launch of new-type compact cars "SPLASH", but sales declined to ¥394.714 billion (98.1% YoY) on account of reduced sales of motorcycles. Operating income largely declined to ¥2.235 billion (24.9% YoY) on account of reduced sales of motorcycles and the change of sales composition of automobiles.

(North America)

Sales were ¥164.037 billion (76.7% YoY) on account of a sales decline in the US by the soaring gasoline prices and subprime loan issues, and operating income fell into the red of ¥6.703 billion.

(Asia)

Sales declined to ¥416.303 billion (99.5% YoY) by the sales reduction in Pakistan and influences by the currency conversion to Yen affected by the drop in currency value in each Asian country despite increased sales of P.T. Indomobil Suzuki International in Indonesia. Operating income declined to ¥20.67 billion (78.9% YoY) on account of the increased raw material costs and exchange influences.

(Other regions)

Sales increased to ¥48.384 billion (116.1% YoY) because of a sales increase in Oceania, Middle and South America and Africa, but operating income declined to ¥1.4 billion (41.8% YoY) 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 rate 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 second quarter, total assets were ¥2,279.32 billion (down ¥129.844 billion YoY), total liabilities were ¥1,402.678 billion (down ¥103.592 billion YoY), and total net assets were ¥876.642 billion (down ¥26.252 billion YoY).

Inventory at the end of this consolidated cumulative second quarter declined to ¥384.985 billion (down ¥55.774 billion YoY) because the Group vigorously reduced inventory from the fourth quarter of the previous year in the severe management environment with the reduced sales in the North America.

(Cash flow)

As for the cash flow conditions for this consolidated cumulative second quarter, free cash flow was minus ¥1.074 billion as a result of the payment of funds of ¥119.375 billion for the acquisition of tangible fixed assets in the investment activities while the fund of ¥118.3 billion was obtained from the operating activities. In addition, the fund of ¥36.818 billion was reduced in the financing activities by the repayment of short-term loans payable.

As a result, the balance of cash and cash equivalents at the end of this consolidated cumulative second quarter declined to ¥399.771 billion, down ¥56.597 billion from the end of the previous consolidated fiscal year.

3. Qualitative Information for Consolidated Business Forecasts

The economic recession became apparent in each part of the world from the second half of this second quarter, influenced by the global financial crisis started by the US subprime loan issues, and the future outlook of automobile sales has become obscure. As for exchange rates, Yen has sharply risen against the currency of each country, and the environment surrounding the Company has greatly changed.

Under these circumstances, 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 and conduct the business activities to achieve the results above the forecast.

[Consolidated Business Forecast]

Net Sales	3,200 billion yen	(- 8.6% YoY	- 300 billion yen against original forecast)
Operating income	100 billion yen	(- 33.1% YoY	- 40 billion yen against original forecast)
Ordinary income	110 billion yen	(- 29.9% YoY	- 40 billion yen against original forecast)
Net income	60 billion yen	(- 25.2% YoY	- 20 billion yen against original forecast)
ForEx rates	100 yen/US\$ (1 st half 106 yen, 2 nd half 95 yen) 140 yen/Euro (1 st half 162 yen, 2 nd half 125 yen)		

[Non-Consolidated Business Forecast]

Net Sales	1,820 billion yen	(- 10.4% YoY	- 180 billion yen against original forecast)
Operating income	33 billion yen	(- 51.1% YoY	- 9 billion yen against original forecast)
Ordinary income	33 billion yen	(- 46.9% YoY	- 12 billion yen against original forecast)
Net income	22 billion yen	(- 46.2% YoY	- 8 billion yen against original forecast)
ForEx rates	105 yen/US\$ (1 st half 109 yen, 2 nd half 100 yen) 155 yen/Euro (1 st half 162 yen, 2 nd half 150 yen)		

* The forecast was estimated based on the current information available and assumption, includes risk and uncertainty. It is requested, therefore, to understand that the actual results may extensively vary by the change of many 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 this consolidated cumulative second quarter.
(Changes in specified subsidiaries (Tokuteikogaisha) that accompany with a change in the scope of consolidation.): None
- (2) Application of simplified accounting methods and accounting methods specific to preparation of consolidated quarterly financial statements.
 - 1) Simplified accounting methods
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 tax of the consolidated fiscal year including this consolidated second quarter shall be reasonably estimated, and the income before income taxes etc of the quarter 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) Changes 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, 14 March 2007) and the "Implementation Guidance for Accounting Standards for Quarterly Financial Statements" (ASBJ Guidance No.14, 14 March 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 7 August 2008).

