

Consolidated Financial Results

First Quarter of the Fiscal Year Ending March 31, 2018

(April 1, 2017 - June 30, 2017)

August 8, 2017

DAIFUKU CO., LTD.

Value Innovation 2020

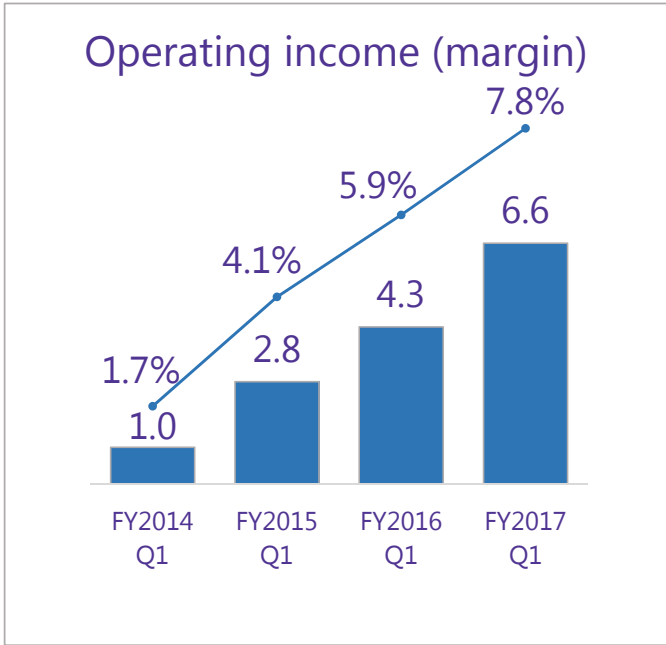
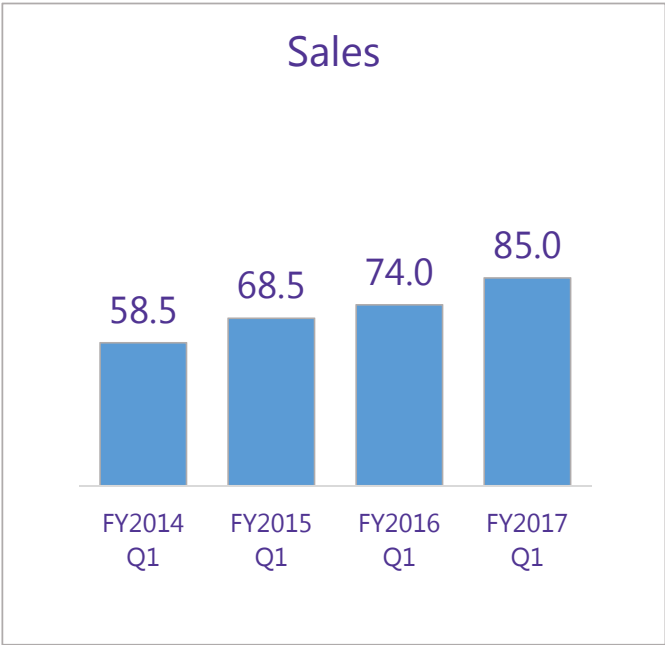


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Fiscal 2017 Q1 Highlights (April 1, 2017 - June 30, 2017)

- ✓ Orders: Reached a new record high, mainly on the strength of the larger e-commerce distribution centers and robust capital investment in the semiconductor and flat-panel display sectors
- ✓ Sales: Remained firm, underpinned by an extensive order backlog
- ✓ Operating income: Benefited from the increased earnings strength, mainly from higher sales and cost cutting by the parent company, Daifuku Co., Ltd.

