



# Financial Results Presentation for the third Quarter Ended December 31, 2022 (FY2022)

February 8, 2023

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

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*AirTap  
(Touchless elevator button)*

## Overview of Consolidated Financial Results for Q3 FYE March 2023

- Revenue increased but profit decreased YoY, with net sales of 150,755 million yen (up 10.0%) and operating income of 7,201 million yen (down 40.2%).
- Revenue increased in all segments. Profit was negatively affected by raw material price hikes in Japan and China.
- Total value of orders received was 149,123 million yen (up 3.6%). In Japan, both the modernization projects and maintenance performed well. In overseas markets, the number of new installations decreased in China due to the impact of lockdowns. However, in other regions, new installation and the modernization businesses grew and received a larger volume of orders.

### Topics

- In Tokyo, the “Global Field Engineering Skill Competition” was held to provide field engineers with an opportunity to compete with each other with their skills enhanced through daily practices.
- A new online service was launched to let building administrators monitor elevators’ and escalators’ operating status using their smartphones.
- Fujitec acquired shares of Elevadores EV International, S.A. de C.V., a Mexican company, to further expand business in the North America.



**Consolidated Financial Results for the Q3  
Ended December 31, 2022 (FY2022)**

# Earnings Highlights for FY2022 Q3

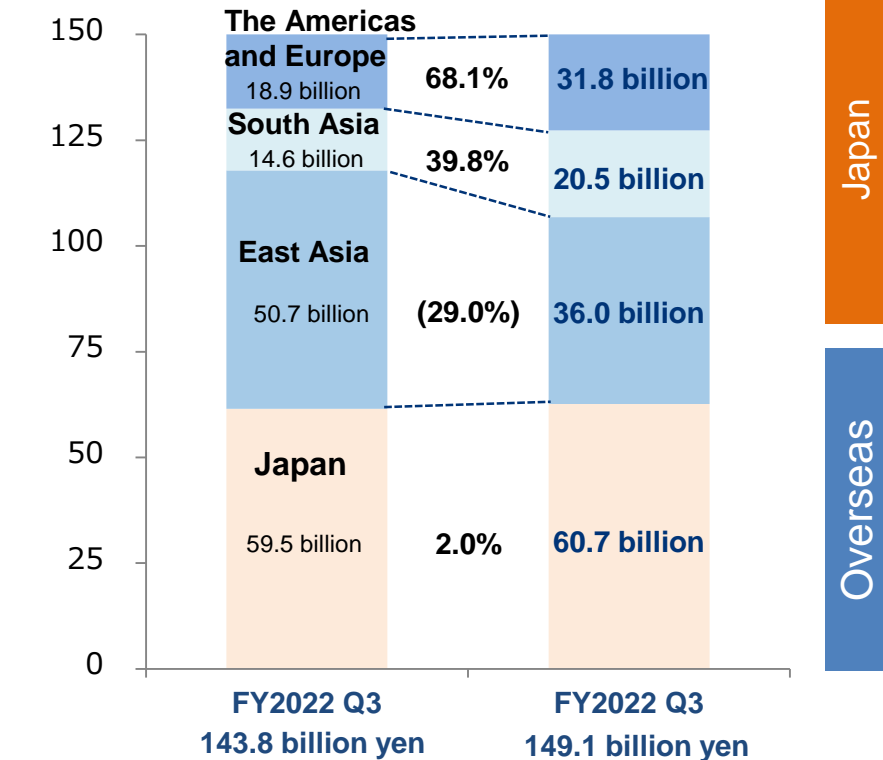
- Revenue increased but profit decreased YoY.
- Sales are on the road to recovery. Operating income shows an improving trend while still being affected by raw material price hikes in Japan and China. (in millions of yen)

	FY2021 Q3	FY2022 Q3	Change (%)
Net sales	137,041	150,755	10.0
Japan	52,639	53,579	1.8
Overseas	84,402	97,176	15.1
Operating income	12,051	7,201	(40.2)
Ordinary income	13,618	9,371	(31.2)
Profit attributable to owners of parent	9,843	5,084	(48.3)
Net income per share	121.22 yen	64.04 yen	—
U.S. dollar-yen exchange rate	JPY 108.18	JPY 126.15	

# Orders Received for FY2022 Q3

- Order volume increased by 3.6% YoY. In Japan, we enjoyed strong orders for standard models in the new installation business as well as for new products in the aftermarket business. In overseas markets, a significant increase was seen in the volume of orders in South Asia and the Americas and Europe, despite the continuing impact of China's lockdown.

