

FUJITEC

**Fiscal Year 2017
(Ending March 31, 2018)
Six-month Financial
Result Presentation**

**Fujitec Co., Ltd.
November 28, 2017**



Marina One (Singapore)

1. Fiscal Year 2017 Six-month Financial Results

2. Fiscal Year 2017 Forecasts

1. Fiscal Year 2017 Six-month Financial Results

1-1. Fiscal Year 2017 Six-month Summary



Although Net Sales increased slightly, Operating Income decreased and Forecasts for FY2017 were revised downward

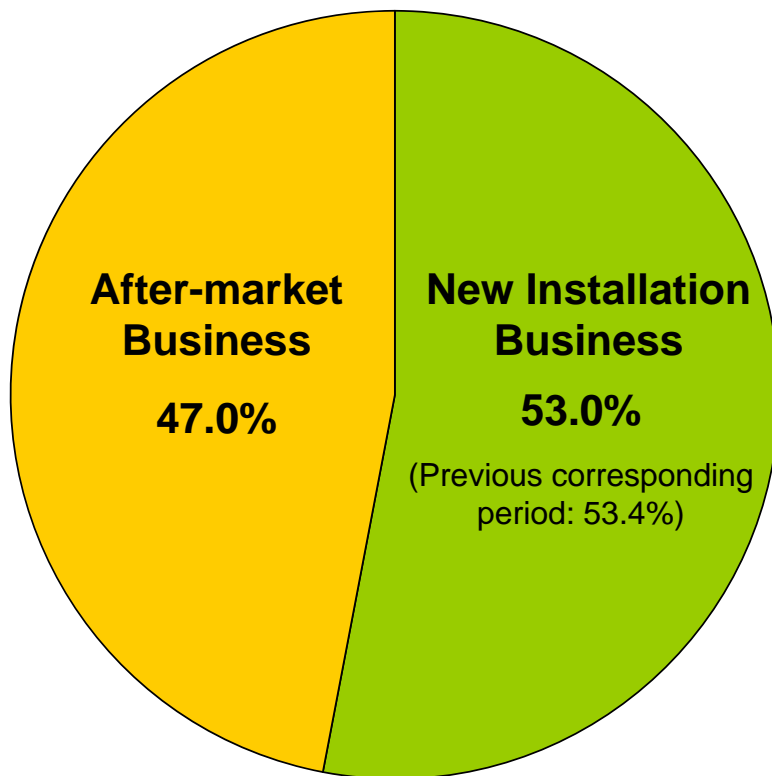
(Millions of yen)

	FY2017 2Q	Percentage (Margin)	Initial Plan	FY2016 2Q	Percentage (Margin)	Change
Orders Received	87,690	100.0%	-	87,723	100.0%	- 0.04%
Domestic	35,669	40.7%	-	33,484	38.2%	+ 6.5%
Overseas	52,021	59.3%	-	54,239	61.8%	- 4.1%
Net Sales	81,428	100.0%	82,000	80,691	100.0%	+ 0.9%
Domestic	29,469	36.2%	-	28,221	35.0%	+ 4.4%
Overseas	51,959	63.8%	-	52,470	65.0%	- 1.0%
Operating Income	5,369	6.6%	6,200	6,666	8.3%	- 19.4%
Ordinary Income	6,257	7.7%	6,500	6,520	8.1%	- 4.0%
Profit Attributable to Owners of Parent	4,527	5.6%	4,500	4,389	5.4%	+ 3.2%
EPS	¥ 56.15	-	¥ 55.87	¥ 54.52	-	+ ¥1.63

