

FY2008  
(April 1, 2007 through March 31, 2008)  
Financial Results Presentation



April 24, 2008  
DAIHATSU MOTOR CO., LTD.

## ○ Please Bear in Mind ...

- The financial forecasts detailed in this presentation for Daihatsu, its subsidiaries and affiliates are based on information at hand and as interpreted by Daihatsu. Actual results may differ significantly from the forecasts due to the realization of various risks and uncertain factors such as changing economic trends, market demand, exchange rates, taxation systems and other relevant factors.
- We ask that investors make their final decisions on investment after taking into consideration the above point. Please do not make investment decisions based solely on the information presented herein.



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○ Consolidated Financial Statement Highlights for FY2008  
(April 2007 through March 2008)

1. Increases in both revenue and income for the sixth consecutive year

➡ Net sales increase by 4% and operating income by 19.9% for record high figures

2. Increase in mini vehicle market share for the second consecutive fiscal year

➡ Further increase in market share due to favorable sales in Japan, mainly of the Tanto

3. Increase in overseas net sales by 10% compared to FY2007

➡ Continued strong sales in Indonesia and Malaysia; increased CBU exports

4. Expansion of joint operations with the Toyota Group

➡ Increase in production outsourced to Daihatsu, and OEM vehicles in Indonesia

# Overview

## ① Consolidated Unit Sales

(Unit: Thousand units)

	FY2008 (Apr 1 - Mar 31, 2008)	FY2007 (Apr 1 - Mar 31, 2007)	Increase/decrease (%)
Japan	571	586	-2.7
(mini vehicles)	(562)	(567)	(-1.0)
Overseas	374	342	+9.3
Total Daihatsu vehicles	945	929	+1.8
Production outsourced to Daihatsu (Japan)	245	263	-6.5
Production outsourced to Daihatsu (overseas)	110	97	+12.8
OEM Vehicles	36	28	+30.2
Total outsourced and OEM vehicles	391	387	+1.0
Total	1,336	1,316	+1.5
Engine production outsourced to Daihatsu	434	385	+12.6

# Overview

## ② Net Sales and Income (Consolidated)

(Unit: billion yen)

	FY2008 (Apr 1 - Mar 31, 2008)	FY2007 (Apr 1 - Mar 31, 2007)	Increase/decrease (%)
Net sales	1702.6	1637.1	+4.0
Operating income	65.2	54.3	+19.9
Income before extraordinary items, income taxes and minority interests	66.5	60.2	+10.6
Net income	34.9	34.7	+0.6

Annual cash dividends per share	17 yen	15 yen
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\*FY2007 includes special 2 yen dividend

# Overview

## 3 Factors Contributing to Changes in Consolidated Operating Income

(Unit: billion yen)

Factors		Increase/decrease in FY2008 (Apr 1 – Mar 31, 2008)
Factors contributing to an increase	Changes in sales volumes and in the model mix	+19.0
	Cost reduction efforts	+10.6
	Effects of changes in exchange rates	+3.9
	Subtotal	+33.5
Factors contributing to a decrease	Increases in miscellaneous expenses, etc.	-22.7
	Subtotal	-22.7
Total		+10.8

# Overview

## ④ Forecast of Consolidated Financial Results for FY2009

(Unit: billion yen)

	Forecast for FY2009	FY2008 results	Increase/decrease (%)
Net sales	1750.0	1702.6	+2.8
Operating income	61.0	65.2	-6.4
Income before extraordinary items, income taxes and minority interests	61.0	66.5	-8.4
Net income	32.0	34.9	-8.4

# Overview

## 5 Forecast for Factors Contributing to Changes in Consolidated Operating Income in FY2009

(Unit: billion yen)

Factors		Increase/decrease in FY2009 (Apr 1 – Mar 31, 2009)
Factors contributing to an increase	Changes in sales volumes and in the model mix	+27.0
	Cost reduction efforts	+12.5
	Subtotal	+39.5
Factors contributing to a decrease	Increases in miscellaneous expenses, etc.	-33.7
	Effects of changes in exchange rates	-10.0
	Subtotal	-43.7
Total		-4.2

# Current Status and Initiatives

## ① Sales in Japan

Overall mini vehicle market and Daihatsu share	Status of sales in FY2008	Product launches
Reforms at dealers		

## ② Overseas operations

Indonesia	Supply from ADM	Malaysia
CBU		

## ③ Development / Production

Integrated system at Kyushu Plant	Strengthening of development functions
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## ④ Joint operations with Toyota

Changes in sales volumes	Joint operations with Fuji Heavy Industries
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# 1. Sales in Japan

