

FUJITEC

**Fiscal Year 2019
(Ending March 31, 2020)
Six-month Financial
Result Presentation**

November 26, 2019



1. Fiscal Year 2019 Six-month Financial Results

2. Fiscal Year 2019 Consolidated Forecasts

1. Fiscal Year 2019 Six-month Financial Results



FUJITEC

Innovation, Quality & Speed

New Mid-Term Management Plan FY2019-FY2021

Action Vision

- 1, "Expansion of Fujitec standard model in our products throughout the world and enhancement of our profitability with customers' satisfaction"
- 2, "Reinforcement of our technical platform to enhance corporate growth and value"
- 3, "Process innovation to meet changing needs of customers at their required speed"
- 4, "Enhancement of quality of management with SDGs approach"

1-1. Fiscal Year 2019 Six-month Summary



Net sales reached a new record high

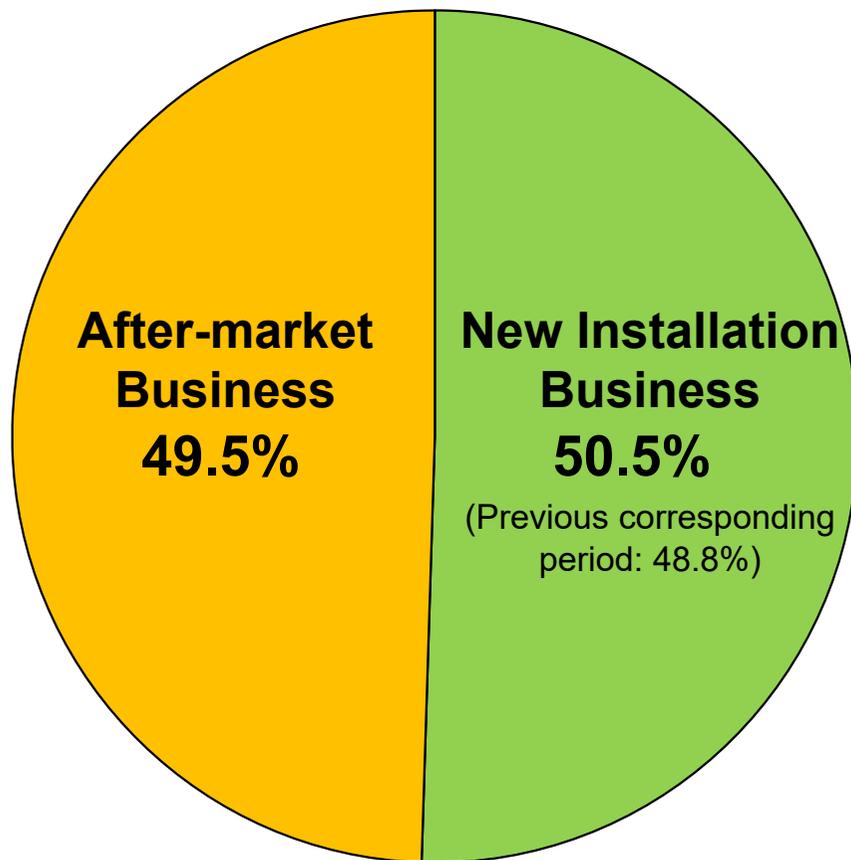
(Millions of yen)

	FY2019 2Q	Percentage (Margin)	Revised Plan	FY2018 2Q	Percentage (Margin)	Change	Initial Plan
Orders Received	91,692	100.0%	-	84,821	100.0%	+8.1%	-
Domestic	36,504	39.8%	-	37,117	43.8%	-1.7%	-
Overseas	55,188	60.2%	-	47,703	56.2%	+15.7%	-
Net Sales	85,859	100.0%	85,000	77,482	100.0%	+10.8%	83,000
Domestic	34,309	40.0%	-	30,306	39.1%	+13.2%	-
Overseas	51,549	60.0%	-	47,175	60.9%	+9.3%	-
Operating Income	6,218	7.2%	6,200	4,143	5.3%	+50.1%	4,700
Ordinary Income	6,926	8.1%	6,800	4,961	6.4%	+39.6%	5,300
Profit Attributable to Owners of Parent	4,587	5.3%	4,500	3,935	5.1%	+16.6%	3,600
EPS	¥56.71	-	¥55.62	¥48.74	-	+ ¥7.97	¥44.56

