



Daiki Axis Co., Ltd. (4245, First Section, Tokyo Stock Exchange) Issues Operating Performance for the Fiscal Year Ended December 2016

TOKYO—[Daiki Axis](#) (TOKYO: 4245) is pleased to announce its results for the fiscal year ended December 2016.

Summary of Results

The Company has formulated the medium-term management plan V-PLAN60 for the three-year period from fiscal 2016 to fiscal 2018. Based on the “hop-step-jump” concept, fiscal 2016 is regarded as the “hop” year in which the Company launched initiatives aimed at further enhancing corporate value. Putting its focus on ensuring future revenue and profits, during fiscal 2016 the Company worked to generate recurring revenue through energy service company (ESCO) businesses in the areas of maintenance and water utilities, bolster overseas sales, remain faithful in housing equipment-related business segment to a style of sales that adhered faithfully to the Company’s roots, and cultivate new customers.

During the fiscal year ended December 2016, the Company generated net sales of JPY32,810 million (up 1.4% YoY), operating income of JPY931 million (down 1.6% YoY), ordinary income of JPY1,136 million (up 5.0% YoY) and profit attributable to owners of parent of JPY648 million (up 94.8% YoY).

In the environmental equipment business, significantly higher overseas sales led to segment sales of JPY15,913 million (up 3.3% YoY) and segment income (operating income) of JPY1,198 million (up 5.5% YoY).

In the housing equipment-related business, business slackened in areas that were particularly robust in the preceding fiscal year, but shop-related construction grew substantially. As a result, segment sales were JPY16,166 million (down 0.8% YoY) and segment income (operating income) was JPY497 million (down 12.3%).

In other businesses, the CreCla business expanded year on year, and the BDF business grew significantly due to sales of BDF plants. In the compact wind power generator business, the company recorded the sale of its first generator, as well as revenue from commissioned R&D. Consequently, other businesses generated segment sales of JPY731 million (up

11.6% YoY) and segment income (operating income) of JPY22 million (a loss of JPY83 million in the previous fiscal year).

Daiki Axis's consolidated operating results forecast for the year ending in December 2017 calls for net sales of JPY34.4 billion, ordinary income of JPY1,350 million and profit attributable to owners of parent of JPY850 million, corresponding to increases in both sales and profits.

Daiki Axis Co., Ltd. (4245, First Section, TSE) "Summary of Consolidated Financial Results for the Year Ended December 31, 2016" is available here:

<http://contents.xj-storage.jp/xcontents/AS03821/61fe3e7e/56da/41ba/8d09/f20e1b2f1d1f/20170222142331346s.pdf>

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