(Billion yen, rounded down)



FY2017 Q1 Results (Consolidated)

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2

(Billion yen, rounded down)

	FY2016 Q1	FY2017 Q1	Year-on-year
Orders	60.66	148.57	144.9%
Net sales	74.03	85.06	14.9%
Operating income	4.34	6.66	53.6%
Ordinary income	4.28	7.02	64.1%
Net income attributable to shareholders of the parent company	2.96	5.02	69.7%
Comprehensive income	-1.08	5.39	-

Net income per share (yen)	24.36 yen	41.30 yen
Exchange rate (per 1 U.S. dollar)	115.07 yen	112.82 yen

FY2017 Q1 Results by Segment

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3

(Billion yen, rounded down)

	Orders (Orders from outside customers)		Net sales (Sales to outside customers)		Segment income (Net income attributable to shareholders of the parent company)	
	FY2016 Q1	FY2017 Q1	FY2016 Q1	FY2017 Q1	FY2016 Q1	FY2017 Q1
Daifuku	30.58	69.88	34.31	38.52	2.20	4.16
Contec	3.88	3.22	3.66	3.55	0.11	0.13
Daifuku North America	14.16	38.87	19.57	21.02	0.59	0.45
Daifuku Plusmore	3.08	3.54	2.28	2.49	-0.08	-0.01
Other	8.93	33.04	15.96	17.43	0.24	0.36
Consolidated adjustment and other	-	-	-1.77	2.02	-0.11	-0.08
Total	60.66	148.57	74.03	85.06	2.96	5.02

Consolidated Balance Sheets

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4

	FY2016	FY2017 Q1	Change
Current assets	222.46	227.96	5.49
Cash on hand and in banks	64.80	66.03	1.23
Notes and accounts receivable	124.00	123.65	-0.34
Inventories	22.85	26.24	3.38
Other	10.80	12.02	1.22
Non-current assets	81.07	81.54	0.47
Property, plant and equipment	33.58	34.11	0.52
Intangible assets	15.43	14.68	-0.74
Goodwill	9.88	9.37	-0.51
Other	5.54	5.31	-0.23
Investments and other assets	32.05	32.73	0.68
Total assets	303.54	309.50	5.96

(Billion yen, rounded down)

	FY2016	FY2017 Q1	Change
Current liabilities	126.06	130.26	4.19
Notes and accounts payable	59.11	60.17	1.05
Short-term borrowings	21.64	19.95	-1.69
Other	45.30	50.14	4.83
Non-current liabilities	35.13	35.19	0.05
Long-term borrowings and bonds	18.12	18.69	0.57
Other	17.00	16.49	-0.51
Total Liabilities	161.19	165.45	4.25
Shareholders' equity	136.69	138.06	1.37
Common stock	15.01	15.01	-
Accumulated other comprehensive income	2.39	2.74	0.34
Non-controlling interests	3.24	3.23	-0.00
Total net assets	142.34	144.05	1.71
Total liabilities and net assets	303.54	309.50	5.96

Orders and Sales by Industry (Consolidated)

