



Financial Results Presentation for the First Quarter Ended June 30, 2022 (FY2022)

August 5, 2022

FUJITEC CO., LTD.
(TSE Prime Section: 6406)

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

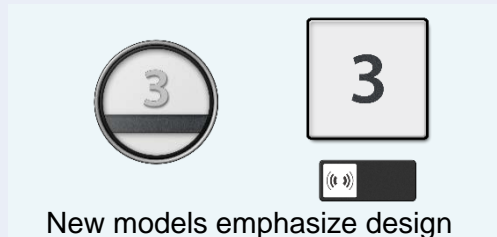


The First Quarter Ended June 30, 2022 (FY2022)

- Sales increased and profits decreased year on year. Net sales increased 5.2% to ¥41,705 million, while operating income fell 44.3% to ¥2,155 million.
- Sales and operating income increased in South Asia, the Americas and Europe. Profitability in Japan and East Asia was impacted by the lockdowns in Shanghai and soaring raw materials costs.
- Orders totaled ¥51,567 million, up 8.5% year on year. In Japan, demand related to the “new normal” and for maintenance services was firm. Overseas, demand for new installations and modernization projects was strong.

Highlights

- New Medium-Term Management Plan *Vision24*, beginning FY2022.
- Expanded *AirTap* lineup (touchless elevator buttons). Expand applications to a wider range of facilities.
- Completed facility capacity expansion at the elevator plant in Taiwan. Improved production efficiency; secured production system capable of manufacturing 1,000 units per year.



New models emphasize design



Fujitec Taiwan Hsinchu Plant

**The First Quarter Ended June 30, 2022
(FY2022)**

Earnings Highlights for FY2022 Q1

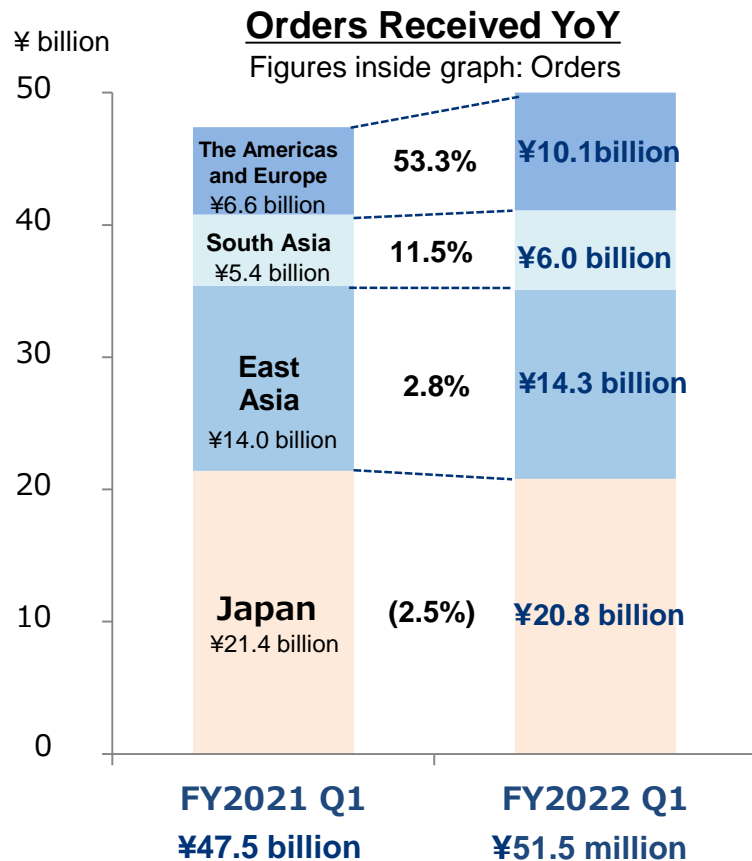
- Sales increased while net profit decreased year on year. Profitability declined due to the impact of lockdowns in Shanghai and soaring raw materials costs.

