

November 6, 2001
Fiscal 2002, ending March 31, 2002

Consolidated Financial Results (Interim Period)

Daihatsu Motor Co., Ltd.

Listed company name:	Daihatsu Motor Co., Ltd.
Security code:	7262 (used in Japanese securities industry)
Head office:	1-1, Daihatsu-cho, Ikeda City, Osaka Pref., Japan
Meeting of the board of directors for interim closing held on:	November 6, 2001
Parent company:	Toyota Motor Corp. (Code No. 7203)
Percentage of share ownership by the parent company:	51.2%
Stock listings:	First section of Osaka Securities Exchange, Tokyo Stock Exchange, Nagoya Stock Exchange, Fukuoka Stock Exchange, and Sapporo Stock Exchange
Adoption of US GAAP:	No

1. Financial Results for FY2002 Interim Period (From April 1, 2001 to September 30, 2001)

(Amounts less than ¥1 million, except per share amounts, have been omitted in the following tables.)

(1) Consolidated operating results

(Millions of yen)

	FY2002 Interim Period		FY2001 Interim Period		FY2001 (ended March 2001)
Net sales	475,886	[0.3%]	474,539	[(2.5%)]	998,785
Operating income	10,516	[(12.4%)]	12,007	[19.6%]	33,423
Recurring income	9,192	[(20.0%)]	11,486	[11.0%]	32,209
Net income in the current interim period	5,285	[0.8%]	5,244	[74.1%]	15,650
Net income per share in the current interim period (Yen)	12.37		12.27		36.64
Post-dilution net income per share in the current interim period (Yen)	11.62		11.53		34.37

Notes: 1. Equity in loss of unconsolidated subsidiaries and affiliates

FY2002 Interim Period (ended September 2001): 74 million yen

FY2001 Interim Period (ended September 2000): 439 million yen

FY2001 (ended March 2001): 1,790 million yen

2. Average number of shares in the period (consolidated)

FY2002 Interim Period (ended September 2001): 427,029,954

FY2001 Interim Period (ended September 2000): 426,944,319

FY2001 (ended March 2001): 427,024,877

3. Changes in the accounting method: [] Yes, [x] No

4. Percentage (%) shown for Net sales, Operating income, Recurring income, and Net income in the current interim period represents a yearly change from the previous interim period.

(2) Consolidated financial position

(Millions of yen)

	FY2002 Interim Period		FY2001 Interim Period		FY2001 (ended March 2001)
Total assets	728,276		740,445		766,917
Shareholders' equity	189,663		196,432		192,422
Shareholders' equity ratio		26.0%		26.5%	25.1%
Shareholders' equity per share (Yen)	444.14		459.90		450.60

Note: Numbers of outstanding shares as of the end of the period (Consolidated):

FY2002 Interim Period (ended September 2001): 427,031,388

FY2001 Interim Period (ended September 2000): 426,942,839

FY2001 (ended March 2001): 427,029,341

(3) Consolidated cash flow position

(Millions of yen)

	FY2002 Interim Period		FY2001 Interim Period		FY2001 (ended March 2001)
Cash flow in business activities	26,892		39,272		63,906
Cash flow in investment activities	(20,945)		(26,755)		(45,292)
Cash flow in financial activities	(4,849)		(3,273)		444
Ending balance of cash and equivalents	72,035		61,133		70,948

(4) Scope of consolidation and companies accounted for by the equity method

Number of consolidated subsidiaries: 61

Number of non-consolidated subsidiaries accounted for by the equity method: –

Number of affiliated companies accounted for by the equity method: 24

(5) Changes in scope of consolidation and companies accounted for by the equity method

Newly consolidated companies: –

Newly unconsolidated companies: 1

Companies newly accounted for by the equity method: –

Companies no longer accounted for by the equity method: –

2. Projected Consolidated Operating Results for Fiscal 2002 (From April 1, 2001 to March 31, 2002)

	(Millions of yen)
	Full year
Net sales	980,000
Recurring income	21,000
Net income	11,500

