

Financial Results

FY2018 (Ended March 2019)

First Quarter

July 2018

Fujitsu General Limited

Any forward-looking statement in this report speaks only as of the date on which it is made; Forward-looking statements are based on the company's current assumptions regarding future business and financial performance; these statements by their nature address matters that are uncertain to different degrees.

Forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to be materially different.

Note: This report is a translation of Japanese version. In case of any difference between English version and Japanese version, Japanese version shall prevail.

1.	Financial Results for FY2018 First Quarter	
	Consolidated Financial Results	3
	Analysis of Financial Results	4
	Sales by Segment	5
	A/C Sales by Geographic area	6
	Segment information	7
	Analysis of Consolidated Operating income (vs previous year)	8
	Consolidated Balance Sheets	9
	Main Financial Data	10
2.	Plan for the Full Year	
	Consolidated Financial Plan	11
3.	Plan for the First Half	
	Consolidated Financial Plan	12
	Sales by Segment	13
	A/C Sales by Geographic area	14
	Segment Information, R&D Expenses, Capital Expenditures, Depreciation Expenses	15
	Analysis of Consolidated Operating income [FY2018 1st Half] (vs previous year)	16
	<Reference Information>	17

Consolidated Financial Results

Consolidated Statements of Income [Note: subscripts(%) of change % is local currency base] (Hundred Million Yen)

	FY2017 1Q	FY2018 1Q	Change	
				%
Net sales	645	588	-57	-10% -9%
Gross profit (Gross profit margin)	189 (29.3%)	146 (24.9%)	-43 (-4.4%)	-23%
Operating income (Operating income margin)	68 (10.5%)	24 (4.1%)	-44 (-6.4%)	-65%
Ordinary income (Ordinary income margin)	74 (11.5%)	41 (7.0%)	-33 (-4.5%)	-44%
Net income※ (Net income margin※)	56 (8.6%)	29 (4.9%)	-27 (-3.7%)	-48%
Net income per share	¥53.14	¥27.60	¥-25.54	

※Net income attributable to Owners of the Parent

Foreign Exchange rate	Average	(Closing)	Average	(Closing)	Average	(Closing)
Yen/1USD	111	(112)	109	(111)	-2	(-1)
Yen/1AUD	83	(86)	83	(81)	-	(-5)
Yen/1EUR	122	(128)	130	(128)	8	(-)
BAHT/1USD	34.2	(33.8)	32.0	(33.0)	-2.2	(-0.8)
RMB/1USD	6.87	(6.78)	6.36	(6.62)	-0.51	(-0.16)

Analysis of Financial Results

<p>Air Conditioners</p>	<p><Sales></p> <ul style="list-style-type: none"> ▪ Air conditioners (Overseas) decreased by 4.5 Billion Yen (down by 11%, down by 12% based on local currency from previous year). ▪ Air conditioners (Japan) decreased by 0.8 Billion Yen (down by 5% from previous year) <p><Operating income></p> <ul style="list-style-type: none"> ▪ Decreased by 4.4 Billion Yen (down by 66% from previous year). <p>currency appreciation in production countries and decrease overseas sales of A/C.</p>
<p>Telecommunications and Electronic devices</p>	<p><Sales></p> <ul style="list-style-type: none"> ▪ Sales decreased by 0.5 Billion Yen (down by 12% from previous year). <p><Operating income></p> <ul style="list-style-type: none"> ▪ Operating income was about the same level as the previous year. <p>Mainly decrease sales both Telecommunications and Electronic devices</p>

Sales by Segment

(Hundred Million Yen)

