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Eleven-Year Financial Summary

Daifuku Co., Ltd. and consolidated subsidiaries

Fiscal years starting April 1 and ending March 31 the next year

(Million yen)	Material Handling and Beyond		Value Innovation 2017				Value Innovation 2020				Value Transformation 2023
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
For the Year											
Net sales	¥ 198,052	¥ 202,337	¥ 241,811	¥ 267,284	¥ 336,184	¥ 320,825	¥ 404,925	¥ 459,486	¥ 443,694	¥ 473,902	¥ 512,268
Cost of sales	165,505	165,340	194,974	215,641	272,832	256,417	321,836	358,230	357,870	385,744	417,968
Gross profit	32,546	36,996	46,836	51,642	63,351	64,407	83,089	101,255	85,824	88,157	94,299
Selling, general and administrative expenses	28,328	28,986	34,279	36,759	42,472	41,308	43,164	46,574	45,326	43,591	44,046
Operating income	4,217	8,010	12,556	14,883	20,878	23,099	39,924	54,681	40,497	44,566	50,252
Income before income taxes	3,129	7,316	12,137	15,211	20,650	23,942	41,059	55,329	39,808	45,109	50,978
Net income attributable to shareholders of the parent company	1,223	4,439	7,740	9,810	13,652	16,746	29,008	39,567	28,063	32,390	35,877
Capital investment	2,393	7,687	10,446	7,532	4,210	5,905	6,348	7,920	13,220	7,462	11,565
Depreciation	3,612	3,332	3,821	4,157	4,587	4,202	4,419	4,598	5,667	6,401	7,326
R&D expenses	6,484	6,855	7,490	6,945	7,009	7,489	8,123	8,615	8,936	9,165	10,735
Cash Flows											
Cash flows from operating activities	¥ (5,187)	¥ 15,666	¥ 20,447	¥ 6,295	¥ 7,206	¥ 26,683	¥ 11,497	¥ 8,559	¥ 13,706	¥ 38,229	¥ 56,691
Cash flows from investing activities	(4,039)	(13,649)	(7,372)	(5,846)	(2,099)	(5,393)	(5,600)	5,937	(14,791)	(6,132)	(9,828)
Free cash flows	(9,227)	2,016	13,074	448	5,107	21,289	5,897	14,496	(1,084)	32,097	46,862
Cash flows from financing activities	7,709	88	1,045	(509)	(8,702)	(4,404)	13,444	(6,893)	(18,354)	(8,932)	(27,550)
At Year-End											
Total assets	¥ 185,049	¥ 206,875	¥ 249,531	¥ 271,011	¥ 296,055	¥ 303,540	¥ 373,013	¥ 409,982	¥ 410,887	¥ 445,456	¥ 483,322
Interest-bearing liabilities	51,010	53,385	58,144	60,547	40,904	39,770	37,967	40,001	33,418	35,143	26,356
Net assets	76,618	85,685	99,690	111,521	130,116	142,340	191,474	222,885	237,356	262,012	292,059
Shareholders' equity	82,013	84,486	90,652	98,469	123,669	136,694	181,454	214,656	231,714	255,282	279,264
Number of employees	5,617	6,678	7,349	7,746	7,835	8,689	9,193	9,857	10,863	11,697	12,436
Amounts per Share of Common Stock											
Net income per share (Yen)	¥ 11.05	¥ 40.12	¥ 69.96	¥ 88.59	¥ 118.72	¥ 137.58	¥ 235.62	¥ 314.54	¥ 222.96	¥ 257.13	¥ 284.71
Net assets per share (Yen)	674.72	754.98	875.14	972.75	1,044.40	1,142.14	1,493.69	1,738.20	1,850.28	2,040.07	2,307.38
Cash dividends per share (Yen)	15.00	15.00	18.00	22.00	30.00	42.00	70.00	90.00	75.00	80.00	90.00
Ratios											
Operating income / net sales	2.1%	4.0%	5.2%	5.6%	6.2%	7.2%	9.9%	11.9%	9.1%	9.4%	9.8%
Net income / net sales	0.6	2.2	3.2	3.7	4.1	5.2	7.2	8.6	6.3	6.8	7.0
Return on shareholders' equity (ROE)	1.6	5.6	8.6	9.6	11.6	12.6	17.7	19.5	12.4	13.2	13.1
Total assets turnover (Times)	1.1	1.0	1.1	1.0	1.2	1.1	1.2	1.2	1.1	1.1	1.1
Shareholders' equity / total assets	40.3	40.4	38.8	39.8	42.9	45.8	50.4	53.3	56.7	57.7	60.2
D/E ratio (Times)	0.68	0.64	0.60	0.56	0.32	0.29	0.20	0.18	0.14	0.14	0.09

Notes: 1. The amount of capital investment in the fiscal years ended March 31, 2013, 2014, and 2015 includes goodwill generated from acquisition of shares in overseas companies.