Ref.: Estimated net income per share for the year: ¥26.93

Attached Data

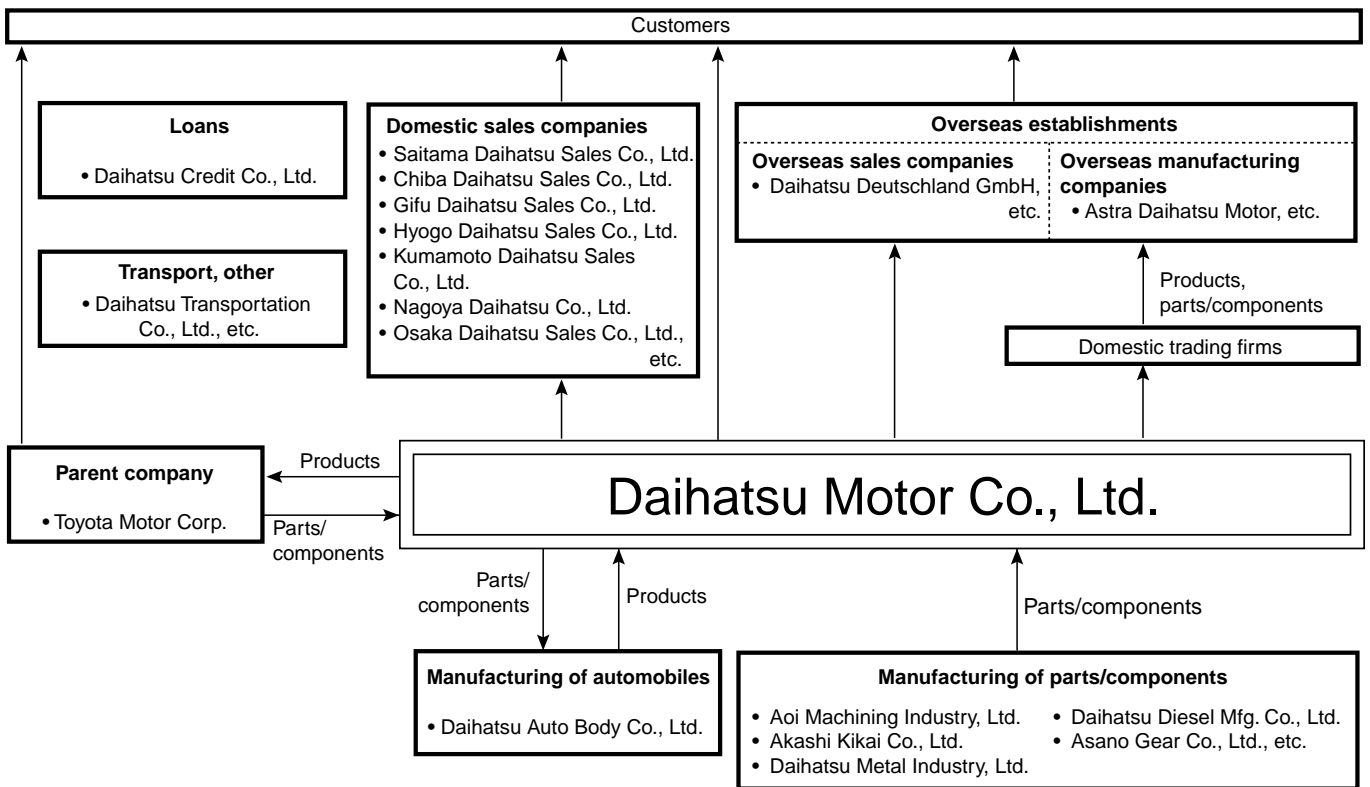
Position of the Corporate Group

The Daihatsu group, comprising the company, 61 subsidiaries and 30 affiliates, manufactures and sells automobiles as its main line of business. Automobiles are manufactured by the company and Daihatsu Auto Body Co., Ltd., while auto parts manufactured by affiliates are delivered to the company. Domestic sales and distribution are handled by 66 Daihatsu sales companies throughout the country, including Hyogo Daihatsu Sales Co., Ltd., selling cars directly to customers. To some large-lot customers, however, sales are conducted directly by the company. Transport of automobiles to the domestic sales companies is handled exclusively by Daihatsu Transportation Co., Ltd. Sales loans for automobiles are taken care of by Daihatsu Credit Co., Ltd.

As for overseas markets, sales of automobiles are handled by Daihatsu Deutschland GmbH and other sales companies. In Indonesia, Malaysia, and other countries, the company supplies parts and components in knock-down kits, for automobiles to be assembled.

The company also assembles cars and other automobiles on commission by the company's parent company, Toyota Motor Corp., including delivery of OEM (Original Equipment Manufacturer) cars.

The major business transactions are summarized in the following flow chart:



Management Policy

1. Basic management policy

We, Daihatsu Group, stand firmly by our fundamental belief of growing as a Group by contributing to society. Our objective is to seek and create new values required by the times, and to maintain our Group as an “attractive and conscientious entity” worthy of public sympathy, love and respect. Our basic management policy goes by the motto, “GOOD SERVICE TO CUSTOMERS IS EVERYTHING”; we are persistently striving to be a valuable asset to our community, customers, shareholders, suppliers and employees as well.

2. Basic dividend policy

Our basic policy in regard to dividends is to maintain a stable level of dividends for the long-term, and to distribute profits in consideration of business results, payout ratio and other factors.

Internal reserves will be allocated to investments that strengthen and enrich corporate structures for further group development.

3. Mid-term management strategies

Amidst growing concern for the global environment worldwide and changing values, we are convinced that the demand for compact cars will definitely grow in the future. In this kind of social environment, we are striving to be a leading company that can satisfy this demand, while staying true to our three basic objectives of “Developing Creative yet Attractive Products”, “Reinforcing and Expanding Business Foundations” and “Reforming Our Revenue Structure”. For this purpose, we are converging our management resources on the development of the small car business with particular focus on the manufacture of light motor vehicles.

4. Tasks to be tackled

We will make the best efforts to promptly cope with changes in the business environment, timely provide customers with attractive products, enhance customer satisfaction, and make ourselves known as a leading manufacturer of small cars both at home and abroad.

As for technical aspects, we will also make an effort to satisfy public demands for global environment protection and greater driving safety.

We also will continue to make a concerted effort to reform our revenue structure, reduce manufacturing cost, and reinforce the corporate structure of the group.

5. Relation with the parties concerned (such as parent company)

As a member of the Toyota Group, we will build closer ties with Toyota Motor Corp., and strive to expand the small car business, which is our group’s specialty, so as to contribute to the further development of group business.

