

Consolidated Financial Results

First Quarter of the Fiscal Year Ending March 31, 2020

(April 1, 2019 - June 30, 2019)

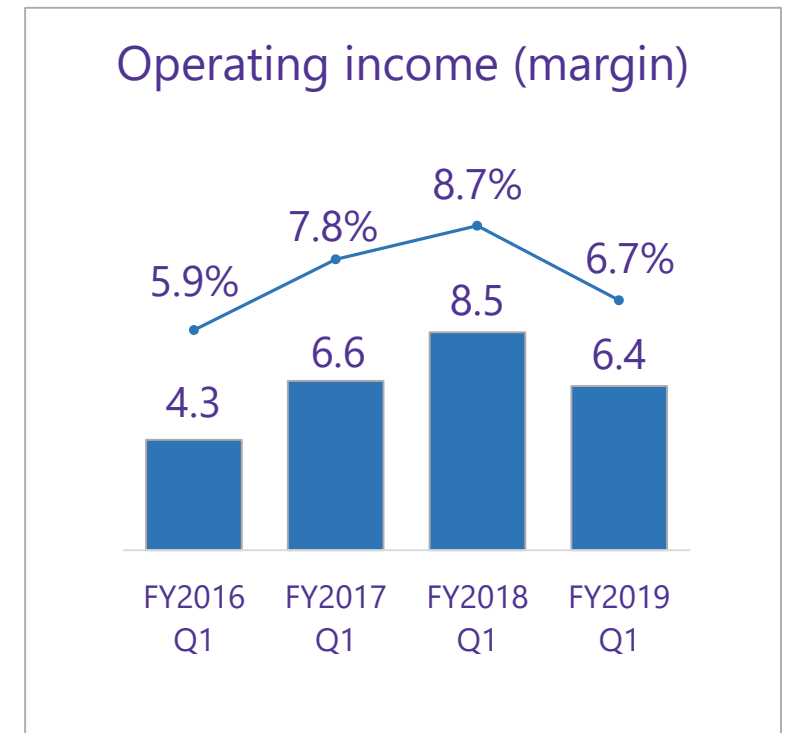
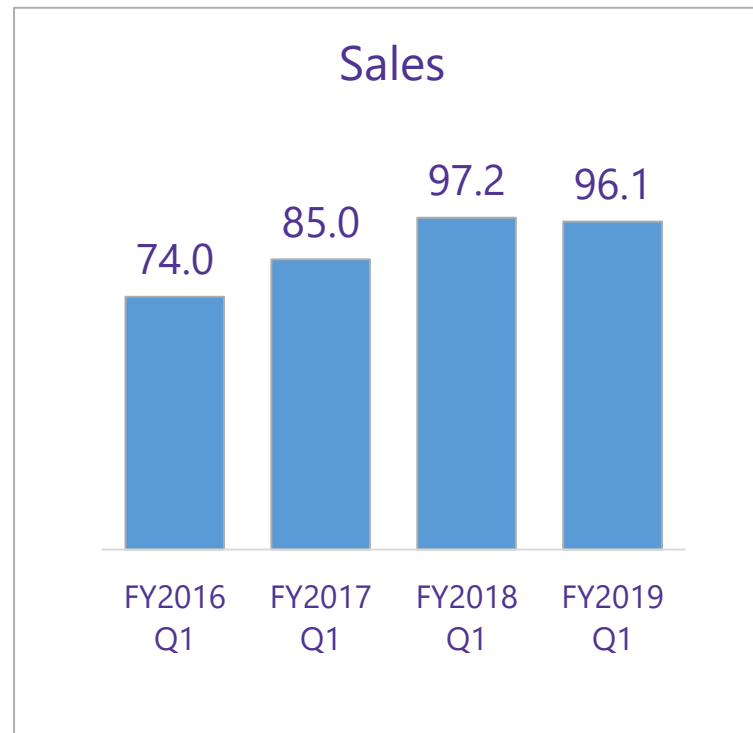
August 8, 2019

DAIFUKU CO., LTD.



