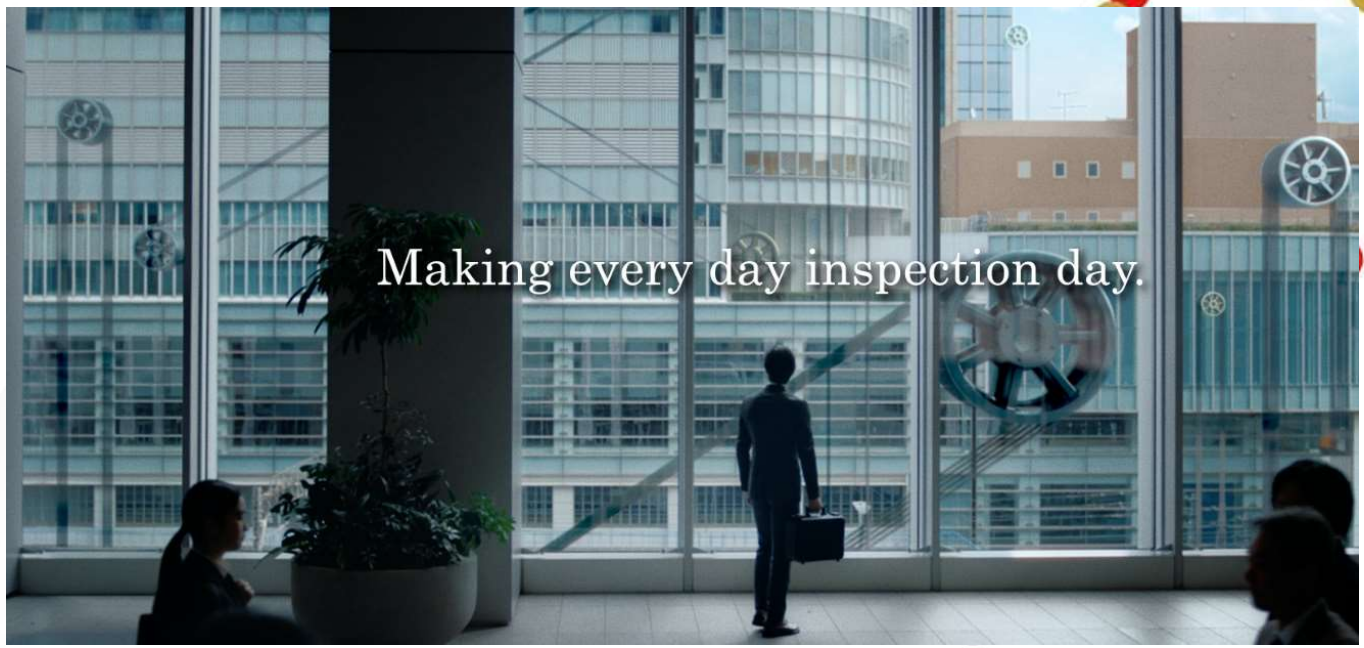
FUJITEC

Financial Results Presentation for the Second Quarter Ended September 30, 2024 (FY2024)



November 8, 2024

FUJITEC CO., LTD.

(TSE Prime Section: 6406)

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Executive Summary

FUJITEC

Second Quarter Ended September 30, 2024 (FY2024)

- Overall: Record-high orders, net sales, operating income, ordinary income, and EPS for the fiscal first half
- Orders: Record-high orders in the fiscal first half for Japan, South Asia, and The Americas and Europe
  - New Installation Business continues to be strong in South Asia
  - Aftermarket Business expanded across all segments
  - Number of maintenance units increased by about 5% year-on-year
- Sales: Record-high sales in Japan, South Asia, and The Americas and Europe for the fiscal first half
  - Strong double-digit growth in New Installation Business across all segments, with the exception of East Asia
  - Aftermarket Business expanded across all segments
- Operating income: Record-high operating income in Japan and South Asia for the fiscal first half
  - By segment, in particular, strong earnings improvement in Japan contributed to overall performance

