



DAIKIN INDUSTRIES, LTD.

NONCONSOLIDATED

9, Nov., 2004

FINANCIAL INFORMATION

	Millions of JPY			
	Mar-05 FORECAST	Mar-05 1st half RESULT	Mar-04 1st half RESULT	Mar-04 RESULT
NET SALES;				
AIR CONDITIONING	331,000	172,788	146,408	290,673
OIL HYDRAULICS	18,000	5,748	5,493	13,054
DEFENSE PRODUCTS	21,000	7,818	4,369	18,177
CHEMICALS	70,000	33,839	30,459	65,027
TOTAL SALES	440,000	220,193	186,729	386,931
EXPORTS;				
AIR CONDITIONING	86,200	42,571	33,492	75,590
OIL HYDRAULICS	1,300	480	370	769
CHEMICALS	32,500	15,925	13,649	29,897
TOTAL EXPORTS	120,000	58,976	47,511	106,256
OPERATING INCOME	13,500	7,584	4,747	9,366
ORDINARY INCOME	21,000	9,229	10,422	22,508
INCOME BEFORE TAXES	21,900	8,941	10,031	21,176
NET INCOME	15,500	6,289	6,646	14,975

ANALYSIS OF FINANCIAL STATEMENTS

Net Income per Share	Yen 23.89	Yen 25.23	Yen 56.41
Cash Dividend per Share	Yen 7.00	Yen 6.00	Yen 14.00
Ratio of Shareholder's Equity to Total Assets	49.0%	49.3%	47.5%
Shareholder's Equity per Share	Yen 747.44	Yen 694.84	Yen 740.84

Mar-05= 1st, April, 2004 to 31th, March, 2005
 Mar-05 1st half = 1st, April, 2004 to 30th, September, 2004
 Mar-04= 1st, April, 2003 to 31th, March, 2004
 Mar-04 1st half = 1st, April, 2003 to 30th, September, 2003

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STATEMENTS OF INCOME

	Millions of JPY		
	Mar-05 1st half RESULT (Apr. - Sep. '04)	Mar-04 1st half RESULT (Apr. - Sep. '03)	Mar-04 RESULT (Apr. '03 - Mar. '04)
Net Sales	220,193	186,729	386,931
Cost of Sales	161,984	140,505	291,667
Selling, General and Administrative Expenses	50,625	41,476	85,897
Operating Income	7,584	4,747	9,366
Non-Operating Incomes;			
Interest Income	103	128	240
Dividends Income	2,212	2,220	5,778
Royalty income	62	4,457	8,667
Gain on Loss-of-Profit Insurance by Explosion at Kashima Plant-net	-	-	806
Foreign Exchange Gain	494	-	-
Other Incomes	236	149	554
Total Non-Operating Incomes	3,108	6,955	16,048
Non-Operating Expenses;			
Interest and Discount Charges	915	923	1,825
Foreign Exchange Loss	-	226	756
Other Expenses	547	130	323
Total Non-Operating Expenses	1,463	1,280	2,906
Ordinary Income	9,229	10,422	22,508
Extraordinary Gain;			
Gains on Sales of Land	-	-	111
Gain on Sale of Investment Securities	2	4	1,027
Reversal of Allowance for Bad Debt	0	7	-
Other Expenses	-	-	140
Total Extraordinary Gain	3	12	1,278
Extraordinary Loss;			
Losses on Sale of Land	-	75	75
Losses on Disposal of Fixed Assets	210	178	626
Loss on Explosion at Kashima Plant-net	-	-	1,682
Write-down of investment securities.....	80	145	172
Write-down of other investments.....	1	4	54
Total Extraordinary Loss	291	403	2,610
Income before Taxes	8,941	10,031	21,176
Income Taxes (Current).....	1,518	3,221	10,689
Income Taxes (Deffered).....	1,133	163	(4,488)
Net Income	6,289	6,646	14,975