## ① Overall Mini Vehicle Market and Daihatsu Market Share (FY2008)

Sales of Daihatsu mini vehicles in FY2008

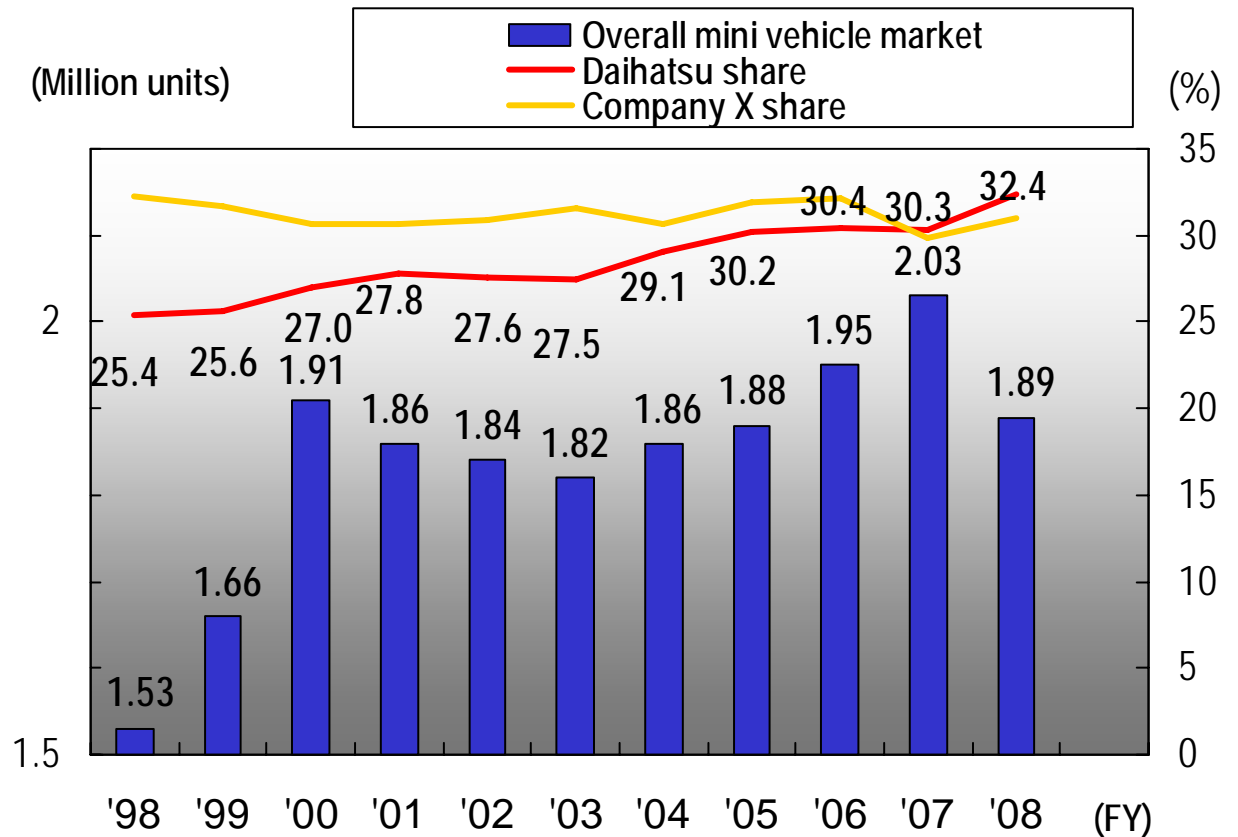
**612,754 units**

(A decrease of 0.6% compared to FY2007)

Overall mini vehicle market in FY2008

**1,893,043 units**

(A decrease of 6.8% compared to FY2007)



Sales of mini vehicles are strong, and the market is stable. Daihatsu has maintained the leading market share for two consecutive fiscal years

# 1. Sales in Japan

## 2 Daihatsu Sales in FY2008 and Overall Market

Sales of all Daihatsu vehicle series in FY2008

**622,883 units**

(A decrease of 2.1% compared to FY2007)

Overall market in FY2008

**5,321,499 units**

(A decrease of 5.3% compared to FY2007)

Best sellers in FY2008 by vehicle name (no. of units sold)

Ranking	Vehicle name	No. of units sold	Increase/decrease (%) (compared to FY2007)
1	Wagon R	224,082	+1.5
2	Move	199,924	+1.2
3	Fit	148,253	+53.5
4	Corolla	147,374	-0.3
5	Vitz	125,807	+2.5
6	Tanto	113,509	+5.2
7	Life	94,298	-4.9
8	Mira	88,401	+27.3
9	Voxy	78,770	+29.6
10	Serena	78,306	-0.9

\*Daihatsu data

Sales of Daihatsu mini vehicles are strong. Three Daihatsu vehicle series featured among the top ten vehicle series sold in FY2008. Sales of the Daihatsu Mira increased by 30% compared to FY2007.

