

# **Fujitec Co., Ltd.**

**Fiscal Year 2011 (ending March 31, 2011)  
Six-month Results Presentation**

**(TSE1-OSE1: Code 6406)**

**November 2010**

**[www.fujitec.com](http://www.fujitec.com)**

# **FUJITEC**

**1.** Fiscal Year 2011 Six-month Financial Results

**2.** Fiscal Year 2011 Forecasts

**3.** Strategies and Our Development

**1.** Fiscal Year 2011 Six-month Financial Results

## Sales

¥49,585 million (+1.1% YoY)

⇒ Increase in Japan covered  
decrease in North America

## Operating Profit

¥2,284 million (+260.1%)

⇒ Overall profitability improved  
owing to profits in Japan

## Net Profit

¥1,135 million (+¥1,059 million)

⇒ Large increase in spite of  
bad debt loss in U.S. subsidiary

**Orders Received**  
**¥50,752 million (+5.0% YoY)**

Domestic (+4.8%)  
Overseas (+5.2%)  
Both increased

**Orders in Hand Total**  
**¥100,361 million**  
**(+0.9% compared to Mar 2010)**

Domestic ¥38,130 million  
Overseas ¥62,231 million

## “Above Plan” Sales and Operating Profit

(million yen, except EPS)

	FY2011 2Q		FY2010 2Q		YoY	Initial Plan
Sales	49,585	100.0%	49,068	100.0%	+1.1%	49,000
Domestic	23,092	46.6%	21,644	44.1%	+6.7%	
Overseas	26,492	53.4%	27,424	55.9%	-3.4%	
Operating Profit	2,284	4.6%	634	1.3%	+260.1%	1,800
Recurring Profit	2,334	4.7%	1,010	2.1%	+131.1%	1,900
Net Profit	1,135	2.3%	76	0.2%	—	1,700
EPS	¥12.14	—	¥0.82	—	—	¥18.17

**Steady : Both Domestic & Overseas +5%**

(million yen)

	Orders Received FY2011 2Q	YoY	Orders in Hand Total 30 Sep, 2010	Compared to 31 Mar, 2010
Domestic	23,957	+4.8%	38,130	+2.4%
Overseas	26,795	+5.2%	62,231	-0.0%
Total	50,752	+5.0%	100,361	+0.9%

\* Domestic : New installation decreased while modernization increased

\* Overseas : South Asia decreased while China increased

# Sales & Operating Profit by Region

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Improved & profitable figures for Japan  
 “Good” results for East Asia

(million yen)

	Sales			Operating Profit		
	FY2011 2Q	FY2010 2Q	YoY	FY2011 2Q	FY2010 2Q	Change
Japan	25,384	23,233	+9.3%	275	- 1,572	+1,848
North America	5,968	8,068	- 26.0%	- 150	117	- 267
Europe	370	555	- 33.2%	12	- 2	+14
South Asia	4,869	4,897	- 0.6%	763	697	+66
East Asia	15,475	15,370	+0.7%	1,521	1,410	+110
Subtotal	52,068	52,125	- 0.1%	2,422	650	+1,772
Elimination	- 2,483	- 3,056	—	- 138	- 15	- 122
<b>Total</b>	<b>49,585</b>	<b>49,068</b>	<b>+1.1%</b>	<b>2,284</b>	<b>634</b>	<b>+1,649</b>



## Japan

- Sales increase due mainly to some large projects completed (Year on Year +9.3%)
- Returning to profit owing to lower costs and provisions for contract losses (Year on Year + ¥1,848 million)

## East Asia

- Operating Profit ¥1,521 million due mainly to improved margins for new orders in Hong Kong (Year on Year + ¥110 million)

## South Asia

Operating Profit ¥763 million

due mainly to improved margins for new orders

(Year on Year +¥66 million)

## North America/Europe

### ● North America :

Sluggish revenues due to decreased new orders

(Year on Year - 26.0%)

Operating loss of ¥150 million due to increased costs of new orders (Year on Year - ¥267 million)

### ● Europe :

Decreased revenues due to sluggish sales of escalators

(Year on Year - 33.2%)

Turning to profit owing to decreased fixed costs

(Year on Year +¥14 million)

## Improved Net Worth Ratio Owing to Reduction in Assets

(million yen, except BPS)

