

Fujitec Co., Ltd. (TSE1: 6406)

November 25, 2015

FUJITEC

**Fiscal Year 2015 (Ending March 31, 2016)
Six-month Results Presentation**

Children's Hospital of Philadelphia (USA)

1 Fiscal Year 2015 Six-month Financial Results

2 Fiscal Year 2015 Forecasts

3 Efforts for Final Year of Mid-term Management Plan

1

Fiscal Year 2015 Six-month Financial Results

1-1. Fiscal Year 2015 Six-month Summary



Record figures were reported for both Net Sales and Profits for the past three periods, surpassing the corresponding figures from each previous year.

(Millions of yen)

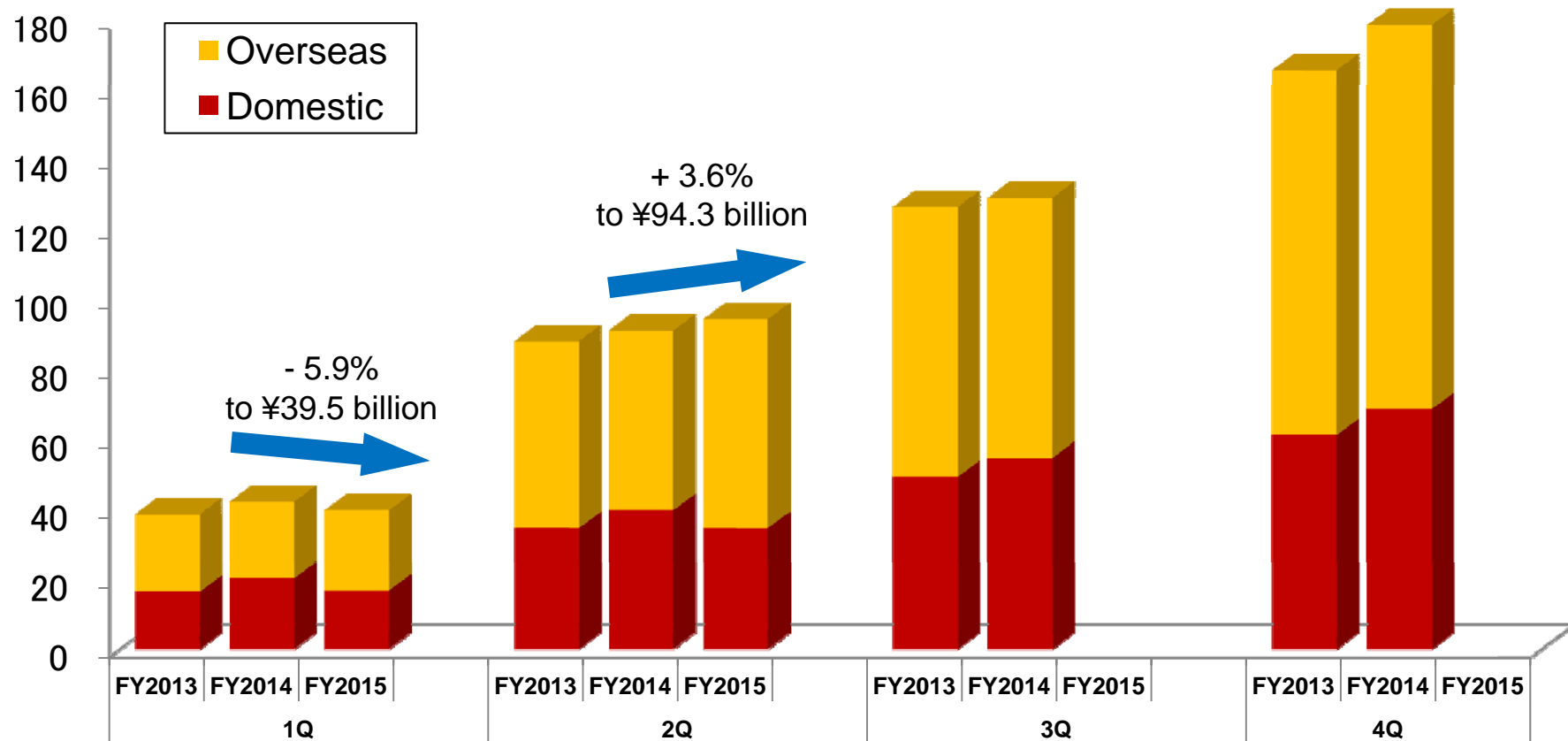
| | FY2015 2Q | Percentage (Margin) | FY2014 2Q | Percentage (Margin) | Change in % | Initial Plan |
|---|-----------|---------------------|-----------|---------------------|-------------|--------------|
| Orders Received | 94,310 | 100.0% | 91,045 | 100.0% | + 3.6% | - |
| Domestic | 34,401 | 36.5% | 39,497 | 43.4% | - 12.9% | - |
| Overseas | 59,908 | 63.5% | 51,547 | 56.6% | + 16.2% | - |
| Net Sales | 83,728 | 100.0% | 73,976 | 100.0% | + 13.2% | 80,000 |
| Domestic | 28,074 | 33.5% | 26,890 | 36.4% | + 4.4% | - |
| Overseas | 55,653 | 66.5% | 47,085 | 63.6% | + 18.2% | - |
| Operating Income | 6,723 | 8.0% | 5,275 | 7.1% | + 27.4% | 6,000 |
| Ordinary Income | 7,359 | 8.8% | 5,906 | 8.0% | + 24.6% | 6,500 |
| Profit Attributable to Owners of Parent | 4,633 | 5.5% | 3,333 | 4.5% | + 39.0% | 4,000 |
| EPS | ¥57.45 | - | ¥35.95 | - | + ¥21.50 | ¥49.62 |