YoY Changes in Volumes of Orders Received



**Japan**

- New Installation Business**  
Orders continued to be firm for mainstay standard models. Orders decreased due to a reactionary decline from large project orders received in the year-ago quarter.
- Aftermarket Business**  
“SMA-UP,” a newly launched packaged product for modernization, was well accepted by the market. The maintenance remained strong supported by high contract rates.

**Overseas**

- New Installation Business**  
East Asia: Orders increased in Taiwan and South Korea but decreased in China due to the lockdown.  
South Asia: Orders increased in Singapore and India.  
The Americas and Europe: Orders increased in the US and the UK.
- Aftermarket Business**  
Orders for modernization projects grew in the UK.

# Earnings by Segment for FY2022 Q3

- Net Sales increased in all regions. A recovery trend was observed in Japan and East Asia. In South Asia and the Americas and Europe, we continued to enjoy strong performance.
- Operating income grew in South Asia and the Americas and Europe by the robust growth of the aftermarket business. In Japan and East Asia, soaring raw materials prices had a significant impact on profits.

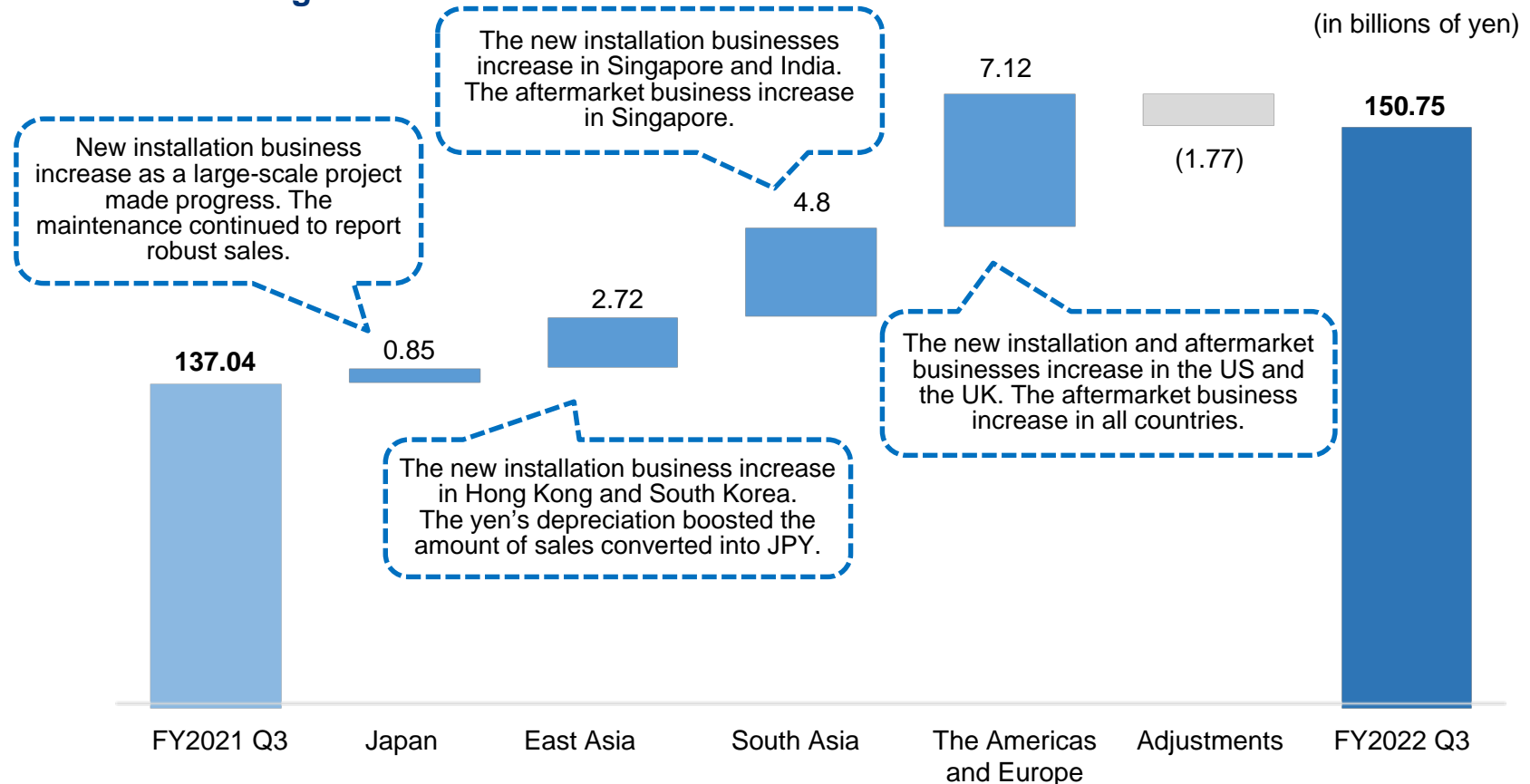
(in millions of yen)