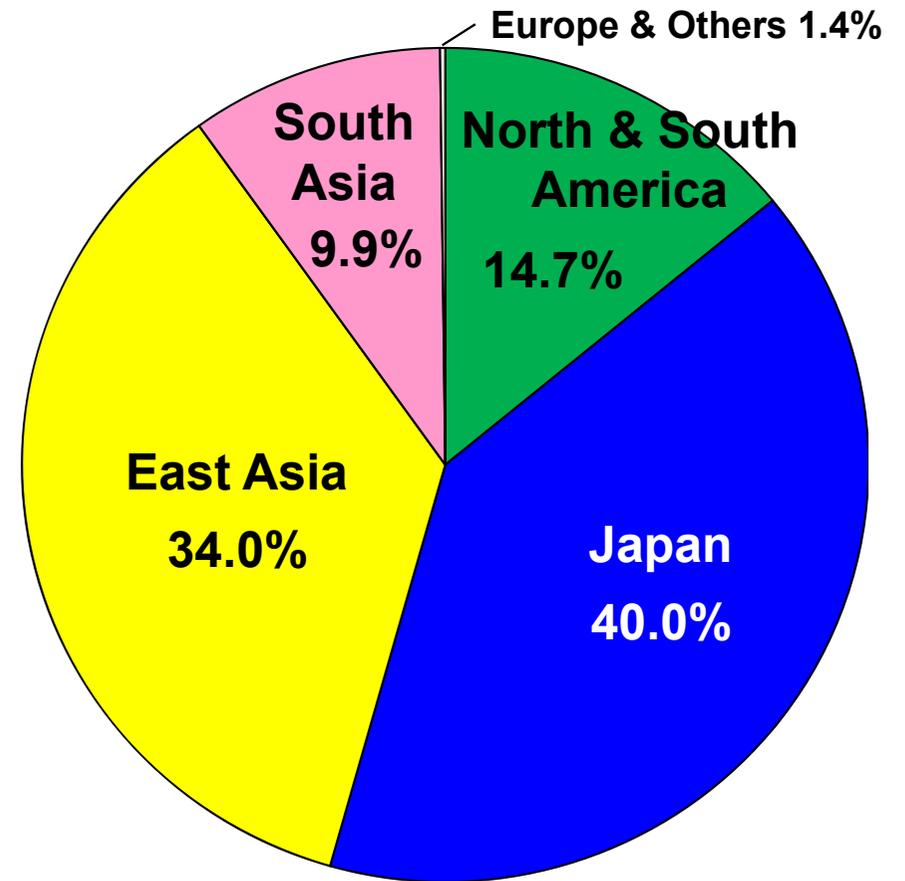
Average Exchange Rate : FY2019 2Q 1US\$=¥110, FY2018 2Q 1US\$=¥108

1-2. Net Sales by Business and Geographical Area **FUJITEC**

Net sales by Business



Net Sales by Geographical Area



1-3. Summary by Segment

Net sales and operating income in Japan, East Asia and North America & Europe increased

(Millions of yen)

	Net Sales			Operating Income		
	FY2019 2Q	FY2018 2Q	Change in %	FY2019 2Q	FY2018 2Q	Change
Japan	35,659	32,094	+11.1%	2,019	1,547	+472
East Asia	34,840	30,394	+14.6%	2,546	849	+1,696
South Asia	8,089	8,338	-3.0%	1,178	1,251	-72
North America & Europe	12,579	11,951	+5.2%	490	397	+93
Total	91,168	82,779	+10.1%	6,235	4,045	+2,189
Reconciliations	-5,309	-5,297	-	-17	97	-114
Consolidated	85,859	77,482	+10.8%	6,218	4,143	+2,075

Average Exchange Rate : FY2019 2Q 1US\$=¥110, FY2018 2Q 1US\$=¥108

1-4. Summary by Segment (Japan)

Net sales reached a new record high

(Millions of yen)

	FY2019 2Q	FY2018 2Q	Change
Net Sales	35,659	32,094	+11.1%
Operating Income	2,019	1,547	+30.5%
Operating Income Margin	5.7%	4.8%	+0.9P

Orders Received

- New Installation Business for hotels increased
- Modernization orders received trended steadily

Net Sales & Operating Income

- New Installation Business and After-market Business trended steadily and net sales increased
- Increased operating income due to increased net sales for Modernization and Repair works