(Million yen)

	FY2021 Q1	FY2022 Q1	Change (%)
Net sales	39,656	41,705	5.2
Japan	16,214	15,296	(5.7)
Overseas	23,441	26,408	12.7
Operating income	3,870	2,155	(44.3)
Ordinary income	4,253	2,991	(29.7)
Profit attributable to owners of parent	3,337	2,845	(14.7)
Net income per share	41.13 yen	35.50 yen	—
U.S. dollar-yen exchange rate	104.74 yen	115.34 yen	

Orders Received for FY2022 Q1

- Increased 8.5% year on year. In Japan, sales declined slightly due to constraints on orders caused by the Shanghai lockdowns. Overseas, both the New Installation and Aftermarket Businesses performed well.



Japan orders: ¥20,875 million (down 2.5% YoY)

● New Installation Business

Despite a dip in orders for large projects compared with the same quarter a year ago, when the number was unusually high, and the impact of constraints on orders due to the Shanghai lockdowns, Fujitec reported only a slight YOY decline marking steady progress.

● Aftermarket Business

Modernization projects increased due to strong sales of new packaged products. Maintenance performance remained firm with high contract rates.

Overseas orders: ¥30,691 million (up 17.5% YoY)

● New Installation Business

In East Asia, orders increased in Taiwan and decreased in China. In South Asia, orders increased in India and Malaysia, while decreasing in Singapore. In the Americas and Europe, orders increased in the U.S.

● Aftermarket Business

Orders for modernization projects increased in Hong Kong, Singapore, and the U.K.

Earnings by Segment for FY2022 Q1

- Net sales increased in South Asia and the Americas and Europe. Japan was significantly impacted by disruptions to parts imports due to the lockdowns in Shanghai.
- Increases in the Aftermarket Business in South Asia and the Americas and Europe contributed to operating income. Soaring raw materials prices negatively impacted profits in Japan and East Asia.

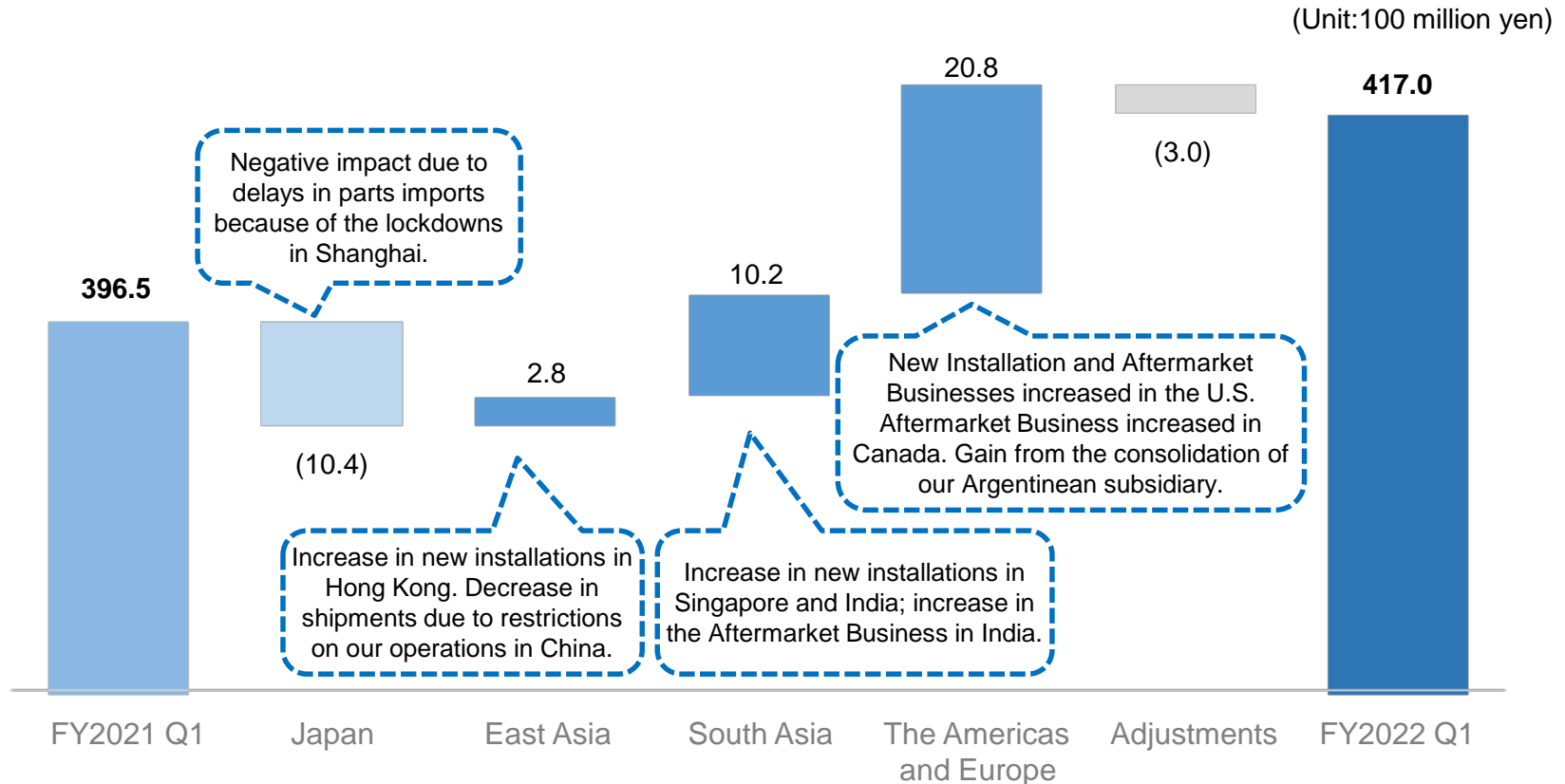
(Million yen)

