

The Fujitec logo is rendered in a bold, red, sans-serif font. The letters 'F', 'J', and 'I' are notably larger and more prominent than the other characters in the word.

**FUJITEC**

**Financial Results Presentation  
for the First Quarter Ended June 30, 2021 (FY2021)  
August 6, 2021**

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**FUJITEC CO., LTD.**  
(TSE First Section: 6406)

# Executive Summary



## First Quarter Ended June 30, 2021 (FY2021)

- Q1 net sales and operating income rose 16.3% and 169.1% year on year, respectively
- Total orders rose 16.6%
- Recorded higher sales and profits in every segment. East Asia recorded significant growth in sales, driven by increases in new installations and aftermarket services. Improved profitability in Japan, East Asia and North America contributed to operating income
- AirTap (touchless elevator operation) technology performed well in new and existing installations in Japan and overseas, central to responding to new normal. Installations of EverFresh (handrail sterilization device for escalators) progressing
- Continuing to implement measures according top priority to safety and security of employees, customers, and other key stakeholders, including steps to avoid Three Cs (closed spaces, crowded places, close-contact settings) so employees can go home directly after visiting customers and encouraging them to telecommute

## Strategic Initiatives

- Focused on Aftermarket business by strengthening organizational structure in April
- Expanded businesses in growth markets by establishing system to supply global standard models at highly competitive prices
- Improved profitability by innovating business processes in production automation, global procurement, and IT utilization
- Strengthened corporate governance by improving diversity on nine-person Board of Directors (55% are independent directors and two are women) and resolved to adopt restricted stock compensation system

# Earnings Highlights for FY2021 Q1



- Consolidated sales and earnings rose year on year
- Operating income increased 169.1%, to ¥3.8 billion

(Million yen)

	FY2020 Q1	FY2021 Q1	Change (%)
<b>Net sales</b>	34,103	39,656	16.3
<b>Japan</b>	14,713	16,214	10.2
<b>Overseas</b>	19,390	23,441	20.9
<b>Operating income</b>	1,438	3,870	169.1
<b>Ordinary income</b>	1,746	4,253	143.6
<b>Profit attributable to owners of parent</b>	1,293	3,337	157.9
<b>Net income per share</b>	15.96 yen	41.13 yen	—

U.S. dollar-yen exchange rate

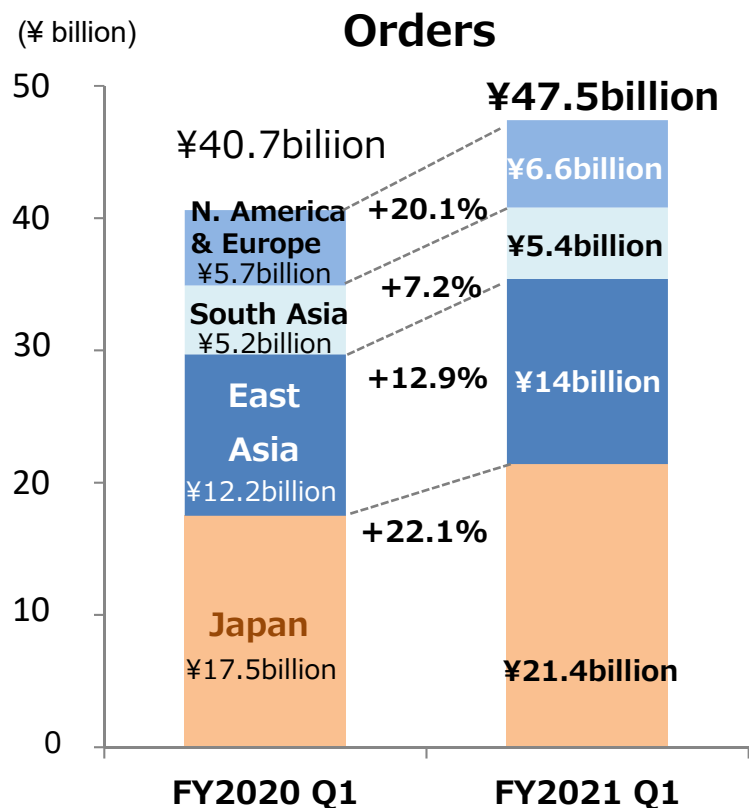
109.35 yen

104.74 yen

# FY2021 Q1 Orders



- Orders increased 16.6% on domestic and overseas gains



Figures in parentheses: % of total

#### [Domestic Orders] ¥21.4 billion (+22.1% year on year)

- New Installation Business
  - Robust orders for large projects
- Aftermarket Business
  - Large contracts for modernization projects
  - Maintenance performance firm on high contract rates.

