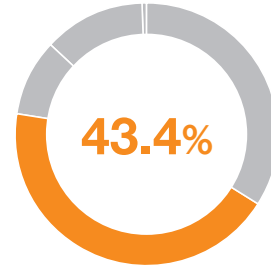
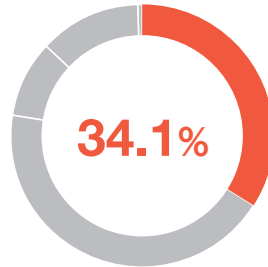


Review of Operations (For the Fiscal Year Ended March 31, 2016)

Japan

East Asia

Net Sales Composition Ratio by Segment (%)



Segment Information

(Consolidated subsidiaries only for net sales, operating income (loss) and the number of employees)

Net sales **¥65,001 million**
(Down 0.8% YoY)

Operating income **¥5,199 million**
(Up ¥50 million YoY)

Number of affiliates **3**

Number of employees **2,824**

Areas covered **All over Japan**

Net sales **¥84,606 million**
(Up 11.0% YoY)

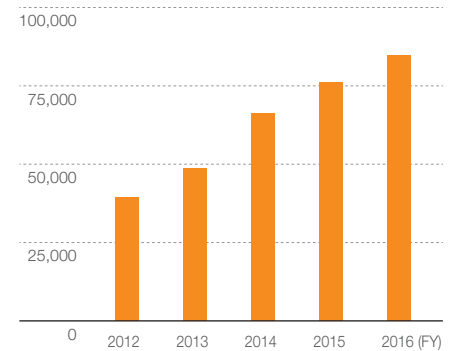
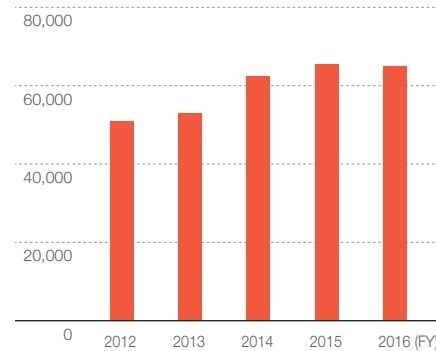
Operating income **¥7,500 million**
(Up ¥172 million YoY)

Number of affiliates **8**
(7 of which are consolidated subsidiaries)

Number of employees **4,536**

Areas covered **China, Taiwan, Hong Kong and Korea**

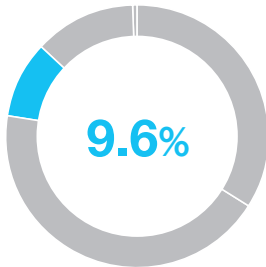
Net Sales (Millions of yen)



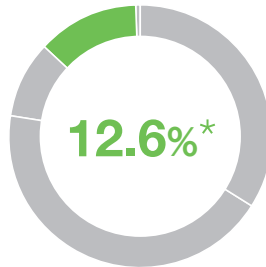
Main Projects



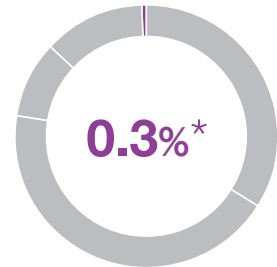
South Asia



North & South America



Europe & Middle East



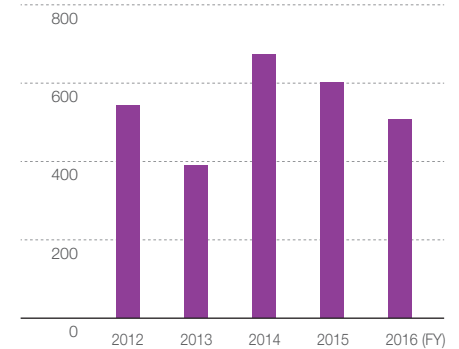
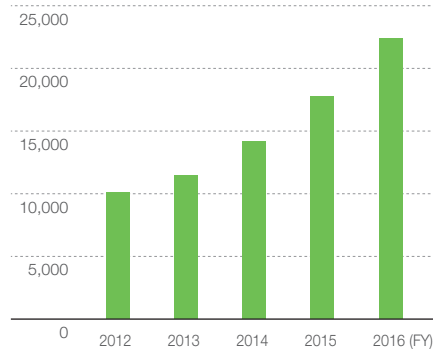
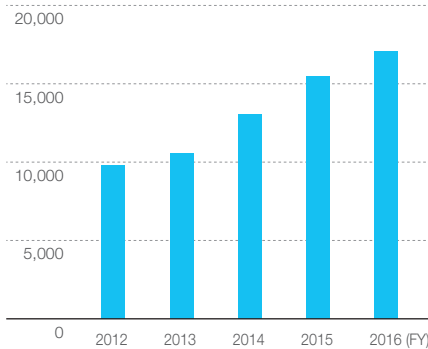
Net sales	¥17,075 million (Up 10.2% YoY)
Operating income	¥1,626 million (Up ¥67 million YoY)
Number of affiliates	12 (8 of which are consolidated subsidiaries)
Number of employees	1,328
Areas covered	Singapore, Malaysia, the Philippines, Thailand, Vietnam, Indonesia, India, Sri Lanka and Myanmar