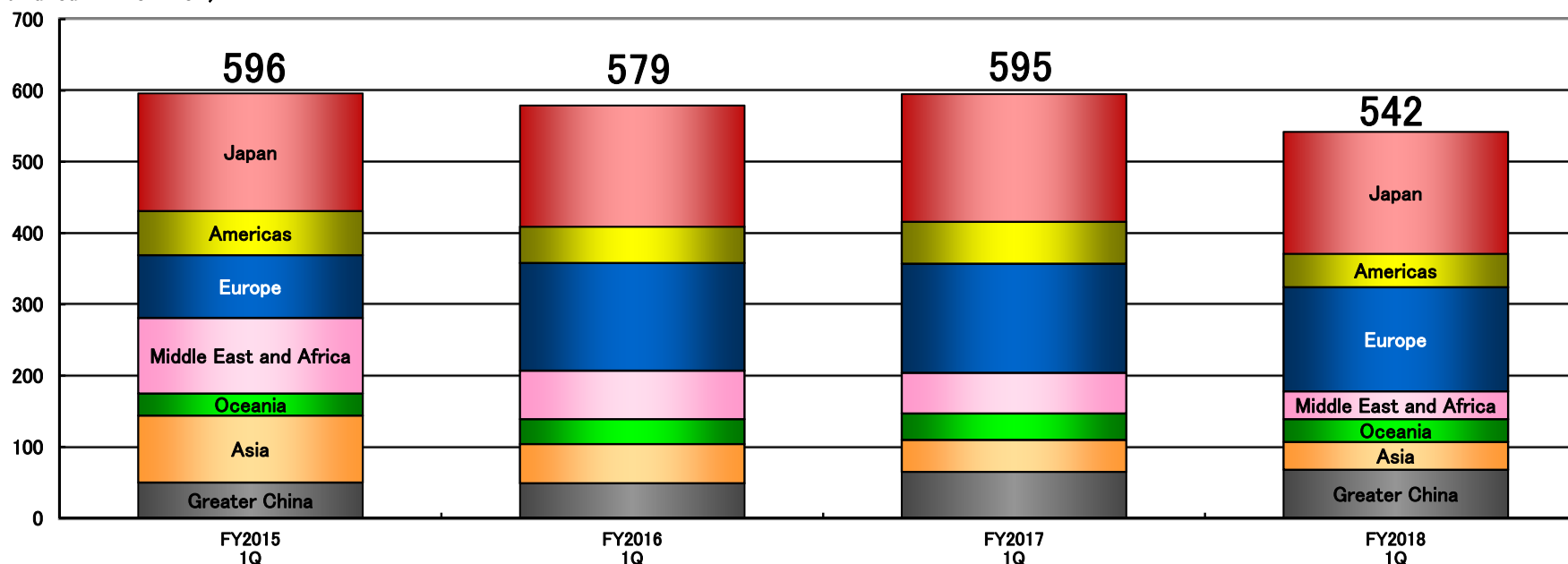
	FY2017		FY2018		Change			
	1 Q		1 Q				%	
Air conditioners	92%	595	92%	542	-%	-53	-10%	-9%
(Japan)		(179)		(171)		(-8)		(-5%)
(Overseas)		(416)		(371)		(-45)	(-12%)	(-11%)
Telecommunications		16		12		-4		-29%
Electronic devices		31		30		-1		-3%
Telecommunications and Electronic devices	7%	47	7%	42	-%	-5		-12%
Others	1%	3	1%	4	-%	1		21%
Total	100%	645	100%	588	-%	-57	-10%	-9%
Japan	35%	227	36%	214	1%	-13		-6%
Overseas	65%	418	64%	374	-1%	-44		-11%

[Note1: subscripts(%) of sales is proportion to Total]

[Note2: subscripts(%) of change % is local currency base]

A/C Sales by Geographic area

(Hundred Million Yen)



【Sales by Geographic area】

(Hundred Million Yen)

	FY2015 1Q		FY2016 1Q		FY2017 1Q		FY2018 1Q		Change			
	%		%		%		%		%	%	Local currency base	
Japan	28%	165	29%	170	30%	179	32%	171	2%	-8	-5%	-5%
Americas	10%	62	9%	51	10%	59	9%	47	-1%	-12	-19%	-17%
Europe	15%	88	26%	151	26%	153	27%	146	1%	-7	-5%	-8%
Middle East and Africa	18%	106	12%	68	9%	57	7%	39	-2%	-18	-31%	-30%
Oceania	5%	31	6%	35	6%	37	6%	32	-%	-5	-12%	-11%
Asia	16%	94	9%	55	8%	45	7%	39	-1%	-6	-15%	-16%
Greater China	8%	50	9%	49	11%	65	12%	68	1%	3	6%	2%
Total	100%	596	100%	579	100%	595	100%	542	-%	-53	-9%	-10%
(Overseas Total)	(72%)	(431)	(71%)	(409)	(70%)	(416)	(68%)	(371)	(-2%)	(-45)	(-11%)	(-12%)

