

Summary of Consolidated Financial Results
for the First Three Quarters 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

February 8, 2024

Daifuku Co., Ltd.

Stock exchange listing: Tokyo

Securities code: 6383

URL: www.daifuku.com/jp

Representative: Hiroshi Geshiro, President and CEO

Contact: Tetsuya Hibi, Managing Officer and CFO

Tel: +81-6-6472-1261

Scheduled date for filing quarterly securities report: February 9, 2024

Scheduled date of commencing dividend payment: -

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 Three Quarters of the Fiscal Year Ending March 31, 2024

(April 1, 2023 - December 31, 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 3Qs	437,389	0.4	37,091	(7.7)	39,298	(3.5)	27,444	(4.6)
Ended March 2023 3Qs	435,689	17.9	40,170	21.8	40,739	20.0	28,763	20.6

(Note) Comprehensive income

Year ending March 2024 3Qs: 43,460 million yen, (14.0)%

Year ended March 2023 3Qs: 50,550 million yen, 65.3%

FY	Net income per share	Diluted net income per share
	Yen	Yen
Ending March 2024 3Qs	73.22	72.13
Ended March 2023 3Qs	76.08	—

(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 had been 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 Q3	640,379	341,807	53.3
Ended March 2023	551,552	332,323	60.2

(Reference) Shareholders' equity

Year ending March 2024 Q3: 341,476 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 dividend amount actually paid prior to the stock split is shown. For the fiscal year ending March 31, 2024 (forecast), the dividend amount to be paid after the stock split is shown.

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 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	57,000	(3.2)	59,500	(0.4)	41,500	0.6	111.03

(Notes) 1. Revisions to the latest consolidated earnings forecast: Yes

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.

Notes:

- (1) Changes in significant subsidiaries that affected the scope of consolidation during the period: None
- (2) Adoption of specific accounting methods for preparing the quarterly 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 Q3: 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 Q3: 9,178,205 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 3Qs: 374,805,430 shares
Year ended March 2023 3Qs: 378,053,059 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 had been 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 three quarter of the fiscal year ending March 31, 2024 includes 544,400 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 quarterly 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.

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

Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheets

(Million yen)

	FY2022 (as of March 31, 2023)	FY2023 Q3 (as of December 31, 2023)
ASSETS		
Current assets		
Cash on hand and in banks	102,746	119,344
Notes receivable, accounts receivable from completed construction contracts and other, and contract assets	250,076	275,488
Merchandise and finished goods	8,674	10,336
Costs incurred on uncompleted construction contracts and other	19,211	21,477
Raw materials and supplies	38,171	45,129
Other	15,320	22,051
Allowance for doubtful accounts	(1,058)	(1,187)
Total current assets	433,144	492,639
Non-current assets		
Property, plant and equipment	65,037	77,337
Intangible assets		
Goodwill	3,804	3,657
Other	7,649	7,278
Total intangible assets	11,454	10,936
Investments and other assets		
Other	41,916	59,465
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	41,916	59,465
Total non-current assets	118,408	147,739
Total assets	551,552	640,379
LIABILITIES		
Current liabilities		
Notes and accounts payable and construction contracts payable	63,581	59,603
Electronically recorded obligations - operating	30,503	25,481
Short-term borrowings and current portion of long-term borrowings	10,359	11,460
Income taxes payable	6,088	7,083
Contract liabilities	63,901	83,561
Provision for losses on construction contracts	451	1,123
Other	27,929	32,653
Total current liabilities	202,816	220,967

(Million yen)

	FY2022 (as of March 31, 2023)	FY2023 Q3 (as of December 31, 2023)
Non-current liabilities		
Convertible-bond-type bonds with stock acquisition rights	—	61,139
Long-term borrowings	1,100	100
Liabilities for retirement benefits	7,431	7,760
Other provisions	432	574
Other	7,448	8,028
Total non-current liabilities	16,412	77,603
Total liabilities	219,228	298,571
NET ASSETS		
Shareholders' equity		
Common stock	31,865	31,865
Capital surplus	20,397	20,490
Retained earnings	256,876	270,294
Treasury stock	(899)	(20,943)
Total shareholders' equity	308,240	301,707
Accumulated other comprehensive income		
Net unrealized gain (loss) on securities	4,075	6,167
Deferred gain (loss) on hedges	3	(205)
Foreign currency translation adjustments	20,058	34,058
Accumulated adjustments on retirement benefits	(353)	(252)
Total accumulated other comprehensive income	23,783	39,768
Non-controlling interests	299	331
Total net assets	332,323	341,807
Total liabilities and net assets	551,552	640,379