Net sales*	¥22,360 million (Up 26.1% YoY)
Operating income*	¥137 million (Operating loss of ¥582 million in the previous fiscal year)
Number of affiliates	7 (2 of which are consolidated subsidiaries)
Number of employees*	770
Areas covered	U.S.A., Canada, Venezuela, Argentina, Uruguay and Guam

*North America only

Net sales*	¥508 million (Down 15.5% YoY)
Operating loss*	(¥43 million) (Operating loss of ¥1 million in the previous fiscal year)
Number of affiliates	4 (2 of which are consolidated subsidiaries)
Number of employees*	28
Areas covered	U.K., Germany, Saudi Arabia, Egypt and UAE

*Europe only



IOI City Mall (Malaysia)



CHOP Schuylkill Avenue Project (U.S.A.)



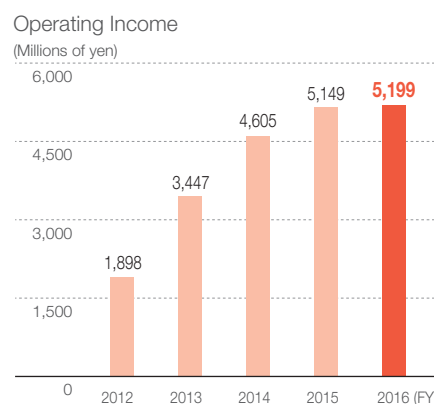
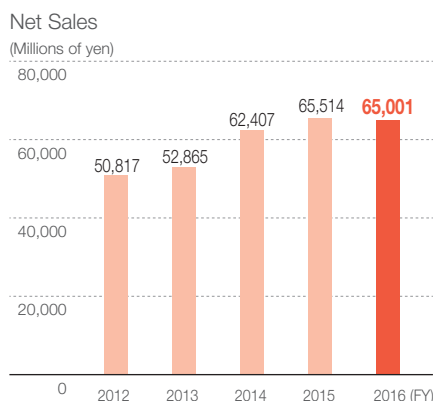
Goodies Restaurant (Saudi Arabia)

Review of Operations



Fiscal years ended March 31

	2015	2016	Percentage change
Net Sales	¥65,514 million	¥65,001 million	-0.8%
Operating Income	¥5,149 million	¥5,199 million	+1.0%



Market Environment and Overview

The Japanese economy sustained a modest recovery underpinned by improvements in corporate earnings and the employment situation.

In the elevator and escalator industry, there were greater moves to pull back on new construction due to rising construction costs, but development projects for office buildings and other large-scale multi-purpose buildings made progress in the Tokyo metropolitan area. Sales in our service business were solid despite a decline in new installations.

As a result, domestic net sales decreased 0.8% from the previous fiscal year. Conversely, operating income rose by ¥50 million compared with the previous fiscal year, as higher profitability of new installations and an increase in maintenance sales offset rising costs for imported materials and increased installation costs.

Initiatives in the Fiscal Year Ended March 31, 2016

New Installation Business

In the new installation business, Fujitec received numerous orders and delivered products for retail facilities, multi-purpose facilities and other buildings.

In Tokyo, Fujitec supplied 55 elevators and escalators for “Tokyu Plaza Ginza,” a large-scale retail facility facing the busy Sukiya-bashi intersection, and 38 elevators and escalators for a new school building at “Teikyo University Hachioji Campus.”

In Osaka, we received an order for 32 elevators and escalators for “Umeda 1-1 Building (tentative name)” and supplied 81 elevators and escalators for “EXPOCITY,” both of which are large-scale multi-purpose facilities.

In other areas, we supplied 24 elevators and escalators for “Oroshimachi and Renbo stations” for the Tozai subway line, which opened in December 2015 in Sendai City.

Regarding new products, we commenced sales of “Made-to-Order XIOR,” a new line of downsized, custom-made elevators, in December 2015.

