

Consolidated Financial Results

First Three Quarters of the Fiscal Year Ending March 31, 2020
(April 1, 2019 - December 31, 2019)

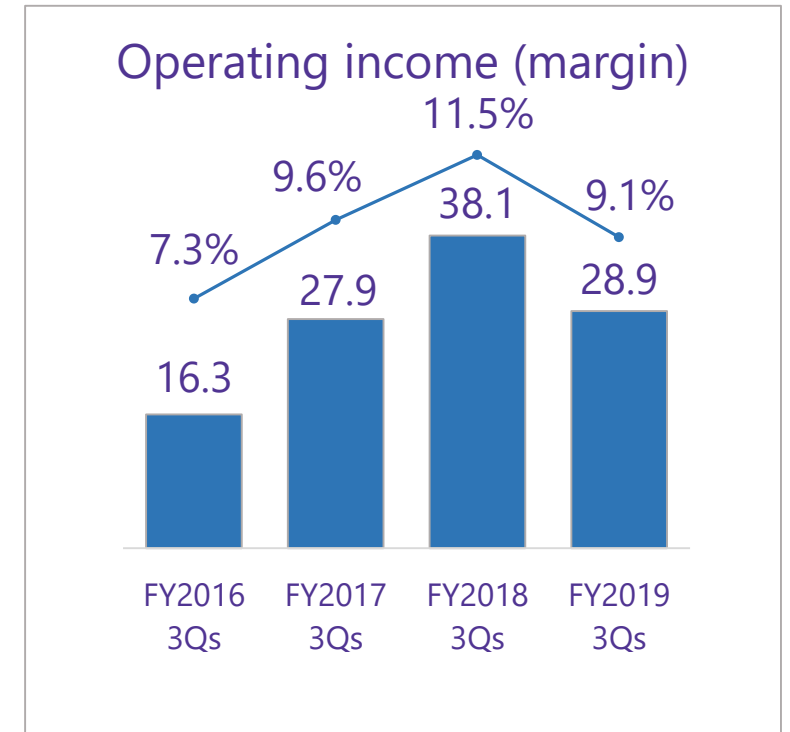
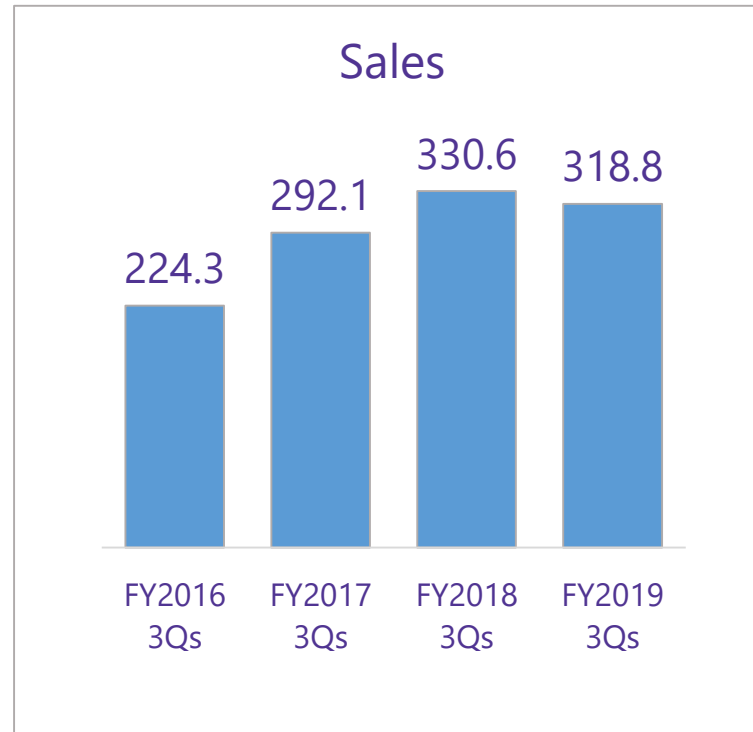
February 7, 2020

DAIFUKU CO., LTD.



- ✓ Orders, sales and operating income reflected mainly decreased investment in the semiconductor and flat-panel display sectors.

