

April 26, 2004
Fiscal 2004, ended March 2004

Non-Consolidated Financial Results

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 fiscal year closing held on:	April 26, 2004
Annual general meeting of shareholders:	June 29, 2004
Stock listings:	First section of Osaka Securities Exchange and Tokyo Stock Exchange
Interim dividend payment system:	Yes
Stock unit system:	Yes (1 unit = 1,000 shares)

1. Financial Results for Fiscal 2004 (From April 1, 2003 to March 31, 2004)

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

	FY2004		FY2003	
Net sales	784,357	[3.2%]	760,156	[(7.2%)]
Operating income	19,020	[90.1%]	10,005	[(22.3%)]
Recurring income	20,015	[105.8%]	9,727	[(32.6%)]
Net income in the period	13,315	[153.7%]	5,248	[(42.7%)]
Net income per share in the period (Yen)	30.86		12.7	
Post-dilution net income per share (Yen)	29.88		11.40	
Ratio of net income to shareholders' equity		6.4%		2.7%
Ratio of recurring income to total assets		3.8%		1.9%
Ratio of recurring income to net sales		2.6%		1.3%

- Notes: 1. Average number of shares in the period:
 FY2004 (ended March 2004): 427,065,378
 FY2003 (ended March 2003): 427,096,296
 2. Changes in accounting methods: [] Yes, [x] No
 3. Percentage (%) shown for Net sales, Operating income, Recurring income, and Net income in the period represents a yearly change from previous year, respectively.

(2) Cash dividends

	FY2004	FY2003	
Cash dividends per share (Yen):	7.00	6.00	
Interim	3.00	2.50	
Year-end	4.00	3.50	
Total cash dividends paid (Millions of yen)	2,989	2,562	
Payout ratio		22.5%	48.8%
Ratio of cash dividends to shareholders' equity		1.3%	1.3%

(3) Financial position

	FY2004		FY2003	
Total assets	548,361		504,004	
Shareholders' equity	224,121		190,276	
Shareholders' equity ratio		40.9%		37.8%
Shareholders' equity per share (Yen)	524.48		445.33	

- Notes: 1. Number of outstanding shares as of the end of the fiscal year:
 FY2004 (ended March 2004): 427,060,116
 FY2003 (ended March 2003): 427,070,247
 2. Number of outstanding treasury stock as of the end of the fiscal year:
 FY2004 (ended March 2004): 62,850
 FY2003 (ended March 2003): 52,719

2. Projected Operating Results (Fiscal year ending March 31, 2005)

	(Millions of yen)	
	Interim	Full year
Net sales	395,000	830,000
Recurring income	9,000	21,000
Net income	6,000	14,500

Ref.: Estimated net income per share for the full year: ¥33.95

Note: It is possible that the company's actual operating results for the year ending March 2005 will be different from the above projected figures due to supply and demand trends in our primary markets, uncertainty in foreign exchange rates, and other factors.

Sales Volume and Amounts

1. Number of automobiles sold

	(Units)					
	FY2004		FY2003		Increment (Decrement)	
Mini cars						
Mini passenger cars:						
Domestic	401,965		355,207		46,758	13.2%
Export	30,043		14,921		15,122	101.3%
Total	432,008		370,128		61,880	16.7%
Mini commercial cars:						
Domestic	135,611		140,044		(4,433)	(3.2%)
Export	871		567		304	53.6%
Total	136,482		140,611		(4,129)	(2.9%)
Domestic	537,576		495,251		42,325	8.5%
Export	30,914		15,488		15,426	99.6%
Total of mini cars	568,490		510,739		57,751	11.3%
Small cars						
Small passenger cars:						
Domestic	7,392		11,218		(3,826)	(34.1%)
Export	43,728		46,596		(2,868)	(6.2%)
Total	51,120		57,814		(6,694)	(11.6%)
Small commercial cars:						
Domestic	902		994		(92)	(9.3%)
Export	10,491		13,582		(3,091)	(22.8%)
Total	11,393		14,576		(3,183)	(21.8%)
Domestic	8,294		12,212		(3,918)	(32.1%)
Export	54,219		60,178		(5,959)	(9.9)
Total of small cars	62,513		72,390		(9,877)	(13.6)
Daihatsu cars						
Domestic	545,870	[75.6%]	507,463	[74.4%]	38,407	7.6%
Export	85,133	[11.8%]	75,666	[11.1%]	9,467	12.5%
Total of Daihatsu cars	631,003	[87.4%]	583,129	[85.5%]	47,874	8.2%
Toyota cars						
Consigned cars	77,433	[10.7%]	78,986	[11.6%]	(1,553)	(2.0%)
OEM cars	13,380	[1.9%]	19,875	[2.9%]	(6,495)	(32.7%)
Total of Toyota cars	90,813	[12.6%]	98,861	[14.5%]	(8,048)	(8.1%)
Grand total	721,816	[100%]	681,990	[100%]	39,826	5.8%
Parts for overseas production (sets)	164,680		154,130		10,550	6.8%
Consigned engines	184,240		197,244		(13,004)	(6.6%)

