

Consolidated Financial Results
for the First Half of the Fiscal Year Ending March 31, 2024
[Japan GAAP]

Prepared in accordance with accounting principles generally accepted in Japan
Translated from the original Japanese-language document

November 8, 2023

Daifuku Co., Ltd.

Stock exchange listing: Tokyo

Securities code: 6383

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Scheduled date for filing quarterly financial report: November 8, 2023

Scheduled date of commencing dividend payment: December 5, 2023

Quarterly earnings supplementary materials: Yes

Quarterly earnings presentation: Yes (for institutional investors and securities analysts)

Note: Figures are rounded down to the nearest one million yen.

1. Consolidated Financial Results for the First Half of the Fiscal Year Ending March 2024

(April 1, 2023 - September 30, 2023)

(1) Operating results

(Percentages indicate year-on-year changes.)

FY	Net sales		Operating income		Ordinary income		Net income attributable to shareholders of the parent company	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Ending March 2024 H1	281,267	1.3	19,060	(22.1)	20,838	(16.3)	14,206	(16.5)
Ended March 2023 H1	277,782	14.1	24,466	20.4	24,883	21.1	17,013	22.2

(Note) Comprehensive income

Year ending March 2024 H1: 27,033 million yen, (21.5)%

Year ended March 2023 H1: 34,417 million yen, 67.6%

FY	Net income per share	Diluted net income per share
	Yen	Yen
Ending March 2024 H1	37.69	37.60
Ended March 2023 H1	45.00	—

(Note) The Company conducted a three-for-one split of its common stock effective April 1, 2023. Net income per share is calculated, assuming that the stock split was conducted at the beginning of the previous fiscal year.

(2) Financial position

FY	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
Ending March 2024 Q2	621,659	331,369	53.3
Ended March 2023	551,552	332,323	60.2

(Reference) Shareholders' equity

Year ending March 2024 Q2: 331,037 million yen

Year ended March 2023: 332,023 million yen

2. Dividends

FY	Dividend per share				
	Q1-end	Q2-end	Q3-end	FY-end	Annual
	Yen	Yen	Yen	Yen	Yen
Ended March 2023	—	40.00	—	70.00	110.00
Ending March 2024	—	14.00			
Ending March 2024 (forecast)			—	23.00	37.00

(Notes) 1. Revisions to the latest dividend forecast: None

2. The Company conducted a three-for-one split of its common stock effective April 1, 2023. For the fiscal year ended March 31, 2023, the actual dividend amount prior to the stock split is shown. For the fiscal year ending March 31, 2024 (forecast), the dividend amount after the stock split is shown.

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 2024

(April 1, 2023 - March 31, 2024)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to shareholders of the parent company		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	605,000	0.5	54,500	(7.4)	55,500	(7.1)	40,500	(1.8)	108.36

(Notes) 1. Revisions to the latest consolidated earnings forecast: None

2. The Company conducted a three-for-one split of its common stock effective April 1, 2023. Net income per share after the stock split is shown in the consolidated earnings forecast.

3. The Company repurchased its own shares pursuant to the resolution by the Board of Directors on August 29, 2023. Net income per share in the consolidated earnings forecast above is taken into account the effect of the repurchase of its shares.

Notes:

- (1) Changes in significant subsidiaries that affected the scope of consolidation during the first half: None
- (2) Adoption of specific accounting methods for preparing the consolidated financial statements: None
- (3) Changes in accounting policies, accounting estimates, and restatement
 - 1) Changes in accounting policies resulting from the revision of the accounting standards and other regulations: None
 - 2) Changes in accounting policies other than 1): None
 - 3) Changes in accounting estimates: None
 - 4) Restatement: None
- (4) Number of shares issued (Common stock)
 - 1) Number of shares issued including treasury stock at the end of the period
Year ending March 2024 Q2: 379,830,231 shares
Year ended March 2023: 379,830,231 shares
 - 2) Number of treasury stock at the end of the period
Year ending March 2024 Q2: 8,889,991 shares
Year ended March 2023: 1,773,705 shares
 - 3) Average number of shares during the period (cumulative from the beginning of the fiscal year)
Year ending March 2024 H1: 376,882,049 shares
Year ended March 2023 H1: 378,050,782 shares

(Notes)

The Company conducted a three-for-one split of its common stock effective April 1, 2023. Number of shares issued including treasury stock at the end of the period, number of treasury stock at the end of the period, and average number of shares during the period are calculated, assuming that the stock split was conducted at the beginning of the previous fiscal year.