Average Exchange Rate : FY2015 2Q 1US\$=¥120.16, FY2014 2Q 1US\$=¥102.90

1-2. Orders Received – Quarterly Cumulative Comparison

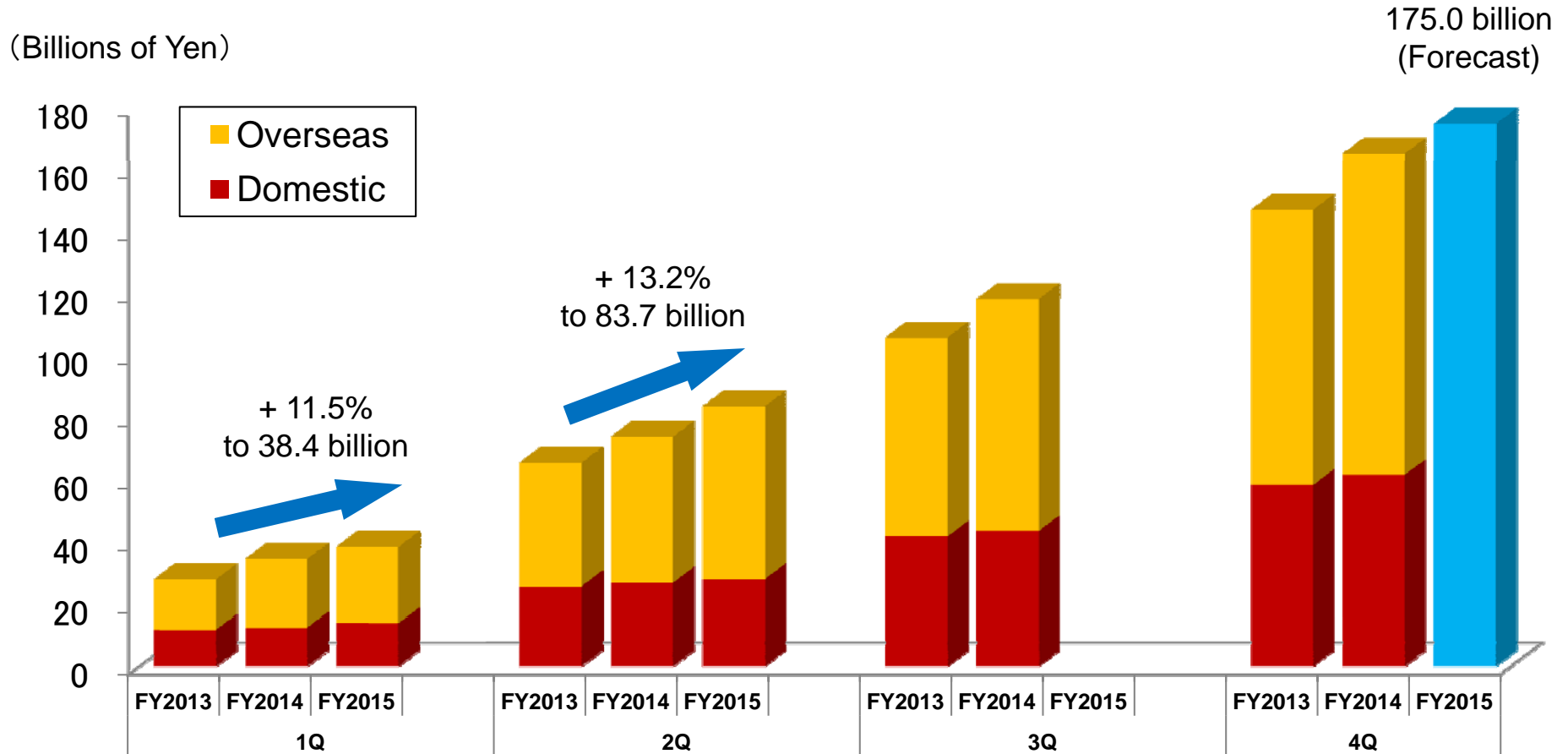
North America’s performance was strong, that of Japan decreased, and that of East Asia decreased substantially

(Billions of Yen)



