May 13, 2022

Consolidated Business Results for the Fiscal Year Ended March 31, 2022 (Japan GAAP)

Company: **FUJITEC CO., LTD.** Listed on TSE
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Expected date of general shareholder's meeting: June 23, 2022 Expected starting date of dividend payment: June 24, 2022
Expected date of submission of statutory financial report: June 24, 2022
Supplementary materials for the business results: Yes
Presentation of the business results: No
(The Company plans to post a video of the financial results presentation on the Company's corporate website)

(Amounts less than one million yen are rounded down)

1. Consolidated business performance for the fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(1) Operating results (% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2022	187,018	10.3	13,777	3.7	15,713	7.4	10,835	16.7
March 31, 2021	169,573	(6.4)	13,288	(0.6)	14,633	(0.3)	9,287	(6.3)

(Note) Comprehensive income — March 31, 2022: 21,885 million yen [98.9%], March 31, 2021: 11,003 million yen [25.2%]

	Net income per share	Diluted net income per share	Return on equity	Ordinary income / total assets ratio	Operating income / net sales ratio
Year ended	Yen	Yen	%	%	%
March 31, 2022	133.42	133.36	9.1	7.4	7.4
March 31, 2021	114.52	114.46	8.5	7.3	7.8

(Note) Investment profit on equity method — March 31, 2022: — million yen, March 31, 2021: — million yen

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
Year ended	Million yen	Million yen	%	Yen
March 31, 2022	220,609	140,482	56.9	1,549.83
March 31, 2021	205,196	125,264	54.8	1,385.45

(Reference) Shareholders' equity — March 31, 2022: 125,482 million yen, March 31, 2021: 112,417 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at year end
Year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2022	9,846	(3,994)	(6,520)	39,042
March 31, 2021	21,542	(7,955)	(5,866)	35,840

2. Cash dividends

	Cash dividends per share					Total dividend	Payout ratio (consolidated)	Dividend on equity (consolidated)
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Fiscal year-end	Total			
Year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2021	—	20.00	—	40.00	60.00	4,881	52.4	4.4
March 31, 2022	—	25.00	—	45.00	70.00	5,690	52.5	4.8
Year ending March 31, 2023 (Projection)	—	35.00	—	40.00	75.00		59.5	

(Note) Year-end dividend (forecast) for the year ending March 31, 2023
Regular dividend: 35.00 yen Commemorative dividend: 5.00 yen

3. Consolidated Earnings Projections for the Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year ending March 31, 2023	200,000	6.9	14,700	6.7	15,600	(0.7)	10,200	(5.9)	125.98

4. Other

(1) Changes in significant subsidiaries during the period
(changes in specified subsidiaries due to changes in the scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates, and retrospective restatements
1) Changes in accounting policies due to revision of accounting standards: Yes
2) Changes other than 1), above: Yes
3) Changes in accounting estimates: No
4) Retrospective restatements: No

(3) Number of shares outstanding (common stock)

1) Number of shares outstanding at the end of period (including treasury stock):	Year ended March 31, 2022: 82,400,000 shares	Year ended March 31, 2021: 85,300,000 shares
2) Treasury stock at the end of period:	Year ended March 31, 2022: 1,434,800 shares	Year ended March 31, 2021: 4,159,010 shares
3) Weighted average number of shares outstanding during the period:	Year ended March 31, 2022: 81,213,810 shares	Year ended March 31, 2021: 81,094,572 shares

(Note) Treasury stock for the year ended March 31, 2021 and year ended March 31, 2022 includes shares of Fujitec Co., Ltd. stock held by the Trust-Type Employee Shareholding Incentive Plan (E-Ship).
Year ended March 31, 2022: 197,500 shares, Year ended March 31, 2021: 362,000 shares

(Reference) Summary of Non-consolidated Results
1. Non-consolidated business performance for the fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(1) Operating results (% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income	
Year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2022	75,556	5.1	5,440	2.1	9,904	16.1	8,177	27.3
March 31, 2021	71,859	(3.9)	5,330	9.0	8,527	8.8	6,423	5.3

	Net income per share	Diluted net income per share
Year ended	Yen	Yen
March 31, 2022	100.68	100.64
March 31, 2021	79.21	79.17

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
Year ended	Million yen	Million yen	%	Yen
March 31, 2022	93,428	67,111	71.8	828.46
March 31, 2021	92,153	65,630	71.2	808.40

(Reference) Shareholders' equity — March 31, 2022: 67,076 million yen, March 31, 2021: 65,594 million yen

* This summary is not subject to audit procedures by certified public accountants or audit firms

* Explanation regarding appropriate use of business forecasts and other special instructions

The forecasts regarding future performance in this report are based on the information currently available to the Company and certain assumptions that the Company deems to be reasonable at the time this report was prepared. These forecasts are not a guarantee of performance. Actual results may differ significantly from forecasts due to a variety of factors

For more on business forecasts, see *(4) Future Outlook on P.6 of Consolidated Business Results for the Fiscal Year Ended March 31, 2022(Accompanying Materials).*

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1. Operating Results

(1) Explanation of Operating Results

Despite concerns about the reemergence of COVID-19 infections, the global economy began to recovery generally throughout the consolidated fiscal year ended March 31, 2022 owing to widespread vaccinations. Meanwhile, the economic recovery in Japan slowed due to the spread of a mutant COVID-19 variant and the weakness of the yen. In addition, semiconductor shortages, soaring resource costs, and other factors contributed to rising uncertainty about the global economy.

The global elevator and escalator market saw increased demand for new installations in most regions, a recovery in demand due to economic recovery. In China, growth was strong over the first half of the year, slowing in the second half due to sluggish real estate development investment. Our maintenance business, which provides maintenance for elevators and escalators, experienced continued strong performance.

Amid these circumstances, the Fujitec Group continued efforts to prevent the spread of infectious diseases by placing the highest priority on the safety and security of employees and other parties. In terms of business, we remain committed to providing reliable maintenance business services, which are a part of the social infrastructure, while expanding the *AirTap* series touchless elevator operation technology and strengthening other products and services that meet the needs of the new normal. In addition, we have endeavored to enter key business fields to implement our strategic direction, announced in December 2020. In our focus on the Aftermarket business, we launched a specialized organization to strengthen our structure for pursuing business from development to maintenance in our Service Business. We also expanded our product lineup by developing new modernization package products that offer superior safety and environmental performance. To expand our business in growth markets, we focused on the markets of China and South Asia. Here, we enhanced systems for conducting business in each region and improved cost competitiveness, mainly through global standard models. We completed the construction of a factory extension and new research tower in India to supply products to the growing South Asian market. In this way, we are establishing an integrated system that extends from R&D to production. To improve profitability, we endeavored to expand global procurement and reduce manufacturing costs through automation for global models. At the same time, we used information technology such as design simulators and RPA to reduce labor hours and improve service quality.

