

**Summary of Consolidated Financial Results
for the Fiscal Year Ended March 31, 2021
[Japan GAAP]**

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

May 11, 2021

Daifuku Co., Ltd.

Stock code: 6383, First Section of Tokyo Stock Exchange

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Scheduled date of general meeting of shareholders: June 25, 2021

Scheduled date of commencing dividend payment: June 28, 2021

Scheduled date for filing financial statements: June 28, 2021

Earnings supplementary materials: Yes

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 Fiscal 2020

(April 1, 2020 - March 31, 2021)

(1) Operating results

(Figures in percentages denote the year-on-year change)

	Net sales		Operating income		Ordinary income		Net income attributable to shareholders of the parent company	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal 2020	473,902	6.8	44,566	10.0	45,846	11.9	32,390	15.4
Fiscal 2019	443,694	(3.4)	40,497	(25.9)	40,976	(26.6)	28,063	(29.1)

Note: Comprehensive income

Fiscal 2020: 33,345 million yen 30.1%

Fiscal 2019: 25,627 million yen (37.2%)

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
Fiscal 2020	257.13	—	13.2	10.7	9.4
Fiscal 2019	222.96	—	12.4	10.0	9.1

Reference: Equity in earnings of affiliates during the period

Fiscal 2020: 39 million yen

Fiscal 2019: 19 million yen

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Fiscal 2020	445,456	262,012	57.7	2,040.07
Fiscal 2019	410,887	237,356	56.7	1,850.28

Reference: Shareholders' equity

Fiscal 2020: 257,060 million yen

Fiscal 2019: 232,961 million yen

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents, end of year
	Million yen	Million yen	Million yen	Million yen
Fiscal 2020	38,229	(6,679)	(8,385)	94,079
Fiscal 2019	13,706	(14,791)	(18,354)	70,883

2. Dividends

	Dividend per share					Total cash dividends (annual)	Dividends payout (consolidated)	Net assets dividend ratio (consolidated)
	Q1-end	Q2-end	Q3-end	FY-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal 2019	—	30.00	—	45.00	75.00	9,456	33.6	4.2
Fiscal 2020	—	30.00	—	50.00	80.00	10,090	31.1	4.1
Fiscal 2021 (forecast)	—	35.00	—	50.00	85.00		31.5	

3. Consolidated Earnings Forecast for Fiscal 2021

(April 1, 2021- March 31, 2022)

(Figures in percentage denote the year-on-year change from the same period of the previous fiscal year.)

	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	%	
Interim	240,000	4.3	20,500	4.2	21,100	3.7	15,000	1.8	119.08
Full-year	500,000	5.5	47,000	5.5	47,900	4.5	34,000	5.0	269.91

Notes:

- (1) Changes in significant subsidiaries that affected the scope of consolidation during the fiscal year: None
- (2) 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
- (3) Number of shares issued (Common stock)
 - 1) Number of shares issued including treasury stock at the end of the period
Fiscal 2020: 126,610,077 shares
Fiscal 2019: 126,610,077 shares
 - 2) Number of treasury stock at the end of the period
Fiscal 2020: 604,068 shares
Fiscal 2019: 703,806 shares
 - 3) Average number of shares during the period
Fiscal 2020: 125,966,030 shares
Fiscal 2019: 125,867,093 shares

Note: The number of treasury stock at the end of the period includes shares owned by the Board Benefit Trust (BBT) and a trust on behalf of Daifuku employees' shareholding association. The number of treasury stock at the end of the fiscal year ended March 31, 2021 includes 119,200 shares owned by the BBT. The number of treasury stock at the end of the fiscal year ended March 31, 2020 included 159,100 shares owned by the BBT. In addition, the number of treasury stock at the end of the fiscal year ended March 31, 2020 included 61,900 shares owned by the trust on behalf of Daifuku employees' shareholding association.

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.

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

Consolidated Financial Statements

(1) Consolidated balance sheets

(Million yen)