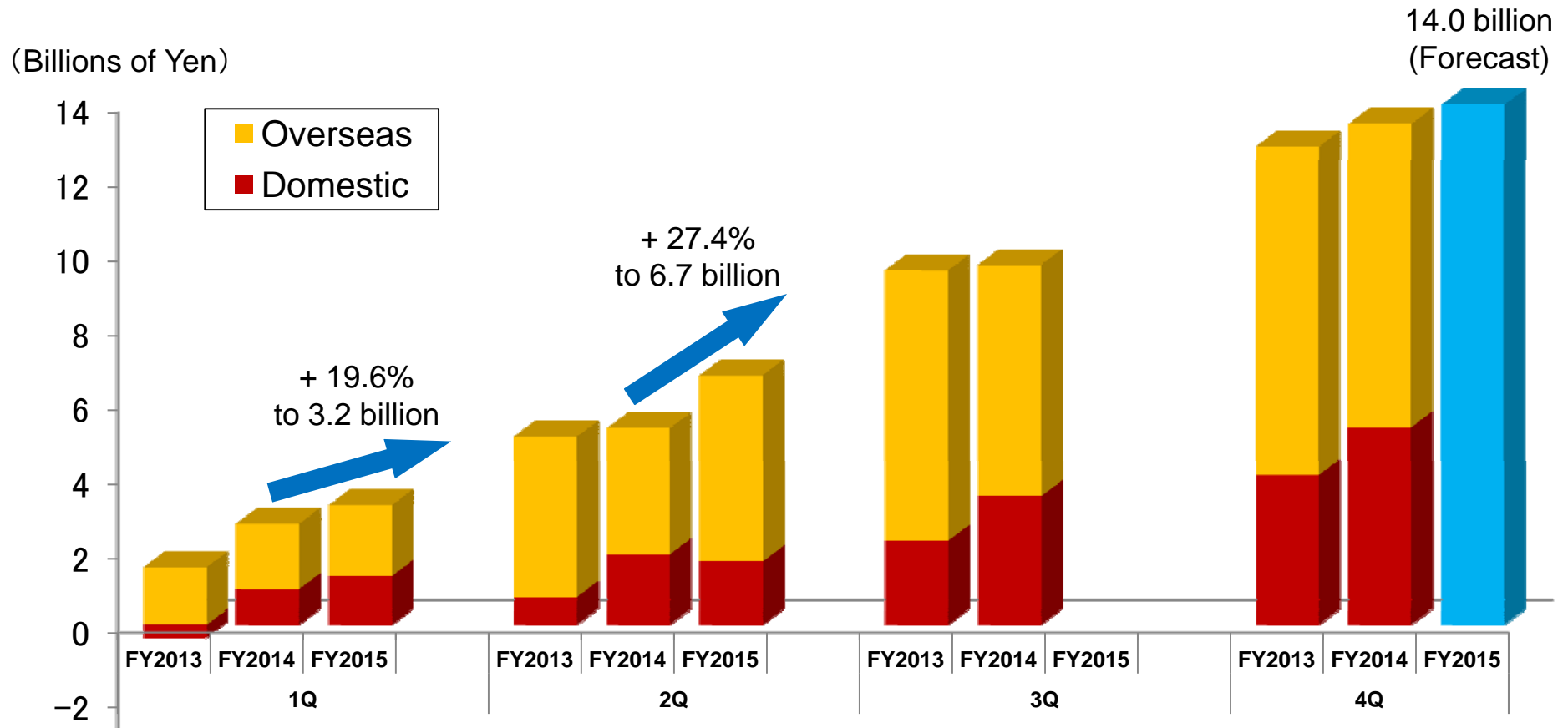
1-3. Net Sales – Quarterly Cumulative Comparison

Japan recorded increased Net Sales and the performance of North America and South Asia was good



1-4. Operating Income – Quarterly Cumulative Comparison

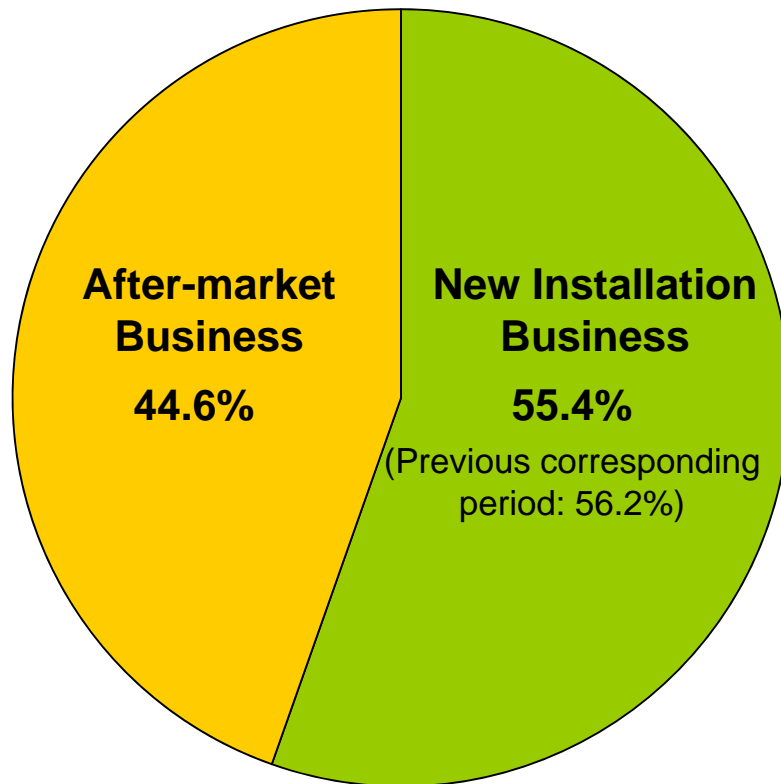
South Asia and East Asia recorded increased Net Income and that of North America improved