The number of treasury stock at the end of the period includes shares owned by the Board Benefit Trust (BBT). The number of treasury stock at the end of the first half of the fiscal year ending March 31, 2024 includes 274,400 shares owned by the BBT. The number of treasury stock at the end of the fiscal year ended March 31, 2023 included 311,100 shares owned by the BBT.

These consolidated financial statements are not subject to audit through the certified public accountant or an audit firm.

Disclaimer

The consolidated earnings forecast contained in this document is based on information available to management at the present time and certain assumptions judged to be rational. As such, actual sales and income may differ from this forecast due to uncertain factors present in the forecast or future changes in business circumstances. For the earnings forecast, please see 1-(3) "Outlook for the fiscal year ending March 31, 2024."

Earnings supplementary materials are available at the [TDnet](#) and our website: www.daifuku.com/ir

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1. Qualitative Information Relating to Quarterly Consolidated Financial Results

(1) Operating results

During the first half of the fiscal year (from April 1, 2023 to September 30, 2023) under review, the global economic outlook remained uncertain mainly due to global inflation, rising interest rates, and a slowdown in the Chinese economy.

The business environment surrounding the Daifuku Group has seen an accelerating investment in the shift to electric vehicles in the automotive industry. In addition, investment in automation at airports has grown in line with the recovery in the number of air passengers. On the other hand, e-commerce-related investments, which had been at high levels in recent years, have entered a temporary lull. In addition, investment in the semiconductor industry has been restrained, with the exception of legacy semiconductors in China.

In this economic and business environment, orders received during the first half of the fiscal year under review declined significantly, mainly given a reactionary fall in cleanroom systems for semiconductor and flat-panel display production lines from the orders received ahead of schedule in the previous fiscal year.

Sales were strong in automotive systems and airport systems, benefiting from an extensive order backlog from the end of the previous fiscal year, while sales of intralogistics systems for manufacturers and distributors and cleanroom systems fell short of the results of a year ago.

Specifically, the Group received orders of 294,302 million yen, down 26.4% from the same period of the previous fiscal year, and recorded sales of 281,267 million yen, up 1.3%. Sales reached a new record high for the first half of the fiscal year.

Income reflected decreased sales of intralogistics systems and soaring raw material and labor costs.

Consequently, the Group posted operating income of 19,060 million yen, down 22.1% from the same period of the previous fiscal year, and ordinary income of 20,838 million yen, down 16.3%. Net income attributable to shareholders of the parent company was 14,206 million yen, down 16.5%.

The average exchange rates used for transactions during the first half of the fiscal year under review were 136.54 yen to the U.S. dollar (124.54 yen in the year-ago period), 19.55 yen to the Chinese yuan (19.14 yen), and 0.1047 yen to the Korean won (0.1005 yen). As a result of exchange rate fluctuations, sales increased by about 10.8 billion yen, and operating income increased by about 0.5 billion yen, compared with the year-ago period. Orders decreased in value by about 6 billion yen, as the amount of increase from the balance of order backlog at the end of the previous fiscal year due to foreign exchange was about 16.9 billion yen less than that in the same period of the previous year, while orders received during the period increased about 10.8 billion yen.

Results by reportable segment

Results by reportable segment are described below. Orders from and sales to external customers are presented as segment orders and sales, and net income attributable to shareholders of the parent company is recorded as segment income.

For more details about reportable segments, please see the "Segment information" below.

Of the Group, Japanese companies such as Daifuku Co., Ltd. and Contec Co., Ltd. close their books on March 31. Most non-Japan subsidiaries close their books on December 31; accordingly, their status during the period from January to June 2023 is shown.