Corporate Business Summary

1. General condition for the current interim period

During the current interim period, expectations rose when the Koizumi administration assumed office in Japan under the banner of economic and financial structural reform. The deceleration of the American economy and the sharp downturn in IT-related business led to a plunge in private-sector capital investment and flat consumer spending, however. Thus, contrary to forecasts, conditions in the Japanese economy continued to worsen.

In the automobile industry, the decline in domestic sales of mini-cars (660 cc and below) continued from the same period a year before as demand for new standard models leveled off. There was a recovery in demand in the small and standard (661 cc and over) vehicle classification, as most of the automobile manufacturers introduced new models in succession. This resulted in the continuation of growth from the year-before period. Despite this, however, sales fell year-on-year for the market as a whole. As exports to Europe and North America declined, export for the period under review declined from year-before totals.

With these trends prevailing, the company and its group focused its endeavors on strengthening and enhancing our research, development, production, and sales organizations, and offered products that followed market trends and met our customers' demands. As a result, domestic sales reached 239,695 units, a 0.7% year-on-year increase of 1,617 units. Overseas car sales decreased by 5,579 units, a 13.4% year-on-year decline, to 35,926 units. We manufactured 63,085 units on consignment, a 5.6% year-on-year decline of 3,749 units, and manufactured 14,717 units, a 19.2% year-on-year decline of 3,492 units, as an OEM supplier to Toyota Motor Corp. to be sold under that company's name-plate. Total sales amounted to 353,423 units, a 3.1% slide of 11,203 units from the year-before period.

In addition, we manufactured 69,180 sets of components for overseas production, a 7.2% year-on-year decline of 5,400 sets, and built 148,442 engines on consignment, a 21.2% year-on-year drop of 39,975 engines. The number of cars produced decreased to 367,604, down 24,080 (6.1%) from the year-before period. (As we do not base production on orders, we do not show orders by amount or volume.)

As a result, sales during the current interim period inched upward 0.3% or ¥1.3 billion from the year-before period to ¥475.8 billion. We posted ¥9.1 billion in recurring profit, a 20.0% drop of ¥2.2 billion from the year before, while recording a slight 0.8% gain in net profit for the interim period of ¥40 million to ¥5.2 billion.

2. Outlook for the full fiscal year

While there are great expectations of the governmental steps for structural reform, it is likely that an extended period of time is required for the economy to escape from the doldrums. This is due to such factors as the delayed slump in consumer spending, stagnant stock prices, and the full-scale efforts of financial institutions to dispose of their non-performing debt. Therefore, we believe the economic outlook and the direction of the economy will continue to be uncertain.

In the automobile industry, the introduction of new models in the domestic market is expected to elicit purchasing demand for both registered vehicles and mini-cars, but we do not anticipate a rapid recovery in demand. The climate for exports is expected to remain harsh after the terrorist attacks in the United States.

In this environment, the Daihatsu group is working to boost our share of domestic sales by increasing customer satisfaction, actively expanding overseas production, implementing a thorough cost-cutting program, and strengthening our financial base.

For the full fiscal year, we forecast a 1.9% decrease in sales to ¥980.0 billion, a 34.8% year-on-year slide in recurring profit to ¥21.0 billion and a 26.5% drop in net profit for the year to ¥11.5 billion. We also expect to pay a dividend for the year of ¥7 per share, the same amount as for the previous year.

Please be advised that actual revenue and earnings could differ from our projections due to such uncertainties as supply and demand trends and exchange rates in our primary markets.

Highlights of Consolidated Financial Results for the Interim Period

1. Consolidated results

(Millions of yen)

	FY2002 Interim Period (From April 1, 2001 to September 30, 2001)	FY2001 Interim Period (From April 1, 2000 to September 30, 2000)	Increment (Decrement)		FY2001 (From April 1, 2000 to March 31, 2001)
			Amount	Ratio	
Net sales	475,886	474,539	1,346	0.3%	998,785
Recurring income	9,192	11,486	(2,294)	(20.0%)	32,209
Net income in the current interim period	5,285	5,244	40	0.8%	15,650
Net income per share in the current interim period (Yen)	12.37	12.27	0.10	0.8%	36.64

2. Consolidated number of automobiles sold

(Units)

	FY2002 Interim Period (From April 1, 2001 to September 30, 2001)	FY2001 Interim Period (From April 1, 2000 to September 30, 2000)	Increment (Decrement)		FY2001 (From April 1, 2000 to March 31, 2001)
			Amount	Ratio	
Mini cars					
Domestic	227,975	226,022	1,953	0.9%	490,867
Export	7,150	12,591	(5,441)	(43.2%)	18,069
Subtotal	235,125	238,613	(3,488)	(1.5%)	508,936
Small cars					
Domestic	11,720	12,056	(336)	(2.8%)	34,953
Export	28,776	28,914	(138)	(0.5%)	62,734
Subtotal	40,496	40,970	(474)	(1.2%)	97,687
Daihatsu cars					
Domestic	239,695	238,078	1,617	0.7%	525,820
Export	35,926	41,505	(5,579)	(13.4%)	80,803
Subtotal	275,621	279,583	(3,962)	(1.4%)	606,623
Consigned cars	63,085	66,834	(3,749)	(5.6%)	141,724
OEM cars	14,717	18,209	(3,492)	(19.2%)	41,332
Grand total	353,423	364,626	(11,203)	(3.1%)	789,679
Parts for overseas production	69,180	74,580	(5,400)	(7.2%)	131,080
Consigned engines	148,442	188,417	(39,975)	(21.2%)	365,954

3. Consolidated sales

(Millions of yen)