- ✓ Orders: Reflected a delay in the timing of receiving orders and other factors
- ✓ Sales: Held largely steady year-on-year
- ✓ Operating income:
Reflected changes in the environment surrounding the semiconductor and flat-panel display sectors and the additional costs incurred

(Billion yen)



(Billion yen)

	FY2018 Q1 results	FY2019 Q1 results	Year-on-year
Orders	129.17	100.46	-22.2%
Net sales	97.27	96.16	-1.1%
Operating income	8.50	6.42	-24.5%
Ordinary income	8.97	6.55	-27.0%
Net income attributable to shareholders of the parent company	11.22	5.22	-53.4%
Comprehensive income	6.87	5.02	-27.0%
Net income per share	89.24 yen	41.56 yen	
Exchange rate (per 1 U.S. dollar)	107.50 yen	110.30 yen	

- ✓ A gain on the sale of shares in affiliates (Knapp AG) of 6.94 billion yen was included in the year-on-year results.

FY2019 Q1 Results by Segment

(Billion yen)

	Orders (Orders from outside customers)		Net sales (Sales to outside customers)		Segment income (Net income attributable to shareholders of the parent company)	
	FY2018 Q1	FY2019 Q1	FY2018 Q1	FY2019 Q1	FY2018 Q1	FY2019 Q1
Daifuku	62.49	52.39	43.29	40.18	10.76	2.32
Contec	4.02	5.28	3.68	3.42	0.19	0.38
Daifuku North America	20.28	18.43	19.98	21.94	0.76	1.34
Clean Factomation	12.59	7.63	7.48	8.01	0.85	0.98
Other	29.77	16.72	23.51	22.38	0.91	0.41
Consolidated adjustment and other	-	-	-0.68	0.19	-2.27	-0.21
Total	129.17	100.46	97.27	96.16	11.22	5.22

✓ Daifuku:
A gain on the sale of shares in affiliates was included in the year-on-year results.

✓ Daifuku North America:
Sales were strong in systems for the semiconductor and airport sectors.

✓ Other:
Income reflected the severe environment surrounding the semiconductor and flat-panel display sectors in East Asia.

Consolidated Balance Sheets

(Billion yen)

	FY2018	FY2019 Q1	Change
Current assets	326.23	312.81	-13.42
Cash on hand and in banks	90.91	82.43	-8.48
Notes and accounts receivable	191.86	182.85	-9.01
Inventories	34.20	39.23	5.02
Other	9.24	8.30	-0.94
Non-current assets	83.74	88.28	4.54
Property, plant and equipment	37.02	41.47	4.45
Intangible assets	12.46	12.26	-0.19
Goodwill	7.56	7.36	-0.19
Other	4.89	4.89	-0.00
Investments and other assets	34.26	34.54	0.28
Total assets	409.98	401.10	-8.87

	FY2018	FY2019 Q1	Change
Current liabilities	155.96	148.00	-7.95
Notes and accounts payable	71.79	65.31	-6.47
Short-term borrowings and bonds	19.43	19.05	-0.37
Other	64.73	63.62	-1.10
Non-current liabilities	31.13	32.86	1.73
Long-term borrowings and bonds	20.56	20.57	0.00
Other	10.56	12.28	1.72
Total Liabilities	187.09	180.87	-6.22
Shareholders' equity	214.65	212.24	-2.40
Common stock	31.86	31.86	-
Retained earnings	162.72	160.24	-2.48
Other	20.06	20.14	0.07
Accumulated other comprehensive income	4.03	3.83	-0.19
Non-controlling interests	4.19	4.15	-0.04
Total net assets	222.88	220.23	-2.65
Total liabilities and net assets	409.98	401.10	-8.87

✓ Total assets:
Decreased by 8.8 billion yen
[Main factors]
Decrease: 8.4 billion yen in cash on hand and in banks, 9.0 billion yen in notes and accounts receivable
Increase: 4.4 billion yen in property, plant and equipment

✓ Liabilities:
Decreased by 6.2 billion yen
[Main factors]
Decrease: 6.4 billion yen in notes and accounts payable

✓ Net assets:
Decreased by 2.6 billion yen
[Main factors]
Decrease: 2.4 billion yen in retained earnings due to payment of dividends, etc.

