

**DAIFUKU CO., LTD.**

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# **Consolidated Financial Results**

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**First Quarter of the Fiscal Year Ending March 31, 2011  
(April – June 2010)**

**August 12, 2010**

**DAIFUKU**

**Material Handling and Beyond**

- 1-1 FY2010 Q1 Results (Consolidated)
- 1-2 Changes to Reporting Segments
- 1-3 FY2010 Q1 Results by Segment
- 1-4 FY2010 Q1 Results by Former Segment
- 2 Financial Situation (Consolidated)
- 3 Trends in Non-Japan Sales Ratio
- 4 Non-Japan Net Sales by Area (Consolidated)
- 5 Trends in Service Business (Consolidated Sales)
- 6 Orders and Net Sales by Industry (Consolidated)
- 7 FY2010 Interim Estimates (Consolidated, Apr-Sep 2010)
- 8 FY2010 Estimates (Consolidated)
- 9 Trends in Quarterly Orders and Sales

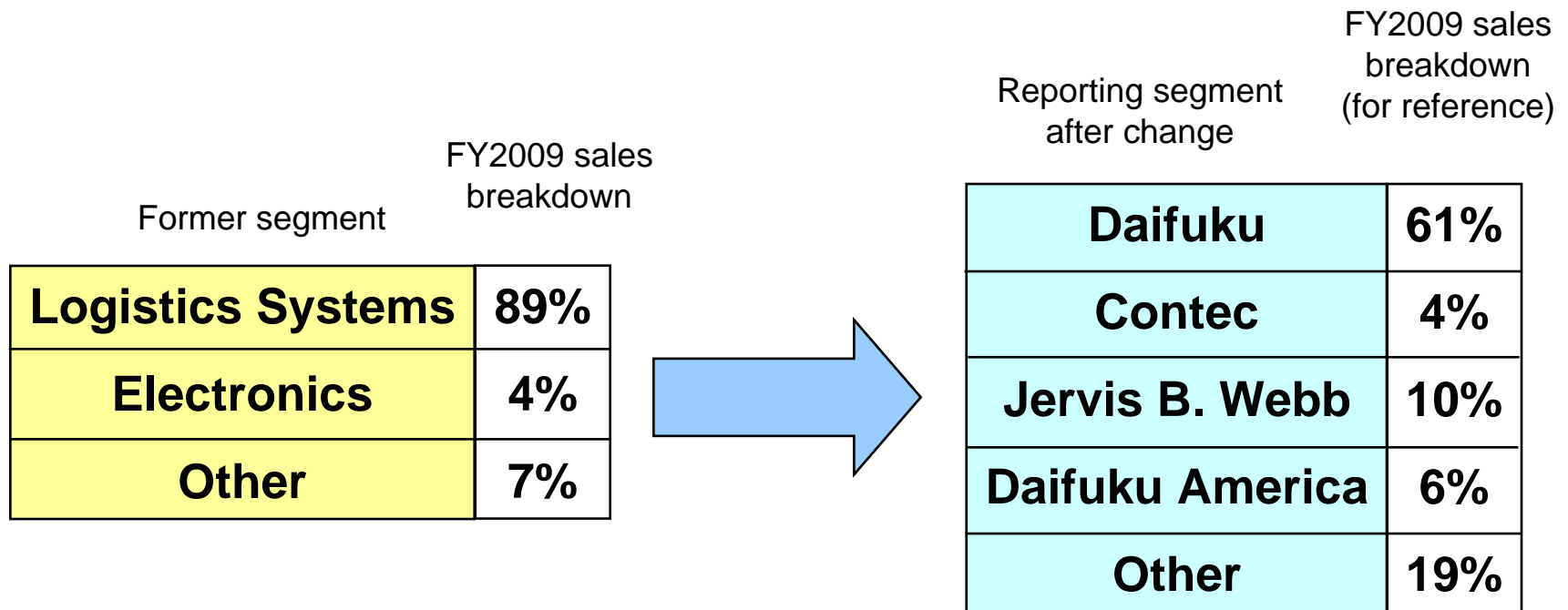
# 1-1. FY2010 Q1 Results (Consolidated)

Orders are trending higher. Sales are expected after July 2010. Profits are influenced by changes in accounting methodology (asset retirement obligations).

