



**Fiscal Year Ended
March 31, 2018 (FY2017)
Financial Result
Presentation**

**Fujitec Co., Ltd.
May 25, 2018**



1. Fiscal Year 2017 Financial Results

2. Fiscal Year 2018 Forecasts

3. Actions for Final Year of Mid-term Management Plan

1. Fiscal Year 2017 Financial Results

1-1. Fiscal Year 2017 Summary

Decrease in Ordinary Income due to sluggish business performance in China

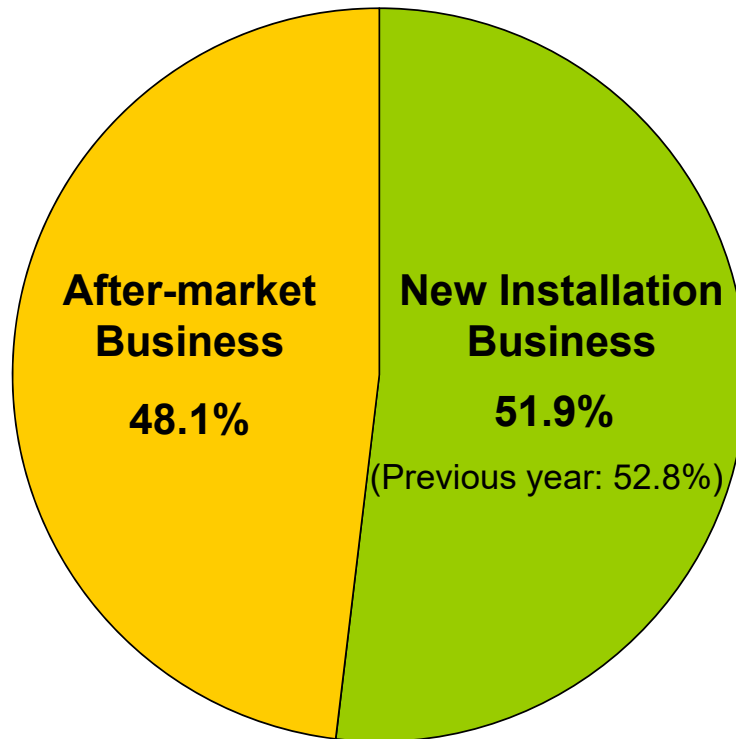
(Millions of yen)

	FY2017	Percentage (Margin)	Revised Plan	Initial Plan	FY2016	Percentage (Margin)	Change
Orders Received	182,023	100.0%	-	-	174,966	100.0%	+ 4.0%
Domestic	68,094	37.4%	-	-	64,452	36.8%	+ 5.7%
Overseas	113,929	62.6%	-	-	110,513	63.2%	+ 3.1%
Net Sales	168,795	100.0%	171,000	175,000	167,442	100.0%	+ 0.8%
Domestic	64,935	38.5%	-	-	62,797	37.5%	+ 3.4%
Overseas	103,860	61.5%	-	-	104,644	62.5%	- 0.8%
Operating Income	10,665	6.3%	10,500	13,200	12,687	7.6%	- 15.9%
Ordinary Income	11,911	7.1%	11,500	13,500	13,110	7.8%	- 9.1%
Profit Attributable to Owners of Parent	8,857	5.2%	8,300	9,000	8,564	5.1%	+ 3.4%
EPS	¥109.82	-	¥102.94	¥111.75	¥106.35	-	+ ¥3.47