【Note1: sales to external customers】

【Note2: subscrip(%) is proportion to Total】

Segment Information

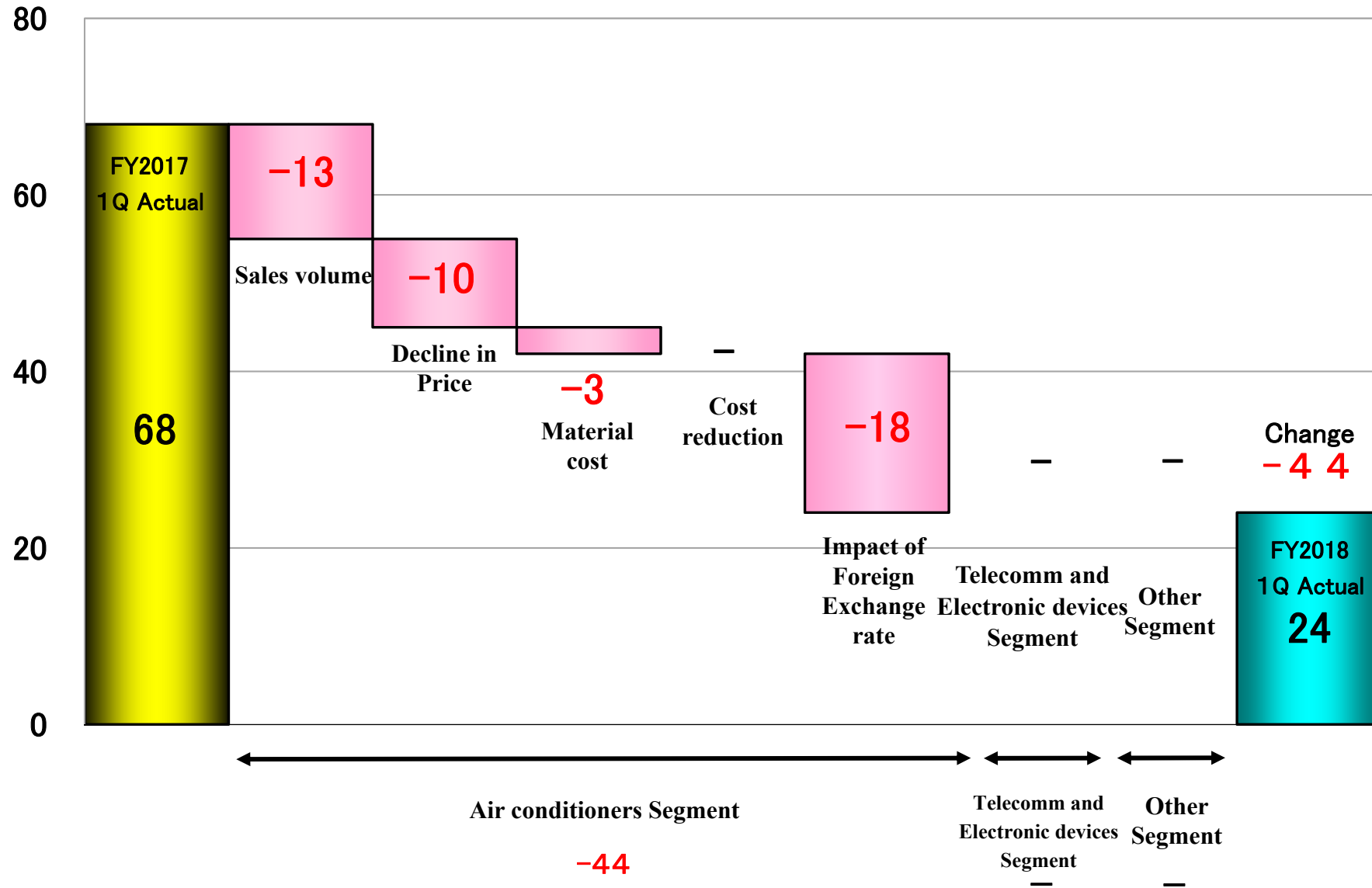
(Hundred Million Yen)

		FY2017	FY2018	Change	
		1 Q	1 Q		%
Air conditioners	Net sales	595	542	-53	-10% -9%
	Operating income	67	23	-44	-66%
	(Operating income margin)	(11.3%)	(4.2%)	(-7.1%)	
Telecommunications and Electronic devices	Net sales	47	42	-5	-12%
	Operating income	-	-	-	-%
	(Operating income margin)	(-0.4%)	(-1.6%)	(-1.2%)	
Others	Net sales	3	4	1	21%
	Operating income	1	1	-	82%
	(Operating income margin)	(27.3%)	(41.1%)	(13.8%)	
Total	Net sales	645	588	-57	-10% -9%
	Operating income	68	24	-44	-65%
	(Operating income margin)	(10.5%)	(4.1%)	(-6.4%)	

[Note1: sales to external customers] [Note2: subscribers(%) of change % is local currency base]

Analysis of Consolidated Operating income (vs previous year)

(Hundred Million Yen)



Consolidated Balance Sheets

(Hundred Million Yen)

	FY2017		FY2018 1Q		Change
	Actual	ratio	Actual	ratio	
Current assets	1,566	74%	1,480	74%	-86
(Cash and deposits)	(427)		(336)		(-91)
(Notes and accounts receivables)	(762)		(710)		(-52)
(Inventories)	(279)		(331)		(52)
(Others)	(98)		(103)		(5)
Noncurrent assets	538	26%	527	26%	-11
Total assets	2,104	100%	2,007	100%	-97
Current liabilities	828	40%	728	36%	-100
(Notes and accounts payable)	(448)		(393)		(-55)
(Others)	(380)		(335)		(-45)
Noncurrent liabilities	199	9%	196	10%	-3
Total liabilities	1,027	49%	924	46%	-103
Shareholders' equity	996	47%	1,012	50%	16
Accumulated other comprehensive income	49	3%	37	2%	-12
Non-controlling interests	32	1%	34	2%	2
Total net assets	1,077	51%	1,083	54%	6
Total liabilities and net assets	2,104	100%	2,007	100%	-97