	FY2002 Interim Period (From April 1, 2001 to September 30, 2001)	FY2001 Interim Period (From April 1, 2000 to September 30, 2000)	Increment (Decrement)		FY2001 (From April 1, 2000 to March 31, 2001)
			Amount	Ratio	
Daihatsu cars					
Domestic	304,748	309,015	(4,266)	(1.4%)	661,172
Export	53,015	62,193	(9,177)	(14.8%)	113,378
Subtotal	357,764	371,208	(13,443)	(3.6%)	774,551
Consigned and OEM cars	118,121	103,331	14,790	14.3%	224,233
Total	475,886	474,539	1,346	0.3%	998,785

4. Positions of consolidated cash flow

(Millions of yen)

	FY2002 Interim Period (From April 1, 2001 to September 30, 2001)	FY2001 Interim Period (From April 1, 2000 to September 30, 2000)	Increment (Decrement)		FY2001 (From April 1, 2000 to March 31, 2001)
			Amount	Ratio	
Cash flow from sales and marketing activities	26,892	39,272	(12,379)	(31.5%)	63,906
Cash flow from investment activities	(20,945)	(26,755)	5,810	21.7%	(45,292)
Cash flow from financial activities	(4,849)	(3,273)	(1,576)	(48.2%)	444
Variance from realization of cash and cash equivalents	(11)	86	(97)	--	87
Increase in cash and cash equivalents	1,086	9,330	(8,244)	(88.4%)	19,145
Balance of cash and cash equivalents at beginning of period	70,948	51,802	19,145		51,802
Balance of cash and cash equivalents at end of period	72,035	61,133	10,901		70,948

Cash flow from sales activities for the current interim period stood at ¥26,892 million due to factors that included ¥19,197 million in cost depreciation and the ¥9,192 million in net profit for the interim period before tax adjustment, etc. This is a decline of ¥12,379 million from the year-before period.

Cash flow from investment activities increased ¥5,810 million from the year-before period, due to ¥22,461 million in expense for acquiring fixed tangible assets, etc., to -¥20,945 million.

Cash flow from financial activities decreased by ¥1,576 million from the year-before period, due to the ¥3,137 million decline of loans and the payment of ¥1,708 million in dividends, to -¥4,849 million.

Consequently, cash and cash equivalents during the interim period rose ¥1,086 million, a decline of ¥8,244 million from the year-before period.

The balance of cash and cash equivalents at the end of the interim period rose ¥10,901 million from the year-before period to ¥72,035 million.

Note: Amounts less than ¥1 million have been omitted in this table.

Reference: Comparison with non-consolidated operating results

(Millions of yen)

	Consolidated data	Non-consolidated data	Difference	Consolidated ratio
Net sales	475,886	415,187	60,698	115%
Recurring income	9,192	8,723	469	105%
Net income for the interim period	5,285	4,983	302	106%
Net income per share for the interim period (Yen)	12.37	11.66	0.71	106%

Consolidated Statements of Profit and Loss for the Interim Period

(Millions of yen)

	FY2002 Interim Period (From April 1, 2001 to September 30, 2001)		FY2001 Interim Period (From April 1, 2000 to September 30, 2000)		Increment (Decrement)	FY2001 (From April 1, 2000 to March 31, 2001)	
Net sales	475,886	100.0%	474,539	100.0%	1,346	998,785	100.0%
Cost of sales	372,284	78.2%	368,307	77.6%	3,976	768,832	77.0%
Gross profit before adjustment of sales profits deferred	103,602	21.8%	106,232	22.4%	(2,630)	229,952	23.0%
Adjustments of sales profits deferred	(369)		(722)		352	(2,376)	
Gross profit	103,232	21.7%	105,510	22.2%	(2,277)	227,576	22.8%
Selling, general and administrative expenses	92,716	19.5%	93,502	19.7	(786)	194,152	19.5
Operating income	10,516	2.2%	12,007	2.5%	(1,491)	33,423	3.3%
Non-operating profits:							
Interest and dividend income	391		483		(91)	1,281	
Return on investment, based on the equity method	74		439		(365)	1,790	
Other non-operating profits	1,306		1,479		(173)	2,393	
Total non-operating profits	1,773		2,403		(630)	5,464	
Non-operating expenses:							
Interest expense	825		932		(106)	2,445	
Other non-operating expenses	2,271		1,991		279	4,233	
Total non-operating expenses	3,096		2,923		172	6,678	
Recurring income	9,192	1.9%	11,486	2.4%	(2,294)	32,209	3.2%
Extraordinary profits:							
Profit from creation of retirement allowance trust			23,410		(23,410)	23,410	
Profit from sale of invested securities	--		--		--	2,489	
Subsidy for equipment and facilities	--		--		--	90	
Gain on insurance adjustment	--		--		--	48	
Total extraordinary profits	--		23,410		(23,410)	26,039	
Extraordinary losses:							
Retirement allowance cost	--		25,528		(25,528)	27,491	
Loss from revaluation of investment in securities	--		--		--	294	
Loss from advanced depreciation of fixed assets	--		--		--	138	
Total extraordinary losses	--		25,528		(25,528)	27,924	
Net profit in the current interim period before tax adjustment, etc.	9,192	1.9%	9,369	2.0%	(176)	30,324	3.0%
Corporate and inhabitants' taxes and enterprise tax	7,759		6,647		1,111	20,386	
Corporate tax, other adjustments	(3,782)		(2,616)		(1,165)	(5,912)	
Minority interests in income of consolidated subsidiaries	(+)70		(-)93		163	(-)199	
Net profit in the current interim period	5,285	1.1%	5,244	1.1%	40	15,650	1.6%

Note: Amounts less than ¥1 million have been omitted in this table.