(Billion yen)



FY2019 First 3Qs Results (Consolidated)

(Billion yen)

	FY2018 3Qs	FY2019 3Qs	Year-on-year
Orders	374.68	338.10	-9.8%
Net sales	330.65	318.80	-3.6%
Operating income	38.10	28.92	-24.1%
Ordinary income	39.03	29.51	-24.4%
Net income attributable to shareholders of the parent company	32.69	21.80	-33.3%
Comprehensive income	30.66	18.97	-38.1%
Net income per share	259.93 yen	173.23 yen	
Exchange rate (per 1 U.S. dollar)	109.64 yen	109.22 yen	

- ✓ A gain on sales of shares in affiliates (Knapp AG) of ¥6.94 billion was included in extraordinary income in the year-on-year results.

Results by Reportable 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 3Qs	FY2019 3Qs	FY2018 3Qs	FY2019 3Qs	FY2018 3Qs	FY2019 3Qs
Daifuku	175.03	141.92	144.10	145.77	24.43	12.34
Contec	12.60	12.96	12.27	11.92	0.98	1.32
Daifuku North America	88.15	100.07	68.24	71.31	3.59	4.72
Clean Factomation	28.84	18.78	26.28	22.83	2.20	3.01
Other	70.03	64.35	77.10	68.05	3.62	1.34
Consolidated adjustment and other	-	-	2.64	-1.10	-2.15	-0.95
Total	374.68	338.10	330.65	318.80	32.69	21.80

✓ Daifuku:
Growing demand from the e-commerce sector and expanding system sizes.

✓ Daifuku North America:
Received a large order for automobile production line systems.

✓ Clean Factomation:
Orders and sales fell mainly due to a delay in the recovery in demand for semiconductor memory.

Consolidated Balance Sheets

(Billion yen)

	FY2018	FY2019 Q3	Change
Current assets	326.23	313.22	-13.01
Cash on hand and in banks	90.91	66.07	-24.83
Notes and accounts receivable	191.86	191.89	0.03
Inventories	34.20	38.32	4.11
Other	9.24	16.91	7.67
Non-current assets	83.74	90.47	6.73
Property, plant and equipment	37.02	45.02	8.00
Intangible assets	12.46	11.27	-1.18
Goodwill	7.56	6.59	-0.96
Other	4.89	4.68	-0.21
Investments and other assets	34.26	34.17	-0.08
Total assets	409.98	403.69	-6.28

	FY2018	FY2019 Q3	Change
Current liabilities	155.96	139.40	-16.55
Notes and accounts payable	71.79	66.20	-5.59
Short-term borrowings	19.43	19.58	0.15
Other	64.73	53.61	-11.11
Non-current liabilities	31.13	33.66	2.53
Long-term borrowings	20.56	21.19	0.62
Other	10.56	12.47	1.90
Total Liabilities	187.09	173.07	-14.02
Shareholders' equity	214.65	225.37	10.71
Common stock	31.86	31.86	-
Retained earnings	162.72	173.03	10.30
Other	20.06	20.47	0.40
Accumulated other comprehensive income	4.03	0.96	-3.06
Non-controlling interests	4.19	4.28	0.08
Total net assets	222.88	230.62	7.74
Total liabilities and net assets	409.98	403.69	-6.28

✓ Total assets:
Decreased by ¥6.2 billion
[Factors]
Decrease: ¥24.8 billion in cash on hand and in banks
Increase: ¥8.0 billion in property, plant and equipment resulting from acquisition

✓ Liabilities:
Decreased by ¥14.0 billion
[Factors]
Decreases: ¥4.6 billion in notes and accounts payable and construction contracts payable among trade payables, ¥11.9 billion in income taxes payable in other

✓ Net assets:
Increased by ¥7.7 billion
[Factors]
Increase: ¥10.3 billion in retained earnings
Decrease: ¥3.4 billion in foreign currency translation adjustments

Orders and Sales by Industry (Consolidated)

(Billion yen)