Orders and Sales by Industry (Consolidated)

(Billion yen)

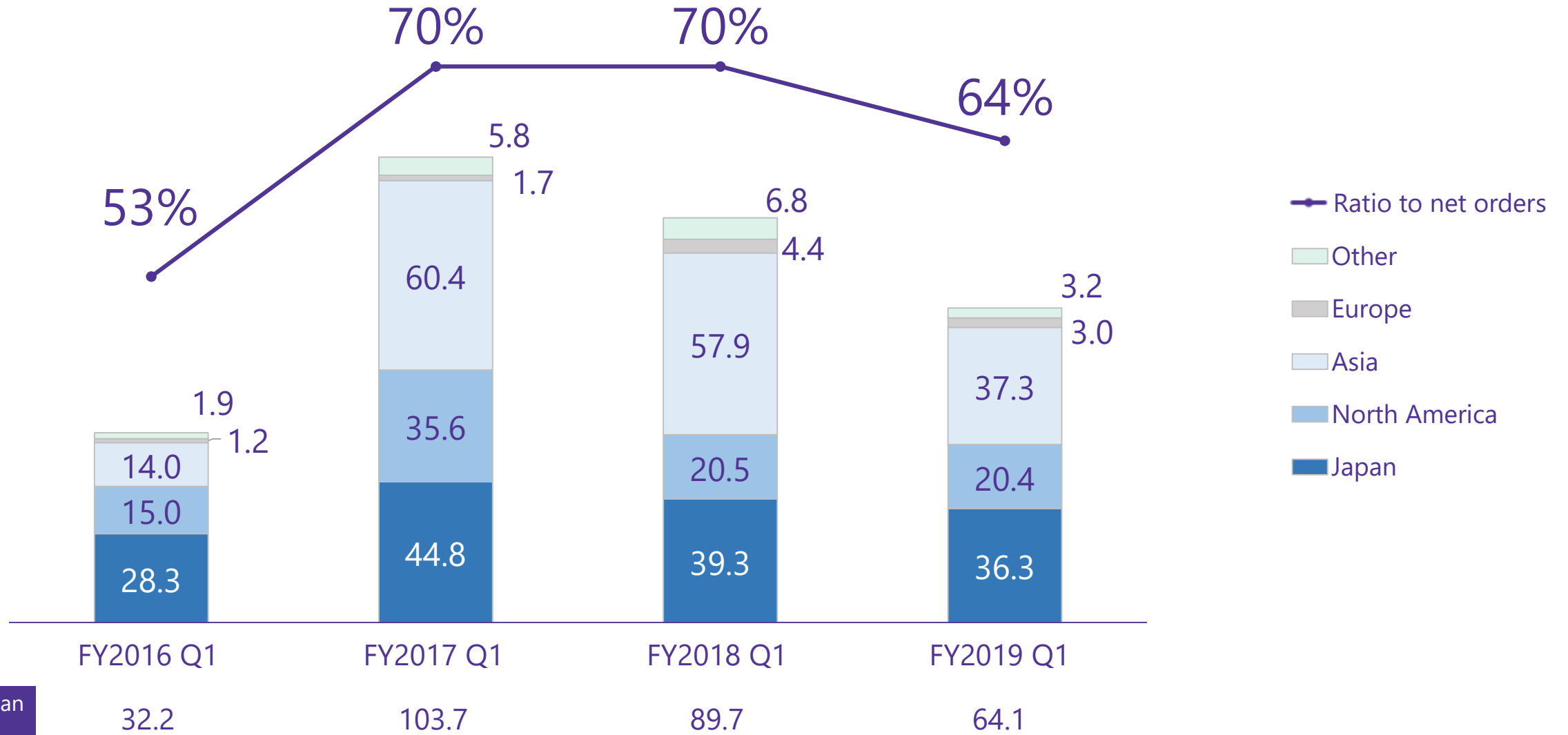
Industry	Orders				Sales			
	FY2018 Q1		FY2019 Q1		FY2018 Q1		FY2019 Q1	
	Orders	Composition	Orders	Composition	Sales	Composition	Sales	Composition
Automobile, auto parts	19.25	14.9%	13.05	13.0%	14.19	14.6%	12.80	13.3%
Electronics	57.31	44.4%	36.81	36.6%	41.67	42.8%	37.11	38.6%
Commerce, retail	24.64	19.1%	16.88	16.8%	13.81	14.2%	16.37	17.0%
Transportation, warehousing	7.41	5.7%	8.20	8.2%	5.66	5.8%	7.18	7.5%
Machinery	2.13	1.7%	2.56	2.6%	1.57	1.6%	2.61	2.7%
Chemicals, pharmaceuticals	4.37	3.4%	5.09	5.1%	3.29	3.4%	2.83	2.9%
Food	2.10	1.6%	2.81	2.8%	2.71	2.8%	1.79	1.9%
Iron, steel, nonferrous metals	1.59	1.2%	1.34	1.3%	0.83	0.9%	1.10	1.2%
Precision equipment, printing, office equipment	2.89	2.2%	1.62	1.6%	1.49	1.5%	2.14	2.2%
Airport	3.09	2.4%	8.98	8.9%	7.02	7.2%	8.95	9.3%
Other	4.34	3.4%	3.09	3.1%	4.98	5.2%	3.23	3.4%
Total	129.17	100.0%	100.46	100.0%	97.27	100.0%	96.16	100.0%

✓ Orders from the electronics, commerce, and retail sectors decreased. Orders from airports increased significantly.