Consolidated Balance Sheets for the Interim Period

(Millions of yen)

	FY2002 Interim Period (From April 1, 2001 to September 30, 2001)	FY2001 Interim Period (From April 1, 2000 to September 30, 2000)	Increment (Decrement)	FY2001 (From April 1, 2000 to March 31, 2001)
Assets:				
Current assets:				
Cash and time deposits	72,916	72,056	859	62,375
Notes and accounts receivable	171,613	203,532	(31,919)	170,544
Marketable securities	--	418	(418)	247
Inventories	48,723	49,390	(666)	48,497
Deferred tax assets	14,559	10,871	3,687	11,623
Other current assets	39,879	39,983	(103)	40,007
Allowance for doubtful receivables	(2,262)	(2,060)	(201)	(1,791)
Total current assets	345,429	374,190	(28,760)	331,504
Fixed assets:				
Tangible fixed assets:				
Buildings and structures	84,964	85,335	(371)	82,160
Machinery and transport equipment	97,209	99,050	(1,840)	96,828
Land	87,111	86,401	710	86,105
Construction in progress	7,506	4,598	2,908	4,640
Other fixed assets	17,530	16,974	555	18,329
Total tangible fixed assets	294,321	292,360	1,961	288,065
Intangible fixed assets	1,380	1,382	(1)	1,421
Investments and other assets:				
Investments in securities	73,937	85,629	(11,691)	106,394
Long-term loans receivable	5,125	5,462	(337)	5,588
Deferred tax assets	6,827	6,707	119	5,646
Other investments and assets	3,352	3,336	16	3,826
Allowance for doubtful receivables	(2,099)	(2,152)	53	(2,002)
Total investments and other assets	87,143	98,984	(11,840)	119,453
Total fixed assets	382,846	392,727	(9,880)	408,941
Total assets	728,276	766,917	(38,641)	740,445

Note: Amounts less than ¥1 million have been omitted in this table.

(Millions of yen)

	FY2002 Interim Period (From April 1, 2001 to September 30, 2001)	FY2001 Interim Period (From April 1, 2000 to September 30, 2000)	Increment (Decrement)	FY2001 (From April 1, 2000 to March 31, 2001)
Liabilities:				
Current liabilities:				
Notes and accounts payable	186,151	206,188	(20,037)	187,531
Short-term debt	117,780	115,810	1,970	125,103
Accrued corporation tax	8,701	13,247	(4,546)	6,848
Accrued expenses	49,069	48,741	327	46,822
Allowance for product warranty	6,030	5,360	670	4,620
Other current liabilities	58,707	63,644	(4,936)	58,653
Total current liabilities	426,440	452,992	(26,551)	429,580
Long-term liabilities:				
Convertible bonds	19,993	19,993	--	19,999
Long-term debt	29,954	35,061	(5,107)	20,826
Deferred tax liabilities	1,428	6,290	(4,862)	16,699
Reserve for employee retirement benefits	55,328	53,988	1,339	51,699
Reserve for directors' retirement allowance	1,169	1,286	(117)	998
Other long-term liabilities	3,124	3,630	(505)	2,949
Total long-term liabilities	110,997	120,250	(9,252)	113,173
Total liabilities	537,437	573,242	(35,804)	542,754
Minority interests in consolidated subsidiaries	1,175	1,252	(77)	1,259
Shareholders' equity:				
Capital stock	28,404	28,404	--	28,401
Additional paid-in capital	10,827	10,827	--	10,824
Consolidated retained earnings	132,976	129,565	3,410	120,441
Other securities revaluation differences	21,548	28,179	(6,630)	38,317
Foreign exchange conversion adjustment account	(4,079)	(4,539)	459	(1,525)
Less treasury common stocks	(13)	(15)	1	(28)
Total shareholders' equity	189,663	192,422	(2,758)	196,432
Total liabilities and shareholders' equity	728,276	766,917	(38,641)	740,445

Note: Amounts less than ¥1 million have been omitted in this table.

Consolidated Statements of Retained Earnings for the Interim Period

(Millions of yen)

	FY2002 Interim Period (From April 1, 2001 to September 30, 2001)	FY2001 Interim Period (From April 1, 2000 to September 30, 2000)	Increment (Decrement)	FY2001 (From April 1, 2000 to March 31, 2001)
Balance at the beginning of the period	129,565	117,053	12,511	117,053
Cash dividends	1,708	1,708	0	2,989
Bonuses for directors	166	148	17	148
Decrease	1,874	1,857	17	3,138
Net income in the current interim period	5,285	5,244	40	15,650
Balance at end of interim period	132,976	120,441	12,534	129,565

Note: Amounts less than ¥1 million have been omitted in this table.