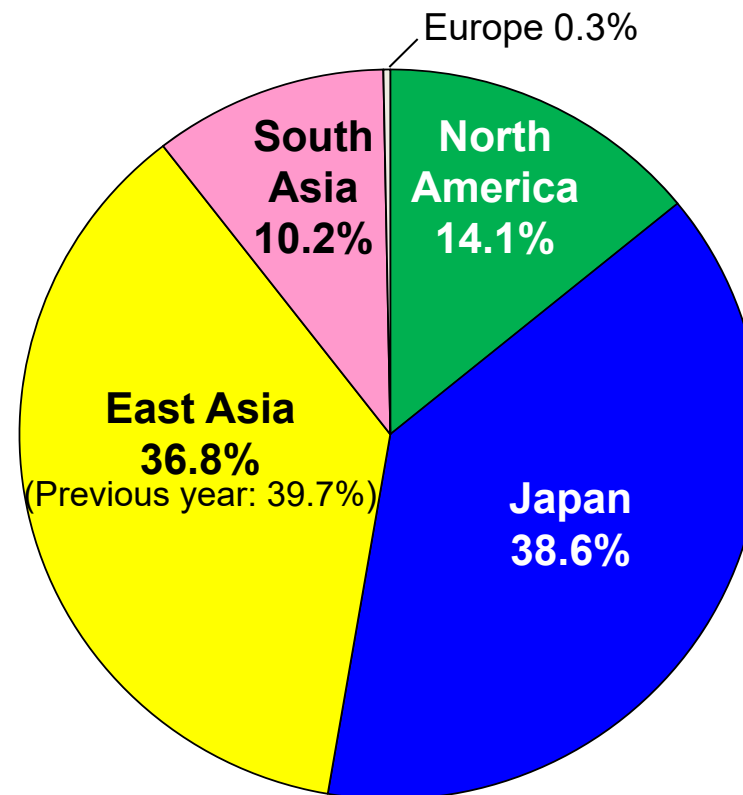
Average Exchange Rate : FY2017 1US\$=¥112, FY2016 1US\$=¥109

Net Sales in East Asia decreased

Net Sales by Business



Net Sales by Segment



1-3. Net Sales & Operating Income by Segment



Increases in Net Sales & Operating Income in Japan and South Asia

(Millions of yen)

	Net Sales			Operating Income		
	FY2017	FY2016	Change in %	FY2017	FY2016	Change
Japan	67,646	65,572	+ 3.2%	5,728	5,445	+ 283
East Asia	70,442	72,594	- 3.0%	2,257	4,540	- 2,282
North America	23,871	22,092	+ 8.1%	920	930	- 9
South Asia	17,191	15,586	+ 10.3%	1,936	1,720	+ 215
Europe	511	407	+ 25.4%	- 67	- 54	- 13
Total	179,662	176,254	+ 1.9%	10,774	12,582	- 1,807
Reconciliations	- 10,867	- 8,811	-	- 109	105	- 214
Consolidated	168,795	167,442	+ 0.8%	10,665	12,687	- 2,022

Average Exchange Rate : FY2017 1US\$=¥112, FY2016 1US\$=¥109

1-4. Summary by Segment (Japan)

Net Sales and Operating Income increased and reached new record highs in the past two periods

Demand Trend

- Hotels and commercial facilities were steady
- Condominiums remained flat
- Demand trended steadily centered on the Tokyo metropolitan area

(Millions of yen)

	FY2017	FY2016	Change
Net Sales	67,646	65,572	+ 3.2%
Operating Income	5,728	5,445	+ 5.2%
Operating Income Margin	8.5%	8.3%	+ 0.2P



Keikyu Group HQ. Building
(provisional name) (Yokohama)

Business Overview

- Net Sales in New Installation Business and After-market Business increased
- Subcontracting costs and labor costs in the New Installation Business increased
- After-market Business trended steadily and increased Operating Income

1-4. Summary by Segment (East Asia)

Operating Income decreased significantly due to poor business performance in China

Demand Trend

- China was steady and increased slightly on a basis of units
- Hong Kong, Taiwan and Korea recovered slowly

(Millions of yen)

	FY2017	FY2016	Change
Net Sales	70,442	72,594	- 3.0%
Operating Income	2,257	4,540	- 50.3%
Operating Income Margin	3.2%	6.3%	- 3.1P



China Life Insurance New HQ.
Building (Taiwan)

Business Overview

- Unit-based Orders Received reached a new record in New Installation Business in China
- Net Sales in New Installation Business decreased because of a drop in sales prices due to intensifying price competition
- Operating Income in China decreased significantly due to price competition and increased material costs
- Net Sales and Operating Income increased in Hong Kong and Taiwan

1-4. Summary by Segment (South Asia)

**Net Sales and Operating Income increased in Singapore
New Installation Business in India was slack**

Demand Trend

- Singapore and the ASEAN Region mostly trended steadily
- India was stagnant

(Millions of yen)

	FY2017	FY2016	Change
Net Sales	17,191	15,586	+ 10.3%
Operating Income	1,936	1,720	+ 12.5%
Operating Income Margin	11.3%	11.0%	+ 0.3P



Our Tampines Hub
(Singapore)