2. In the calculation of net assets per share, the amount of non-controlling interests is subtracted from the amount of net assets.

3. In the calculation of shareholders' equity / total assets ratio and ROE, shareholders' equity represents the amount of net assets less non-controlling interests.

4. D/E ratio = Interest-bearing liabilities / (Net assets - Non-controlling interests - Bonds with stock acquisition rights). Interest-bearing liabilities are short-term borrowings and long-term borrowings recorded in the consolidated balance sheets that pay interest.

5. For details, see the securities report on our website: www.daifuku.com/ir/library/statements

Financial Section

Consolidated balance sheets

(Million yen)	FY2020 (ended March 31, 2021)	FY2021 (ended March 31, 2022)
ASSETS		
Current assets		
Cash on hand and in banks	94,167	118,769
Notes receivable, accounts receivable from completed construction contracts and other	211,906	—
Notes receivable, accounts receivable from completed construction contracts and other, and contract assets	—	208,915
Merchandise and finished goods	6,355	7,045
Costs incurred on uncompleted construction contracts and other	13,670	11,430
Raw materials and supplies	16,325	22,778
Other	8,749	13,148
Allowance for doubtful accounts	(571)	(777)
Total current assets	350,604	381,310
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	21,304	22,734
Machinery and vehicles, net	5,802	7,799
Tools and fixtures, net	2,637	2,602
Land	12,228	12,496
Other, net	7,574	9,583
Total property, plant and equipment	49,547	55,215
Intangible assets		
Software	3,998	5,077
Goodwill	4,212	3,956
Other	1,804	1,687
Total intangible assets	10,015	10,720
Investments and other assets		
Investments in securities	14,965	13,322
Long-term loans	117	44
Assets for retirement benefits	7,738	9,002
Deferred tax assets	9,566	10,082
Other	3,066	3,627
Allowance for doubtful accounts	(165)	(3)
Total investments and other assets	35,289	36,076
Total non-current assets	94,852	102,012
Total assets	445,456	483,322

(Million yen)	FY2020 (ended March 31, 2021)	FY2021 (ended March 31, 2022)
LIABILITIES		
Current liabilities		
Notes and accounts payable and construction contracts payable	43,778	48,046
Electronically recorded obligations – operating	20,169	28,084
Short-term borrowings and current portion of long-term borrowings	15,543	22,449
Income taxes payable	9,907	7,252
Advances received on uncompleted construction contracts and other	34,263	—
Contact liabilities	—	40,682
Provision for losses on construction contracts	343	711
Other	25,172	26,419
Total current liabilities	149,178	173,645
Non-current liabilities		
Long-term borrowings	19,600	3,907
Deferred tax liabilities	516	802
Liabilities for retirement benefits	7,674	7,494
Other reserves	351	327
Other	6,123	5,086
Total non-current liabilities	34,265	17,617
Total liabilities	183,443	191,263
NET ASSETS		
Shareholders' equity		
Common stock	31,865	31,865
Capital surplus	21,980	20,691
Retained earnings	202,377	227,609
Treasury stock	(941)	(901)
Total shareholders' equity	255,282	279,264
Accumulated other comprehensive income		
Net unrealized gain (loss) on securities	4,376	4,107
Deferred gain (loss) on hedges	(260)	(637)
Foreign currency translation adjustments	(1,425)	8,380
Accumulated adjustments on retirement benefits	(912)	(344)
Total accumulated other comprehensive income	1,778	11,504
Non-controlling interests	4,952	1,289
Total net assets	262,012	292,059
Total liabilities and net assets	445,456	483,322