✓ Sales for the commerce, retail, transportation, warehousing, and machinery sectors were favorable.

Orders by Region (Consolidated)

(Billion yen)



Non-Japan Total

Orders by Region (Consolidated)

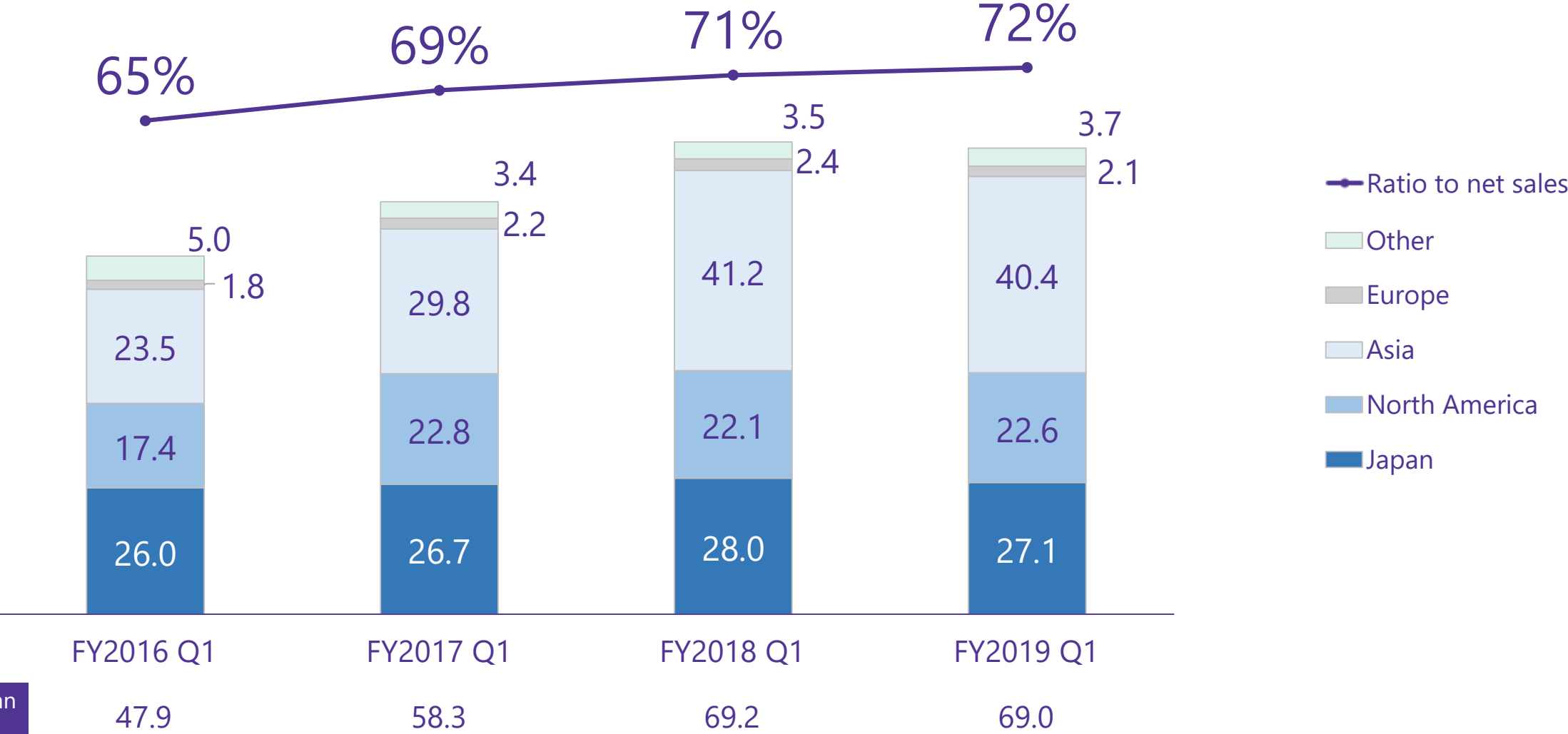
(Billion yen)