	Net sales			Operating income (loss)		
	FY2021 Q3	FY2022 Q3	Change (%)	FY2021 Q3	FY2022 Q3	Change
Japan	54,638	<b>55,489</b>	1.6	4,021	<b>(31)</b>	(4,052)
East Asia	58,103	<b>60,823</b>	4.7	5,111	<b>3,398</b>	(1,712)
South Asia	12,332	<b>17,133</b>	38.9	1,941	<b>2,848</b>	907
The Americas and Europe	19,763	<b>26,884</b>	36.0	1,024	<b>1,120</b>	95
Subtotal	144,838	<b>160,331</b>	10.7	12,099	<b>7,337</b>	(4,762)
Adjustments	(7,796)	<b>(9,575)</b>	—	(47)	<b>(135)</b>	(88)
<b>Total</b>	<b>137,041</b>	<b>150,755</b>	<b>10.0</b>	<b>12,051</b>	<b>7,201</b>	<b>(4,850)</b>

Effective as of the first quarter of the fiscal year ending March 31, 2023, we changed the segment name from *North America and Europe* to *The Americas and Europe* in conjunction with the inclusion of Fujitec Argentina S.A. in the scope of consolidation

# Net Sales Breakdown for FY2022 Q3

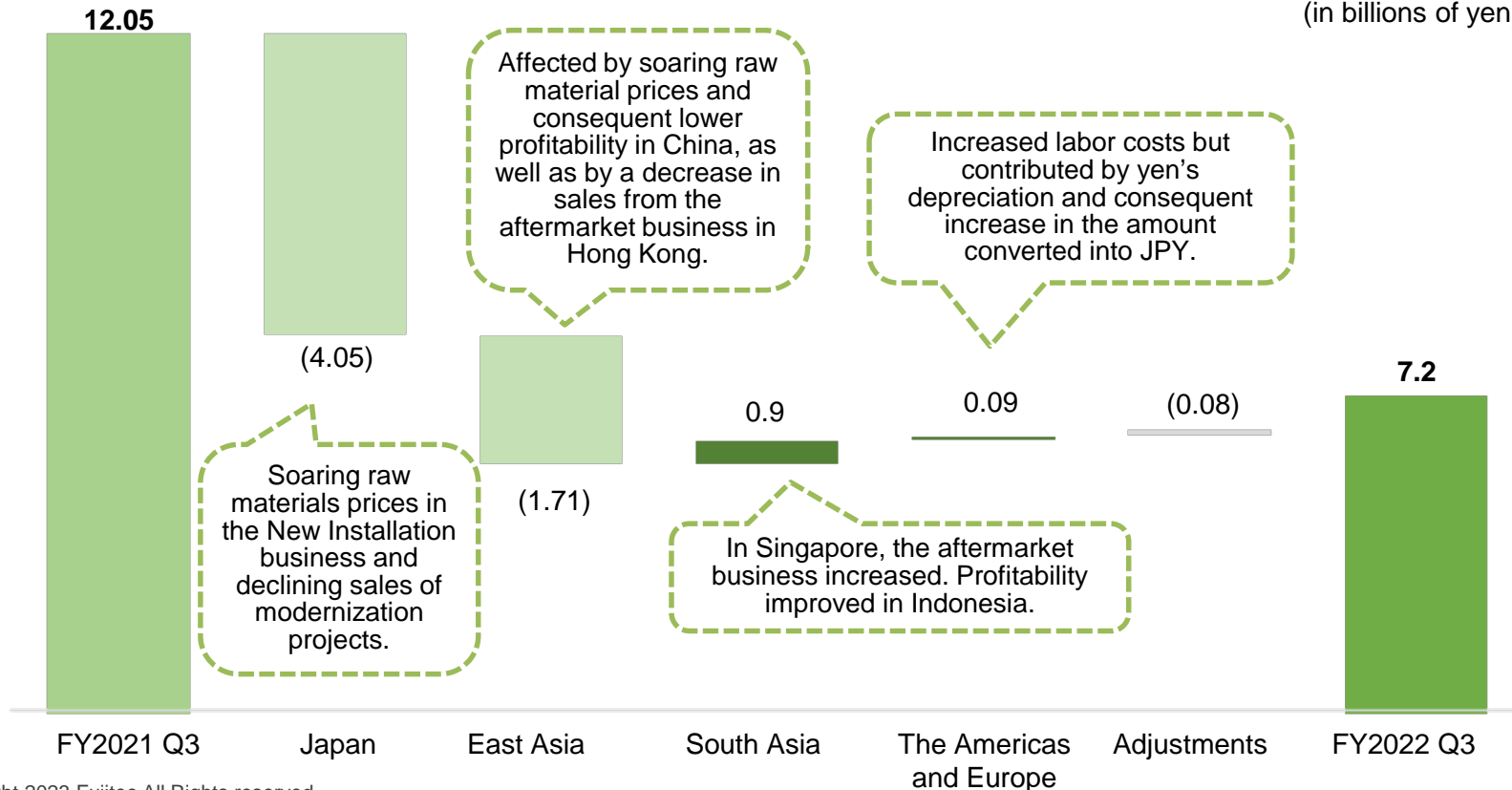
- In Japan and East Asia, increase in new installations contributed to the recovery of sales. In South Asia and the Americas and Europe, both the new installation and aftermarket businesses remained strong.



# Operating Income Breakdown for FY2022 Q3

- In Japan and China, profitability declined due to raw material price hikes and resultant continuous cost increase. In South Asia, operating income rose thanks to a sales increase in the new installation and aftermarket businesses. In the Americas and Europe, operating income also grew contributed by yen's depreciation.

(in billions of yen)