Business Overview

- Net Sales and Operating Income increased in Singapore due to continuously steady After-market business
- In India, Orders Received for New Installation Business remained sluggish and Maintenance trended steadily

After-market Business in North America expanded

Demand Trend

- North America trended steadily due to economic expansion

Business Overview

- In North America, Modernization and Maintenance were strong, but Operating Income was flat due to increased expenses
- In Europe, the sales subsidiary in Germany was sold



Trump Tower (Uruguay)

North America

(Millions of yen)

	FY2017	FY2016	Change
Net Sales	23,871	22,092	+ 8.1%
Operating Income	920	930	- 1.0%
Operating Income Margin	3.9%	4.2%	- 0.3P

Europe

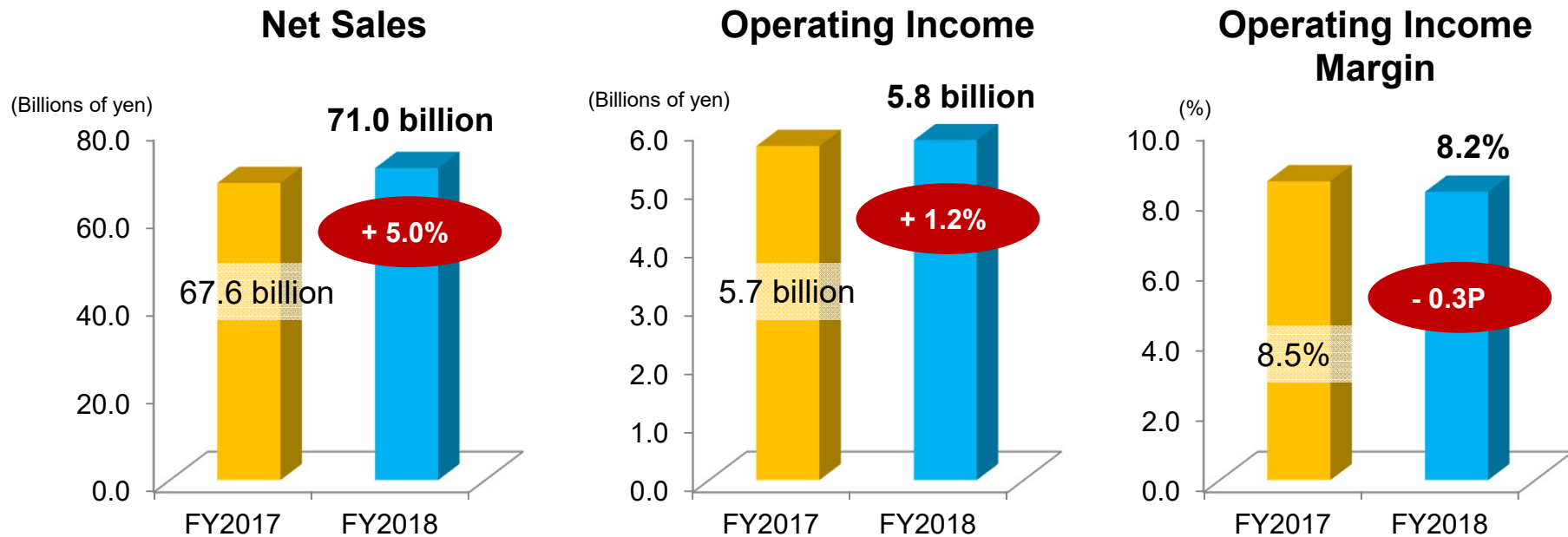
(Millions of yen)

	FY2017	FY2016	Change
Net Sales	511	407	+ 25.4%
Operating Income	- 67	- 54	-
Operating Income Margin	-	-	-

2. Fiscal Year 2018 Forecasts

2-1. Forecasts by Segment (Japan)

