

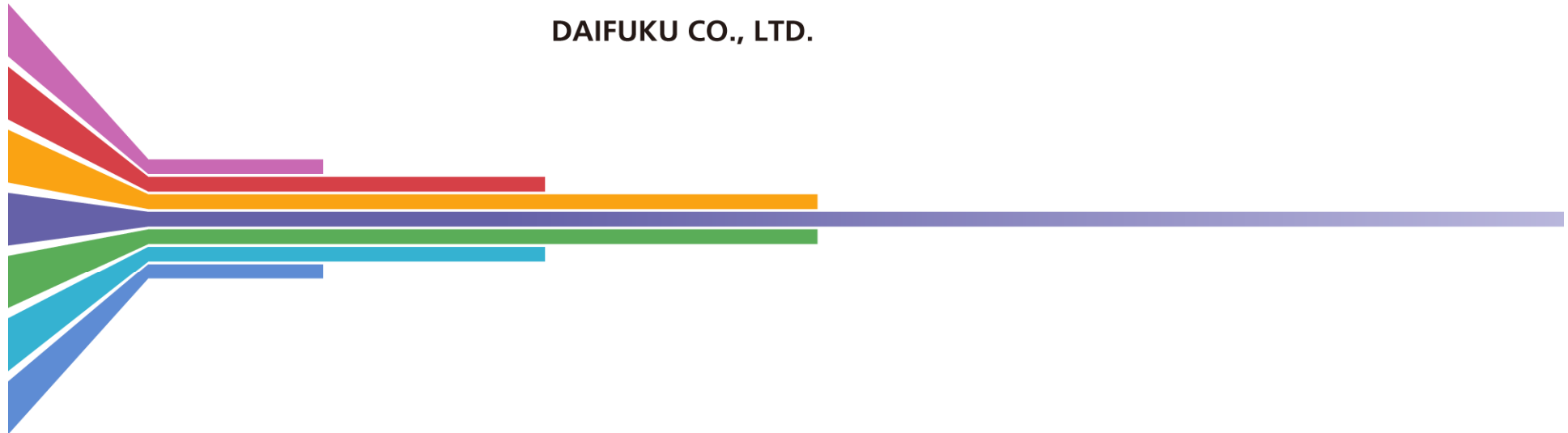
Consolidated Financial Results

First Quarter of the Fiscal Year Ending March 31, 2017

(April 1, 2016 - June 30, 2016)

August 9, 2016

DAIFUKU CO., LTD.



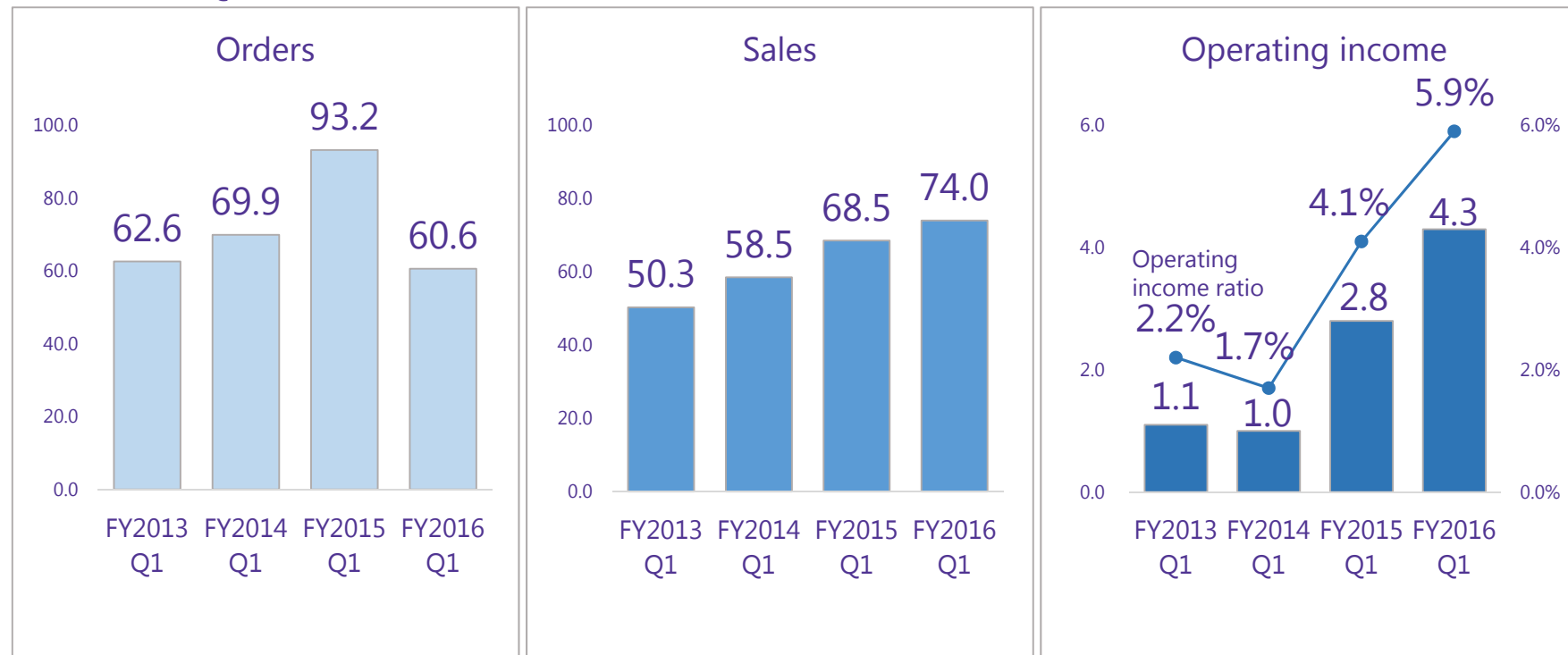
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Fiscal 2016 Q1 Highlights (April 1, 2016 - June 30, 2016)