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

[Inventories]

The "Accounting Standard for Measurement of Inventories" (ASBJ Statement No.9, 5 July 2006) was applied from the consolidated first quarter, and the evaluation standards were 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. of the quarter for the consolidated cumulative second 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 PITF No.18, 17 May 2006) was applied from the consolidated first quarter, and adjusted properly in the consolidation process.

Influences by the above-mentioned change on operating income, ordinary income and income before income taxes etc. of the quarter for the consolidated cumulative second 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, 17 June 1993 (First Subsection of the Corporate Accounting Council), revised on 30 March 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 30 March 2007 by ASBJ) may be applied to the consolidated quarterly financial statements for the consolidated fiscal year that started on of after 1 April 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 such changes on operating income, ordinary income and income before income taxes etc. of the quarter are insignificant.

5. Consolidated Financial Statements for the Second quarter of FY2008

(1) Consolidated Quarterly Balance Sheets

(Amount: Yen in million)

	FY2008 Second quarter (As of 30 September 2008)	FY2007 (As of 31 March 2008)
Assets		
Current assets		
Cash and deposits	118,810	129,447
Notes and accounts receivables-trade	288,934	331,172
Marketable securities	305,331	345,984
Merchandise and finished goods	302,461	360,287
Work in process	28,155	21,982
Raw materials and supplies	54,368	58,489
Other	237,172	240,186
Allowance for doubtful accounts	- 4,105	- 4,512
Total current assets	1,331,129	1,483,038
Noncurrent assets		
Property, plant and equipment	616,734	601,112
Intangible assets	2,587	3,722
Investment and other assets		
Investment securities	159,012	161,000
Other	170,998	161,380
Allowance for doubtful accounts	- 1,052	- 1,003
Allowance for investment loss	- 89	- 87
Total investments and other assets	328,868	321,290
Total assets	948,191	926,126
Total noncurrent assets	2,279,320	2,409,165

(Amount: Yen in million)

	FY2008 Second quarter (As of 30 September 2008)	FY2007 (As of 31 March 2008)
Liabilities		
Current liabilities		
Accounts payable-trade	541,205	605,372
Short-term loans payable	162,307	196,390
Income taxes payable	16,988	24,857
Provision for product warranties	64,374	63,022
Other	289,093	277,152
Total current liabilities	1,073,969	1,166,795
Noncurrent liabilities		
Convertible bonds	29,605	29,606
Bonds with subscription rights to shares	149,975	149,975
Long-term loans payable	71,243	74,684
Provision for retirement and severance benefits	43,872	46,395
Other provision	8,963	10,813
Other	25,049	27,999
Total noncurrent liabilities	328,708	339,474
Total liabilities	1,402,678	1,506,270
Net assets		
Shareholders' equity		
Common stock	120,210	120,210
Capital surplus	138,143	138,143
Retained earnings	745,750	717,357
Treasury stock	- 219,504	- 219,499
Total shareholders' equity	784,599	756,212
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	8,009	16,549
Deferred gains or losses on hedges	2,182	9,236
Foreign currency translation adjustment	- 34,422	- 3,389
Total valuation and translation adjustments	- 24,230	22,396
Minority interests	116,273	124,285
Total net assets	876,642	902,894
Total liabilities and net assets	2,279,320	2,409,165

(2) Consolidated Quarterly Statements of Income
(The consolidated cumulative second quarter)

(Amount: Yen in million)