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BALANCE SHEETS

Millions of JPY

	End of September		End of March
	Mar-05	Mar-04	Mar-04
	(30, Sep., '04)	(30, Sep., '03)	(31, Mar., '04)
ASSETS			
CURRENT ASSETS:			
Cash and Time Deposit	29,557	26,831	27,471
Note Receivable-Trade	2,432	2,663	2,485
Account Receivable-Trade	50,359	43,479	59,480
Marketable Securities	3,148	1,610	1,530
Finishes Products and Merchandise	28,536	23,780	28,527
Work in Process	30,380	29,726	28,365
Raw Materials and Supplies	3,361	2,600	3,068
Prepaid Expense	691	454	386
Deffered tax assets.....	6,664	4,264	7,831
Short-term Loan Receivable	15,209	16,327	15,233
Account Receivable-Other	8,798	10,221	15,763
Other Current Assets	1,485	1,655	1,186
Allowance for Bad Debts	(37)	(52)	(45)
Total Current Assets	180,589	163,563	191,284
FIXED ASSETS:			
Property Plant and Equipment(Note;1)			
Buildings	26,496	27,469	26,631
Structures	2,492	2,535	2,507
Machinery	35,733	36,242	35,948
Automobiles and Vehicles	59	67	61
Tools and Furniture	6,967	6,448	6,498
Land	19,908	19,909	19,908
Construction in Progress	888	2,520	2,094
Total Property, Plant and Equipment	92,546	95,193	93,650
INTANGIBLE ASSETS	1,135	903	977
INVESTMENTS AND NON-CURRENT RECEIVABLE;			
Investment Securities	45,996	41,759	49,945
Investments in Subsidiaries	75,236	63,277	68,592
Long-term Loan Receivable	1,239	1,381	1,343
Deposits for Guarantee	2,753	2,956	2,949
Other Investments	4,161	2,841	4,012
Allowance for Bad Debts	(2,008)	(925)	(2,022)
Total Investments and Non-Current Receivable	127,379	111,290	124,820
TOTAL ASSETS	401,650	370,950	410,733

Notes;

1.Accumulated Depreciation	253,878	250,919	249,609
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BALANCE SHEETS

Millions of JPY

	End of September		End of March
	Mar-05	Mar-04	Mar-04
	(30, Sep., '04)	(30, Sep., '03)	(31, Mar., '04)
LIABILITIES AND SHAREHOLDER'S EQUITY			
<u>CURRENT LIABILITIES</u>			
Notes Payable-Trade	3,681	3,749	4,914
Account Payable-Trade	33,274	29,782	40,022
Short-term Borrowings	25,280	25,280	25,280
Commercial Paper	22,000	18,000	21,000
Current Portion of Long-term Debt	518	12,524	521
Current Portion of Straight Bond	10,000		10,000
Account Payable-Other	5,443	4,350	4,808
Accrued Expenses	17,509	15,570	19,033
Accrued Corporation and Inhabitants Taxes	736	2,754	5,356
Advance Received	1,498	1,570	1,169
Deposits Received	7,577	5,848	7,040
Reserve for Warranty	8,108	3,869	3,940
Payable-Construction	7,699	5,907	8,514
Others.....	78	70	114
Total Current Liabilities	143,408	129,278	151,717
<u>LONG-TERM LIABILITIES</u>			
Straight Bond	30,000	40,000	30,000
Long-term Debt	25,677	13,983	25,955
Deferred Taxes Liabilities	1,825	713	3,382
Accrued Severance Indemnities	3,983	4,002	4,471
Total Long-term Liabilities	61,488	58,699	63,811
Total Liabilities	204,896	187,977	215,528
<u>SHAREHOLDER'S EQUITY</u>			
Common Stock	28,023	28,023	28,023
Additional Paid-in Capital	25,970	25,968	25,968
Legal Reserves	6,066	6,066	6,066
Retained Earnings;			
Appropriated	118,380	107,883	107,883
Unappropriated	10,870	10,555	17,305
Net unrealized gains on marketable securities.....	8,836	5,573	11,064
Treasury Stock.....	(1,394)	(1,097)	(1,107)
Total Shareholder's Equity	196,754	182,973	195,204
TOTAL	401,650	370,950	410,733