(Billion yen)	(FY10 Q1)	(FY09 Q1)	(Year-on-year)
<b>Orders</b>	<b>39.0</b>	<b>20.3</b>	<b>(91.9%)</b>
<b>Net sales</b>	<b>32.4</b>	<b>38.2</b>	<b>(-15.2%)</b>
<b>Operating income</b>	<b>-1.2</b>	<b>0.2</b>	<b>(-1.5)</b>
<b>Ordinary income</b>	<b>-1.3</b>	<b>0.1</b>	<b>(-1.5)</b>
<b>Net income</b>	<b>-1.6</b>	<b>0.7</b>	<b>(-2.3)</b>
<b>Net income per share</b>	<b>-14.68 yen</b>	<b>6.80 yen</b>	

# 1-2. Changes to Reporting Segments

In the current fiscal year, the four companies—Daifuku Co., Ltd., Contec Co., Ltd., Jervis B. Webb Company and Daifuku America Corporation—are positioned as the core companies and thus the reporting segments of the Daifuku corporate group.



Company	Overview
Daifuku Co., Ltd.	A core company, which manufactures and sells material handling systems and equipment, car wash machines, and other facilities
Contec Co., Ltd.	A subsidiary, which manufactures and sells industrial PCs, interface boards, and other equipment worldwide
Jervis B. Webb Company	A subsidiary, which conducts business activities in North America. It also manufactures and sells its unique baggage handling systems for airports
Daifuku America Corporation	A subsidiary, which manufactures and sells material handling systems and equipment in North America
Other	Other global affiliates

# 1-3. FY2010 Q1 Results by Segment

**Contec returns to profitability.**

Note: Using the current reporting segments for the same period in the previous fiscal year.

(Billion yen)

	Net sales		Net income	
	(FY10 Q1)	(FY09 Q1)	(FY10 Q1)	(FY09 Q1)
<b>Daifuku</b>	<b>19.65</b>	<b>23.94</b>	<b>-0.54</b>	<b>1.21</b>
<b>Contec</b>	<b>1.82</b>	<b>1.11</b>	<b>0.04</b>	<b>-0.44</b>
<b>Jervis B. Webb*1</b>	<b>3.05</b>	<b>4.10</b>	<b>-0.006</b>	<b>-0.01</b>
<b>Daifuku America</b>	<b>2.06</b>	<b>2.16</b>	<b>0.07</b>	<b>0.08</b>
<b>Other</b>	<b>5.84</b>	<b>6.90</b>	<b>-1.18</b>	<b>-0.08</b>
<b>Total</b> (Consolidation and elimination)	<b>32.42</b>	<b>38.22</b>	<b>-1.62</b>	<b>0.75</b>

\*1 Accounting closing date: December 31

# 1-4. FY2010 Q1 Results by Former Segment **DAIFUKU**

The Electronics segment returns to profitability. Profits in the Other segment remain solid.

(Billion yen)

Note: Comparison with former segments

	Sales		Operating income	
	(FY10 Q1)	(FY09 Q1)	(FY10 Q1)	(FY09 Q1)
Logistic Systems	28.55	34.64	-0.05	2.03
Electronics	1.82	1.11	0.14	-0.40
Other*1	2.04	2.46	0.16	0.10
Elimination, etc.	-	-	-1.52	-1.48
<b>Total</b> (Consolidation and elimination)	<b>32.42</b>	<b>38.22</b>	<b>-1.27</b>	<b>0.24</b>

\*1 The Other segment includes business for car wash machines, wheelchair lifts for care-provider vehicles, and other products.

## 2. Financial Situation (Consolidated)

Cash flows increase due to decrease in notes and accounts receivable, among other factors.