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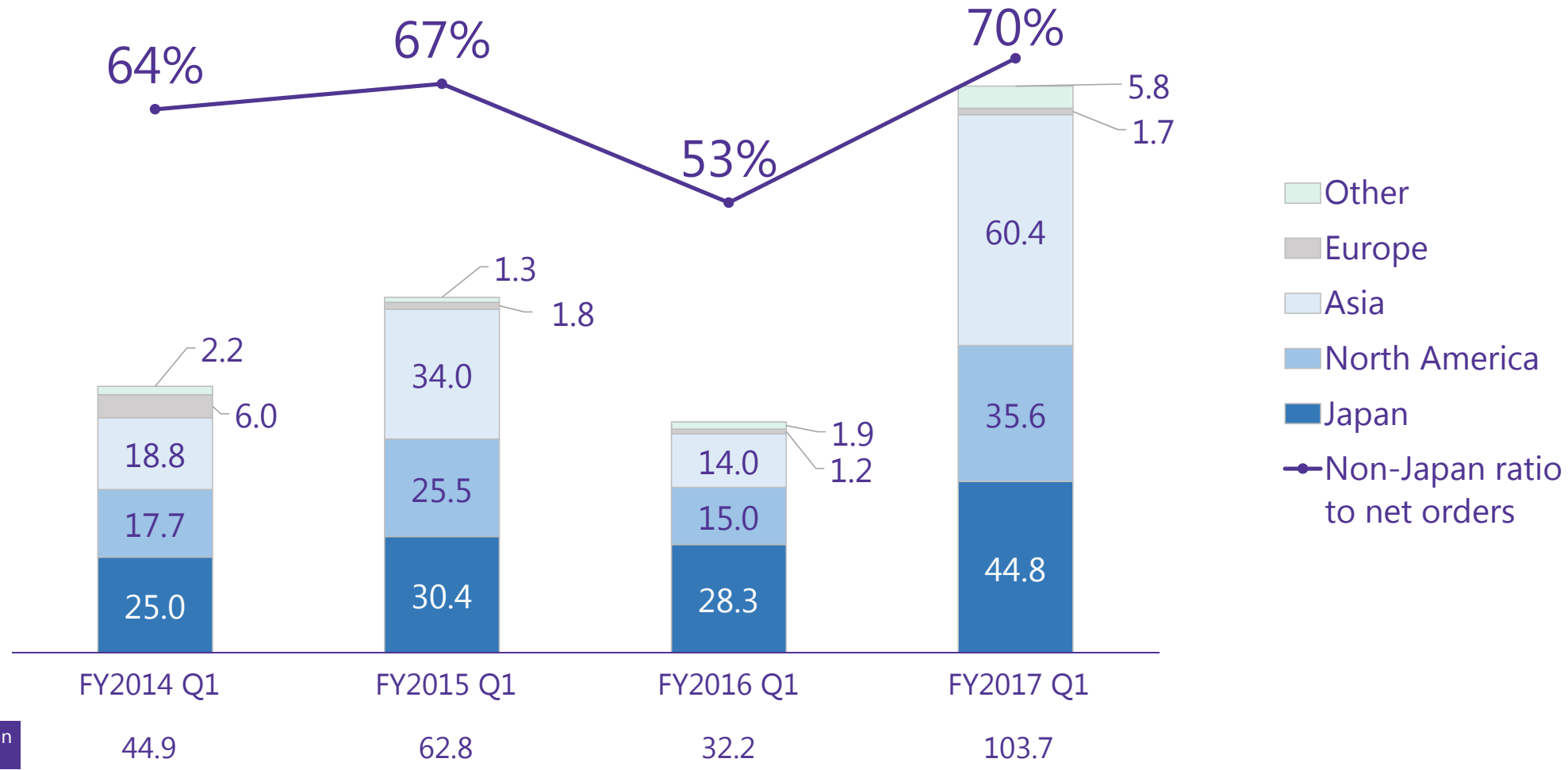
5

(Billion yen, rounded down)

Industry	Orders				Sales			
	FY2016 Q1		FY2017 Q1		FY2016 Q1		FY2017 Q1	
	Orders	Composition	Orders	Composition	Sales	Composition	Sales	Composition
Automobile, auto parts	7.91	13.1%	17.39	11.7%	13.26	17.9%	14.68	17.3%
Electronics	14.64	24.1%	65.34	44.0%	23.48	31.7%	32.16	37.8%
Commerce, retail	12.21	20.1%	22.71	15.3%	11.12	15.0%	15.27	18.0%
Transportation, warehousing	6.18	10.2%	3.92	2.6%	6.23	8.4%	5.03	5.9%
Machinery	1.94	3.2%	1.67	1.1%	1.91	2.6%	1.14	1.3%
Chemicals, pharmaceuticals	4.11	6.8%	3.38	2.3%	3.48	4.7%	3.36	4.0%
Food	2.73	4.5%	2.11	1.4%	2.43	3.3%	2.83	3.3%
Iron, steel, nonferrous metals	0.98	1.6%	1.28	0.9%	0.80	1.1%	0.58	0.7%
Precision equipment, printing, office equipment	1.03	1.7%	2.78	1.9%	0.96	1.3%	1.05	1.2%
Airport	5.74	9.5%	13.16	8.9%	7.50	10.1%	6.85	8.1%
Other	3.16	5.2%	14.77	9.9%	2.80	3.9%	2.06	2.4%
Total	60.66	100.0%	148.57	100.0%	74.03	100.0%	85.06	100.0%

Orders by Region (Consolidated)

(Billion yen, rounded down)