Daifuku Co., Ltd.

Orders for intralogistics systems and cleanroom systems declined from the strong results recorded in the same period of the previous fiscal year.

Sales of intralogistics systems and cleanroom systems decreased.

Segment income increased slightly, reflecting decreased sales of intralogistics systems and cleanroom systems, as well as soaring raw material and labor costs.

As a result, the Company recorded orders of 102,376 million yen, down 38.7% from the same period of the previous fiscal year, sales of 103,358 million yen, down 13.5%, and segment income of 12,550 million yen, up 1.7%.

Contec Co., Ltd. and its subsidiaries

Sales to manufacturers in Japan were favorable; however, sales to the medical device and airport security-related sectors in North America were rather sluggish, due to inventory adjustments and other cautious moves.

Segment income rose along with the higher sales.

As a result, Contec posted orders of 10,922 million yen, up 0.4% from the same period of the previous fiscal year, sales of 8,914 million yen, up 7.9%, and segment income of 549 million yen, up 49.6%.

Daifuku North America Holding Company and its subsidiaries

Orders for intralogistics systems remained strong and airport systems were favorable, while orders for automotive systems and cleanroom systems declined from the year-ago results.

Sales remained favorable, driven by automotive systems and airport systems. Segment income was also robust, supported by intralogistics systems and automotive systems.

As a result, Daifuku North America achieved orders of 90,516 million yen, down 5.5% from the same period of the previous year, sales of 88,079 million yen, up 20.5%, and segment income of 5,253 million yen, up 32.5%.

Clean Factomation, Inc.

Orders fell significantly from the year-ago results, which were bolstered by brisk investment from semiconductor manufacturers. Sales also declined.

Segment income fell, mainly due to decreased sales and other factors.

As a result, Clean Factomation posted orders of 12,225 million yen, down 67.0% from the same period of the previous fiscal year, sales of 14,605 million yen, down 14.5%, and segment income of 749 million yen, down 40.3%.

Other

The Group has a total of 68 consolidated subsidiaries worldwide. The Other segment includes all consolidated subsidiaries excluding the aforementioned Contec and its subsidiaries, Daifuku North America and its subsidiaries, and Clean Factomation. These companies manufacture, sell, install, and service material handling systems, car wash machines, and other equipment. The status of major subsidiaries is as follows.

Japan subsidiaries

Daifuku Plusmore Co., Ltd. provides car wash machines and related services. Sales volume was favorable due to the continued government subsidy policies for customers.

Non-Japan subsidiaries

The Group has production sites for material handling systems in China, Taiwan, South Korea, Thailand, India, and other regions, which also provide sales, installations, and services, playing a role in creating an optimal local production and procurement framework.

In addition, the Group has subsidiaries in the regions of North and Central America, Asia, Europe, and Oceania, which provide sales, installations, and services.

Orders declined, given a reactionary fall in cleanroom systems in Asia, attributable to orders received ahead of schedule in the previous fiscal year.

Sales were generally favorable, underpinned by an order backlog from the end of the previous fiscal year.

Segment income significantly reflected the inflation and other factors in some projects.

As a result, the segment reported orders of 78,261 million yen, down 12.5% from the same period of the previous fiscal year, sales of 65,169 million yen, up 10.1%, and a segment loss of 86 million yen, a decrease of 2,002 million yen.

(2) Financial position

Assets, liabilities and net assets

Assets at the end of the second quarter of the fiscal year under review stood at 621,659 million yen, an increase of 70,107 million yen from the end of the previous fiscal year. The result principally reflected increases of 26,634 million yen in cash on hand and in banks; 9,806 million yen in notes receivable, accounts receivable from completed construction contracts and other, and contract assets; 5,803 million yen in raw materials and supplies; 7,290 million yen in property, plant and equipment; and 12,605 million yen in investments and other assets mainly due to the acquisition of held-to-maturity debt securities.