- Orders: Reflected a decline in capital investment for semiconductor and flat-panel display factories and the impact from the appreciation of the yen.
- Sales: Remained solid based on strong order backlogs.
- Operating income: Benefited from the increased sales and reduced costs of the parent company, Daifuku Co., Ltd., and the increased earnings of ATec business.

Trends in Q1 Results

(Billion yen, rounded down)



FY2016 Q1 Results (Consolidated)

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(Billion yen, rounded down)

	FY2015 Q1	FY2016 Q1	Year-on-year
Orders	93.27	60.66	-35.0%
Net Sales	68.53	74.03	8.0%
Operating income	2.82	4.34	53.7%
Ordinary income	3.30	4.28	29.4%
Net income attributable to shareholders of the parent company	2.57	2.96	14.9%
Comprehensive income	3.59	-1.08	-
Net income per share (yen)	23.27	24.36	

FY2016 Q1 Results by Segment

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(Billion yen, rounded down)

	Orders		Net sales		Segment income (Net income attributable to shareholders of the parent company)	
	FY2015 Q1	FY2016 Q1	FY2015 Q1	FY2016 Q1	FY2015 Q1	FY2016 Q1
Daifuku	36.24	30.58	29.01	34.31	1.65	2.20
Contec	3.37	3.88	3.17	3.66	-0.05	0.11
Daifuku North America	24.41	14.16	17.54	19.57	-0.09	0.59
Daifuku Plusmore	4.02	3.08	2.78	2.28	0.00	-0.08
Other	25.21	8.93	15.17	15.96	1.13	0.24
Consolidated adjustment and other	-	-	0.84	-1.77	-0.06	-0.11
Total	93.27	60.66	68.53	74.03	2.57	2.96

Consolidated Balance Sheets

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(Billion yen, rounded down)

	FY2015	FY2016 Q1	Change		FY2015	FY2016 Q1	Change
Current assets	214.32	201.52	-12.79	Current liabilities	115.03	103.63	-11.40
Cash on hand and in banks	49.18	47.25	-1.93	Notes and accounts payable	57.96	52.84	-5.11
Notes and accounts receivable	131.29	119.45	-11.84	Short-term borrowings	8.70	9.20	0.50
Inventories	22.09	23.68	1.59	Other	48.36	41.57	-6.78
Other	11.74	11.13	-0.61	Non-current liabilities	50.90	48.92	-1.98
Non-current assets	81.73	77.61	-4.11	Long-term borrowings and bonds	32.20	31.68	-0.51
Property, plant and equipment	32.88	32.10	-0.77	Other	18.70	17.23	-1.46
Intangible assets	17.07	15.87	-1.20	Total Liabilities	165.93	152.55	-13.38
Goodwill	11.18	10.30	-0.87	Shareholders' equity	123.66	124.21	0.54
Other	5.89	5.56	-0.32	Common stock	15.01	15.01	-
Investments and other assets	31.77	29.63	-2.14	Accumulated other comprehensive income	3.38	-0.60	-3.98
Total assets	296.05	279.14	-16.91	Non-controlling interests	3.06	2.97	-0.08
				Total net assets	130.11	126.59	-3.52
				Total liabilities and net assets	296.05	279.14	-16.91