Progress of "Move On 5" Mid-Term BUSINESS PLAN 2024-2028

- Pursued measures for business growth in each segment in line with plan
  - China: Promoted new products and establishment of sales measures to expand into new areas
  - Singapore and India: Pursued initiatives to improve maintenance business efficiency
  - North America: Upgraded products for business domain expansion
- Pursued measures for profitability improvement at each subcommittee as planned



Shibuya Sakura Stage

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Consolidated Financial Results for the Q2 Ended September 30, 2024 (FY2024)

Earnings Highlights for FY2024 Q2

FUJITEC

Posted record-high orders, net sales, operating income and other items indicated below for the fiscal first half

(Rounded down to nearest million yen)

	FY2023 Q2	FY2024 Q2	Change (%)
Order received	121,415	**128,054**	5.5
Net sales	107,024	**116,759**	9.1
Operating income	8,390	**8,861**	5.6
Ordinary income	10,711	**10,723**	0.1
Profit attributable to owners of the parent	7,721	**8,199**	6.2
Net income per share	98.99 yen	**105.08yen**	-
JPY/USD ex. rate	134.49 yen	**150.85 yen**	

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Earnings by Segment for FY2024 Q2

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Aftermarket Business orders expanded across all segments. Sales and operating income rose, with the exception of East Asia

<By Business>

(Rounded down to nearest million yen)

	Order received			Net sales		
	FY2023 Q2	FY2024 Q2	Change (%)	FY2023 Q2	FY2024 Q2	Change (%)
New Installation	50,298	**46,918**	(6.7)	45,390	**46,691**	2.9
Aftermarket	69,216	**78,865**	13.9	60,268	**68,335**	13.4
Other/Adjustments	1,901	**2,271**	-	1,366	**1,734**	-
Total	121,415	**128,054**	5.5	107,024	**116,759**	9.1

<By Area>

	Order received			Net sales			Operating income		
	FY2023 Q2	FY2024 Q2	Change (%)	FY2023 Q2	FY2024 Q2	Change (%)	FY2023 Q2	FY2024 Q2	Change
Japan	54,719	**55,198**	0.9	39,442	**43,640**	10.6	2,171	**3,664**	1,492
East Asia	31,119	**33,381**	7.3	38,994	**35,031**	(10.2)	2,723	**1,242**	(1,480)
South Asia	18,180	**21,997**	21.0	15,199	**18,172**	19.6	3,095	**3,341**	246
Americas & Europe	24,448	**25,096**	2.7	20,560	**27,150**	32.1	587	**700**	112
Adjustments	(7,053)	**(7,620)**	-	(7,172)	**(7,234)**	-	(187)	**(86)**	100
Total	121,415	**128,054**	5.5	107,024	**116,759**	9.1	8,390	**8,861**	471