(2) Quarterly consolidated statements of income and comprehensive income

(Million yen)

	FY2022 3Qs (April 1, 2022 - December 31, 2022)	FY2023 3Qs (April 1, 2023 - December 31, 2023)
Net sales	435,689	437,389
Cost of sales	357,728	359,532
Gross profit	77,960	77,856
Selling, general and administrative expenses		
Selling expenses	13,080	13,691
General and administrative expenses	24,710	27,073
Total selling, general and administrative expenses	37,790	40,765
Operating income	40,170	37,091
Other income		
Interest income	365	1,310
Dividend income	432	424
Foreign exchange gains	—	279
Rental income	208	203
Other	265	428
Total other income	1,272	2,644
Other expenses		
Interest expenses	224	252
Interest on bonds	—	(60)
Bonds issuance costs	—	117
Other	477	129
Total other expenses	702	438
Ordinary income	40,739	39,298
Extraordinary income		
Gain on sales of investments in securities	605	122
Gain on sales of shares in affiliates	—	67
Other	145	24
Total extraordinary income	750	214
Extraordinary loss		
Loss on disposal or sales of property, plant and equipment	281	187
Value-added tax and other for a prior period	2,078	—
Settlement payments	—	540
Other	23	144
Total extraordinary loss	2,383	871
Income before income taxes	39,106	38,640
Income taxes - current	14,834	18,536
Income taxes - deferred	(4,499)	(7,337)
Total income taxes	10,334	11,198
Net income	28,772	27,442
Net income (loss) attributable to		
Shareholders of the parent company	28,763	27,444
Non-controlling interests	8	(2)

(Million yen)

	FY2022 3Qs (April 1, 2022 - December 31, 2022)	FY2023 3Qs (April 1, 2023 - December 31, 2023)
Other comprehensive income		
Net unrealized gain (loss) on securities	(187)	2,091
Deferred gain (loss) on hedges	683	(208)
Foreign currency translation adjustments	21,308	14,100
Retirement benefits reserves adjustments	(72)	101
Share of other comprehensive income (loss) of affiliates accounted for using the equity method	46	(66)
Total other comprehensive income (loss)	21,777	16,018
Comprehensive income	50,550	43,460
Comprehensive income (loss) attributable to		
Shareholders of the parent company	50,515	43,429
Non-controlling interests	34	31

(3) Quarterly consolidated statements of cash flows

(Million yen)

	FY2022 3Qs (April 1, 2022 - December 31, 2022)	FY2023 3Qs (April 1, 2023 - December 31, 2023)
Cash flows from operating activities		
Income before income taxes	39,106	38,640
Depreciation	6,188	6,962
Interest and dividend income	(798)	(1,734)
Interest expenses	224	252
Interest on bonds	—	(60)
Decrease (increase) in notes and accounts receivables and contract assets	(49,366)	(13,541)
Decrease (increase) in inventories	(20,694)	(8,587)
Increase (decrease) in notes and accounts payables	(344)	(15,318)
Increase (decrease) in contract liabilities	18,917	15,112
Other	(4,763)	(3,170)
Subtotal	(11,529)	18,555
Interest and dividend received	790	1,624
Interest paid	(218)	(318)
Income taxes refund (paid)	(19,346)	(17,811)
Other	252	214
Net cash provided by (used in) operating activities	(30,050)	2,265
Cash flows from investing activities		
Payments for purchase of property, plant and equipment	(8,680)	(10,768)
Proceeds from sales of property, plant and equipment	222	46
Proceeds from sales of investments in securities	1,201	198
Payments for purchase of investments in securities	(28)	(7,225)
Proceeds from sales of shares in affiliates	—	415
Other	(11)	(1,096)
Net cash provided by (used in) investing activities	(7,296)	(18,429)
Cash flows from financing activities		
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(1,284)	(21)
Increase (decrease) in short-term borrowings, net	1,212	261
Repayments of long-term borrowings	(9,400)	(700)
Proceeds from issuance of convertible-bond-type bonds with stock acquisition rights	—	61,082
Payments for purchase of treasury stock	(7)	(20,003)
Payments of cash dividends	(11,974)	(14,006)
Other	(1,315)	(1,366)
Net cash provided by (used in) financing activities	(22,769)	25,246
Effect of exchange rate change on cash and cash equivalents	9,940	6,459
Net increase (decrease) in cash and cash equivalents	(50,175)	15,541
Cash and cash equivalents at beginning of period	118,672	102,389
Cash and cash equivalents at end of period	68,496	117,931