Liabilities at the end of the second quarter of the fiscal year under review amounted to 290,290 million yen, an increase of 71,061 million yen from the end of the previous fiscal year. This was mainly attributable to increases of 21,787 million yen in contract liabilities and 61,190 million yen in convertible-bond-type bonds with stock acquisition rights, despite a decrease of 9,406 million yen in notes and accounts payable and construction contracts payable.

Net assets at the end of the second quarter of the fiscal year under review were 331,369 million yen, a decrease of 954 million yen from the end of the previous fiscal year, mainly attributable to a decrease of 19,159 million yen due to the purchase of treasury stock, despite increases of 5,377 million yen in retained earnings and 10,832 million yen in foreign currency translation adjustments.

Cash flows

Cash and cash equivalents during the first half of the fiscal year under review increased 26,510 million yen from the end of the previous fiscal year, to 128,899 million yen.

Cash flows from operating activities

Cash provided by operating activities totaled 1,419 million yen (18,576 million yen in cash used in the year-ago period). This was mainly attributable to an increase of 7,595 million yen in inventories, a decrease of 19,025 million yen in notes and accounts payable, and 11,051 million yen in income taxes paid, despite 20,302 million yen in income before income taxes, an increase of 18,210 million yen in contract liabilities.

Cash flows from investing activities

Cash used in investing activities was 12,295 million yen (5,718 million yen in cash used in the year-ago

period). Major factors included outlays of 6,874 million yen for payments for purchase of property, plant and equipment and 5,917 million yen for payments for the purchase of investments in securities.

Cash flows from financing activities

Cash provided by financing activities was 32,347 million yen (19,054 million yen in cash used in the year-ago period), mainly attributable to proceeds from the issuance of convertible-bond-type bonds with stock acquisition rights of 61,082 million yen, despite outlays of 19,211 million yen for payments for the purchase of treasury stock and 8,820 million yen for payments of cash dividends.

(3) Outlook for the fiscal year ending March 31, 2024

Daifuku Co., Ltd. has not revised its full-year earnings forecast for the fiscal year ending March 31, 2024, which was announced on August 8, 2023. For details, please refer to the summary (page 2).

2. Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheets

(Million yen)

	FY2022 (as of March 31, 2023)	FY2023 Q2 (as of September 30, 2023)
ASSETS		
Current assets		
Cash on hand and in banks	102,746	129,380
Notes receivable, accounts receivable from completed construction contracts and other, and contract assets	250,076	259,883
Merchandise and finished goods	8,674	9,922
Costs incurred on uncompleted construction contracts and other	19,211	21,567
Raw materials and supplies	38,171	43,974
Other	15,320	19,932
Allowance for doubtful accounts	(1,058)	(1,126)
Total current assets	433,144	483,535
Non-current assets		
Property, plant and equipment	65,037	72,328
Intangible assets		
Goodwill	3,804	3,752
Other	7,649	7,522
Total intangible assets	11,454	11,274
Investments and other assets		
Other	41,916	54,521
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	41,916	54,521
Total non-current assets	118,408	138,124
Total assets	551,552	621,659
LIABILITIES		
Current liabilities		
Notes and accounts payable and construction contracts payable	63,581	54,175
Electronically recorded obligations - operating	30,503	25,652
Short-term borrowings and current portion of long-term borrowings	10,359	11,066
Income taxes payable	6,088	5,689
Contract liabilities	63,901	85,689
Provision for losses on construction contracts	451	1,400
Other	27,929	28,171
Total current liabilities	202,816	211,845

(Million yen)

	FY2022 (as of March 31, 2023)	FY2023 Q2 (as of September 30, 2023)
Non-current liabilities		
Convertible-bond-type bonds with stock acquisition rights	—	61,190
Long-term borrowings	1,100	1,100
Liabilities for retirement benefits	7,431	7,694
Other provisions	432	490
Other	7,448	7,969
Total non-current liabilities	16,412	78,445
Total liabilities	219,228	290,290
NET ASSETS		
Shareholders' equity		
Common stock	31,865	31,865
Capital surplus	20,397	20,398
Retained earnings	256,876	262,253
Treasury stock	(899)	(20,058)
Total shareholders' equity	308,240	294,458
Accumulated other comprehensive income		
Net unrealized gain (loss) on securities	4,075	6,449
Deferred gain (loss) on hedges	3	(491)
Foreign currency translation adjustments	20,058	30,890
Accumulated adjustments on retirement benefits	(353)	(269)
Total accumulated other comprehensive income	23,783	36,578
Non-controlling interests	299	332
Total net assets	332,323	331,369
Total liabilities and net assets	551,552	621,659