Cash and cash equivalents at end of FY2010 Q1

**32.0 billion yen** (up 6.8 billion yen year on year)

### ■ Cash Flows from Operating Activities

**Cash inflow of 2.2 billion yen**

(up 1.9 billion yen year on year)

### ■ Cash Flows from Investing Activities

**Cash outflow of 0.3 billion yen**

(down 0.2 billion yen year on year)

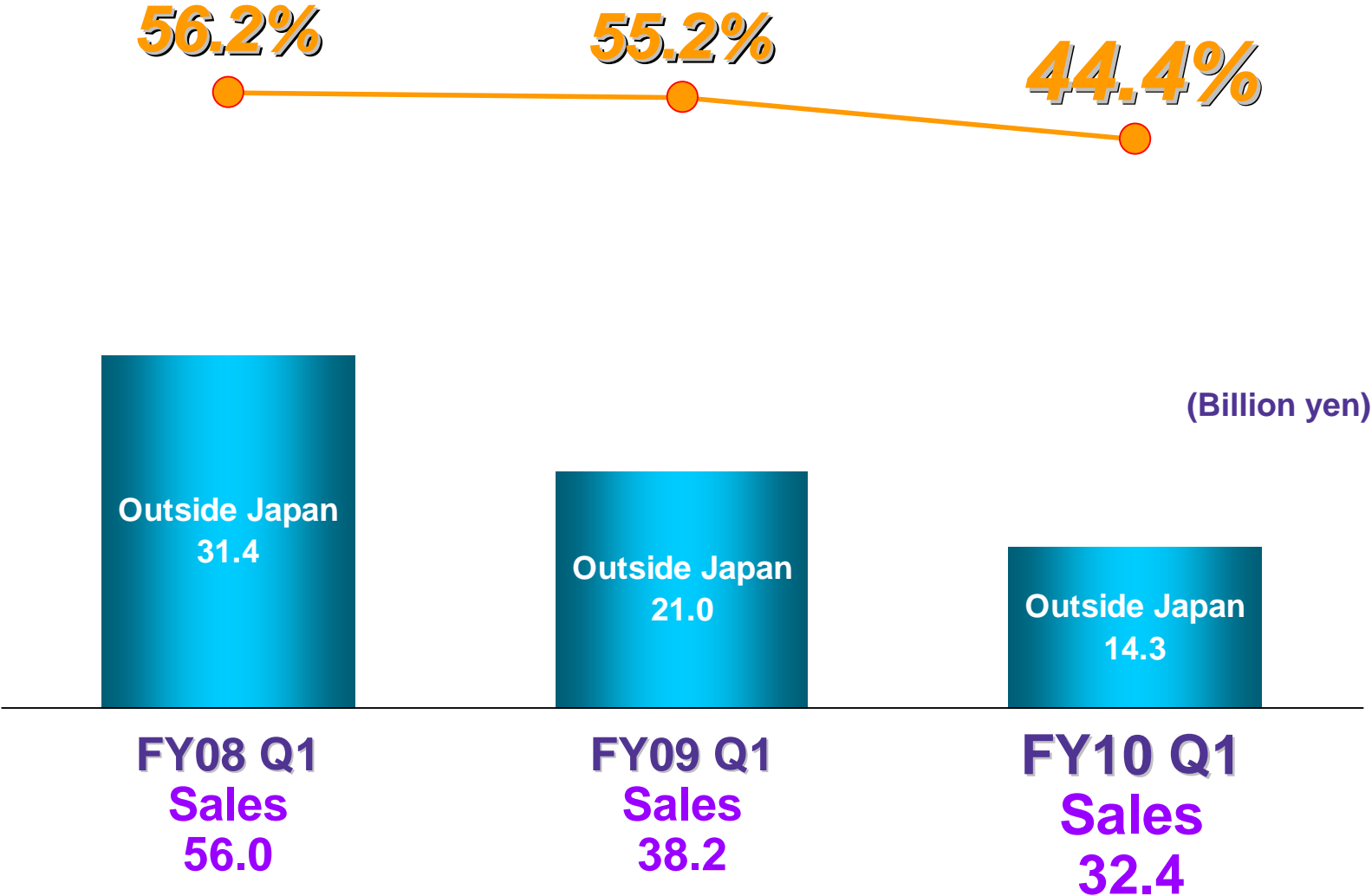
### ■ Cash Flows from Financing Activities