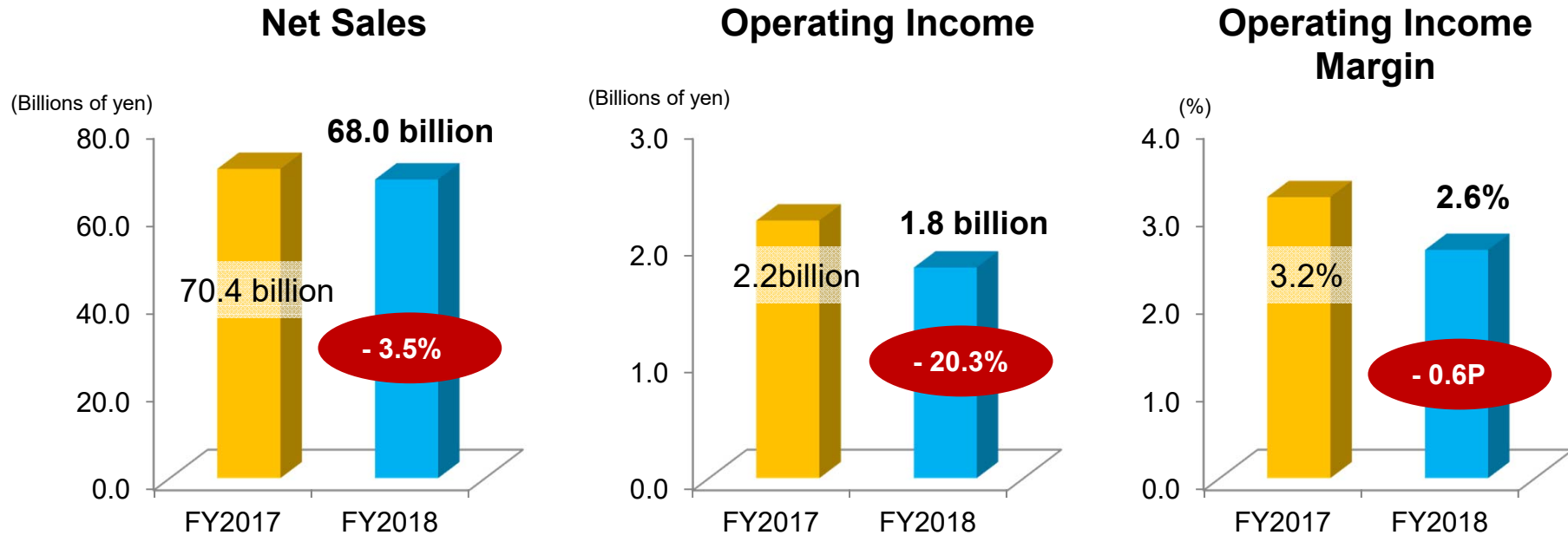
Targeting at increase in Net Sales and Operating Income for three consecutive periods



- Demand trends steadily centered on the Tokyo metropolitan area
- Orders Received increases in New Installation Business and Maintenance remains steady in After-market Business
- Big projects continue to be completed and Net Sales increases
- Operating Income Margin decreases due to increased labor costs and expenses

2-1. Forecasts by Segment (East Asia)

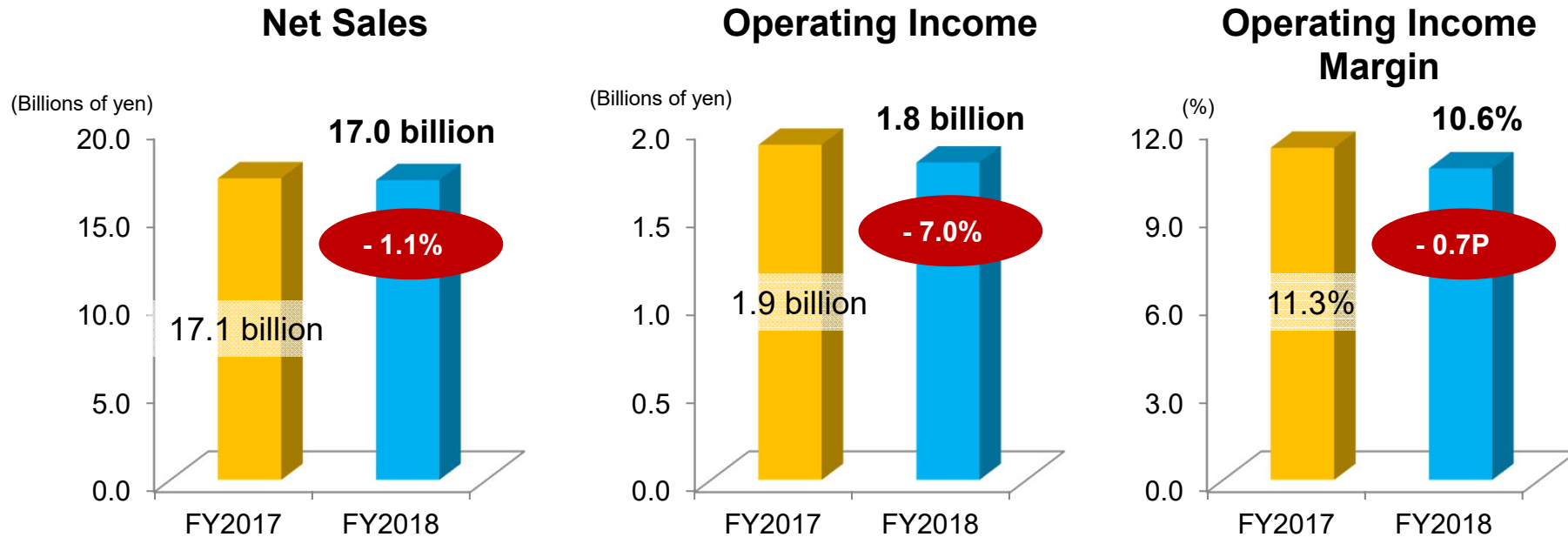
Decreased Net Sales and Operating Income



