

FOR IMMEDIATE RELEASE

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**Notice of Revision of the Management Targets
 for the Medium-Term Business Plan, Value Innovation 2020**

Daifuku Group has revised its management targets (consolidated net sales and operating margin) for the fiscal year ending March 2021, the final year of Value Innovation 2020, its four-year business plan, which was published on February 10, 2017, as a result of a review taking into account the recent business environment. Details are as follows:

1. Revisions to the management targets

	Initially planned	Revised
Consolidated net sales	JPY 420 billion	JPY 500 billion
Operating margin	8.0%	11.5%

2. Reasons

The execution of Daifuku's medium-term business plan, Value Innovation 2020, which applies to the four-year period from April 1, 2017, to March 31, 2021, has been proceeding largely in line with expectations for the Group's mainstay businesses, systems for manufacturers and distributors, systems for automobile factories, and systems for airports. In systems for semiconductor and flat-panel display factories, systems for semiconductor factories achieved the sales target two years ahead of the plan, as demand for semiconductors for data centers and other uses has far exceeded the original forecast.

As capital investment in the semiconductor sector, which tends to follow a boom-and-bust cycle of four-to-five-year periods, is expected to remain robust, underpinned by factors including the progress of 5G mobile telecommunications, Daifuku has revised its sales target.

In terms of operating margin, Daifuku has set a new target, as profitability is expected to be boosted by factors that include an effective method of "structural innovation" to cut costs in systems for manufacturers and distributors outside of Japan in addition to the benefits from increased sales and improved costs in systems for semiconductor and flat-panel display factories.

*Disclaimer

The above forecast values are our projections based on information available at the time of this release and contain various uncertainties. Actual results may differ materially from forecast values due to factors such as changes in the business performance of the Company or the Group.

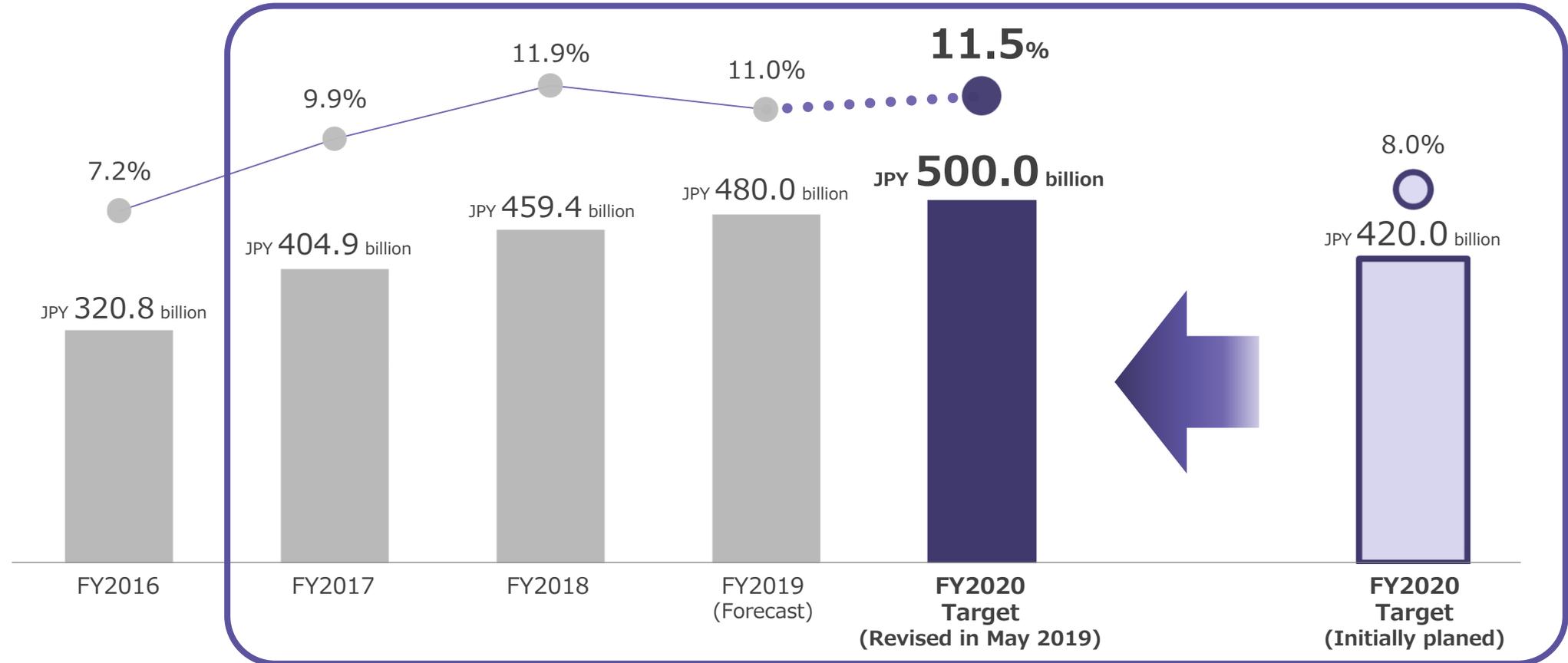
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Management Targets

Consolidated sales	JPY 420 billion → JPY 500 billion
Operating margin	8.0 % → 11.5 %

Secure ROE of 10% or higher

Value Innovation 2020



Sales by Region (Reference)

Non-Japan sales: FY2016 JPY 210.1 billion (Non-Japan sales ratio of 65.5%)
 FY2020 target JPY 294.0 billion (Non-Japan sales ratio of 70%) → JPY 350.0 billion (Non-Japan sales ratio of 70%)

