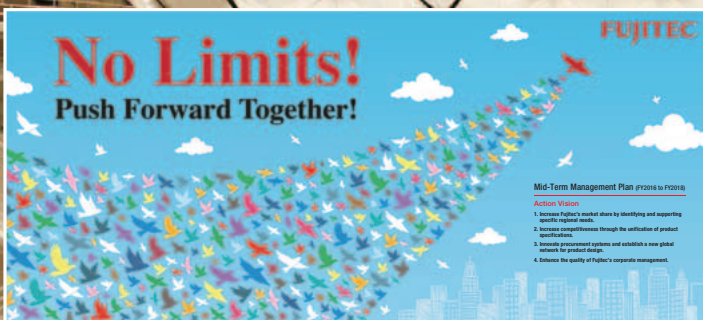


Special Feature

Marking the Second Year of the Mid-Term Management Plan

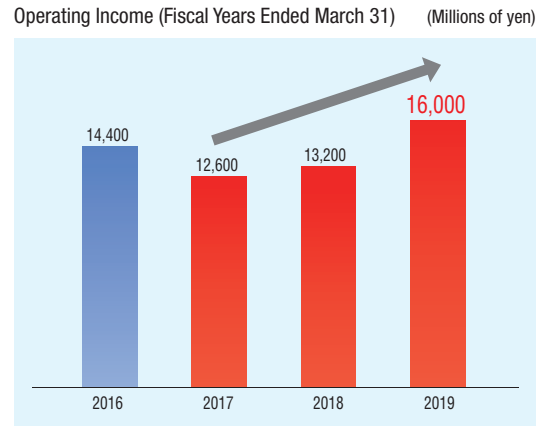
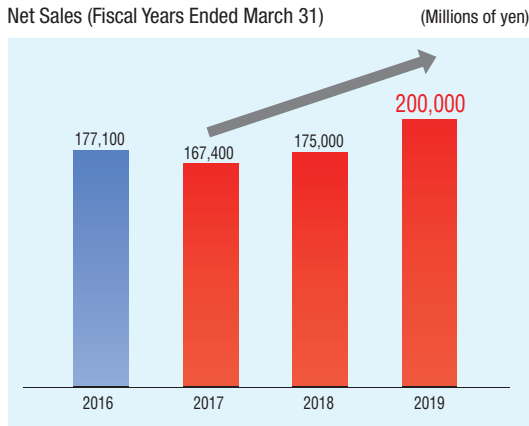
Undertaking Various Initiatives toward Achieving Targets



Fujitec's three-year Mid-Term Management Plan "No Limits! Push Forward Together!" was launched in 2016 with the aim of realizing sustainable enhancement of our corporate value. In the final fiscal year ending March 31, 2019, we aim to achieve net sales of ¥200,000 million and operating income of ¥16,000 million. To this end, we have been undertaking a variety of initiatives in the second year of the management plan.

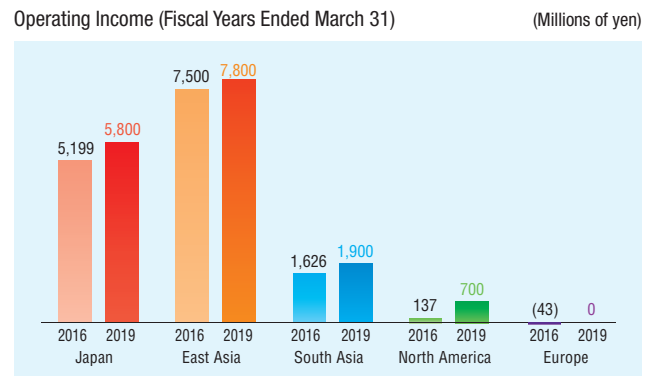
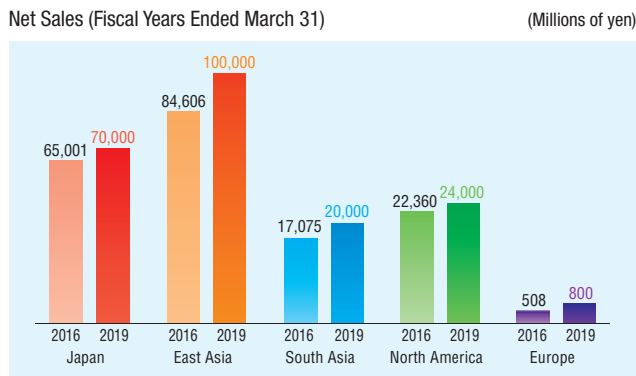
Target Management Indicators

Our target management indicators for the fiscal year ending March 31, 2019, which is the final year of the Mid-Term Management Plan, are net sales of ¥200,000 million, operating income of ¥16,000 million and an operating margin of 8.0% on a consolidated basis.