	Net sales			Operating income (loss)		
	FY2021 Q1	FY2022 Q1	Change (%)	FY2021 Q1	FY2022 Q1	Change
Japan	16,964	15,923	(6.1)	1,024	(61)	(1,085)
East Asia	14,677	14,966	2.0	1,453	542	(910)
South Asia	4,354	5,376	23.5	1,126	1,338	211
The Americas and Europe	6,091	8,174	34.2	306	330	23
Subtotal	42,088	44,441	5.6	3,909	2,149	(1,760)
Adjustments	(2,432)	(2,736)	—	(39)	6	46
Total	39,656	41,705	5.2	3,870	2,155	(1,714)

In the first quarter of FY2022, we changed the segment name from *North America & Europe* to *The Americas and Europe* to reflect the inclusion of Fujitec Argentina S.A. in the scope of consolidation.

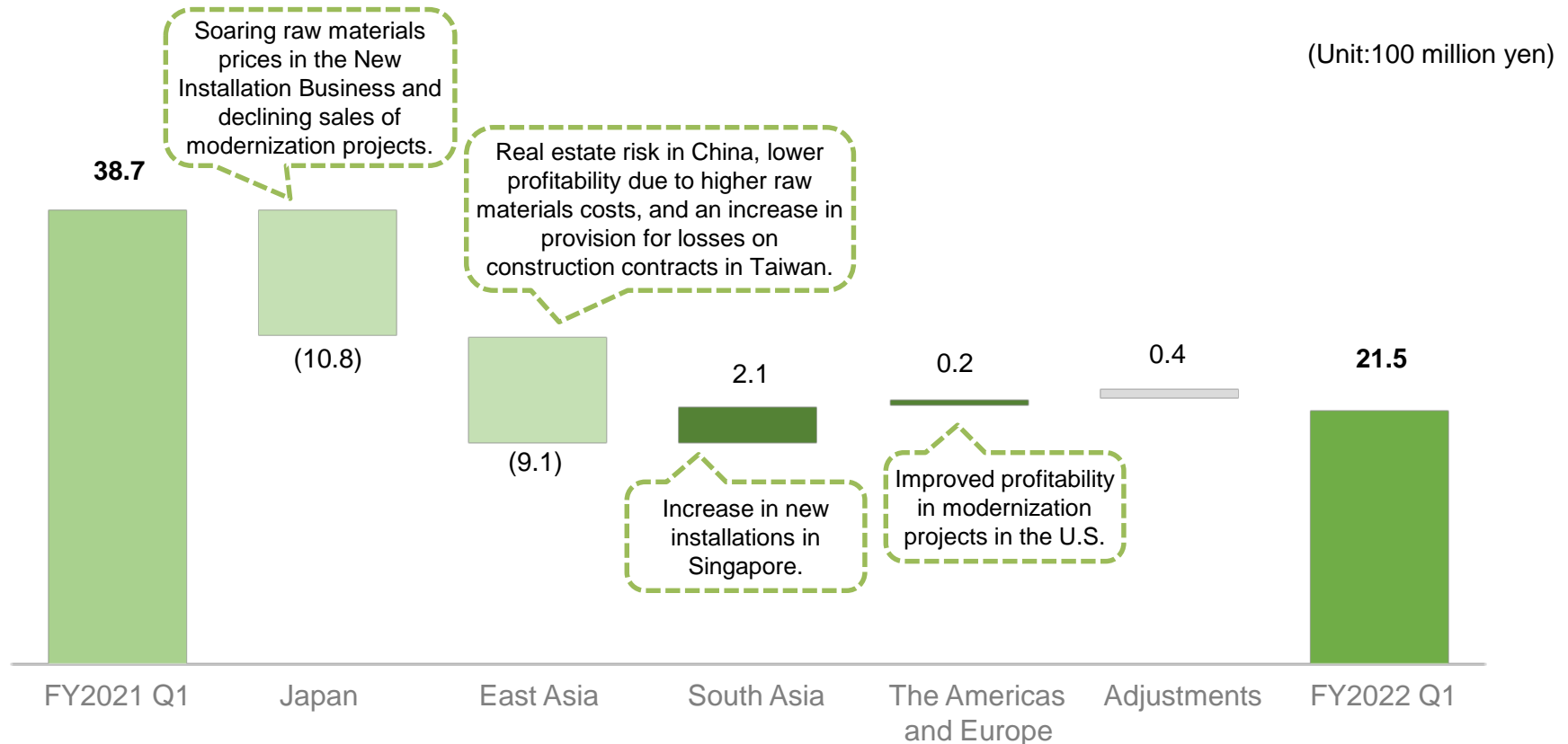
Net Sales Breakdown for FY2022 Q1

- **New Installation and Aftermarket Businesses performed well in South Asia and the Americas and Europe. In Japan, sales declined due to the lockdowns in Shanghai.**



Operating Income Breakdown for FY2022 Q1

- Operating income declined in Japan and East Asia mainly due to rising costs caused by soaring raw materials prices.



Vision24



Future Vision

- Increase our market share by expanding our New Installation and Aftermarket Businesses. Ensure that we improve profitability by expanding sales and reducing costs.
- Continue to provide safe and reliable products to people around the world for the sustainable enhancement of shareholder value.

Vision24 Action Guidelines

Sales Strategy

- Delve deeper into new markets and cultivate customers by expanding our product lineup

Product and Technology Strategy

- Develop and launch strategic models in close collaboration with local operators in each in-market
- Strengthen the development of environment-friendly products

Production and Operations Strategy

- Achieve cost reforms through procurement and the introduction of next-generation technologies in close collaboration with local operators in each market

Corporate Strategy

