



**Daiki Axis Co., Ltd. (4245, First Section, Tokyo Stock Exchange)
Issues Operating Performance for the Nine Months Ended Sept. 30, 2017**

TOKYO—[Daiki Axis](#) (TOKYO: 4245) is pleased to announce its results for the nine months ended September 30, 2017.

Summary of Results

Daiki Axis has introduced a system of business divisions in the aim of securing future revenues and profits and to accelerate business diversification and overseas development. The Company set up the global business division, which oversees its overseas subsidiaries and is headed by the president and CEO. The Company is increasing its speed of overseas development under this new arrangement.

In order to respond flexibly to domestic and overseas M&A opportunities and establish and enhance overseas production facilities, the Company has expanded its commitment line agreements. These agreements make available funds of JPY11.0 billion, up from previous commitment lines totaling JPY8.0 billion.

During the first nine months of the fiscal year ending in December 2017, the Company generated net sales of JPY24,729 million (up 4.1% YoY), operating income of JPY788 million (up 18.7% YoY) and ordinary income of JPY880 million (up 8.5% YoY). Profit attributable to owners of parent was JPY443 million (down 8.6% YoY).

In the environmental equipment business, sales of wastewater treatment systems were up year on year, with the completion of major projects making a particularly large contribution to overseas sales. Sales in the maintenance business, which is a recurring-revenue business, were up slightly year on year. Sales were robust in the underground drinking water business, a recurring-revenue clean water-related business. Segment sales accordingly came to JPY12,526 million (up 6.1% YoY), and segment income (operating income) was JPY1,004 million (up 15.5% YoY).

In the housing equipment-related business, sales of DIY store retail merchandise edged up, but sales were down substantially for exterior wall construction in the construction of

residential machinery category. As a result, segment sales were JPY11,146 million (down 2.2% YoY) and segment income (operating income) was JPY372 million (up 12.6%).

In other businesses, performance in the CleCla business was essentially flat year on year. In the biodiesel fuel (BDF)-related business, performance was down substantially due to a lack of sales of BDF plants during the period. Sales in the compact wind generator business also fell significantly. However, in the first quarter the Company converted Kishimoto Co., Ltd., to a subsidiary, and this company's results were included in Daiki Axis's consolidated performance from the second quarter, beginning in April. As a result of these factors, segment sales were JPY1,055 million (up 87.1% YoY), with segment income (operating income) of JPY48 million (up 59.8% YoY).

Daiki Axis Co., Ltd. (4245, First Section, TSE) "Summary of Consolidated Financial Results for the Nine Months Ended September 30, 2017" is available here:

<http://www.daiki-axis.com/ir/info/index09.html>

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