

Consolidated Financial Statements

For the Fiscal Year Ended March 31,2004

April 26,2004

AICHI MACHINE INDUSTRY CO.,LTD.

Code No. : 7263
 URL : http://www.aichikikai.co.jp
 Stock Exchange Listed : Tokyo and Nagoya Stock Exchange First Section
 Corporate Headquarters : 2-12, Kawanami cho, Atsuta ku, Nagoya, 456-8601, Japan
 Corporate Representative : Masato Nakagawa, President and CEO
 Investor Relations : Yoshio Kokuryou, General Manager, Business Administration Department
 : TEL (052) 681 - 1113

Date of the meeting of the Board of Directors for approval
 of non consolidated financial statements : April 26,2004
 Adoption of U.S.GAAP : None

1.Consolidated Financial Results for the Fiscal Years Ended March 31,2004 and 2003

(1)Consolidated Results of Operations (million yen, except per share amount)

	Sales		Operating Income		Ordinary Income	
Year ended Mar.31,2004	120,836	(12.9)%	4,170	18.4%	4,416	38.1%
Year ended Mar.31,2003	138,706	19.8%	3,522	69.6%	3,199	96.6%

	Net Income(Loss)	Net Income (Loss) per Share	Diluted Net Income Per Share	ROE (Ratio of Net Income to Shareholders' Equity)	Ordinary Income/ Total Assets	Ordinary Income/ Net Sales
Year ended Mar.31,2004	5,344	58.99yen		11.7%	4.8%	3.7%
Year ended Mar.31,2003	(9,433)	(104.31)yen		(19.3)%	3.3%	2.3%

Notes: 1. Equity in earnings(losses) of affiliates : For the fiscal year ended Mar.31,2004 : - million yen
 For the fiscal year ended Mar.31,2003 : - million yen
 2. Average number of shares outstanding : Year ended Mar.31,2004 : 90,605,820 shares
 Year ended Mar.31,2003 : 90,631,441 shares
 3. Change in accounting policy : Yes
 4. Percentage above represent annual changes over the preceding year unless otherwise stated.

(2)Consolidated Financial Positions (million yen, except per share amount)

	Total Assets	Shareholders' Equity	Ratio of Shareholders' Equity to Total Assets	Shareholders' Equity per Share
Year ended Mar.31,2004	92,480	48,292	52.2 %	533.02 yen
Year ended Mar.31,2003	89,723	43,255	48.2 %	477.16 yen

Note: Number of shares issued and outstanding at the end of each of period(consolidated)
 As of March 31,2004 : 90,601,908 shares
 As of March 31,2003 : 90,608,204 shares

(3)Consolidated Cash Flows (million yen)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at Fiscal Year End
Year ended Mar.31,2004	6,992	(2,473)	(4,605)	2,091
Year ended Mar.31,2003	3,185	(8,739)	2,921	2,304

(4)Number of consolidated companies and companies accounted for using the equity method

The number of consolidated subsidiaries : 7
 The number of unconsolidated subsidiaries accounted for using the equity method : -
 The number of affiliates accounted for using the equity method : -

(5)Change of reporting entities

The number of consolidated companies added : -
 The number of consolidated companies removed : 2
 The number of companies carried by the equity method added : -
 The number of companies carried by the equity method removed : -

2. Consolidated Financial Forecasts for the Fiscal Year ending March 31,2005

(million yen, except per share amount)

	Sales	Ordinary Income	Net Income
Year ending Mar.31,2005	121,000	4,200	2,300

(Reference) Expected Net Income per Share : 25.37yen

Management of the Company has made estimates and assumptions relating to financial forecasts based on information available as of the reporting date. Actual results could differ from those estimates.
 Amounts are disregarded to omit fraction less than 1 million yen, through this report.