As a result of the matters discussed above, the Fujitec Group recorded business performance for the consolidated fiscal year ended March 31, 2022, as described below.

(Amounts less than one million yen are rounded down)

		FY2020 Q4 (April 1, 2020 - March 31, 2021)	FY2021 Q4 (April 1, 2021 - March 31, 2022)	Change (%)	Real change, after excluding the impact of foreign exchange (%)
Orders		174,648	195,527	12.0	—
	Japan	71,605	77,337	8.0	—
	Overseas	103,042	118,190	14.7	7.7
Order backlog		211,024	224,179	6.2	—
	Japan	67,954	72,840	7.2	—
	Overseas	143,069	151,338	5.8	(0.9)
Net sales		169,573	187,018	10.3	—
	Japan	69,420	72,983	5.1	—
	Overseas	100,153	114,034	13.9	6.8
Operating income		13,288	13,777	3.7	—
Ordinary income		14,633	15,713	7.4	—
Profit attributable to owners of parent		9,287	10,835	16.7	—
Net income per share		114.52 yen	133.42 yen	—	—

In the Japanese market, our New Installation business saw fewer orders for hotels and other lodging facilities. However, orders for offices and stores rose due to contracts for large-scale projects, driving growth in new installation orders. The Aftermarket business experienced ongoing firm demand for modernization projects, which performs upgrades for existing elevators and escalators, and maintenance business, which services and maintains elevators and escalators.

In overseas markets, new installation orders in East Asia increased in China, Hong Kong, and Taiwan. In South Asia, orders for new installations decreased in Singapore and Indonesia. However, the Aftermarket Business in Singapore and new installations in India increased. In North America and Europe, orders increased for modernization projects, repairs, and other Aftermarket Business services in America, while orders for new installations decreased. In Canada, orders rose for both new installations and Aftermarket Business services. New installations increased in the U.K.

Performance for the current fiscal year under review increased compared with the previous year due to economic recovery. Ordinary income rose due to an increase in dividend income and foreign exchange gains, while profit before income taxes increased, mainly due to an increase in subsidy income and a decrease in loss on valuation of shares of subsidiaries and associates.

As a result of these factors, profit attributable to owners of parent increased year on year.

Due to the adoption of Accounting Standard for Revenue Recognition (ASBJ Statement No.29, March 31, 2020) (“Revenue Recognition Standard”, below) net sales for the consolidated fiscal year under review increased 2,219 million yen. Cost of sales increased 1,243 million yen, while selling, general and administrative expenses increased 30 million yen. Operating income, ordinary income, and profit before income taxes each increased by 945 million yen. Changes to our method for depreciating property, plant and equipment resulted in an increase of 271 million yen each for operating income, ordinary income, and profit before income taxes for the consolidated fiscal year under review.

In terms of product development, we expanded the variations of *AirTap* offered. We won the Good Design Award 2021 for *AirTap*, which allows touchless elevator operations. In addition to designs for wheelchair panel operation, we added design-conscious button variations capable of meeting the needs of hotels, shopping centers, and other facilities seeking original looks. We launched a new service offering for elevator modernization, developing specialized equipment that reduces lead time by up to 40%. By replacing the drive and control units critical to operation, we improved the basic functions of the elevator. We can also add the latest in functionality, including *AirTap* and remote automated inspections. In terms of escalator modernization, we introduced a Three-Step Renovation process, conducting construction in three steps that allow us to shorten the shutdown period of the equipment. *EverFresh*, which irradiates escalator handrails with ultraviolet light for sterilization, demonstrated strong performance during the period.

The following information highlights performance by segment:

(Amounts less than one million yen are rounded down)

	Net sales				Operating income			
	FY2020 Q4	FY2021 Q4	Change (%)	Real change, after excluding the impact of foreign exchange (%)	FY2020 Q4	FY2021 Q4	Change	Real change, after excluding the impact of foreign exchange
Japan	71,859	75,556	5.1	—	5,330	5,440	110	—
East Asia	69,800	78,463	12.4	4.0	5,328	5,165	(163)	(434)
South Asia	13,785	16,522	19.9	14.6	2,160	2,053	(106)	(209)
North America and Europe	23,450	27,186	15.9	11.2	502	1,128	626	597
Subtotal	178,895	197,729	10.5	—	13,321	13,788	466	—
Adjustments	(9,321)	(10,711)	—	—	(32)	(10)	22	—
Total	169,573	187,018	10.3	—	13,288	13,777	488	—

Japan

Both sales and profits increased year on year. Net sales increased in conjunction with increased sales of new installations and modernization projects, mainly due to large-scale projects. Maintenance performance continued to be firm. Operating income for the New Installation business declined due to rising costs, including soaring raw materials prices, and an increase in provision for losses on construction contracts. However, the Aftermarket Business recorded firm operating income results.

Due to the adoption of Revenue Recognition Standard, net sales increased 273 million yen, while operating income rose 438 million yen. Due to the change in depreciation for property, plant and equipment, operating income rose 271 million yen.

East Asia

Sales rose year on year while profits decreased. Net sales increased in Hong Kong due to growth in the Aftermarket business, including maintenance and modernization projects. Net sales increased in Taiwan due to new installations for large-scale projects. In China, exports to Japan, the Middle East, and South Asia rose, as did repairs and other Aftermarket Business work. In terms of operating income, profitability of maintenance work in the Aftermarket Business improved in Hong Kong, while in Taiwan, profitability improved due to reduced provisions for losses on construction contracts related to large-scale projects. However, profits in China declined overall due to higher raw material costs and other factors related to new installations.

Due to the adoption of Revenue Recognition Standard, net sales increased 1,945 million yen, while operating income increased 507 million yen.

South Asia

Sales rose year on year while profits decreased. Net sales decreased for new installations in Singapore and Malaysia, while sales increased in India and Indonesia. Net sales also increased in Singapore in the Aftermarket Business, mainly for maintenance and repairs. In terms of operating income, profitability decreased in Singapore and Malaysia due to an increase in provisions for losses on construction contracts related to new installations.

North America and Europe

Both sales and profits increased year on year. In the U.S., sales decreased for modernization projects, while new installations, maintenance, and repairs experienced growth. In the U.K., sales increased in the Aftermarket Business. Operating income benefitted from the positive contribution of higher sales in the Aftermarket Business and lower selling, general and administrative expenses in the U.S.