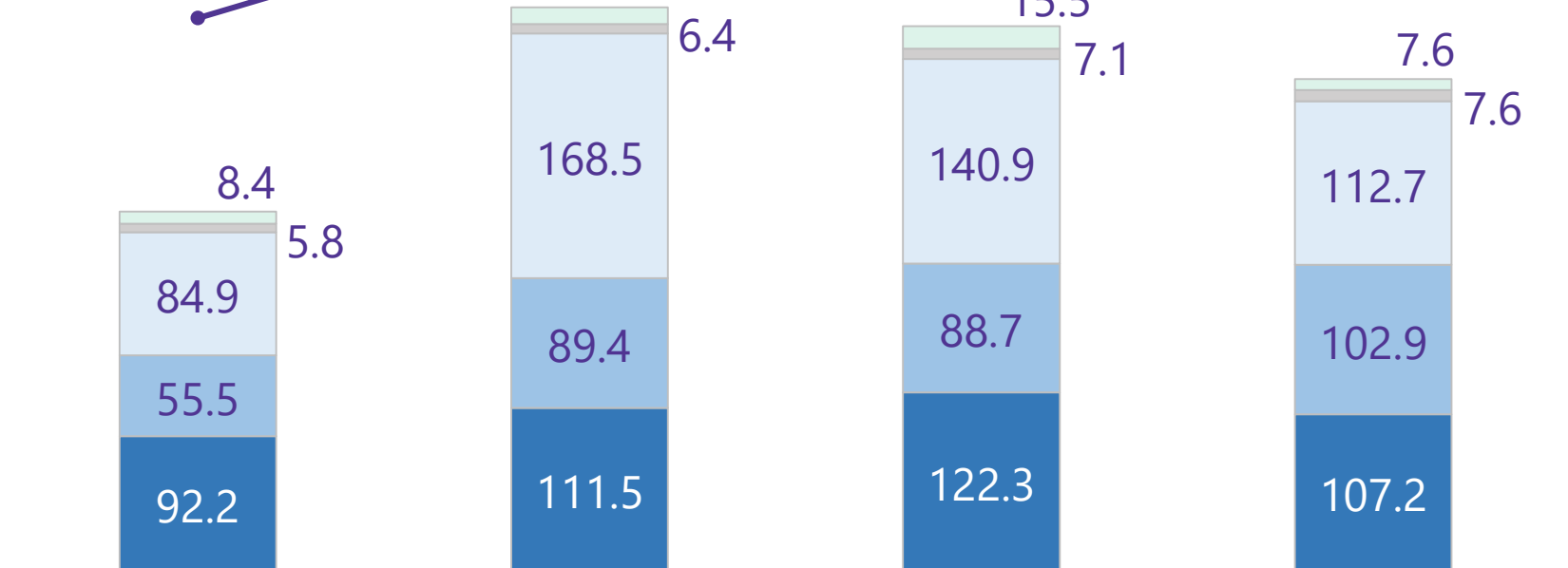
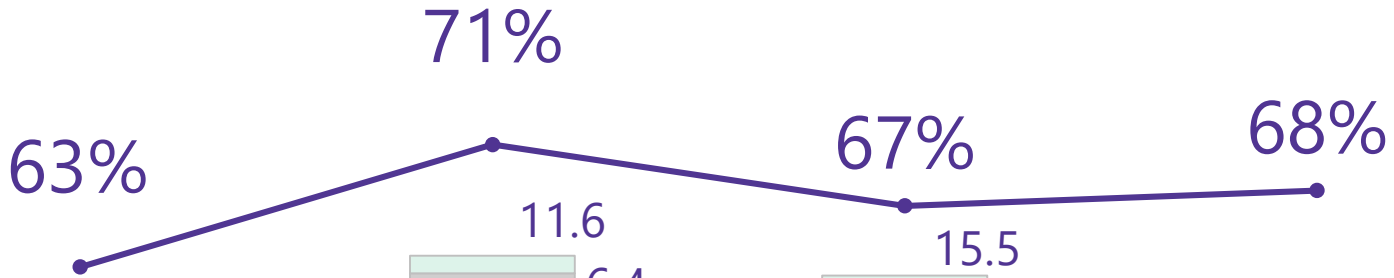
Industry	Orders				Sales			
	FY2018 3Qs		FY2019 3Qs		FY2018 3Qs		FY2019 3Qs	
	Orders	Composition	Orders	Composition	Sales	Composition	Sales	Composition
Automobile, auto parts	52.29	14.0%	75.32	22.3%	46.91	14.2%	44.70	14.0%
Electronics	133.94	35.7%	108.38	32.1%	143.27	43.3%	113.97	35.8%
Commerce, retail	59.44	15.9%	55.89	16.5%	51.75	15.7%	60.86	19.1%
Transportation, warehousing	30.18	8.1%	20.91	6.2%	18.49	5.6%	20.58	6.5%
Machinery	10.81	2.9%	8.41	2.5%	6.40	1.9%	9.37	2.9%
Chemicals, pharmaceuticals	10.58	2.8%	14.21	4.2%	10.05	3.0%	10.23	3.2%
Food	9.32	2.5%	10.66	3.2%	8.66	2.6%	8.18	2.6%
Iron, steel, nonferrous metals	4.81	1.3%	4.76	1.4%	2.84	0.9%	3.90	1.2%
Precision equipment, printing, office equipment	10.41	2.8%	3.88	1.2%	4.26	1.3%	7.88	2.5%
Airport	39.64	10.6%	24.60	7.3%	24.89	7.5%	28.10	8.8%
Other	13.22	3.4%	11.03	3.1%	13.10	4.0%	10.97	3.4%
Total	374.68	100.0%	338.10	100.0%	330.65	100.0%	318.80	100.0%