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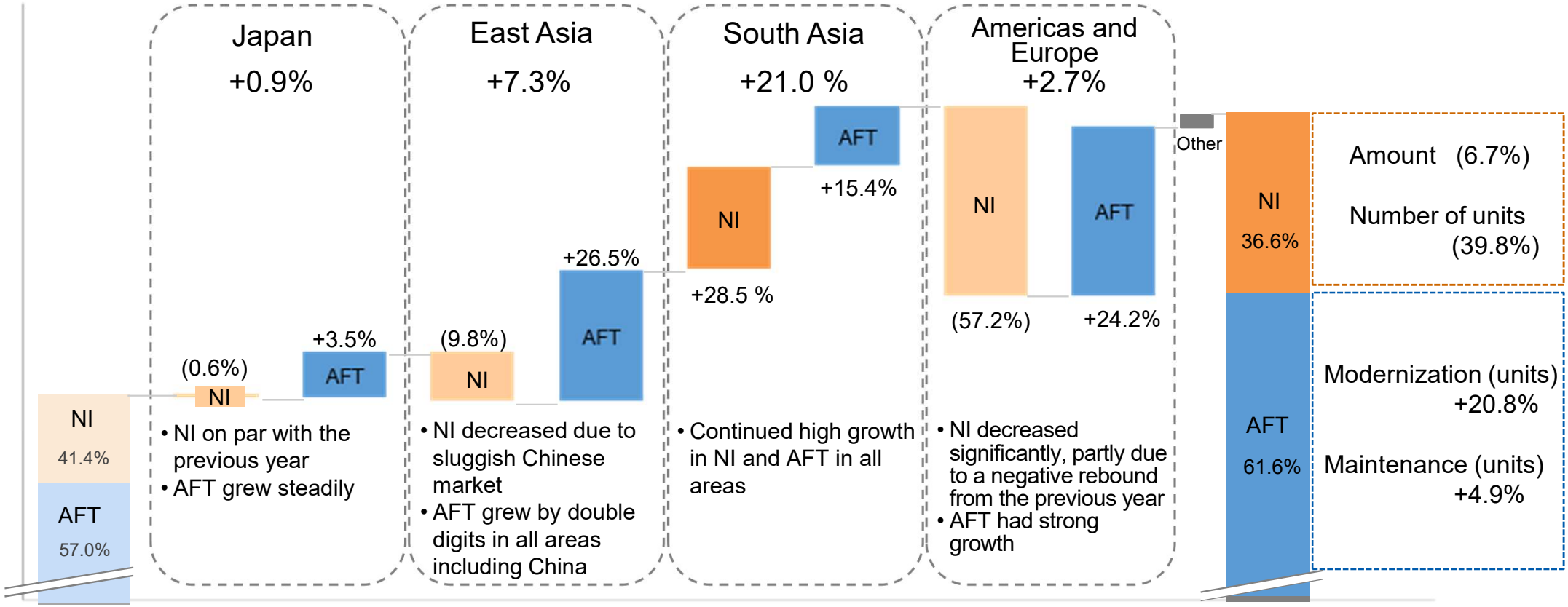
Breakdown of Orders for FY2024, Q2

FUJITEC

Orders for the New Installation Business grew significantly in South Asia. The Aftermarket Business expanded in all regions and maintenance volume increased by about 5%



¥121.4 billion
FY2023 Q2

+5.5%

¥128.0 billion
FY2024 Q2

NI: New Installation AFT: Aftermarket
Figures inside the bars represent composition ratio; others represent YoY growth

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Breakdown of Net Sales for FY2024, Q2