(2) Explanation of Financial Position

Total assets as of the end of the consolidated fiscal year under review amounted to 220,609 million yen, an increase of 15,413 million yen compared with the end of the prior consolidated fiscal year. This result was mainly due to increases in cash and deposits and notes and accounts receivable-trade, and contract assets (presented as notes and accounts receivable-trade in the prior year). In addition, property, plant and equipment increased due to increased capital investment by overseas subsidiaries.

Total liabilities amounted to 80,126 million yen, an increase of 195 million yen compared with the end of the prior consolidated fiscal year. This result was mainly due to an increase in notes and accounts payable-trade, short-term debt, and provision for warranties for completed construction, which were offset in part by decreases in advances from customers.

Net assets amounted to 140,482 yen million, an increase of 15,217 million yen compared with the end of the prior consolidated fiscal year. This result was mainly due to an increase of 10,835 million yen in profit attributable to owners of parent stemming from the recording of retained earnings, a decrease of 5,298 million yen due to payments of dividends, an increase of 140 million yen in real terms due to the application of revenue recognition accounting standards, an increase of 8,119 million yen due to foreign currency translation adjustments, and an increase of 2,152 million yen in non-controlling interests. Treasury stock decreased by 3,575 million yen and retained earnings decreased by 3,545 million yen due to disposal of treasury stock related to restricted stock compensation adopted July 21, 2021 and the cancellation of treasury stock conducted on March 8, 2022. Treasury stock increased 1,004 million yen due to the acquisition of treasury stock conducted between March 2, 2022 to March 31, 2022. Our shareholders' equity ratio as of the end of the consolidated fiscal year under review was 56.9%, up 2.1 points compared to the end of the prior consolidated fiscal year. Net assets per share amounted to 1,549.83 yen, up 164.38 yen compared with the end of the prior consolidated fiscal year.

(3) Consolidated Cash Flows

Cash and equivalents as of the end of the consolidated fiscal year under review amounted to 39,042 million yen, an increase of 3,202 million yen compared with the end of the prior consolidated fiscal year.

The following describes cash flows from each source and change factors for consolidated fiscal year ended March 31, 2022.

Cash Flows From Operating Activities

Net cash provided by operating activities amounted to 9,846 million yen, a decrease of 11,696 million yen compared with the prior consolidated fiscal year. This result was mainly due to a profit before income taxes of 16,268 million yen, offset by an increase in inventories of 1,569 million yen and payments of 5,917 million yen in income taxes.

Cash Flows From Investing Activities

Net cash used in investing activities amounted to 3,994 million yen, a decrease of 3,961 million yen compared with the prior consolidated fiscal year. This result was mainly due to a net increase in time deposits of 2,049 million yen and purchases of property, plant and equipment of 3,262 million yen. These amounts were offset by 1,218 million yen in interest and dividends received.

Cash Flows From Financing Activities

Net cash used in financing activities amounted to 6,520 million yen, an increase of 654 million yen compared with the prior consolidated fiscal year. This result was mainly due to an increase of 1,004 million yen in purchases of treasury stock, payments of dividends, etc.

(Reference) Changes in Cash Flow Indicators

	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2022
Shareholders' equity ratio (%)	55.0	55.7	55.2	54.8	56.9
Equity ratio based on market capitalization (%)	61.9	53.6	58.3	93.2	115.6
Ratio of interest-bearing debt to cash flow (annual)	0.4	0.4	0.4	0.2	0.5
Interest coverage ratio (times)	171.6	110.7	107.6	225.6	144.1

(Notes) Equity ratio: Equity/total assets

Equity ratio based on market capitalization: Market capitalization/total assets

Ratio of interest-bearing debt to cash flow: Interest-bearing debt/cash flow

Interest coverage ratio: Cash flow/interest payments

1. All indicators were calculated using consolidated financial data.
2. Market capitalization is calculated by multiplying the closing stock price at the end of the fiscal year by the number of shares outstanding at the end of the fiscal year (after deducting treasury stock).
3. Cash flows are based on cash flows from operating activities shown in the consolidated statements of cash flows. Interest-bearing debt is based on all debt shown on the consolidated balance sheets for which interest is paid. Interest payments are based on the amount of interest paid in the consolidated statements of cash flows.

(4) Future Outlook

(Amounts less than one million yen are rounded down)

	Next Fiscal Year Ending March 31, 2023	Year-on-Year Change (%)
Net sales	200,000	6.9
Operating income	14,700	6.7
Ordinary income	15,600	(0.7)
Profit attributable to owners of parent	10,200	(5.9)
Net income per share	125.98yen	—

(Amounts less than one million yen are rounded down)

	Net sales		Operating income	
	Next Fiscal Year	Year-on-Year Change (%)	Next Fiscal Year	Year-on-Year Change
Japan	78,000	3.2	6,300	859
East Asia	85,000	8.3	4,600	(565)
South Asia	19,000	15.0	2,400	346
The Americas and Europe	31,000	14.0	1,500	371
Subtotal	213,000	7.7	14,800	1,011
Adjustments	(13,000)	—	(100)	(89)
Total	200,000	6.9	14,700	922

Outlook for the Next Fiscal Year

The global economy is expected to continue to recover from the recession caused by the COVID-19 pandemic. At the same time, the future remains uncertain due to factors that include rising inflation in countries around the world, tighter movement restrictions in China in response to the spread of mutant variants, a shift toward the sharp depreciation of the yen, and uncertainty about the global situation. Therefore, the speed of recovery is expected to slow down.

The Fujitec Group remains committed to placing the highest priority on the safety and security of our employees and other affiliated persons, and we will continue our efforts to prevent the spread of infectious diseases. While we understand the concerns about supply chain impacts of rising raw materials prices, semiconductor shortages, and lockdowns in China, we will endeavor to improve profitability through sales strategies tailored to market characteristics and cost reforms based on production and operations strategies.

While it is difficult to make a highly accurate forecast for the next fiscal year at this time, as a result of the above, and based on the assumption that trends in economic recoveries continue, we forecast net sales of 200,000 million yen (up 6.9% increase compared with the current fiscal year), operating income of 14,700 million yen (up 6.7%), ordinary income of 15,600 million yen (down 0.7%), and net income of 10,200 million yen (down 5.9%).

Assumptions Used in Outlook for the Next Fiscal Year

The earnings forecasts above are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable at the time this report was prepared. These forecasts are not a guarantee of performance. Actual results may differ significantly from forecasts due to a variety of factors. Major factors include economic conditions in our major markets (Japan, Asia, the Americas, and Europe), fluctuations in product supply and demand, raw material price trends, and exchange rate fluctuations. We have assumed a US$1 to 115 yen average exchange rate for our full-year forecasts.