1-4. Summary by Segment (East Asia)

Net sales increased in China and the profit margin improved

(Millions of yen)

	FY2019 2Q	FY2018 2Q	Change
Net Sales	34,840	30,394	+14.6%
Operating Income	2,546	849	+199.7%
Operating Income Margin	7.3%	2.8%	+4.5P

Order Received

- New Installation orders in China increased by approximately 30% year-on-year
- Orders for New Installation, Modernization and Repair works increased in Hong Kong

Net Sales & Operating Income

- Net sales increased in China and New Installation Business in Taiwan
- Operating income increased due to the improvement of sale prices and increased profitability due to cost reductions
- The profitability of Korean exports improved

1-4. Summary by Segment (South Asia)

Excluding the impact of foreign exchange, net sales were flat year-on-year

(Millions of yen)

	FY2019 2Q	FY2018 2Q	Change
Net Sales	8,089	8,338	-3.0%
Operating Income	1,178	1,251	-5.8%
Operating Income Margin	14.6%	15.0%	-0.4P

Order Received

- New Installation orders increased in Singapore
- New Installation and Maintenance orders increased in India

Net Sales & Operating Income

- Singapore was flat year-on-year and New Installation in Malaysia decreased
- Net sales in India increased only about 10% due to the general election
- Operating income decreased due to decreased net sales in Malaysia and increased selling and administration expenses in Singapore

1-4. Summary by Segment (North America & Europe) **FUJITEC**

North America remained brisk and Europe was break-even

(Millions of yen)

	FY2019 2Q	FY2018 2Q	Change
Net Sales	12,579	11,951	+5.2%
Operating Income	490	397	+23.5%
Operating Income Margin	3.9%	3.3%	+0.6P

Order Received

- Orders for New Installation and Modernization increased in the USA
- Orders in Canada decreased in recoil from the orders received for large-scale projects in the previous period

Net Sales & Operating Income

- Net sales in the USA and Canada increased
- Operating income decreased slightly in the USA and increased steadily in Canada
- The United Kingdom was at break-even point

2. Fiscal Year 2019 Consolidated Forecasts

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New Mid-Term Management Plan FY2019-FY2021

Action Vision

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2-1. Revision of Consolidated Forecasts for FY2019 (1) **FUJITEC**

The forecast for the first year of the Mid-term Management Plan has been revised upward due to growth in China

(Millions of yen)

	Revised Forecasts	Initial Forecasts	Change in %
Net sales	173,000	171,000	+1.2%
Operating Income	12,000	10,400	+15.4%
Operating Income Margin	6.9%	6.1%	+0.8P
Ordinary Income	13,000	11,300	+15.0%
Profit Attributable to Owners of Parent	9,500	8,500	+11.8%
EPS	¥117.43	¥105.22	+ ¥12.21

Average Exchange Rate : Revised Forecasts for FY2019 1US\$=¥108, Initial Forecasts for FY2019 1US\$=¥105

2-1. Revision of Consolidated Forecasts for FY2019 (2) **FUJITEC**

By segment, East Asia has been revised upward

(Millions of yen)

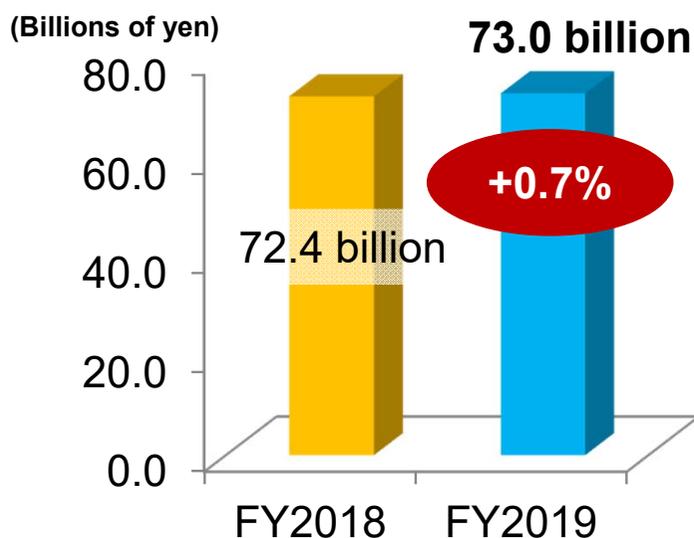
	Net Sales			Operating Income		
	Revised Forecasts	Initial Forecasts	Change in %	Revised Forecasts	Initial Forecasts	Change
Japan	73,000	73,000	-	5,200	5,200	-
East Asia	67,000	65,000	+3.1%	4,200	2,600	+1,600
South Asia	17,000	17,000	-	1,700	1,700	-
North America & Europe	26,000	26,000	-	1,100	1,100	-
Total	183,000	181,000	+1.1%	12,200	10,600	+1,600
Reconciliations	-10,000	-10,000	-	-200	-200	-
Consolidated	173,000	171,000	+1.2%	12,000	10,400	+1,600