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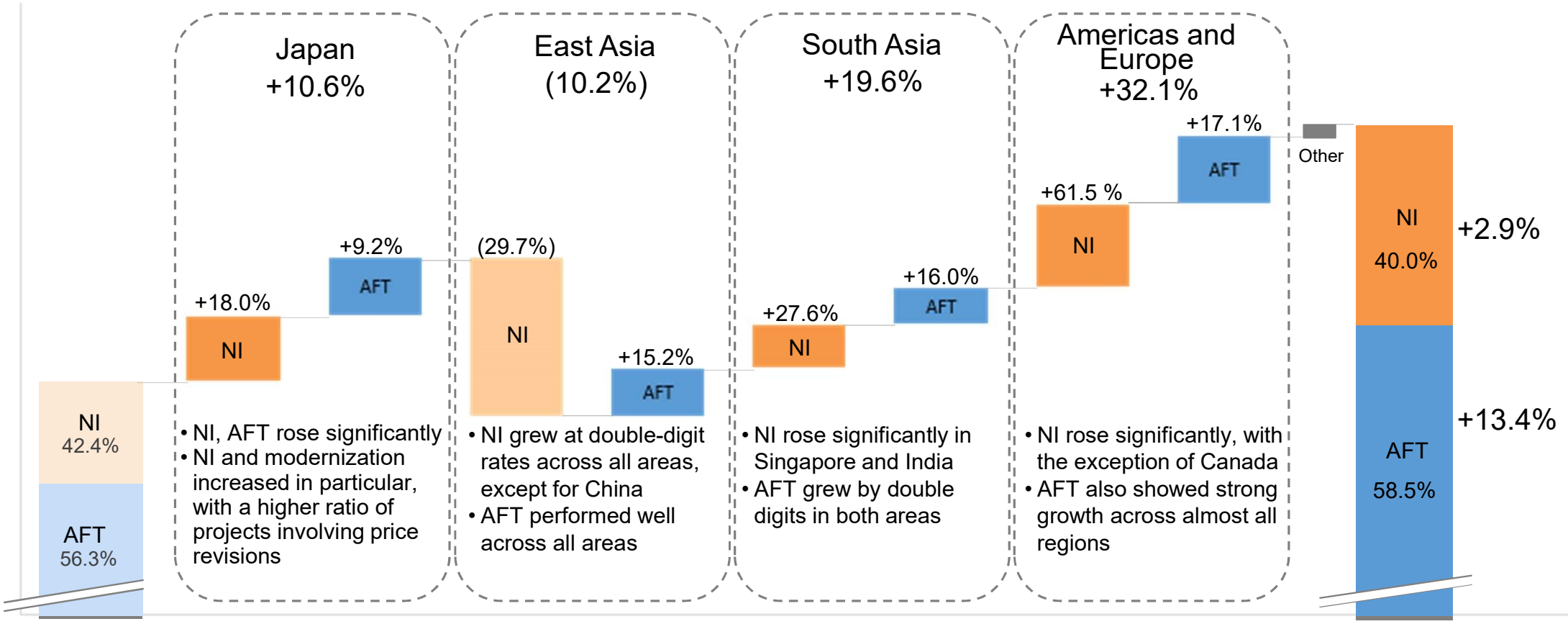
New Installation and Aftermarket Businesses showed strong growth across all regions, except for New Installation in East Asia, where performance in China has been sluggish



¥107.0 billion
FY2023 Q2

+9.1 %

¥116.8 billion
FY2024 Q2

NI: New Installation AFT: Aftermarket