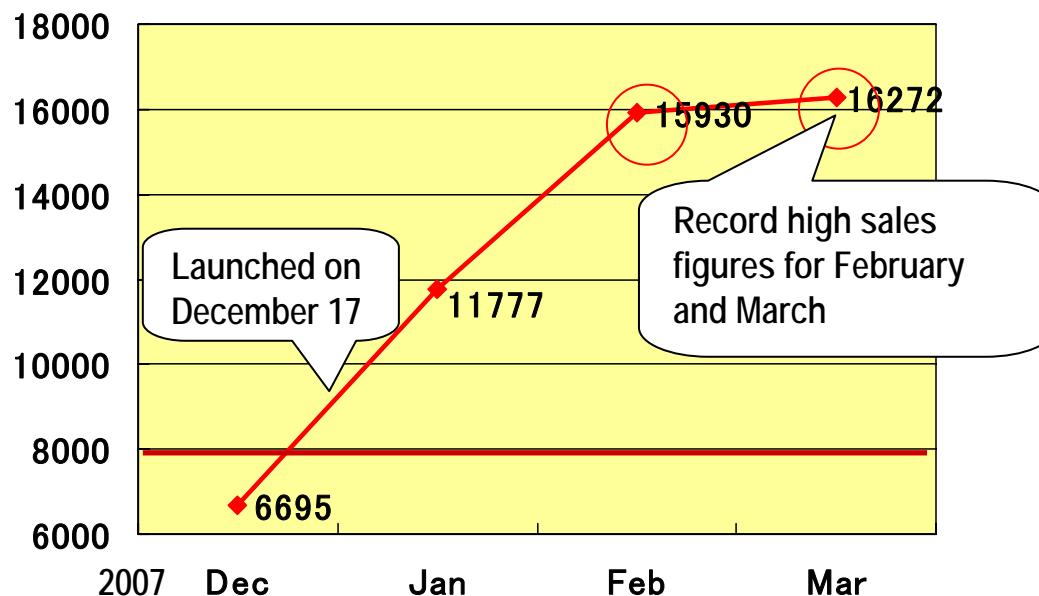
# 1. Sales in Japan

## 3 Product Launches

### Favorable sales of the new Tanto



Completely redesigned Tanto  
Price range: Approx. 1.1 – 1.7 million yen  
Sales target: 8,000 units/month



### Cumulative sales between January and March

Tanto

**43,979 units**

(43.3% increase over FY2007)

### Cumulative sales between January and March

Move

58,006 units  
(15.3% decrease from FY2007)

Mira

27,092 units  
(7.2% decrease from FY2007)

Sales of the new Tanto doubled sales targets; sales of the Mira and Move are also stable.

# 1. Sales in Japan

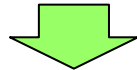
## ④ Reforms at dealers

Shift to “Customer-Friendly Dealers” to achieve efficient operation

Standards for “Customer-Friendly Dealers”

- Exterior: Instantly recognizable as a Daihatsu dealer
- Interior: An interior that appeals to women
- Displays: Make the discussion area the focus of the showroom

Utilize outdoor space for vehicle displays  
→ increase the number of test drive vehicles



Work at 2/3 of the 700 dealers under direct Daihatsu control is expected to be completed by the end of March 2009



### ◆ Dealer Presentation Assistance System (ECUS)

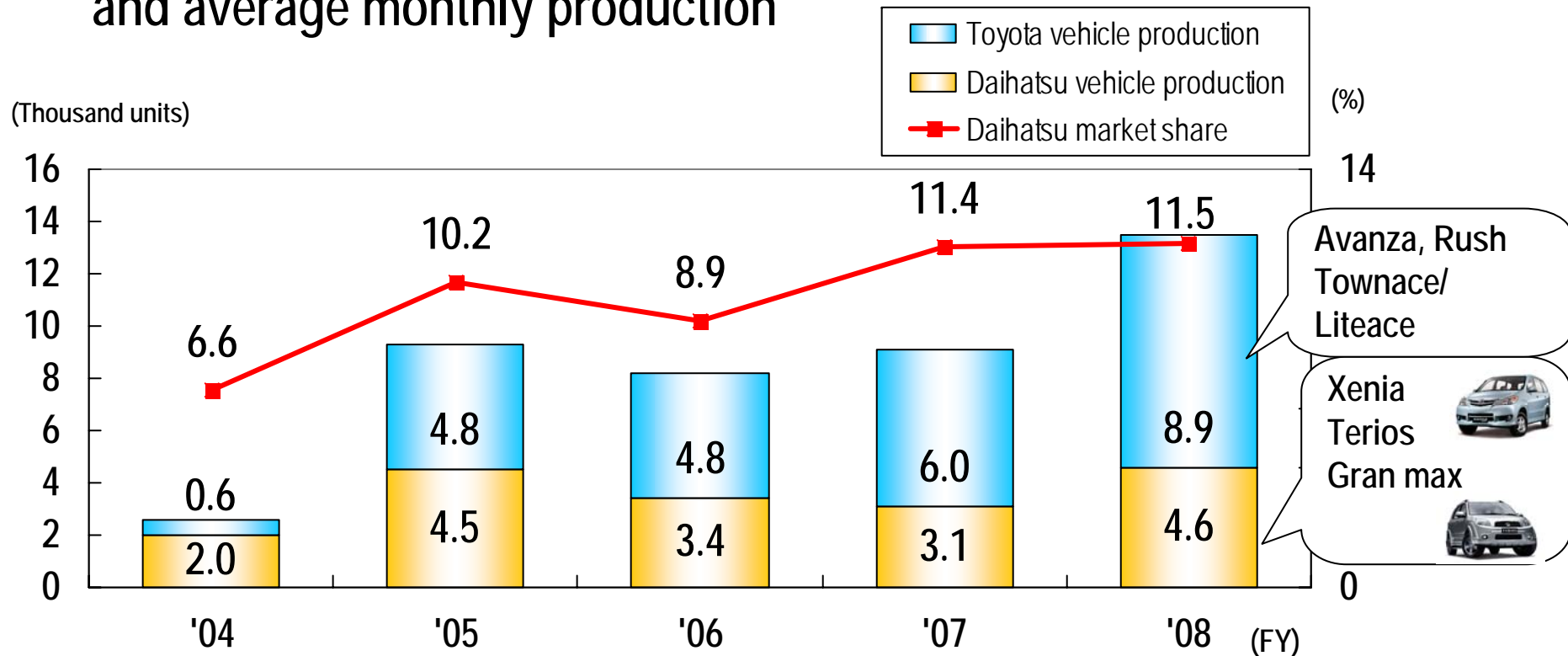
- Currently encouraging all dealers to introduce the system (as of the end of March 2008, the system was introduced to approx. 2,500 outlets)
- Includes software to prepare quotes and order forms for new and used vehicle
- Also enables comparison of competitor vehicle features, online verification of inventory, and reservations