	As of Sep 2010	As of Mar 2010	Change	Remarks
<b>Current Assets</b>	57,576	66,690	- 9,114	
Cash & deposits	19,273	21,277	- 2,004	
Notes and accounts receivable	24,874	30,090	- 5,216	Collection in Japan and decreased in North America
Inventories	10,353	12,454	- 2,100	Large projects completed
Others	3,075	2,868	207	
<b>Fixed Assets</b>	42,722	44,409	- 1,686	
Tangible fixed assets	30,555	31,081	- 526	
Intangible fixed assets	2,998	3,282	- 284	
Investments and others	9,169	10,045	- 876	Due mainly to devaluation of assets
<b>Total Assets</b>	<b>100,299</b>	<b>111,099</b>	<b>- 10,800</b>	
<b>Current liabilities</b>	28,475	37,634	- 9,158	
Notes and accounts payable	10,384	11,846	- 1,461	
Short-term debt	2,582	5,471	- 2,888	Repaid in Japan
Current portion of long-term debt	1,013	1,071	- 58	
Accrued income taxes	620	1,025	- 404	
Advances received	6,279	7,751	- 1,472	
Others	7,594	10,467	- 2,872	
<b>Fixed Liabilities</b>	9,170	9,409	- 239	
<b>Net Assets</b>	62,652	64,056	- 1,403	Reflects foreign currency translation adjustments
<b>Net Worth Ratio</b>	58.3%	53.6%	4.7%	
<b>Total Liabilities &amp; Net Assets</b>	<b>100,299</b>	<b>111,099</b>	<b>- 10,800</b>	
<b>BPS</b>	¥624.78	¥636.25	¥- 11.47	

Free cash flow rises  
due to increased operating cash flow  
resulting from increased profits

(million yen)

	FY2011 2Q	FY2010 2Q	Change
Cash & cash equivalents	7,839	9,388	- 1,549
Operating cash flow	4,121	2,809	+1,312
Investing cash flow	- 828	- 415	- 412
<b>Free cash flow</b>	<b>3,292</b>	<b>2,393</b>	<b>+899</b>
Financing cash flow	- 3,854	- 4,107	+252
Cash & cash equivalents as of 2Q end	7,015	9,118	- 2,102

# Notable Projects in FY2011 Six-months

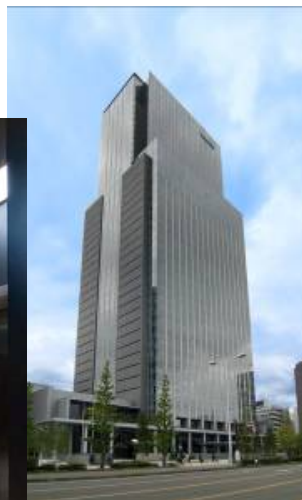
**FUJITEC**



**Resort World  
Sentosa  
(Singapore)**



**Sendai Trust Tower  
(Miyagi, Japan)**



**Shin Kong Mitsukoshi Store  
(Kao-hsiung, Taiwan)**



**Four Seasons Hotel Denver  
(Denver, U.S.)**



# Received Orders in FY2011 Six-months

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**Sharjah Financial Center  
(United Arab Emirates)**



**Sky Park (Seoul, South Korea)**



**The L Tower  
(Toronto, Canada)**



**Marriott Hotel & Maguna Mall  
(Bangalore, India)**



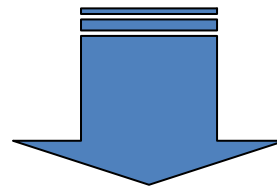
## **2.** Fiscal Year 2011 Forecasts

## Asia Market

Promising especially in China for the mid & long-term  
although price competition is expected in the short term

## “Mature” Japan/North America/Europe Markets

Expecting sustainable growth of “After Market” services  
despite the sluggish economies



**FY2011 second six-month period  
fully prepared for Mid-Term Management Plan target**



# Forecasts for Fiscal Year 2011

# FUJITEC

Sales: ¥103 billion, Operating Profit: ¥5.3 billion  
Operating Margin: 5.1%

FY2011 Second Half: revenue increase and improved margins expected

(million yen, except EPS)

	FY2010	FY2011 1 · 2Q	FY2011 3 · 4Q (est)	FY2011 (est)	YoY
Sales	106,137 100.0%	49,585 100.0%	53,415 100.0%	103,000 100.0%	- 3.0%
Operating Profit	5,288 5.0%	2,284 4.6%	3,016 5.6%	5,300 5.1%	+ 0.2%
Recurring Profit	6,053 5.7%	2,334 4.7%	2,966 5.6%	5,300 5.1%	- 12.4%
Net Profit	4,061 3.8%	1,135 2.3%	1,565 2.9%	2,700 2.6%	- 33.5%
EPS	¥43.40	¥12.14	—	¥28.85	—

