

November 15, 2007

Katsumi Takeuchi, President and CEO

Daifuku Co., Ltd.

Acquisition of Jervis B. Webb Company

Daifuku Co., Ltd. (“Daifuku”) has reached an agreement with U.S.-based Jervis B. Webb Company (headquartered in the State of Michigan, “Webb”) and Webb’s shareholders for the purchase of all of the shares of Webb pursuant to a share purchase agreement dated November 15, 2007. Following this announcement, the parties will obtain requisite U.S. government authorizations and approvals, and expect to complete the transaction once all such authorizations and approvals have been obtained. The following is a brief outline of the acquisition.

1. Summary

Daifuku is a manufacturer that specializes in manufacturing material handling systems and products such as conveying, storage, and sorting systems and equipment. Daifuku is accelerating the “expansion and strengthening of its overseas business,” which is an important goal in its three-year business plan that commenced this April, by adding Webb – a well-established and leading company in this area in the United States – to the Daifuku group.

Daifuku will use its utmost efforts to realize a synergistic effect by positioning Webb’s business as a new core business within the Daifuku group and having Daifuku Executive Vice-President Masaki Hojo concurrently act as the Chairman and Co-CEO of Webb. The Co-CEO position will be shared with Susan M. Webb, the company’s current President and CEO and granddaughter of its founder Jervis B. Webb.

2. Purpose and Background of the Acquisition

Webb was founded in 1919 and is recognized as a global trailblazing force in the area of material handling systems. Webb played an important role in establishing the Ford system (a mass production method using chain conveyors to move automobile bodies through the assembly and finishing process), which created a revolution in industrial production when Henry Ford, the founder of the Ford Motor Company, first implemented this technology. Chain conveyors remain one of Webb’s leading products

to this day. In addition, Webb now provides airport baggage handling systems, automatic guided vehicles, automated storage and retrieval systems, and other products for the automobile industry, the air transportation industry, and other general manufacturing industries.

Daifuku entered into a technology partnership with Webb in 1957, and the Webb chain conveyer technology that it has manufactured and sold has made great contributions to the development of the automobile industry in Japan. Daifuku and Webb maintained a close business relationship for 40 years from 1957 to 1997, which has enabled them to reach this agreement.

3. Synergy Effects of the Acquisition

Daifuku and Webb have a mutually complementary relationship because there is very little overlap in the customers they serve and in the products they offer. Daifuku and Webb also can appreciate the other's corporate culture because both companies are material handling system manufacturers and have had a long-term technology partnership. In addition, Webb brings many advantages including its well-known brand in the United States, a wealth of labor resources in North America and through its local affiliates in India and elsewhere, and strong customer relationships built through its global production and sales networks. Through the acquisition, Daifuku aims to expand its business and improve its performance by effectively utilizing the management resources of the two companies.

Webb's businesses:

(1) Material handling systems for the automobile industry and general manufacturing industries

This is a pillar of Webb's business, and it consists of three parts: (a) conveyer systems designed for automobile factories; (b) state-of-the-art automatic guided vehicles for multiple applications including automated truck loading; and (c) parts sales and kit sales through agents.

(2) Airport baggage handling systems

Demand for airport baggage handling systems is expected to continue to grow due to an increase in air travel in the United States and the recent requirement for Checked Baggage Inspection Systems aimed at enhancing the screening of baggage from a security perspective. Daifuku will focus on obtaining orders for large-scale airport projects that could include automated warehousing systems for air cargo, and will also consider entering the high-growth Asian market in the near future. Using belt conveyer technology in this industry, Daifuku is also examining entry into the area of distribution center systems for the transportation industry in Japan.

4. Schedule

After obtaining all authorizations required by laws and other regulations, the acquisition is expected to be completed as early as December of this year.

5. Expected Impact on Earnings

Webb's sales for the fiscal year ending March 2010, which will be the final year of Daifuku's "Jump up for 2010" three-year business plan begun in April 2007, is expected to reach US\$300 million and its operating income is expected to reach US\$15 million.

[Overview of Daifuku]

Headquarters: 3-2-11 Mitejima Nishiyodogawa-ku
Osaka, Japan

Representative: Katsumi Takeuchi, President and
CEO

Established: 1937

Paid-in Capital: 8.024 billion yen

Number of Employees: 4,700 (approximately)

Areas of business: Manufacturing and sales of conveying,
storage, sorting, and picking systems
for automotive factories, the
manufacturing industry, and the
distribution industry; manufacturing
and sales of clean room storage and
conveying systems for products such
as semiconductors and liquid crystal
displays; expanding its bases in 18
countries and regions, mainly in Asia

Annual sales: 232.7 billion yen (for the fiscal year
ended March 2007)

Website: www.daifuku.com

[Overview of Webb]

Headquarters: 34375 W. Twelve Mile Road,
Farmington Hills, MI 48331 U.S.A.

Representative: Susan M. Webb, President and CEO

Established: 1919

Number of Employees: 940 (approximately)

Areas of business: Manufacturing and sales of material
handling systems for automobile
industry, air transportation industry,
and general manufacturing
industries; further development of
bases in locations such as North
America, Europe, and India.

Annual sales: US\$216 million
(for the fiscal year ended December
2006)

Website: www.jervisbwebb.com

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