✓ Orders were strong in the automobile and auto parts sectors due to winning a large order in North America.

✓ Sales were favorable in the commerce, retail, and airport sectors.

Orders by Region (Consolidated)

(Billion yen)



Non-Japan Total

154.7

276.0

252.3

230.9

Orders by Region (Consolidated)

(Billion yen)

Region	FY2016 3Qs		FY2017 3Qs		FY2018 3Qs		FY2019 3Qs	
	Orders	Composition	Orders	Composition	Orders	Composition	Orders	Composition
Japan	92.29	37.4%	111.51	28.8%	122.32	32.6%	107.20	31.7%
Non-Japan	154.77	62.6%	276.03	71.2%	252.36	67.4%	230.90	68.3%
North America	55.56	22.5%	89.41	23.1%	88.72	23.7%	102.92	30.4%
Asia	84.90	34.4%	168.52	43.5%	140.97	37.6%	112.72	33.3%
China	32.96	13.4%	99.16	25.6%	68.32	18.2%	46.75	13.8%
South Korea	26.18	10.6%	49.01	12.6%	38.40	10.3%	28.76	8.5%
Taiwan	18.06	7.3%	10.70	2.8%	22.57	6.0%	30.82	9.1%
Other	7.69	3.1%	9.63	2.5%	11.67	3.1%	6.38	1.9%
Europe	5.81	2.3%	6.47	1.6%	7.11	1.9%	7.64	2.3%
Latin America	1.61	0.6%	4.34	1.1%	8.33	2.2%	0.84	0.3%
Other	6.86	2.8%	7.27	1.9%	7.21	2.0%	6.76	2.0%
Total	247.06	100.0%	387.54	100.0%	374.68	100.0%	338.10	100.0%

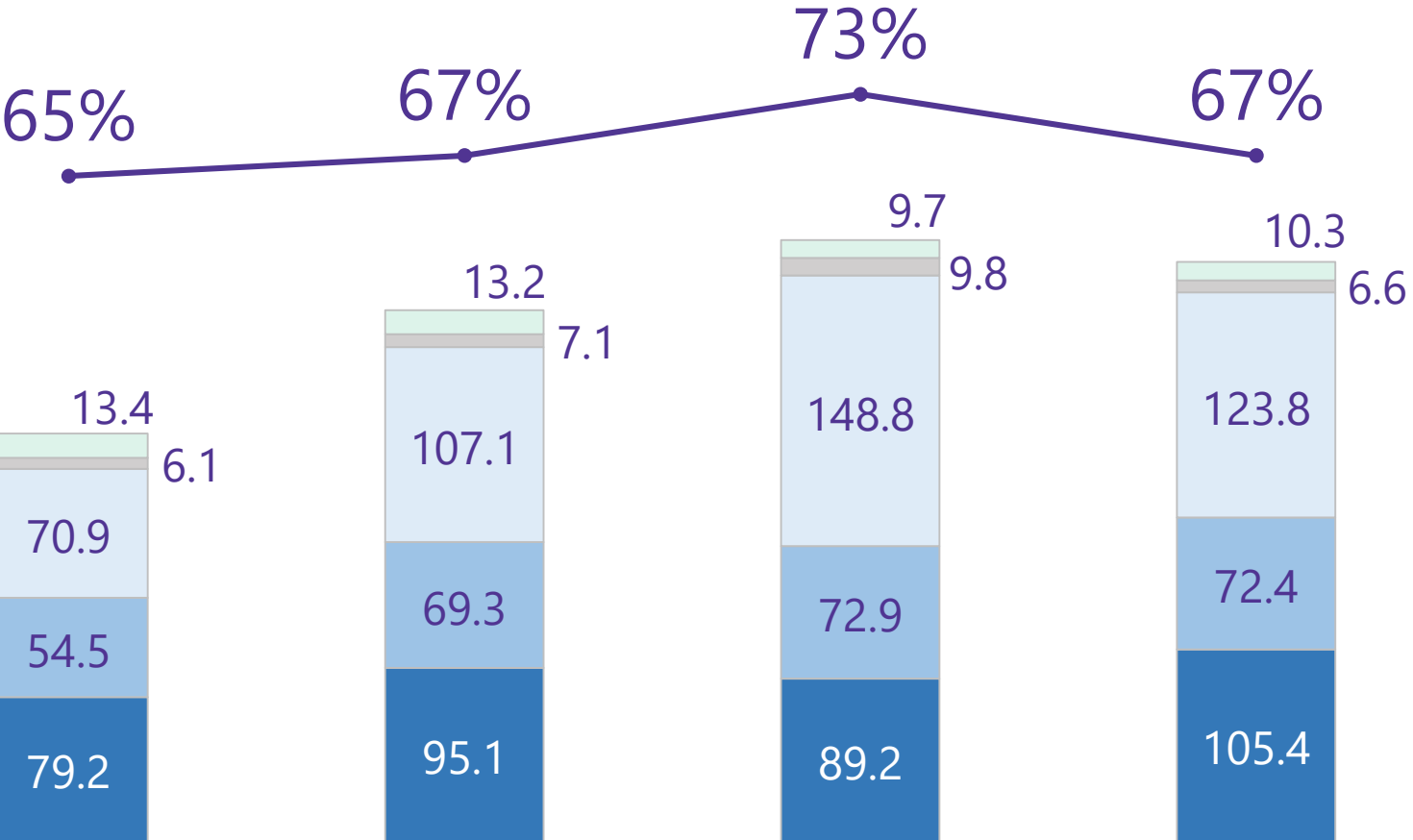
✓ In North America, orders for automobile production line systems were strong.