In order to enhance customer satisfaction, Daihatsu is working to improve both tangible and non-tangible dealer functions.

## 2. Overseas Operations

### ① Indonesia Astra Daihatsu Motor(ADM) market share and average monthly production



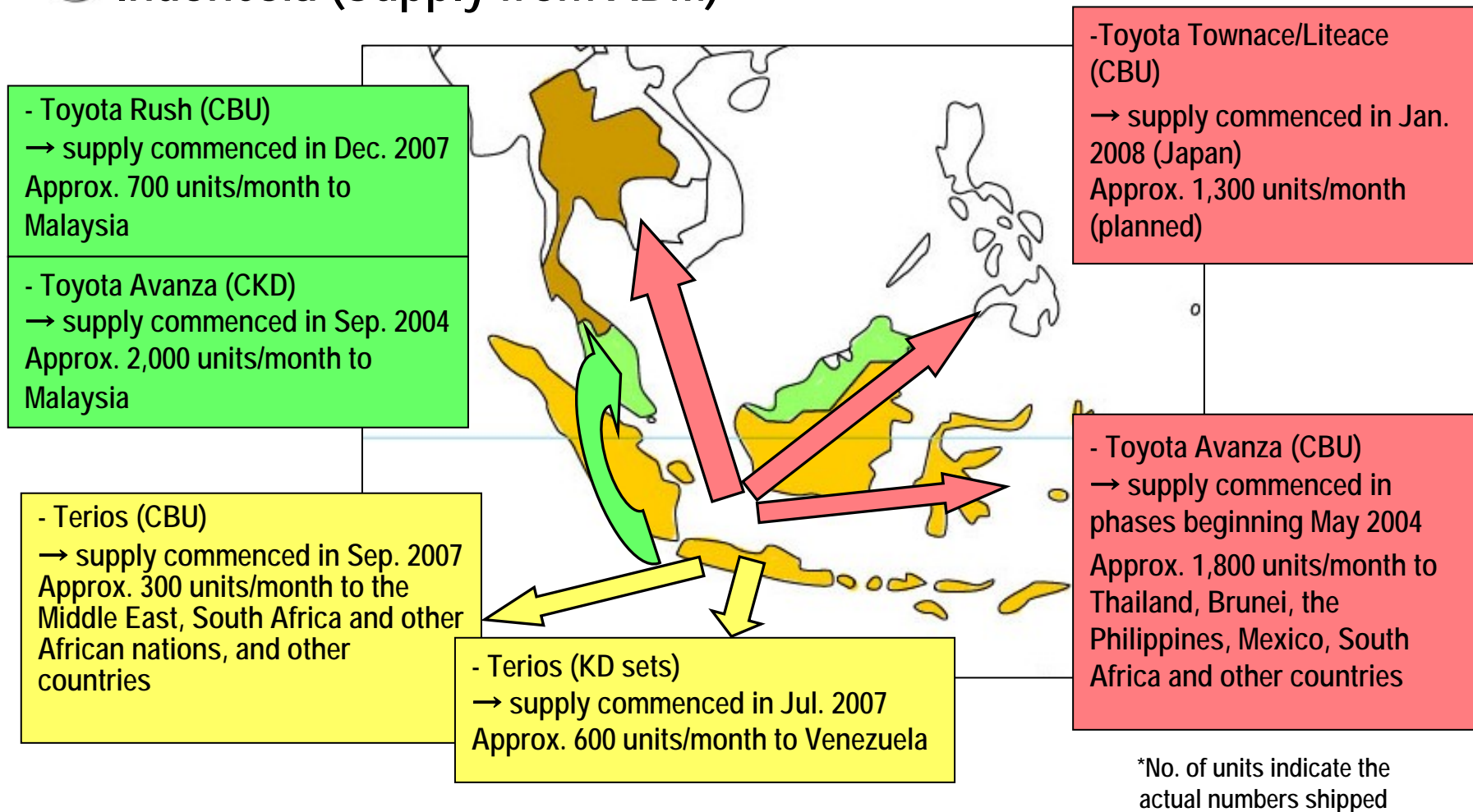
\*Market share calculated from Association of Indonesian Automotive Industries (Gaikindo) data