Figures inside the bars represent composition ratio; others represent YoY growth

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Breakdown of Operating Income for FY2024, Q2

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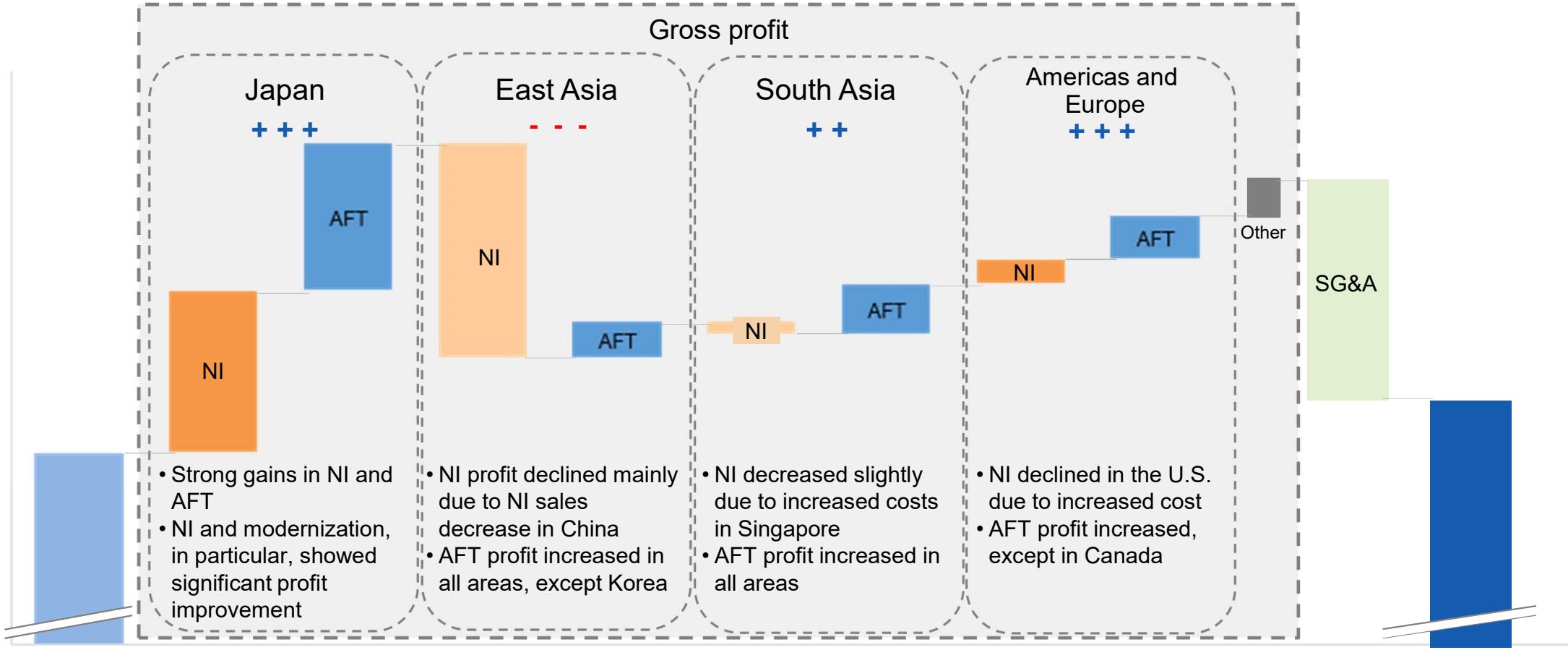
Profit rose in all areas, except East Asia, where sales declined. In particular, profit and profit margin improved in Japan, contributing to overall performance