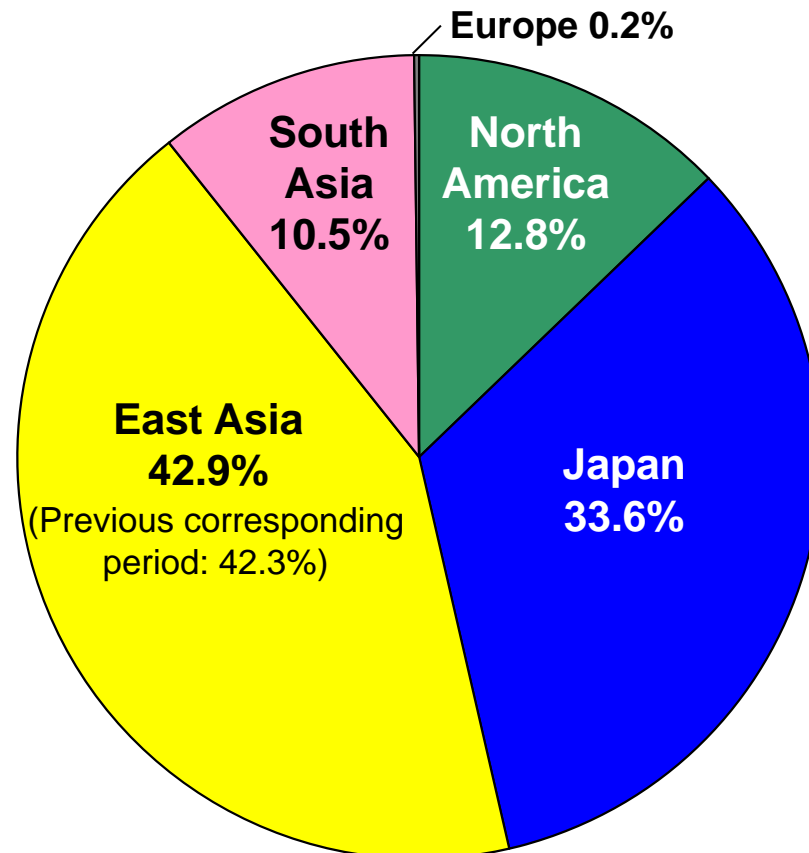
1-5. Net Sales by Business and Segment

The share of overseas in total Net Sales increased

Net Sales by Business



Net Sales by Segment



1-6. Net Sales & Operating Income by Segment



Net Sales and Operating Income increased for all segments except Europe

(Millions of yen)

| | Net Sales | | | Operating Income | | |
|-----------------|-----------|-----------|-------------|------------------|-----------|---------|
| | FY2015 2Q | FY2014 2Q | Change in % | FY2015 2Q | FY2014 2Q | Change |
| Japan | 30,438 | 29,313 | + 3.8% | 1,951 | 1,898 | + 53 |
| East Asia | 39,909 | 34,465 | + 15.8% | 3,822 | 3,085 | + 737 |
| North America | 10,718 | 7,832 | + 36.9% | - 141 | - 571 | + 430 |
| South Asia | 8,757 | 7,422 | + 18.0% | 1,125 | 812 | + 313 |
| Europe | 230 | 269 | - 14.5% | - 35 | - 16 | - 18 |
| Total | 90,054 | 79,302 | + 13.6% | 6,723 | 5,206 | + 1,516 |
| Reconciliations | - 6,326 | - 5,325 | - | - 0 | 68 | - 69 |
| Consolidated | 83,728 | 73,976 | + 13.2% | 6,723 | 5,275 | + 1,447 |

Average Exchange Rate : FY2015 2Q 1US\$=¥120.16, FY2014 2Q 1US\$=¥102.90

1-7. Operating Environment - Japan

Maintained firmly the basic trend of increased Net Sales and increased Operating Income despite a sense of stagnation in the market

New Installation Business

- Steady Net Sales and Operating Income maintained
- Sales prices improved

After-market Business

- Steady Net Sales and Operating Income maintained
- Modernization Business developed satisfactorily



**Umeda 1-1 Bldg.
(provisional name) (Osaka)**



**Teikyo University Hachioji
Campus (Tokyo)**

1-8. Operating Environment - East Asia

Net Sales remained practically unchanged and recorded increased Operating Income

China

- The rate of increase in the elevator market slowed down
- Competition for orders intensified due to the deteriorated market environment
- Sales activities were strengthened for the second quarter
- A flexible pricing strategy was implemented