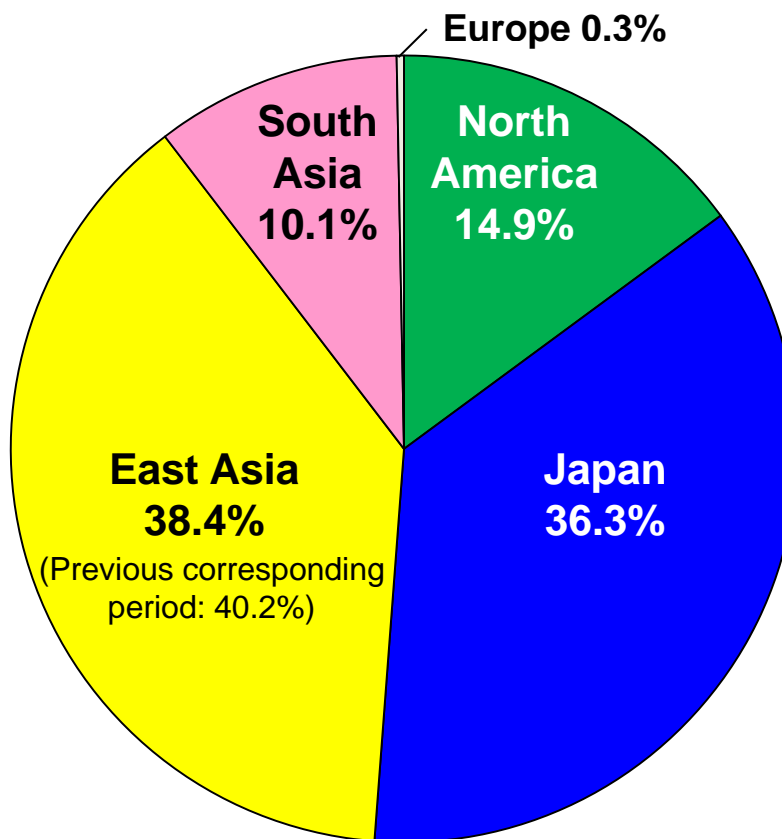
Average Exchange Rate : FY2017 2Q 1US\$=¥112, FY2016 2Q 1US\$=¥114

Decreased for East Asia and New Installation Business

Net Sales by Business



Net Sales by Segment



Despite an increase in Net Sales, Operating Income decreased due to up-front expenditure

Demand Trends

- The number of condominiums sold decreased due to a rise in prices
- Robust demand for hotels
- Demand for stores and offices was steady

(Millions of yen)

	FY2017 2Q	FY2016 2Q	Change
Net Sales	30,953	29,714	+ 4.2%
Operating Income	2,156	2,467	-12.6%
Operating Income Margin	7.0%	8.3%	-1.3P



SHIBUYA CAST. (Tokyo)

Business Overview

- Net Sales in the New Installation and After-market Business increased
- Operating Income decreased due to up-front expenditure etc.

Net Sales remained flat and Operating Income decreased significantly in China

Demand Trends

- Demand unit remains stable (China)
- Severe price competition continues (China)
- Mostly flat (Hong Kong, Taiwan and Korea)

(Millions of yen)

	FY2017 2Q	FY2016 2Q	Change
Net Sales	35,123	35,460	- 1.0%
Operating Income	1,660	2,724	- 39.1%
Operating Income Margin	4.7%	7.7%	- 3.0P



West Kowloon
Government Office
(Hong Kong)

Business Overview

- Despite a decrease in Net Sales in China, there was an increase in Hong Kong, Taiwan and Korea
- Operating Income in China decreased due to a drop in the sales price and a rise in material costs

Increased for Net Sales and Operating Income due to favorable After-market Business

Demand Trends

- Mostly flat
- The Indian market was stagnant

(Millions of yen)

	FY2017 2Q	FY2016 2Q	Change
Net Sales	8,219	8,086	+ 1.6%
Operating Income	1,203	1,075	+ 11.9%
Operating Income Margin	14.6%	13.3%	+ 1.3P



Athena Complex
(Vietnam)

Business Overview

- In Net Sales, the New Installation Business decreased and the After-market Business increased
- The Profit Margin for the New Installation, Repair and Modernization Business improved

**North America increased in Net Sales and Operating Income
Europe remained sluggish**

Demand Trends

- North America was steady

Business Overview

- Increased Net Sales in the New Installation and After-market Business (North America)
- Profit Margin for the Modernization Business improved (North America)



500 Boylston (USA)

North America

(Millions of yen)

	FY2017 2Q	FY2016 2Q	Change
Net Sales	12,145	11,674	+ 4.0%
Operating Income	437	363	+ 20.4%
Operating Income Margin	3.6%	3.1%	+ 0.5P

Europe

(Millions of yen)

	FY2017 2Q	FY2016 2Q	Change
Net Sales	273	190	+ 44.0%
Operating Income	- 42	- 38	-
Operating Income Margin	-	-	-

2. Fiscal Year 2017 Forecasts

2-1. Forecasts for FY2017 (Net Sales)

Revised downward for East Asia and South Asia

(Millions of yen)