Financial Section

Consolidated statements of income and comprehensive income

(Million yen)	FY2020 (April 1, 2020– March 31, 2021)	FY2021 (April 1, 2021– March 31, 2022)
Net sales	473,902	512,268
Cost of sales	385,744	417,968
Gross profit	88,157	94,299
Selling, general and administrative expenses		
Selling expenses	16,185	15,162
General and administrative expenses	27,405	28,883
Total selling, general and administrative expenses	43,591	44,046
Operating income	44,566	50,252
Other income		
Interest income	347	346
Dividend income	415	384
Foreign exchange gains	296	—
Subsidy income	128	645
Land and house rental revenue	218	227
Other	680	419
Total other income	2,086	2,023
Other expenses		
Interest expenses	644	352
Foreign exchange losses	—	279
Tender offer related expenses	—	275
Other	162	116
Total other expenses	806	1,022
Ordinary income	45,846	51,253
Extraordinary income		
Gain on sales of property, plant and equipment	14	7
Gain on sales of investments in securities	920	234
Insurance claim income	—	215
Other	—	24
Total extraordinary income	935	481
Extraordinary loss		
Loss on sales of property, plant and equipment	3	0
Loss on disposal of property, plant and equipment	235	300
Loss on valuation of shares in affiliates	1,027	—
Settlement package	234	—
Extra retirement payments	—	278
Loss on liquidation of affiliates	—	143
Other	170	33
Total extraordinary loss	1,671	756
Income before income taxes	45,109	50,978
Income taxes – current	14,010	14,032
Income taxes – deferred	(1,683)	501
Total income taxes	12,326	14,534
Net income	32,783	36,444
Net income attributable to:		
Shareholders of the parent company	32,390	35,877
Non-controlling interests	393	566

(Million yen)	FY2020 (April 1, 2020– March 31, 2021)	FY2021 (April 1, 2021– March 31, 2022)
Other comprehensive income		
Net unrealized gain (loss) on securities	1,666	(267)
Deferred gain (loss) on hedges	(171)	(375)
Foreign currency translation adjustments	(2,539)	9,974
Retirement benefits reserves adjustments	1,589	553
Share of other comprehensive income (loss) of affiliates accounted for using the equity method	16	39
Total other comprehensive income (loss)	562	9,924
Comprehensive income	33,345	46,368
Comprehensive income (loss) attributable to:		
Shareholders of the parent company	32,921	45,604
Non-controlling interests	423	764

Financial Section

Consolidated statements of changes in net assets

FY2020 (April 1, 2020–March 31, 2021)

(Million yen)

	Shareholders' equity					Total shareholders' equity	
	Common stock	Capital surplus	Retained earnings	Treasury stock			
Balance at April 1, 2020	31,865	21,987	179,292	(1,430)		231,714	
Cumulative effects of changes in accounting policies						—	
Restated balance	31,865	21,987	179,292	(1,430)		231,714	
Changes of items during the period							
Cash dividends			(9,459)			(9,459)	
Net income attributable to shareholders of the parent company			32,390			32,390	
Purchase of treasury stock				(22)		(22)	
Disposal of treasury stock		0		511		512	
Change in scope of consolidation			155			155	
Change in treasury shares of parent arising from transactions with non-controlling shareholders' equity		(7)				(7)	
Net changes of items other than shareholders' equity							
Total changes of items during the period	—	(7)	23,085	489		23,567	
Balance at March 31, 2021	31,865	21,980	202,377	(941)		255,282	
	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Net unrealized gain (loss) on securities	Deferred gain (loss) on hedges	Foreign currency translation adjustments	Accumulated adjustments on retirement benefits	Total accumulated other comprehensive income		
Balance at April 1, 2020	2,716	(89)	1,038	(2,419)	1,246	4,394	237,356
Cumulative effects of changes in accounting policies							—
Restated balance	2,716	(89)	1,038	(2,419)	1,246	4,394	237,356
Changes of items during the period							
Cash dividends							(9,459)
Net income attributable to shareholders of the parent company							32,390
Purchase of treasury stock							(22)
Disposal of treasury stock							512
Change in scope of consolidation							155
Change in treasury shares of parent arising from transactions with non-controlling shareholders' equity							(7)
Net changes of items other than shareholders' equity	1,659	(171)	(2,463)	1,507	531	557	1,089
Total changes of items during the period	1,659	(171)	(2,463)	1,507	531	557	24,656
Balance at March 31, 2021	4,376	(260)	(1,425)	(912)	1,778	4,952	262,012

FY2021 (April 1, 2021–March 31, 2022)

(Million yen)