Average Exchange Rate : Revised Forecasts for FY2019 1US\$=¥108, Initial Forecasts for FY2019 1US\$=¥105

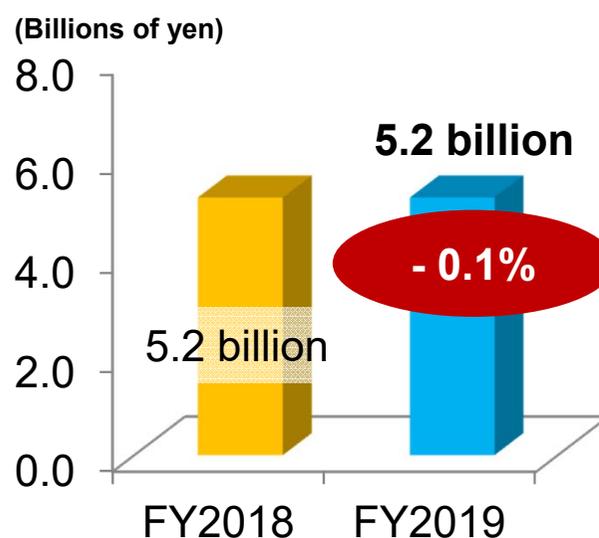
2-3. Forecasts by Segment (Japan)

Net sales will reach a new record high and operating income will remain unchanged

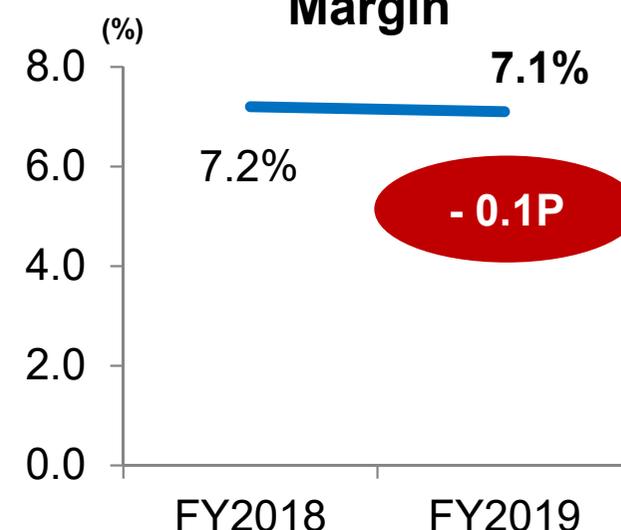
Net Sales



Operating Income



Operating Income Margin

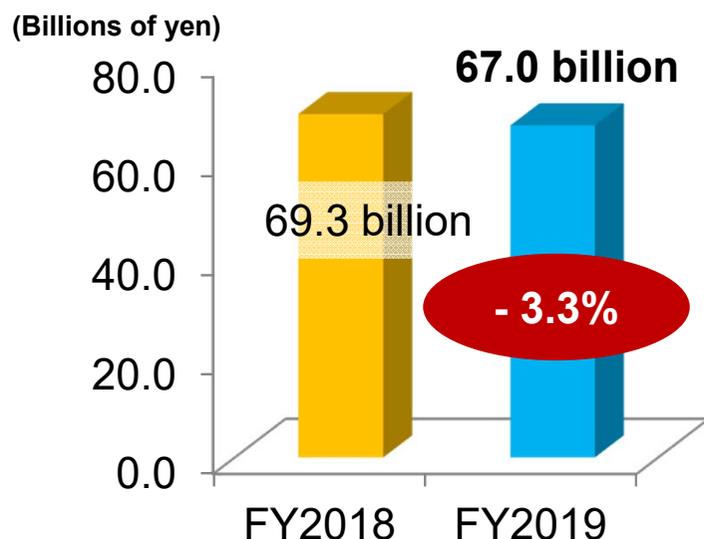


- Net sales are expected to increase in New Installation Business and After-market Business
- Profit will be covered by increased operating income in After-market Business, even though costs in New Installation Business will increase