Segment-Specific Targets

For the fiscal year ending March 31, 2019, we aim to increase both sales and profits in all segments compared with the fiscal year ended March 31, 2016.



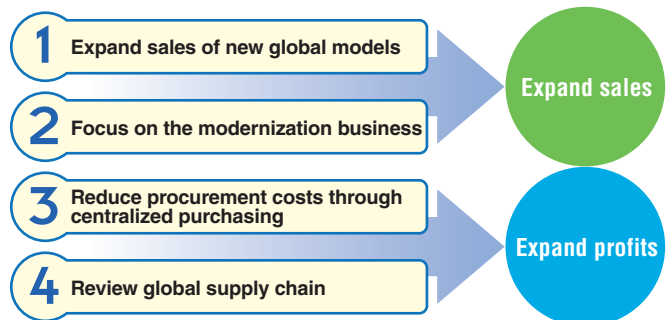
Action Vision

We have set the following four key objectives to achieve the targets.

Regional Strategy	Increase Fujitec's market share by identifying and supporting specific regional needs.
Product and Technology Strategy	Increase competitiveness through the unification of product specifications.
Operation Strategy	Innovate procurement systems and establish a new global network for product design.
Corporate Strategy	Enhance the quality of Fujitec's corporate management.

Themes for the Second Year of the Plan

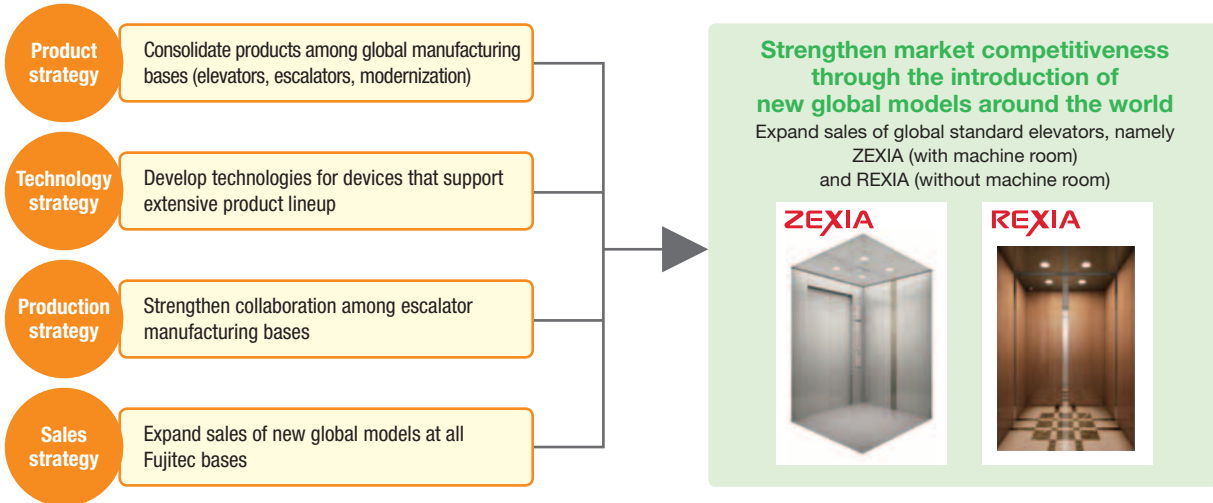
Under the action vision, we have been proactively carrying out four priority measures to expand sales and profits for the current fiscal year.