¥8.39 billion
FY2023 Q2

+¥471 million

¥8.86 billion
FY2024 Q2

NI: New Installation AFT: Aftermarket
*+/- symbols by segment represent YoY change
+ + +: >+10%, + +: +5-10%, +: <+5%, - - - : <-10%、- - : -5-10%、- : >-5%

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Operating Income Change Factors in FY2024 Q2: Japan

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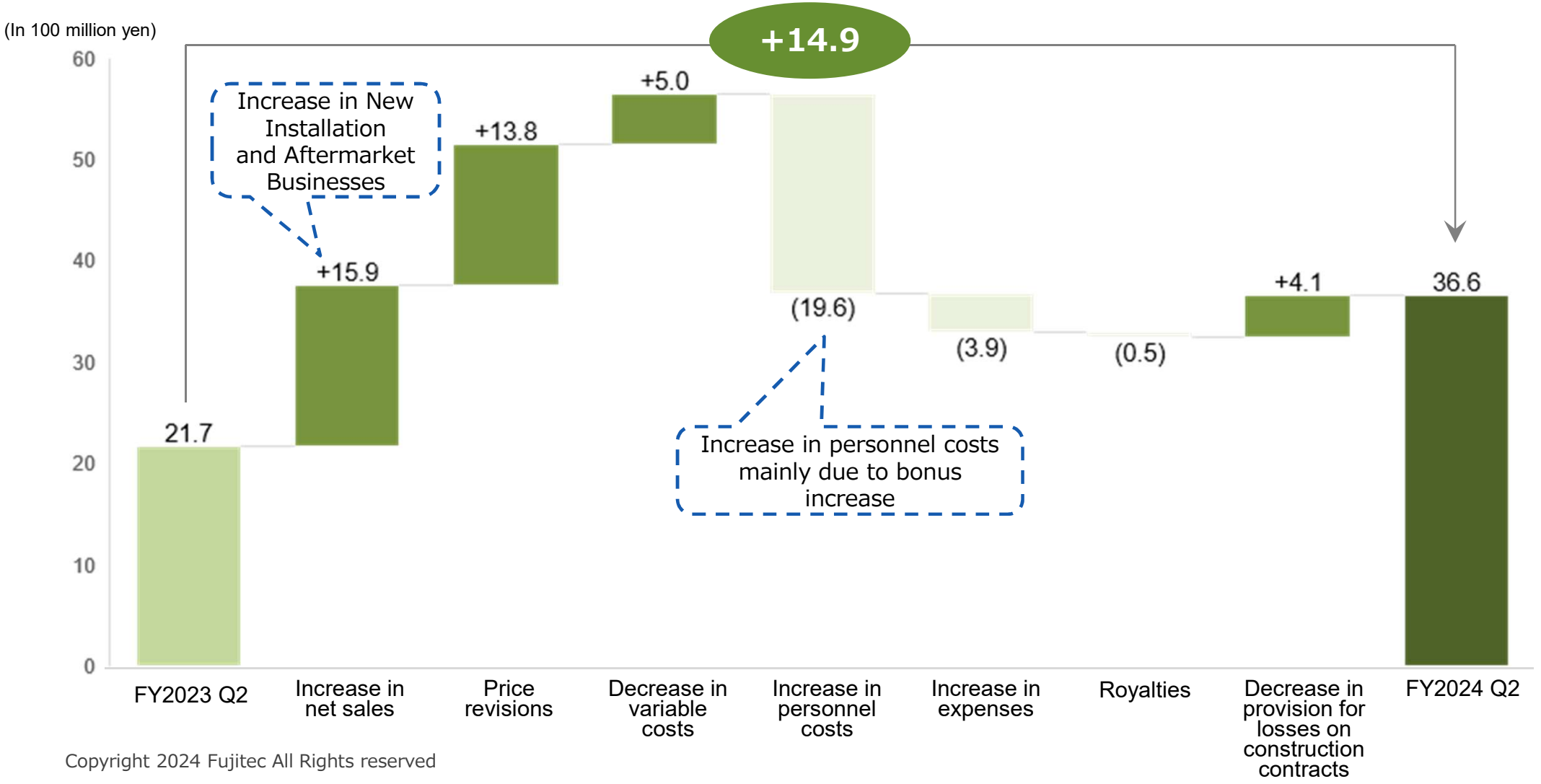
Operating income rose significantly due to sales growth driven by increased units sold and improved profitability from factors such as price revisions and cost reduction



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Highlights: Progress of “ Move On 5 Mid-Term BUSINESS PLAN 2024-2028 ”

FUJITEC

Promoted initiatives to achieve targets in each area

China

Developed product supply and sales systems to grow in new markets

- Launched products for the add-on market and home elevators, and began expansion of agency/distributor network
- A&D management measures (began organizing existing agencies/distributors and selection of new agencies/distributors to expand Aftermarket Business)
- 80% of planned headcount reductions completed; related costs temporarily incurred will be posted in Q3



Add-on elevator, REXIA-IN

North America

Launched products to develop mid-range market

- Introduced first group of equipment utilizing components from Mexican subsidiary, EEVI.

Singapore

Initiative to increase profitability of maintenance business

- Obtained maintenance standards certification for remote monitoring system



SafeNet Center (Singapore)

India

Developed structure for maintenance business growth

- Began development of digital tools for maintenance business
- Began development of remote monitoring system for Indian market

Measures for Profitability Improvement

Continued initiatives at each subcommittee

- Standard Methods, Maintenance Productivity Improvement, BPR Consideration
- SGA Reduction, Procurement & Supply Chain Optimization, Standard Models Development and more

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Highlights: Initiatives and Awards Received

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Delivered Robot Coordination System



Robot coordinating with an elevator

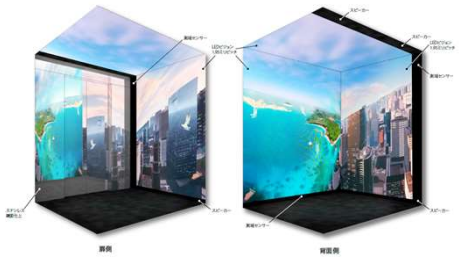
- Installed the coordination system for robots and elevators for *Yumegaoka Soratos*, a commercial facility in Yokohama, Kanagawa Prefecture
- The robot rides elevators autonomously, picks up and delivers items from restaurants to customers in the facility