Segment information

FY2022 3Qs (April 1, 2022 - December 31, 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	177,531	13,221	112,270	32,028	335,051	100,525	435,576
Intersegment sales or transfers	38,952	9,746	545	1,929	51,174	11,923	63,098
Total	216,483	22,967	112,815	33,957	386,225	112,449	498,674
Segment income (loss)	18,553	466	5,454	2,742	27,217	4,556	31,773

*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	386,225
Segment net sales classified in "Other"	112,449
Elimination of intersegment transactions	(63,098)
Other adjustments for consolidation	112
Net sales in consolidated financial statements	435,689

(Million yen)

Income	
Reportable segments total	27,217
Segment income classified in "Other"	4,556
Elimination of dividends from affiliates	(2,683)
Other adjustments for consolidation	(326)
Net income attributable to shareholders of the parent company in consolidated financial statements	28,763

FY2023 3Qs (April 1, 2023 - December 31, 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	164,896	13,804	132,362	22,461	333,525	104,573	438,098
Intersegment sales or transfers	28,020	11,485	729	2,008	42,244	7,824	50,068
Total	192,917	25,289	133,091	24,470	375,769	112,397	488,167
Segment income (loss)	19,084	243	9,788	1,219	30,336	1,966	32,302

*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	375,769
Segment net sales classified in "Other"	112,397
Elimination of intersegment transactions	(50,068)
Other adjustments for consolidation	(709)
Net sales in consolidated financial statements	437,389

(Million yen)

Income	
Reportable segments total	30,336
Segment income classified in "Other"	1,966
Elimination of dividends from affiliates	(5,814)
Other adjustments for consolidation	957
Net income attributable to shareholders of the parent company in consolidated financial statements	27,444

Revenue recognition

Information of disaggregated revenue from contracts with customers
FY2022 3Qs (April 1, 2022 - December 31, 2022)

1. Disaggregation information by industry

(Million yen)

	Reportable segments					Other*	Total
	Daifuku	Contec	Daifuku North America	Clean Factomation	Subtotal		
Automobile, auto parts	15,740	91	16,106	—	31,939	11,901	43,840
Electronics	63,277	711	16,699	32,028	112,717	46,588	159,306
Commerce, retail	51,493	5,870	46,730	—	104,094	16,741	120,836
Transportation, warehousing	11,862	53	4,646	—	16,562	6,127	22,690
Machinery	6,196	802	448	—	7,447	775	8,223
Chemicals, pharmaceuticals	10,016	4,112	11	—	14,140	1,876	16,017
Food	5,193	1	1,332	—	6,527	4,195	10,722
Iron, steel, nonferrous metals	2,810	1	8	—	2,821	560	3,381
Precision equipment, printing, office equipment	2,183	926	3	—	3,114	1,177	4,291
Airport	2,910	471	20,599	—	23,981	8,932	32,913
Other	5,845	175	5,681	—	11,703	1,648	13,351
Sales to external customers	177,531	13,221	112,270	32,028	335,051	100,525	435,576
Other adjustments for consolidation	—	—	—	—	—	—	112
Net sales in consolidated financial statements	—	—	—	—	—	—	435,689