✓ In China, capital investment in the flat-panel display sector decreased.

✓ In Taiwan, orders for systems for semiconductor factories were strong.

Sales by Region (Consolidated)

(Billion yen)



- Non-Japan ratio to net sales
- Other
- Europe
- Asia
- North America
- Japan

FY2016 3Qs FY2017 3Qs FY2018 3Qs FY2019 3Qs

Non-Japan Total

145.0 196.9 241.4 213.3

Sales by Region (Consolidated)

(Billion yen)

Region	FY2016 3Qs		FY2017 3Qs		FY2018 3Qs		FY2019 3Qs	
	Sales	Composition	Sales	Composition	Sales	Composition	Sales	Composition
Japan	79.23	35.3%	95.16	32.6%	89.24	27.0%	105.49	33.1%
Non-Japan	145.08	64.7%	196.99	67.4%	241.40	73.0%	213.31	66.9%
North America	54.55	24.3%	69.38	23.7%	72.94	22.1%	72.42	22.7%
Asia	70.99	31.7%	107.18	36.7%	148.87	45.0%	123.89	38.8%
China	22.32	10.0%	48.51	16.6%	80.06	24.2%	54.21	17.0%
South Korea	21.96	9.8%	38.68	13.3%	43.94	13.3%	31.99	10.0%
Taiwan	19.44	8.7%	13.19	4.5%	14.42	4.4%	28.12	8.8%
Other	7.26	3.2%	6.79	2.3%	10.44	3.1%	9.55	3.0%
Europe	6.12	2.7%	7.15	2.4%	9.80	3.0%	6.66	2.1%
Latin America	2.89	1.3%	4.93	1.7%	3.75	1.1%	4.38	1.4%
Other	10.51	4.7%	8.33	2.9%	6.03	1.8%	5.93	1.9%
Total	224.32	100.0%	292.16	100.0%	330.65	100.0%	318.80	100.0%