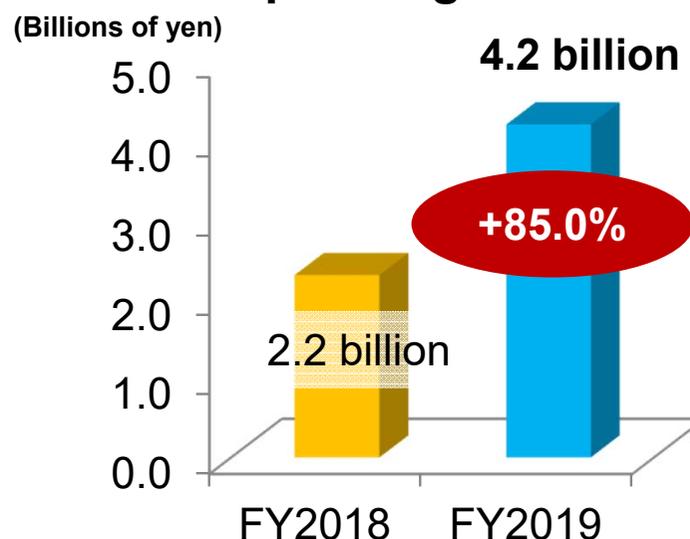
2-3. Forecasts by Segment (East Asia)

Net sales in China will increase for the full year and operating income will improve significantly

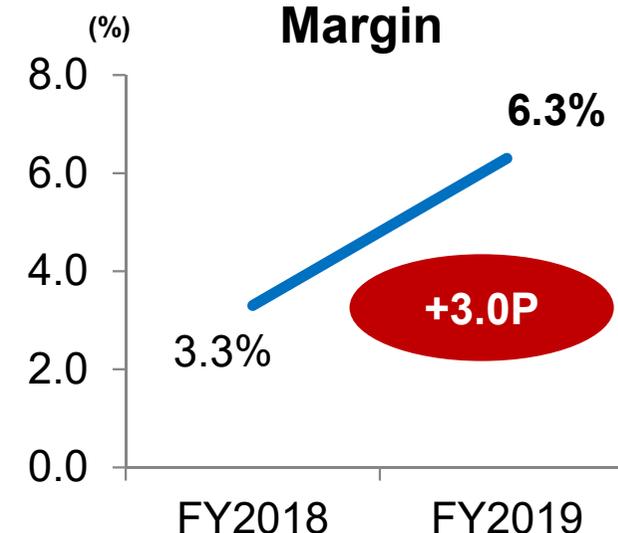
Net Sales



Operating Income



Operating Income Margin

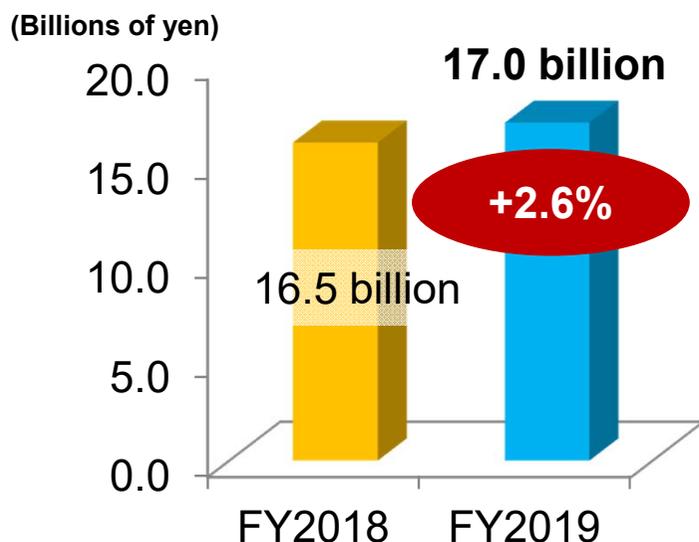


- Although net sales and operating income in Hong Kong will decrease, Taiwan will remain stable
- In Korea, profitability will improve despite decreased exports