Consolidated Cash Flow Statements for the Interim Period

(Millions of yen)

	FY2002 Interim Period (From April 1, 2001 to September 30, 2001)	FY2001 Interim Period (From April 1, 2000 to September 30, 2000)	Increment (Decrement)	FY2001 (From April 1, 2000 to March 31, 2001)
I Cash Flow in Business Activities:				
Net profit in the current interim period before tax adjustments, etc.	9,192	9,369	(176)	30,324
Depreciation expenses	19,197	20,417	(1,220)	42,148
Increase/decrease in reserves	2,039	3,087	(1,048)	6,553
Interest earned and dividends received	(391)	(483)	91	(1,281)
Interest expenses	825	932	(106)	2,445
Return on invested capital under equity method	(74)	(439)	365	(1,790)
Gain or loss from sale of tangible fixed assets, etc.	729	879	(150)	1,914
Increase/decrease in trade receivables	31,919	16,799	15,119	(16,004)
Increase/decrease in inventories	666	(2,911)	3,577	(3,803)
Increase/decrease in trade debt	(20,037)	(1,089)	(18,947)	18,219
Increase/decrease in unpaid consumption tax and others	(603)	(1,441)	838	(634)
Others	(4,358)	4,543	(8,901)	3,628
Subtotal	39,104	49,662	(10,558)	81,719
Interest and dividends received	929	834	94	1,927
Interest paid	(834)	(935)	100	(2,431)
Corporate tax and other taxes paid	(12,305)	(10,289)	(2,016)	(17,308)
Cash flow in business activities	26,892	39,272	(12,379)	63,906
II Cash Flow in Investment Activities:				
Expenditure for acquisition of tangible fixed assets	(22,461)	(26,025)	3,564	(46,393)
Income from sale of tangible fixed assets	129	385	(256)	1,433
Expenditure for short-term loans	(1,807)	(3,388)	1,581	(6,794)
Income from collection of short-term loans	2,238	2,510	(272)	4,606
Expenditure for long-term loans	(465)	(549)	83	(1,710)
Income from collection of long-term loans	783	589	194	1,876
Others	638	(278)	916	1,689
Cash flow in investment activities	(20,945)	(26,755)	5,810	(45,292)
III Cash Flow in Financial Activities:				
Income from short-term borrowings	--	64,697	(64,697)	--
Expenditure for repayment of short-term borrowings	--	(55,376)	55,376	--
Increase/decrease in short-term borrowings	299	--	299	12,673
Income from long-term debt	1,942	2,343	(400)	15,184
Expenditure for repayment of long-term debt	(5,378)	(13,221)	7,842	(24,473)
Dividends paid	(1,708)	(1,708)	(0)	(2,989)
Dividends paid to minor shareholders	(4)	(4)	0	(4)
Others	1	(3)	4	54
Cash flow in financial activities	(4,849)	(3,273)	(1,576)	444
IV Difference from Conversion to Cash and Cash Equivalents	(11)	86	(97)	87
V Increase in Cash and Cash Equivalents	1,086	9,330	(8,244)	19,145
VI Initial Balance of Cash and Cash Equivalents	70,948	51,802	19,145	51,802
VII Balance of cash and cash equivalents at end of interim period	72,035	61,133	10,901	70,948

Note: Amounts less than ¥1 million have been omitted in this table.

Basic Matters to be Taken into Consideration for the Preparation of Consolidated Financial Results for the Interim Period

1. Scope of consolidation

Consolidated subsidiaries : 61

Major subsidiaries : Daihatsu Auto Body Co., Ltd., Daihatsu Credit Co., Ltd., Hyogo Daihatsu Sales Co., Ltd., Kumamoto Daihatsu Sales Co., Ltd., Daihatsu Deutschland GmbH

(Diminishment): Fukuyama Daihatsu Sales Co., Ltd.

The above company was merged into our subsidiary Hiroshima Daihatsu Sales Co., Ltd.

The name of Hiroshima Daihatsu Sales Co., Ltd. was changed to Daihatsu Hiroshima Sales Co., Ltd.

2. Application of the equity method

Affiliated companies to which the equity method was applied: 24

Major affiliates: Daihatsu Diesel Mfg. Co., Ltd., Osaka Daihatsu Sales Co., Ltd.

3. Interim period of consolidated subsidiaries

Of the group's consolidated subsidiaries, the following 8 companies close their books for interim account on June 30. Daihatsu Deutschland GmbH, Daihatsu Australia Pty. Ltd., Daihatsu Thailand Ltd., Daihatsu New Zealand Ltd., Daihatsu Motor (HK) Ltd., Daihatsu Europe, DMCA Inc., and Daihatsu Belgium N.V. Consolidated financial statements for the interim period are prepared on the basis of financial statements available from these subsidiaries as of the aforementioned settlement day. Any important business transactions conducted between the said day and the group's consolidated settlement day are necessarily subject to consolidated financial adjustment.

4. Basis and method of accounting

(a) Basis and method of valuation of securities:

Other securities

* Securities with market value are stated as determined by the market value method based on the market value, etc. on the last day of the interim period. (All valuation differences are handled by the direct injection of capital method.)

* Securities without market value are stated at cost as determined by the moving average cost method.

(b) Basis and method of valuation of inventories:

* Products (produced cars), products (supply parts), and work in progress are in general stated at lower cost as determined by the general average cost method.

* Products (purchased cars) are in general stated at lower cost as determined by the separated method.

* Raw materials are in general stated at lower cost as determined by the last-in first-out method.

(c) Depreciation methods of fixed assets:

Tangible fixed assets

Tangible fixed assets are depreciated on the basis of the declining balance method. However, the straight-line method is adopted for buildings (excluding attached facilities) acquired after April 1, 1998.