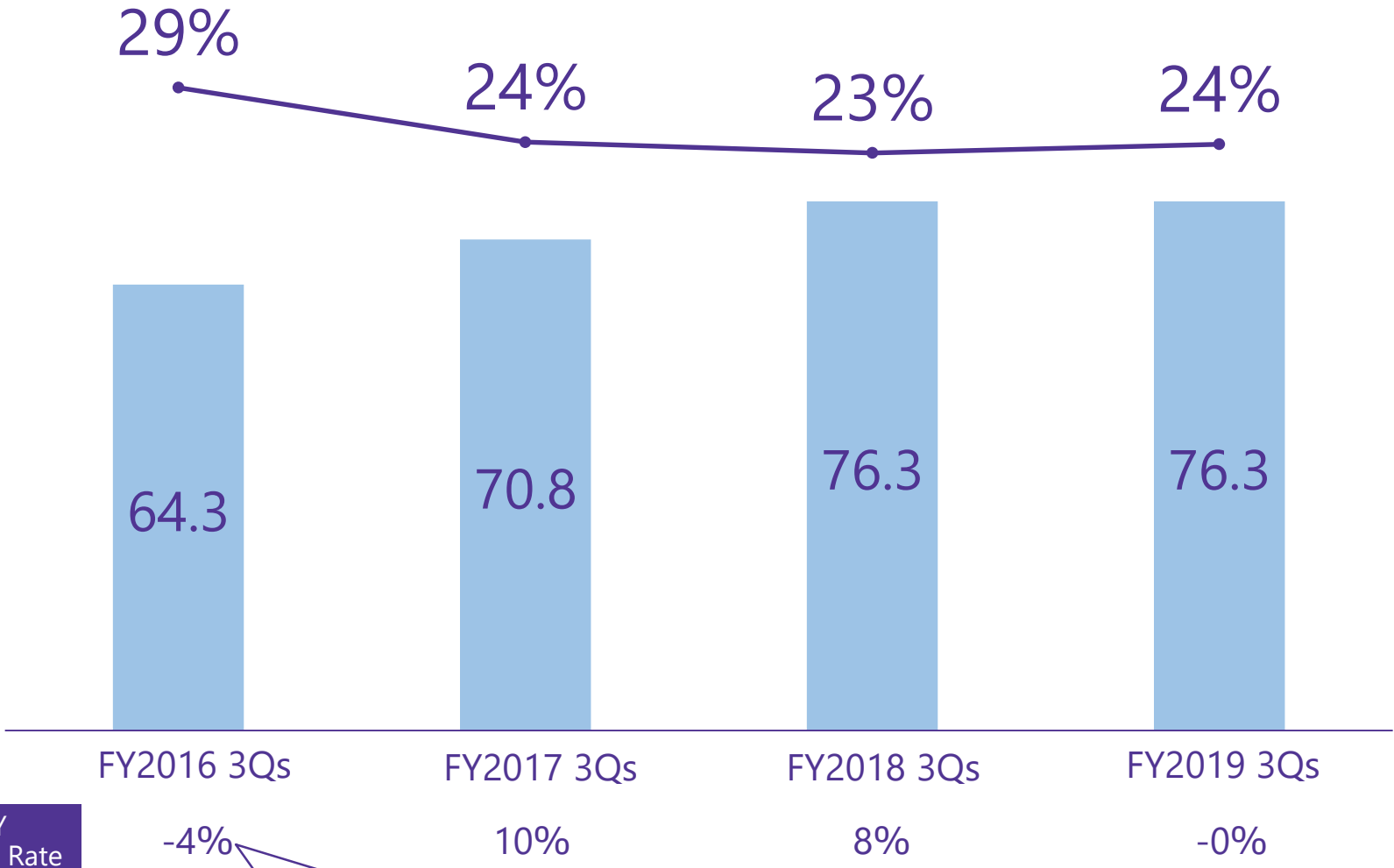
✓ In Japan, sales were favorable in large systems for manufacturers and distributors.

✓ In South Korea, capital investment in the semiconductor and flat-panel display sectors decreased.

✓ In Taiwan, sales were strong in the semiconductor sector.

%: Ratio to net sales

(Billion yen)



✓ Service sales remained firm.