2. Sales amounts

	(Millions of yen)					
	FY2004		FY2003		Increment (Decrement)	
Daihatsu						
Domestic	516,885	[65.9%]	486,758	[64.1%]	30,127	6.2%
Export	117,085	[15.0%]	111,940	[14.7%]	5,144	4.6%
Total	633,971	[80.9%]	598,699	[78.8%]	35,271	5.9%
Consigned/OEM	150,386	[19.1%]	161,457	[21.2%]	(11,070)	(6.9%)
Grand total	784,357	[100%]	760,156	[100%]	24,201	3.2%

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

2. Figures in [] are composition ratios.

Non-Consolidated Statements of Profit and Loss (Years ended March 31, 2004 and 2003)

(Millions of yen)

	FY2004		FY2003		Increment (Decrement)	
Net sales	784,357	100.0%	760,156	100%	24,201	3.2%
Cost of sales	656,572	83.7%	648,771	85.3%	7,800	1.2%
Gross profit	127,785	16.3%	111,384	14.7%	16,400	14.7%
Selling, general and administrative expenses	108,764	13.9%	101,379	13.4%	7,385	7.3%
Operating income	19,020	2.4%	10,005	1.3%	9,015	90.1%
Non-operating profits:						
Interest and dividend income	1,887		2,353		(465)	
Miscellaneous profits	1,579		986		593	
Total non-operating profits	3,467		3,339		127	3.8%
Non-operating expenses:						
Interest paid	51		54		(2)	
Miscellaneous losses	2,420		3,562		(1,141)	
Total non-operating expenses	2,472		3,616		(1,144)	(31.7%)
Recurring income	20,015	2.6%	9,727	1.3%	10,287	105.8%
Extraordinary profits:						
Profit from the return of the substitute portion of the employee pension fund	—		13,210		(13,210)	
Gain on sale of fixed assets	—		311		(311)	
Total extraordinary profits	—		13,522		(13,522)	—
Extraordinary losses:						
Loss from revaluation of subsidiary stocks	—		13,092		(13,092)	
Loss from advanced depreciation of fixed assets	—		310		(310)	
Total extraordinary losses	—		13,402		(13,402)	—
Income before income taxes in the period	20,015	2.6%	9,848	1.3%	10,167	103.2%
Corporate and inhabitants' taxes and enterprise tax	12,300		6,650		5,650	
Corporate tax, other adjustments	(5,600)		(2,050)		(3,550)	
Net income in the period	13,315	1.7%	5,248	0.7%	8,067	153.7%
Unappropriated retained earnings brought forward from the preceding period	4,617		4,419		197	
Interim dividends	1,281		1,067		213	
Unappropriated retained earnings in the period	16,652		8,600		8,052	

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

Non-Consolidated Balance Sheets (Years ended March 31, 2004 and 2003)