Hong Kong Taiwan Korea

- Hong Kong and Taiwan recorded increases in both Net Sales and Operating Income



Shangri-La Hotel Nanchang (China)



Gleneagles Hong Kong Hospital (Hong Kong)

1-9. Operating Environment - South Asia

Increased Net Sales and increased Operating Income

Singapore

- After-market Business developed steadily

India
ASEAN
Region

- India recorded increased Net Sales and improved Profits
- In the second quarter, the ASEAN region faced severe management circumstances due to the sluggish economies and weakened currencies of countries in this region



**Radia Bukit Jelutong
(Malaysia)**



**Iloilo Business Park
(Philippines)**

1-10. Operating Environment - North America & Europe



North America is on the track to recovery with an economic expansion

North America

- Both New Installation Business and After-market Business were developed
- Operating Income moved into the black on the second quarterly period

Europe

- Operating activity remained sluggish



**Chevron 1400 Smith
(USA)**

1-11. Consolidated Balance Sheet

FUJITEC

(Millions of yen)

| | As of Sep 2015 | As of Mar 2015 | Change | Remarks |
|-------------------------------------|----------------|----------------|----------------|---|
| Current Assets | 128,289 | 132,134 | - 3,845 | |
| Cash and Cash Equivalents | 44,750 | 51,674 | - 6,923 | Decreased in Japan and East Asia |
| Trade Notes and Accounts Receivable | 53,266 | 53,184 | + 82 | |
| Inventories | 23,104 | 20,554 | + 2,550 | Increased in Japan and East Asia |
| Others | 7,167 | 6,721 | + 446 | |
| Fixed Assets | 48,373 | 47,722 | + 651 | |
| Property, Plant and Equipment | 34,047 | 32,885 | + 1,161 | Capital investment:+2,219, Depreciation:-1,169, Foreign exchange, etc.:+111 |
| Intangible Assets | 4,299 | 4,311 | - 12 | |
| Investments and Other Assets | 10,025 | 10,524 | - 498 | |
| Total Assets | 176,663 | 179,856 | - 3,193 | |
| Current Liabilities | 70,405 | 71,406 | - 1,000 | Electronically recorded obligations-operating:-1,281 |
| Non-current Liabilities | 4,111 | 3,829 | + 281 | Net defined benefit liability:+282 |
| Net Assets | 102,146 | 104,620 | - 2,474 | Retained earnings:+3,582, Treasury Stock: -7,602, Foreign currency translation adjustments:+958, Non-controlling interests:+981 |
| Shareholders' Equity Ratio | 50.9% | 51.9% | - | |
| BPS | ¥1,117.75 | ¥1,074.82 | + ¥42.93 | |

Cash Flows from Operating Activities decreased

(Millions of yen)

| | FY2015 2Q | FY2014 2Q | Change |
|--|-----------|-----------|---------|
| Cash and Cash Equivalents at Beginning of the Year | 30,602 | 20,903 | + 9,699 |
| Cash Flows from Operating Activities | 1,890 | 5,141 | - 3,250 |
| Cash Flows from Investing Activities | - 3,100 | - 532 | - 2,567 |
| Free Cash Flows | - 1,210 | 4,608 | - 5,818 |
| Cash Flows from Financing Activities | - 7,608 | 464 | - 8,073 |
| Cash and Cash Equivalents at End of Second Quarter | 22,244 | 25,141 | - 2,896 |

2

Fiscal Year 2015 Forecasts

2-1. Forecasts for Fiscal Year 2015

Operating Income has been revised downward

FY2015 (Previous Forecasts)

(100 millions of yen)

| | Net Sales | Operating Income (Margin) | |
|---------------------|--------------|---------------------------|-------------|
| Japan | 690 | 54 | 7.8% |
| East Asia | 850 | 82 | 9.6% |
| North America | 180 | 0 | - |
| South Asia | 160 | 17 | 10.6% |
| Europe | 8 | 0 | - |
| Total | 1,888 | 153 | 8.1% |
| Reconciliations | - 138 | - 3 | - |
| Consolidated | 1,750 | 150 | 8.6% |

Average Exchange Rate: 1US\$=¥115

FY2015 (Revised Forecasts)

(100 millions of yen)

| | Net Sales | Operating Income (Margin) | |
|---------------------|--------------|---------------------------|-------------|
| Japan | 670 | 54 | 8.1% |
| East Asia | 830 | 72 | 8.7% |
| North America | 210 | 1 | 0.5% |
| South Asia | 160 | 15 | 9.4% |
| Europe | 5 | 0 | - |
| Total | 1,875 | 142 | 7.6% |
| Reconciliations | - 125 | - 2 | - |
| Consolidated | 1,750 | 140 | 8.0% |