Main Financial Data

(Hundred Million Yen)

	FY2017 1Q	FY2018 1Q	Change	(Reference) FY2017
Operating Cash Flow	70	-56	-126	109
Investing Cash Flow	-11	-18	-7	-59
Free Cash Flow	59	-74	-133	50

R&D Expenses	4.7%	30	5.5%	32	0.8%	2	4.9%	129
Capital Expenditures		11		7		-4		64
Depreciation Expenses		12		13		1		51

[Note: subscripts(%) is proportion to Net sales]

Shareholders' equity ratio	49.5%	52.3%	2.8%	49.7%
----------------------------	-------	-------	------	-------

Inventory	258	331	73	279
Days Inventory Outstanding	33.0days	41.5days	8.5days	37.8days
Net D/E ratio(times)	-0.46	-0.32	0.14	-0.41

Consolidated Financial Plan

[Note1: subscripts(%) of change % is local currency base] (Hundred Million Yen)

	FY2018 (Previous plan)		FY2018 (Plan)		Change vs previous plan		Change vs Previous year		
	1st Half	Full Year	1st Half	Full Year	1st Half	Full Year	Full Year	%	
Net sales	1,250	2,850	1,250	2,850	-	-	227	9%	9%
Operating income	40	170	40	170	-	-	-32	-16%	
(Operating income margin)	(3.2%)	(6.0%)	(3.2%)	(6.0%)	(-%)	(-%)	(-1.7%)		
Ordinary income	40	170	50	180	10	10	-5	-3%	
(Ordinary income margin)	(3.2%)	(6.0%)	(4.0%)	(6.3%)	(0.8%)	(0.3%)	(-0.8%)		
Net income ※	30	120	35	125	5	5	-4	-3%	
(Net income margin ※)	(2.4%)	(4.2%)	(2.8%)	(4.4%)	(0.4%)	(0.2%)	(-0.5%)		

※Net income attributable to Owners of the Parent

Dividend per share (Yen)	13	22.7%	26	13	21.8%	26	-	-0.9%	-	2.3%	2

[Note2: subscripts(%) of Dividend per share is dividend payout ratio]

Foreign Exchange rate (Average)

	110	110	110	110	-	-	-
Yen/1USD	110	110	110	110	-	-	-
Yen/1AUD	85	85	84	85	-1	-	-1
Yen/1EUR	130	130	130	130	-	-	1
BAHT/1USD	32.0	32.0	32.1	32.0	0.1	-	-0.5
RMB/1USD	6.35	6.35	6.44	6.40	0.09	0.05	-0.25

Consolidated Financial Plan

[Note: subscripts(%) of change % is local currency base] (Hundred Million Yen)

	FY2017	FY2018			Change vs previous plan 1st Half	
	1st Half (Actual)	1st Half (Plan)	Change			
				%		
Net sales	1,230	1,250	20	1%	2%	–
Operating income (Operating income margin)	78 (6.3%)	40 (3.2%)	–38 (–3.1%)	–49%		– (–%)
Ordinary income (Ordinary income margin)	81 (6.6%)	50 (4.0%)	–31 (–2.6%)	–38%		10 (0.8%)
Net income ※ (Net income margin※)	58 (4.7%)	35 (2.8%)	–23 (–1.9%)	–39%		5 (0.4%)

※Net income attributable to Owners of the Parent

Foreign Exchange rate (Average)

Yen/1USD	111	110	–1	–
Yen/1AUD	86	84	–2	–1
Yen/1EUR	125	130	5	–
BAHT/1USD	33.8	32.1	–1.7	0.1
RMB/1USD	6.81	6.44	–0.37	0.09

Sales By Segment



(Hundred Million Yen)

	FY2017		FY2018				Change vs Previous plan		
	1st Half (Actual)		1st Half (Plan)		Change		1st Half		
						%			
Air conditioners	90%	1,108	89%	1,115	-1%	7	-%	1%	-
(Japan)		(332)		(355)		(23)		(7%)	(-)
(Overseas)		(776)		(760)		(-16)	(-2%)	(-2%)	(-)
Telecommunications		48		55		7		15%	-
Electronic devices		67		70		3		4%	-
Telecommunications and Electronic devices	9%	115	10%	125	1%	10		9%	-
Others	1%	7	1%	10	-%	3		31%	-
Total	100%	1,230	100%	1,250	-%	20	1%	2%	-
Japan	36%	449	39%	490	3%	41		9%	-
Overseas	64%	781	61%	760	-3%	-21		-3%	-

[Note1: subscripts(%) of sales is proportion to Total] [Note2: subscripts(%) of change % is local currency base]

A/C Sales by Geographic area

(Hundred Million Yen)