1

Expand Sales of New Global Models

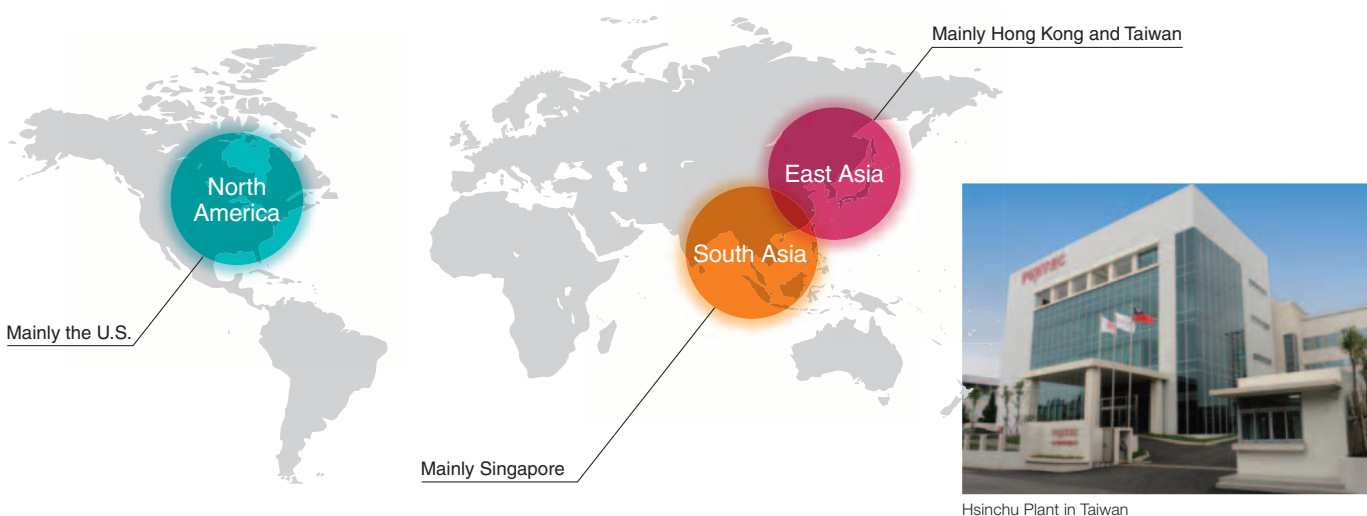
We will standardize products (elevators, escalators and modernization) among global manufacturing bases, including those in Japan, and accelerate the introduction of new global models and modernization products. Then we will strive to expand sales at Fujitec bases around the world, from China, Hong Kong, Taiwan and Korea to South Asia, Europe, North America and the Middle East. At the same time, we will aim for stronger collaboration among escalator manufacturing bases.



2

Focus on the Modernization Business

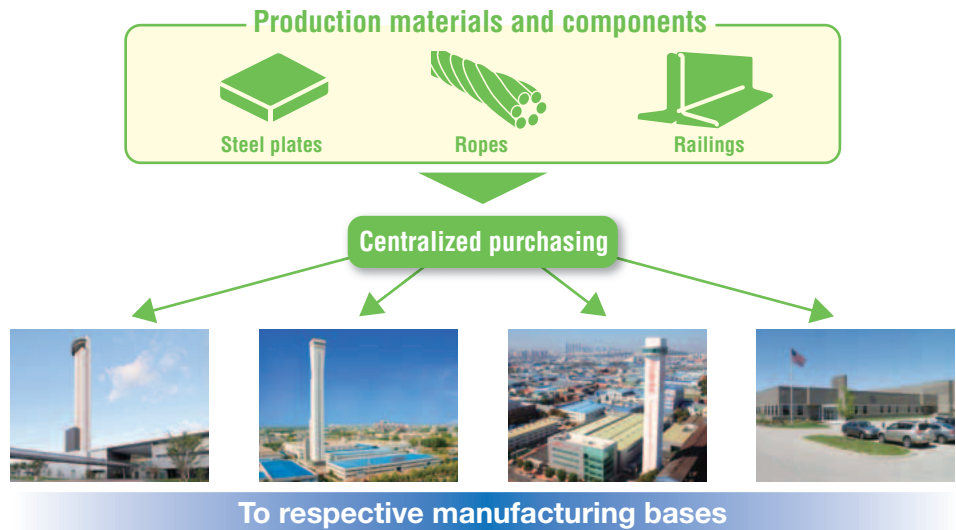
In recent years, demand for modernization is increasing in such developed countries as the United States, Europe and Japan. In response to such robust demand, we will concentrate manufacturing of modernization-related products at the Hsinchu Plant in Taiwan to expand sales. The Hsinchu Plant has been in operation since 2016.



3 Reduce Procurement Costs through Centralized Purchasing

Centralized purchasing of manufacturing materials and components is highly beneficial not only to standardizing and consolidating parts necessary to produce global standard models but also to reducing overall costs. As such, we have been proactively promoting procurement innovation to reduce costs by establishing a unified purchasing and management structure throughout the Fujitec Group.

- Centralized procurement



4 Review Global Supply Chain

We operate in 25 countries and regions worldwide and have established a robust global supply chain. To strengthen this structure, we are aiming for more centralized and efficient logistics to optimize lead times and reduce transportation costs. We have also been promoting the establishment of a global design network to maximize the use of resources within the Fujitec Group.

- Global logistics

