



# DAIKIN INDUSTRIES, LTD.

11, May, 2004

## NONCONSOLIDATED

### FINANCIAL INFORMATION

	Millions of JPY		
	FISCAL2005 FORECAST	FISCAL2004 RESULT	FISCAL2003 RESULT
<b>NET SALES;</b>			
AIR CONDITIONING	308,000	<b>290,673</b>	280,693
OIL HYDRAULICS	18,000	<b>13,054</b>	11,177
DEFENSE PRODUCTS	21,000	<b>18,177</b>	19,695
CHEMICALS	73,000	<b>65,027</b>	60,279
<b>TOTAL SALES</b>	<b>420,000</b>	<b>386,931</b>	<b>371,844</b>
<b>EXPORTS;</b>			
AIR CONDITIONING	83,200	<b>75,590</b>	68,648
OIL HYDRAULICS	1,300	<b>769</b>	730
CHEMICALS	34,500	<b>29,897</b>	25,382
<b>TOTAL EXPORTS</b>	<b>119,000</b>	<b>106,256</b>	<b>94,760</b>
<b>OPERATING INCOME</b>	<b>12,000</b>	<b>9,366</b>	<b>21,473</b>
<b>ORDINARY INCOME</b>	<b>16,000</b>	<b>22,508</b>	<b>26,827</b>
<b>INCOME BEFORE TAXES</b>	<b>14,600</b>	<b>21,176</b>	<b>22,513</b>
<b>NET INCOME</b>	<b>11,000</b>	<b>14,975</b>	<b>13,615</b>

#### ANALYSIS OF FINANCIAL STATEMENTS

Net Income per Share	<b>Yen 56.41</b>	Yen 51.21
Cash Dividend per Share	<b>Yen 14.00</b>	Yen 12.00
Ratio of Shareholder's Equity to Total Assets	<b>47.5%</b>	46.5%
Shareholder's Equity per Share	<b>Yen 740.84</b>	Yen 652.19

FISCAL 2005 = 1st, April, 2004 to 31st, March, 2005  
 FISCAL 2004 = 1st, April, 2003 to 31st, March, 2004  
 FISCAL 2003 = 1st, April, 2002 to 31st, March, 2003

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## STATEMENTS OF INCOME

	Millions of JPY	
	FISCAL2004 RESULT (Apr. '03 -Mar. '04)	FISCAL2003 RESULT (Apr. '02-Mar. '03)
Net Sales .....	386,931	371,844
Cost of Sales .....	291,667	268,696
Selling, General and Administrative Expenses .....	85,897	81,674
Operating Income .....	9,366	21,473
Non-Operating Incomes;		
Interest Income .....	240	255
Dividends Income .....	5,778	3,171
Royalty Income .....	8,667	4,163
Gain on Loss-Of-Profit Insurance by Explosion at Kashima Plant-net	806	
Other Incomes .....	554	630
Total Non-Operating Incomes .....	16,048	8,220
Non-Operating Expenses;		
Interest and Discount Charges .....	1,825	1,932
Foreign Exchange Loss .....	756	464
Other Expenses .....	323	470
Total Non-Operating Expenses .....	2,906	2,866
Ordinary Income .....	22,508	26,827
Extraordinary Gain;		
Gain on Sales of Land .....	111	
Gain on Sales of Investment Securities .....	1,027	424
Others .....	140	
Total Extraordinary Gain .....	1,278	424
Extraordinary Loss;		
Losses on Sales of Land .....	75	212
Losses on Disposal of Fixed Assets .....	626	605
Loss on Explosion at Kashima Plant-net .....	1,682	
Write-off of investment securities .....	172	3,921
Write-off of other investments .....	54	
Total Extraordinary Loss .....	2,610	4,738
Income before Taxes .....	21,176	22,513
Income Taxes (Current) .....	10,689	8,214
Income Taxes(Deferred) .....	(4488)	683
Net Income .....	14,975	13,615