	FY2017	FY2018				Change vs previous plan 1st Half
	1st Half (Actual)	1stHalf (Plan)	Change		Local currency base	
				%		
Japan	332	355	23	7%	7%	—
Americas	142	140	-2	-2%	2%	-20
Europe	229	250	21	9%	7%	30
Middle East and Africa	120	77	-43	-36%	-36%	7
Oceania	107	100	-7	-7%	-4%	-20
Asia	63	65	2	4%	3%	10
Greater China	115	128	13	12%	8%	-7
Total (Overseas Total)	1,108 (776)	1,115 (760)	7 (-16)	1% (-2%)	-% (-2%)	— (-)

< Reference Information > Historical Information

	FY2014 1st Half		FY2015 1st Half		FY2016 1st Half		FY2017 1st Half		FY2018 1st Half(Plan)	
Japan	33%	324	29%	335	30%	333	30%	332	32%	355
Americas	13%	125	12%	139	11%	120	13%	142	13%	140
Europe	19%	186	13%	156	23%	249	21%	229	22%	250
Middle East and Africa	10%	101	20%	229	12%	138	11%	120	7%	77
Oceania	9%	90	8%	91	8%	88	10%	107	9%	100
Asia	7%	73	10%	112	8%	85	5%	63	6%	65
Greater China	9%	89	8%	93	8%	92	10%	115	11%	128
Total (Overseas Total)	100% (67%)	988 (664)	100% (71%)	1,155 (820)	100% (70%)	1,105 (772)	100% (70%)	1,108 (776)	100% (68%)	1,115 (760)

[Note1: sales to external customers] [Note2: subscribers(%) is proportion to Total]

3. Plan for the First Half



Segment Information, R&D Expenses, Capital Expenditures, Depreciation Expenses

(Hundred Million Yen)

		FY2017	FY2018			Change vs previous plan		
			1st Half (Actual)	1st Half (Plan)	Change			
							%	
Air Conditioners	Net sales	1,108	1,115	7	-%	1%	-	
	Operating income	71	30	-41		-58%		-
	(Operating income margin)	(6.4%)	(2.7%)	(-3.7%)				(-%)
Telecommunications and Electronic devices	Net sales	115	125	10		9%	-	
	Operating income	5	5	-		-1%	-	
	(Operating income margin)	(4.4%)	(4.0%)	(-0.4%)			(-%)	
Others	Net sales	7	10	3		31%	-	
	Operating income	2	5	3		199%	-	
	(Operating income margin)	(21.9%)	(50.0%)	(28.1%)			(-%)	
Total	Net sales	1,230	1,250	20	1%	2%	-	
	Operating income	78	40	-38		-49%	-	
	(Operating income margin)	(6.3%)	(3.2%)	(-3.1%)			(-%)	

[Note1: sales to external customers] [Note2: subscribers(%) of change % is local currency base]

R&D Expenses	5.1%	62	5.2%	65	0.1%	3	4%	-%	-
Capital Expenditures		29		40		11	40%		-
Depreciation Expenses		25		27		2	10%		-