	FY2017 (Initial Plan)	FY2017 (Revised Plan)	Change (Vs Initial Plan)	Change in % (Vs FY2016)	FY2016
Net Sales	175,000	171,000	- 4,000	+ 2.1%	167,442
Japan	68,000	68,000	-	+ 3.7%	65,572
East Asia	74,000	72,000	- 2,000	- 0.8%	72,594
South Asia	19,000	17,000	- 2,000	+ 9.1%	15,586
North America	23,000	24,000	+1,000	+ 8.6%	22,092
Europe	500	500	-	+ 22.7%	407
Reconciliations	- 9,500	- 10,500	- 1,000	-	- 8,811

Average Exchange Rate : Initial Plan 1US\$=¥110, Revised Plan 1US\$=¥112

2-1. Forecasts for FY2017 (Operating Income)

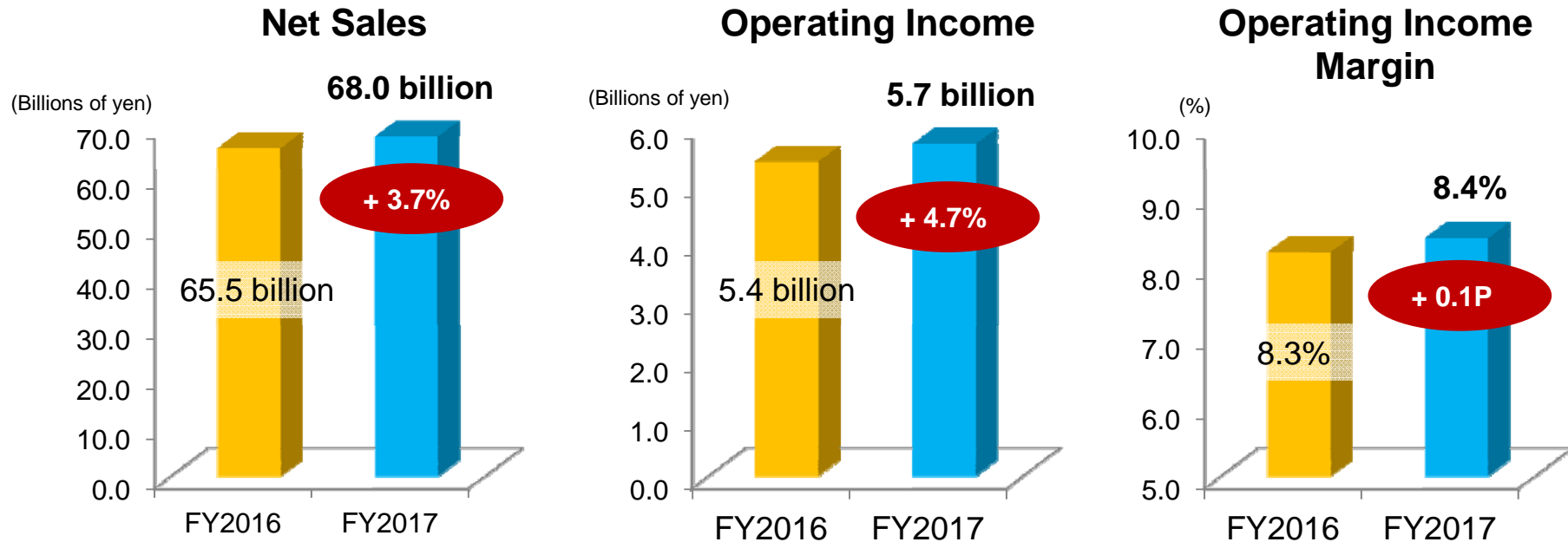
Revised downward for East Asia

(Millions of yen)

	FY2017 (Initial Plan)	FY2017 (Revised Plan)	Change (Vs Initial Plan)	Change in % (Vs FY2016)	FY2016
Operating Income	13,200	10,500	- 2,700	- 17.2%	12,687
Japan	5,700	5,700	-	+ 4.7%	5,445
East Asia	4,900	2,400	- 2,500	- 47.1%	4,540
South Asia	1,800	1,800	-	+ 4.6%	1,720
North America	900	900	-	- 3.2%	930
Europe	0	0	-	-	- 54
Reconciliations	- 100	- 300	- 200	-	105