# Forecasts for Fiscal Year 2011 by Region **FUJITEC**

## Recovery in Japan Revenue increase & price competition in East Asia

(million yen)

	Sales			Operating Profit		
	FY2011 (est)	FY2010	YoY	FY2011 (est)	FY2010	YoY
Japan	52,000	51,283	+1.4%	1,500	130	+ 1,370
East Asia	34,000	33,836	+0.5%	2,600	3,540	- 940
North America	11,000	15,561	- 29.3%	- 300	140	- 440
South Asia	10,000	10,186	- 1.8%	1,500	1,415	+ 85
Europe	1,000	930	+7.4%	0	8	- 8
Subtotal	108,000	111,799	- 3.4%	5,300	5,234	+ 66
Elimination	- 5,000	- 5,662	—	0	53	—
<b>TOTAL</b>	<b>103,000</b>	<b>106,137</b>	<b>- 3.0%</b>	<b>5,300</b>	<b>5,288</b>	<b>+ 12</b>

## Restraint on Overseas Investment

(million yen)

	FY2011 1-2Q	FY2011 3-4Q (est)	FY2011 (est)	Initially Planned
<b>Investment</b>	<b>828</b>	<b>1,372</b>	<b>2,200</b>	<b>3,200</b>
<b>Domestic</b>	<b>550</b>	<b>550</b>	<b>1,100</b>	<b>1,100</b>
<b>Overseas</b>	<b>278</b>	<b>822</b>	<b>1,100</b>	<b>2,100</b>
<b>Depreciation</b>	<b>1,167</b>	<b>1,233</b>	<b>2,400</b>	<b>2,500</b>
<b>R &amp; D</b>	<b>713</b>	<b>1,087</b>	<b>1,800</b>	<b>2,000</b>

## Dividends: FY2011: ¥10 as initially planned

(yen)

	FY2010	FY2011 (est)	Change
<b>Dividends</b>	<b>10</b>	<b>10</b>	<b>0</b>
<b>Interim</b>	<b>4</b>	<b>5</b>	<b>+ 1</b>
<b>Year-end</b>	<b>6</b>	<b>5</b>	<b>- 1</b>

### 3. Strategies and Our Development

## East/South Asia – Growing

### ● China, ASEAN

- High Growth Markets - Active sales of new orders

### ● Singapore, Hong Kong, Taiwan, South Korea

- Moving to Mature Markets - New orders & “After Market”

## Japan/North America/Europe – Mature

- “After Market” sales mainly focusing on Modernization

## Others (India/Middle East/South America, etc.) – Growing

- Active marketing for sales increase

# Japan: “Collaborative” 3 bases

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Elevator R&D and manufacturing

**Big Wing**



Escalator R&D and manufacturing

**Big Step**



“After Market” services

**Big Fit**



# China: Integrated Production System

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**Elevator manufacturing**

**Huasheng Fujitec Elevator**



**Escalator manufacturing**

**Shanghai Huasheng Fujitec Escalator**



**Device production & supply center**

**Fujitec Shanghai Sourcing Center**



**Research & development**

**Fujitec Shanghai Technologies**



**Fiscal Year 2013 (ending March 31, 2013)**  
**Sales ¥120 billion, Operating Margin 6.7%**

## FY2010

(million yen)

	Sales	Operating Profit & Margin	
Japan	51,283	130	0.3%
East Asia	33,836	3,540	10.5%
South Asia	10,186	1,415	13.9%
North America	15,561	140	0.9%
Europe	930	8	0.9%
Elimination	-5,662	53	—
<b>Total</b>	<b>106,137</b>	<b>5,288</b>	<b>5.0%</b>



## FY2013 (est)

(million yen)

	Sales	Operating Profit & Margin	
Japan	48,000	2,100	4.4%
East Asia	49,500	3,600	7.3%
South Asia	12,000	2,100	17.5%
North America	16,500	400	2.4%
Europe	1,000	0	0.0%
Elimination	-7,000	-200	—
<b>Total</b>	<b>120,000</b>	<b>8,000</b>	<b>6.7%</b>



Name	Fujitec Co., Ltd.
Established	Feb 1948 (Listed Feb 1974 on TSE1 and OSE1)
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 (3 outside directors) 1 full-time corporate auditor (2 outside auditors )
Employees	Consolidated 7,757 (non-consolidated 2,807)
Group	28 group companies (including 17 consolidated subsidiaries) (North and South America, East and South Asia, China, Europe/Middle East)

**This presentation was prepared to provide information on the company's Fiscal Year 2011 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 that is current as of November 25, 2010. 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 2010**

**FUJITEC**

**Fiscal Year 2011 Six-month Results Presentation**