

**April 26, 2005**  
**Fiscal 2005, ended March 2005**

## Non-Consolidated Financial Results

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### **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, 2005
Annual general meeting of shareholders:	June 29, 2005
Date scheduled for dividend payment to start:	June 30, 2005
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 2005 (From April 1, 2004 to March 31, 2005)

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

### (1) Operating results

	FY2005		FY2004	
Net sales	929,854	[18.5%]	784,357	[3.2%]
Operating income	28,708	[50.9%]	19,020	[90.1%]
Recurring income	29,232	[46.0%]	20,015	[105.8%]
Net income in the period	20,032	[50.4%]	13,315	[153.7%]
Net income per share in the period (Yen)	46.56		30.86	
Post-dilution net income per share (Yen)	—		29.88	
Ratio of net income to shareholders' equity		8.7%		6.4%
Ratio of recurring income to total assets		5.0%		3.8%
Ratio of recurring income to net sales		3.1%		2.6%

Notes: 1. Average number of shares in the period:  
 FY2005 (ended March 2005): 427,041,272  
 FY2004 (ended March 2004): 427,065,378  
 2. Changes in accounting methods: [x] Yes, [ ] 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

	FY2005	FY2004
Cash dividends per share (Yen):	9.00	7.00
Interim	3.00	3.00
Year-end	6.00	4.00
Total cash dividends paid (Millions of yen)	3,843	2,989
Payout ratio	19.2%	22.5%
Ratio of cash dividends to shareholders' equity	1.6%	1.3%

### (3) Financial position

	FY2005		FY2004	
Total assets	612,181		548,361	
Shareholders' equity	238,351		224,121	
Shareholders' equity ratio		38.9%		40.9%
Shareholders' equity per share (Yen)	557.82		524.48	

Notes: 1. Number of outstanding shares as of the end of the fiscal year:  
 FY2005 (ended March 2005): 427,022,502  
 FY2004 (ended March 2004): 427,060,116  
 2. Number of outstanding treasury stock as of the end of the fiscal year:  
 FY2005 (ended March 2005): 100,464  
 FY2004 (ended March 2004): 62,850

**2. Projected Operating Results (Fiscal year ending March 31, 2006)**

	(Millions of yen)	
	Interim	Full year
Net sales	440,000	950,000
Recurring income	12,000	27,000
Net income	8,000	18,000

Ref.: Estimated net income per share for the full year: ¥42.15

Note: It is possible that the company's actual operating results for the year ending March 2006 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)	
	FY2005	FY2004	Increment (Decrement)	
<b>Mini cars</b>				
Mini passenger cars:				
Domestic	431,674	401,965	29,709	7.4%
Export	26,165	30,043	(3,878)	(12.9%)
Total	457,839	432,008	25,831	6.0%
Mini commercial cars:				
Domestic	136,683	135,611	1,072	0.8%
Export	775	871	(96)	(11.0%)
Total	137,458	136,482	976	0.7%
Domestic	568,357	537,576	30,781	5.7%
Export	26,940	30,914	(3,974)	(12.9%)
Total of mini cars	<b>595,297</b>	<b>568,490</b>	<b>26,807</b>	<b>4.7%</b>
<b>Small cars</b>				
Small passenger cars:				
Domestic	18,644	7,392	11,252	152.2%
Export	57,852	43,728	14,124	32.3%
Total	76,496	51,120	25,376	49.6%
Small commercial cars:				
Domestic	669	902	(233)	(25.8%)
Export	16,915	10,491	6,424	61.2%
Total	17,584	11,393	6,191	54.3%
Domestic	19,313	8,294	11,019	132.9%
Export	74,767	54,219	20,548	37.9%
Total of small cars	<b>94,080</b>	<b>62,513</b>	<b>31,567</b>	<b>50.5%</b>
<b>Daihatsu cars</b>				
Domestic	587,670	545,870	41,800	7.7%
Export	101,707	85,133	16,574	19.5%
Total of Daihatsu cars	<b>689,377</b>	<b>631,003</b>	<b>58,374</b>	<b>9.3%</b>
<b>Toyota cars</b>				
Consigned cars	177,635	77,433	100,202	129.4%
OEM cars	2,474	13,380	(10,906)	(81.5%)
Total of Toyota cars	<b>180,109</b>	<b>90,813</b>	<b>89,296</b>	<b>98.3%</b>
<b>Grand total</b>	<b>869,486</b>	<b>721,816</b>	<b>147,670</b>	<b>20.5%</b>
Parts for overseas production (sets)	258,420	164,680	93,740	56.9%
Consigned engines	256,631	184,240	72,391	39.3%