	(Millions of yen)		
	FY2004	FY2003	Increment (Decrement)
Assets:			
Current assets:			
Cash on hand and in banks	726	1,494	(768)
Deposits	35,507	16,217	19,290
Notes receivable	1,202	1,833	(631)
Accounts receivable	116,972	118,101	(1,129)
Negotiable securities	20	-	20
Finished products	5,817	5,178	638
Raw materials and supplies	2,059	2,093	(33)
Work in process	11,483	11,223	260
Deferred tax assets	22,519	19,030	3,489
Short-term loans receivable	38,965	39,516	(550)
Outstanding receivables	19,345	21,931	(2,585)
Other current assets	170	65	105
Allowance for doubtful receivables	(10,197)	(10,446)	249
Total current assets	244,593	226,240	18,353
Fixed assets:			
Tangible fixed assets:			
Buildings	44,732	47,045	(2,312)
Structures	9,022	7,502	1,519
Machinery and equipment	61,598	62,824	(1,226)
Vehicles and transport equipment	771	827	(56)
Tools, furniture and fixtures	14,326	15,200	(874)
Land	57,722	57,846	(124)
Construction in progress	1,567	4,159	(2,591)
Total tangible fixed assets	189,740	195,407	(5,666)
Intangible fixed assets:			
Leasehold	345	345	-
Utility rights, etc.	132	147	(15)
Total intangible fixed assets	477	492	(15)
Investments and other assets:			
Investments in securities	62,662	22,723	39,939
Investments in subsidiaries and affiliates	38,407	37,305	1,102
Long-term loans receivable	11,841	7,114	4,726
Deferred tax assets	716	14,483	(13,767)
Other investments and assets	603	646	(42)
Allowance for doubtful receivables	(682)	(409)	(273)
Total investments and other assets	113,549	81,863	31,685
Total fixed assets	303,767	277,764	26,003
Total assets	548,361	504,004	44,356

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

	(Millions of yen)		
	FY2004	FY2003	Increment (Decrement)
Liabilities:			
Current liabilities:			
Accounts payable	179,439	174,889	4,549
Long-term debt due within one year	3	4	(0)
Convertible bonds scheduled for redemption within one year	–	19,993	(19,993)
Accrued accounts payable	16,629	8,121	8,507
Accrued expenses	53,154	46,500	6,653
Accrued corporation tax	9,600	3,736	5,863
Accrued consumption tax	1,433	1,365	68
Advances received	1,125	1,911	(786)
Deposits received	12,257	9,934	2,322
Allowance for product warranty	7,600	7,300	300
Reserves for participating in Expo 2005 Aichi	44	14	29
Deposits from employees	7,422	7,730	(307)
Other current liabilities	43	21	22
Total current liabilities	288,754	281,524	7,230
Long-term liabilities:			
Long-term debt	10	14	(3)
Reserve for employee retirement benefits	32,641	29,800	2,841
Reserve for directors' retirement allowance	1,346	947	398
Deposits received as guarantee	1,487	1,442	45
Total long-term liabilities	35,485	32,204	3,281
Total liabilities	324,239	313,728	10,511
Shareholders' equity:			
Capital stock	28,404	28,404	–
Capital surplus	10,827	10,827	–
Additional paid-in capital	10,827	10,827	–
Earned surplus			
Legal reserve	7,101	7,101	–
Voluntary reserve	131,979	129,580	2,398
Special reserve	126,300	123,800	2,500
Fund for research	1,313	1,313	–
Reserve for special depreciation	406	562	(155)
Reserve for advanced depreciation of fixed assets	3,959	3,904	54
Unappropriated retained earnings	16,652	8,600	8,052
Total earned surplus	155,732	145,281	10,450
Other securities revaluation differences	29,182	5,783	23,398
Treasury stock	(25)	(21)	(4)
Total shareholders' equity	224,121	190,276	33,845
Total liabilities and shareholders' equity	548,361	504,004	44,356

Proposal for Appropriation of Retained Earnings

	(Millions of yen)		
	FY2004	FY2003	Increment (Decrement)
Unappropriated retained earnings at end of the period	16,652	8,600	8,052
Breaking down of reserve for special depreciation	115	162	(46)
Breaking down of reserve for advanced depreciation of fixed assets	21	19	1
Total retained earnings	16,789	8,782	8,007
This has been allocated as follows:			
Ordinary dividends	1,708	1,494	213
[Cash dividends per share in yen]	[4]	[3.50]	[0.50]
Bonuses for directors	120	76	43
Bonuses for auditors	14	12	2
Reserve for special depreciation	2	6	(4)
Reserve for advanced depreciation of fixed assets	101	74	27
Special reserve fund	10,000	2,500	7,500
Retained earnings carried forward	4,843	4,617	225

Notes: 1. Amounts less than ¥1 million have been omitted in this table.
 2. On December 10, 2003, dividends amounting to ¥1,281 million (¥3.0 per share) were paid.