(2) Quarterly consolidated statements of income and comprehensive income

(Million yen)

	FY2022 H1 (April 1, 2022 - September 30, 2022)	FY2023 H1 (April 1, 2023 - September 30, 2023)
Net sales	277,782	281,267
Cost of sales	228,398	235,328
Gross profit	49,384	45,938
Selling, general and administrative expenses		
Selling expenses	8,647	9,218
General and administrative expenses	16,270	17,659
Total selling, general and administrative expenses	24,918	26,878
Operating income	24,466	19,060
Other income		
Interest income	217	807
Dividend income	241	233
Foreign exchange gains	—	731
Rental income	137	137
Other	304	175
Total other income	900	2,084
Other expenses		
Interest expenses	141	158
Interest on bonds	—	(9)
Bonds issuance costs	—	117
Other	341	39
Total other expenses	483	306
Ordinary income	24,883	20,838
Extraordinary income		
Gain on sales of investments in securities	212	122
Gain on sales of shares in affiliates	—	61
Other	3	13
Total extraordinary income	215	198
Extraordinary loss		
Loss on disposal or sales of property, plant and equipment	79	126
Value-added tax and other for a prior period	2,078	—
Settlement payments	—	528
Other	21	80
Total extraordinary loss	2,179	734
Income before income taxes	22,919	20,302
Income taxes - current	9,691	9,742
Income taxes - deferred	(3,785)	(3,645)
Total income taxes	5,905	6,096
Net income	17,013	14,205
Net income (loss) attributable to		
Shareholders of the parent company	17,013	14,206
Non-controlling interests	0	(0)

(Million yen)

	FY2022 H1 (April 1, 2022 - September 30, 2022)	FY2023 H1 (April 1, 2023 - September 30, 2023)
Other comprehensive income		
Net unrealized gain (loss) on securities	(586)	2,373
Deferred gain (loss) on hedges	40	(494)
Foreign currency translation adjustments	17,971	10,931
Retirement benefits reserves adjustments	(67)	84
Share of other comprehensive income (loss) of affiliates accounted for using the equity method	46	(66)
Total other comprehensive income (loss)	17,404	12,827
Comprehensive income	34,417	27,033
Comprehensive income (loss) attributable to		
Shareholders of the parent company	34,392	27,000
Non-controlling interests	25	32

(3) Quarterly consolidated statements of cash flows

(Million yen)

	FY2022 H1 (April 1, 2022 - September 30, 2022)	FY2023 H1 (April 1, 2023 - September 30, 2023)
Cash flows from operating activities		
Income before income taxes	22,919	20,302
Depreciation	4,025	4,489
Interest and dividend income	(458)	(1,041)
Interest expenses	141	158
Interest on bonds	—	(9)
Decrease (increase) in notes and accounts receivables and contract assets	(21,473)	(533)
Decrease (increase) in inventories	(15,112)	(7,595)
Increase (decrease) in notes and accounts payables	1,269	(19,025)
Increase (decrease) in contract liabilities	6,129	18,210
Other	(4,291)	(3,477)
Subtotal	(6,851)	11,478
Interest and dividend received	451	986
Interest paid	(146)	(155)
Income taxes refund (paid)	(12,128)	(11,051)
Other	96	160
Net cash provided by (used in) operating activities	(18,576)	1,419
Cash flows from investing activities		
Payments for purchase of property, plant and equipment	(6,132)	(6,874)
Proceeds from sales of property, plant and equipment	80	22
Proceeds from sales of investments in securities	373	198
Payments for purchase of investments in securities	(18)	(5,917)
Proceeds from sales of shares in affiliates	—	404
Other	(21)	(129)
Net cash provided by (used in) investing activities	(5,718)	(12,295)
Cash flows from financing activities		
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(1,277)	(1)
Increase (decrease) in short-term borrowings, net	(673)	190
Repayments of long-term borrowings	(9,300)	—
Proceeds from issuance of convertible-bond- type bonds with stock acquisition rights	—	61,082
Payments for purchase of treasury stock	(5)	(19,211)
Payments of cash dividends	(6,936)	(8,820)
Other	(861)	(893)
Net cash provided by (used in) financing activities	(19,054)	32,347
Effect of exchange rate change on cash and cash equivalents	8,804	5,038
Net increase (decrease) in cash and cash equivalents	(34,546)	26,510
Cash and cash equivalents at beginning of period	118,672	102,389
Cash and cash equivalents at end of period	84,126	128,899