	Shareholders' equity					Total shareholders' equity	
	Common stock	Capital surplus	Retained earnings	Treasury stock			
Balance at April 1, 2021	31,865	21,980	202,377	(941)		255,282	
Cumulative effects of changes in accounting policies			(3)			(3)	
Restated balance	31,865	21,980	202,374	(941)		255,278	
Changes of items during the period							
Cash dividends			(10,720)			(10,720)	
Net income attributable to shareholders of the parent company			35,877			35,877	
Purchase of treasury stock				(14)		(14)	
Disposal of treasury stock				54		54	
Change in scope of consolidation			77			77	
Change in treasury shares of parent arising from transactions with non-controlling shareholders' equity		(1,288)				(1,288)	
Net changes of items other than shareholders' equity							
Total changes of items during the period	—	(1,288)	25,235	39		23,985	
Balance at March 31, 2022	31,865	20,691	227,609	(901)		279,264	
	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Net unrealized gain (loss) on securities	Deferred gain (loss) on hedges	Foreign currency translation adjustments	Accumulated adjustments on retirement benefits	Total accumulated other comprehensive income		
Balance at April 1, 2021	4,376	(260)	(1,425)	(912)	1,778	4,952	262,012
Cumulative effects of changes in accounting policies							(3)
Restated balance	4,376	(260)	(1,425)	(912)	1,778	4,952	262,009
Changes of items during the period							
Cash dividends							(10,720)
Net income attributable to shareholders of the parent company							35,877
Purchase of treasury stock							(14)
Disposal of treasury stock							54
Change in scope of consolidation							77
Change in treasury shares of parent arising from transactions with non-controlling shareholders' equity							(4,322)
Net changes of items other than shareholders' equity	(269)	(377)	9,805	567	9,726	660	10,386
Total changes of items during the period	(269)	(377)	9,805	567	9,726	(3,662)	30,050
Balance at March 31, 2022	4,107	(637)	8,380	(344)	11,504	1,289	292,059

Consolidated statements of cash flows

(Million yen)

	FY2020 (April 1, 2020– March 31, 2021)	FY2021 (April 1, 2021– March 31, 2022)
Cash flows from operating activities		
Income before income taxes	45,109	50,978
Depreciation	6,401	7,326
Amortization of goodwill	695	639
Interest and dividend income	(763)	(731)
Interest expenses	644	352
Loss (gain) on sales of investments in securities	(920)	(234)
Loss (gain) on disposal or sales of property, plant and equipment	224	292
Loss on valuation of shares in affiliates	1,027	—
Decrease (increase) in notes and accounts receivables	(10,669)	—
Decrease (increase) in notes and accounts receivables and contract assets	—	12,775
Decrease (increase) in inventories	(3,279)	(3,510)
Increase (decrease) in notes and accounts payable	(4,599)	7,464
Increase (decrease) in advances received on uncompleted construction contracts	647	—
Increase (decrease) in contract liabilities	—	3,796
Other	7,259	(6,463)
Subtotal	41,778	72,686
Interest and dividend received	763	729
Interest paid	(624)	(404)
Income taxes refund (paid)	(4,173)	(17,146)
Other	485	826
Net cash provided by (used in) operating activities	38,229	56,691
Cash flows from investing activities		
Investments in time deposits	(62)	(3)
Proceeds from refund of time deposits	0	1
Payments for purchase of property, plant and equipment	(7,481)	(10,461)
Proceeds from sales of property, plant and equipment	23	53
Payments for purchase of investments in securities	(27)	(29)
Proceeds from sales of investments in securities	1,596	625
Collection of loans receivable	6	15
Other	(186)	(29)
Net cash provided by (used in) investing activities	(6,132)	(9,828)
Cash flows from financing activities		
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	(5,683)
Proceeds from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	152
Increase (decrease) in short-term borrowings, net	1,760	(8,320)
Proceeds from long-term borrowings	—	131
Repayment of long-term borrowings	(482)	(1,647)
Proceeds from disposal of treasury stock	662	38
Payments for purchase of treasury stock	(22)	(14)
Payments of cash dividends	(9,462)	(10,720)
Other	(1,387)	(1,486)
Net cash provided by (used in) financing activities	(8,932)	(27,550)
Effect of exchange rate change on cash and cash equivalents	(741)	4,868
Net increase (decrease) in cash and cash equivalents	22,422	24,180
Cash and cash equivalents at beginning of year	70,883	94,079
Increase (decrease) in cash and cash equivalents resulting from changes in scope of consolidation	772	412
Cash and cash equivalents at end of year	94,079	118,672