Region	FY2016 Q1		FY2017 Q1		FY2018 Q1		FY2019 Q1	
	Orders	Composition	Orders	Composition	Orders	Composition	Orders	Composition
Japan	28.38	46.8%	44.86	30.2%	39.38	30.5%	36.32	36.2%
Non-Japan	32.28	53.2%	103.70	69.8%	89.78	69.5%	64.14	63.8%
North America	15.07	24.8%	35.67	24.0%	20.56	15.9%	20.41	20.3%
Asia	14.01	23.1%	60.41	40.7%	57.93	44.9%	37.38	37.2%
China	4.40	7.3%	34.15	23.0%	25.31	19.6%	15.25	15.2%
South Korea	3.53	5.8%	19.03	12.8%	20.14	15.6%	12.04	12.0%
Taiwan	3.92	6.5%	5.16	3.5%	8.34	6.5%	7.67	7.6%
Other	2.14	3.5%	2.05	1.4%	4.13	3.2%	2.41	2.4%
Europe	1.24	2.1%	1.76	1.2%	4.41	3.4%	3.07	3.1%
Latin America	-0.02	0.0%	1.98	1.3%	5.11	4.0%	0.41	0.4%
Other	1.97	3.2%	3.86	2.6%	1.75	1.3%	2.84	2.8%
Total	60.66	100.0%	148.57	100.0%	129.17	100.0%	100.46	100.0%

✓ Orders in East Asia and Latin America decreased.

Sales by Region (Consolidated)

(Billion yen)



Non-Japan
Total

Sales by Region (Consolidated)

(Billion yen)

Region	FY2016 Q1		FY2017 Q1		FY2018 Q1		FY2019 Q1	
	Sales	Composition	Sales	Composition	Sales	Composition	Sales	Composition
Japan	26.03	35.2%	26.74	31.4%	28.01	28.8%	27.12	28.2%
Non-Japan	47.99	64.8%	58.31	68.6%	69.26	71.2%	69.03	71.8%
North America	17.45	23.6%	22.81	26.8%	22.11	22.7%	22.62	23.5%
Asia	23.56	31.8%	29.82	35.1%	41.20	42.4%	40.47	42.1%
China	7.09	9.6%	11.09	13.1%	22.79	23.4%	18.89	19.7%
South Korea	7.28	9.8%	12.17	14.3%	13.21	13.6%	10.34	10.8%
Taiwan	6.43	8.7%	4.24	5.0%	1.44	1.5%	8.22	8.5%
Other	2.74	3.7%	2.31	2.7%	3.74	3.9%	3.00	3.1%
Europe	1.89	2.6%	2.24	2.6%	2.40	2.5%	2.14	2.2%
Latin America	0.73	1.0%	1.14	1.3%	1.40	1.4%	1.22	1.3%
Other	4.34	5.8%	2.29	2.8%	2.12	2.2%	2.57	2.7%
Total	74.03	100.0%	85.06	100.0%	97.27	100%	96.16	100.0%