(4) Notes on quarterly consolidated financial statements

Notes on going concern assumption

Not applicable

Notes on a material change in the amount of shareholders' equity

At a meeting of the Board of Directors held on August 29, 2023, the Company resolved to repurchase its own shares during the period from August 30, 2023 to December 31, 2023, up to 10,000,000 shares and 20,000 million yen in total, in accordance with the provisions of the Articles of Incorporation under Article 156 of the Companies Act, as applied pursuant to the provisions of Article 165, paragraph 3 thereof.

During the first half of the fiscal year under review, the Company repurchased its shares as follows:

- 1) Repurchase period: From August 30, 2023 to September 30, 2023 (contractual basis)
- 2) Number of shares repurchased: 7,151,900 shares
- 3) Total repurchase price: 19,208 million yen
- 4) Repurchase method: Market purchase (including an off-auction share repurchase transaction) on the Tokyo Stock Exchange

The repurchase of the Company's shares was completed on October 5, 2023 (contractual basis) and the total repurchase price was 19,999 million yen.

Treasury stock increased 19,159 million yen, including the purchase of treasury stock and changes due to repurchases of less-than-a-unit shares, during the first half of the fiscal year under review, and the treasury stock at the end of the second quarter was 20,058 million yen. In addition, treasury stock includes the Company's shares of 391 million yen held by Custody Bank of Japan, Ltd. (Trust Account E) as trust assets of Board Benefit Trust (BBT).

Segment information

FY2022 H1 (April 1, 2022 - September 30, 2022)

1. Information on the amount of sales and income or losses by reportable segment

(Million yen)

	Reportable segments					Other*	Total
	Daifuku	Contec	Daifuku North America	Clean Factomation	Subtotal		
Net sales							
Sales to external customers	119,523	8,260	73,077	17,083	217,944	59,177	277,122
Intersegment sales or transfers	25,301	5,848	318	1,313	32,781	8,723	41,505
Total	144,825	14,108	73,395	18,396	250,726	67,901	318,627
Segment income (loss)	12,339	367	3,964	1,254	17,925	1,915	19,841

*The "Other" segment is an operating segment comprising subsidiaries that are not included in the reportable segments.

2. Differences between total amounts of net sales and income (loss) for reportable segments and the reported amount in the quarterly consolidated financial statements of income and comprehensive income and main details of the difference (matters relating to reconciliation)

(Million yen)

Net sales	
Reportable segments total	250,726
Segment net sales classified in "Other"	67,901
Elimination of intersegment transactions	(41,505)
Other adjustments for consolidation	660
Net sales in consolidated financial statements	277,782

(Million yen)

Income	
Reportable segments total	17,925
Segment income classified in "Other"	1,915
Elimination of dividends from affiliates	(2,682)
Other adjustments for consolidation	(145)
Net income attributable to shareholders of the parent company in consolidated financial statements	17,013

FY2023 H1 (April 1, 2023 - September 30, 2023)

1. Information on the amount of sales and income or losses by reportable segment

(Million yen)

	Reportable segments					Other*	Total
	Daifuku	Contec	Daifuku North America	Clean Factomation	Subtotal		
Net sales							
Sales to external customers	103,358	8,914	88,079	14,605	214,957	65,169	280,127
Intersegment sales or transfers	18,697	7,372	294	1,594	27,958	5,417	33,376
Total	122,055	16,286	88,374	16,200	242,916	70,586	313,503
Segment income (loss)	12,550	549	5,253	749	19,101	(86)	19,014

*The "Other" segment is an operating segment comprising subsidiaries that are not included in the reportable segments.