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

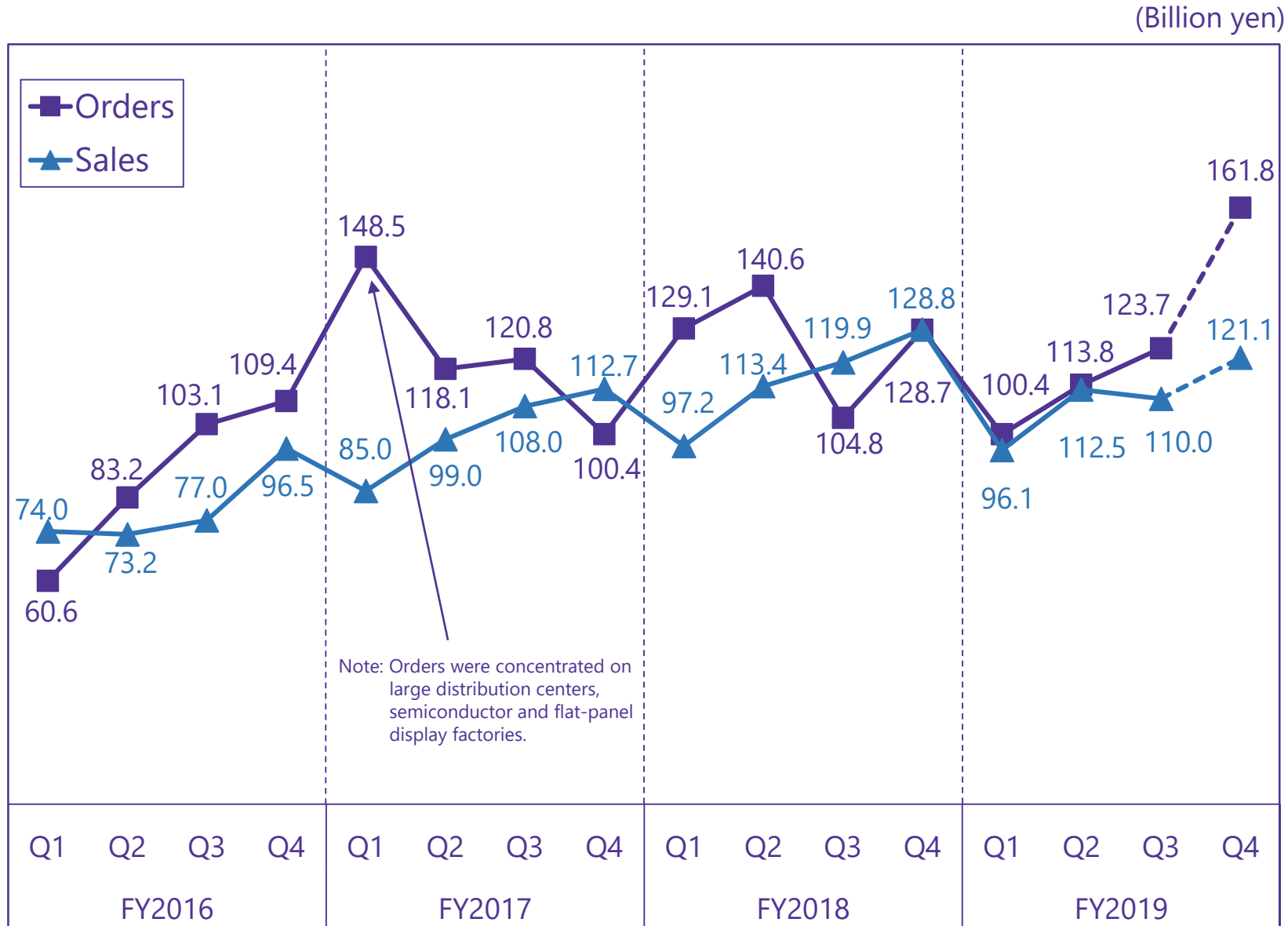
Y/Y
Growth Rate

Impact from the appreciation of the yen

(Billion yen)