**Cash outflow of 0.9 billion yen**

(up 2.1 billion yen year on year)

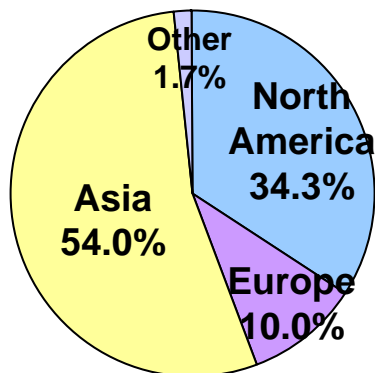


# 3. Trends in Non-Japan Sales Ratio

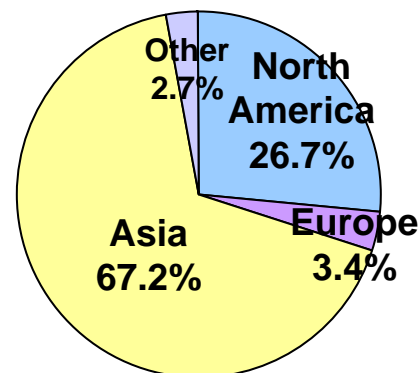


# 4. Non-Japan Net Sales by Area (Consolidated)

Sales recover in South Korea and Europe and rapidly increase in China.



FY10 Q1



FY09 Q1

(Billion yen)

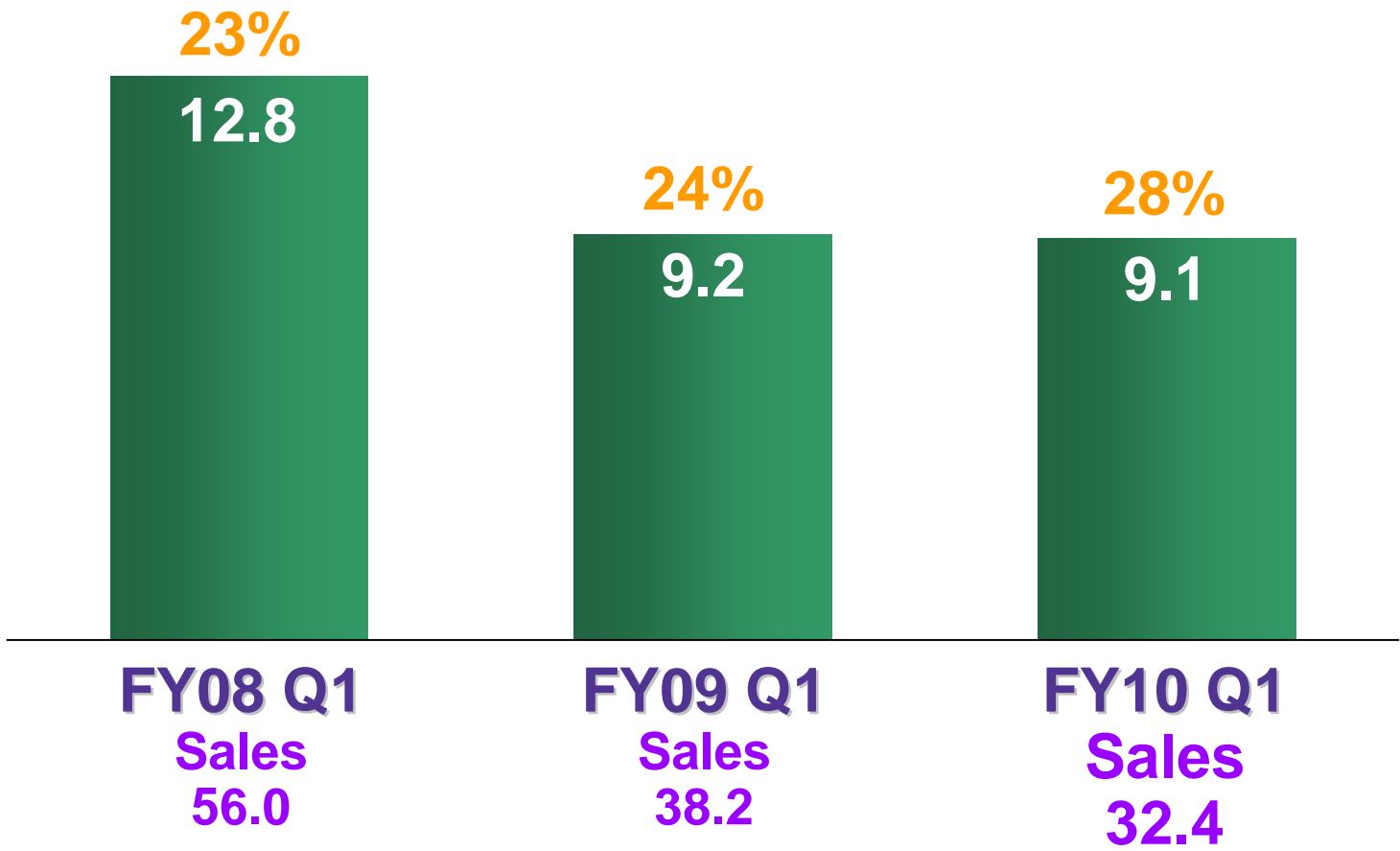
Area	Country	FY10 Q1		FY09 Q1	
		Sales	Ratio (%)	Sales	Ratio (%)
<b>North America</b>		4.92	34.3	5.63	26.7
<b>Asia</b>		7.76	54.0	14.17	67.2
	Korea	3.36	23.5	2.35	11.1
	China	2.59	18.0	0.86	4.1
	Taiwan	0.64	4.4	9.73	46.1
	Other	1.17	8.1	1.23	5.9
<b>Europe</b>		1.44	10.0	0.71	3.4
<b>Other</b>		0.26	1.7	0.57	2.7
<b>Total</b>		<b>14.38</b>	<b>100.0</b>	<b>21.08</b>	<b>100.0</b>