Average Exchange Rate : Initial Plan 1US\$=¥110, Revised Plan 1US\$=¥112

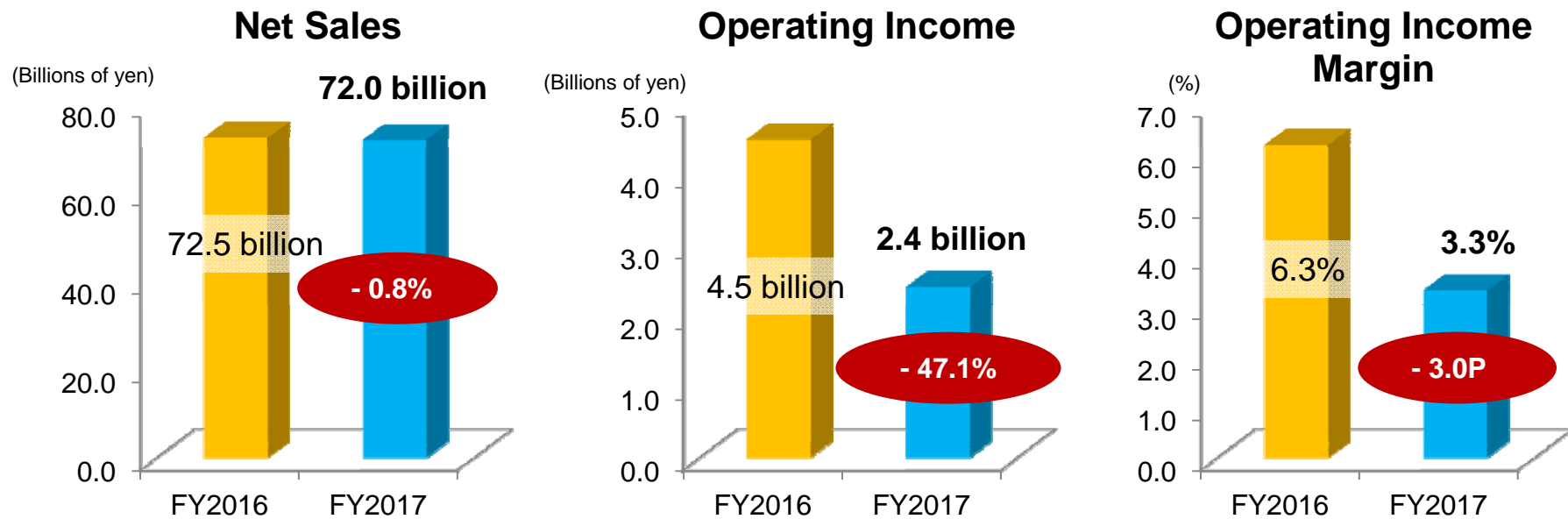
Estimate for increased Net Sales and Operating Income



- The situation of Orders Received for the New Installation and After-market Business is favorable
- Lower Operating Income is expected to catch up to the forecast for FY2017