Significant Accounting Policies

1. Basis and method of valuation of securities listed at stock exchanges

Subsidiary stocks and affiliated company stocks:	Valuation at cost using the moving average method
Other marketable securities	
Securities with market value:	Market value method based on the market value, etc., on the last day of the period. (All valuation differences are handled by the direct insertion of capital method, and sales costs are calculated using the moving-average method.)
Securities without market value:	Valuation at cost using the moving average method

2. Basis and method of valuation of inventories

- (1) Products (produced cars), products (supply parts), and work in process are stated at lower cost as determined by the periodic average method.
- (2) Products (purchased cars) are stated at lower cost as determined by the individual price method.
- (3) Raw materials are stated at lower cost as determined by the last-in first-out method.

3. Depreciation methods of fixed assets

- (1) 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.
- (2) Intangible fixed assets
Intangible fixed assets are depreciated on the basis of the straight line method.

4. Basis of accounting for reserves

- (1) Allowance for doubtful debts
We have made provisions for possible losses from accounts receivable or other loans. The estimate for irretrievable losses was allocated for general credits and specific credits such as doubtful debts by considering the loan loss ratio and the probability for recovery of each credit, respectively.
- (2) Allowance for product warranty
To provide for disbursements for post-sale service of products based on a written warranty, an estimated amount for service expenses during the warranty period is set aside.
- (3) Reserve for participating in Expo 2005 Aichi
To provide expenses required to participate in the 2005 World Exposition, Aichi, Japan, an amount allocated over the period is set aside based on estimated total expenses.
- (4) Reserve for retirement allowance
To provide employees' retirement allowances, calculations are made based on estimated retirement allowance liability and pension assets as of the end of the current fiscal year.
Differences from actuarial calculation are treated as costs from the year following the accrual by the straightline method for the employees' average remaining years of service upon accrual.
- (5) Reserve for directors' retirement benefits
To provide directors' retirement benefits for special services, an amount required for year-end payment is set aside in accordance with internal regulations regarding the payment of such benefits.

5. 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.

6. 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.

7. Method of treating consumption tax

The tax-excluded method was adopted to treat consumption tax.

Notes

Statements of Profit and Loss	(Millions of yen)	
	FY2004	FY2003
(1) Transactions with affiliated companies:		
Sales	572,086	558,948
Procurements	181,368	211,182
Interest received	353	329
Dividends received	1,253	1,704
(2) Research and development expenses	32,864	32,359

Balance Sheets	(Millions of yen)	
	FY2004	FY2003
(1) Monetary credits and debts with affiliated companies:		
Short-term monetary credits	175,265	159,402
Short-term monetary debts	46,520	39,359
Long-term monetary credits	10,622	5,728
Long-term monetary debts	729	699
(2) Amount of cumulative depreciation of fixed tangible assets	456,680	448,322
(3) Liabilities for warranties	286	356

Lease Transactions

The description has been omitted because the contents are disclosed by EDINET.

Securities

	(Millions of yen)	
	FY2004	FY2003
Affiliated company stock with current market value:		
Amount recorded on balance sheet	826	826
Market value at year-end	1,800	883
Difference	973	57

Tax-effect Accounting

	(Millions of yen)	
	FY2004	FY2003
Deferred tax assets	46,056	40,511
Deferred tax liabilities	(22,820)	(6,997)
Net amount of deferred tax assets	23,235	33,513

Changes in Directorates

Persons to be appointed new directors

<i>Name</i>	<i>Current status</i>
Teruyuki Minoura	Senior Managing Director, Toyota Motor Corp. To be appointed Executive Vice President (Representative Director) at the board meeting after the General Meeting of Shareholders on June 29
Takanori Matsuo	On loan to Toyota Motor Manufacturing North America, Inc. (Equivalent to General Manager of Toyota Motor Corp.)
Jun Nagata	General Manager, Styling Division
Masanori Mitsui	General Manager, Body, Surface Treatment & Assembly Production Engineering Div.
Kunihiko Morita	General Manager, Corporate Planning Division

Directors scheduled to retire

Ichi Shingu	Chairman (Representative Director) (To be appointed Corporate Advisor to the Board)
Kozou Sugihara	Executive Vice President (Representative Director) (To be appointed Corporate Advisor to the Board)
Kentaro Shimizu	Senior Managing Director (Representative Director) (To be appointed Corporate Advisor)
Tetsuya Honda	Director (Equivalent to Managing Director) (To be appointed Corporate Advisor)

Scheduled change in status of executive directors

Katsuhiko Okumura Senior Managing Director	Managing Director
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