\*Daihatsu data

Production in Indonesia rose by 49% compared to FY2007, and market share reached a record high as ADM.

## 2. Overseas Operations

### ② Indonesia (Supply from ADM)

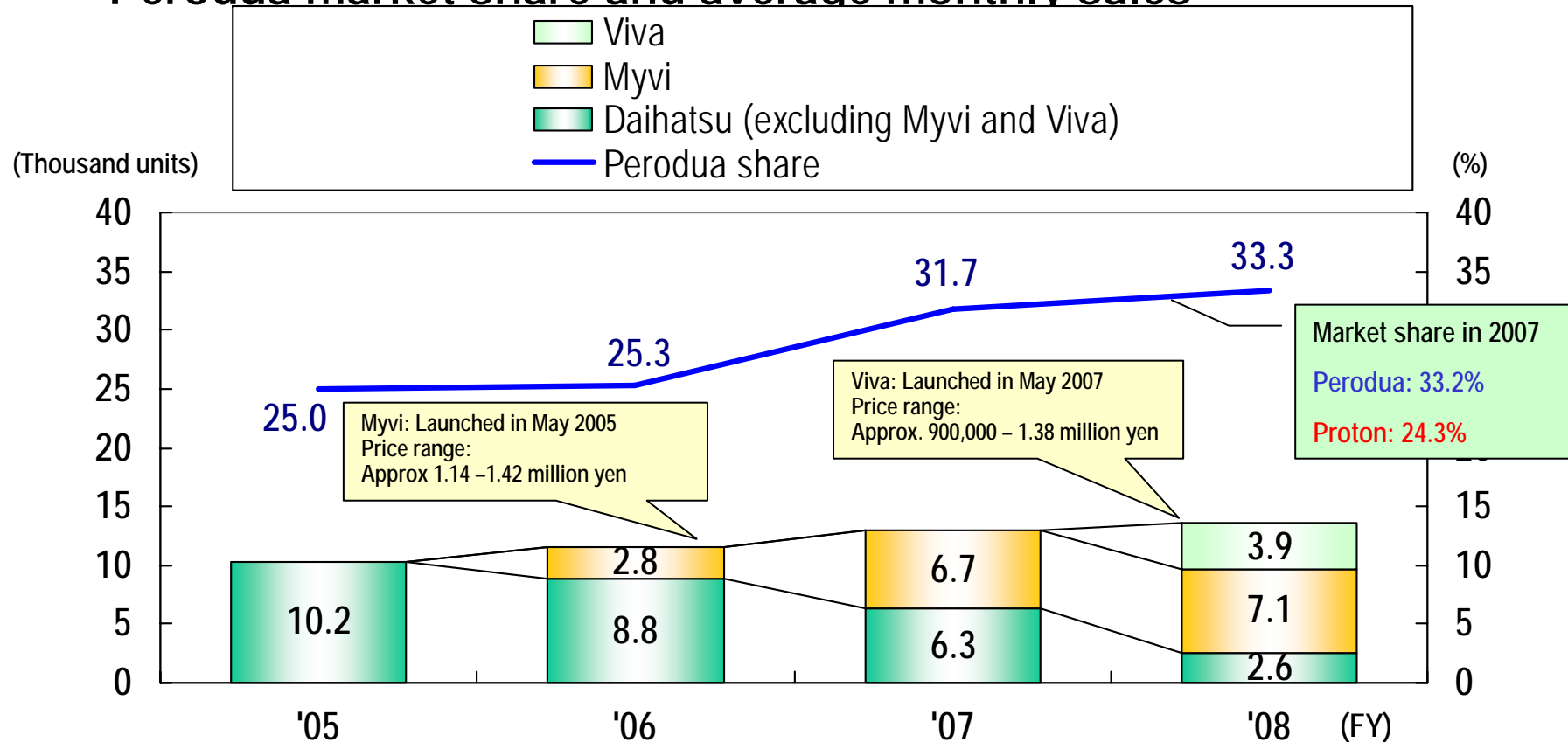


As the most important overseas production base of the Toyota Group, supply of vehicles has been expanded to Latin America, Africa and other parts of Asia.