Orders and Sales by Industry (Consolidated)

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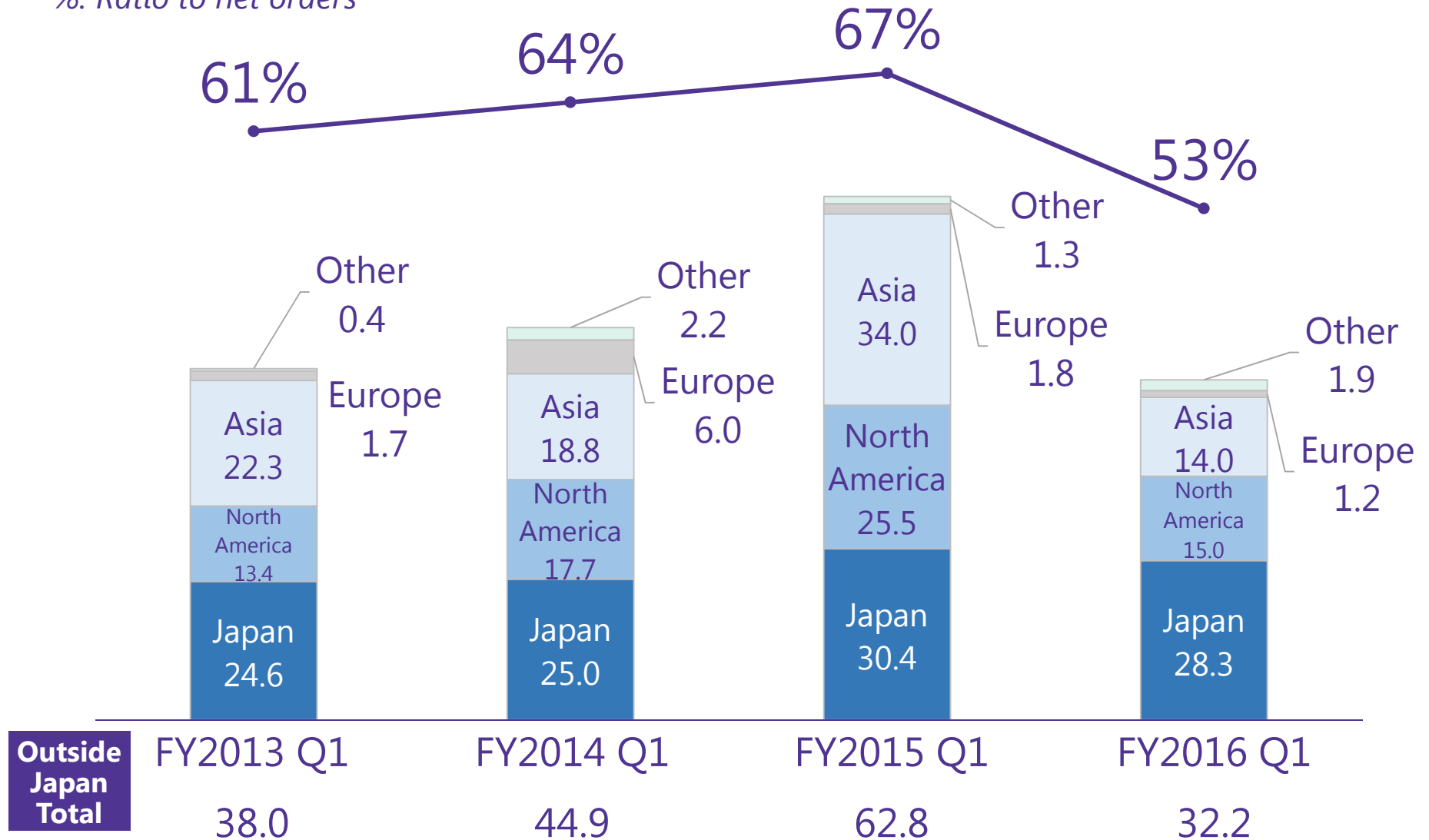
(Billion yen, rounded down)