(d) Basis of accounting for important reserves:

Allowance for doubtful debts

To provide allowance for losses due to accounts receivable and other doubtful debts, general credits are earmarked according to the loan loss ratio. For specific credits such as doubtful debts, the probability for recovery is considered for each credit individually, with the estimate for irretrievable losses earmarked.

Allowance for product warranty

To provide for disbursements for post-sale service of products based on a written warranty, service expenses during the warranty period are set aside.

Reserve for retirement and severance benefits

To provide employees' retirement allowances, calculations are made based on estimated retirement allowance liability and pension assets as of the the end of the current consolidated interim period.

Differences from actuarial calculation are treated as costs from the following year onward by the straight-line method for the employees' average remaining years of service upon accrual.

Directors' retirement allowance and bonus

As for the amount earmarked as a provision for directors, an amount required for the end of the current consolidated interim period is set aside according to the directors' retirement allowance and bonus regulations.

(e) Accounting for lease transactions:

Finance lease transactions, other than those where the ownership of the leased property is regarded as transferable to the lessee, are accounted for and treated by the accounting method applicable to normal rental transactions.

(f) Important hedge accounting method:

Forward exchange contracts are all appropriated to money claims in foreign currencies. Forward exchange contracts are employed to avoid fluctuation risk of future exchange rates within the balance of money claims in foreign currencies, in accordance with internal management rules. Transaction results are reported to the board meeting every three months.

For interest rate swaps, all transactions are treated as exceptions. Interest rate swaps are employed for borrowings to avoid fluctuation risk in the borrowing interest rate in the future, subject to managerial approval. Details of all transactions are reported to the directors concerned on a regular basis.

(g) Method of treating consumption tax:

The company adopted a separate treatment method for Japanese consumption tax.

5. Scope of funds for consolidated cash flow statements for the consolidated interim period

Funds (cash and cash equivalents) on the the consolidated cash flow statements for the interim period include cash on hand, unrestricted cash as well as easily realizable short-term investments due within three months from acquisition with minor value fluctuation risk.

Changes in Registration**Consolidated interim cash flow statements**

Increase or decrease in short-term borrowings on the cash flow statement for financial activities (¥299 million for the current consolidated interim account period), which was previously described as "income from short-term borrowings" and "expenditure for repayment of short-term borrowings", is indicated as "increase/decrease of short-term borrowings" starting from the current consolidated interim account period.

Increase/decrease of short-term borrowings for the previous consolidated interim account period was ¥9,321 million.

Notes

Consolidated Balance Sheets for the Interim Period

(Millions of yen)

	FY2002 Interim Period (From April 1, 2001 to September 30, 2001)	FY2001 Interim Period (From April 1, 2000 to September 30, 2000)	FY2001 (From April 1, 2000 to March 31, 2001)
(1) Accumulated depreciation of tangible fixed assets	530,793	508,204	518,575
(2) Pledged assets and secured liabilities			
Pledged assets:			
Cash and cash deposits	12	84	4
Notes receivable	302	502	314
Buildings and structures	7,736	7,995	7,675
Machine, equipment and vehicles	849	989	903
Land	16,063	17,349	16,857
Other	2	3	1
Total	24,966	26,924	25,756
Secured liabilities:			
Short-term loans	23,712	28,065	25,128
Long-term loans	5,021	6,551	5,317
Total	28,734	34,617	30,445
(3) Guaranteed obligation	682	1,188	842

Consolidated Cash Flow Statements for the Interim Period

Relationship between the balance of cash and cash equivalent at the end of the interim period and the amount shown on the consolidated interim balance sheet

(Millions of yen)

	FY2002 Interim Period (From April 1, 2001 to September 30, 2001)	FY2001 Interim Period (From April 1, 2000 to September 30, 2000)	FY2001 (From April 1, 2000 to March 31, 2001)
Cash and cash deposit	72,916	62,375	72,056
Term deposit for three months or more	(881)	(1,241)	(1,107)
Cash and cash equivalents	72,035	61,133	70,948

Segment Information

1. Information by Industry Segment

The Daihatsu group is working in the business related to the manufacturing and sales of automobiles as its main business line. As the percentages in the total amount of net sales, operating income, and total assets of all segments occupied by the said segment are more than 90%, we omitted the description of the group's information by industry segment.

2. Information by Business Location

As the percentage of the figures resulting from Japan in the total amount of net sales and total assets of all business locations is more than 90%, we omitted the description of the group's information by geographical segment.

3. Overseas Sales

FY2002 interim period (April 1, 2001 to September 30, 2001)				(Millions of yen)
	Asia	Europe	Other regions	Total
Overseas sales	31,089	13,578	8,347	53,015
Consolidated sales				475,886
Overseas sales as a percentage of consolidated net sales	6.5%	2.8%	1.8%	11.1%
FY2001 interim period (April 1, 2000 to September 30, 2000)				(Millions of yen)
	Asia	Europe	Other regions	Total
Overseas sales	34,591	18,475	9,127	62,193
Consolidated sales				474,539
Overseas sales as a percentage of consolidated net sales	7.3%	3.9%	1.9%	13.1%
FY2001 (April 1, 2000 to March 31, 2001)				(Millions of yen)
	Asia	Europe	Other regions	Total
Overseas sales	60,967	33,237	19,173	113,378
Consolidated sales				998,785
Overseas sales as a percentage of consolidated net sales	6.1%	3.4%	1.9%	11.4%

- Notes:
- Classification of countries or regions is based on geographical proximity.
 - Principal countries and regions belonging to each class are as follows:
 - (1) Asia: Indonesia, Malaysia
 - (2) Europe: Germany, U.K., Italy
 - (3) Other regions: Dominican Republic, Australia
 - Overseas sales represent the sales amount of Daihatsu and its consolidated subsidiaries in the regions outside Japan.