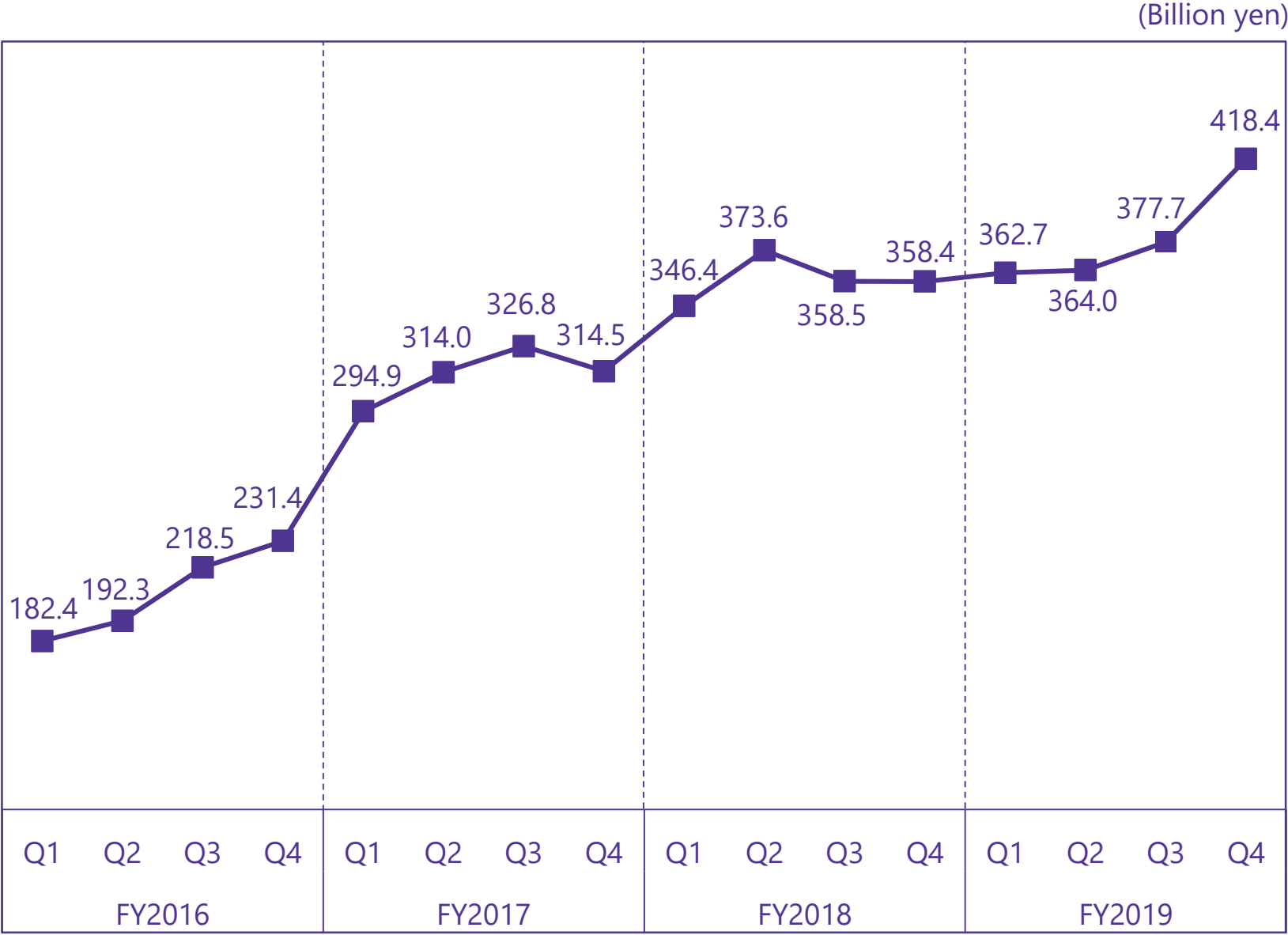
	FY2018	FY2019 (Forecast)				Revised on February 7, 2020	Year-on-year
		As of May 10, 2019	As of August 8, 2019	As of November 8, 2019			
Orders	503.39	530.0	510.0	500.0	500.0	-0.7%	
Net sales	459.48	480.0	460.0	450.0	440.0	-4.2%	
Operating income	54.68	52.8	46.0	39.0	39.0	-28.7%	
Ordinary income	55.84	53.5	46.5	39.7	39.7	-28.9%	
Net income attributable to shareholders of the parent company	39.56	38.2	33.5	28.5	28.5	-28.0%	
Net income per share	314.54 yen	303.67 yen	266.24 yen	226.47 yen	226.47 yen	-	

Quarterly Orders and Sales (Consolidated)



✓ Orders are recovering.

Order Backlogs (Consolidated)



✓ The order backlog at the end of FY2019 is projected to increase by 60.0 billion yen year on year.

New facilities completed in Japan and overseas

	Location	Completion	Objective
Daifuku's new office building	Osaka Headquarters	December 2019	Renovating an aging building and focusing on strengthening engineering
Daifuku's new factory building	Shiga Works	September 2019	Responding to increasing orders from the e-commerce sector and expansion of system sizes
Wynright's new manufacturing complex	Hobart, Indiana, U.S.A.	December 2019	Doubling production capacity
Daifuku Thailand's new factory building	Pinthong, Chonburi, Thailand	December 2019	Enhancing production capacity targeting the ASEAN region



New office building in Osaka



New factory building in Shiga Works



Wynright's new manufacturing complex

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.