## 2. Overseas Operations

### 3 Malaysia

#### Perodua market share and average monthly sales

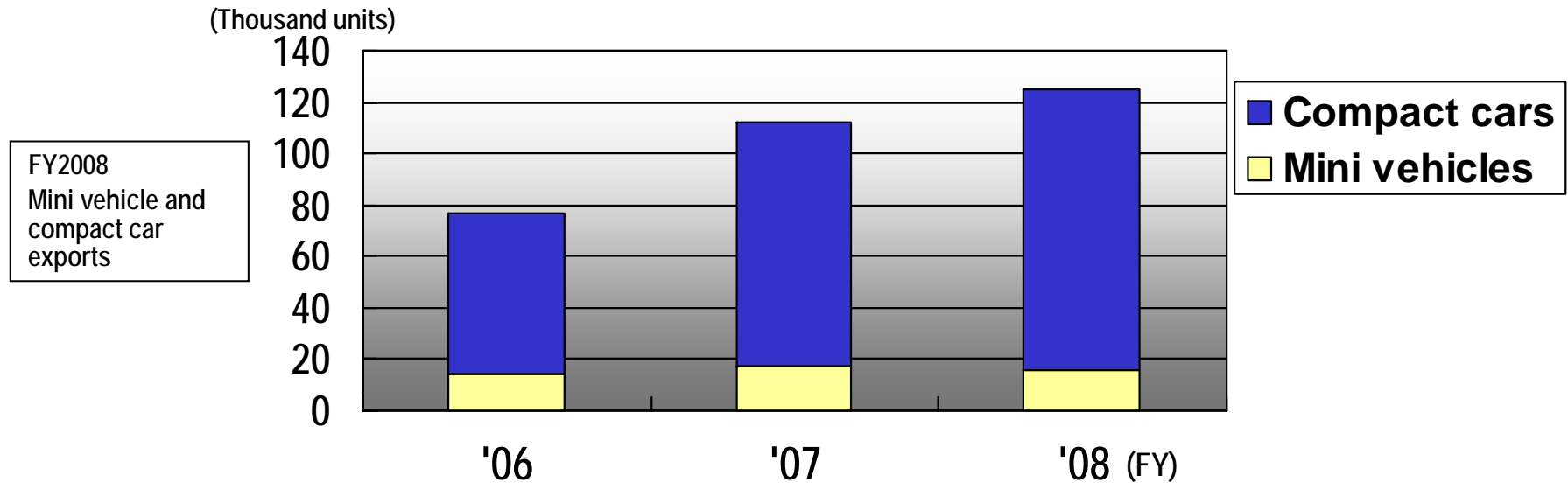


\*Figures for the fiscal year (January to December) are based on Daihatsu data

Myvi and Viva are the best sellers, maintaining the leading share for two consecutive years.

## 2. Overseas Operations

### 4 Export of CBU (by region and vehicle series)



Top five export destinations

	Terios	Sirion	Cuore	Other	Total
1) Italy	9,000	3,165	1,896	2,388	16,449
2) Germany	2,419	5,845	2,747	3,536	14,547
3) Israel	1,476	7,090	0	277	8,843
4) The Netherlands	843	3,388	3,165	966	8,362
5) Greece	4,380	1,463	685	44	6,572

No. of units exported between Apr 1 and Mar 31

Buoyed by favorable exchange rates, exports to Europe and the Middle East, mainly of compact cars, were strong.

# 3. Development / Production

## ① Enhancing Production Efficiency Integrated production line in the Kyushu area (integrates processes from development to manufacture)

Daihatsu Motor Kyushu Co., Ltd. (DKC) engine plant

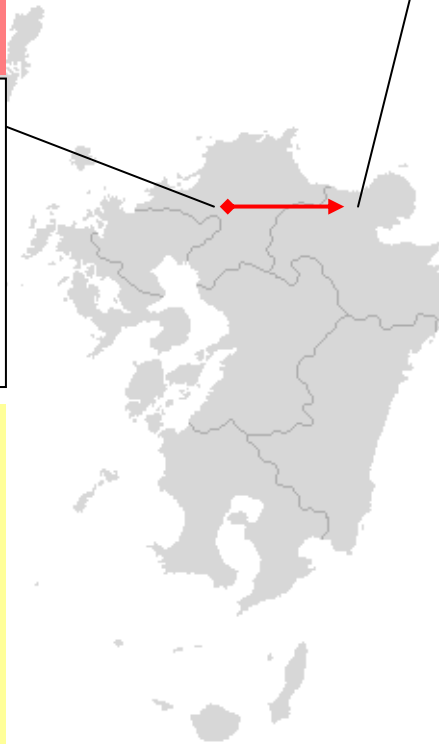
Start of operations : Aug. 2008

Reductions in transportation time and costs  
- 2-3 day shipping time between Oita Plants No.1 and No. 2 was reduced to 1.5 hrs  
- Reduction in logistics costs, and dispersion of risks

Production capacity of Daihatsu plants in Japan  
(2-shift operation; regular working hours)

Oita Plant No. 1: 230 thousand units/year  
Oita Plant No. 2: 230 thousand units/year  
(at full production)

Daihatsu total: 1.09 million units/year



### DKC Oita Plant No. 2

Reduction in unit costs (compared to Plant No. 1)

- Approx. 30% reduction in energy costs
- Approx. 20% reduction in indirect labor costs



### Development base in DKC

- Nurture into a core development facility for compact cars
- Employ excellent local human resources

Foundation for the establishment of a highly efficient production system that can handle about 40% of Daihatsu's production in Japan.