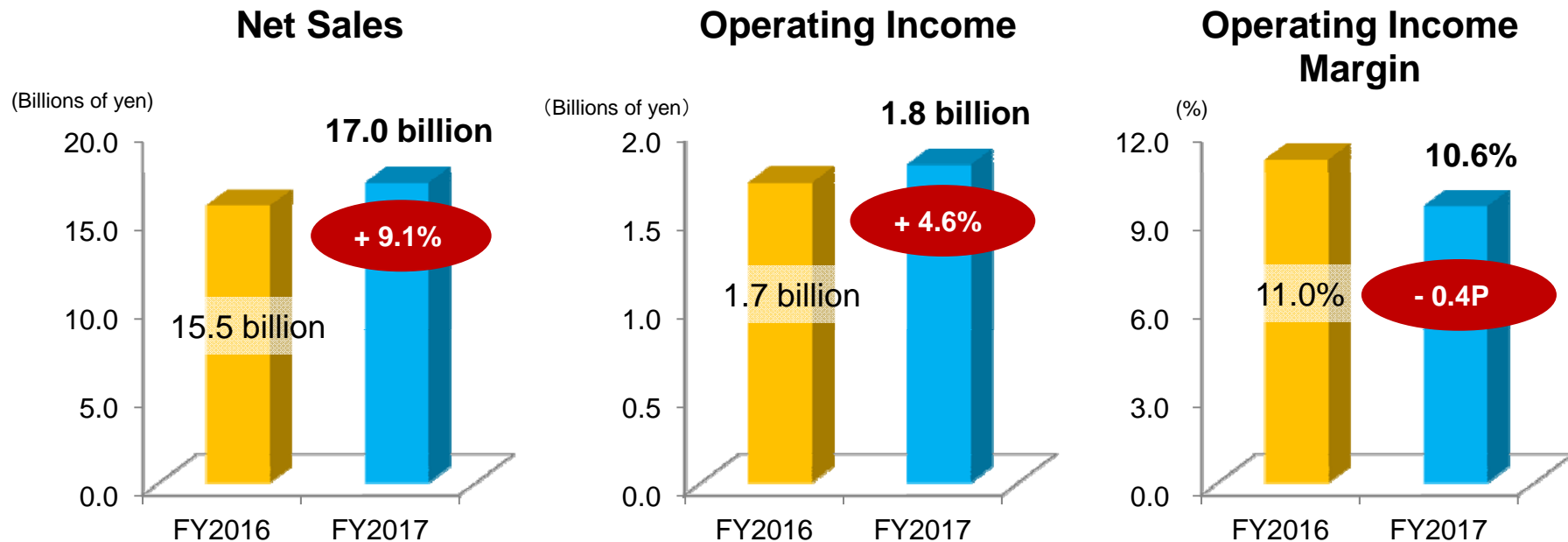
2-2. Forecasts by Segment (East Asia)

Net Sales remain flat and Operating Income in China are forecast to decrease greatly



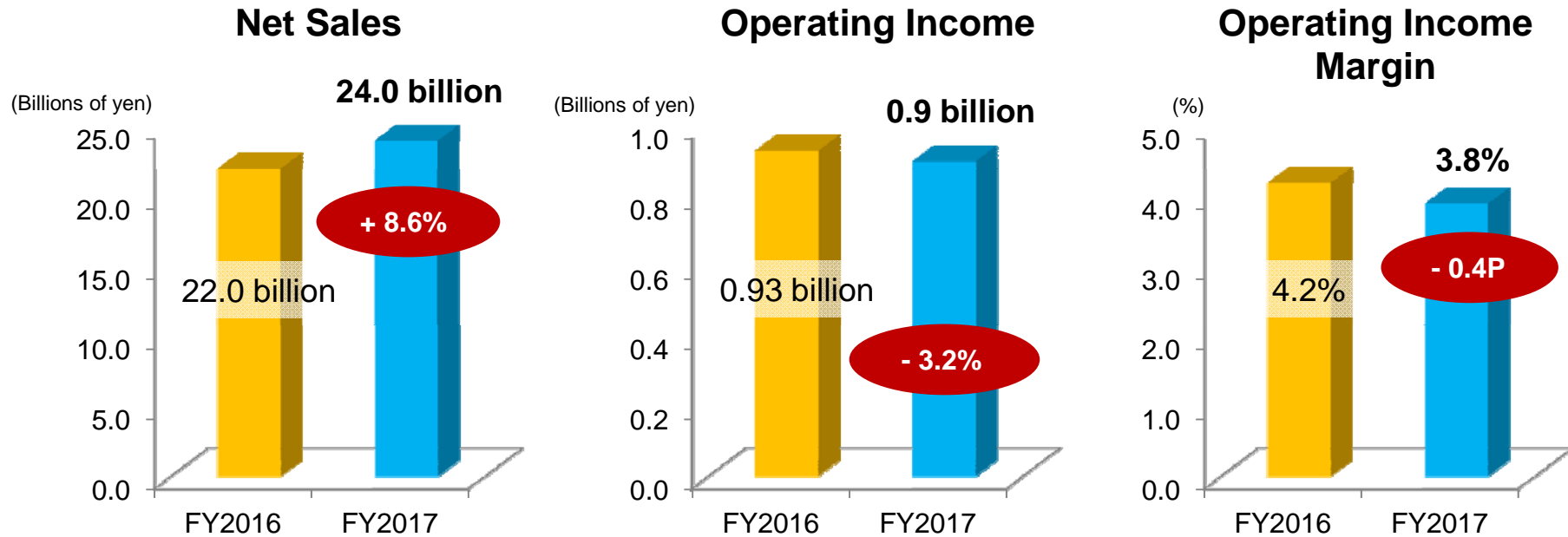
- The drop in the sales price and rising material costs in China are forecast to continue in the second half of FY2017
- Operations in Hong Kong and Taiwan are expected to move steadily

