

FACT BOOK 2008



Something Better with Chemicals

 **DAISO CO., LTD.**
DAISO

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* The prospect carried by this document was based on information available at present.

Therefore, I change by various factors, and it is not a thing making a definite promise of real achievements.

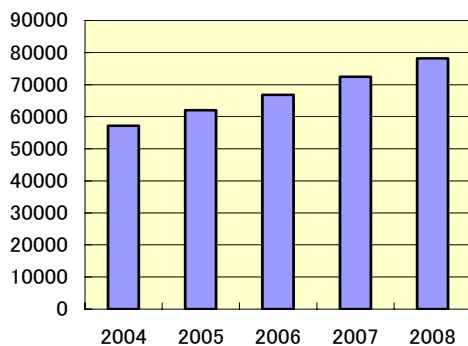
1: Transition of achievement

Consolidated

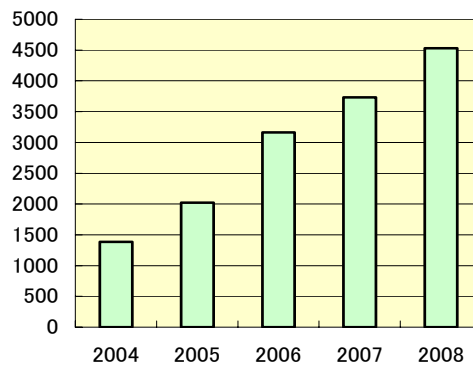
Unit: One million yen

Accounting period	fiscal 2004	fiscal 2005	fiscal 2006	fiscal 2007	fiscal 2008
Net Sales	57,118	62,022	66,737	72,398	78,229
Operating Income	1,529	2,101	3,153	3,610	4,468
Ordinary Income	1,386	2,020	3,163	3,735	4,532
Net Income	641	927	1,734	1,974	2,489

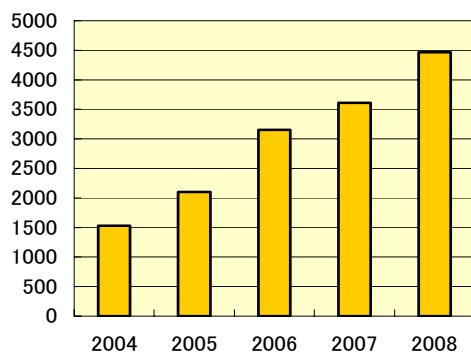
Net Sales



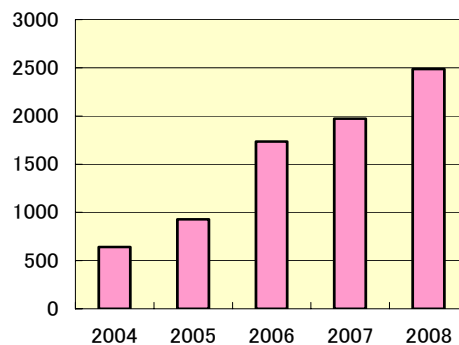
Ordinary Income



Operating Income



Net Income



Non-Consolidated

Unit: One million yen

Accounting period	fiscal 2004	fiscal 2005	fiscal 2006	fiscal 2007	fiscal 2008
Net Sales	38,836	41,589	45,036	50,624	53,906
Operating Income	1,246	1,762	2,734	3,144	3,918
Ordinary Income	1,201	1,763	2,840	3,314	4,038
Net Income	564	854	1,528	1,763	2,235

2: Segment information Net sales · Operating profit · The operating profit ratio

Net Sales

Unit: One million yen

Accounting period	fiscal 2004	fiscal 2005	fiscal 2006	fiscal 2007	fiscal 2008
Basic Chemical Products	27,517	30,508	34,168	38,462	41,094
Functional Chemical Products	19,854	21,525	22,369	24,209	27,767
Housing Facilities	9,746	9,988	10,200	9,726	9,367

Operating Income

Unit: One million yen

Accounting period	fiscal 2004	fiscal 2005	fiscal 2006	fiscal 2007	fiscal 2008
Basic Chemical Products	-90	427	1,577	2,237	2,803
Functional Chemical Products	1,968	2,117	2,200	2,058	2,364
Housing Facilities	199	157	43	37	81