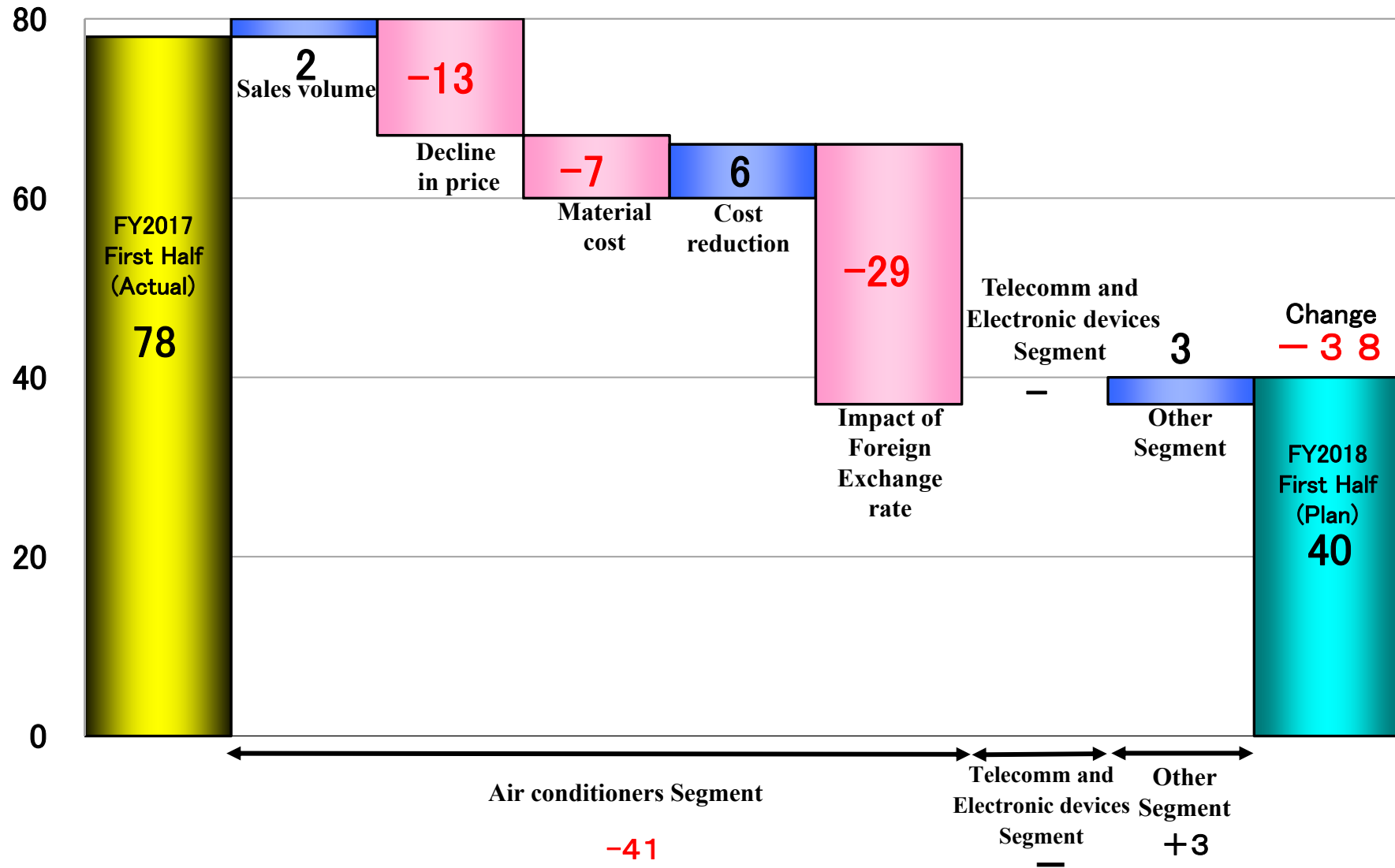
[Note3: subscribers(%) is proportion to Net sales]

3. Plan for the First Half



Analysis of Consolidated Operating income[FY2018 1st Half] (vs previous year)

(Hundred Million Yen)



Sales by Segment

(Hundred Million Yen)

	FY2017 (Actual)		FY2018 (Plan)		Change		Change vs previous plan		
	1st Half	Full Year	1st Half	Full Year	Full Year	%	1st Half	Full Year	
Air conditioners	1,108	89% 2,349	1,115	89% 2,550	201	8%	9%	-	-
(Japan)	(332)	(552)	(355)	(600)	(48)		(9%)	(-)	(-)
(Overseas)	(776)	(1,797)	(760)	(1,950)	(153)	(8%)	(9%)	(-)	(-)
Telecommunications	48	125	55	140	15		12%	-	-
Electronic devices	67	134	70	140	6		4%	-	-
Telecommunications and Electronic devices	115	10% 259	125	10% 280	21		8%	-	-
Others	7	1% 15	10	1% 20	5		32%	-	-
Total	1,230	100% 2,623	1,250	100% 2,850	227	9%	9%	-	-
Japan	449	31% 812	490	32% 900	88		11%	-	-
Overseas	781	69% 1,811	760	68% 1,950	139		8%	-	-

[Note1: subscripts(%) of sales is proportion to Total] [Note2: subscripts(%) of change % is local currency base]

A/C Sales by Geographic area



(Hundred Million Yen)

	FY2017 (Actual)		FY2018 (Plan)		Change			Change vs previous plan	
	1st Half	Full Year	1st Half	Full Year	Full Year	%	Local currency base	1st Half	Full year
Japan	332	552	355	600	48	9%	9%	-	-
Americas	142	349	140	400	51	15%	15%	-20	-20
Europe	229	494	250	535	41	8%	8%	30	30
Middle East and Africa	120	337	77	282	-55	-16%	-17%	7	7
Oceania	107	252	100	270	18	7%	9%	-20	-20
Asia	63	156	65	210	54	34%	33%	10	10
Greater China	115	209	128	253	44	21%	18%	-7	-7
Total	1,108	2,349	1,115	2,550	201	9%	8%	-	-
(Overseas Total)	(776)	(1,797)	(760)	(1,950)	(153)	(9%)	(8%)	(-)	(-)