#### [Overseas Orders] ¥26.1 billion (+12.5% year on year)

- New Installation Business
  - Increases in China, North America and Europe
  - Significant increase in India and decreases in Singapore, Indonesia, and Malaysia
- Aftermarket Business
  - In East Asia, maintenance projects up in Hong Kong, while modernization projects increased in Korea
  - Large contracts for modernization projects in Singapore and United States

# Earnings by Segment for FY2021 Q1



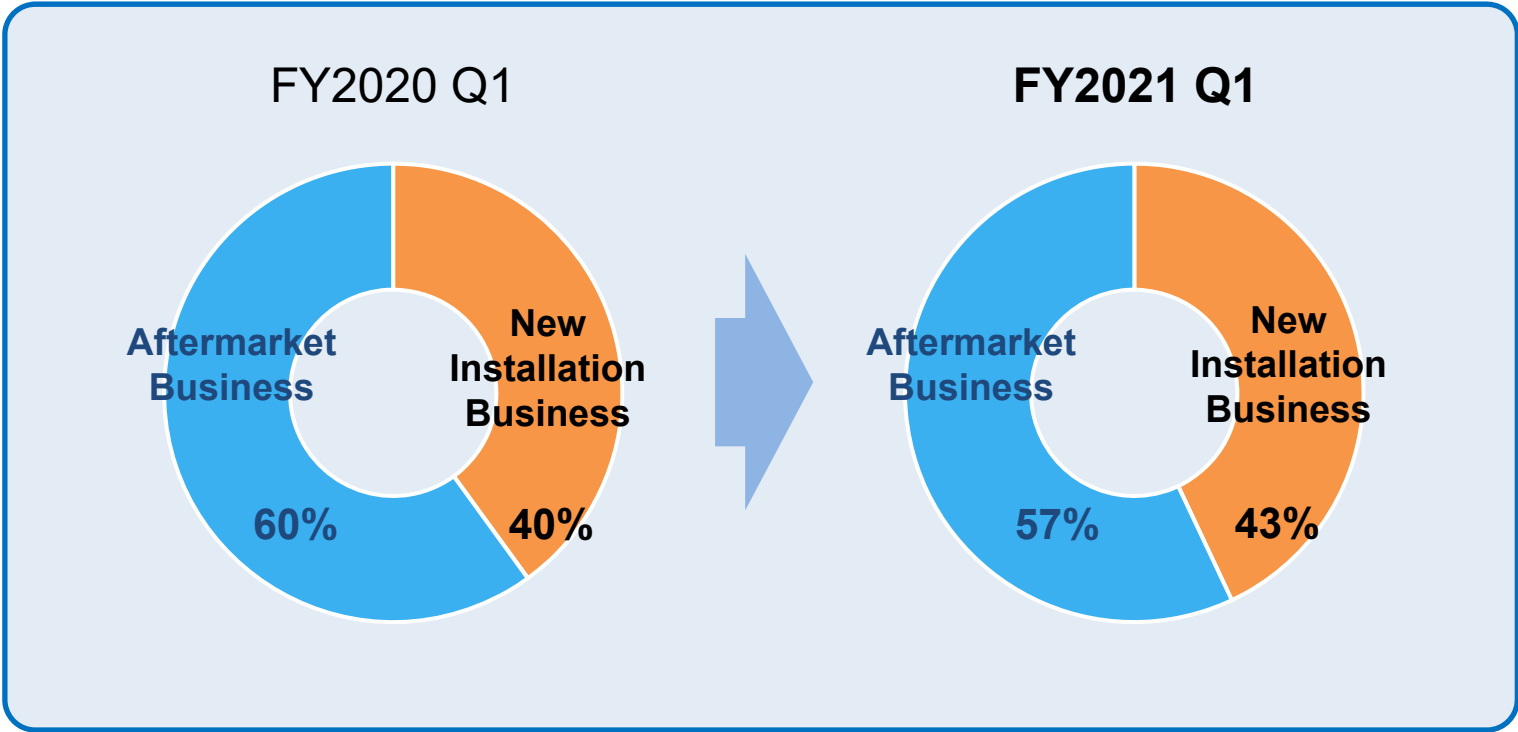
- Posted higher sales and profits in every segment, with improved profitability contributing to higher operating income

(Million yen)

	Net sales			Operating income (loss)		
	FY2020 Q1	FY2021 Q1	Change (%)	FY2020 Q1	FY2021 Q1	Change
<b>Japan</b>	15,455	16,964	9.8	130	1,024	893
<b>East Asia</b>	10,754	14,677	36.5	723	1,453	729
<b>South Asia</b>	4,070	4,354	7.0	801	1,126	324
<b>North America and Europe</b>	5,918	6,091	2.9	(236)	306	542
<b>Subtotal</b>	36,199	42,088	16.3	1,419	3,909	2,490
<b>Adjustments</b>	(2,095)	(2,432)	—	19	(39)	(58)
<b>Total</b>	34,103	39,656	16.3	1,438	3,870	2,432