2. Differences between total amounts of net sales and income (loss) for reportable segments and the reported amount in the quarterly consolidated financial statements of income and comprehensive income and main details of the difference (matters relating to reconciliation)

(Million yen)

Net sales	
Reportable segments total	242,916
Segment net sales classified in "Other"	70,586
Elimination of intersegment transactions	(33,376)
Other adjustments for consolidation	1,139
Net sales in consolidated financial statements	281,267

(Million yen)

Income	
Reportable segments total	19,101
Segment income classified in "Other"	(86)
Elimination of dividends from affiliates	(4,575)
Other adjustments for consolidation	(233)
Net income attributable to shareholders of the parent company in consolidated financial statements	14,206

Revenue recognition

Information of disaggregated revenue from contracts with customers

FY2022 H1 (April 1, 2022 - September 30, 2022)

1. Disaggregation information by industry

(Million yen)

	Reportable segments					Other*	Total
	Daifuku	Contec	Daifuku North America	Clean Factomation	Subtotal		
Automobile, auto parts	9,796	79	9,727	—	19,603	6,655	26,259
Electronics	40,305	375	10,821	17,083	68,585	27,288	95,874
Commerce, retail	36,090	3,716	31,677	—	71,484	10,578	82,063
Transportation, warehousing	8,764	15	3,231	—	12,011	4,062	16,073
Machinery	4,821	473	308	—	5,602	443	6,045
Chemicals, pharmaceuticals	6,669	2,487	6	—	9,162	813	9,976
Food	3,600	1	820	—	4,422	2,061	6,483
Iron, steel, nonferrous metals	1,647	0	3	—	1,651	277	1,929
Precision equipment, printing, office equipment	1,446	633	2	—	2,082	695	2,777
Airport	1,927	321	12,843	—	15,092	5,394	20,486
Other	4,454	155	3,633	—	8,244	907	9,151
Sales to external customers	119,523	8,260	73,077	17,083	217,944	59,177	277,122
Other adjustments for consolidation	—	—	—	—	—	—	660
Net sales in consolidated financial statements	—	—	—	—	—	—	277,782

*The "Other" segment is an operating segment comprising subsidiaries that are not included in the reportable segments.

2. Disaggregation information by destination

(Million yen)

	Reportable segments					Other*	Total
	Daifuku	Contec	Daifuku North America	Clean Factomation	Subtotal		
Japan	86,144	4,386	—	—	90,531	6,500	97,031
Non-Japan	33,378	3,873	73,077	17,083	127,413	52,677	180,090
North America	928	3,062	65,975	9	69,977	1,624	71,602
Asia	30,274	711	886	17,073	48,945	42,762	91,708
China	8,622	347	18	656	9,645	18,231	27,876
South Korea	6,621	93	—	16,416	23,132	3,400	26,533
Taiwan	14,228	162	—	—	14,391	13,033	27,424
Other	801	107	867	—	1,776	8,097	9,874
Europe	238	99	4,742	—	5,080	2,890	7,970
Latin America	37	0	1,250	—	1,287	655	1,942
Other	1,900	—	222	—	2,122	4,744	6,866
Sales to external customers	119,523	8,260	73,077	17,083	217,944	59,177	277,122
Other adjustments for consolidation	—	—	—	—	—	—	660
Net sales in consolidated financial statements	—	—	—	—	—	—	277,782

*The "Other" segment is an operating segment comprising subsidiaries that are not included in the reportable segments.