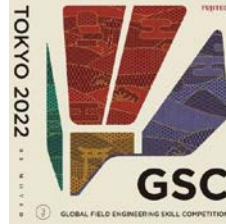


# Initiatives to Strengthen Management Base

- We pursue safety and reliability, aim to improve corporate value further through the development of human resources, facility enhancement, and other initiatives.

## HR development through global skill competition

- The “Global Field Engineering Skill Competition” is held in Tokyo to provide field engineers with an opportunity to compete with each other with their skills honed through daily practices. The most recent Competition was participated by engineers from 13 countries and regions.
- Engineers are encouraged to interact mutually and enhance their skills in the aim of improving the maintenance quality at a global level and strengthening organizational capabilities.



Competition logo



## Safenet Centers installed in multiple locations

- Two new Safenet Centers were increased in Tokyo and Osaka to remotely monitor elevators and escalators, receive calls in an emergency, detect possible damages, and make call-outs 24 hours a day, 365 days a year.
- As part of the Business Continuity Plan, we pursue customers' safety and reliability.



## Further business expansion in the Americas

- Fujitec acquired shares of Elevadores EV International, S.A. de C.V., a Mexican company, to strengthen cost competitiveness and further expand business in North America by making use of equipment manufactured by the company.



- We promote Digital Transformation (“DX”) to contribute to customers’ safety and reliability.