Non-Japan Total

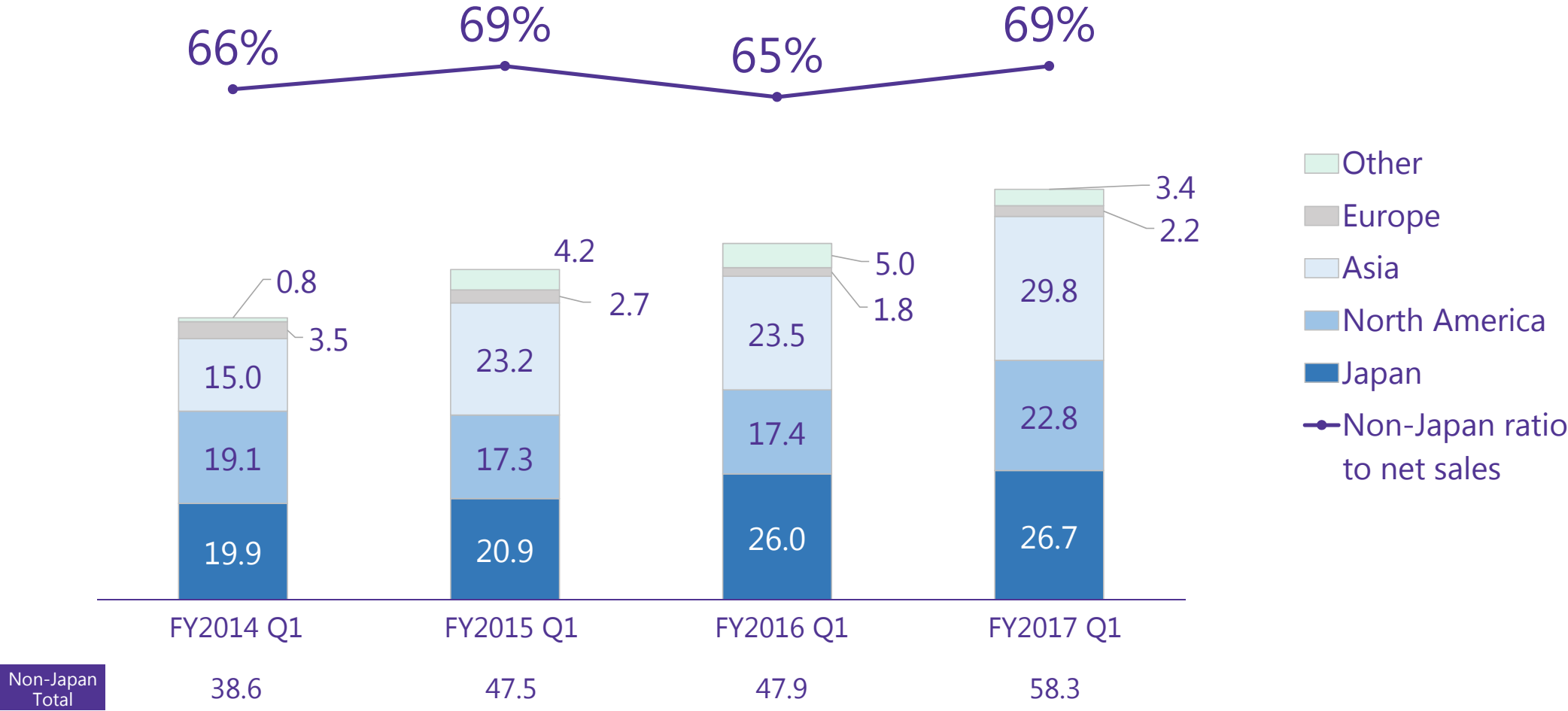
Orders by Region (Consolidated)

(Billion yen, rounded down)