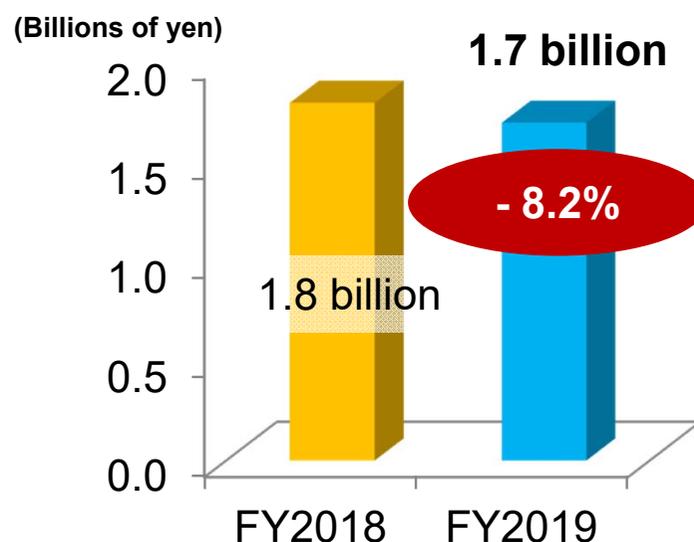
2-3. Forecasts by Segment (South Asia)

The outlook for South Asia is as per the initial plan

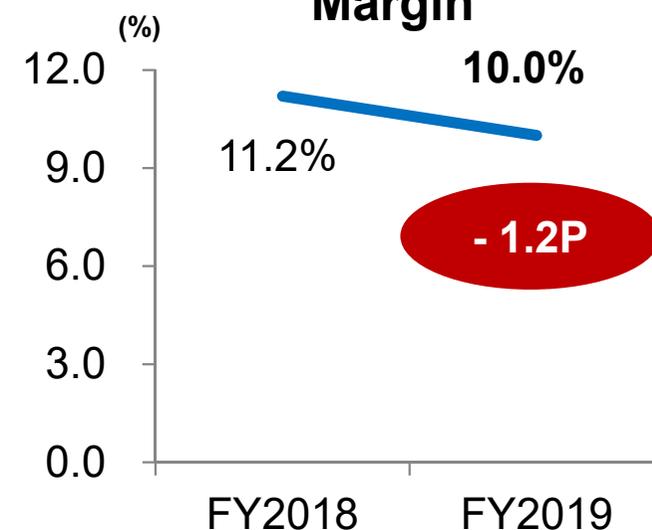
Net Sales



Operating Income



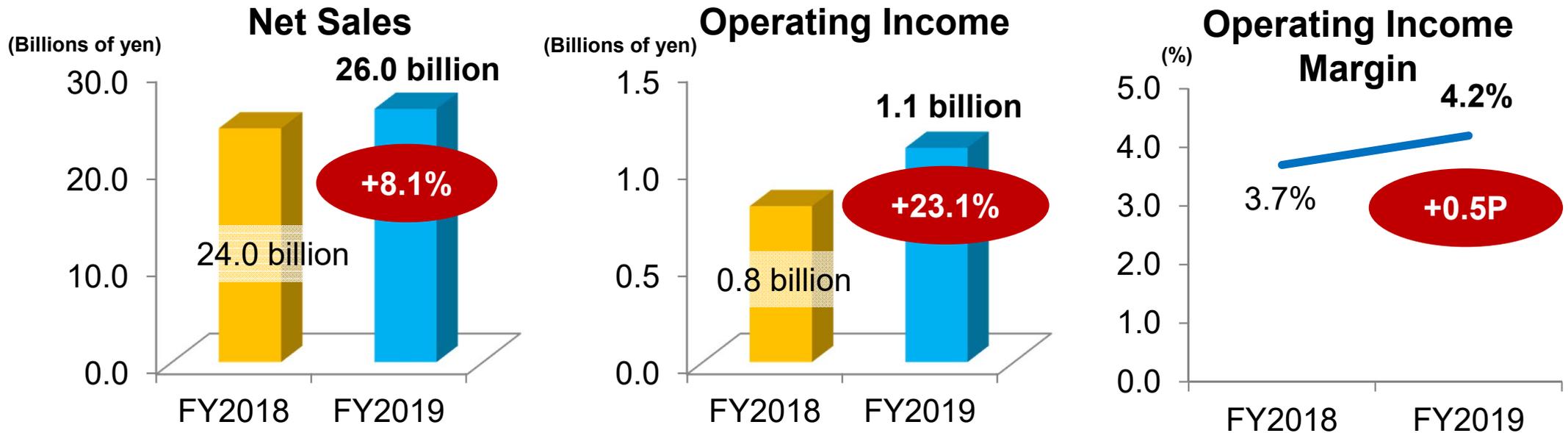
Operating Income Margin



- Net sales and operating income in Singapore will remain flat year-on-year
- In net sales, Indonesia will increase, but Malaysia will decrease, and operating income will decrease in both countries
- Net sales in India are expected to increase by approximately 20%, and profitability will carry over to the next term on