# Change in Sales Breakdown by Business type

- Sales of New Installation business ratio increased



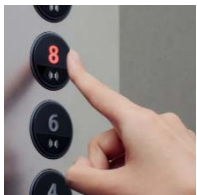
# Strategic Initiatives

- **Keep providing safe and reliable products to customers worldwide to sustainably enhance corporate value**
  
- **Emphasize Aftermarket business**
  - Strengthen Organization
    - ✓ Launch Services Business headquarters to better integrate services from development through maintenance
    - ✓ Set up team to support modernization projects in global markets
  
- **Expand business in growth markets**
  - Establish a structure to supply cost-competitive global standard models and strengthen business
    - ✓ In China, develop a direct sales structure and secure large-scale projects to raise brand awareness
    - ✓ In Singapore, build a sales hub to serve South Asian markets
  
- **Improve profitability**
  - Leverage global production systems and IT to innovate business processes and boost profitability
    - ✓ Expand global procurement of standard models and automate to reduce manufacturing costs
    - ✓ Link 3D design simulators and backbone system data to automate sales, design and production

# Adapting to the New Normal

- Leveraging unique technologies to develop products and services matching customer needs
- Installing AirTap technology and other offerings in Japan and overseas

## AirTap touchless elevator operation



Recent Installations



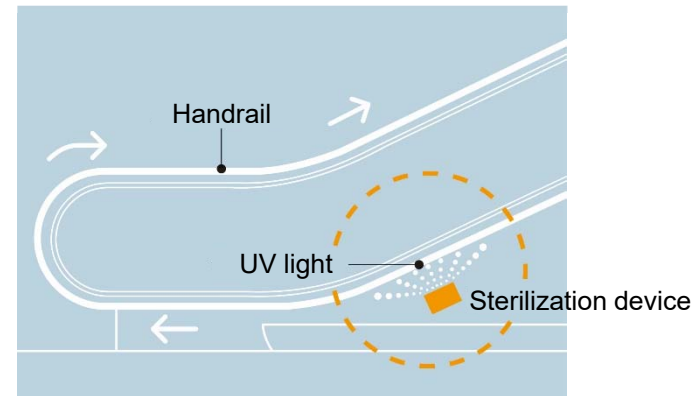
**GINZA PLACE**  
(Tokyo, Japan)

Users can call elevator cars and indicate destinations without touching buttons



**TOKYU PLAZA GINZA**  
(Tokyo, Japan)

## EverFresh escalator handrail sterilization device



UV light automatically sterilizes escalator handrails



# Toward Sustainable Societies

- Aiming to help develop beautiful and functional cities that meet modern needs

## Developing “safe & reliable” and comfortable space transportation systems



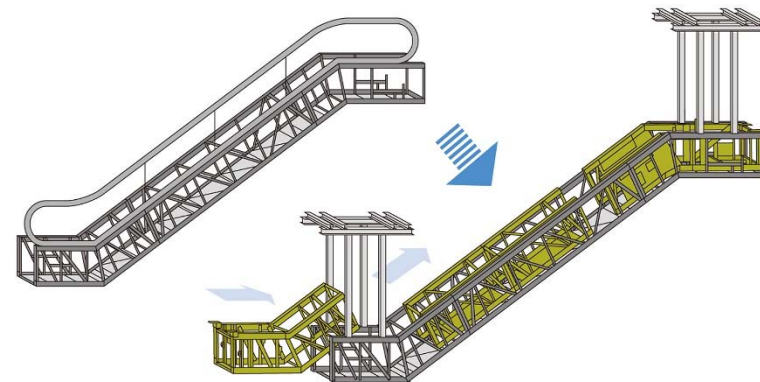
Developed system integrating facial recognition for touchless elevator operations

## Signing United Nations Global Compact



In April, signed United Nations Global Compact, a framework for achieving a sustainable world in support of achieving Sustainable Development Goals

## Upgrading escalators to improve environmental performance



Fit-in-truss construction method concept

Our unique fit-in-truss and unit-in-truss upgrade technologies reduce carbon dioxide emissions from manufacturing, transportation, and disposal by reusing existing structures

# Strengthening Corporate Governance

- Building management foundations to further enhance corporate value

## Diversity on nine-person Board of Directors

- Five independent directors
- Two women



Percentage of independent directors on Board:  
55%

## Restricted stock-based compensation plan

- Eligibility: Directors (excluding independent directors)
- Amount: Maximum of ¥100 million annually
- Terminated stock-based compensation plan