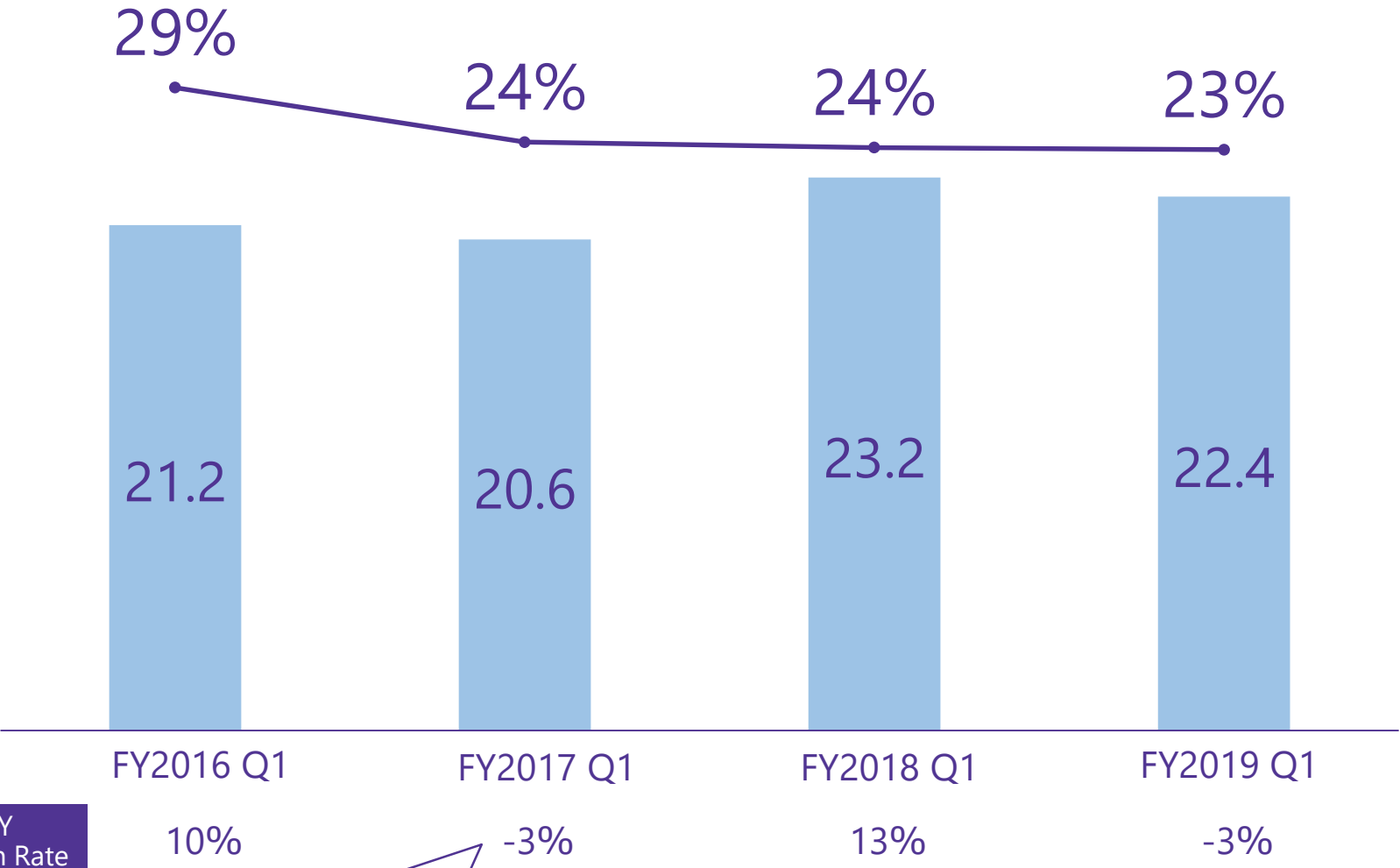
✓ Sales in Japan remained stable.

✓ Sales in China and South Korea decreased, but sales in Taiwan increased.

Service Sales (Consolidated)

(Billion yen)

∶ Ratio to net sales



✓ Sales remained almost flat.

Note: Sales in the service business include maintenance, retrofitting, and remodeling work for products and systems Daifuku delivered.