(5) Basic Policy on Appropriation of Profits and Dividends for the Current and Next Fiscal Years

With respect to the allocation of profits and in accordance with the capital policy under our new *Vision24* medium-term management plan, we consider improving capital efficiency and enhancing shareholder returns to be the most important priority of management. We intend to implement dividends in consideration of maintaining a sound financial base to support business growth, while aiming for a dividend payout ratio of at least 50%.

In addition to internal reserves, we will use borrowings in accordance with our funds procurement policy to invest actively in growth areas, including aggressive capital investment and M&A. In this way, we will strive to enhance corporate value. We will also continue to consider share buybacks as a means of returning profits to shareholders.

As announced on February 8, 2022, we will pay a year-end dividend of 45 yen per share for the current fiscal year. As a result, the annual dividend will be 70 yen per share, including an interim dividend of 25 yen per share. As a result, our consolidated dividend payout ratio amounted to 52.5%.

We plan to pay a 35 yen per share interim dividend.

Given the occasion of our 75th anniversary, we plan to pay a year-end regular dividend of 35 yen per share and a commemorative dividend of 5 yen per share in the next fiscal year, which will result in a 75 yen per share annual dividend.

2. Basic Approach to Selection of Accounting Standards

The Fujitec Group prepares consolidated financial statements in accordance with Japanese GAAP to ensure comparability of our consolidated financial statements from period to period and from company to company.

Our policy regarding the adoption of international financial accounting standards is to respond in an appropriate manner, taking into consideration various circumstances in Japan and overseas.

3. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	68,348	76,956
Notes and accounts receivable-trade	59,022	—
Notes and accounts receivable-trade and contract assets	—	66,123
Merchandise and finished goods	5,634	3,812
Work in process	6,278	2,281
Raw materials and supplies	7,333	9,004
Other	5,150	8,213
Allowance for doubtful accounts	(2,375)	(3,119)
Total current assets	149,393	163,273
Fixed assets		
Property, plant and equipment		
Buildings and structures	36,242	37,437
Accumulated depreciation	(16,615)	(18,329)
Buildings and structures, net	19,627	19,108
Machinery and equipment	12,828	13,758
Accumulated depreciation	(9,145)	(9,894)
Machinery and equipment, net	3,682	3,864
Tools, furniture and fixtures	8,244	8,874
Accumulated depreciation	(5,898)	(6,439)
Tools, furniture and fixtures, net	2,346	2,434
Land	6,911	6,849
Leased assets	982	1,252
Accumulated depreciation	(442)	(612)
Leased assets, net	539	640
Construction in progress	679	2,386
Total property, plant and equipment	33,786	35,283
Intangible assets		
Goodwill	1,214	1,227
Other	3,465	3,609
Total intangible assets	4,680	4,837
Investments and other assets		
Investments securities	8,772	8,356
Long-term loans receivable	23	26
Net defined benefit asset	790	598
Deferred tax assets	4,374	4,904
Other	3,489	3,456
Allowance for doubtful accounts	(113)	(127)
Total investments and other assets	17,336	17,215
Total fixed assets	55,803	57,335
Total assets	205,196	220,609

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable-trade	15,026	16,637
Electronically recorded obligations-operating	4,734	3,149
Short-term debt	2,317	3,493
Accrued income taxes	3,425	2,035
Provision for bonuses	3,385	3,288
Provision for director bonuses	90	93
Provision for losses on construction contracts	7,761	10,169
Provision for warranties for completed construction	1,482	1,976
Provision for shareholder benefit program	—	78
Other provision	40	—
Advances from customers	25,620	22,428
Other	10,268	11,342
Total current liabilities	74,152	74,691
Fixed liabilities		
Long-term debt	809	381
Deferred tax liabilities	87	84
Net defined benefit liability	4,150	4,272
Asset retirement obligations	23	24
Long-term accounts payable - other	179	179
Other	528	493
Total fixed liabilities	5,778	5,435
Total liabilities	79,931	80,126
Net assets		
Shareholders' equity		
Paid-in capital	12,533	12,533
Additional paid-in capital	14,474	14,474
Retained earnings	102,516	104,649
Treasury stock	(5,206)	(2,267)
Total Shareholders' equity	124,318	129,391
Accumulated other comprehensive income		
Net unrealized gains on securities	2,681	2,475
Deferred gains or losses on hedges	(27)	17
Foreign currency translation adjustments	(13,913)	(5,794)
Remeasurements of defined benefit plans	(641)	(607)
Total accumulated other comprehensive income	(11,901)	(3,908)
Stock acquisition rights	35	35
Non-controlling interests	12,812	14,964
Total net assets	125,264	140,482
Total liabilities and net assets	205,196	220,609

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(Million yen)

	FY2021 Q4 April 1,2020 - March 31, 2021	FY2022 Q4 April 1, 2021 - March 31, 2022
Net sales	169,573	187,018
Cost of sales	129,690	145,446
Gross profit	39,883	41,572
Selling, general and administrative expenses	26,594	27,794
Operating income	13,288	13,777
Other income		
Interest income	1,154	874
Dividend income	193	372
Foreign exchange gain	―	407
Rent income	126	145
Miscellaneous income	272	535
Total other income	1,746	2,336
Other expenses		
Interest expenses	150	94
Foreign exchange loss	138	―
Provision of allowance for doubtful accounts	0	176
Miscellaneous loss	111	130
Total other expenses	401	400
Ordinary income	14,633	15,713
Special gain		
Gain on sales of property, plant and equipment	13	63
Gain on sales of investment securities	242	200
Subsidy income	537	610
Total special gain	793	874
Special loss		
Loss on sales of property, plant and equipment	14	85
Loss on retirement of property, plant and equipment	24	12
Impairment loss	24	30
Loss on sales of investment securities	59	―
Loss on valuation of investment securities	―	40
Loss on valuation of shares of subsidiaries and associates	265	43
Loss on valuation of investments in capital of subsidiaries and associates	12	22
Loss related to infectious diseases	―	85
Total special loss	401	319
Profit before income taxes	15,025	16,268
Income taxes expense	5,062	4,007
Deferred taxes expense	(690)	298
Total income taxes	4,372	4,306
Profit	10,652	11,961
Profit attributable to non-controlling interests	1,365	1,125
Profit attributable to owners of parent	9,287	10,835

Consolidated Statements of Comprehensive Income

(Million yen)