- Strengthen capital policy and governance structure
- Establish a system to implement group strategies

New Features for the New Normal

- Aim to provide safe, secure, and comfortable travel spaces.

Expansion of the *AirTap* Lineup



- New design-oriented buttons added to the AirTap (integrated and hybrid models).
- Combination of design and touchless functionality meets a wide range of needs in hotels, commercial facilities, and other buildings that demand originality.



Dome Clear Button
(Integrated Model)



Square Clear Button
(Hybrid Model)



For Users in Wheelchairs

AirClaire air conditioning system for elevator



AirClaire Logo

- *AirClaire* is a cleaning function that integrates a dedicated elevator air conditioner and the IONFUL air purifier.
- Both functions are standard features of XIOR standard elevator. This is the industry's first elevator air conditioner installed as standard equipment.

- Complete equipment and facilities upgrades of Fujitec Taiwan (Elevator Plant).
- Aim to further expand global business by strengthening price competitiveness through increased productivity.



Fujitec Taiwan Hsinchu Plant

Key Features of Plant Expansion

- Objective is to increase market share in Taiwan and strengthen price competitiveness via production and operation strategy.
- Built manufacturing operations with a capacity of up to 1,000 units per year (FY2024).
- Introduced automated sheet metal fabrication lines, welding robots, etc.; non-attended operation of certain facilities during nighttime hours will contribute to improved profitability.

Contributions to the Environment

- In support of Taiwan's green energy policy, we are leasing the plant roof to a solar power generation company. It will generate 170,000 kWh of electricity annually.
- Installation of power generation panels lowered temperatures inside the plant, improving the work environment.