# 5. Trends in Service Business (Consolidated Sales) **DAIFUKU**

The service business achieves more than 25% of target consolidated sales.

(Billion yen)

Aftermarket Sales / Net sales (%)



# 6. Orders and Net Sales by Industry (Consolidated)

**Orders in electronics industry recover. Sales in commerce and retailing industries remain solid.**

(Billion yen)

Industry	Orders				Net Sales			
	FY10 Q1		FY09 Q1		FY10 Q1		FY09 Q1	
	Orders	Ratio (%)	Orders	Ratio (%)	Sales	Ratio (%)	Sales	Ratio (%)
Automobile and Auto Parts	5.44	13.9%	3.54	17.4%	5.39	16.6%	6.12	16.0%
Electronics	12.22	31.3%	2.91	14.3%	6.92	21.3%	16.88	44.2%
Commerce and Retailing	9.15	23.4%	5.94	29.2%	8.07	24.9%	4.27	11.2%
Transportation and Warehousing	1.69	4.3%	1.66	8.1%	0.90	2.8%	1.00	2.6%
Machinery	0.96	2.5%	0.63	3.1%	0.86	2.7%	1.20	3.1%
Chemicals and Pharmaceuticals	1.80	4.6%	1.52	7.4%	2.16	6.7%	1.46	3.8%
Foods	1.88	4.8%	1.24	6.1%	1.84	5.7%	1.17	3.1%
Steel and Metal	0.64	1.6%	0.55	2.7%	0.45	1.4%	0.54	1.4%
Precision Machinery, Printing and Office Equipment	1.18	3.0%	0.40	2.0%	2.04	6.3%	0.51	1.3%
Airport	1.67	4.3%	0.40	1.9%	2.05	6.3%	2.44	6.4%
Other	2.44	6.3%	1.57	7.8%	1.75	5.3%	2.63	6.9%
<b>Total</b>	<b>39.07</b>	<b>100.0%</b>	<b>20.36</b>	<b>100.0%</b>	<b>32.43</b>	<b>100.0%</b>	<b>38.22</b>	<b>100.0%</b>