### 2. Sales amounts

			(Millions of yen)	
	FY2005	FY2004	Increment (Decrement)	
<b>Daihatsu</b>				
Domestic	562,201	516,885	45,315	8.8%
Export	141,929	117,085	24,844	21.2%
Total	<b>704,130</b>	<b>633,971</b>	<b>70,159</b>	<b>11.1%</b>
Consigned/OEM	225,723	150,386	75,336	50.1%
<b>Grand total</b>	<b>929,854</b>	<b>784,357</b>	<b>145,496</b>	<b>18.5%</b>

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, 2005 and 2004)**

(Millions of yen)

	FY2005		FY2004		Increment (Decrement)	
Net sales	929,854	100.0%	784,357	100.0%	145,496	18.5%
Cost of sales	784,895	84.4%	656,572	83.7%	128,323	19.5%
<b>Gross profit</b>	<b>144,958</b>	<b>15.6%</b>	<b>127,785</b>	<b>16.3%</b>	<b>17,173</b>	<b>13.4%</b>
Selling, general and administrative expenses	116,250	12.5%	108,764	13.9%	7,485	6.9%
<b>Operating income</b>	<b>28,708</b>	<b>3.1%</b>	<b>19,020</b>	<b>2.4%</b>	<b>9,687</b>	<b>50.9%</b>
<b>Non-operating profits:</b>						
Interest and dividend income	1,956		1,887		68	
Miscellaneous profits	2,154		1,579		574	
Total non-operating profits	<b>4,110</b>		<b>3,467</b>		<b>643</b>	<b>18.6%</b>
<b>Non-operating expenses:</b>						
Interest paid	50		51		(1)	
Miscellaneous losses	3,536		2,420		1,116	
Total non-operating expenses	<b>3,587</b>		<b>2,472</b>		<b>1,115</b>	<b>45.1%</b>
<b>Recurring income</b>	<b>29,232</b>	<b>3.1%</b>	<b>20,015</b>	<b>2.6%</b>	<b>9,216</b>	<b>46.0%</b>
<b>Income before income taxes in the period</b>	<b>29,232</b>	<b>3.1%</b>	<b>20,015</b>	<b>2.6%</b>	<b>9,216</b>	<b>46.0%</b>
Corporate and inhabitants' taxes and enterprise tax	12,700		12,300		400	
Corporate tax, other adjustments	(3,500)		(5,600)		2,100	
<b>Net income in the period</b>	<b>20,032</b>	<b>2.2%</b>	<b>13,315</b>	<b>1.7%</b>	<b>6,716</b>	<b>50.4%</b>
Unappropriated retained earnings brought forward from the preceding period	4,843		4,617		225	
Interim dividends	1,281		1,281		(0)	
<b>Unappropriated retained earnings in the period</b>	<b>23,593</b>		<b>16,652</b>		<b>6,941</b>	