	FY2008 cumulative second quarter (1 Apr. - 30 Sep. 2008)
Net sales	1,719,854
Cost of sales	1,312,090
Gross profit	407,764
Selling, general and administrative expenses	347,073
Operating income	60,690
Non-operating income	
Interest income	11,534
Dividends income	1,666
Equity in earnings of affiliates	248
Other	8,680
Total non-operating income	22,129
Non-operating expenses	
Interest expenses	5,461
Loss on valuation of securities	6,840
Other	1,695
Total non-operating expenses	13,998
Ordinary income	68,821
Extraordinary income	
Gain on sales of noncurrent assets	248
Gain on sales of investment securities	0
Total extraordinary income	248
Extraordinary loss	
Loss on sales of noncurrent assets	637
Impairment loss	344
Total extraordinary loss	981
Income before income taxes etc.	68,088
Income taxes	24,509
Minority interests in income	9,346
Net income	34,232

(3) Consolidated Quarterly Statements of Cash Flows

(Amount: Yen in million)

FY2008 cumulative second quarter
(1 Apr. – 30 Sep. 2008)

Cash flows from operating activities	
Income before income taxes etc.	68,088
Depreciation and amortization	72,378
Impairment loss	344
Interest and dividends income	- 13,200
Interest expenses	5,461
Equity in (earnings) losses of affiliates	- 248
Decrease (increase) in notes and accounts receivable-trade	36,405
Decrease (increase) in inventories	46,635
Increase (decrease) in notes and accounts payable-trade	- 59,616
Increase (decrease) in accrued expenses	- 2,011
Other, net	- 18,207
Subtotal	136,030
Interest and dividends income received	13,030
Interest expenses paid	- 5,147
Income taxes paid	- 25,611
Net cash provided by (used in) operating activities	118,300
Cash flows from investment activities	
Payments into time deposits	- 19,453
Proceeds from withdrawal of time deposits	13,414
Purchases of marketable securities	- 4,114
Proceeds from sales of marketable securities	4,092
Purchases of property, plant and equipment	- 95,747
Proceeds from sales of property, plant and equipment	4,117
Purchases of intangible assets	- 463
Purchases of investment securities	- 22,074
Other, net	854
Net cash provided by (used in) investment activities	- 119,375
Cash flows from financing activities	
Net increase (decrease) in short-term loans payable	- 34,734
Proceeds from long-term loans payable	5,978
Repayment of long-term loans payable	- 2,298
Cash dividends paid	- 3,606
Cash dividends paid to minority shareholders	- 2,088
Other, net	- 68
Net cash provided by (used in) financing activities	- 36,818
Effect of exchange rate changes on cash and cash equivalents	- 18,703
Net increase (decrease) in cash and cash equivalents	- 56,597
Cash and cash equivalents at beginning of fiscal year	456,369
Cash and cash equivalents at end of second quarter	399,771

The "Accounting Standards for Quarterly Financial Statements" (Accounting Standards Board of Japan; ASBJ Statement No.12, 14 March 2007) and the "Implementation Guidance for Accounting Standards for Quarterly Financial Statements" (ASBJ Guidance No.14, 14 March 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 7 August 2008).

4) Assumption for Going Concern

None

(5) Segment Information

【Business Segments】

FY2008 Cumulative Second Quarter (1 April - 30 September 2008)

(Amount: Yen in million)

	Motorcycle	Automobile	Financial Services	Others	Total	Eliminations or corporate	Consolidated
Net sales							
(1) Net sales to external customers	282,942	1,383,726	14,232	38,953	1,719,854	-	1,719,854
(2) Internal net sales or transfer among segments	-	29,368	21,725	50	51,143	(51,143)	-
Total net sales	282,942	1,413,094	35,957	39,003	1,770,998	(51,143)	1,719,854
Operating income	6,051	43,624	2,109	6,153	57,938	2,751	60,690

[Notes] 1. Segmentation is made by 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 car, Sub-compact and standard-sized vehicle
Financial Services	Sales finance etc
Others	Outboard motors, Engines for snowmobiles etc., Electro senior vehicle,

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 clearly indicate the business details of the Group.