- Net Sales in China maintains the previous year's level and Net Sales in Hong Kong and Taiwan decrease
- Operating Income in China is forecast to decrease due to a continuous drop in sales prices
- Despite remaining steady in Hong Kong and Taiwan, Korea is estimated to produce Operating Loss

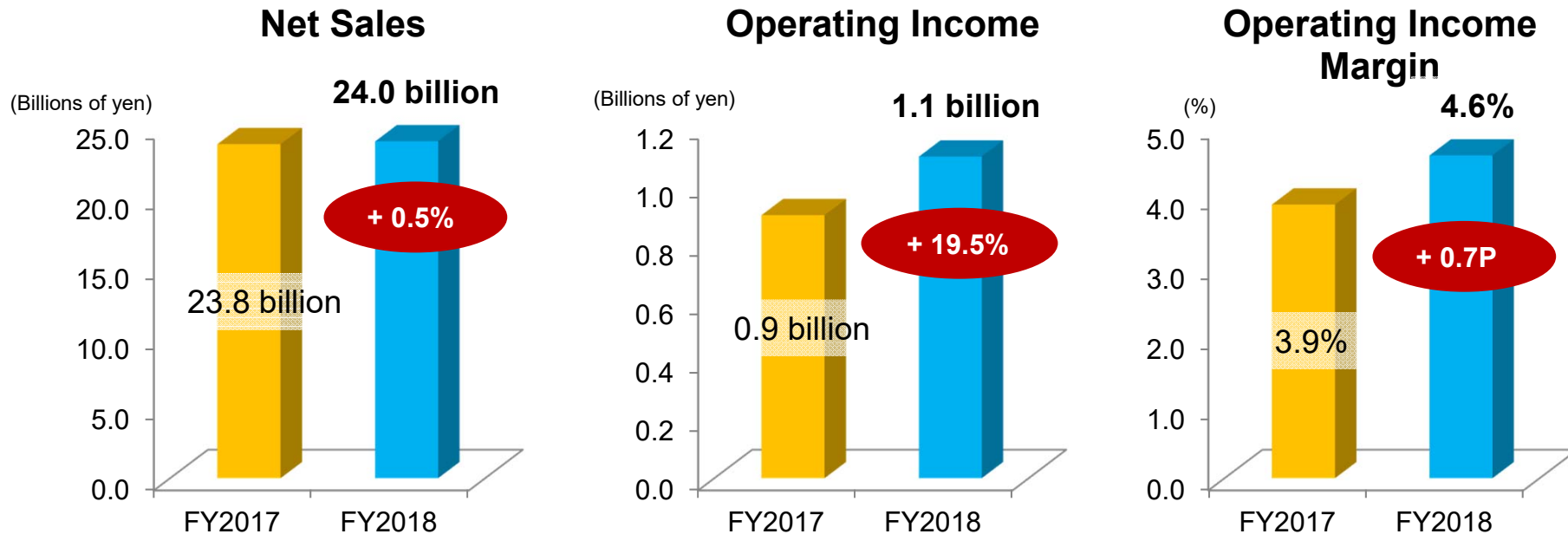
2-1. Forecasts by Segment (South Asia)