**FUJITEC**

## Reference Materials



Creative Studio Big Wing in Hikone, Shiga Prefecture

# Summary of Consolidated Balance Sheet as of June 30, 2021



	March 31, 2021	June 30, 2021	Change	Comments
<b>Current assets</b>	149,393	152,560	+3,166	
Cash and cash equivalents	68,348	71,992	+3,644	Increases in Japan, East Asia and South Asia
Notes and accounts receivable-trade and contract assets	59,022	60,034	+1,011	
Inventory	19,247	15,337	(3,909)	Decrease in East Asia
Other	5,150	8,045	+2,894	
Allowance for doubtful accounts	(2,375)	(2,849)	(473)	
<b>Fixed assets</b>	55,803	56,936	+1,133	
Property, plant and equipment	33,786	33,873	+86	Capital Investment +613, Depreciation (727), and Foreign exchange, etc. +200
Intangible assets	4,680	4,877	+197	
Investments and other assets	17,336	18,185	+849	
<b>Total assets</b>	205,196	209,496	+4,300	
<b>Current liabilities</b>	74,152	72,532	(1,619)	Advances from customers (1,103), Electronically recorded obligations (1,079), Trade notes and accounts payable (808), Provision for bonuses +781, and Provision for losses on construction contracts +393
<b>Fixed liabilities</b>	5,778	5,839	+60	
<b>Net assets</b>	125,264	131,123	+5,858	Foreign currency translation adjustments +4,505, Non-controlling interests +1,142, Profit attributable to owners of parent +3,337, Cash dividends paid (3,260), and Revenue recognition standards, etc. +140
<b>Shareholders' equity ratio</b>	54.8%	55.9%	+1.1%	
<b>B P S</b>	1,385.45 Yen	1,443.07 Yen	+57.62 yen	

# Consolidated Earnings Forecast for FY2021



- No change from forecast announced in May 2021
- Projecting record high net sales of ¥184 billion, while operating income should continue improving

(Amounts less than one million yen are rounded down)

	FY2019	FY2020	FY2021 (Forecast)	Change (%)
Net sales	181,232	169,573	<b>184,000</b>	8.5
Operating income	13,375	13,288	<b>13,900</b>	4.6
Ordinary income	14,682	14,633	<b>14,400</b>	(1.6)
Profit attributable to owners of parent	9,916	9,287	<b>9,300</b>	0.1
Net income per share	122.46 yen	114.52 yen	<b>114.60 yen</b>	—

## Shareholder Dividends



- No change from forecast announced in May 2021
- Looking to pay annual dividend of ¥60 per share for current fiscal year, for dividend payout ratio of 52.4%

(Unit: yen)

	FY2019	FY2020	FY2021 (Forecast)
Dividends	50	60	60
Interim	20	20	25
Year-end	30	40	35
Payout Ratio	40.8%	52.4%	52.4%

# Major Orders and Deliveries



## New installations

In progress



**Osaka Umeda Twin  
Towers South**  
(Osaka, Japan)

Total of 30 elevators and escalators

Ordered



**PRESTIGE TECH CLOUD**  
(Bangalore, India)  
Total of 47 elevators

## Modernization projects

Ordered



**Galleria III**  
(Texas, USA)  
Total of 15 elevators

Ordered



**Maipu II**  
(Buenos Aires, Argentina)  
Total of 9 elevators



# Company Overview



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Company:	FUJITEC CO., LTD.
Established:	February 1948 (Listed on TSE First Section in February 1974)
Head Office:	Big Wing in Hikone, Shiga Prefecture, Japan
Business lines:	R&D, manufacturing, marketing, installation, and maintenance of elevators and escalators
Paid-in Capital	¥12,533 million (85,300,000 shares issued and outstanding)
Directors	President and CEO Takakazu Uchiyama Nine directors (including five independent directors) Four members of Audit & Supervisory Board (including three outside members)
Number of employees	Consolidated: 10,515 (non-consolidated: 3,188)
Group companies	34, including 19 consolidated subsidiaries, in Americas, East Asia, South Asia, Europe, Middle East

This document includes forward-looking statements based on current company plans, estimates, expectations, and projections with respect to our business and industry trends. These forward-looking statements involve a variety of risks and uncertainties.

Risks, uncertainties, and other factors that are already known or not yet known may lead to results different than those discussed in forward-looking statements herein. We make no promises as to the accuracy of forward-looking statements or projections. Results may differ significantly from forward-looking statements.

Forward-looking statements in this document are statements of the company based on information available as of August 6, 2021. These forward-looking statements do not include updates or changes reflecting future events or circumstances.

August 6, 2021

# FUJITEC CO., LTD.

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June 30, 2021 (FY2021)