As a result, sales increased by ¥15,135 million for the "automobile business", ¥35,957 million for the "financial services business" and ¥50 million for other businesses, and sales decreased by ¥51,143 million for the "eliminations or corporate assets" compared to the traditional method for this consolidated cumulative second quarter. Operating income decreased by ¥4,861 million for the "automobile business" and increased by ¥2,109 million for the "financial services business" and ¥2,751 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 Cumulative Second Quarter (1 April – 30 September 2008)

(Amount: Yen in million)

	Japan	Europe	North America	Asia	Other areas	Total	Eliminations or corporate	Consolidated
Net sales								
(1) Net sales to external customers	708,687	392,131	162,268	408,382	48,384	1,719,854	-	1,719,854
(2) Internal net sales or transfer among segments	312,469	2,582	1,768	7,921	-	324,742	(324,742)	-
Total net sales	1,021,157	394,714	164,037	416,303	48,384	2,044,596	(324,742)	1,719,854
Operating income or loss	31,532	2,235	- 6,703	20,670	1,400	49,134	11,556	60,690

- [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 Cumulative Second Quarter (1 April – 30 September 2008)

(Amount: Yen in million)

	Europe	North America	Asia	Other areas	Total
Overseas net sales	468,922	170,532	437,289	159,797	1,236,542
Consolidated net sales	-	-	-	-	1,719,854
% of overseas net sales in consolidated net sales	27.3	9.9	25.4	9.3	71.9

- [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 Second quarter of FY2007
 (1) Semi-Annual Consolidated Statements of Income

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

Item	FY2007 first half (1 Apr. - 30 Sep. 2007)	
		%
Net sales	1,728,792	100.0
Cost of sales	1,296,327	
Gross profit	432,464	25.0
Selling, general and administrative expenses	353,716	
Operating income	78,748	4.6
Non-operating income	21,635	1.3
Interest and dividends income	10,180	
Equity in earnings of affiliates	2,848	
Other	8,607	
Non-operating expenses	15,190	0.9
Interest expenses	5,025	
Other	10,164	
Ordinary income	85,193	4.9
Extraordinary income	827	0.0
Gain on sales of investment securities	513	
Gain on sales of noncurrent assets	314	
Extraordinary loss	171	0.0
Loss on sales of noncurrent assets	171	
Income before income taxes etc.	85,849	5.0
Income taxes	27,382	
Minority interests in income	12,396	
Net income	46,070	2.7

(2) Semi-Annual Consolidated Statements of Cash Flows

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

Item	FY2007first half (Apr. 1 - Sept. 30, 2007)
Cash flows from operating activities	
Income before income taxes etc.	85,849
Depreciation and amortization	82,762
Interest and dividends income	- 10,180
Interest expenses	5,025
Equity in (earnings) losses of affiliates	- 2,848
Decrease in notes and accounts receivable-trade	23,909
Decrease in inventories	14,635
Decrease in notes and accounts payable-trade	- 19,888
Decrease in accrued expenses	- 1,403
Other, net	1,732
Subtotal	179,595
Interest and dividends income received	9,391
Interest expenses paid	- 5,728
Income taxes paid	- 41,717
Net cash provided by (used in) operating activities	141,541
Cash flows from investment activities	
Payments into time deposits	- 60,815
Proceeds from withdrawal of time deposits	13,015
Purchases of marketable securities	- 3,773
Proceeds from sales of marketable securities	13,726
Purchases of property, plant and equipment	- 106,042
Purchases of investment securities	- 1,437
Proceeds from sales of investment securities	1,567
Other, net	23,831
Net cash provided by (used in) financing activities	- 119,927
Cash flows from financing activities	
Net decrease in short-term loans payable	- 39,394
Proceeds from issuance of bonds and long-term loans payable	9,063
Cash dividends paid	- 3,604
Cash dividends paid to minority shareholders	- 2,089
Purchases of treasury stock	- 13
Proceeds from sales of treasury stock	0
Net cash provided by (used in) financing activities	- 36,037
Effect of exchange rate changes on cash and cash equivalents	12,224
Net decrease in cash and cash equivalents	- 2,198
Cash and cash equivalents at beginning of fiscal year	444,335
Decrease in cash and cash equivalents at beginning of fiscal year resulting from change of consolidation period of subsidiaries	- 978
Cash and cash equivalents at end of second quarter	441,158