Lease Transactions

1. Financial and lease transactions other than those for which the transfer of ownership rights to the lessee is recognized.

(1) Borrowing side		(Millions of yen)		
		FY2002 Interim Period (From April 1, 2001 to September 30, 2001)	FY2001 Interim Period (From April 1, 2000 to September 30, 2000)	FY2001 (From April 1, 2000 to March 31, 2001)
Amount equivalent to acquisition price		8,979	9,115	9,124
Amount equivalent to cumulative depreciation amount		4,897	4,227	4,582
Amount equivalent to balance at the end of the interim period (Amount equivalent to the balance at the end of the interim period of unexpired lease fees)		4,081	4,887	4,541
[Of these, amount within one year]		[1,047]	[1,487]	[1,353]
Lease fees paid (Amount equivalent to depreciation costs)		872	819	1,624

The calculation method for the amount equivalent to depreciation costs is to assume the lease period as the useful life and to use the straight-line method with the residual value as zero.

The amount equivalent to the acquisition price and the amount equivalent to the balance at the end of the interim period of unexpired lease fees are calculated using the method incorporating the interest paid, because the balance at the end of the interim period of unexpired lease fees accounts for a small percentage of the balance at the end of the interim period of fixed tangible assets.

(2) Lending side		(Millions of yen)		
		FY2002 Interim Period (From April 1, 2001 to September 30, 2001)	FY2001 Interim Period (From April 1, 2000 to September 30, 2000)	FY2001 (From April 1, 2000 to March 31, 2001)
Acquisition price		891	847	913
Cumulative depreciation amount		579	411	543
Balance at the end of the interim period		311	436	370
Amount equivalent to the balance at the end of the interim period of unexpired lease fees		426	506	495
[Of these, amount within one year]		[178]	[184]	[185]
Lease fees received		98	109	192
Depreciation expenses		68	67	138

The amount equivalent to the balance at the end of the interim period of unexpired lease fees is calculated using the method incorporating the interest received, because the total of the balance at the end of the interim period of unexpired lease fees and the balance of estimated remaining value accounts for a small percentage of the balance at the end of the interim period of operating credits.

2. Operating lease transactions (borrowing side)		(Millions of yen)		
		FY2002 Interim Period (From April 1, 2001 to September 30, 2001)	FY2001 Interim Period (From April 1, 2000 to September 30, 2000)	FY2001 (From April 1, 2000 to March 31, 2001)
Unexpired lease fees	One year or less	63	69	68
	Over one year	44	108	74
	Total	108	177	142

Securities

FY2002 interim period

Other securities with current market value (as of September 30, 2001) (Millions of yen)

Categories	Acquisition cost	Amount on consolidated interim balance sheet	Difference
Stocks	14,459	51,525	37,065
Bonds:			
Corporate bonds	65	89	24
Total	14,525	51,615	37,090

- Notes: 1. Amounts less than ¥1 million have been omitted in this table.
 2. The market value of listed securities is calculated principally based on the closing price on the Tokyo Stock Exchange.

FY2001 interim period

Other securities with current market value (as of September 30, 2000) (Millions of yen)

Categories	Acquisition cost	Amount on consolidated interim balance sheet	Difference
Stocks	14,713	80,636	65,922
Bonds:			
Corporate bonds	65	94	29
Total	14,779	80,730	65,951

- Notes: 1. Amounts less than ¥1 million have been omitted in this table.
 2. The market value of listed securities is calculated principally based on the closing price on the Tokyo Stock Exchange.

FY2001

(1) Other securities with current market value (as of March 31, 2001) (Millions of yen)

Categories	Acquisition cost	Amount on consolidated balance sheet	Difference
Items with amount on the consolidated balance sheet exceeding the acquisition cost:			
Stocks	13,145	61,687	48,541
Bonds:			
Corporate bonds	65	92	27
Subtotal	13,211	61,779	48,568
Items with amount on the consolidated balance sheet not exceeding the acquisition cost:			
Stocks	1,346	1,288	(57)
Bonds:			
Corporate bonds	--	--	--
Subtotal	1,346	1,288	(57)
Total	14,557	63,068	48,511

- Notes: 1. Amounts less than ¥1 million have been omitted in this table.
2. The market value of listed securities is calculated principally based on the closing price on the Tokyo Stock Exchange.

(2) Other securities sold during the fiscal year under review (from April 1, 2000 to March 31, 2001)

Amount sold: ¥2,560 million Total profit on sale: ¥2,489 million

(3) Of the other securities, the expected repayment amount in the future for those at maturity and debt instruments to be held to maturity (as of March 31, 2001):

(Millions of yen)

Categories	Over 1 year and within 5 years
Bonds:	
Corporate bonds	87
Total	87

Note: Amounts less than ¥1 million have been omitted in this table.

Derivative Transactions

FY2002 interim period (April 1, 2001 to September 30, 2001), FY2001 interim period (April 1, 2000 to September 30, 2000), and FY2001 (April 1, 2000 to March 31, 2001)

Hedge accounting applies to all the derivative transactions of the company group and there are no items to be noted.