Modernization Business

In the modernization business (the updating of existing equipment), Fujitec recorded an increase in work for custom-made elevators, mainly in the Tokyo metropolitan area. Additionally, we posted steady growth in sales for safety enhancement modernization packages in response to the Building Standards Act amendment in April 2014.

We further improved the safety and security of these packages by adding anti-seismic functions to accompany our low-cost/quick installation benefits. We are working to expand sales of these packages as products that assure the safety of existing elevators.



Tokyu Plaza Ginza (Tokyo)

Based on the concept of "Creative Japan—The World Gets Interesting from Here," "Tokyu Plaza Ginza," a large-scale retail facility, opened in March 2016 as a new landmark in the Ginza district. Fujitec delivered 55 elevators and escalators.

Outlook and Initiatives for the Next Fiscal Year

On the back of an economic recovery overseas, the Japanese economy is expected to sustain a mild recovery in exports and improved domestic consumption.

Demand is expected to remain steady in the Tokyo metropolitan area for the elevator and escalator industry despite moves to pull back because of rising construction costs.

In the new installation business, we will raise earning potential through cost reductions while increasing market share. Fujitec will continue to proactively promote its modernization business by strengthening its product lineup and capabilities in the after-sales service market, where robust demand is expected.

For the fiscal year ending March 31, 2017, we are anticipating a slight increase in sales while profits are to remain virtually unchanged.



EXPOCITY (Osaka)

Opened in November 2015 in the Expo'70 Commemorative Park, "EXPOCITY" is one of Japan's largest-scale multi-purpose facilities, comprising eight entertainment facilities and 305 retail stores. Fujitec delivered 81 elevators and escalators.



Teikyo University Hachioji Campus (Tokyo)



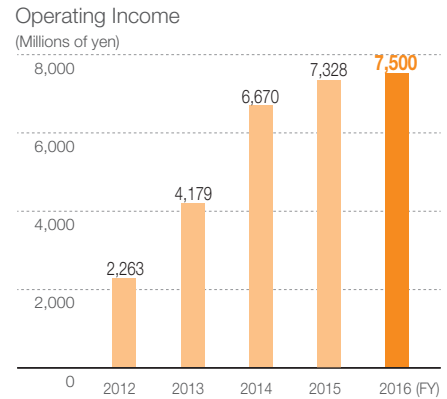
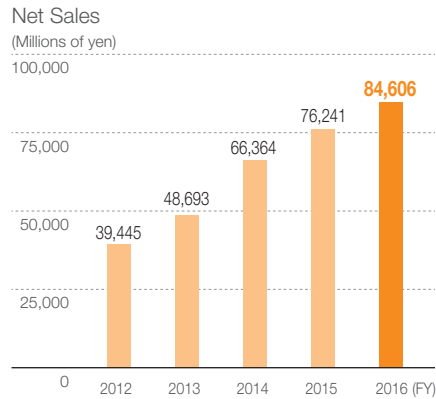
Tozai subway line (Sendai)

Review of Operations



Fiscal years ended March 31

	2015	2016	Percentage change
Net Sales	¥76,241 million	¥84,606 million	+11.0%
Operating Income	¥7,328 million	¥7,500 million	+2.3%



Initiatives in the Fiscal Year Ended March 31, 2016

In East Asia, demand in China continued to expand moderately despite the impact of a slowdown in real estate investment, while demand in other countries and regions was also firm.

In China, we delivered 18 elevators and escalators for “Shangri-La Hotel, Nanchang,” a luxury hotel in Nanchang City, Jiangxi Province. We also delivered 72 elevators and escalators for the “DAMG International Shopping Center,” a large retail facility in Luoyang City, Henan Province.

In Hong Kong, we delivered 12 elevators and escalators for a high-rise office building named the “Global Gateway Tower,” while in Korea we received an order for 64 escalators and moving walks for “LOTTE MALL Eunpyeong New Town,” a large retail facility in Seoul Special City.

Outlook and Initiatives for the Next Fiscal Year

In the elevator and escalator market in China, we expect demand to decrease due mainly to persistent sluggishness in real estate investment. Fujitec will continue to position China as its most important market and invest management resources there. We will strive to increase our share in China by enhancing our sales network and strengthening cost competitiveness. At the same time, we will establish a supply chain that delivers products from China to the rest of the world. In the mature markets of Hong Kong, Taiwan and Korea, we will focus on promoting modernization operations.