	FY2021 Q4 April 1,2020 - March 31, 2021	FY2022 Q4 April 1, 2021 - March 31, 2022
Profit	10,652	11,961
Other comprehensive income		
Net unrealized gains on securities	1,486	(205)
Deferred gains or losses on hedges	(13)	53
Foreign currency translation adjustments	(1,868)	10,041
Remeasurements of defined benefit plans	745	34
Total other comprehensive income	350	9,923
Comprehensive income	11,003	21,885
Comprehensive income attributable to:		
Owners of parent	9,530	18,828
Non-controlling interests	1,472	3,056

(3) Consolidated Statements of Changes in Shareholders' Equity

Fiscal Year Ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(Million yen)

	Shareholders' equity				
	Paid-in capital	Additional paid-in capital	Retained earnings	Treasury stock	Total Shareholders' equity
Balance at the beginning of the current fiscal year	12,533	14,571	102,355	(10,401)	119,059
Cumulative effects of changes in accounting policies					—
Restated balance	12,533	14,571	102,355	(10,401)	119,059
Change during the current fiscal year					
Change in ownership interest of parent due to transactions with non-controlling interests		(3)			(3)
Dividends from surplus			(4,054)		(4,054)
Changes in scope of consolidation		(93)			(93)
Profit attributable to owners of parent			9,287		9,287
Purchases of treasury stock				(930)	(930)
Disposal of treasury stock		449	(2)	607	1,054
Cancellation of treasury stock		(5,518)		5,518	—
Transfer from retained earnings to capital surplus		5,069	(5,069)		—
Net changes of items other than shareholders' equity					
Total changes during the current fiscal year	—	(97)	161	5,195	5,259
Balance at the end of the current fiscal year	12,533	14,474	102,516	(5,206)	124,318

	Accumulated other comprehensive income					Stock acquisition rights	Non-controlling interests	Total net assets
	Net unrealized gains on securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the current fiscal year	1,194	(16)	(11,935)	(1,387)	(12,145)	40	11,760	118,714
Cumulative effects of changes in accounting policies								—
Restated balance	1,194	(16)	(11,935)	(1,387)	(12,145)	40	11,760	118,714
Change during the current fiscal year								
Change in ownership interest of parent due to transactions with non-controlling interests								(3)
Dividends from surplus								(4,054)
Changes in scope of consolidation								(93)
Profit attributable to owners of parent								9,287
Purchases of treasury stock								(930)
Disposal of treasury stock								1,054
Cancellation of treasury stock								—
Transfer from retained earnings to capital surplus								—
Net changes of items other than shareholders' equity	1,486	(11)	(1,977)	745	243	(4)	1,052	1,290
Total changes during the current fiscal year	1,486	(11)	(1,977)	745	243	(4)	1,052	6,550
Balance at the end of the current fiscal year	2,681	(27)	(13,913)	(641)	(11,901)	35	12,812	125,264

Fiscal Year Ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(Million yen)

	Shareholders' equity				
	Paid-in capital	Additional paid-in capital	Retained earnings	Treasury stock	Total Shareholders' equity
Balance at the beginning of the current fiscal year	12,533	14,474	102,516	(5,206)	124,318
Cumulative effects of changes in accounting policies			140		140
Restated balance	12,533	14,474	102,657	(5,206)	124,459
Change during the current fiscal year					
Change in ownership interest of parent due to transactions with non-controlling interests		0			0
Dividends from surplus			(5,298)		(5,298)
Changes in scope of consolidation					—
Profit attributable to owners of parent			10,835		10,835
Purchases of treasury stock				(1,004)	(1,004)
Disposal of treasury stock		15		382	398
Cancellation of treasury stock		(3,560)		3,560	—
Transfer from retained earnings to capital surplus		3,545	(3,545)		—
Net changes of items other than shareholders' equity					
Total changes during the current fiscal year	—	0	1,992	2,938	4,931
Balance at the end of the current fiscal year	12,533	14,474	104,649	(2,267)	129,391

	Accumulated other comprehensive income					Stock acquisition rights	Non-controlling interests	Total net assets
	Net unrealized gains on securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the current fiscal year	2,681	(27)	(13,913)	(641)	(11,901)	35	12,812	125,264
Cumulative effects of changes in accounting policies								140
Restated balance	2,681	(27)	(13,913)	(641)	(11,901)	35	12,812	125,405
Change during the current fiscal year								
Change in ownership interest of parent due to transactions with non-controlling interests								0
Dividends from surplus								(5,298)
Changes in scope of consolidation								—
Profit attributable to owners of parent								10,835
Purchases of treasury stock								(1,004)
Disposal of treasury stock								398
Cancellation of treasury stock								—
Transfer from retained earnings to capital surplus								—
Net changes of items other than shareholders' equity	(205)	44	8,119	34	7,993	—	2,152	10,145
Total changes during the current fiscal year	(205)	44	8,119	34	7,993	—	2,152	15,077
Balance at the end of the current fiscal year	2,475	17	(5,794)	(607)	(3,908)	35	14,964	140,482

(4) Consolidated Statements of Cash Flows

(Million yen)

	FY2021 Q4 April 1,2020 - March 31, 2021	FY2022 Q4 April 1,2021 - March 31, 2022
Cash flows from operating activities		
Profit before income taxes	15,025	16,268
Depreciation and amortization	3,457	3,343
Increase (decrease) in allowance for doubtful accounts	221	429
Increase (decrease) in provision for bonuses to employees	221	(516)
Increase (decrease) in provision for loss on construction contracts	2,659	1,638
Interest and dividend income	(1,347)	(1,247)
Interest expenses	150	94
Decrease (increase) in notes and accounts receivable-trade	2,691	245
Decrease (increase) in inventories	14	(1,569)
Increase (decrease) in notes and accounts payable-trade	(940)	(2,226)
Loss (gain) on sales of investment securities	(183)	(200)
Increase (decrease) in advances received	1,992	226
Loss (gain) on sales and retirement of property, plant and equipment	26	33
Increase (decrease) in net defined benefit liability	361	287
Loss (gain) on valuation of investment securities	—	40
Other, net	1,013	(1,083)
Subtotal	25,365	15,763
Income taxes paid	(3,822)	(5,917)
Net cash provided by (used in) operating activities	21,542	9,846
Cash flows from investing activities		
Payments into time deposits	(22,535)	(18,925)
Proceeds from withdrawal of time deposits	17,442	16,875
Purchase of property, plant and equipment	(2,909)	(3,262)
Proceeds from sales of property, plant and equipment	24	471
Purchase of investment securities	(167)	(2)
Proceeds from sales of investment securities	600	245
Purchase of intangible assets	(190)	(207)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,471)	—
Collection of loans receivable	94	62
Interest and dividends received	1,508	1,218
Other, net	(351)	(469)
Net cash provided by (used in) investing activities	(7,955)	(3,994)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,669)	926
Proceeds from long-term borrowings	930	—
Repayments of long-term borrowings	(332)	(428)
Purchase of treasury shares	(0)	(1,004)
Interest paid	(95)	(68)
Cash dividends paid	(4,053)	(5,275)
Dividends paid to non-controlling interests	(674)	(779)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(4)	(3)
Other, net	33	112
Net cash provided by (used in) financing activities	(5,866)	(6,520)
Effect of exchange rate change on cash and cash equivalents	(62)	3,870
Net increase (decrease) in cash and cash equivalents	7,658	3,202
Cash and cash equivalents at beginning year	28,181	35,840
Cash and cash equivalents at end of year	35,840	39,042

(5) Notes to the Consolidated Financial Statements

(Notes Regarding Assumptions of Going Concern)

Not applicable.