	FY2019 (Year ended March 31, 2020)	FY2020 (Year ended March 31, 2021)
ASSETS		
Current assets:		
Cash on hand and in banks	70,907	94,167
Notes and accounts receivable and unbilled receivables	202,712	211,906
Merchandise and finished goods	6,453	6,355
Costs incurred on uncompleted construction contracts and other	11,169	11,550
Raw materials and supplies	15,720	16,325
Other current assets	13,103	10,869
Allowance for doubtful accounts	(383)	(571)
Total current assets	319,683	350,604
Non-current assets:		
Property, plant and equipment		
Buildings and structures, net	21,203	21,304
Machinery and vehicles, net	5,635	5,802
Tools and fixtures, net	2,486	2,637
Land	12,250	12,228
Other, net	5,768	7,574
Total property, plant and equipment	47,343	49,547
Intangible assets		
Software	4,096	3,998
Goodwill	4,891	4,212
Other	1,145	1,804
Total intangible assets	10,133	10,015
Investments and other assets		
Investments in securities	15,182	14,965
Long-term loans	128	117
Assets for retirement benefits	5,708	7,738
Deferred tax assets	9,480	9,566
Other	3,397	3,066
Allowance for doubtful accounts	(169)	(165)
Total investments and other assets	33,727	35,289
Total non-current assets	91,204	94,852
Total assets	410,887	445,456

(Million yen)

	FY2019 (Year ended March 31, 2020)	FY2020 (Year ended March 31, 2021)
LIABILITIES		
Current liabilities:		
Notes and accounts payable and construction contracts payable	46,509	42,743
Electronically recorded obligations – operating	22,587	20,169
Short-term borrowings and current portion of long-term borrowings	11,772	15,543
Income taxes payable	2,599	9,907
Advances received on uncompleted construction contracts and other	33,091	34,263
Provision for losses on construction contracts	263	343
Other current liabilities	21,870	26,207
Total current liabilities	138,695	149,178
Non-current liabilities:		
Long-term borrowings	21,645	19,600
Deferred tax liabilities	321	516
Liabilities for retirement benefits	8,082	7,674
Other reserves	330	351
Other non-current liabilities	4,455	6,123
Total non-current liabilities	34,836	34,265
Total liabilities	173,531	183,443
NET ASSETS		
Shareholders' equity:		
Common stock	31,865	31,865
Capital surplus	21,987	21,980
Retained earnings	179,292	202,377
Treasury stock	(1,430)	(941)
Total shareholders' equity	231,714	255,282
Accumulated other comprehensive income:		
Net unrealized gain (loss) on securities	2,716	4,376
Deferred gain (loss) on hedges	(89)	(260)
Foreign currency translation adjustments	1,038	(1,425)
Accumulated adjustments on retirement benefits	(2,419)	(912)
Total accumulated other comprehensive income	1,246	1,778
Non-controlling interests:		
	4,394	4,952
Total net assets	237,356	262,012
Total liabilities and net assets	410,887	445,456

(2) Consolidated statements of income and comprehensive income

(Million yen)

	FY2019 (April 1, 2019 - March 31, 2020)	FY2020 (April 1, 2020 - March 31, 2021)
Net sales	443,694	473,902
Cost of sales	357,870	385,744
Gross profit	85,824	88,157
Selling, general and administrative expenses:		
Selling expenses	17,791	16,185
General and administrative expenses	27,535	27,405
Total selling, general and administrative expenses	45,326	43,591
Operating income	40,497	44,566
Other income:		
Interest income	599	347
Dividend income	435	415
Foreign exchange gains	—	296
Land and house rental revenue	216	218
Miscellaneous income	486	808
Total other income	1,739	2,086
Other expenses:		
Interest expenses	758	644
Foreign exchange losses	308	—
Other	193	162
Total other expenses	1,260	806
Ordinary income	40,976	45,846
Extraordinary income:		
Gain on sales of property, plant and equipment	19	14
Gain on sales of investments in securities	971	920
Total extraordinary income	990	935
Extraordinary loss:		
Loss on sales of property, plant and equipment	2	3
Loss on disposal of property, plant and equipment	270	235
Amortization of goodwill	1,693	—
Loss on valuation of shares in affiliates	—	1,027
Settlement package	—	234
Other	192	170
Total extraordinary loss	2,158	1,671
Income before income taxes and non-controlling interests	39,808	45,109
Income taxes - current	9,389	13,826
Income taxes - deferred	1,724	(1,500)
Total income taxes	11,114	12,326
Net income	28,693	32,783
Net income attributable to:		
Shareholders of the parent company	28,063	32,390
Non-controlling interests	630	393

(Million yen)

	FY2019 (April 1, 2019 - March 31, 2020)	FY2020 (April 1, 2020 - March 31, 2021)
Other comprehensive income		
Net unrealized gain (loss) on securities	(2,070)	1,666
Deferred gain (loss) on hedges	(68)	(171)
Foreign currency translation adjustments	(971)	(2,539)
Adjustments on retirement benefits	51	1,589
Share of other comprehensive income (loss) of affiliates accounted for using the equity method	(7)	16
Total other comprehensive income (loss)	(3,066)	562
Comprehensive income:	25,627	33,345
Comprehensive income (loss) attributable to:		
Shareholders of the parent company	25,277	32,921
Non-controlling interests	349	423