< Reference Information > Historical Information

	FY2014 (Actual)		FY2015 (Actual)		FY2016 (Actual)		FY2017 (Actual)		FY2018 (Plan)	
Japan	23%	510	23%	529	24%	555	23%	552	24%	600
Americas	15%	333	14%	332	14%	329	15%	349	16%	400
Europe	19%	415	17%	403	19%	449	21%	494	21%	535
Middle East and Africa	17%	368	21%	490	17%	396	14%	337	11%	282
Oceania	10%	211	9%	216	10%	220	11%	252	10%	270
Asia	9%	188	9%	199	9%	202	7%	156	8%	210
Greater China	7%	165	7%	162	7%	173	9%	209	10%	253
Total	100%	2,190	100%	2,331	100%	2,324	100%	2,349	100%	2,550
(Overseas Total)	(77%)	(1,680)	(77%)	(1,802)	(76%)	(1,769)	(77%)	(1,797)	(76%)	(1,950)

[Note1: sales to external customers] [Note2: subscribers(%) is proportion to Total]

<Reference Information> Segment Information, R&D Expenses,
Capital Expenditures, Depreciation Expenses



(Hundred Million Yen)

		FY2017 (Actual)		FY2018 (Plan)		Change		Change vs previous plan		
		1st Half	Full Year	1st Half	Full Year	Full Year	%	1st Half	Full Year	
Air conditioners	Net sales	1,108	2,349	1,115	2,550	201	8%	9%	-	-
	Operating income	71	162	30	140	-22	-14%		-	-
	(Operating income margin)	(6.4%)	(6.9%)	(2.7%)	(5.5%)	(-1.4%)			(-%)	(-%)
Telecommunications and Electronic devices	Net sales	115	259	125	280	21	8%		-	-
	Operating income	5	26	5	25	-1	-5%		-	-
	(Operating income margin)	(4.4%)	(10.1%)	(4.0%)	(8.9%)	(-1.2%)			(-%)	(-%)
Others	Net sales	7	15	10	20	5	32%		-	-
	Operating income	2	14	5	5	-9	-64%		-	-
	(Operating income margin)	(21.9%)	(91.0%)	(50.0%)	(25.0%)	(-66.0%)			(-%)	(-%)
Total	Net sales	1,230	2,623	1,250	2,850	227	9%	9%	-	-
	Operating income	78	202	40	170	-32	-16%		-	-
	(Operating income margin)	(6.3%)	(7.7%)	(3.2%)	(6.0%)	(-1.7%)			(-%)	(-%)

[Note1: sales to external customers] [Note2: subscribers(%) of change % is local currency base]

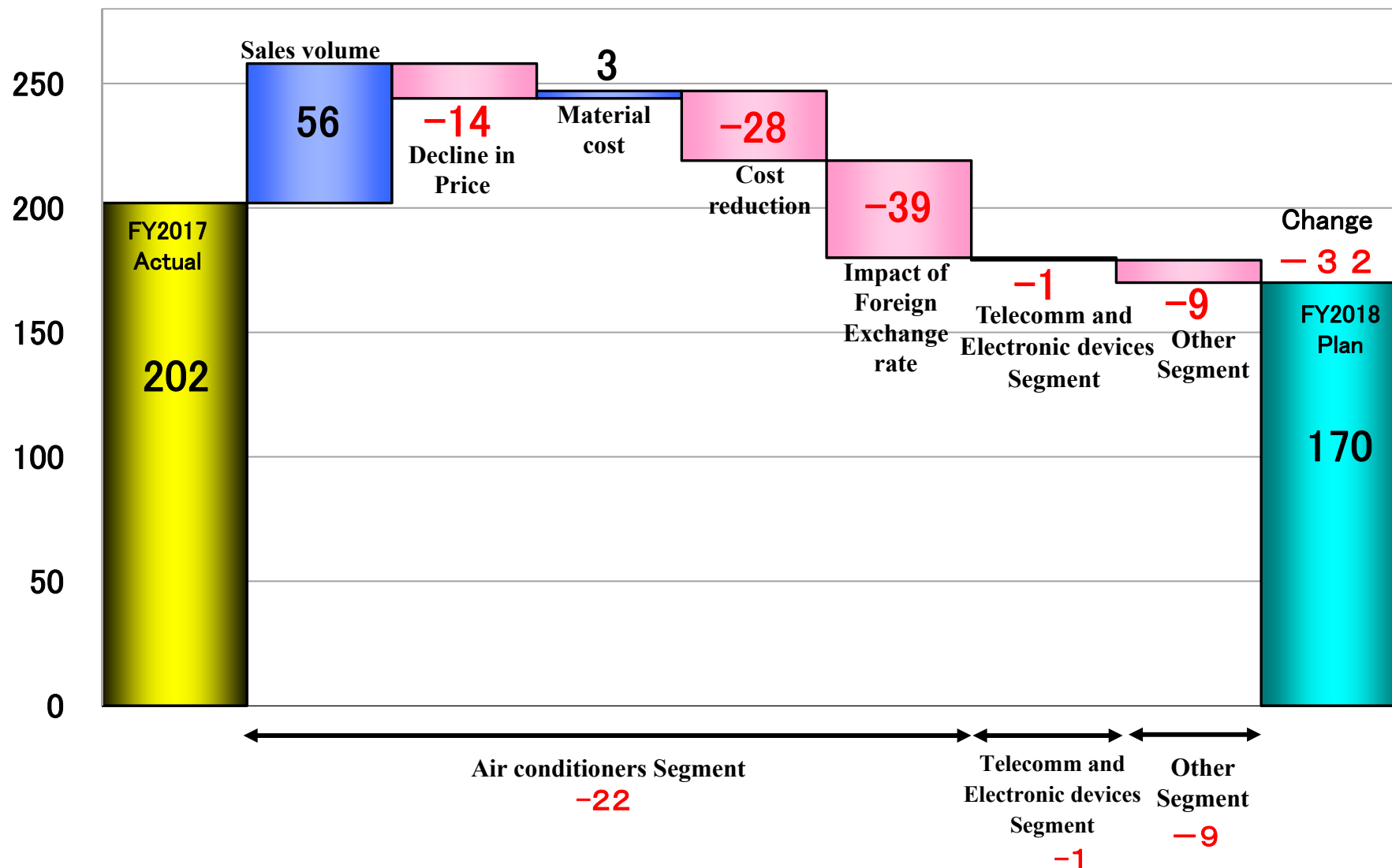
R&D Expenses	5.1%	62	4.9%	129	5.2%	65	4.7%	135	-0.2%	6	5%	-%	-	-%	-
Capital Expenditures		29		64		40		110		46	73%		-		-
Depreciation Expenditures		25		51		27		55		4	9%		-		-