Region		FY2014 Q1		FY2015 Q1		FY2016 Q1		FY2017 Q1		
		Orders	Composition	Orders	Composition	Orders	Composition	Orders	Composition	
Japan		25.00	35.7%	30.42	32.6%	28.38	46.8%	44.86	30.2%	
Non-Japan	North America	17.76	25.4%	25.59	27.5%	15.07	24.8%	35.67	24.0%	
	Asia	China	8.72	12.5%	13.64	14.6%	4.40	7.3%	34.15	23.0%
		South Korea	5.58	8.0%	10.92	11.7%	3.53	5.8%	19.03	12.8%
		Taiwan	0.64	0.9%	6.47	6.9%	3.92	6.5%	5.16	3.5%
		Other	3.93	5.6%	3.05	3.3%	2.14	3.5%	2.05	1.4%
			18.89	27.0%	34.09	36.5%	14.01	23.1%	60.41	40.7%
	Europe		6.07	8.7%	1.84	2.0%	1.24	2.1%	1.76	1.2%
	Latin America		1.65	2.4%	0.44	0.5%	-0.02	0.0%	1.98	1.3%
Other		0.58	0.8%	0.85	0.9%	1.97	3.2%	3.86	2.6%	
Non-Japan		44.97	64.3%	62.84	67.4%	32.28	53.2%	103.70	69.8%	
Total		69.97	100.0%	93.27	100.0%	60.66	100.0%	148.57	100.0%	

Sales by Region (Consolidated)

(Billion yen, rounded down)



Sales by Region (Consolidated)

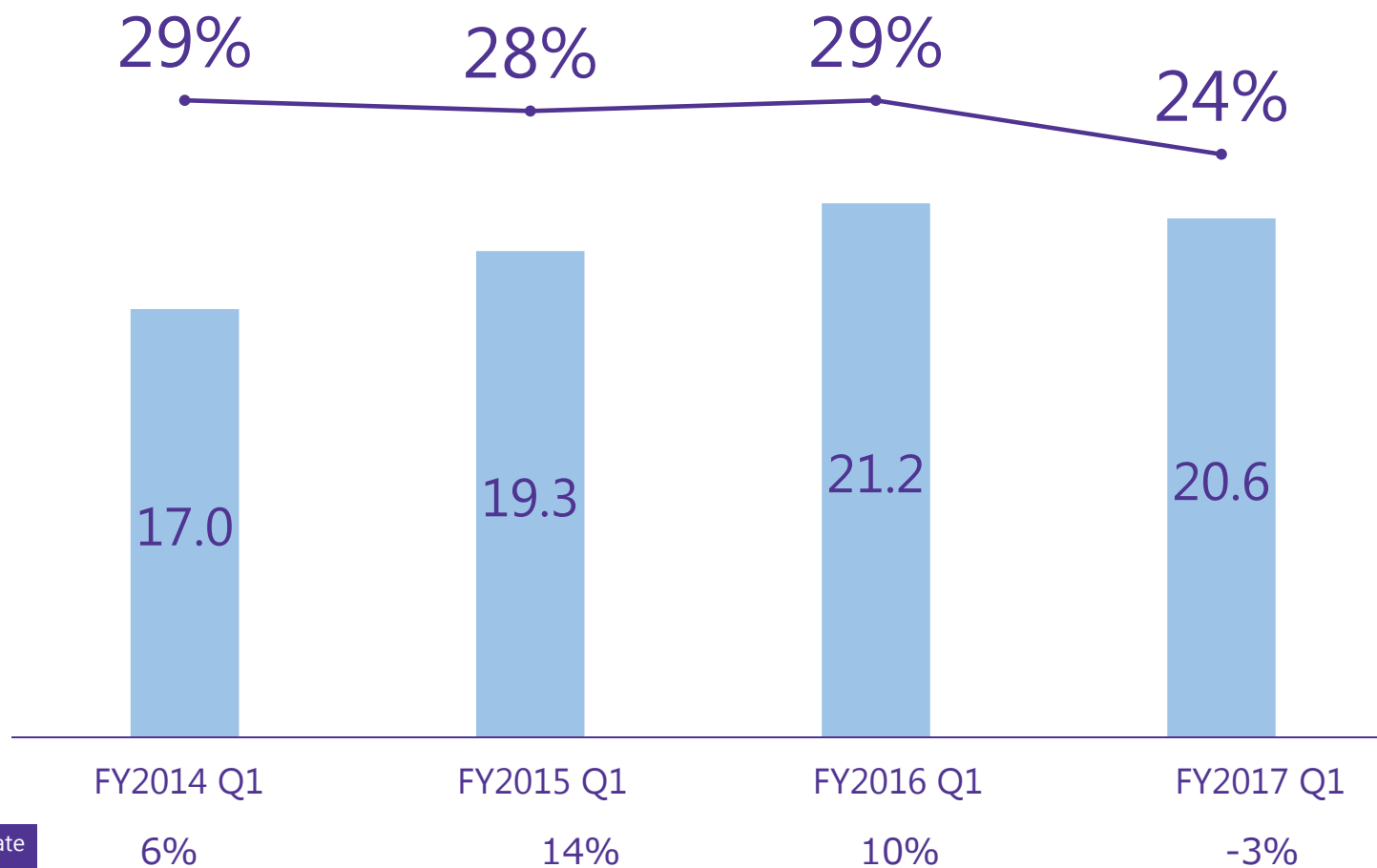
(Billion yen, rounded down)