Segment operating profit margin

Unit: %

Accounting period	fiscal 2004	fiscal 2005	fiscal 2006	fiscal 2007	fiscal 2008
Basic Chemical Products	-0.3	1.4	4.6	5.8	6.8
Functional Chemical Products	9.9	9.8	9.8	8.5	8.5
Housing Facilities	2.0	1.6	0.4	0.4	0.9

3: Connected cash flow and capital investment relation

Consolidated

Unit: One million yen

Accounting period	fiscal 2004	fiscal 2005	fiscal 2006	fiscal 2007	fiscal 2008
Cash and cash equivalents at Beginning of year	3,463	5,062	6,335	4,434	3,557
Operating activities	1,323	2,928	2,520	2,801	3,404
Investing activities	-1,037	-3,314	-3,683	-5,316	-8,155
Free cash flows	286	-386	-1,163	-2,515	-4,751
Financing activities	1,313	1,658	-738	1,610	6,798
Cash and cash equivalents at End of year	5,062	6,335	4,434	3,557	5,527

Depreciation	2,178	2,065	2,083	2,319	3,025
Capital Expenditures	1,730	2,889	3,014	4,857	5,908
Research and development spending	1,458	1,630	1,820	2,009	1,666

4: Index a stock

Consolidated

Unit: yen

Accounting period	fiscal 2004	fiscal 2005	fiscal 2006	fiscal 2007	fiscal 2008
Net income per share	7.70	10.13	16.51	18.23	22.80
Net assets per share	260.82	268.83	304.89	310.03	299.56
Business cash flow per share	16.72	33.47	24.67	25.87	31.18
Pay out ratio(%)	-	-	36.3	32.9	26.3

Non-Consolidated

Unit: yen

Accounting period	fiscal 2004	fiscal 2005	fiscal 2006	fiscal 2007	fiscal 2008
Net income per share	6.73	9.30	14.50	16.29	20.47
Net assets per share	259.13	266.69	300.96	304.20	292.20
Dividend a stock	4.00	5.00	6.00	6.00	6.00
Pay out ratio(%)	59.4	53.8	41.4	36.8	29.3

5: Rate of profit

Consolidated

Unit: %

Accounting period	fiscal 2004	fiscal 2005	fiscal 2006	fiscal 2007	fiscal 2008
Return on equity	3.2	4.0	5.9	5.9	7.5
Total capital current profit rate	2.8	3.7	5.2	5.7	6.4
Turnover of total assets	111.4	108.5	105.1	105.5	108.1

Non-Consolidated

Unit: %

Accounting period	fiscal 2004	fiscal 2005	fiscal 2006	fiscal 2007	fiscal 2008
Return on equity	2.8	3.7	5.2	5.4	6.9
Total capital current profit rate	2.6	3.5	5.1	5.5	6.2
Turnover of total assets	81.9	79.0	77.2	80.7	80.2

Consolidated

Unit: %

Accounting period	fiscal 2004	fiscal 2005	fiscal 2006	fiscal 2007	fiscal 2008
Ratio of gross profits to sales	17.2	17.8	18.8	19.1	19.0
Operating profit on sales	2.7	3.4	4.7	5.0	5.7
Sales current profit rate	2.4	3.3	4.7	5.2	5.8
Sales net income rate	1.1	1.5	2.6	2.7	3.2

Non-Consolidated

Unit: %

Accounting period	fiscal 2004	fiscal 2005	fiscal 2006	fiscal 2007	fiscal 2008
Ratio of gross profits to sales	21.2	22.0	23.3	23.1	23.1
Operating profit on sales	3.2	4.2	6.1	6.2	7.3
Sales current profit rate	3.1	4.2	6.3	6.5	7.5
Sales net income rate	1.5	2.0	3.4	3.5	4.1

6: Employee's trend

Consolidated

Accounting period	fiscal 2004	fiscal 2005	fiscal 2006	fiscal 2007	fiscal 2008
Number of employees	722	717	708	716	718
The first term ratio (%)	-1.4	-0.7	-1.3	1.1	0.3

Non-Consolidated

Accounting period	fiscal 2004	fiscal 2005	fiscal 2006	fiscal 2007	fiscal 2008
Number of employees	608	595	603	607	608
The first term ratio (%)	-1.3	-2.1	1.3	0.7	0.2