[Note3: subscribers(%) is proportion to Net sales]

<Reference Information> Analysis of consolidated Operating income
 [FY2018](vs previous year)



(Hundred Million Yen)



Sales by Segment (Quarter Information)

	FY2017 (Actual)					FY2018		(Hundred Million Yen)	
	1Q	2Q	3Q	4Q	Total	1Q (Actual)	2Q (Plan)	2Q	%
Air conditioners	595	513	397	844	2,349	542	573	60	12%
(Japan)	(179)	(153)	(75)	(145)	(552)	(171)	(184)	(31)	(20%)
(Overseas)	(416)	(360)	(322)	(699)	(1,797)	(371)	(389)	(29)	(9%)
Telecommunications	16	32	16	61	125	12	43	11	37%
Electronic devices	31	36	33	34	134	30	40	4	10%
Telecommunications and Electronic devices	47	68	49	95	259	42	83	15	22%
Others	3	4	5	3	15	4	6	2	40%
Total	645	585	451	942	2,623	588	662	77	14%
Japan	227	222	124	239	812	214	276	54	24%
Overseas	418	363	327	703	1,811	374	386	23	6%

[Note: subscript(%) of change % is local currency base]

<Reference Information> Consolidated Statements of Income
(Quarter Information)



(Hundred Million Yen)

	FY2017 (Actual)					FY2018		Change		
	1Q	2Q	3Q	4Q	Total	1Q (Actual)	2Q (Plan)	2Q	%	
Net sales	645	585	451	942	2,623	588	662	77	14%	13%
Operating income (Operating income margin)	68 (10.5%)	10 (1.8%)	1 (0.3%)	123 (13.0%)	202 (7.7%)	24 (4.1%)	16 (2.4%)	6 (0.6%)	57%	
Ordinary income (Ordinary income margin)	74 (11.5%)	7 (1.2%)	- (0.1%)	104 (11.1%)	185 (7.1%)	41 (7.0%)	9 (1.3%)	2 (0.1%)	28%	
Net income※ (Net income margin※)	56 (8.6%)	2 (0.4%)	-3 (-0.6%)	74 (7.8%)	129 (4.9%)	29 (4.9%)	6 (0.9%)	4 (0.5%)	199%	

※Net income attributable to Owners of the Parent [Note1: subscripts(%) of change % is local currency base]

<Supplementary Information> A/C Sales by Geographic area (Quarter Information)

	FY2017 (Actual)					FY2018		Change		
	1Q	2Q	3Q	4Q	Total	1Q (Actual)	2Q (Plan)	2Q	%	Local currency base
Japan	179	153	75	145	552	171	184	31	20%	20%
Americas	59	83	57	150	349	47	93	10	11%	16%
Europe	153	76	89	176	494	146	104	28	38%	38%
Middle East and Africa	57	63	59	158	337	39	38	-25	-40%	-42%
Oceania	37	70	63	82	252	32	68	-2	-3%	-%
Asia	45	18	9	84	156	39	26	8	55%	52%
Greater China	65	50	45	49	209	68	60	10	19%	14%
Total (Overseas Total)	595 (416)	513 (360)	397 (322)	844 (699)	2,349 (1,797)	542 (371)	573 (389)	60 (29)	12% (8%)	12% (9%)

[Note2: sales to external customers]

FUJITSU

株式会社 富士通ゼネラル