Region		FY2014 Q1		FY2015 Q1		FY2016 Q1		FY2017 Q1		
		Sales	Composition	Sales	Composition	Sales	Composition	Sales	Composition	
Japan		19.91	34.0%	20.96	30.6%	26.03	35.2%	26.74	31.4%	
Non-Japan	North America	19.18	32.8%	17.31	25.3%	17.45	23.6%	22.81	26.8%	
	Asia	South Korea	5.36	9.2%	8.78	12.8%	7.28	9.8%	12.17	14.3%
		China	5.56	9.5%	6.38	9.3%	7.09	9.6%	11.09	13.1%
		Taiwan	1.08	1.9%	5.68	8.3%	6.43	8.7%	4.24	5.0%
		Other	3.00	5.1%	2.43	3.6%	2.74	3.7%	2.31	2.7%
			15.01	25.7%	23.29	34.0%	23.56	31.8%	29.82	35.1%
	Europe		3.57	6.1%	2.74	4.0%	1.89	2.6%	2.24	2.6%
	Latin America		0.36	0.6%	0.97	1.4%	0.73	1.0%	1.14	1.3%
	Other		0.47	0.8%	3.24	4.7%	4.34	5.8%	2.29	2.8%
Non-Japan		38.61	66.0%	47.56	69.4%	47.99	64.8%	58.31	68.6%	
Total		58.53	100.0%	68.53	100.0%	74.03	100.0%	85.06	100.0%	

Service Sales (Consolidated)

(Billion yen, rounded down)

(%: Ratio to net sales)



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

Growth Rate
YOY

FY2017 Forecast (Consolidated)