2-3. Forecasts by Segment (North America & Europe) **FUJITEC**

North America will maintain increased net sales and operating income, and the United Kingdom will become profitable



- Net sales in the USA will increase by approximately 10%, driven by Modernization and Repair works
- Net sales in Canada will increase by approximately 20% due to favorable New Installation and Modernization
- The United Kingdom is expected to become profitable

2-4. Others

Capital Investment, Depreciation, R&D Expenses and Dividends

(Millions of yen)

	FY2019	FY2018	Change
Capital Investment	4,500	2,912	+1,588
Domestic	3,000	2,160	+840
Overseas	1,500	752	+748
Depreciation	3,100	3,055	+45
R&D Expenses	2,400	2,425	-25

(Yen)

	FY2019	FY2018	Change
Dividends	45	45	-
Interim	20	20	-
Year-end	25	25	-

Reference Information

1. Consolidated Balance Sheet

(Millions of Yen)

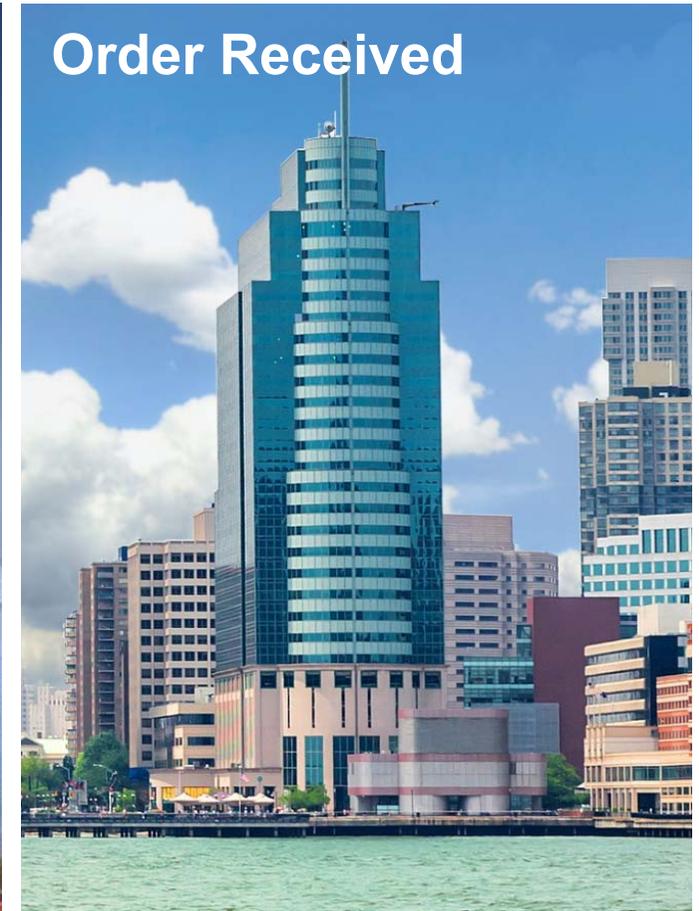
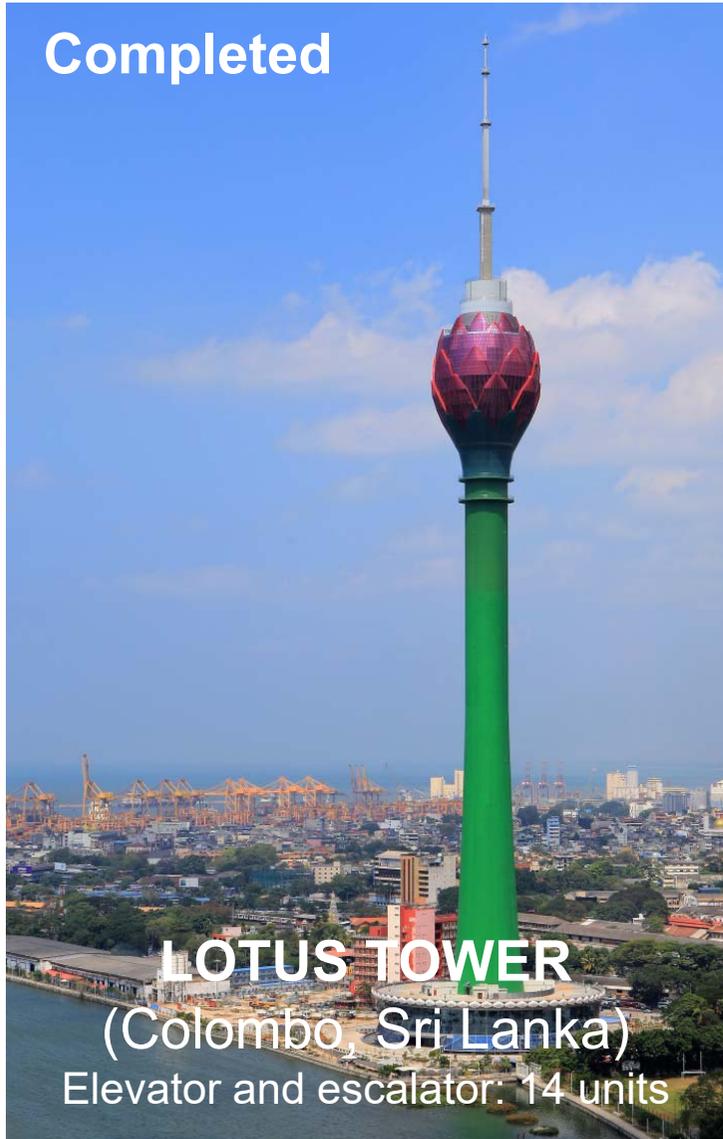
	Sep. 30, 2019	Mar. 31, 2019	Change	Remarks
Current Assets	134,243	131,181	+3,061	
Cash and Cash Equivalents	52,426	52,244	+181	
Trade Notes and Accounts Receivable	56,150	54,680	+1,470	Increased in East Asia
Inventories	21,997	21,292	+705	
Others	5,938	5,003	+934	
Allowance for doubtful Accounts	-2,269	- 2,039	-230	
Fixed Assets	52,860	53,508	-647	
Property, Plant and Equipment	33,630	33,948	-318	Capital investment: +1,337, Depreciation: -1,370, Foreign exchange, etc.: -285
Intangible Assets	3,675	3,874	-199	
Investments and Other Assets	15,555	15,684	-129	