- Continuing activities that contribute to sustainability.

Began using double-trailer trucks to transport elevators and escalators, reducing CO₂ emissions



- Worked with SENKO (major logistics company) to adopt double-trailer trucks that transport the equivalent of two trucks with a single driver.
- Began operations to transport elevators and escalators between Tokyo and Osaka.
- The double-trailer trucks have reduced CO₂ emissions by about 30% compared to our previous system and has been effective in reducing labor required for long-distance transportation.

Sustainability Activities

- Fujitec discloses (on our official website) the results of qualitative analysis of the impact of climate change on our business and performance based on the TCFD Framework.

Reference Materials

Consolidated Balance Sheets as of June 30, 2022 **FUJITEC**

(Million yen)

	March 31, 2022	June 30, 2022	Change	Comments
Current assets	163,273	174,854	11,581	
Cash and deposits	76,956	83,476	6,519	Increases in Japan and East Asia
Notes and accounts receivable-trade, and contract assets	66,123	66,919	795	
Inventory	15,099	19,894	4,794	Increases in East Asia, the Americas and Europe
Other	8,213	7,947	(266)	
Allowance for doubtful accounts	(3,119)	(3,382)	(262)	
Fixed assets	57,335	59,405	2,069	
Property, plant and equipment	35,283	36,009	726	Capital Investment +763 Depreciation (817) Foreign exchange, etc. +780
Intangible assets	4,837	5,174	337	
Investments and other assets	17,215	18,221	1,005	
Total assets	220,609	234,260	13,650	
Current liabilities	74,691	82,750	8,058	Advances from customers +4,619 Notes and accounts payable-trade +1,508 Provision for bonuses +740
Fixed liabilities	5,435	5,421	(13)	
Net assets	140,482	146,088	5,606	Foreign currency translation adjustment +8,009 Non-controlling interests +1,083 Retained earnings +664 Purchases of treasury stock (4,195)
Shareholders' equity ratio	56.9%	55.5%	(1.4pt)	
BPS	1,549.83 Yen	1,636.83 yen	87.00 yen	

Consolidated Earnings Forecast

- Fujitec forecasts ¥200 billion in net sales and ¥14.7 billion in operating income. Both targets represent record highs.
- We leave our earnings forecasts unchanged from our previous outlook announced in May.

(Million yen)

	FY2021	FY2022	Year-on-Year Change (%)
Net sales	187,018	200,000	6.9
Operating income	13,777	14,700	6.7
Operating profit margin	7.4%	7.4%	—
Ordinary income	15,713	15,600	(0.7)
Profit attributable to owners of parent	10,835	10,200	(5.9)
Net income per share	133.42 yen	128.42 yen	—
ROE	9.1%	8.3%	—