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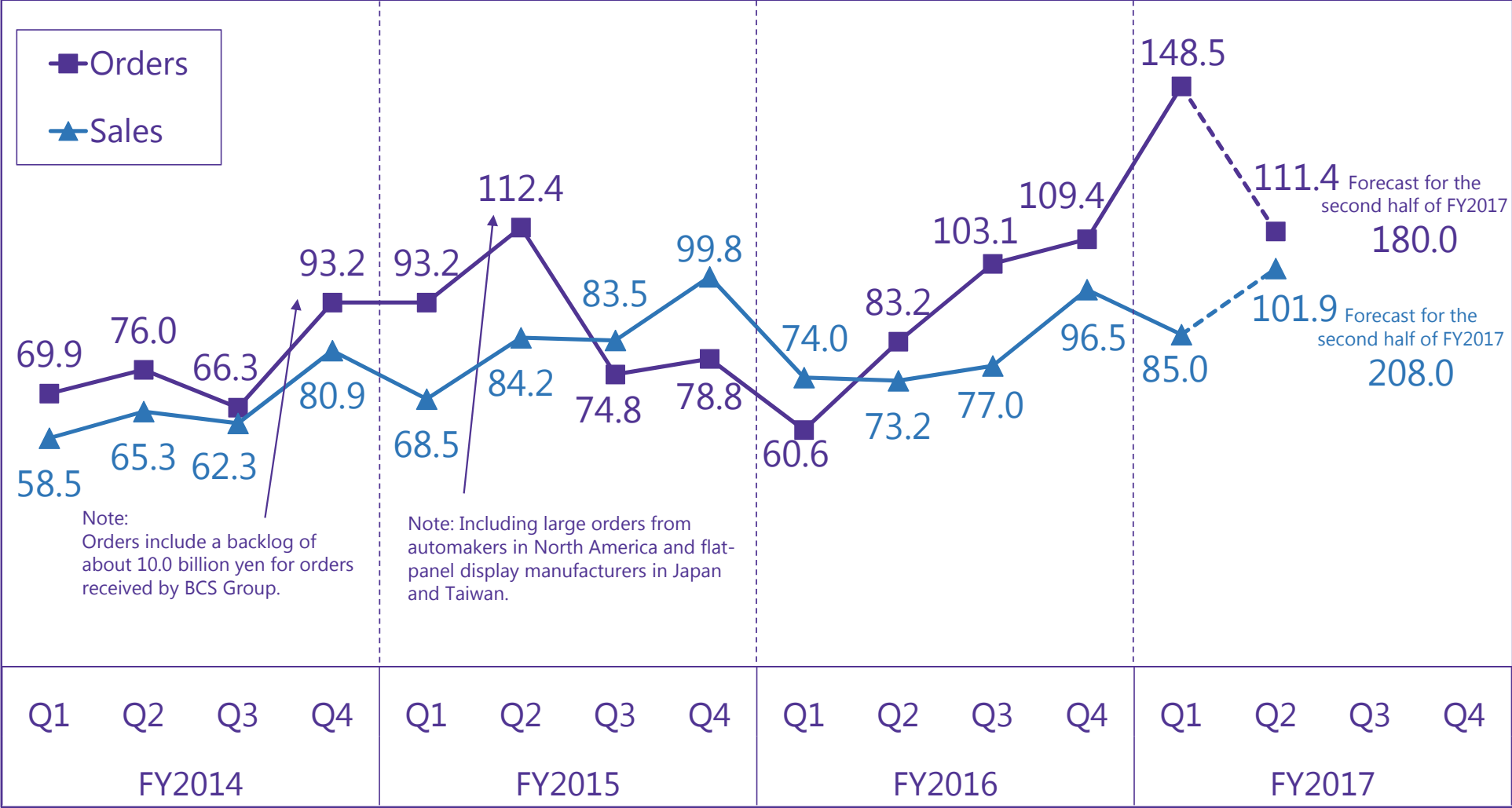
11

(Billion yen, rounded down)

	FY2016 H1	FY2017 H1 (Forecast)			FY2016	FY2017 (Forecast)		
		Announced on May 11, 2017	Revised on August 8, 2017	Year- on-year		Announced on May 11, 2017	Revised on August 8, 2017	Year- on-year
Orders	143.89	210.0	260.0	80.7%	356.51	390.0	440.0	23.4%
Net sales	147.26	180.0	187.0	27.0%	320.82	380.0	395.0	23.1%
Operating income	10.20	12.6	15.0	46.9%	23.09	26.6	30.0	29.9%
Ordinary income	10.25	12.9	15.6	52.1%	23.76	27.4	31.0	30.5%
Net income attributable to shareholders of the parent company	7.07	9.0	11.0	55.5%	16.74	19.0	21.0	25.4%
Dividend	12 yen	15 yen	20 yen	66.7%	42 yen	47 yen	52 yen	23.8%