Total Assets	187,103	184,690	+2,413	
Current Liabilities	67,626	66,241	+1,384	Advances from customers: +2,834, Electronically recorded obligations: -539, Short-term debt: -540
Non-current Liabilities	4,593	4,525	+67	
Net Assets	114,883	113,923	+960	Retained earnings: +2,560, Foreign currency translation adjustments: -1,648
Shareholders' Equity Ratio	55.4%	55.7%	-0.3P	
BPS	¥1,280.69	¥1,271.28	+ ¥9.41	

2. Cash Flows

(Millions of yen)

	FY2019 2Q	FY2018 2Q	Change
Cash and Cash Equivalents at Beginning of the Year	25,902	24,043	+1,858
Cash Flows from Operating Activities	5,786	4,659	+1,127
Cash Flows from Investing Activities	-2,551	279	-2,831
Free Cash Flows	3,235	4,939	-1,704
Cash Flows from Financing Activities	-2,818	-3,542	+724
Cash and Cash Equivalents at End of Second Quarter	25,566	24,750	+815

3. Recent Major Orders Received & Projects Completed **FUJITEC**



4. Corporate Profile (as of September 30, 2019)



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: 90,067,000)
Directors	President & CEO, Takakazu Uchiyama 9 directors (including 5 outside directors) 4 audit & supervisory board members (including 3 outside audit & supervisory board members)
Employees	Consolidated 10,160 (non-consolidated 3,048)
Group companies	33 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 2019 (ending March 31, 2020) 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 26, 2019. 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 26, 2019

FUJITEC

**Fiscal Year 2019 Six-month
Financial Result Presentation**