Average Exchange Rate: 1US\$=¥120

2-2. Forecasts for FY 2015 by Segment

Japan: Net Sales have been reduced

(Millions of yen)

| | FY2015 | FY2014 | Change in % |
|------------------|--------|--------|-------------|
| Net Sales | 67,000 | 65,514 | + 2.3% |
| Operating Income | 5,400 | 5,149 | + 4.9% |
| Margin | 8.1% | 7.9% | + 0.2P |

- Operating Income has been held unchanged
- Operating Income margin is predicted to be 8.1%

2-2. Forecasts for FY 2015 by Segment

East Asia: Both Net Sales and Operating Income have been reduced

(Millions of yen)

| | FY2015 | FY2014 | Change in % |
|------------------|--------|--------|-------------|
| Net Sales | 83,000 | 76,240 | + 8.9% |
| Operating Income | 7,200 | 7,328 | - 1.7% |
| Margin | 8.7% | 9.6% | - 0.9P |

Average Exchange Rate: 1RMB=¥19

- The Chinese economic slowdown has affected the elevator market as well
- Competition for orders has intensified due to the deteriorated market environment
- Operating Income margin is predicted to be 8.7%

2-2. Forecasts for FY 2015 by Segment

South Asia: Operating Income has been reduced

(Millions of yen)

| | FY2015 | FY2014 | Change in % |
|------------------|--------|--------|-------------|
| Net Sales | 16,000 | 15,499 | + 3.2% |
| Operating Income | 1,500 | 1,558 | - 3.8% |
| Margin | 9.4% | 10.1% | - 0.7P |

Average Exchange Rate: 1S\$=¥86

- In Singapore, demand has dropped due to reduction in real estate investments
- In Indonesia, Malaysia, etc., projects have been postponed due to these countries' sluggish economy and weakened currency

2-2. Forecasts for FY 2015 by Segment

North America & Europe: North America has moved into the black

(Millions of yen)

| North America | FY2015 | FY2014 | Change in % |
|------------------|--------|--------|-------------|
| Net Sales | 21,000 | 17,735 | + 18.4% |
| Operating Income | 100 | - 582 | - |
| Margin | 0.5% | - | - |

| Europe | FY2015 | FY2014 | Change in % |
|------------------|--------|--------|-------------|
| Net Sales | 500 | 601 | - 16.9% |
| Operating Income | 0 | -1 | - |
| Margin | - | - | - |

Average Exchange Rate: 1US\$=¥120, 1EURO=¥135.5

- In North America, both New Installation Business and After-market Business have developed and moved into the black
- In Europe, the break-even point has been firmly maintained

Capital Investment, Depreciation, R&D Expenses and Dividends

(Millions of yen)

| | FY2015 | FY2014 | Change |
|--------------------|--------|--------|---------|
| Capital Investment | 7,700 | 4,216 | + 3,484 |
| Domestic | 2,000 | 1,441 | + 559 |
| Overseas | 5,700 | 2,775 | + 2,925 |
| Depreciation | 2,900 | 2,373 | + 527 |
| R&D Expenses | 2,000 | 2,023 | - 23 |

(Yen)

| | FY2015 | FY2014 | Change |
|----------------------------|-------------------------------------|---|--------|
| Dividends | 30 | 24 | + 6 |
| Interim | 15 | 12 | + 3 |
| Year-end | 15 | 12 | + 3 |
| Purchase of Treasury Stock | 6,491,400 shares (April 9, 2015) | 6,000,000 shares (February 13, 2015) | |

3

Efforts for Final Year of Mid-term Management Plan

Mid-term Management Plan “Grow Together! Yes, Fujitec Can”

Grow Together!