ESG Data

E: Environmental

Type	Item	Scope	Unit	FY2019	FY2020	FY2021
CO ₂	CO ₂ emissions* ¹	Global	t-CO ₂	38,650	36,927	34,706
	CO ₂ emissions	Japan	t-CO ₂	10,942	10,506	11,827
	CO ₂ emissions* ¹	Non-Japan	t-CO ₂	27,708	26,421	22,879
	CO ₂ emissions per basic unit of net sales* ¹	Global	t-CO ₂ / 100 million yen	8.7	7.8	6.8
	Scope 1+2	Global	t-CO ₂	38,650	36,927	34,706
	Scope 1	Global	t-CO ₂	9,058	9,066	9,566
	Scope 1	Japan	t-CO ₂	1,900	1,812	1,793
	Scope 1	Non-Japan	t-CO ₂	7,158	7,253	7,774
	Scope 2	Global	t-CO ₂	29,593	27,862	25,139
	Scope 2	Japan	t-CO ₂	9,043	8,694	10,034
	Scope 2	Non-Japan	t-CO ₂	20,550	19,168	15,105
	Scope 3	Japan* ²	t-CO ₂	1,462,397	1,421,314	2,366,666
	Avoided CO ₂ emissions* ³	Global	t-CO ₂	—	—	69,694
	Sales of Daifuku Eco-Products	Global	Million yen	38,211	49,183	36,066
	Sales ratio of Daifuku Eco-Products* ⁴	Global	%	11.4	13.9	9.6
Energy	Energy consumption (production)	Global	GJ	658,133	642,121	675,913
	Energy consumption (non-production)	Global	GJ	76,355	80,543	94,876
	Electricity	Global	GWh	57.1	55.2	59.9
	Electricity derived from renewable energy sources	Global	GWh	—	—	5.9
	Percentage of electricity derived from renewable energy sources	Global	%	—	—	9.9
	Liquefied petroleum gas	Global	t	623	502	560
	City gas	Global	Thousand m ³	2,552	2,718	2,927
	Fuel oil A	Global	kl	36	94	56
	Gasoline	Global	kl	468	436	457
	Diesel fuel	Global	kl	79	58	66
Water resources	Water consumption	Japan	m ³	124,836	104,156	104,139
	Groundwater (well water)	Japan	m ³	70,292	53,921	55,847
	Water supply, industrial water	Japan	m ³	54,544	50,235	48,292
	Surface water (rivers, lakes, seas)	Japan	m ³	0	0	0
	Water consumption	Non-Japan	m ³	90,894	91,301	103,114
	Water discharge	Japan	m ³	124,836	104,156	104,139
Waste	Waste generated (including valuable wastes)	Japan	t	5,078	4,555	5,751
	Waste generated (including valuable wastes)* ⁵	Non-Japan	t	—	—	3,739
	Landfill disposal	Japan	t	47	41	36
	Landfill disposal* ⁵	Non-Japan	t	—	—	25
	Recycling rate of waste (including valuable wastes)	Japan	%	99.1	99.1	99.4
	Recycling rate of waste (including valuable wastes)* ⁵	Non-Japan	%	—	—	99.3
Other	Soil and groundwater pollution status reported within plant grounds	Japan	Cases	0	0	0
	Number of environment-related (including water-related) legal violations	Japan	Cases	0	0	0
	Amount paid in fines for environmental-related (including water-related) legal violations	Japan	Million yen	0	0	0

*1 Due to an error in the tabulation method, the results for fiscal 2019 and fiscal 2020 have been revised (August 2022).

*2 Includes CO₂ emissions from the operations of products shipped from Japan to overseas.

*3 CO₂ emissions produced from our products/services provided to our customers are subtracted from the CO₂ emissions produced from our products/services in fiscal 2011—the base year for environmental performance. The base year has been changed beginning from the disclosure for fiscal 2021.

*4 Daifuku sales are generally divided into sales for new deliveries and sales for follow-up services, such as maintenance and inspections. The sales ratio for Daifuku Eco-Products uses the number of total sales with service sales deducted.

*5 Data from outside Japan are disclosed from fiscal 2021 but do not include data from North American locations.