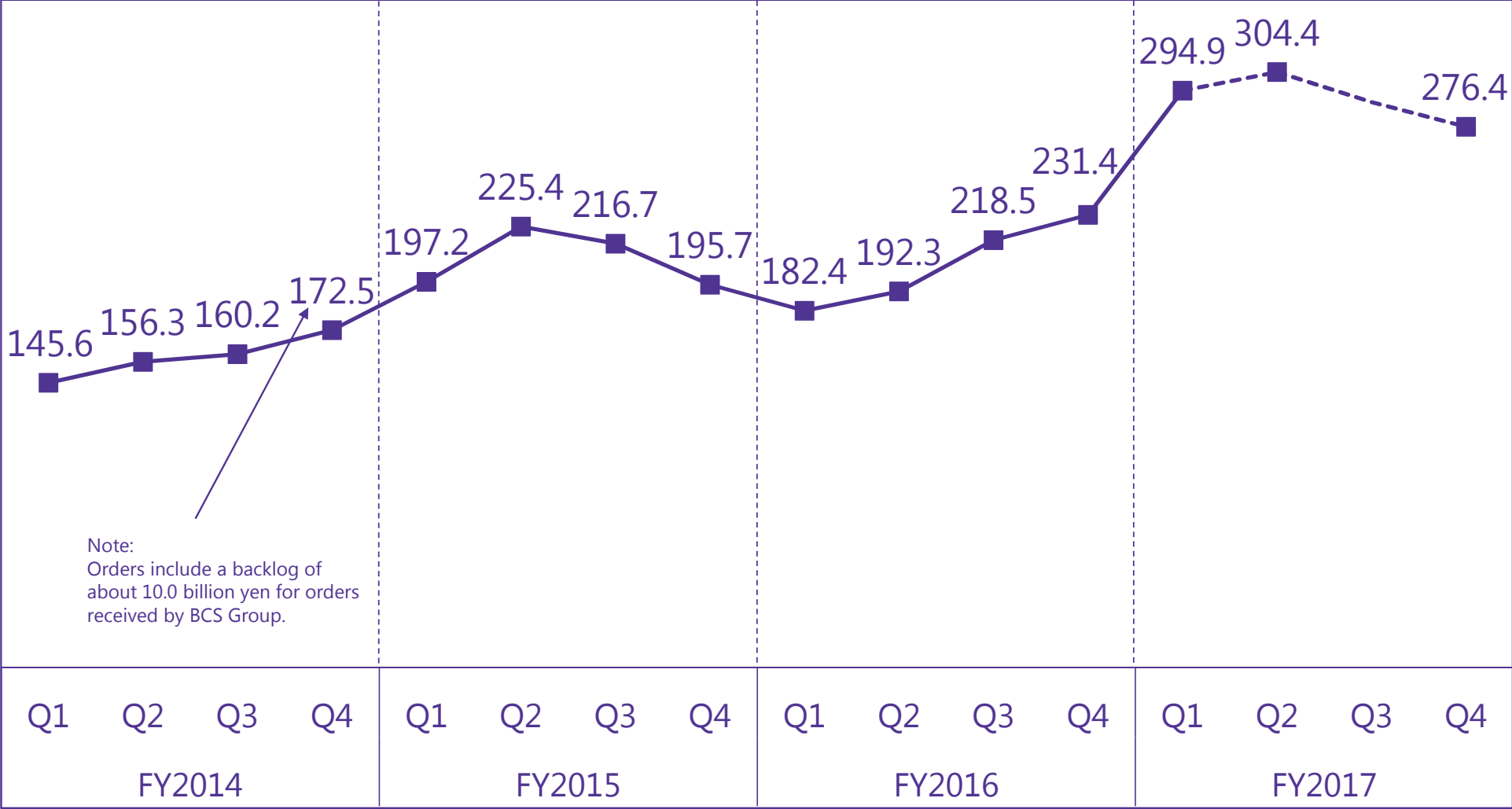
Quarterly Orders and Sales

(Billion yen, rounded down)



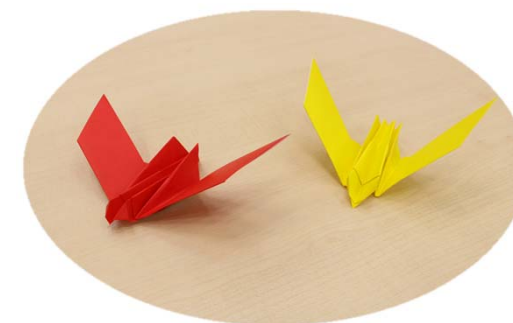
Order Backlogs

(Billion yen, rounded down)



Daifuku's 80th anniversary Guinness Record challenge

Daifuku was successful in its Guinness World Records®* attempt by creating the "Longest chain of origami sculptures" using the peregrine falcon, one of the endangered species that resides at the Shiga Works, as a motif.



Chain of 5,510 falcon sculptures achieved

*Guinness World Records® is a registered trademark of Guinness World Records Limited.
Recorded as of May 20, 2017.

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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.