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

**Non-Consolidated Balance Sheets (Years ended March 31, 2005 and 2004)**

	(Millions of yen)		
	FY2005	FY2004	Increment (Decrement)
<b>Assets:</b>			
<b>Current assets:</b>			
Cash on hand and in banks	1,338	726	612
Deposits	52,507	35,507	17,000
Notes receivable	1,179	1,202	(22)
Accounts receivable	141,195	116,972	24,222
Negotiable securities	–	20	(20)
Finished products	6,810	5,817	993
Raw materials and supplies	797	2,059	(1,262)
Work in process	11,442	11,483	(41)
Deferred tax assets	24,906	22,519	2,386
Short-term loans receivable	35,932	38,965	(3,032)
Outstanding receivables	21,760	19,345	2,415
Other current assets	215	170	45
Allowance for doubtful receivables	(10,230)	(10,197)	(33)
<b>Total current assets</b>	<b>287,857</b>	<b>244,593</b>	<b>43,263</b>
<b>Fixed assets:</b>			
<b>Tangible fixed assets:</b>			
Buildings	45,159	44,732	427
Structures	9,373	9,022	351
Machinery and equipment	71,459	61,598	9,860
Vehicles and transport equipment	772	771	1
Tools, furniture and fixtures	13,814	14,326	(511)
Land	57,774	57,722	52
Construction in progress	1,792	1,567	225
<b>Total tangible fixed assets</b>	<b>200,146</b>	<b>189,740</b>	<b>10,406</b>
<b>Intangible fixed assets:</b>			
Leasehold	345	345	–
Utility rights, etc.	117	132	(14)
<b>Total intangible fixed assets</b>	<b>463</b>	<b>477</b>	<b>(14)</b>
<b>Investments and other assets:</b>			
Investments in securities	58,203	62,662	(4,459)
Investments in subsidiaries and affiliates	39,814	38,407	1,406
Long-term loans receivable	22,645	11,841	10,804
Deferred tax assets	3,631	716	2,915
Other investments and assets	574	603	(29)
Allowance for doubtful receivables	(1,155)	(682)	(473)
<b>Total investments and other assets</b>	<b>123,714</b>	<b>113,549</b>	<b>10,165</b>
<b>Total fixed assets</b>	<b>324,324</b>	<b>303,767</b>	<b>20,556</b>
<b>Total assets</b>	<b>612,181</b>	<b>548,361</b>	<b>63,820</b>

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

	(Millions of yen)		
	FY2005	FY2004	Increment (Decrement)
<b>Liabilities:</b>			
<b>Current liabilities:</b>			
Accounts payable	219,367	179,439	39,928
Long-term debt due within one year	2	3	(0)
Accrued accounts payable	19,000	16,629	2,370
Accrued expenses	61,267	53,154	8,113
Accrued corporation tax	7,174	9,600	(2,426)
Accrued consumption tax	1,075	1,433	(358)
Advances received	1,244	1,125	118
Deposits received	11,842	12,257	(414)
Allowance for product warranty	7,900	7,600	300
Reserves for participating in Expo 2005 Aichi	26	44	(17)
Deposits from employees	7,388	7,422	(34)
Other current liabilities	638	43	594
<b>Total current liabilities</b>	<b>336,928</b>	<b>288,754</b>	<b>48,174</b>
<b>Long-term liabilities:</b>			
Long-term debt	6	10	(4)
Reserve for employee retirement benefits	34,066	32,641	1,424
Reserve for directors' retirement allowance	1,389	1,346	43
Deposits received as guarantee	1,440	1,487	(47)
<b>Total long-term liabilities</b>	<b>36,902</b>	<b>35,485</b>	<b>1,416</b>
<b>Total liabilities</b>	<b>373,830</b>	<b>324,239</b>	<b>49,590</b>
<b>Shareholders' equity:</b>			
<b>Capital stock</b>			
Capital stock	28,404	28,404	-
<b>Capital surplus</b>			
Capital surplus	10,827	10,827	-
Additional paid-in capital	10,827	10,827	-
<b>Earned surplus</b>			
Legal reserve	7,101	7,101	-
Voluntary reserve	141,945	131,979	9,966
Special reserve	136,300	126,300	10,000
Fund for research	1,313	1,313	-
Reserve for special depreciation	293	406	(113)
Reserve for advanced depreciation of fixed assets	4,038	3,959	79
Unappropriated retained earnings	23,593	16,652	6,941
<b>Total earned surplus</b>	<b>172,640</b>	<b>155,732</b>	<b>16,907</b>
<b>Other securities revaluation differences</b>	<b>26,534</b>	<b>29,182</b>	<b>(2,648)</b>
<b>Treasury stock</b>	<b>(55)</b>	<b>(25)</b>	<b>(29)</b>
<b>Total shareholders' equity</b>	<b>238,351</b>	<b>224,121</b>	<b>14,229</b>
<b>Total liabilities and shareholders' equity</b>	<b>612,181</b>	<b>548,361</b>	<b>63,820</b>

### Proposal for Appropriation of Retained Earnings

	(Millions of yen)		
	FY2005	FY2004	Increment (Decrement)
Unappropriated retained earnings at end of the period	23,593	16,652	6,941
Breaking down of reserve for special depreciation	106	115	(8)
Breaking down of reserve for advanced depreciation of fixed assets	20	21	(0)
<b>Total retained earnings</b>	<b>23,721</b>	<b>16,789</b>	<b>6,931</b>
<b>This has been allocated as follows:</b>			
Ordinary dividends	2,562	1,708	853
[Cash dividends per share in yen]	[6]	[4]	[2]
Bonuses for directors	129	120	9
Bonuses for auditors	18	14	3
Reserve for special depreciation	47	2	45
Reserve for advanced depreciation of fixed assets	—	101	(101)
Special reserve fund	16,000	10,000	6,000
Retained earnings carried forward	4,963	4,843	120