S: Social

Type	Item	Scope	Unit	FY2019	FY2020	FY2021	
Quality	Number of serious accidents related to product/system safety	Global	Cases	0	0	0	
Employment	Number of employees	Global	People	10,863	11,697	12,436	
	Number of employees	Daifuku Co., Ltd.	People	2,928	3,042	3,202	
	Average age	Daifuku Co., Ltd.	Age	41.4	42.7	41.0	
	Average years of service	Daifuku Co., Ltd.	Years	15.3	16.0	15.1	
	New graduates	Daifuku Co., Ltd.	People	122	106	109	
	Mid-career recruitment	Daifuku Co., Ltd.	People	136	64	105	
	Ratio of female recruitment	Daifuku Co., Ltd.	%	10	11	10	
	Number of female employees	Daifuku Co., Ltd.	People	348	382	399	
	Number of female managers	Daifuku Co., Ltd.	People	17	18	20	
	Employment rate of people with disabilities	Daifuku Co., Ltd.	%	2.17	2.49	2.54	
	* As of June 1						
	Training	Employee training costs	Japan	Million yen	172.9	101.5	98.9
Training time per person		Japan	Hours	71.3	53.8	51.2	
Number of days for training per person		Japan	Days	9.2	6.9	6.6	
* The number of days is calculated by converting the training hours into 7 hours and 45 minutes, which is the standard working hours per day.							
Number of employees participating in compliance training		Japan	People	292	291	235	
* Rank-based training							
Labor	Number of occupational safety and health trainees (safety training facility)	Japan	People	320	295	1,627	
	Paid leave acquisition rate	Daifuku Co., Ltd.	%	68.7	71.2	73.3	
	Maternity leave utilization	Daifuku Co., Ltd.	People	11	10	8	
	Childcare leave utilization rate (female)	Daifuku Co., Ltd.	%	100	100	100	
	Childcare leave utilization rate (male)	Daifuku Co., Ltd.	%	2.4	3.7	8.7	
	Childcare short-time workday system utilization (female)	Daifuku Co., Ltd.	People	37	36	34	
	Child-care short-time workday system utilization (male)	Daifuku Co., Ltd.	People	1	0	1	
	Return to work rates after 6 months of maternity/childcare leave	Daifuku Co., Ltd.	%	100	100	100	
	Family care leave/personal leave utilization	Daifuku Co., Ltd.	People	0	0	1	
	Turnover rate* ¹	Daifuku Co., Ltd.	%	1.45	1.73	2.43	
Safety	Frequency rate	Japan	—	0.83	0.37	0.21	
	Frequency rate	Non-Japan	—	1.50	0.98	0.65	
	Severity rate	Japan	—	0.004	0.02	0.002	
	Severity rate	Non-Japan	—	0.02	0.03	0.009	
	Employee fatalities	Japan	People	0	0	0	
	Employee fatalities	Non-Japan	People	0	0	0	
Communities	Number of visitors to the Hini Arata Kan demo center* ²	—	People	27,082	6,129	4,503	
	Amount spent for promoting social contribution activities (including donations)	Daifuku Co., Ltd.	Million yen	45.86	27.34	28.98	
	The donation amount to the non-profit organization	Daifuku Co., Ltd.	Million yen	3.32	3.15	3.23	
Compliance	Whistleblowing system	Global	Yes/No	Yes	Yes	Yes	
Other	R&D costs	Global	Million yen	8,936	9,165	10,735	

*1 Excludes retirees and employees leaving the Company at the end of their contract period.

*2 We were temporarily closed to the general public during the COVID-19 pandemic in fiscal 2020 and fiscal 2021.

G: Governance

Type	Item	Unit	FY2019	FY2020	FY2021
Makeup of Board of Directors	Number of directors	People	11	8	9
	Number of outside directors	People	4	4	4
	Number of female directors	People	1	1	1
	Number of Board of Directors' meetings (ordinary, extraordinary)	Times	18	17	18
Makeup of the Audit & Supervisory Board	Number of Audit & Supervisory Board members	People	5	4	4
	Number of outside Audit & Supervisory Board members	People	3	3	3
	Number of Audit & Supervisory Board meetings	Times	6	6	8
Remuneration	Remunerations for directors	Million yen	698	469	515
	Remunerations for Audit & Supervisory Board members	Million yen	109	82	77
Voluntary committees	Advisory Committee for nomination and remuneration	Yes/No	Yes	Yes	Yes
Other	Investor relations meetings	Meetings	374	414	376