(Changes in Accounting Policies)

(Adoption of Accounting Standard for Revenue Recognition)

At the beginning of the current consolidated fiscal Year, we adopted Accounting Standard for Revenue Recognition (ASBJ Statement No.29, March 31, 2020) ("Revenue Recognition Standard," below) and other standards. With the adoption of this standard, the company now recognizes revenue when the control of promised goods or services is transferred to the customer in the amount expected to be received in exchange for said goods or services.

As a result, we have changed our method for recognizing revenue for free maintenance services included in new installation and modernization contracts, which we perform over a certain period of time subsequent to the completion of the work in question, as we did not recognize revenue in the past as no consideration was received. We will now recognize such services as a performance obligation separate from new installations or modernization, recognizing revenue over the maintenance service period after allocating the transaction price based on an arm's length transaction. Some overseas subsidiaries have changed their revenue recognition method for certain equipment sales to the point at which control of the equipment is transferred to the customer. Revenue recognition for installation construction contracts for these subsidiaries has changed from recognition upon completion of installation to recognition of revenue over the period of construction for the installation work.

The company and our overseas subsidiaries estimate the progress of completion of construction projects for which performance obligations are to be satisfied over a certain period of time. These entities recognize revenue over a certain period of time based on the progress in question. For construction projects involving a very short period of time, we recognize revenue upon completion of construction. We estimate percentage of completion based on the ratio of the costs incurred to the total cost of construction (input method).

In adopting the change in question, the company follows the transitional treatment as prescribed in the proviso of Paragraph 84 of the Revenue Recognition Standard. The cumulative effect of applying the new accounting policy retrospectively for periods prior to the beginning of the current consolidated fiscal year has been added to or deducted from retained earnings at the beginning of the current consolidated fiscal year, and the new accounting policy has been applied beginning with the relevant beginning balance.

As a result, net sales for the consolidated of the current fiscal year increased by 2,219 million yen compared with the previous accounting method. Cost of sales increased by 1,243 million yen, while selling, general and administrative expenses increased by 30 million yen. Operating income, ordinary income, and profit before income taxes each increased by 945 million yen. The balance of retained earnings at the beginning of the period increased by 140 million yen.

As a result of the application of the Revenue Recognition Accounting Standard, notes and accounts receivable - trade presented under current assets in the consolidated balance sheet of the previous fiscal year is now included under notes and accounts receivable - trade and contract assets beginning with the current consolidated fiscal year.

The impact on per-share information is stated in the relevant section.

In accordance with the transitional treatment prescribed in Paragraph 89-2 of the Revenue Recognition Standard, no reclassification has been made for the previous fiscal year using the new presentation method.

(Adoption of fair value measurement accounting standard)

We adopted Accounting Standard for Fair Value Measurement (ASBJ Statement No.30, July 4, 2019) ("Fair Value Measurement Standard," below) as of the beginning of the current consolidated fiscal year. In accordance with the transitional treatment provided in Paragraph 19 of the Fair Value Measurement Standard and Paragraph 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019), we will apply the new accounting policy provided in Fair Value Measurement Standard prospectively. The adoption of this accounting standard will have no impact on the consolidated financial statements of the company.

(Change in Depreciation Method for Tangible Fixed Assets)

In past periods, we mainly used the declining-balance method to depreciate property, plant and equipment (excluding leased assets). Beginning with the current consolidated fiscal year, we have changed to the straight-line depreciation method.

Over the past several years, the Japanese market for elevators and escalators has matured, and demand trends have been stable. Our investments in Japan have been mainly for the maintenance and upgrade of equipment, rather than for an increase in production volume.

We announced our new strategic direction in December 2020. We took the opportunity in connection with this new direction to define policies for investment plans related to automation and labor-savings aimed at improving profitability. At the same time, we conducted a review of our depreciation methods in light of how we used the equipment in question. Since we expect our property, plant and equipment to be in stable operation over an extended period of time, we determined that the adopting the straight-line method of depreciation reflects the actual business conditions of the company more appropriately. The straight-line method allocates the average cost of the fixed asset over its useful life.

As a result of this change, operating income, ordinary income, and profit before income taxes for the current consolidated fiscal year increased by 271 million yen, respectively, compared with the amounts based on the previous method.

(Changes in Presentation Methods)

(Consolidated statements of income)

Provision of allowance for doubtful accounts included in *miscellaneous loss* under *other expenses* for the previous consolidated fiscal year exceeded 10% of total *other expenses*. Therefore, we have decided to present *provision of allowance for doubtful accounts* as a separate line item beginning with the current consolidated fiscal year. We have consolidated the consolidated financial statements of the previous consolidated fiscal year to reflect this change in presentation method.

As a result of this change in presentation method, 112 million yen of *miscellaneous loss* under *other expenses* in the consolidated financial statements of the previous consolidated fiscal year has been reclassified as 0 million yen of *provision of allowance for doubtful accounts* and 111 million yen of *miscellaneous loss*.

(Supplemental Information)

(Transaction to deliver Fujitec Co., Ltd. shares to employees, etc. via trust)

At a meeting held November 6, 2020, the Fujitec Co., Ltd. board of directors resolved to adopt a Trust-Type Employee Shareholding Incentive Plan (E-Ship; "Plan"). The purpose of this plan is to incentivize employees to raise corporate value over the medium and long term, to expand employee welfare benefits, and to encourage steady company growth by motivating employees through equity participation.