Industry	Orders				Sales			
	FY2015 Q1		FY2016 Q1		FY2015 Q1		FY2016 Q1	
	Orders	Composition	Orders	Composition	Sales	Composition	Sales	Composition
Automobile, auto parts	14.98	16.1%	7.91	13.1%	13.17	19.2%	13.26	17.9%
Electronics	33.52	35.9%	14.64	24.1%	20.31	29.6%	23.48	31.7%
Commerce, retail	16.31	17.5%	12.21	20.1%	15.80	23.1%	11.12	15.0%
Transportation, warehousing	5.30	5.7%	6.18	10.2%	3.75	5.5%	6.23	8.4%
Machinery	2.62	2.8%	1.94	3.2%	1.39	2.0%	1.91	2.6%
Chemicals, pharmaceuticals	2.99	3.2%	4.11	6.8%	2.79	4.1%	3.48	4.7%
Food	2.27	2.4%	2.73	4.5%	1.25	1.8%	2.43	3.3%
Iron, steel, nonferrous metals	1.01	1.1%	0.98	1.6%	0.77	1.1%	0.80	1.1%
Precision machinery, printing, office equipment	1.21	1.3%	1.03	1.7%	0.76	1.1%	0.96	1.3%
Airport	9.02	9.7%	5.74	9.5%	6.02	8.8%	7.50	10.1%
Other	4.00	4.3%	3.16	5.2%	2.48	3.7%	2.80	3.9%
Total	93.27	100.0%	60.66	100.0%	68.53	100.0%	74.03	100.0%

Orders by Region (Consolidated)

(Billion yen, rounded down)

∶ Ratio to net orders



Orders by Region (Consolidated)

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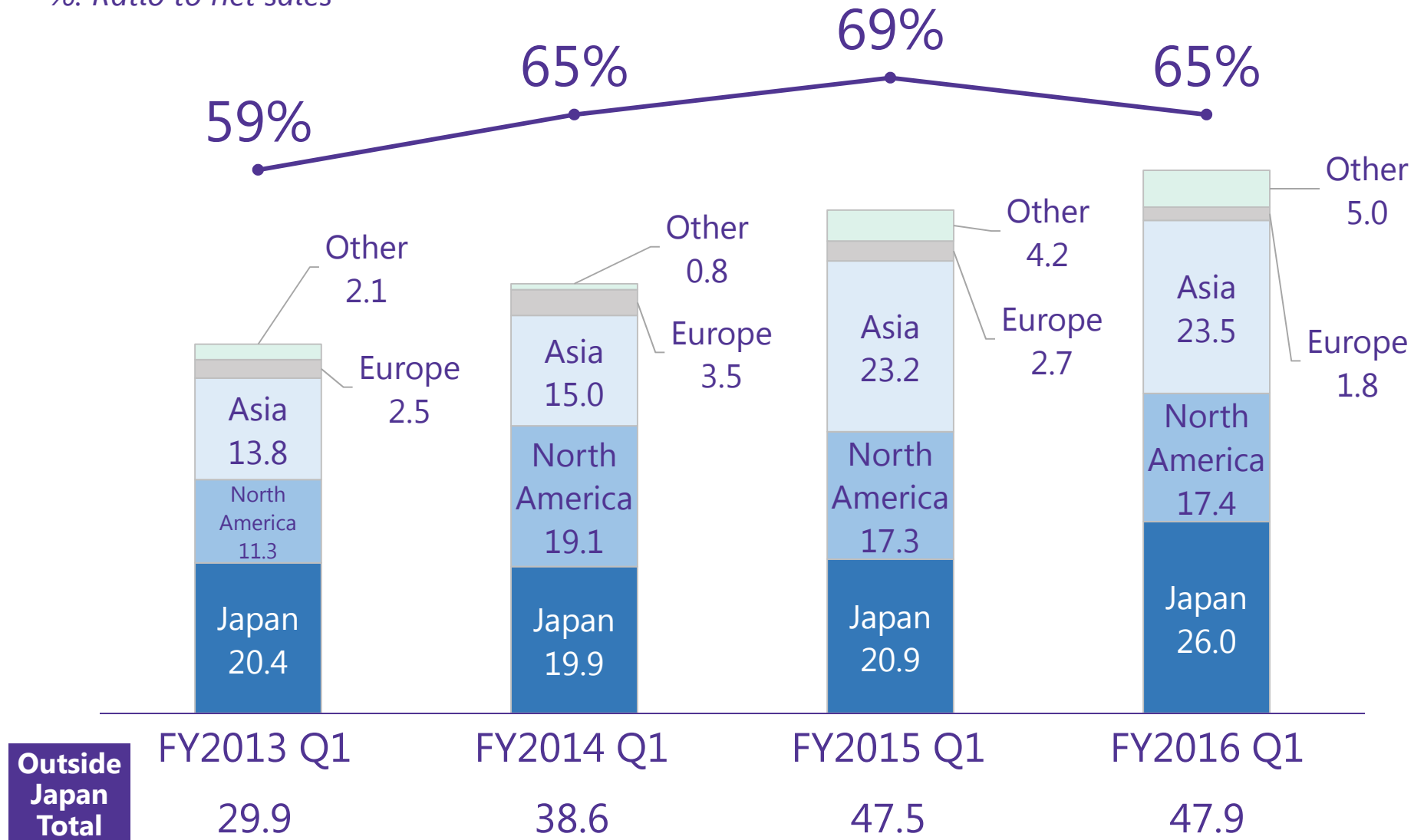
(Billion yen, rounded down)