ESG external evaluation

Evaluator	Title (constituent)	Evaluation
		FY2021
MSCI	ESG Rating (MSCI Japan ESG Select Leaders Index) (MSCI Japan Empowering Women Index)	AA
FTSE	ESG Rating (FTSE4Good Index Series) (FTSE Blossom Japan Index) (FTSE Blossom Japan Sector Relative Index)	3.4
Sustainalytics	ESG Risk Rating	23.0 (Medium Risk)
CDP	CDP Climate Change	A-
	CDP Supplier Engagement Rating	A

For details, see our website:
www.daifuku.com/sustainability/external-evaluation

Company Profile and Stock Information (As of March 31, 2022)

Company profile

Company name	Daifuku Co., Ltd.	Number of authorized shares	250,000,000 shares
Established	May 20, 1937	Total number of shares issued	126,610,077 shares
Paid-in capital	31,865.3 million yen	Number of shareholders	23,150
Employees	12,436 (consolidated)	General Meeting of Shareholders	June
Ratings	Rating and Investment Information, Inc. (R&I) Long-term: A (single A) [Stable] Short-term: a-1 (a-one)	Stock exchange listing	Prime Market, Tokyo Stock Exchange (As of April 4, 2022)
		Stock transfer agent	Sumitomo Mitsui Trust Bank, Limited 4-5-33 Kitahama, Chuo-ku, Osaka

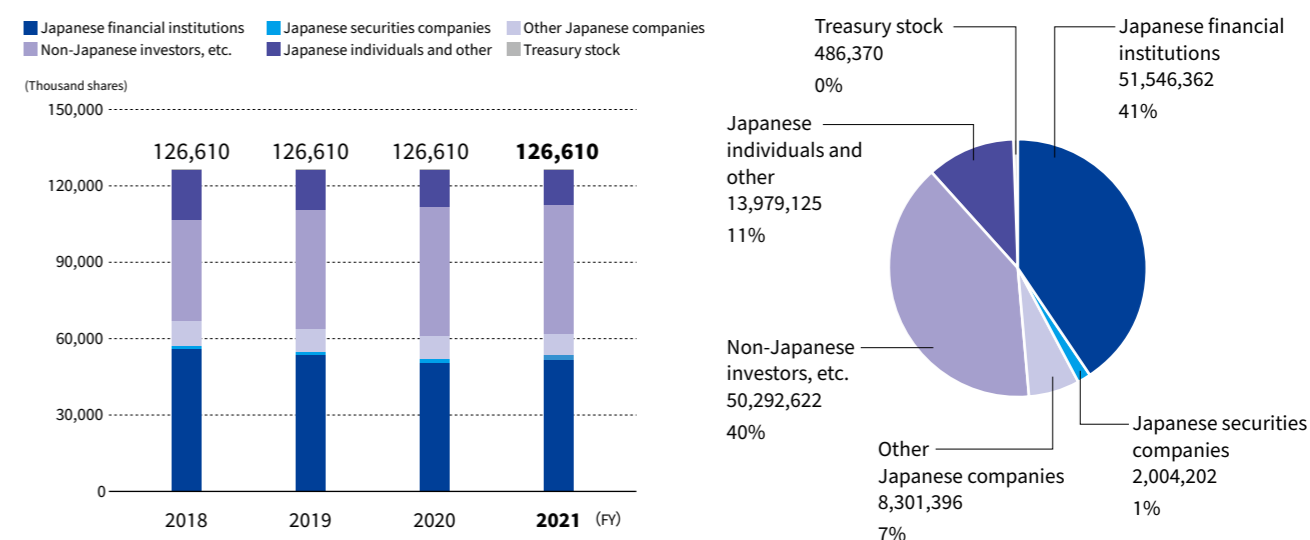
Stock information

Major shareholders

Name	Number of shares held (Thousands)	Percentage of shares held to the total number of issued shares (excluding treasury stock) (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	19,383	15.37
Custody Bank of Japan, Ltd. (Trust Account)	8,783	6.96
Mizuho Bank, Ltd.	4,117	3.26
Sumitomo Mitsui Banking Corporation	3,570	2.83
MUFG Bank, Ltd.	3,354	2.66
Daifuku Supplier Shareholder Association	3,054	2.42
Nippon Life Insurance Company	2,745	2.18
Chuo-Nittochi Group Co., Ltd.	2,690	2.13
SSBTC CLIENT OMNIBUS ACCOUNT	2,588	2.05
J.P. MORGAN BANK LUXEMBOURG S.A. 381593	2,269	1.80

Note: Calculated after deducting treasury stock of 486,370 shares.