Yes, Fujitec Can



Mid-Term Management Plan FY 2013, 2014, 2015

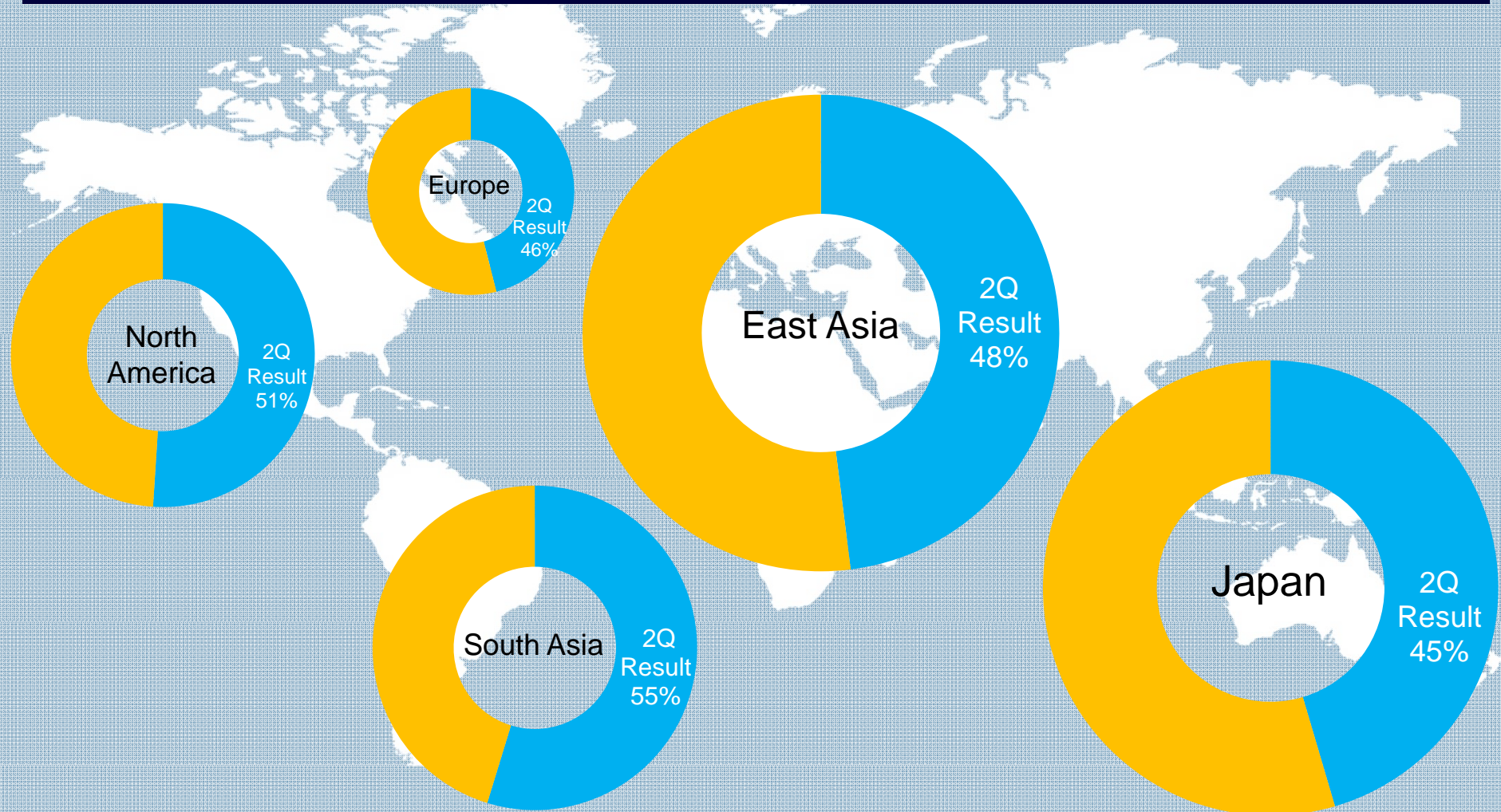
[Action Visions]

1. Enhance our ability to supply products and cost competitiveness as a full-line producer in global markets.
2. Accelerate our production reorganization in the Asian region, including Japan, to revamp our global supply chain.
3. Place the highest priority on safety and quality to continue to earn our customers' trust and meet their expectations.
4. Upgrade training programs in order to cultivate and improve our global collaboration and human relations.



3-2. Progress of Mid-term Management Plan

(Net Sales) Progress Rate of Final Year of Mid-term Management Plan

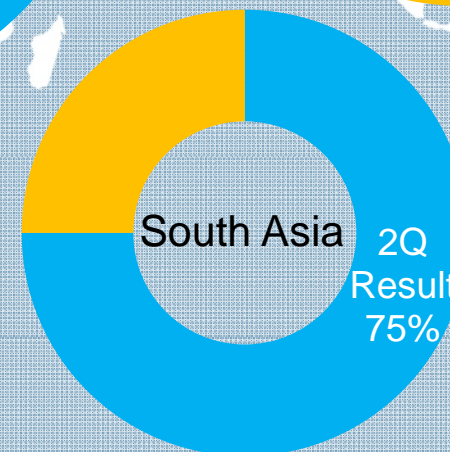
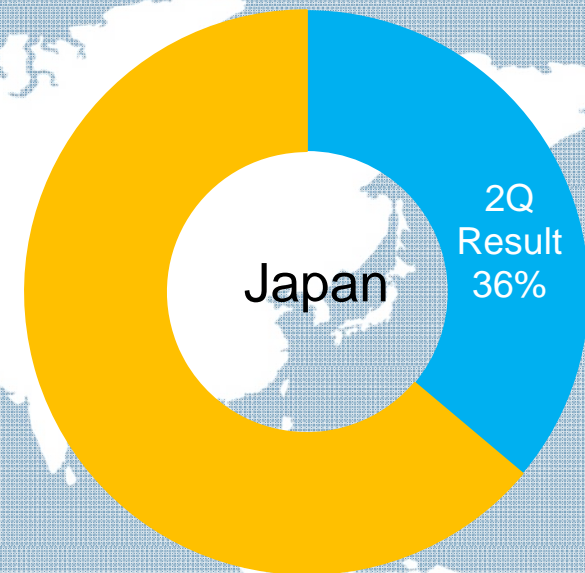
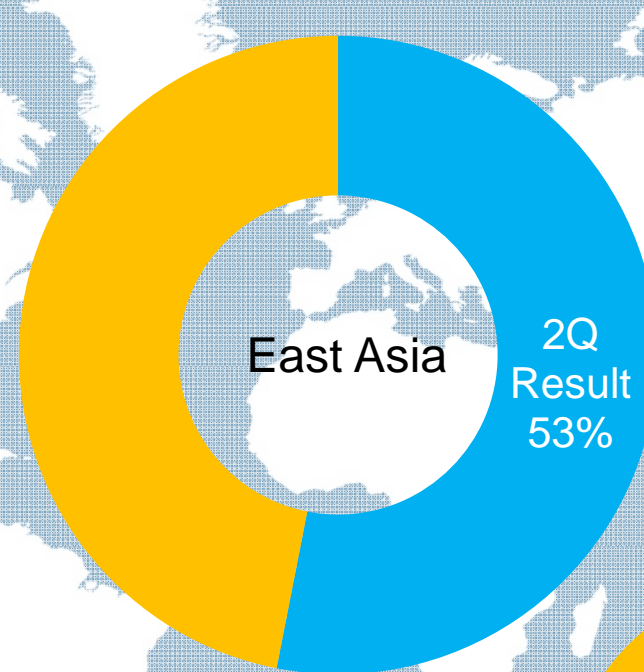