Reference 1: A summary of PL

Unit: One million yen

	fiscal 2007	Composition ratio	fiscal 2008	Composition ratio	The first term ratio		Remarks
					Amount of increase and decrease	Rate of change	
Net Sales	72,398	—	78,229	—	5,831	8.1%	Basic Chemical Products+2632,Functional Chemical Products+3558,Housing Facilities△359
Cost of Sales	58,556	80.9%	63,377	81.0%	4,821	8.2%	Raw materials / stocking unit price increase others
Gross Profit	13,841	19.1%	14,851	19.0%	1,010	7.3%	
Selling,general and administrative expenses	10,230	14.1%	10,383	13.3%	153	1.5%	Depreciation and amortization increase others
Operating Income	3,610	5.0%	4,468	5.7%	858	23.8%	
Non-operating Income	321	0.5%	455	0.6%	134	41.7%	Receipt interest / dividend increase others
Non-operating Expenses	196	0.3%	391	0.5%	195	99.5%	Foreign exchange loss increase and others
Ordinary Income	3,735	5.2%	4,532	5.8%	797	21.4%	
Extraordinary Income	2	0.0%	—	—	-2	—	An allowance for uncorrectable accounts Reimbursement profit decrease
Extraordinary Losses	576	0.8%	315	0.4%	-261	-45.3%	Headquarter shift expense decrease others
Income before income taxes	3,161	4.4%	4,217	5.4%	1,056	33.4%	
Net Income	1,974	2.7%	2,489	3.2%	515	26.1%	
Net income per share	18.23		22.80		4.57	25.1%	
Cash Dividend per share	6		6		0	0.0%	
The end of the term number of employees	716		718		2	0.3%	
Capital Expenditures	4,857		5,908		1,051	21.6%	Aincrease in production construction, Medical and pharmaceutical intermediate body production facility others
Depreciation	2,319		3,025		706	30.4%	

Reference 2: A summary of BS

	fiscal 2007	Composition ratio	fiscal 2008	Composition ratio	The first term ratio		Remarks
					Amount of increase and decrease	Rate of change	
Assets total	68,618	100.0%	72,362	100.0%	3,744	5.5%	
Current Assets	35,326	51.5%	38,825	53.7%	3,499	9.9%	
Cash and Equivalents	3,857	5.6%	4,027	5.6%	170	4.4%	
Trade Notes and Accounts Receivable	23,128	33.7%	24,357	33.7%	1,229	5.3%	Increase by the net sales increase
Marketable Securities	—	—	1,799	2.5%	1,799	—	Short-term government security
Inventories	6,513	9.5%	6,941	9.6%	428	6.6%	
Fixed Assets	33,292	48.5%	33,537	46.3%	245	0.7%	
Property and Equipment	16,839	24.5%	18,962	26.2%	2,123	12.6%	Increase by investment in plant and equipment increase
Buildings and Improvements	4,719	6.9%	5,928	8.2%	1,209	25.6%	
Machinery and Transportation	7,701	11.2%	9,165	12.7%	1,464	19.0%	
Land	1,936	2.8%	2,037	2.8%	101	5.2%	
Construction in process account	2,023	2.9%	1,332	1.8%	-691	-34.2%	
Intangible fixed assets	1,242	1.8%	1,180	1.6%	-62	-5.0%	
Investments and Other Assets	15,209	22.2%	13,394	18.5%	-1,815	-11.9%	
Investment Securities	14,054	20.5%	12,131	16.8%	-1,923	-13.7%	Unrealized capital gain of investment securities decrease
Liabilities total	34,994	51.0%	39,546	54.7%	4,552	13.0%	
Current Liabilities	24,645	35.9%	23,820	32.9%	-825	-3.3%	
Trade Notes and Accounts Payable	15,043	21.9%	14,417	19.9%	-626	-4.2%	
Short-Term Borrowings	1,980	2.9%	1,780	2.5%	-200	-10.1%	
Current Portion of Long-Term Borrowings	1,015	1.5%	1,200	1.7%	185	18.2%	
Redemption schedule debenture within one year	1,000	1.5%	—	—	-1,000	—	
Debenture with a redemption schedule new stock reservation right within one year	—	—	877	1.2%	877	—	
Long-Term Liabilities	10,349	15.1%	15,726	21.8%	5,377	52.0%	
Corporate Bond	1,500	2.2%	1,500	2.1%	—	—	
Convertible Bond	1,170	1.7%	7,000	9.7%	5,830	498.3%	Debenture issue with the 4th time new stock reservation right (7,000,000,000 yen)
Long-Term Borrowings	2,790	4.1%	4,290	5.9%	1,500	53.8%	Loan increase
Retirement Benefit Obligations	2,400	3.5%	2,440	3.4%	40	1.7%	
Total Shareholders' Equity	33,623	49.0%	32,816	45.3%	-807	-2.4%	
Common Stock	10,488	15.3%	10,644	14.7%	156	1.5%	Increase by stock conversion of a debenture with a new stock reservation right
Additional Paid-in Capital	9,000	13.1%	9,156	12.7%	156	1.7%	
Retained Earnings	9,968	14.5%	11,754	16.2%	1,786	17.9%	
Treasury Stock	-161	-0.2%	-177	-0.2%	-16	-9.9%	
Net Unrealized Loss on Available-for-Sale Securities	4,317	6.3%	1,403	1.9%	-2,914	-67.5%	Security unrealized gain or loss decrease