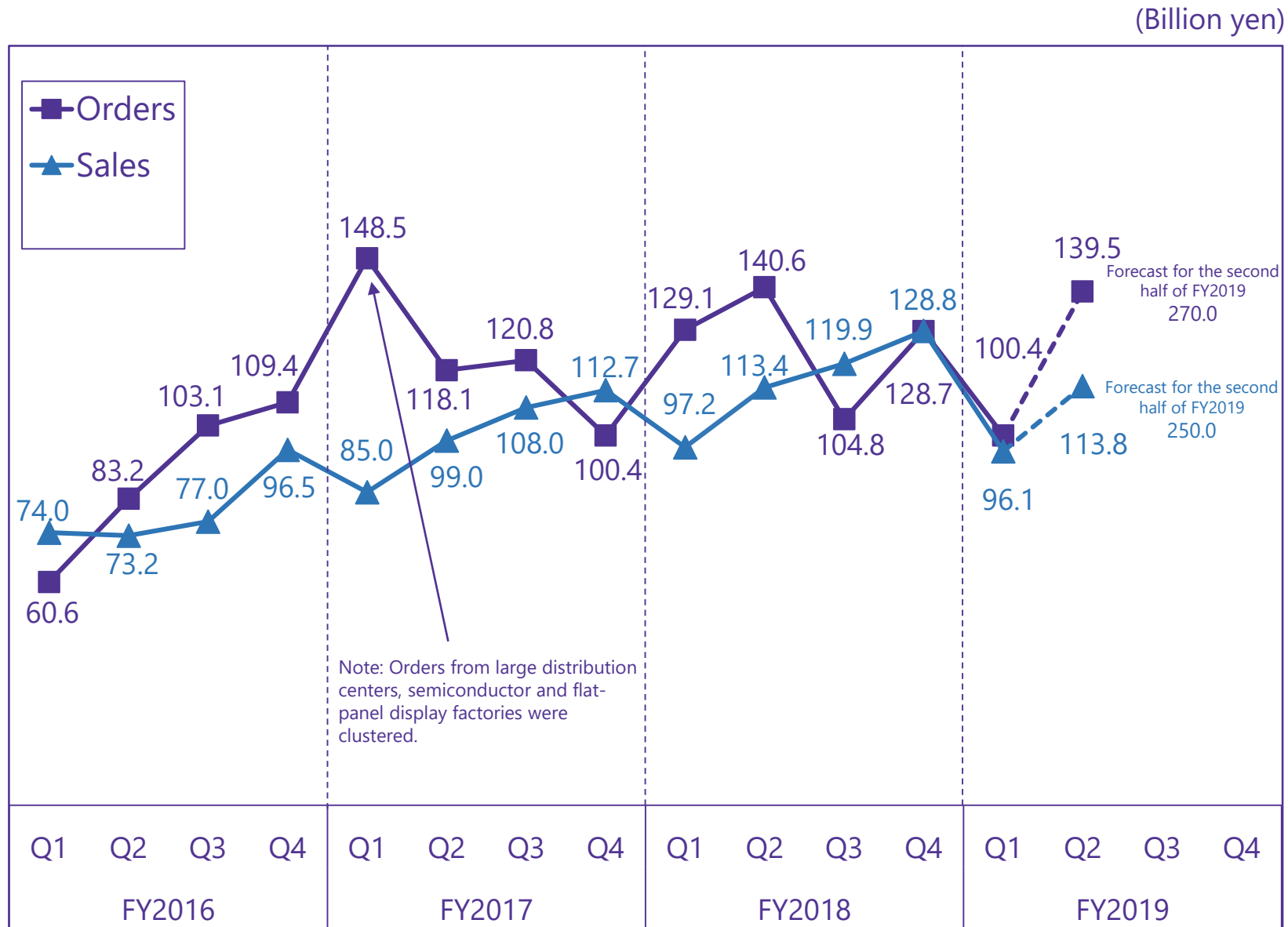
Y/Y
Growth Rate

Impact from the appreciation of the yen

(Billion yen)