Distribution of shareholders



◆ Global network

Japan	Daifuku Co., Ltd.	Europe	Daifuku Europe Ltd.
	Contec Co., Ltd.		Daifuku Europe GmbH
	Daifuku Plusmore Co., Ltd.		Jervis B. Webb Company, Ltd.
	Daifuku Business Service Corporation		Daifuku Logan Ltd.
	Daifuku Manufacturing Technology Co., Ltd.		Daifuku Self Services Technologies AS
	Iwasaki Seisakusho Co., Ltd.		Scarabee Aviation Group B.V.
	Daifuku Airport Technologies Japan Co., Ltd.		
	Scarabee Aviation Group - Japan Co., Ltd.		
Asia Pacific	Asia	Americas	Daifuku North America Holding Company
	Daifuku (China) Co., Ltd.		• Daifuku America Corporation
	• Daifuku (China) Manufacturing Co., Ltd.		• Daifuku Cleanroom Automation America Corporation
	• Daifuku (China) Automation Co., Ltd.		• Jervis B. Webb Company
	Daifuku (Suzhou) Cleanroom Automation Co., Ltd.		• Elite Line Services, Inc.
	Contec (Shanghai) Co., Ltd.		• Wynright Corporation
	Daifuku India Private Limited		Contec Americas Inc.
	ForgePro India Private Limited		Daifuku Canada Inc.
	Vega Conveyors and Automation Private Limited		Jervis B. Webb Company of Canada, Ltd.
	P.T. Daifuku Indonesia		Daifuku Airport Technologies Canada Inc.
	Daifuku Korea Co., Ltd.		Daifuku de México, S.A. de C.V.
	Clean Factomation, Inc.		
	Hallim Machinery Co., Ltd.		
	Daifuku (Malaysia) Sdn. Bhd.		
	BCS Integration Solutions Sdn. Bhd.		
	Daifuku Mechatronics (Singapore) Pte. Ltd.		
	Singapore Contec Pte. Ltd.		
	Taiwan Daifuku Co., Ltd.		
	Taiwan Contec Co., Ltd.		
	Daifuku (Thailand) Limited		
Daifuku Intralogistics Vietnam Company Limited			
Oceania			
Daifuku Oceania Limited			
• BCS Airport Systems Pty Limited			
• BCS Logistics Solutions Pty Limited			
• BCS Infrastructure Support Pty Limited			
• Intersystems (Asia Pacific) Pty Limited			

Message from the Editorial Desk



Thank you for reading the Daifuku Group's integrated report *Daifuku Report 2022*.

In the process of editing this report, we kept in mind dialogs with investors and shareholders and comments together with feedback from a broad range of stakeholders, while endeavoring to offer further insight into our growth strategy and its underlying foundations for value creation.

Prior to production of this report, we defined our management philosophy of "Automation that Inspires" as what the Group aspires to be in the future. With a view to demonstrating that the three-year business plan and the Sustainability Action Plan will result in attaining the management philosophy, we launched another project of studying the value creation process. Led by the head of the Corporate Functions unit, the project team consists of key personnel from different units engaging in sustainability promotion, human resources management, corporate governance promotion and corporate communications, and us the Investor Relations Department. The study looked at elements of Daifuku selected by individual members on the basis of a framework proposed by the IFRS Foundation. A report was then made at the Officers Meeting before being featured here.

We have combined the input capital in the value creation process with Daifuku's corporate culture (DNA). We produced this report with the aim of presenting our corporate history and actions based on the corporate DNA and to give a clear demonstration of the story of value creation up to the realization of a fulfilling society based on our business strategy, fundamental management practices and business operations.

We hope that this publication will help deepen your understanding of the Daifuku Group.

Cautionary statement with respect to forward-looking statements

The strategies, belief, and plans related to future business performance as described in this report are not established facts. They are business prospects based on the assumptions and beliefs of the management team judging from the most current information at the time this report was prepared, 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 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/or plagues. Moreover, there are other factors that may adversely affect the Group's performance.

Issued by the Investor Relations Department, Daifuku Co., Ltd.

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