Reference 3: A summary of PL of the past five years

Unit: One million yen

	fiscal 2004	Composition ratio	fiscal 2005	Composition ratio	fiscal 2006	Composition ratio	fiscal 2007	Composition ratio	fiscal 2008	Composition ratio
Sales	57,118	100.0%	62,022	100.0%	66,737	100.0%	72,398	100.0%	78,229	100.0%
Cost of sales	47,316	82.8%	50,985	82.2%	54,162	81.2%	58,556	80.9%	63,377	81.0%
Gross Profit	9,801	17.2%	11,037	17.8%	12,575	18.8%	13,841	19.1%	14,851	19.0%
Sales administrative expense	8,272	14.5%	8,935	14.2%	9,422	14.2%	10,230	14.1%	10,383	13.3%
Operating income	1,529	2.7%	2,101	3.4%	3,153	4.7%	3,610	5.0%	4,468	5.7%
Non-operating income	293	0.5%	290	0.5%	386	0.6%	321	0.5%	455	0.6%
Non-operating expenses	436	0.8%	372	0.6%	375	0.6%	196	0.3%	391	0.5%
Ordinary income	1,386	2.4%	2,020	3.3%	3,163	4.7%	3,735	5.2%	4,532	5.8%
Extraordinary profit	532	0.9%	830	1.3%	351	0.5%	2	0.0%	-	-
Extraordinary loss	583	1.0%	1,116	1.8%	488	0.7%	576	0.8%	315	0.4%
Income before income taxes	1,335	2.3%	1,733	2.8%	3,026	4.5%	3,161	4.4%	4,217	5.4%
Net income	641	1.1%	927	1.5%	1,734	2.6%	1,974	2.7%	2,489	3.2%

Net income per share(yen)	7.70	10.13	16.51	18.23	22.80
Dividend a stock(yen)	4	5	6	6	6

The end of the term number of employees	722	717	708	716	718
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Depreciation	2,178	2,065	2,083	2,319	3,025
Capital Expenditures	1,730	2,889	3,014	4,857	5,908