Net sales and Operating Income remain flat



- In Singapore, despite decreased New Installation Business, After-market Business remains steady and Operating Income decreases slightly due to increases in labor costs and expenses
- Indonesia and Malaysia are forecast to produce increased Operating Income
- India is expected to expand demand and increase Orders Received in New Installation Business and Net Sales

Improved Operating Income Margin due to increases in Net Sales and Operating Income



- The environment for Orders Received is favorable
- Net Sales and Operating Income in New Installation Business and After-market Business increase

Capital Investment, Depreciation, R&D Expenses and Dividends

(Millions of yen)

	FY2018	FY2017	Change
Capital Investment	3,900	2,337	+ 1,563
Domestic	2,900	1,181	+ 1,719
Overseas	1,000	1,156	- 156
Depreciation	3,000	2,915	+ 85
R&D Expenses	2,600	2,323	+ 277

(Yen)

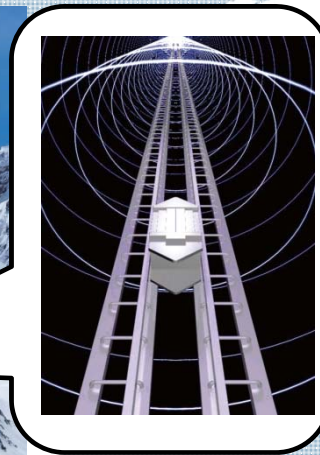
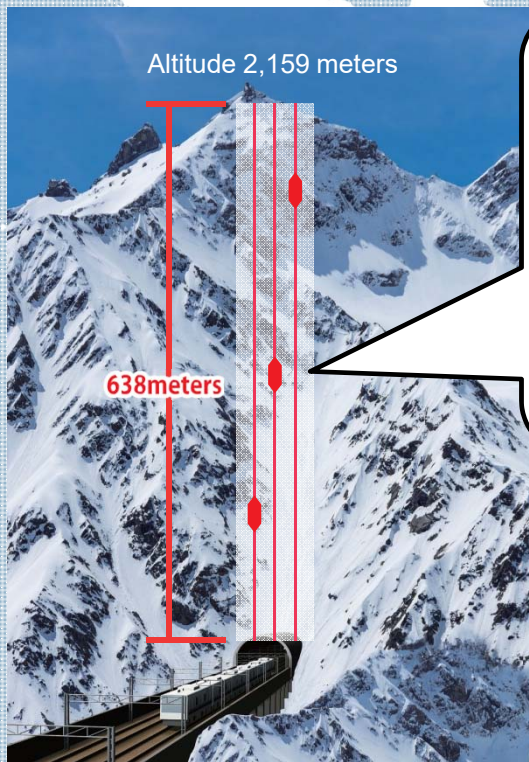
	FY2018	FY2017	Change
Dividends	42	35	+ 7
Interim	20	15	+ 5
Year-end	22	20	+ 2

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

3. Actions for Final Year of Mid-term Management Plan

Increase Fujitec's market share by identifying and supporting specific regional needs

Order Received for the world's longest shuttle elevator

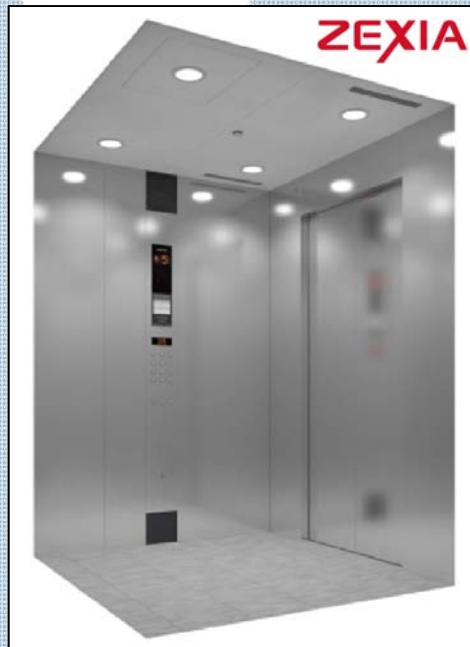


- “Snowland Project” located in Zhangjiakou (China)
- Won order for the elevator with a speed of 720 meters per minute