Award of Excellence for Immersive Elevator

- *Immersive Elevator,* presenting emotional experiences through the integration of LED vision and music, received the Excellence Prize in XR/Entertainment Category of the Digital Signage Award 2024
- With the participatory elements as well as visual production inside the elevator, as an interactive mobility, new user experience can be provided



Experiencing immersive elevator



Installation image of immersive elevator

Huasheng Fujitec Receives Design Award

- Destination floor registration system, *DF-f* (destination floor registration unit), developed by Huasheng Fujitec, received the Silver Award in the NY Product Design Awards 2024





Left: Elevator boarding area equipped with the destination registration system ***DF-f***

Right: NY Product Design Awards 2024 certificate



New Uniforms

- Redesigned uniforms in Japan to improve employee motivation for work
- To represent the evolution to a “brand with *people* at its core”, the uniform design, which had previously differentiated by job type, has been unified to a single design for all job types.



New uniform

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Major Orders

FUJITEC

New Installation

Taipei Twins (Taiwan)
160 escalators



Taipei Twins (Taiwan)

New Installation

Lotte Resort Ulsan &
Lotte Castle Blue Marina Residence (Korea)
31 elevators



Lotte Resort Ulsan & Lotte Castle Blue Marina Residence (Korea)

Modernization

Greenwood Terrace (Hong Kong)
21 elevators

Modernization

Ching Wah Court (Hong Kong)
30 elevators



Ching Wah Court (Hong Kong)

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Reference Information

Consolidated Balance Sheets as of September 30, 2024

FUJITEC

(Rounded down to nearest million yen)

	March 31, 2024	September 30, 2024	Change	Comments
Current assets	190,484	196,399	5,914	
Cash and deposits	80,560	84,421	3,860	Increase in Japan
Notes and accounts receivable-trade, and contract assets	85,141	85,829	687	
Inventory	20,918	23,024	2,106	Increase in Japan and East Asia
Other	7,653	7,125	(528)	
Allowance for doubtful losses	(3,789)	(4,001)	(211)	
Fixed assets	65,917	68,492	2,574	
Property, plant and equipment	39,547	42,523	2,975	Capital investment: +4,002 Depreciation: (2,109) Foreign exchange, etc.: +1,082
Intangible fixed assets	6,036	5,879	(156)	
Investments and other assets	20,334	20,089	(244)	
Total assets	256,402	264,892	8,489	
Current liabilities	84,304	87,351	3,047	Advances from customers: +3,356 Notes and accounts payable-trade: +1,025 Accrued income taxes: (1,801)
Non-current liabilities	6,921	6,893	(28)	
Net assets	165,177	170,647	5,470	Foreign currency translation adjustments: +6,386 Retained earnings: (1,164)
Shareholders' equity ratio	57.9%	57.8%	(0.1pt)	
BPS	1,901.28 yen	1,961.53 yen	60.25 yen	

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Cash Flows

FUJITEC

(Rounded down to nearest million yen)

	FY2023 Q2	FY2024 Q2	Change
Cash and cash equivalents at beginning of the period	31,463	**38,987**	7,523
Cash flows from operating activities	14,157	**11,225**	(2,931)
Cash flows from investing activities	(3,198)	**13,372**	16,570
Free cash flows	10,959	**24,597**	13,638
Cash flows from financing activities	(8,344)	**(11,488)**	(3,144)
Cash and cash equivalents at end of the period	35,680	**55,436**	19,755