Region	FY2013 Q1		FY2014 Q1		FY2015 Q1		FY2016 Q1	
	Orders	Composition	Orders	Composition	Orders	Composition	Orders	Composition
Japan	24.66	39.3%	25.00	35.7%	30.42	32.6%	28.38	46.8%
North America	13.48	21.5%	17.76	25.4%	25.59	27.5%	15.07	24.8%
Asia	22.38	35.7%	18.89	27.0%	34.09	36.5%	14.01	23.1%
China	6.30	10.0%	8.72	12.5%	13.64	14.6%	4.40	7.3%
Taiwan	3.67	5.9%	0.64	0.9%	6.47	6.9%	3.92	6.5%
South Korea	7.94	12.7%	5.58	8.0%	10.92	11.7%	3.53	5.8%
Other	4.45	7.1%	3.93	5.6%	3.05	3.3%	2.14	3.5%
Europe	1.74	2.8%	6.07	8.7%	1.84	2.0%	1.24	2.1%
Other	0.41	0.7%	2.24	3.2%	1.30	1.4%	1.94	3.2%
Total	62.68	100.0%	69.97	100.0%	93.27	100.0%	60.66	100.0%

Sales by Region (Consolidated)

(Billion yen, rounded down)

%: Ratio to net sales



Sales by Region (Consolidated)

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(Billion yen, rounded down)

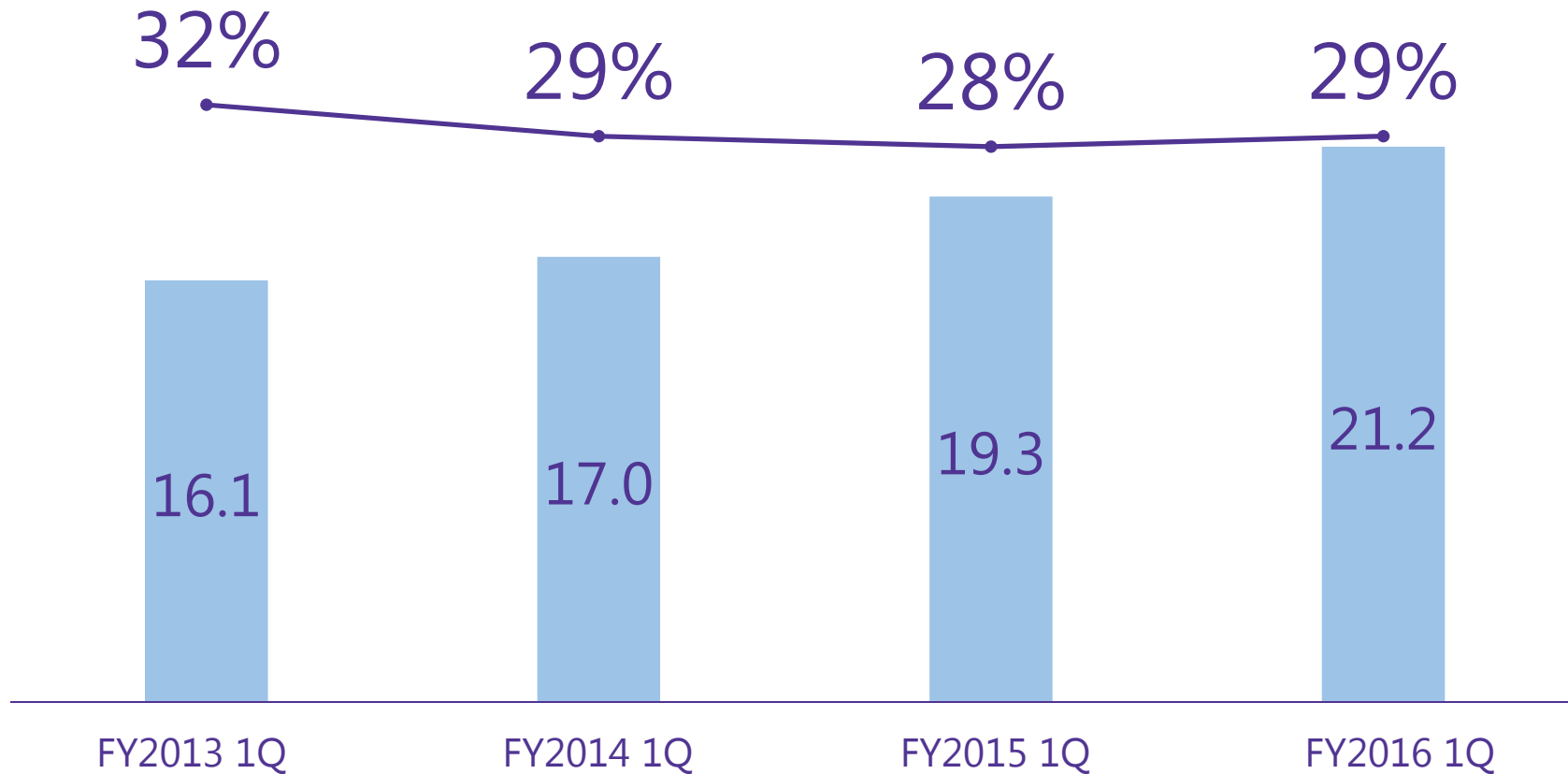
Area	Country	FY2013 Q1		FY2014 Q1		FY2015 Q1		FY2016 Q1	
		Sales	Composition	Sales	Composition	Sales	Composition	Sales	Composition
Japan		20.45	40.6%	19.91	34.0%	20.96	30.6%	26.03	35.2%
North America		11.38	22.6%	19.18	32.8%	17.31	25.3%	17.45	23.6%
Asia		13.88	27.6%	15.01	25.7%	23.29	34.0%	23.56	31.8%
	South Korea	3.71	7.4%	5.36	9.2%	8.78	12.8%	7.28	9.8%
	China	4.13	8.2%	5.56	9.5%	6.38	9.3%	7.09	9.6%
	Taiwan	2.45	4.9%	1.08	1.9%	5.68	8.3%	6.43	8.7%
	Other	3.57	7.1%	3.00	5.1%	2.43	3.6%	2.74	3.7%
Europe		2.51	5.0%	3.57	6.1%	2.74	4.0%	1.89	2.6%
Latin America		1.85	3.7%	0.36	0.6%	0.97	1.4%	0.73	1.0%
Other		0.28	0.5%	0.47	0.8%	3.24	4.7%	4.34	5.8%
Total		50.36	100.0%	58.53	100.0%	68.53	100.0%	74.03	100.0%