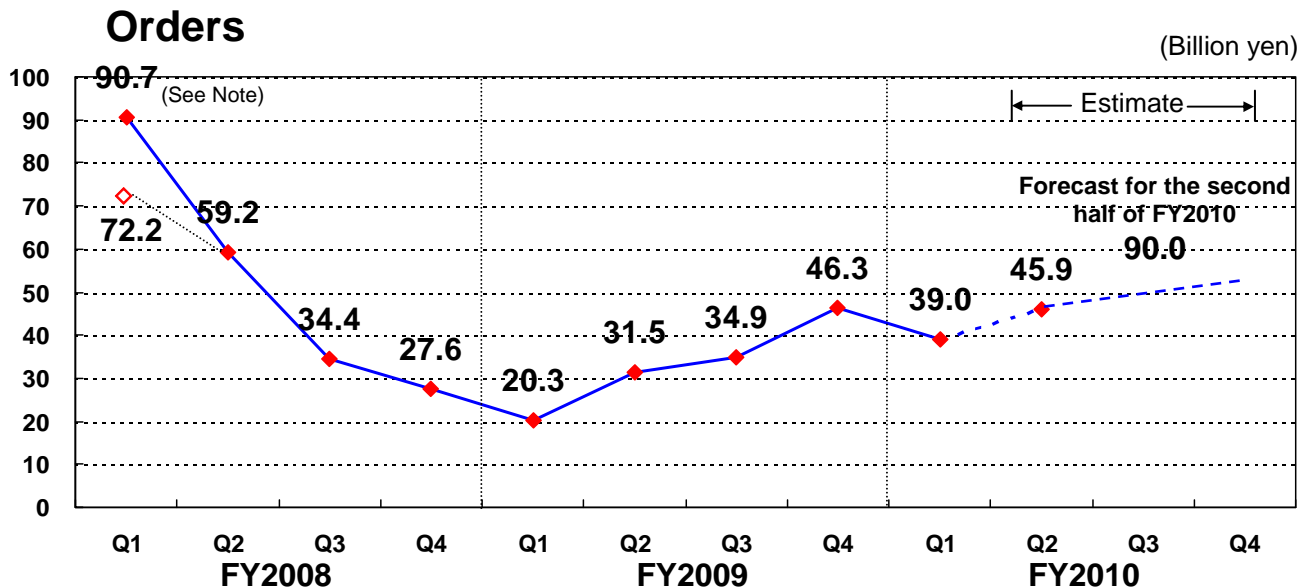
# 7. FY2010 Interim Estimates (Consolidated, Apr-Sep 2010)

	(Announced on May 14, 2010)	(Announced on Aug 12, 2010)	(FY09 H1)	(Year-on-year)
<b>Orders</b>	<b>85.0</b>	<b>85.0</b>	<b>51.8</b>	<b>(63.9%)</b>
<b>Net Sales</b>	<b>80.0</b>	<b>77.0</b>	<b>73.2</b>	<b>(5.1%)</b>
<b>Operating income</b>	<b>-1.2</b>	<b>-1.8</b>	<b>-0.7</b>	<b>(-1.0)</b>
<b>Ordinary income</b>	<b>-1.5</b>	<b>-1.9</b>	<b>-0.9</b>	<b>(-0.9)</b>
<b>Net income</b>	<b>-1.3</b>	<b>-2.0</b>	<b>0.04</b>	<b>(-2.0)</b>
<b>Net income per share</b>	<b>-11.75 yen</b>	<b>-18.07 yen</b>	<b>0.38 yen</b>	