## 3. Development / Production

### ② Enhancing Production Efficiency

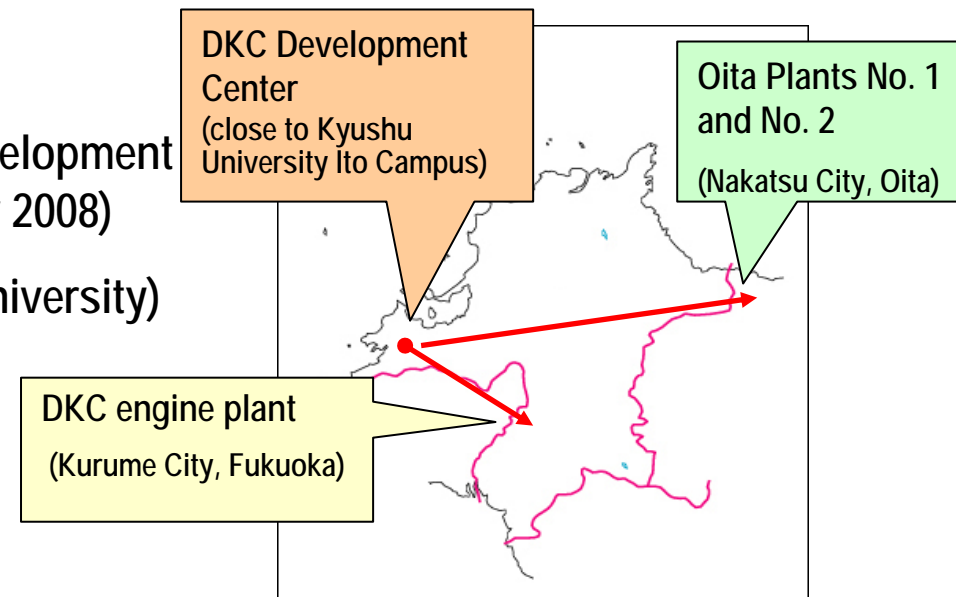
Establishment of a development center within DKC

Overview

Timing: April 2010 (establishment of a development division within DKC was begun in January 2008)

Location: Fukuoka (adjacent to Kyushu University)

No. of employees: 120 in FY2011  
(29 in FY2009; approximately 40 new employees to be recruited each year)