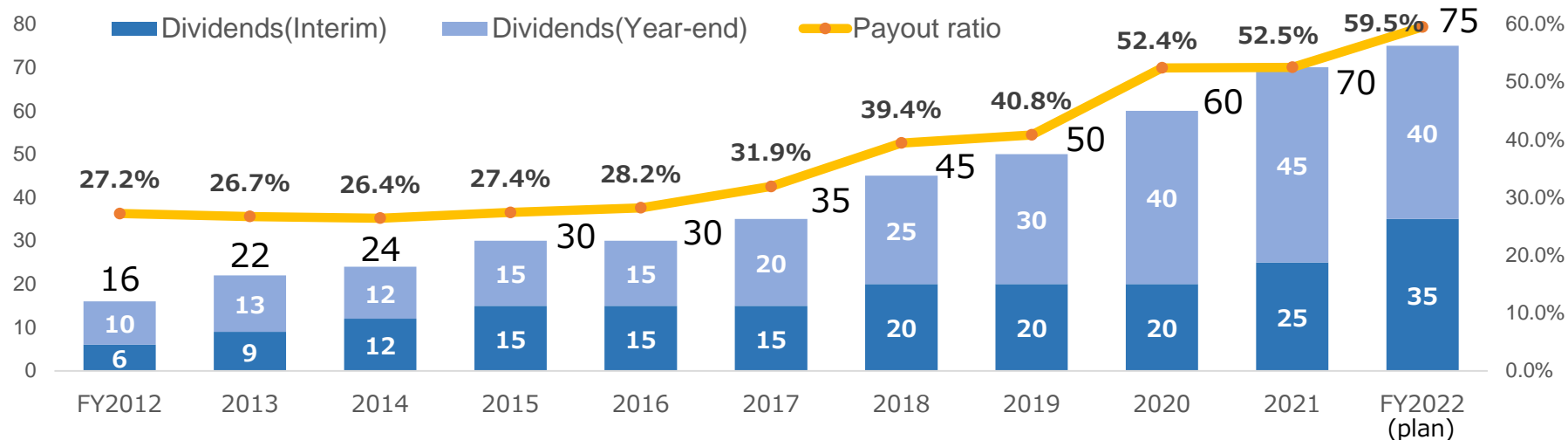
U.S. dollar - yen exchange rate

109.41 Yen

115.00 Yen

Dividend per share and dividend payout ratio

(Yen)



Share Buybacks (as of June 30, 2022)

	Planned	Completed	Progress
Number of shares	3,500	1,918	55%
Amount	10,000	5,200	52%

(Number of shares : thousands, Amount : millions of yen)

Major Orders, Completed Projects

New installations

Completed



**The Westin Yokohama and
The Apartment Bay YOKOHAMA
(Yokohama, Japan)**

Total of 18, 14 elevators and 4 escalators

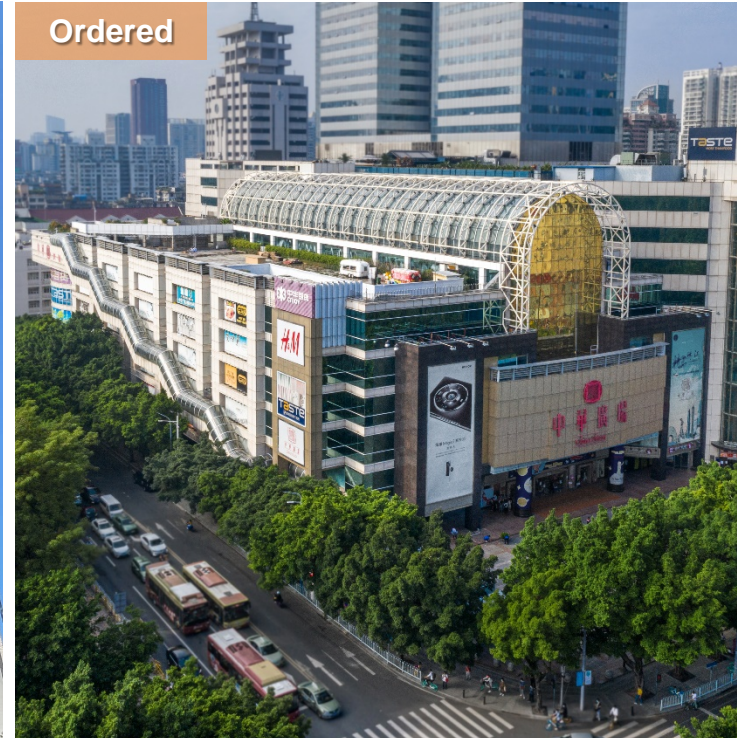
Modernization projects

Ordered



**Energy Plaza
(Dallas, USA)**
Total of 18 elevators

Ordered



**China Plaza
(Guangzhou, China)**
Total of 20, 2 elevators and 18 escalators

Company:	FUJITEC CO., LTD.
Established:	February 1948 (Listed on TSE First Section in February 1974, moved to Prime Market in April 2022)
Head Office:	Big Wing at 591-1, Miyata-cho, in Hikone, Shiga Prefecture, Japan
Business lines:	R&D, manufacturing, marketing, installation, and maintenance of elevators and escalators
Paid-in Capital	¥12,533 million (82,400,000 shares issued and outstanding)
Directors	President and CEO Takao Okada Nine directors (including six independent directors) Four members of Audit & Supervisory Board (including three outside members)
Number of employees	Consolidated: 10,964 (non-consolidated: 3,227)
Group companies	35, including 22 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 5, 2022. These forward-looking statements do not include updates or changes reflecting future events or circumstances.

August 5, 2022

FUJITEC CO., LTD.

Financial Results Presentation for the Year Ended
June 30, 2022 (FY2022)