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## BALANCE SHEETS

	Millions of JPY	
	End of March	
	FISCAL 2004	FISCAL 2003
	(31, Mar., '04)	(31, Mar., '03)
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and Time Deposit .....	27,471	25,302
Note Receivable-Trade .....	2,485	2,949
Account Receivable-Trade .....	59,480	52,183
Marketable Securities .....	1,530	1,610
Finishes Products and Merchandise .....	28,527	27,148
Work in Process .....	28,365	23,899
Raw Materials and Supplies .....	3,068	2,670
Advance Payments .....	8	25
Prepaid Expense .....	386	486
Short-term Loan Receivable .....	15,233	19,185
Account Receivable-Other .....	15,763	10,645
Deferred Income Taxes .....	7,831	4,396
Other Current Assets .....	1,178	795
Allowance for Bad Debts .....	(45)	(63)
<b>Total Current Assets .....</b>	<b>191,284</b>	<b>171,234</b>
<b>FIXED ASSETS:</b>		
Property Plant and Equipment(Note;1)		
Buildings .....	26,631	28,294
Structures .....	2,507	2,598
Machinery .....	35,948	37,631
Automobiles and Vehicles .....	61	65
Tools and Furniture .....	6,498	6,397
Land .....	19,908	20,204
Construction in Progress .....	2,094	2,062
<b>Total Property, Plant and Equipment .....</b>	<b>93,650</b>	<b>97,254</b>
<b>INTANGIBLE ASSETS .....</b>	<b>977</b>	<b>697</b>
<b>INVESTMENTS AND NON-CURRENT RECEIVABLE;</b>		
Investment Securities .....	49,945	30,037
Investments in Subsidiaries .....	68,592	57,458
Long-term Loan Receivable .....	1,343	4,208
Long-term Prepaid Expenses .....	154	153
Deferred Income Taxes .....		3,671
Deposits for Guarantee .....	2,949	3,070
Other Investments .....	3,857	2,678
Allowance for Bad Debts .....	(2,022)	(1,013)
<b>Total Investments and Non-Current Receivable .....</b>	<b>124,820</b>	<b>100,263</b>
<b>TOTAL ASSETS .....</b>	<b>410,733</b>	<b>369,450</b>
<b>Notes;</b>		
1.Accumlated Depreciation	249,609	247,610

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## BALANCE SHEETS

	Millions of JPY	
	End of March	
	FISCAL 2004 (31, Mar., '04)	FISCAL 2003 (31, Mar., '03)
<b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>		
<b><u>CURRENT LIABILITIES</u></b>		
Notes Payable-Trade .....	4,914	5,624
Account Payable-Trade .....	40,022	36,758
Short-term Borrowings .....	25,280	25,580
Commercial Paper .....	21,000	17,000
Current Portion of Long-term Debt .....	521	12,027
Current Portion of Straight Bond .....	10,000	
Account Payable-Other .....	4,808	5,906
Accrued Corporation and Inhabitants Taxes .....	5,356	2,635
Accrued Expenses .....	19,033	17,106
Advance Received .....	1,169	1,048
Deposits Received .....	7,040	6,038
Reserve for Warranty .....	3,940	3,795
Payable-Construction .....	8,514	5,963
Other Current Liabilities .....	114	14
Total Current Liabilities .....	151,717	139,499
<b><u>LONG-TERM LIABILITIES</u></b>		
Straight Bond .....	30,000	40,000
Long-term Debt .....	25,955	14,546
Long-term Accrued Liabilities .....	982	
Deferred Taxes Liabilities .....	3,382	
Accrued Severance Indemnities .....	3,489	3,461
Total Long-term Liabilities .....	63,811	58,008
Total Liabilities .....	215,528	197,508
<b><u>SHAREHOLDER'S EQUITY</u></b>		
Common Stock .....	28,023	28,023
Additional Paid-in Capital .....	25,968	25,968
Legal Reserves .....	6,066	6,066
Appropriated .....	107,883	97,826
Unappropriated .....	17,305	15,666
Net unrealized gains on marketable securities .....	11,064	(791)
Treasury Stock .....	(1,107)	(817)
Total Shareholder's Equity .....	195,204	171,942
<b>TOTAL</b> .....	<b>410,733</b>	<b>369,450</b>