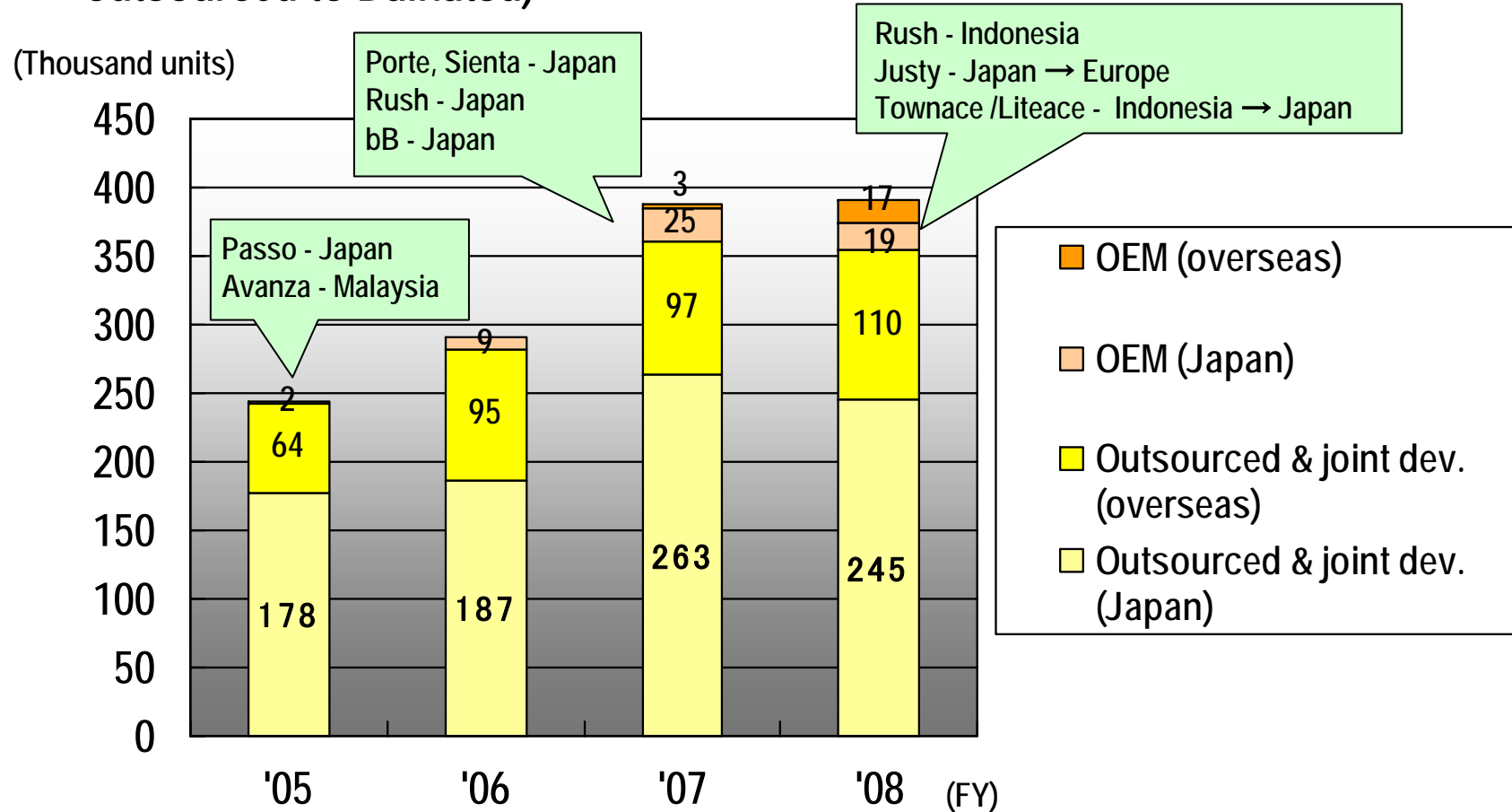


- Vehicle body designing facilities will be established with the aim of strengthening the Daihatsu Group development functions
- Plans call for future expansion into a development base equipped with vehicle prototype building and evaluation functions

Further enhance production efficiency through the establishment of a production line that integrates all processes from development to manufacture.

# 4. Joint Operations with Toyota

① Consolidated vehicle sales (OEM, joint development and production outsourced to Daihatsu)



Townace, Liteace and Justy are classified under "OEM (Japan)"

The ratio of sales in Japan to sales overseas is declining due to the production period for each model.

## 4. Joint Operations with Toyota

### ② Joint operations with Fuji Heavy Industries

#### I. Joint operations for mini vehicle production

Format: OEM sales of Subaru brand mini vehicles (transfer of mini vehicle production)

Planned start: Latter half of 2009

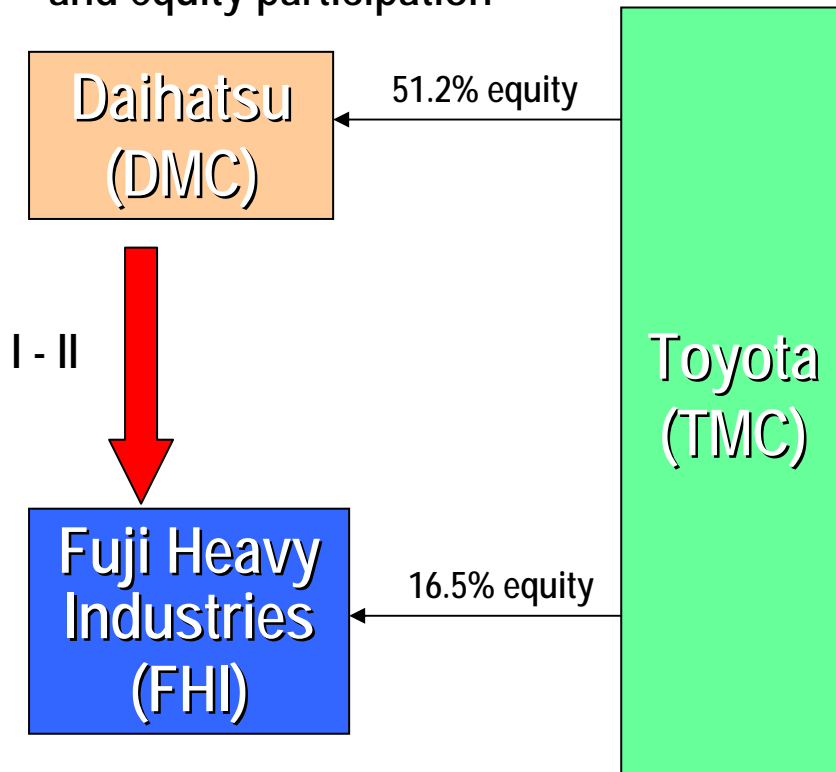
#### II. OEM supply in Japan of the Coo (in addition to OEM supply of the Justy in Europe)



Coo  
(launched in May 2006)

Production plant: Ikeda Plant  
Supply scale: 6,000 units/year  
Planned start: October 2008

Cooperative ties announced in April 2008 and equity participation



The three companies aim to strengthen their competitiveness by achieving mutual synergies through the apt application of each company's technological know-how.



# Innovation for Tomorrow