(1) Outline of the transaction

The Plan is a Trust-Type Employee Shareholding Incentive Plan (E-Ship) available to all employees who participate in the Fujitec Employee Shareholding Association ("Shareholding Association"). Under the Plan, the company will establish the Fujitec Employee Shareholding Association Trust ("Trust") within a trust bank with whom the company has a business relationship. The Trust will acquire company stock that the Shareholding Association is expected to acquire over the next five years via third party allotment, leveraging borrowings from the company's transaction financial institutions as the source of funds. Thereafter, the Trust will sell the company shares in question to the Shareholding Association on an ongoing basis. If, upon the conclusion of the Trust, the Trust has accumulated an amount equivalent to a gain on sale of stock, such amount equivalent to said gain shall be distributed as residual assets to those persons meeting requirements as beneficiaries. Fujitec Co., Ltd. will guarantee the loans used to acquire company shares by the Trust. Therefore, if the Trust accumulates an amount equivalent to a loss on sale of stock and the Trust has accumulated a debt balance equivalent to such loss on the sale of company stock at the conclusion of the Trust, the company will repay the remaining debt in question.

(2) Shares of the company remaining in the Trust

Company shares remaining in the Trust are recorded as treasury stock under net assets at the carrying value of the Trust (excluding incidental expenses). The carrying value and number of shares of the treasury stock in question amounted to 810 million yen and 362 thousand shares for the previous consolidated fiscal year, and 442 million yen and 197 thousand shares for the current consolidated fiscal year.

(3) Carrying value of borrowings recorded via application of the gross method

Previous consolidated fiscal year: 809 million yen; current consolidated fiscal year: 381 million yen

(Segment and Other Information)

1 Overview of reportable segments

The Fujitec Group's reportable segments are units of the group whose financial information is available separately and are reviewed regularly by the Fujitec Co., Ltd. board of directors for determining the distribution of management resources and the evaluation of business performance.

The Fujitec Group is engaged mainly in the production, sales, installation, and maintenance of elevators, escalators, and other products. Fujitec Co., Ltd. is in charge of businesses in Japan, while independent local subsidiaries are in charge of overseas businesses in East Asia (China, Hong Kong, Taiwan, and South Korea), South Asia (mainly Singapore and India), and North America and Europe (the United States, Canada, and the United Kingdom).

Accordingly, the Fujitec Group consists of regional segments based on an integrated system of production, sales, installation, and maintenance, representing four reportable segments: (1) Japan, (2) East Asia, (3) South Asia, and (4) North America and Europe.

2 Method of calculating net sales, profit (loss), assets, liabilities, and other items of each reportable segment

The accounting treatment for each reportable segment is essentially the same as that used in the preparation of the consolidated financial statements. Profit for each reportable segment reflects figures based on operating income.

Intersegment internal revenues and transfers are based on prevailing market prices.

3 Information on net sales, profit (loss), assets, liabilities, and other items of each reportable segment

Fiscal Year Ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(Million yen)

	Reportable Segments					Adjustments (Note 1)	Amount Recorded on Consolidated Financial Statements (Note 2)
	Japan	East Asia	South Asia	North America and Europe	Total		
Net sales							
Sales to external customers	69,452	62,908	13,781	23,431	169,573	—	169,573
Intersegment sales/transfers	2,407	6,892	3	18	9,321	(9,321)	—
Total	71,859	69,800	13,785	23,450	178,895	(9,321)	169,573
Segment income	5,330	5,328	2,160	502	13,321	(32)	13,288
Segment assets	92,106	100,840	21,905	16,000	230,853	(25,657)	205,196
Other items							
Depreciation and amortization	2,110	876	246	223	3,457	—	3,457
Amortization of goodwill	—	—	—	159	159	—	159
Impairment loss	24	—	—	—	24	—	24
Increase in property, plant and equipment and intangible assets	1,942	333	485	262	3,024	—	3,024

Note 1 Adjustments are as follows:

(1) Segment income adjustment of (32) million yen is due to inventory adjustments.

(2) Segment asset adjustments of (25,657) million yen include eliminations of intersegment transactions of (25,503) million yen and inventory adjustments of (153) million yen.

2 Segment income has been adjusted to operating income on the consolidated statements of income.

Fiscal Year Ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(Million yen)

	Reportable Segments					Adjustments (Note 1)	Amount Recorded on Consolidated Financial Statements (Note 2)
	Japan	East Asia	South Asia	North America and Europe	Total		
Net sales							
Sales to external customers	73,069	70,280	16,521	27,147	187,018	—	187,018
Intersegment sales/transfers	2,487	8,183	1	38	10,711	(10,711)	—
Total	75,556	78,463	16,522	27,186	197,729	(10,711)	187,018
Segment income	5,440	5,165	2,053	1,128	13,788	(10)	13,777
Segment assets	93,381	109,620	25,630	19,337	247,969	(27,360)	220, 609
Other items							
Depreciation and amortization	1,932	895	265	250	3,343	—	3,343
Amortization of goodwill	—	—	—	117	117	—	117
Impairment loss	30	—	—	—	30	—	30
Increase in property, plant and equipment and intangible assets	2,302	545	1,045	194	4,088	—	4,088

Note 1 Adjustments are as follows:

(1) Segment income adjustment of (10) million yen is due to inventory adjustments.

(2) Segment asset adjustments of (27,360) million yen include eliminations of intersegment transactions of (27,197) million yen and inventory adjustments of (162) million yen.

2 Segment income has been adjusted to operating income on the consolidated statements of income.

4 Matters Related to Changes in Reportable Segments, Etc.

(Adoption of Accounting Standard for Revenue Recognition)

As stated in the Changes in Accounting Policies, we applied the Revenue Recognition Standard at the beginning of the current consolidated fiscal year. As we have changed our accounting method for revenue recognition, we have changed our method for calculating the profit or loss of reportable segments in a similar fashion.

As a result of this change, net sales and segment income in Japan for the current consolidated fiscal year increased by 273 million yen and 438 million yen, respectively, when compared to the previous method. Net sales and segment income for East Asia increased by 1,945 million yen and 507 million yen, respectively.

(Change in Depreciation Method for Tangible Fixed Assets)

As stated in Changes in Accounting Policies, in past periods, we mainly used the declining-balance method to depreciate property, plant and equipment (excluding leased assets). Beginning with the current consolidated fiscal year, we have changed to the straight-line depreciation method.

As a result of this change, segment income in Japan for the current consolidated fiscal year increased by 271 million yen compared to the previous method.