Service Sales (Consolidated)

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

(Billion yen, rounded down)

∴ Ratio to net sales



**Growth Rate
YOY**

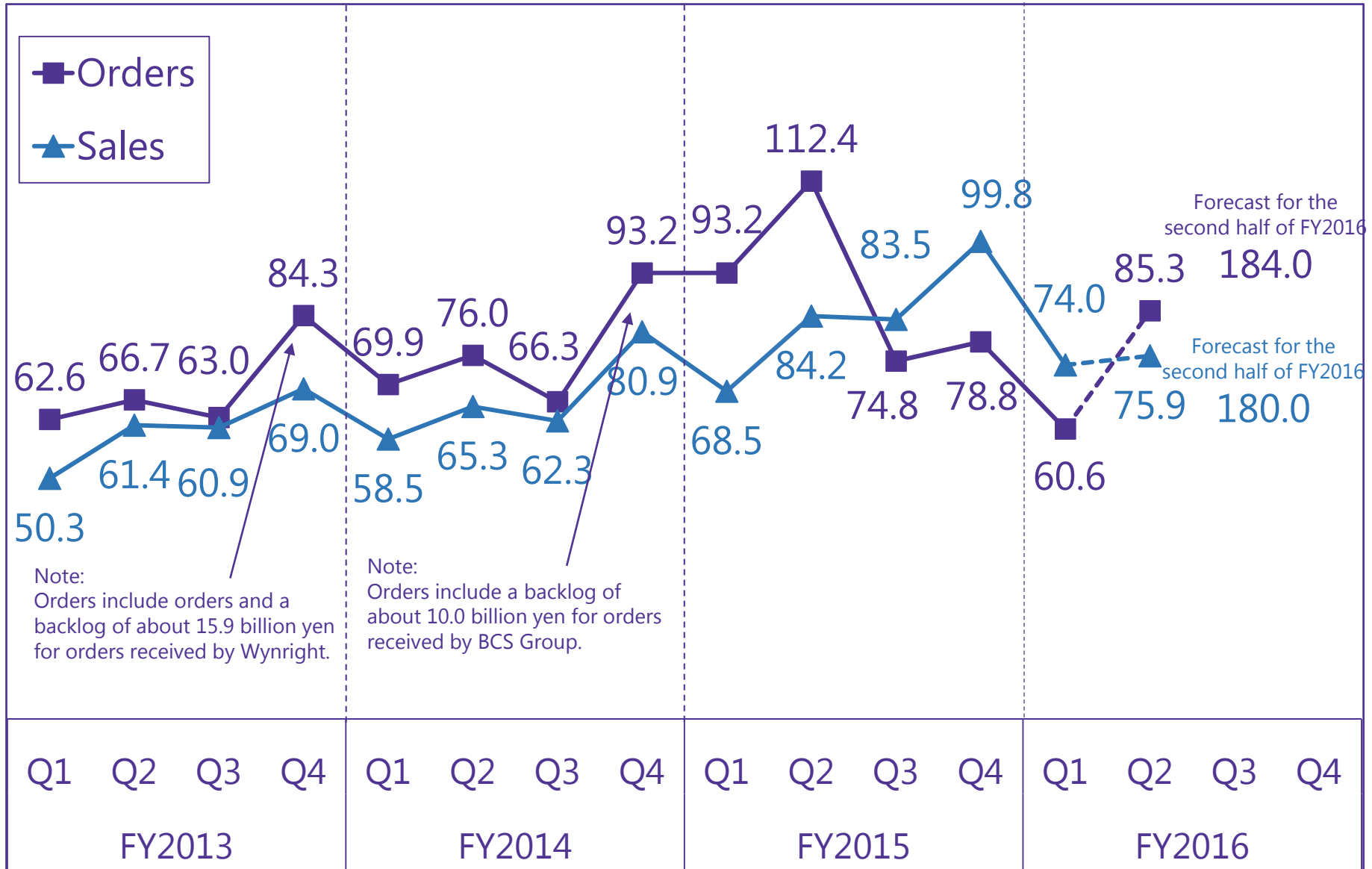
36% This includes sales of ELS, a U.S.-based airport facilities servicing affiliate.
6%

