

[PRESS RELEASE]

January 21, 2020  
Fujitsu General Limited  
(No.19-V03-33)

**Fujitsu General to Start Air Conditioning Business with a Direct Sales Structure in India:  
Strengthening of Our Sales Structure in a Top Priority Market to Achieve Our Mid-Term  
Management Plan**

Fujitsu General will start air conditioner business with a direct sales structure through our Indian sales subsidiary of Fujitsu General (India) Private Limited (hereinafter "FG (India)") in India from January 21. We will look to further improve our brand by strengthening marketing activities and after-sales services under our initiative in the future. At the same time, we will aim to expand our air conditioner business in India by increasing our sales channels with opening stores under our direct operation and the development of new distributors including commercial segments.

The air conditioner market in India is growing rapidly at an annual rate of 10% or more\*<sup>1</sup> and it is expected to continue in the future. Fujitsu General considers India as one of the top priority markets in our mid-term management plan for which FY2022 will serve as the fiscal year of achievement. Together with this, we conducted a feasible study toward a review of our sales structure with our joint venture and local sales agent of ETA General Private Limited\*<sup>2</sup>. However, we have now agreed to switch to a direct sales structure with FG (India) in the Indian market.

We will work to further improve our strong brand power in India by strengthening sales promotions, advertising and publicity, and after-sales services under our leadership. Furthermore, we will revise our sales channels fundamentally by launching retail stores with our direct operation, adding to developing new dealers and distributors.

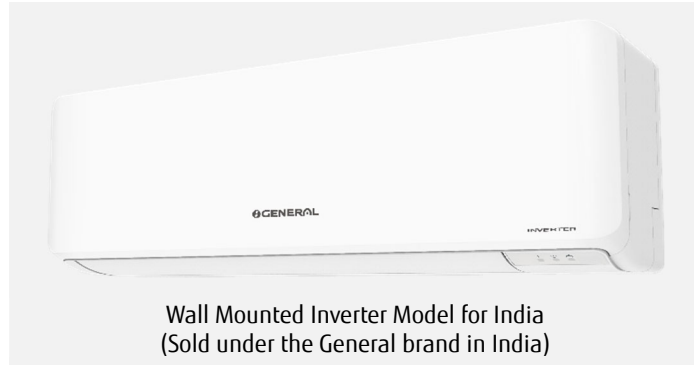
We will also look to strengthen our sales structure for commercial use air conditioners (e.g., packaged air conditioners for buildings). Adding to it, we will aim to expand our air conditioning solutions business by making proactive proposals to the customers of ABS Aircon Engineers Private Limited, a company which we turned into a consolidated subsidiary in December 2018, which designs, executes projects and provides service maintenance for air conditioning systems, for replacing demand of commercial use air conditioners.

Moreover, we will introduce new models in inverter air conditioners line-up, that meet local needs, in February. As energy-saving regulations have become even stricter in India since January of this year, we expect the expansion of the demand of inverter air conditioners which is our strong point. New products are the models for the great demand segment, which we have not offered in our line-up so far. The new models have specifications such as withstanding unstable voltage conditions and severe outside temperature environments – in addition to the high energy saving performance. We expect to increase our sales in the inverter air conditioners market with the new models.

We will hold a dealer convention in Mahabalipuram, south of Chennai at 7 p.m. (local time) on January 21st. Etsuro Saito, President & Representative Director of Fujitsu General, will address about the future prospects that will come from this direct sales structure at this convention.

\*1: Based on our estimate.

\*2: Indian affiliated company of the ETA ASCON Group (Head Office: UAE / Dubai). Established in May 1999.



## Contact details

Public & Investor Relations Division <https://www.fujitsu-general.com/global/contact/press.html>

### **Overview of FG (India) (As of the end of December 2019)**

Company name:	Fujitsu General (India) Private Limited
Representative:	Koji Matsumoto, President
Location:	Chennai, India
Month and year of establishment:	December 2018
Capital:	1 billion Indian rupees (1.6 billion yen / Converted at 1 Indian rupee = 1.6 yen)
Investment ratio:	Fujitsu General Limited. (99.98%) / Fujitsu General (Thailand) Co., Ltd. (0.02%)
Number of employees:	Approx. 250

### **Overview of the Dealer Briefing**

Date and time:	7 p.m. (local time) on January 21
Location:	Four Points by Sheraton Mahabalipuram Resort & Convention Center in southern Chennai (Mahabalipuram), India
Organizer:	Fujitsu General (India) Private Limited (President: Koji Matsumoto)
Participants from our company:	Etsuro Saito, President & Representative Director of Fujitsu General Hiroyuki Yokoyama, Director & Corporate First Senior Vice President of Fujitsu General Atsushi Itagaki, Corporate Vice President of Fujitsu General Others
Number of participating companies:	Approx. 500 (scheduled)