Increase competitiveness through the unification of product specification

■ New global standard type of elevators

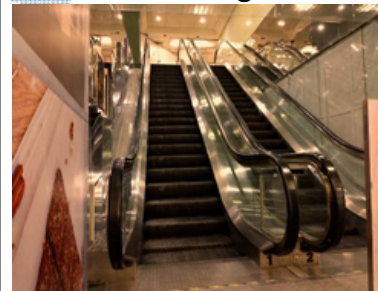
- ZEXIA: With machine room
- REXIA: Without machine room



■ Modernization for escalator

“Unit-in-Truss Method”

- Upgrading to the latest escalator while retaining the existing truss



Before



After

■ WING SQUARE

Establishment of Research and development facilities at Big Wing (Hikone)



Innovate procurement systems

Promoting procurement and logistics innovation through standardization of machines and parts



Establish a new global network for product design

- Unification of ordering system among sales bases and manufacturing bases
- Global sharing of design information



Enhance the quality of Fujitec's corporate management

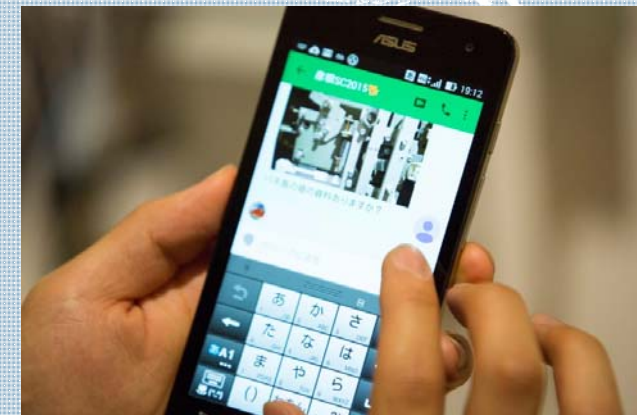
Work style reforms using smartphone

Utilization of application developed in-house

- Attendance-book application
- Map application
- Application for maintenance etc.



Promoting flexibility and work efficiency



Reference Information

1. Consolidated Balance Sheet



(Millions of yen)

	Mar. 31, 2018	Mar. 31, 2017	Change	Remarks
Current Assets	130,856	123,038	+ 7,817	
Cash and Cash Equivalents	49,856	45,749	+ 4,107	Increased in South Asia and East Asia
Trade Notes and Accounts Receivable	53,411	50,455	+ 2,955	Increased in South Asia and East Asia
Inventories	21,864	20,661	+ 1,203	Increased in East Asia
Others	5,723	6,172	- 448	
Fixed Assets	52,362	49,969	+ 2,392	
Property, Plant and Equipment	34,388	34,495	- 106	Capital investment: +2,175, Depreciation: -2,632, Foreign exchange, etc.: +351
Intangible Assets	4,029	3,893	+ 136	
Investments and Other Assets	13,943	11,580	+ 2,363	Increased in unrealized gains on securities due to stock price rise: +1,056, Acquisition: +1,233
Total Assets	183,218	173,007	+ 10,210	
Current Liabilities	66,821	64,103	+ 2,718	Provision for losses on construction contracts: -1,257, Trade notes and accounts payable: +1,002, Advances from customer: +3,039
Non-current Liabilities	4,574	5,057	- 482	
Net Assets	111,822	103,847	+ 7,974	Retained earnings: +6,425
Shareholders' Equity Ratio	54.8%	53.5%	+ 1.3P	
BPS	¥1,243.46	¥1,148.36	+ ¥95.10	

2. Cash Flows

(Millions of yen)

	FY2017	FY2016	Change
Cash and Cash Equivalents at Beginning of the Fiscal Year	20,910	21,833	- 923
Cash Flows from Operating Activities	11,870	14,360	- 2,489
Cash Flows from Investing Activities	- 5,345	- 6,957	+ 1,611
Free Cash Flows	6,525	7,403	- 877
Cash Flows from Financing Activities	- 3,858	- 6,757	+ 2,898
Cash and Cash Equivalents at End of the Fiscal Year	24,043	20,910	+ 3,133

3. Corporate Profile (as of March 31, 2018)



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 9,931 (non-consolidated 2,919)
Group companies	34 companies (including 18 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 Ended March 31, 2018 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 May 25, 2018. 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.

May 25, 2018

FUJITEC

**Fiscal Year Ended March 31, 2018
Financial Result Presentation**