(Per-Share Information)

Item	Fiscal Year Ended March 31, 2021 April 1, 2020 - March 31, 2021	Fiscal Year Ended March 31, 2022 April 1, 2021 - March 31, 2022
Net assets per share	1,385.45 yen	1,549.83 yen
Net income per share	114.52 yen	133.42 yen
Diluted net income per share	114.46 yen	133.36 yen

Note 1 In calculating the number of shares of common stock and average number of shares of common stock during the period used as a basis for the calculation per-share information, treasury shares deducted for said calculation include Fujitec Co., Ltd. stock (362,000 shares as of the end of the previous consolidated fiscal year; 197,500 shares as of the end of the current consolidated fiscal year under review) held as a trust-type employee shareholding incentive plan (E-Ship). The average number of Fujitec Co., Ltd. shares held in the trust was 127,670 shares in the previous consolidated fiscal year and 280,515 shares in the current consolidated fiscal year under review.

2 As described in Changes in Accounting Policies, the Company has adopted the Accounting Standard for Revenue Recognition and other related accounting standards. As a result, net assets per share increased 13.42 yen, net income per share increased 11.65 yen, and diluted net income per share increased 11.64 yen for the current consolidated fiscal year.

3 The basis for calculating net income per share and diluted net income per share is shown in the table below.

Item		Fiscal Year Ended March 31, 2021 April 1, 2020 - March 31, 2021	Fiscal Year Ended March 31, 2022 April 1, 2021 - March 31, 2022
Net income per share			
Profit attributable to owners of parent	(Million yen)	9,287	10,835
Amounts not attributable to shareholders of common stock	(Million yen)	—	—
Profit attributable to common stock owners of parent	(Million yen)	9,287	10,835
Average number of outstanding shares of common stock	(Thousand shares)	81,094	81,213
Diluted net income per share			
Adjustment of net income attributable to owners of parent	(Million yen)	—	—
Increase in number of common stock	(Thousand shares)	41	38
(Stock acquisition rights included)	(Thousand shares)	(41)	(38)
Outline of dilutive stock not included in calculation of diluted net income per share due to anti-dilutive effect		—	—

4 The basis for calculating net assets per share is shown in the table below.

Item		As of March 31, 2021	As of March 31, 2022
Total net assets	(Million yen)	125,264	140,482
Amount deducted from total net assets	(Million yen)	12,847	15,000
(Stock acquisition rights included)	(Million yen)	(35)	(35)
(Non-controlling interests included)	(Million yen)	(12,812)	(14,964)
Net assets attributable to common stock at the end of the fiscal year	(Million yen)	112,417	125,482
Number of common shares at the end of the fiscal year used to calculate net assets per share	(Thousand shares)	81,140	80,965

(Significant Subsequent Events)

Not applicable.

4. Other

(1) Orders and Sales

a. Orders

The table below shows orders and order backlog in Japan and overseas for the consolidated fiscal year ended March 31, 2022.

	Orders (Million yen)	YoY (%)	Order backlog (Million yen)	Vs. PY (%)
Japan	77,337	8.0	72,840	7.2
Overseas	118,190	14.7	151,338	5.8
Total	195,527	12.0	224,179	6.2

(Note) The above amounts do not include consumption tax.

(Major properties for which we received orders during the consolidated fiscal year ended March 31, 2022)

Location	Delivery Destination	Overview
Hong Kong	Hong Kong Plaza	Replaced 13 existing elevators in a 42-story office building
Gangwon Province, Korea	The Ocean Xi in Sokcho	Installed 15 elevators for a 43-story residential facility in Sokcho City
Penang State, Malaysia	The Light City, Penang - Plot B	Installed 21 elevators/escalators in a complex consisting of a 36-story hotel and 18-story office tower
Colombo, Sri Lanka	Marina Square	Installed 21 elevators for a complex consisting of five 38-story towers and other structures in the central business district
California, USA	1100 WILSHIRE	Installed 9 elevators for an upscale residential facility that includes a 37-story commercial space located in the west end of downtown
Santa Fe Province, Argentina	TORRE NORDLINK	Replaced 9 existing elevators in a 20-story office building of a major independent general real estate company
London, U.K.	Battersea Power Station Phase 3B	Installed 14 elevators for a 16-story complex consisting of a hotel, retail, and office space on the site of the former Battersea Power Station
Nagoya, Japan	Nagoya Marunouchi 1-Chome Project	Installed 10 elevators for office building

b. Sales (net sales)

The table below shows sales performance (net sales) in Japan and overseas for the consolidated fiscal year ended March 31, 2022.

	Net sales (Million yen)	YoY (%)
Japan	72,983	5.1
Overseas	114,034	13.9
Total	187,018	10.3

(Note) The above amounts do not include consumption tax.

(Major projects completed during the consolidated fiscal year ended March 31, 2022)

Location	Delivery Destination	Overview
Zhejiang, China	Xi Rui Jiang Nan	Completed 165 elevators for a residential and commercial facility in Hangzhou
Tokyo, Japan	TORANOMON HILLS RESIDENTIAL TOWER	Completed 8 elevators for a high-rise condominium building (54 floors above ground, 4 floors below ground) in the Toranomon district of Minato-ku
Yokohama, Japan	The Westin Yokohama	Completed 18 elevators/escalators for a 23-story premium hotel in the Minato Mirai district
Osaka, Japan	OSAKA UMEDA TWIN TOWERS SOUTH	Completed 23 elevators/escalators for a department store and office complex (38 floors above ground, 3 floors below ground) in the Osaka Umeda district
Osaka, Japan	GRANDE MAISON SHIN UMEDA THE CLUB RESIDENCE	Completed 15 elevators for a 51-story condominium and commercial facility tower complex in the JR Osaka Station area
Fukuoka, Japan	Mitsui Shopping Park LaLaport FUKUOKA	Completed 28 elevators for a 5-story commercial facility on the site of a former Fukuoka City fruit and vegetable market

(2) Change in Directors

[Change in representative]

Not applicable.

[Other change in officers] (June 23, 2022)

a. Candidates for new director appointment

Director: Kazuhiro Mishina (currently Professor, Kobe University, Graduate School of Business Administration)

Director: Kaori Oishi (currently Partner, Kitahama Partners)

(Note) Kazuhiro Mishina and Kaori Oishi are candidates for outside director.

b. Candidates for new Audit & Supervisory Board Member appointment

Audit & Supervisory Board Member: Yoshiyuki Yamasaki
(currently Certified Public Accountant, Offices of Yoshiyuki Yamasaki)

(Note) Yoshiyuki Yamasaki is a candidate for outside Audit & Supervisory Board Member.

c. Candidates for Substitute Audit & Supervisory Board Member

Substitute Audit & Supervisory Board Member: Takeharu Igaki (currently Senior Manager, Fujitec Co., Ltd.,
and Manager, Finance Department, Finance HQ)

d. Scheduled director retirements

Director: Keiko Yamahira

e. Scheduled Audit & Supervisory Board Member retirements

Audit & Supervisory Board Member: Kenichi Ishikawa