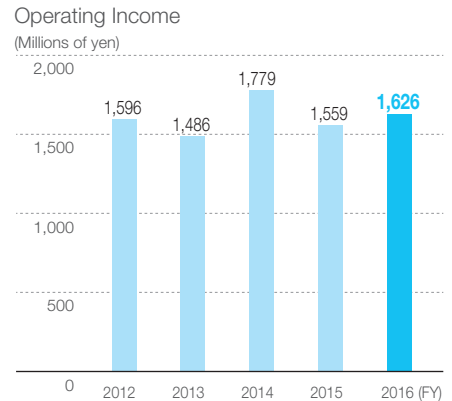
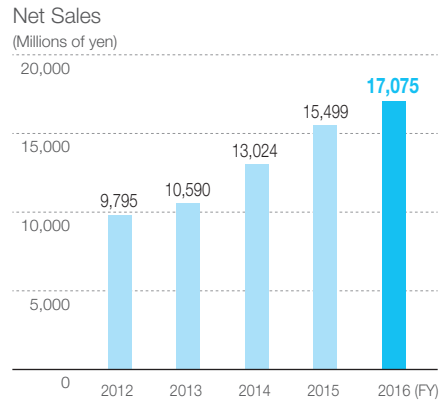


DAMG International Shopping Center (China)

South Asia

Fiscal years ended March 31

	2015	2016	Percentage change
Net Sales	¥15,499 million	¥17,075 million	+10.2%
Operating Income	¥1,559 million	¥1,626 million	+4.3%



Initiatives in the Fiscal Year Ended March 31, 2016

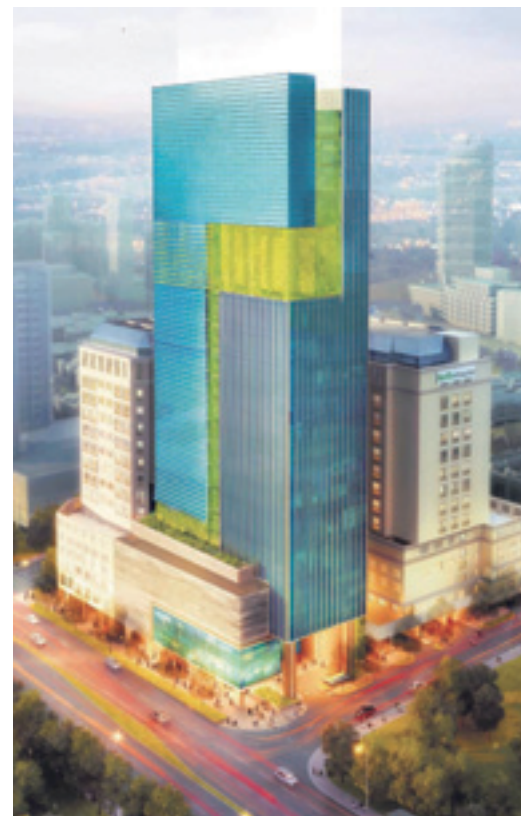
In South Asia, we posted increases in both sales and profits as a result of increases in new installations and service businesses.

In Singapore, we received an order for 17 elevators and escalators for “Raffles Hospital.” In Malaysia, we received an order for 38 elevators and escalators for “D’Sara Sentral,” a multi-purpose retail facility that combines retail, office space and residences in Selangor State. In Indonesia, we delivered 28 elevators and escalators for “Semarang Town Square,” a large-scale retail facility in Semarang City, Central Java Province.

Outlook and Initiatives for the Next Fiscal Year

With substantial growth expected in India, we will augment our production capabilities and expand our network of sales bases and distributors in an effort to strengthen our performance capabilities and keep pace with market demand. We will also supply the various countries in the ASEAN region, with a focus on developing business for the standard elevator models KYUTO and ERITO, which have been well-received in India.

In Myanmar, we will continue to cultivate the market through Fujitec Myanmar Co., Ltd., which was established in June 2015 in Yangon, which is the largest city in the country.



Raffles Hospital (Singapore)

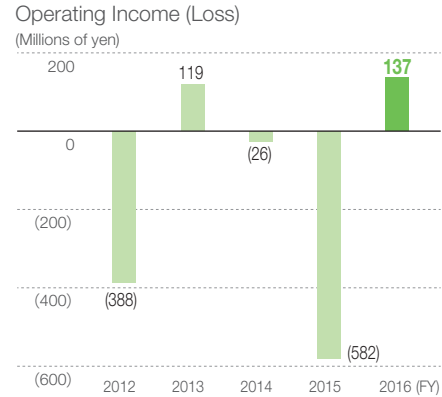
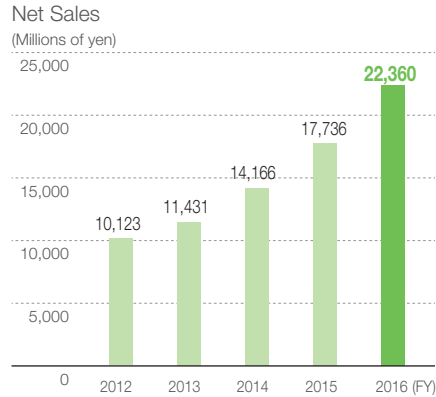
Review of Operations