Increased Net Sales and Operating Income



- Forecast of Net Sales revised due to the stagnation of the Indian market
- Net Sales and Operating Income in Singapore are expected to increase and Operations in Malaysia are favorable

Increased Net Sales due to robust operations in the USA



- Net Sales in the New Installation and After-market Business in the USA are expected to increase
- Operating Income is expected to remain flat year-on-year

Capital Investment, Depreciation, R&D Expenses and Dividends

(Millions of yen)

	FY2017	FY2016	Change
Capital Investment	4,000	4,385	- 385
Domestic	2,600	3,314	- 714
Overseas	1,400	1,071	+ 329
Depreciation	3,000	2,751	+ 249
R&D Expenses	2,600	2,302	+ 298

(Yen)

	FY2017	FY2016	Change
Dividends	35	30	+ 5
Interim	15	15	-
Year-end	20	15	+ 5

* Forecast of Year-end Dividends for FY2017 includes 70th anniversary dividend of 5 yen

Reference Information

1. Consolidated Balance Sheet

FUJITEC

(Millions of yen)

	Sep. 30, 2017	Mar. 31, 2017	Change	Remarks
Current Assets	122,594	123,038	- 443	
Cash and Cash Equivalents	46,912	45,749	+ 1,162	Increased in Japan and East Asia
Trade Notes and Accounts Receivable	48,553	50,455	- 1,902	Decreased in Japan
Inventories	21,091	20,661	+ 430	
Others	6,036	6,172	- 135	
Fixed Assets	51,424	49,969	+ 1,454	
Property, Plant and Equipment	34,253	34,495	- 242	Capital investment: +1,111, Depreciation: -1,259, Foreign exchange, etc.: -94
Intangible Assets	3,853	3,893	- 39	
Investments and Other Assets	13,317	11,580	+ 1,737	Increased in unrealized gains on securities due to stock price rise: +869, Acquisition: +534
Total Assets	174,018	173,007	+ 1,010	
Current Liabilities	62,195	64,103	- 1,907	Short-term debt: -1,631
Non-current Liabilities	5,317	5,057	+ 260	
Net Assets	106,505	103,847	+ 2,657	Retained earnings: +3,311 Foreign currency translation adjustments: -1,396 Net unrealized gains on securities: +616
Shareholders' Equity Ratio	54.7%	53.5%	+ 1.2P	
BPS	¥1,180.16	¥1,148.36	+ ¥31.80	

2. Cash Flows

(Millions of yen)

	FY2017 2Q	FY2016 2Q	Change
Cash and Cash Equivalents at Beginning of the Year	20,910	21,833	-923
Cash Flows from Operating Activities	8,397	10,773	- 2,375
Cash Flows from Investing Activities	- 610	- 2,092	+ 1,481
Free Cash Flows	7,787	8,680	- 893
Cash Flows from Financing Activities	- 3,444	- 4,549	- 1,105
Cash and Cash Equivalents at End of Second Quarter	24,852	22,449	+ 2,403

3. Corporate Profile (as of September 30, 2017)

FUJITEC

Corporate Name	Fujitec Co., Ltd.
Established	Feb 1948 (Listed Feb 1974 on TSE1)
Head Office	Hikone, Shiga (Big Wing)
Business	R&D, manufacturing, marketing, installation and maintenance of elevators and escalators
Paid-in Capital	12,533 million yen (shares issued: 93,767,317)
Directors	President & CEO, Takakazu Uchiyama 7 directors (including 3 outside directors) 4 audit & supervisory board members (including 3 outside audit & supervisory board members)
Employees	Consolidated 9,894 (non-consolidated 2,926)
Group companies	34 companies (including 19 consolidated subsidiaries) (North and South America, East and South Asia, Europe/Middle East)

This presentation was prepared to provide information on the company's Fiscal Year 2017 (ending March 31, 2018) Six-month results and medium-term business plan. The purpose of these materials is not to solicit investments in the company's stock or other securities. All information in this presentation is based on data currently available as of November 28, 2017. The company makes no guarantees regarding the accuracy or completeness of this information and retains the right to revise this information at any time with no prior notification.

November 28, 2017

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**Fiscal Year 2017 Six-month
Financial Result Presentation**