## Introduced smart glasses for the maintenance of elevators and escalators and skill training

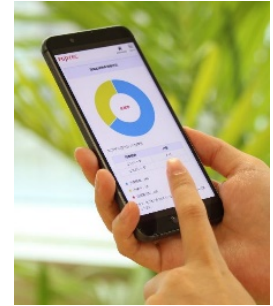


- In order to pass on skills and improve productivity, we introduced smart glasses (glasses-type wearable device) for field engineers who perform maintenance of elevators/escalators.
- The device helps provide an environment in which engineers can concentrate on further value-added operations and offers a higher level of safety and reliability to users of elevators and escalators.



## Launch of “elemori”– a web service for building administrators

- Launched a new web service for building administrators to let them monitor elevators’ and escalators’ operating status on their smartphone and tablet.



## Issuance of DX Report



- Issued “Fujitec DX Report” that summarizes the Company’s DX promotion initiatives

# Reference Materials

# Consolidated Balance Sheet as of December 31, 2022



(in millions of yen)

	March 31, 2022	December 31, 2022	Change	Comments
<b>Current assets</b>	<b>163,273</b>	<b>183,250</b>	<b>19,977</b>	
<b>Cash and deposits</b>	<b>76,956</b>	<b>73,288</b>	<b>(3,668)</b>	Decreased in Japan
<b>Notes and accounts receivable-trade, and contract assets</b>	<b>66,123</b>	<b>80,310</b>	<b>14,187</b>	Increased in Japan, East Asia, and the Americas and Europe
<b>Inventory</b>	<b>15,099</b>	<b>22,999</b>	<b>7,900</b>	Increased in Japan and East Asia
<b>Other</b>	<b>8,213</b>	<b>9,809</b>	<b>1,596</b>	
<b>Allowance for doubtful accounts</b>	<b>(3,119)</b>	<b>(3,157)</b>	<b>(37)</b>	
<b>Fixed assets</b>	<b>57,335</b>	<b>60,957</b>	<b>3,621</b>	
<b>Property, plant and equipment</b>	<b>35,283</b>	<b>36,872</b>	<b>1,588</b>	Capital investment: +2,718 Depreciation: (2,452) Foreign exchange, etc.: +1,322
<b>Intangible assets</b>	<b>4,837</b>	<b>5,700</b>	<b>863</b>	
<b>Investments and other assets</b>	<b>17,215</b>	<b>18,384</b>	<b>1,168</b>	
<b>Total assets</b>	<b>220,609</b>	<b>244,207</b>	<b>23,598</b>	
<b>Current liabilities</b>	<b>74,691</b>	<b>91,607</b>	<b>16,915</b>	Short-term debt: +6,224 Notes and accounts payable-trade: +4,974 Advances from customers: +4,559
<b>Non-current liabilities</b>	<b>5,435</b>	<b>5,040</b>	<b>(394)</b>	
<b>Net assets</b>	<b>140,482</b>	<b>147,559</b>	<b>7,077</b>	Foreign currency translation adjustment: +12,578 Non-controlling interests: +1,932 Retained earnings: +127 Purchase of treasury stock: (7,962)
<b>Shareholders' equity ratio</b>	<b>56.9%</b>	<b>53.5%</b>	<b>(3.4 pt)</b>	
<b>B P S</b>	<b>1,549.83 yen</b>	<b>1,669.06 yen</b>	<b>119.23 yen</b>	

# Major Orders and Completed Projects

## New installations



Completed

**ES CON FIELD HOKKAIDO  
( Hokkaido, Japan )  
13 elevators and 14 escalators**



Ordered

**The HDB 33rd Term Housing  
( Singapore )  
300 elevators**

## Modernization projects



Ordered

**Four Seasons Hotel  
Chicago  
( Chicago, USA )  
15 elevators**



Ordered

**World Trade Center  
Punta del Este  
( Maldonado, Uruguay )  
7 elevators**

Company:	FUJITEC CO., LTD.
Established:	February 1948 (75 years in business) (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: 11,090 (non-consolidated: 3,203)
Group companies	38, including 23 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 February 8, 2023. These forward-looking statements do not include updates or changes reflecting future events or circumstances.

February 8, 2023

# **FUJITEC CO., LTD.**

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December 31, 2022 (FY2022)