## 8. FY2010 Estimates (Consolidated)

(Billion yen)	(Announced on May 14, 2010)	(FY09)	(Year-on-year)
<b>Orders</b>	<b>175.0</b>	<b>133.2</b>	<b>(31.4%)</b>
<b>Net Sales</b>	<b>170.0</b>	<b>154.2</b>	<b>(10.2%)</b>
<b>Operating income</b>	<b>0.5</b>	<b>0.08</b>	<b>(518.9%)</b>
<b>Ordinary income</b>	<b>0.1</b>	<b>-0.1</b>	<b>(0.2)</b>
<b>Net income</b>	<b>-0.4</b>	<b>1.0</b>	<b>(-1.4)</b>
<b>Net income per share</b>	<b>-3.61 yen</b>	<b>9.20 yen</b>	

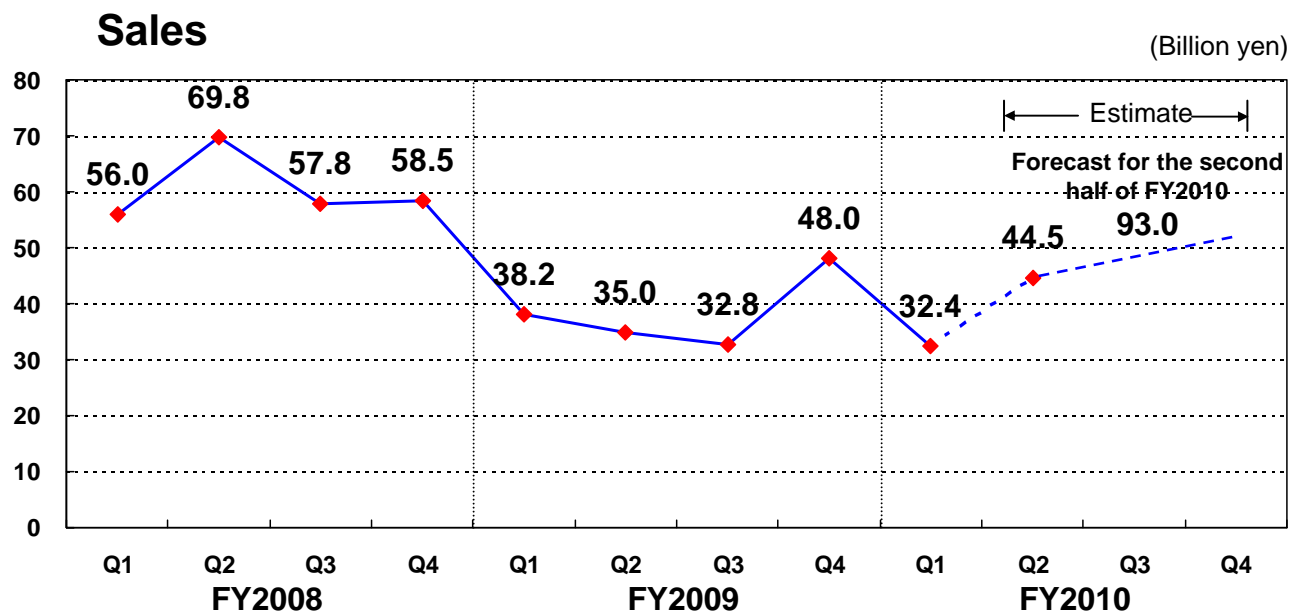
# 9. Trends in Quarterly Orders and Sales



Looking over the quarterly trends, orders bottomed out in the first quarter of fiscal 2009 and have subsequently trended higher.

Note:

An order backlog of 18.5 billion yen at the close of the term ended December 31, 2007 for Jervis B. Webb Company, a U.S. company that was wholly acquired by Daifuku at the end of 2007, is included in orders received in the first quarter of fiscal year 2008.



Sales are expected to increase in the second half of fiscal 2010.

## 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 substantially from these forward-looking statements. These crucial factors that may adversely affect performance include 1) consumer trends and economic conditions in the Company's operating environment, 2) the effect of yen exchange rates on sales, assets and liabilities denominated in U.S. dollars and other currencies and 3) the tightening of laws and regulations regarding safety and other matters that may lead to higher costs or sales restrictions. Moreover, there are other factors that may adversely affect the Company's performance.