(3) Segment Information

1. Business Segments

FY2007 First half (1 April - 30 September 2007)

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

	Motorcycle	Automobile	Other areas	Total	Eliminations or corporate	Consolidated
Net sales and Operating income						
(1) Net sales to external customers	292,401	1,396,995	39,395	1,728,792	-	1,728,792
(2) Internal net sales or transfer among segments	-	-	-	-	-	-
Total net sales	292,401	1,396,995	39,395	1,728,792	-	1,728,792
Operating expenses	280,276	1,337,535	32,232	1,650,044	-	1,650,044
Operating income	12,124	59,460	7,162	78,748	-	78,748

2. Geographical Segments

FY2007 First half (1 April - 30 September 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	Consolidated
Net sales and Operating income								
(1) Net sales to external customers	661,027	400,833	211,509	413,749	41,670	1,728,792	-	1,728,792
(2) Internal net sales or transfer among segments	401,443	1,420	2,328	4,764	-	409,957	- 409,957	-
Total net sales	1,062,471	402,254	213,838	418,514	41,670	2,138,749	- 409,957	1,728,792
Operating expenses	1,024,284	393,265	213,602	392,307	38,322	2,061,784	- 411,739	1,650,044
Operating income	38,186	8,988	235	26,206	3,347	76,965	1,782	78,748

3. Overseas net sales

FY2007 First half (1 April - 30 September 2007)

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

	Europe	North America	Asia	Other areas	Total
Overseas net sales	465,672	221,122	439,679	137,677	1,264,151
Consolidated net sales					1,728,792
% of overseas net sales in consolidated net sales	26.9%	12.8%	25.4%	8.0%	73.1%

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 first half (1 Apr. - 30 Sep. 2007)		FY2008 cumulative second quarter (1 Apr. - 30 Sep. 2008)		Change	
		Unit	Amount	Unit	Amount	Unit	Amount
Motorcycle	Domestic total	92	22,116	81	23,189	- 11	1,073
	Overseas total	755	270,284	922	259,752	166	- 10,531
	Europe	102	92,154	90	78,846	- 11	- 13,308
	North America	90	76,103	67	57,342	- 22	- 18,760
	Asia	477	63,098	664	77,116	186	14,018
	Others	85	38,928	99	46,447	14	7,518
	Total	848	292,401	1,003	282,942	155	- 9,458
Automobile	Domestic total	367	432,518	365	433,004	- 2	485
	Overseas total	796	964,476	863	950,721	66	- 13,754
	Europe	193	363,904	227	381,095	33	17,191
	North America	56	131,978	52	103,503	- 3	- 28,474
	Asia	473	374,551	499	357,929	25	- 16,621
	Others	72	94,042	83	108,192	10	14,149
	Total	1,164	1,396,995	1,228	1,383,726	64	- 13,269
Others	Domestic total	-	10,004	-	13,050	-	3,045
	Overseas total	-	29,390	-	25,903	-	- 3,487
	Europe	-	9,613	-	8,816	-	- 797
	North America	-	13,040	-	9,685	-	- 3,354
	Asia	-	2,030	-	2,243	-	212
	Others	-	4,705	-	5,157	-	451
	Total	-	39,395	-	38,953	-	- 442
Subtotal	Domestic total		464,640		469,244		4,603
	Overseas total		1,264,151		1,236,377		- 27,773
	Europe		465,672		468,758		3,086
	North America		221,122		170,532		- 50,589
	Asia		439,679		437,289		- 2,390
	Others		137,677		159,797		22,120
	Total		1,728,792		1,705,622		- 23,170
Financial Services			-	14,232	-	14,232	
Grand Total		1,728,792		1,719,854		- 8,937	