

(e) The effect of this change was to increase cost of sales by ¥112,074 million (\$1,047,421 thousand) and to decrease gross profit and selling, general and administrative expenses by the same amount for the year ended March 31, 2005. This change had no impact on operating income, income before income taxes and minori-

ty income and net income for the years ended March 31, 2005 as compared with the corresponding amounts which would have been recorded if the previous method had been followed. This change had no effect on segment information.

3. U.S. DOLLAR AMOUNTS

Amounts in U.S. dollars are included solely for the convenience of the reader. The rate of ¥107 = US\$1.00, the approximate rate of exchange in effect on March 31, 2005, has been used. The inclusion of such amounts is not intended to imply that yen amounts have been or could be readily converted, realized or settled in U.S. dollars at that or any other rate.

4. RECEIVABLES

Receivables at March 31, 2005 and 2004 consisted of the following:

As of	Millions of yen		Thousands of U.S. dollars
	2004 Mar. 31, 2005	2003 Mar. 31, 2004	2004 Mar. 31, 2005
Notes and accounts receivable.....	¥ 538,029	¥ 462,716	\$ 5,028,308
Finance receivables.....	3,026,788	2,203,174	28,287,738
Less allowance for doubtful receivables.....	(75,272)	(63,014)	(703,476)
	¥3,489,545	¥2,602,876	\$32,612,570

Finance receivables principally represent receivables from customers on loans made by financing subsidiaries in connection with sales of automobiles.

5. INVENTORIES

Inventories at March 31, 2005 and 2004 were as follows:

As of	Millions of yen		Thousands of U.S. dollars
	2004 Mar. 31, 2005	2003 Mar. 31, 2004	2004 Mar. 31, 2005
Finished products.....	¥502,032	¥386,874	\$4,691,888
Work in process and other.....	206,030	155,918	1,925,514
	¥708,062	¥542,792	\$6,617,402

6. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment at March 31, 2005 and 2004 is summarized as follows:

As of	Millions of yen		Thousands of U.S. dollars
	2004 Mar. 31, 2005	2003 Mar. 31, 2004	2004 Mar. 31, 2005
Land.....	¥ 781,693	¥ 759,640	\$ 7,305,542
Buildings and structures.....	1,435,423	1,259,048	13,415,168
Machinery and equipment.....	4,995,081	4,158,336	46,683,000
Construction in progress.....	249,615	253,999	2,332,851
	¥7,461,812	¥6,431,023	\$69,736,561