(3) Consolidated statements of changes in net assets
FY2019 (April 1, 2019 - March 31, 2020)

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	31,865	21,518	162,722	(1,449)	214,656
Cumulative effects of changes in accounting policies			(150)		(150)
Restated balance	31,865	21,518	162,572	(1,449)	214,506
Changes of items during the period					
Cash dividends			(11,343)		(11,343)
Net income attributable to shareholders of the parent company			28,063		28,063
Purchase of treasury stock				(551)	(551)
Disposal of treasury stock		466		570	1,036
Change in scope of consolidation					—
Change in the parent's ownership interest arising from transactions with non-controlling interests		3			3
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	469	16,720	18	17,208
Balance at the end of the period	31,865	21,987	179,292	(1,430)	231,714

	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 the beginning of the period	4,554	(20)	2,003	(2,505)	4,032	4,195	222,885
Cumulative effects of changes in accounting policies							(150)
Restated balance	4,554	(20)	2,003	(2,505)	4,032	4,195	222,734
Changes of items during the period							
Cash dividends							(11,343)
Net income attributable to shareholders of the parent company							28,063
Purchase of treasury stock							(551)
Disposal of treasury stock							1,036
Change in scope of consolidation							—
Change in the parent's ownership interest arising from transactions with non-controlling interests							3
Net changes of items other than shareholders' equity	(1,838)	(68)	(965)	85	(2,786)	199	(2,587)
Total changes of items during the period	(1,838)	(68)	(965)	85	(2,786)	199	14,621
Balance at the end of the period	2,716	(89)	1,038	(2,419)	1,246	4,394	237,356

FY2020 (April 1, 2020 - March 31, 2021)

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	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 the parent's ownership interest arising from transactions with non-controlling interests		(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 the end of the period	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 the beginning of the period	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 the parent's ownership interest arising from transactions with non-controlling interests							(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 the end of the period	4,376	(260)	(1,425)	(912)	1,778	4,952	262,012

(4) Consolidated statements of cash flows

(Million yen)

	FY2019 (April 1, 2019 - March 31, 2020)	FY2020 (April 1, 2020 - March 31, 2021)
Cash flows from operating activities:		
Income before income taxes and non-controlling interests	39,808	45,109
Depreciation	5,667	6,401
Amortization of goodwill	2,520	695
Interest and dividend income	(1,035)	(763)
Interest expenses	758	644
Loss (gain) on sales of investments in securities	(971)	(920)
Loss (gain) on disposal or sales of property, plant and equipment	252	224
Loss on valuation of shares in affiliates	—	1,027
Decrease (increase) in notes and accounts receivable	(12,053)	(10,669)
Decrease (increase) in inventories	486	(1,259)
Increase (decrease) in notes and accounts payable	(2,208)	(5,663)
Increase (decrease) in advances received on uncompleted construction contracts	2,825	647
Other, net	(730)	6,303
Subtotal	35,320	41,778
Interest and dividend income received	1,036	763
Interest paid	(776)	(624)
Income taxes refund (paid)	(22,316)	(4,173)
Other, net	441	485
Net cash provided by (used in) operating activities	13,706	38,229
Cash flows from investing activities:		
Investments in time deposits	(13)	(62)
Proceeds from refund of time deposits	3	0
Payments for purchase of property, plant and equipment	(12,815)	(7,481)
Proceeds from sales of property, plant and equipment	55	23
Payments for purchase of investments in securities	(331)	(27)
Proceeds from sales of investments in securities	1,336	1,049
Payments for purchase of shares in affiliates	(2,901)	—
Collection of loans receivable	8	6
Other, net	(132)	(186)
Net cash provided by (used in) investing activities	(14,791)	(6,679)

(Million yen)

	FY2019 (April 1, 2019 - March 31, 2020)	FY2020 (April 1, 2020 - March 31, 2021)
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings, net	(5,064)	1,760
Proceeds from long-term borrowings	1,000	—
Repayment of long-term borrowings	(2,246)	(482)
Proceeds from disposal of treasury stock	1,036	1,058
Payments for purchase of treasury stock	(552)	(22)
Payments of cash dividends	(11,331)	(9,462)
Other, net	(1,195)	(1,236)
Net cash provided by (used in) financing activities	(18,354)	(8,385)
Effect of exchange rate change on cash and cash equivalents	(581)	(741)
Net increase (decrease) in cash and cash equivalents	(20,020)	22,422
Cash and cash equivalents at beginning of year	90,903	70,883
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	772
Cash and cash equivalents at end of year	70,883	94,079