3. Disaggregation information by timing of revenue recognition

(Million yen)

	Reportable segments					Other*	Total
	Daifuku	Contec	Daifuku North America	Clean Factomation	Subtotal		
Performance obligations satisfied at a point in time	21,235	5,970	5,897	457	33,560	12,562	46,122
Performance obligations satisfied over time	98,288	2,289	67,180	16,625	184,383	46,615	230,999
Sales to external customers	119,523	8,260	73,077	17,083	217,944	59,177	277,122
Other adjustments for consolidation	—	—	—	—	—	—	660
Net sales in consolidated financial statements	—	—	—	—	—	—	277,782

*The "Other" segment is an operating segment comprising subsidiaries that are not included in the reportable segments.

FY2023 H1 (April 1, 2023 - September 30, 2023)

1. Disaggregation information by industry

(Million yen)

	Reportable segments					Other*	Total
	Daifuku	Contec	Daifuku North America	Clean Factomation	Subtotal		
Automobile, auto parts	10,335	45	16,308	—	26,688	8,606	35,294
Electronics	39,360	637	11,275	14,605	65,879	27,615	93,495
Commerce, retail	22,388	4,442	34,759	—	61,589	10,712	72,302
Transportation, warehousing	5,335	47	1,392	—	6,775	3,004	9,779
Machinery	3,420	423	98	—	3,942	647	4,590
Chemicals, pharmaceuticals	8,022	2,411	76	—	10,510	1,585	12,096
Food	3,665	0	1,454	—	5,120	2,418	7,538
Iron, steel, nonferrous metals	2,616	7	7	—	2,631	124	2,756
Precision equipment, printing, office equipment	1,130	603	3	—	1,737	249	1,986
Airport	1,580	162	20,050	—	21,793	8,519	30,312
Other	5,502	132	2,653	—	8,288	1,686	9,974
Sales to external customers	103,358	8,914	88,079	14,605	214,957	65,169	280,127
Other adjustments for consolidation	—	—	—	—	—	—	1,139
Net sales in consolidated financial statements	—	—	—	—	—	—	281,267

*The "Other" segment is an operating segment comprising subsidiaries that are not included in the reportable segments.

2. Disaggregation information by destination

(Million yen)

	Reportable segments					Other*	Total
	Daifuku	Contec	Daifuku North America	Clean Factomation	Subtotal		
Japan	77,305	5,620	—	—	82,926	7,729	90,655
Non-Japan	26,052	3,293	88,079	14,605	132,031	57,439	189,471
North America	2,229	2,667	77,971	4,264	87,132	1,848	88,981
Asia	21,130	439	1,637	10,341	33,549	44,653	78,202
China	13,661	225	73	609	14,570	17,763	32,334
South Korea	2,361	22	—	9,731	12,116	3,880	15,996
Taiwan	2,594	51	—	—	2,645	13,530	16,175
Other	2,513	140	1,563	—	4,217	9,478	13,696
Europe	359	171	4,376	—	4,908	3,902	8,810
Latin America	1,136	14	3,016	—	4,167	1,355	5,522
Other	1,196	—	1,078	—	2,274	5,679	7,953
Sales to external customers	103,358	8,914	88,079	14,605	214,957	65,169	280,127
Other adjustments for consolidation	—	—	—	—	—	—	1,139
Net sales in consolidated financial statements	—	—	—	—	—	—	281,267

*The "Other" segment is an operating segment comprising subsidiaries that are not included in the reportable segments.

3. Disaggregation information by timing of revenue recognition

(Million yen)

	Reportable segments					Other*	Total
	Daifuku	Contec	Daifuku North America	Clean Factomation	Subtotal		
Performance obligations satisfied at a point in time	23,117	6,210	7,960	430	37,719	14,386	52,106
Performance obligations satisfied over time	80,240	2,703	80,119	14,174	177,238	50,782	228,021
Sales to external customers	103,358	8,914	88,079	14,605	214,957	65,169	280,127
Other adjustments for consolidation	—	—	—	—	—	—	1,139
Net sales in consolidated financial statements	—	—	—	—	—	—	281,267

*The "Other" segment is an operating segment comprising subsidiaries that are not included in the reportable segments.