3-2. Progress of Mid-term Management Plan

(Operating Income) Progress Rate of Final Year of Mid-term Management Plan

North America
2Q Result: - 141 million

Europe
2Q Result: - 35 million



Measures in Japanese Market

- Strengthening efforts toward receiving orders for redevelopment-related businesses



- Promoting sales activities further, mainly in the Tokyo metropolitan area



Status and Efforts in Chinese Market

- Competition has intensified in the elevator market due to slowdown in economic growth



**Sales promotion of
“ZEXIA”**

**Expansion of
export**

**Expansion of
distributors**

**New customer
development**

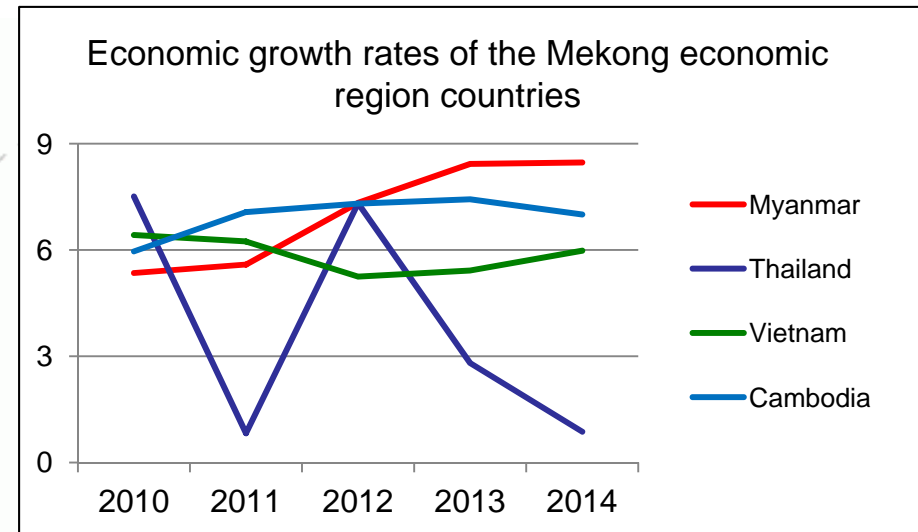
India: Domestic sales circumstances have improved

- A market upturn under the new government
- Orders Received show good, steady progress
- Sales activities have been enhanced in major cities

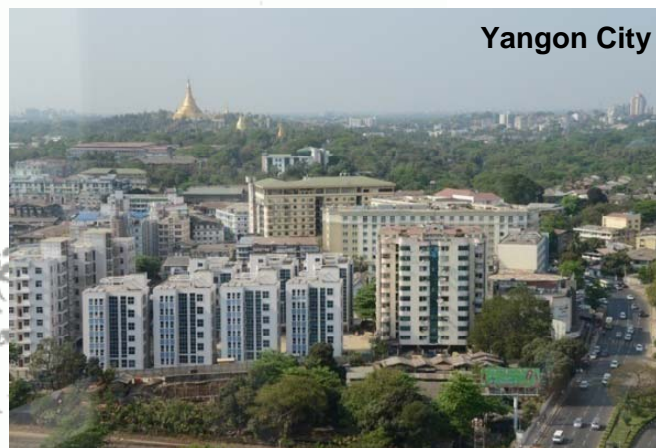


Sales efforts have been developed aiming at increasing Orders Received

Establishment of New Site in Myanmar



Source: Data extracted from documents of IMF



Reference Information

Corporate Profile (as of September 30, 2015)

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 corporate auditors (including 2 outside auditors) |
| Employees | Consolidated 9,261 (non-consolidated 2,826) |
| 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 2015 (ending March 31, 2016) 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 25, 2015. 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 25, 2015

FUJITEC

**Fiscal Year 2015 (Ending March 31, 2016)
Six-month Results Presentation**