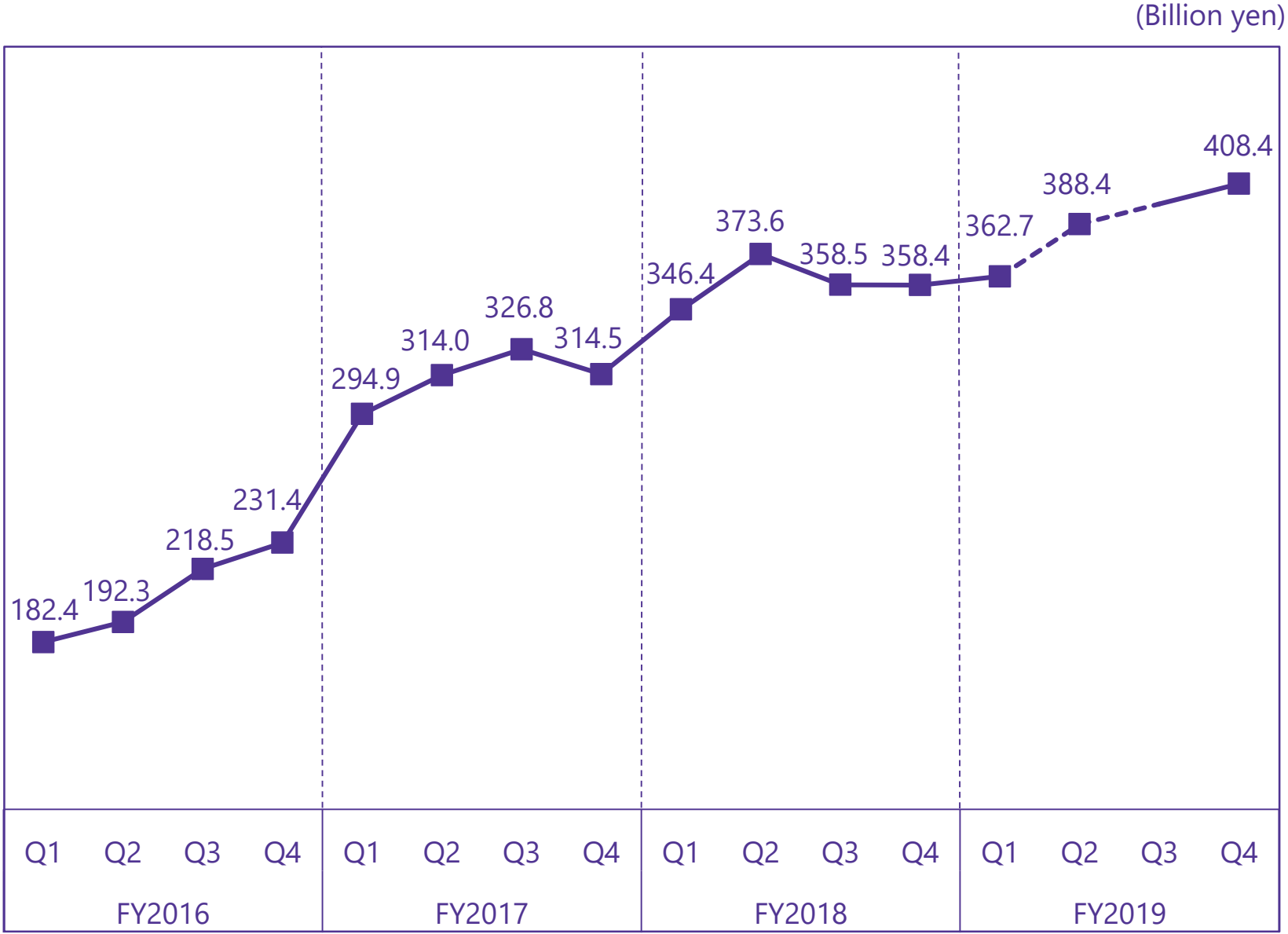
	FY2018 H1	FY2019 H1 (Forecast)			FY2018	FY2019 (Forecast)		
		Announced on May 10, 2019	Revised on August 8, 2019	Year-on-year		Announced on May 10, 2019	Revised on August 8, 2019	Year-on-year
Orders	269.83	280.0	240.0	-11.0%	503.39	530.0	510.0	1.3%
Net sales	210.71	230.0	210.0	-0.3%	459.48	480.0	460.0	0.1%
Operating income	23.11	23.0	16.0	-30.8%	54.68	52.8	46.0	-15.9%
Ordinary income	23.75	23.4	16.2	-31.8%	55.84	53.5	46.5	-16.7%
Net income attributable to shareholders of the parent company	21.79	16.3	12.0	-45.0%	39.56	38.2	33.5	-15.3
Net income per share	173.31 yen	129.58 yen	95.37 yen	-	314.54 yen	303.67 yen	266.24 yen	-

Quarterly Orders and Sales (Consolidated)



✓ Orders are projected to increase in the second quarter.

Order Backlogs (Consolidated)



- ✓ The order backlog at the end of FY2019 is projected to increase by 50.0 billion yen year on year.

DAIFUKU

Always an Edge Ahead

Cautionary Statement with Respect to Forward-Looking Statements

The strategies, beliefs and plans related to future business performance as described in this document are not established facts. They are business prospects based on the assumptions and beliefs of the management team judging from the most current information, and therefore, these prospects are subject to potential risks and uncertainties. Due to various crucial factors, actual results may differ materially from these forward-looking statements. These crucial factors that may adversely affect performance include 1) consumer trends and economic conditions in the Daifuku Group's operating environment; 2) the effect of yen exchange rates on sales, assets and liabilities denominated in U.S. dollars and other currencies; 3) the tightening of laws and regulations regarding safety and other matters that may lead to higher costs or sales restrictions; and 4) the impact of natural disasters and intentional threats, war, acts of terrorism, strikes, and plagues. Moreover, there are other factors that may adversely affect the Group's performance.