14%

10%

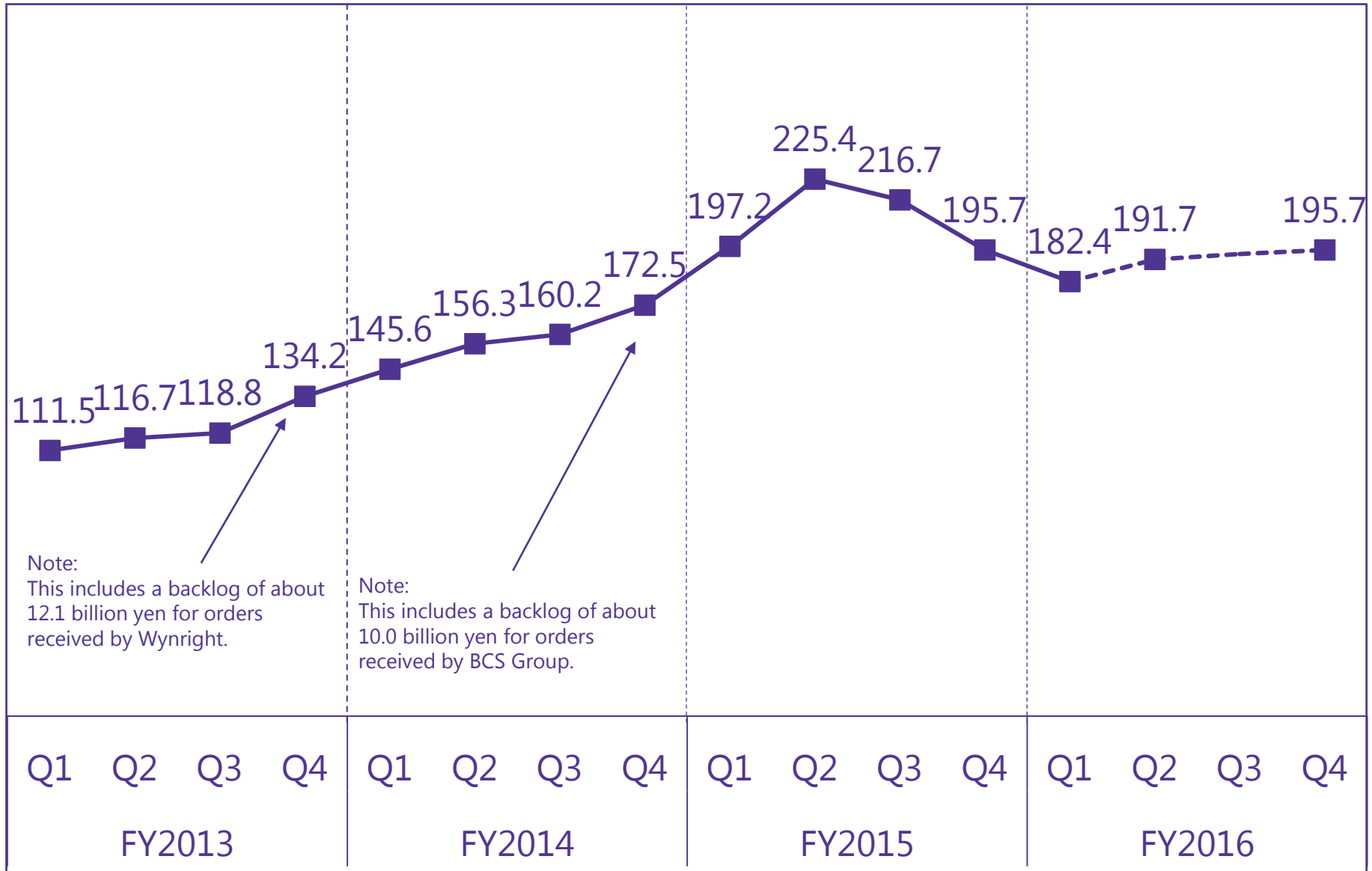
Quarterly Orders and Sales

(Billion yen, rounded down)



Order Backlogs

(Billion yen, rounded down)



FY2016 H1 Forecast (Consolidated)

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(Billion yen, rounded down)

	FY2015 H1	FY2016 H1 (Forecast)		
		Announced May 12, 2016	Revised August 9, 2016	Year-on- year
Orders	205.75	165.0	146.0	-29.0%
Net sales	152.79	154.0	150.0	-1.8%
Operating income	8.54	9.7	9.5	11.1%
Ordinary income	9.13	9.8	9.4	3.0%
Net income attributable to shareholders of the parent company	6.18	7.0	6.7	8.3%

FY2016 Forecast (Consolidated)

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(Billion yen, rounded down)

	FY2015	FY2016 (Forecast)	Year-on-year
Orders	359.42	330.0	-8.2%
Net sales	336.18	330.0	-1.8%
Operating income	20.87	21.0	0.6%
Ordinary income	21.99	21.5	-2.3%
Net income attributable to shareholders of the parent company	13.65	14.5	6.2%

* Daifuku has not revised the full-year forecast that was announced on May 12, 2016.

- Factories in Shanghai moved to strengthen the production framework for manufacturing and distribution systems in China. New factories now have 2.5 times the production capacity they had previously.



New head office and factories of Daifuku (China) Manufacturing Co., Ltd.

■ Daifuku added to the JPX-Nikkei Index 400

	Selection Criteria	Daifuku
Quantitative indicators	Three-year average ROE	10.1 %
	Three-year cumulative operation profit	48.3 billion yen
	Market capitalization (as of June 30, 2016)	224.7 billion yen
Qualitative factors	Appointment of independent outside directors (at least two)	✓
	Adoption of IFRS	
	Disclosure of English earnings information via TDnet	✓

* Effective date of periodic review: August 31, 2016

■ Daifuku achieves the top rank of the DBJ Employee Health Management Ratings

Daifuku's health management efforts were evaluated by the Development Bank of Japan (DBJ). Efforts include collaboration between the Mental & Physical Health Promotion Committee and medical associates including industrial doctors, exercise programs for employees, and measures for potential employees who have a significant risk of lifestyle diseases.

Acquiring three ratings based on certification programs offered by DBJ

BCM Ratings
(Business continuity risk)



Daifuku received a loan from DBJ based on disaster-prevention ratings in February 2012. The ratings results were evaluated with the comment, "Efforts for disaster prevention are excellent."

Environmental Ratings
(Environmental risk)



Daifuku received a loan from DBJ based on environmental ratings in October 2012. The ratings results were evaluated with the comment, "Efforts for environment friendliness are especially innovative."

Employee Health Management Ratings
(Human productivity risk)



Daifuku received a loan from DBJ based on employee health management ratings in June 2016. The ratings results were evaluated with the comment, "Efforts to consider the health of employees are outstanding."

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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 Company'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 Company's performance.