Reference 4: A summary of BS of the past five years

Unit: One million yen

	fiscal 2004	Composition ratio	fiscal 2005	Composition ratio	fiscal 2006	Composition ratio	fiscal 2007	Composition ratio	fiscal 2008	Composition ratio
Assets total	51,260	100.0%	57,167	100.0%	63,498	100.0%	68,618	100.0%	72,362	100.0%
Current Assets	27,848	54.3%	31,556	55.2%	32,480	51.2%	35,326	51.5%	38,825	53.7%
Cash and Equivalents	2,062	4.0%	3,135	5.5%	3,534	5.6%	3,857	5.6%	4,027	5.6%
Trade Notes and Accounts Receivable	16,656	32.5%	17,929	31.4%	20,243	31.9%	23,128	33.7%	24,357	33.7%
Marketable Securities	2,999	5.9%	3,569	6.2%	1,199	1.9%	-	-	1,799	2.5%
Inventories	5,040	9.8%	5,439	9.5%	5,858	9.2%	6,513	9.5%	6,941	9.6%
Fixed Assets	23,412	45.7%	25,610	44.8%	31,017	48.8%	33,292	48.5%	33,537	46.3%
Property and Equipment	14,071	27.5%	14,407	25.2%	14,872	23.4%	16,839	24.5%	18,962	26.2%
Buildings and Improvements	4,124	8.0%	4,068	7.1%	3,886	6.1%	4,719	6.9%	5,928	8.2%
Machinery and Transportation	7,221	14.1%	7,271	12.7%	6,979	11.0%	7,701	11.2%	9,165	12.7%
Land	1,285	2.5%	1,938	3.4%	1,938	3.1%	1,936	2.8%	2,037	2.8%
Construction in process account	1,020	2.0%	729	1.3%	1,701	2.7%	2,023	2.9%	1,332	1.8%
Intangible fixed assets	736	1.4%	678	1.2%	892	1.4%	1,242	1.8%	1,180	1.6%
Investments and Other Assets	8,604	16.8%	10,524	18.4%	15,253	24.0%	15,209	22.2%	13,394	18.5%
Investment Securities	7,428	14.5%	9,402	16.4%	14,134	22.3%	14,054	20.5%	12,131	16.8%
Liabilities total	30,597	59.7%	31,186	54.6%	30,496	48.0%	34,994	51.0%	39,546	54.7%
Current Liabilities	17,088	33.3%	18,403	32.2%	19,983	31.5%	24,645	35.9%	23,820	32.9%
Trade Notes and Accounts Payable	10,067	19.6%	11,667	20.4%	13,101	20.6%	15,043	21.9%	14,417	19.9%
Short-Term Borrowings	1,930	3.8%	730	1.3%	880	1.4%	1,980	2.9%	1,780	2.5%
Current Portion of Long-Term Borrowings	1,666	3.3%	1,438	2.5%	1,216	1.9%	1,015	1.5%	1,200	1.7%
Redemption schedule debenture within one year	-	-	-	-	-	-	1,000	1.5%	-	-
Long-Term Liabilities	13,508	26.4%	12,783	22.4%	10,513	16.5%	10,349	15.1%	15,726	21.8%
Corporate Bond	1,000	2.0%	2,500	4.4%	2,500	3.9%	1,500	2.2%	1,500	2.1%
Convertible Bond	5,000	9.8%	4,641	8.1%	1,239	2.0%	1,170	1.7%	7,000	9.7%
Long-Term Borrowings	3,856	7.5%	1,621	2.8%	1,405	2.2%	2,790	4.1%	4,290	5.9%
Retirement Benefit Obligations	2,423	4.7%	2,561	4.5%	2,414	3.8%	2,400	3.5%	2,440	3.4%
Total Shareholders' Equity	20,663	40.3%	25,980	45.4%	33,001	52.0%	33,623	49.0%	32,816	45.3%
Common Stock	6,282	12.3%	8,694	15.2%	10,435	16.4%	10,488	15.3%	10,644	14.7%
Additional Paid-in Capital	4,798	9.4%	7,208	12.6%	8,947	14.1%	9,000	13.1%	9,156	12.7%
Retained Earnings	7,216	14.1%	7,557	13.2%	8,745	13.8%	9,968	14.5%	11,754	16.2%
Treasury Stock	-110	-0.2%	-124	-0.2%	-151	-0.2%	-161	-0.2%	-177	-0.2%
Net Unrealized Loss on Available-for-Sale Secur	2,476	4.8%	2,645	4.6%	5,025	7.9%	4,317	6.3%	1,403	1.9%

Reference 5: The production system

	Product name	Plant					
		Kokura	Amagasaki	Matsuyama	Mizushima	Shizuoka	Okayama chemical
Basic Chemical Products	Caustic Soda	○	○	○			○
	Caustic Potash			○			
	Hydrochloric Acid	○	○	○			
	Liquid chlorine		○	○			
	Chlorine Gas		○				○
	Sodium Hypochlorite	○	○	○			○
	Low Content Sodium Hypochlorite	○	○	○			
	Sodium Chlorite		○				
	Sodium Chlorate		○				
	Ferric Chloride	○	○				
	Hydrogen Gas		○				○
	Allyl Chloride				○		
	1-3dichloropropene				○		
	Epichlorohydrin			○	○		
Functional Chemical Products	Allyl Ether			○			
	Polysulfide Silane Coupling Agents(CABRUS®)		○				
	Epichlorohydrin Rubber(EPICHLOMER®)				○		
	Diallyl phthalate resins			○			
	Packing Materials for Liquid Chromatography(DAISOGEL®)		○				
	Pharmaceutical Intermediates			○			
	Metal Electrodes(SPOLDE®)		○				
Housing Facilities	High Luster DAP Decorative Laminate					○	