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

2. On December 10, 2004, 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.

## **8. Asset-impairment accounting standards**

As the “Accounting Standard of Impairment Loss on the Fixed Assets” (“Opinion on Establishment of Accounting Standard of Impairment Loss on the Fixed Assets” (Business Accounting Council, August 9, 2002)) and the “Application Guideline for Accounting Standard of Impairment Loss on the Fixed Assets” (issue No.6 of Application Guidelines in Accounting Standards for Business Enterprises, October 31, 2003) may be applied to the consolidated financial statements for the fiscal year ending on March 31, 2004, the accounting standard and the application guideline have been applied from this period. The total amount of impairment loss is to be directly deducted from the amount of each asset concerned based on the rules such as the financial statements after the amendment. This, however, has no effect on the pre-tax net income for the period.

**Notes****Statements of Profit and Loss**

(Millions of yen)

	FY2005	FY2004
(1) Transactions with affiliated companies:		
Sales	694,673	572,086
Procurements	223,794	181,368
Interest received	485	353
Dividends received	1,052	1,253
(2) Research and development expenses	39,444	32,864

**Balance Sheets**

(Millions of yen)

	FY2005	FY2004
(1) Monetary credits and debts with affiliated companies:		
Short-term monetary credits	212,247	175,265
Short-term monetary debts	49,630	46,520
Long-term monetary credits	21,494	10,622
Long-term monetary debts	737	729
(2) Amount of cumulative depreciation of fixed tangible assets	456,272	456,680
(3) Liabilities for warranties	235	286

**Lease Transactions**

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

**Securities**

(Millions of yen)

	FY2005	FY2004
Affiliated company stock with current market value:		
Amount recorded on balance sheet	826	826
Market value at year-end	3,477	1,800
Difference	2,651	973

**Tax-effect Accounting**

(Millions of yen)

	FY2005	FY2004
Deferred tax assets	49,471	46,056
Deferred tax liabilities	(20,933)	(22,820)
Net amount of deferred tax assets	28,537	23,235

## Changes in Directorates

### Persons to be appointed new directors

<i>Name</i>	<i>Current status</i>
Kosuke Shiramizu	Executive Vice President, Toyota Motor Corp. To be appointed Chairman (Representative Director) at the board meeting after the General Meeting of Shareholders on June 29
Tadafumi Aisaka	Executive Chief Engineer, Product Planning Division (Equivalent to General Manager)
Masahiro Takahashi	General Manager, Product Marketing Division
Toshiharu Imanishi	On loan to PT. Astra Daihatsu Motor (Equivalent to General Manager of Daihatsu Motor Co., Ltd.)

### Directors scheduled to retire

Takaya Yamada	Executive President (Representative Director) (To be appointed Corporate Advisor to the Board)
Takashi Higashi	Executive Vice President (Representative Director) (To be appointed Corporate Advisor to the Board)
Yoshimitsu Sato	Senior Managing Director (To be appointed Corporate Advisor)
Kenzo Miyawaki	Managing Director (To be appointed Corporate Advisor)

### Person to be appointed new auditor

Mitsuo Kinoshita	Senior Managing Director, Toyota Motor Corp.
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(Note) Mr. Mitsuo Kinoshita is the person to be appointed as the external auditor specified in Paragraph 1 of Article 18 of the Law concerning special examples of the Business Law regarding the audit of a stock company.

### Auditor scheduled to retire

Ryuji Araki	Auditor
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### Scheduled change in status of executive directors

Teruyuki Minoura Executive President (Representative Director)	Executive Vice President (Representative Director)
Katsuyuki Kamio Executive Vice President (Representative Director)	Senior Managing Director
Kiyokazu Seo Executive Vice President (Representative Director)	Senior Managing Director
Katsuhiko Okumura Executive Vice President (Representative Director)	Senior Managing Director
Koichi Fujikawa Managing Director	Director
Yoshihiro Uehara Managing Director	Director
Tamio Nakakubo Managing Director	Director
Kazuki Uoi Managing Director	Director