North & South America

Fiscal years ended March 31

	2015	2016	Percentage change
Net Sales	¥17,736 million	¥22,360 million	+26.1%
Operating Income (Loss)	(¥582 million)	¥137 million	—

*North America only



Initiatives in the Fiscal Year Ended March 31, 2016

In North America, the economy expanded overall, and the elevator and escalator industry posted solid results. Fujitec achieved an increase in sales thanks to growth in new installation and service businesses. Operating income also increased due mainly to a decrease in installation costs and higher profitability of service business.

Looking at orders and completed projects, we received an order for 13 elevators for the “CHOP Schuylkill Avenue Project,” in which The Children’s Hospital of Philadelphia, one of the best medical facilities in the United States, is building new facilities.

In New York, we delivered 12 elevators for “Sky,” an ultra-high-rise luxury residential building. In Houston, we completed the modernization work for 40 elevators and escalators for “Chevron 1400 Smith Street.” We also received an order for 19 elevators and escalators for the “Centro Square Condos,” a high-rise residential building in Ontario, Canada.

Outlook and Initiatives for the Next Fiscal Year

The North American economy is expected to continue expanding and the elevator and escalator industry is also projected to post solid results. In addition to implementing sales activities to capture orders for new installations in large cities in the new installation business, Fujitec will also strengthen product capabilities in the modernization sector, which has high growth potential, and proactively strive to expand the overall market. For the fiscal year ending March 31, 2017, we forecast a decrease in net sales but an increase in operating income.



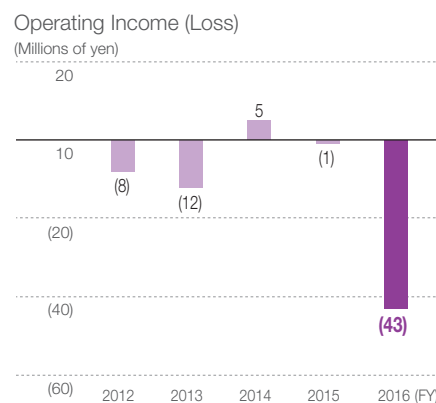
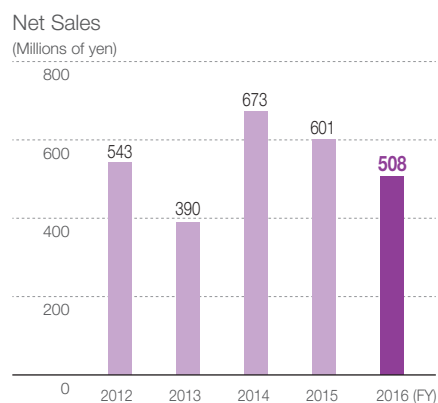
Chevron 1400 Smith Street (U.S.A.)

Europe & Middle East

Fiscal years ended March 31

	2015	2016	Percentage change
Net Sales	¥601 million	¥508 million	-15.5%
Operating Loss	(¥1 million)	(¥43 million)	—

*Europe only



Initiatives in the Fiscal Year Ended March 31, 2016

In the Europe and Middle East region, both net sales and profits decreased due primarily to a decline in escalator sales in Europe, offsetting a strong stream of orders in the Middle East.

The Middle East received an order for 11 elevators and escalators for “Goodies Restaurant,” a multi-purpose retail facility in Riyadh, the capital city of Saudi Arabia. In the United Arab Emirates (UAE), orders increased for elevators and escalators in offices, hotels and other facilities (mainly in the capital of Dubai), including 17 elevators for “Marina 106,” which will be the tallest residential building in the world when complete. In other countries, orders were received for various projects and large-scale retail facilities.

Outlook and Initiatives for the Next Fiscal Year

The European economy is on its way to recovery from the financial and debt crises but is expected to move toward moderate recovery driven by intra-EU consumption. Regarding demand for elevators and escalators in the Middle East, we forecast a continued expansion primarily in Saudi Arabia, Egypt, the UAE and Qatar.

Amid this environment, Fujitec will promote cost reductions and more streamlined business operations. For the fiscal year ending March 31, 2017, we expect to record a decrease in net sales but an increase in operating income in Europe.



Marina 106 (UAE)