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Major Completed Projects

FUJITEC

New Installation



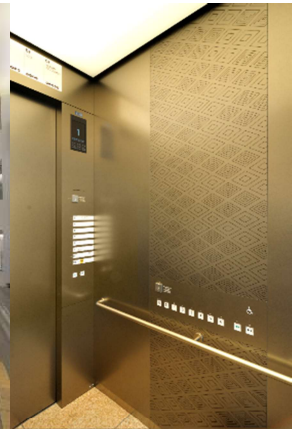


Shibuya Sakura Stage
(Tokyo, Japan)
48 elevators and 54 escalators

New Installation

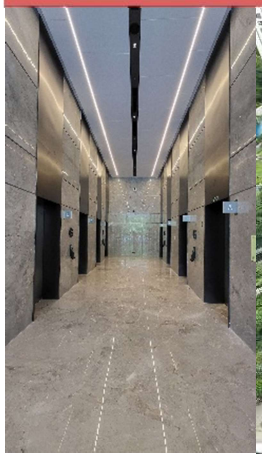






JP Tower Osaka/KITTE Osaka (Osaka, Japan)
38 elevators and 38 escalators

New Installation



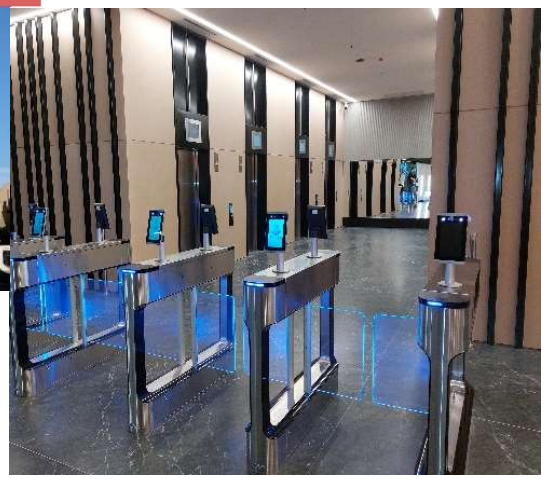


Bluegrass Business Park (India) 24 elevators

New Installation



Distrito Quartier Puerto Retiro,
Edificio Plaza (Argentina)
18 elevators



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Company Profile

Company name	Fujitec Co., Ltd.
Established	February 1948 (Listed in First Section of the TSE in February 1974, switched to TSE Prime Market in April 2022)
Head office	Big Wing 591-1 Miyata-cho, Hikone City, Shiga Prefecture
Business	R&D, manufacture, sale, installation, and maintenance for elevators and escalators
Capital	12.533 billion yen (78,900,000 issued shares)
Officers	President and CEO Masayoshi Harada Directors: 9 (of which 6 are Outside Directors) Audit & Supervisory Board Members: 4 (of which 2 are Outside Audit & Supervisory Board Members)
Employees	Consolidated: 12,002 (non-consolidated: 3,355)
Affiliated companies	39 (of which 24 are consolidated subsidiaries) (Japan, Americas, East Asia, South Asia, Europe, Middle East)

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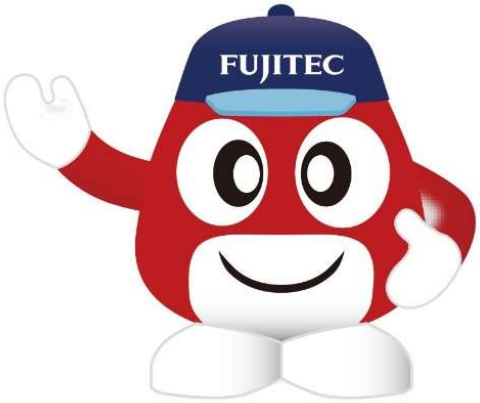
Known risks, unknown risks, uncertainties, and other factors may lead to results that differ from the forward-looking statements contained herein. Fujitec cannot guarantee the accuracy of forward-looking statements and predictions, and actual results may differ significantly from the future prospects presented herein.
All forward-looking statements in this document are made as of November 8, 2024, based on information available to Fujitec at that time. Fujitec will not update or revise any of the forward-looking statements in this document or reflect future events or circumstances in them.

November 8, 2024

FUJITEC CO., LTD.

Financial Results Presentation
for the Second Quarter Ended September 30, 2024 (FY2024)



TECKY

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