*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	125,783	7,102	—	—	132,886	11,240	144,126
Non-Japan	51,747	6,118	112,270	32,028	202,164	89,284	291,449
North America	1,124	4,879	100,993	9	107,008	2,549	109,557
Asia	45,589	1,026	1,717	32,018	80,351	73,611	153,962
China	11,766	527	93	1,172	13,560	30,461	44,021
South Korea	9,494	146	5	30,846	40,493	5,715	46,208
Taiwan	23,257	185	—	—	23,442	21,592	45,034
Other	1,070	167	1,618	—	2,856	15,842	18,698
Europe	566	212	7,117	—	7,896	4,415	12,311
Latin America	162	0	2,115	—	2,277	1,065	3,343
Other	4,303	—	327	—	4,630	7,643	12,274
Sales to external customers	177,531	13,221	112,270	32,028	335,051	100,525	435,576
Other adjustments for consolidation	—	—	—	—	—	—	112
Net sales in consolidated financial statements	—	—	—	—	—	—	435,689

*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	32,487	9,425	9,072	704	51,690	20,515	72,205
Performance obligations satisfied over time	145,043	3,795	103,197	31,324	283,360	80,010	363,371
Sales to external customers	177,531	13,221	112,270	32,028	335,051	100,525	435,576
Other adjustments for consolidation	—	—	—	—	—	—	112
Net sales in consolidated financial statements	—	—	—	—	—	—	435,689

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

FY2023 3Qs (April 1, 2023 - December 31, 2023)

1. Disaggregation information by industry

(Million yen)

	Reportable segments					Other*	Total
	Daifuku	Contec	Daifuku North America	Clean Factomation	Subtotal		
Automobile, auto parts	17,562	68	23,941	—	41,572	14,879	56,452
Electronics	61,433	1,137	16,499	22,461	101,532	42,763	144,295
Commerce, retail	35,280	6,663	52,048	—	93,992	16,890	110,883
Transportation, warehousing	8,442	83	2,253	—	10,780	5,692	16,472
Machinery	5,817	572	264	—	6,654	899	7,553
Chemicals, pharmaceuticals	11,347	4,108	87	—	15,543	2,718	18,262
Food	6,783	1	2,143	—	8,927	3,880	12,808
Iron, steel, nonferrous metals	3,780	12	19	—	3,812	142	3,955
Precision equipment, printing, office equipment	1,933	850	4	—	2,788	299	3,088
Airport	2,623	179	30,364	—	33,167	13,911	47,078
Other	9,892	123	4,736	—	14,752	2,495	17,248
Sales to external customers	164,896	13,804	132,362	22,461	333,525	104,573	438,098
Other adjustments for consolidation	—	—	—	—	—	—	(709)
Net sales in consolidated financial statements	—	—	—	—	—	—	437,389

*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	119,707	8,592	—	—	128,300	12,208	140,509
Non-Japan	45,189	5,211	132,362	22,461	205,225	92,364	297,589
North America	2,975	4,469	118,111	6,927	132,484	3,506	135,990
Asia	35,586	522	2,154	15,534	53,798	70,756	124,554
China	22,466	291	—	943	23,701	30,744	54,445
South Korea	5,673	35	—	14,591	20,299	7,202	27,502
Taiwan	3,067	20	—	—	3,088	19,761	22,849
Other	4,379	175	2,154	—	6,709	13,047	19,756
Europe	1,094	205	6,266	—	7,566	5,715	13,281
Latin America	1,842	14	4,375	—	6,233	2,369	8,602
Other	3,689	—	1,453	—	5,142	10,017	15,159
Sales to external customers	164,896	13,804	132,362	22,461	333,525	104,573	438,098
Other adjustments for consolidation	—	—	—	—	—	—	(709)
Net sales in consolidated financial statements	—	—	—	—	—	—	437,389

*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	36,927	9,377	11,356	686	58,347	22,701	81,049
Performance obligations satisfied over time	127,969	4,426	121,005	21,775	275,177	81,871	357,049
Sales to external customers	164,896	13,804	132,362	22,461	333,525	104,573	438,098
Other adjustments for consolidation	—	—	—	—	—	—	(709)
Net sales in consolidated financial statements	—	—	—	—	—	—	437,389

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