



INTEGRATED REPORT 2024

FUJITEC CO., LTD.

CONTENTS

1

What is Fujitec?

- 2 At a Glance
- 3 Elevator and Escalator Market
- 4 Business Model
- 6 Overview by Segment
- 8 Financial Highlights
- 9 Nonfinancial Highlights
- 10 Fujitec's 76-Year Journey

12

Value Creation Stories

- 12 Message from the President and CEO
- 14 Review of Previous Mid-Term Management Plan (Vision24)
- 15 New Mid-Term Business Plan (Move On 5)

22

Sustainability

- 22 Our Philosophy on Sustainability
- 23 Materiality Identification Process
- 24 Materiality and Major Topics
- 25 Materiality Promotion Case Studies

30

Corporate Governance

- 30 Directors, Members of Audit & Supervisory Board, and Operating Officers
- 32 Interview with an Outside Director
- 33 Corporate Governance

38

Data

- 38 11-Year Summary
- 40 Global Network
- 41 Company and Stock Information

Editorial Policy

In this report, we present nonfinancial information such as sustainability activities in addition to information on management direction and strategy, and a review of operations. Our aim is to give an overall view of Fujitec's management and corporate activities.

Forward-Looking Statements

This report contains forecasts and projections regarding the plans, strategies, and performance of Fujitec Co., Ltd. and its consolidated subsidiaries. These forecasts and projections constitute forward-looking statements that are based on assumptions and beliefs in accordance with data currently available. These statements are subject to various risks and uncertainties that could cause results to differ from those projected or implied. These include, but are not limited to, unforeseen factors or fluctuations in the economy, industry competition, demand, foreign exchange rates, tax laws, and/or regulations.

Notes: 1. Company names, products, and logos used in this report are trademarks or registered trademarks of their respective companies. Trademark and registered trademark symbols (™ and ®) are omitted for some system and product names.

2. The segment "North America and Europe" has been renamed "the Americas and Europe," effective from the fiscal year ended March 31, 2023. The new segment name is used in this report.

Reporting Period

Fiscal 2023 (April 1, 2023–March 31, 2024)

(Note: Includes some activities and information from before and after this period.)

Fujitec Global Mission Statement

“Respecting people, technologies, and products, we collaborate with people from nations around the world to develop beautiful and functional cities that meet the needs of a new age.”

Fujitec Philosophy of Human Resource Management

Refining individual qualities as a member of society pursuing an enhanced ability as a member of the organization, and expanding awareness and perception as a member of the global community, all Fujitec members achieve personal goals, sharpen leadership skills and develop a broader understanding of others, while ensuring the company's continued growth and success.

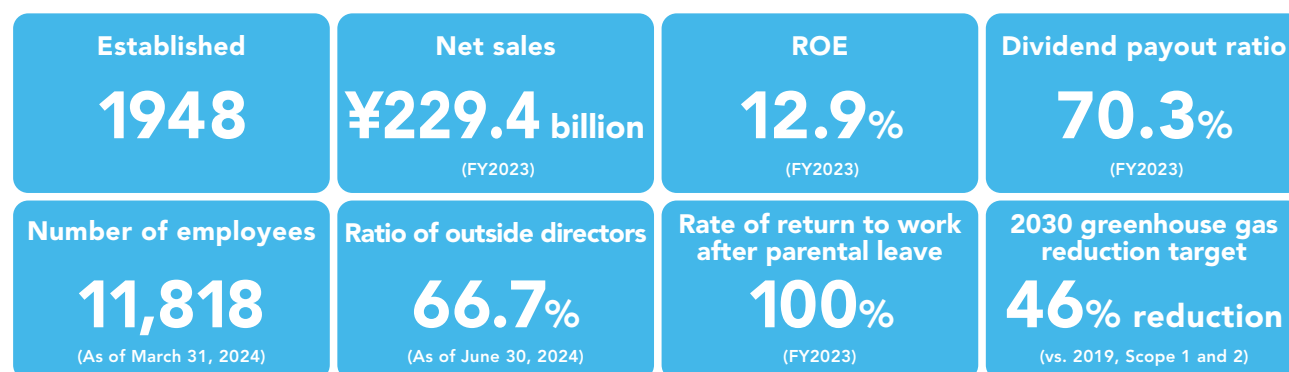
Fujitec Corporate Action Rules

1. The first priority is on human life and protection of human rights
2. Assurance of product safety
3. Maximization of return on investment
4. Equal-footing and sound business transactions
5. Free and fair competition
6. Co-existence and co-prosperity with local communities



At a Glance

We are a specialized global manufacturer of urban space mobility systems. We handle elevators, escalators, and moving walks. Backed by meticulous quality control, we have an integrated system covering everything from R&D to sales, production, installation, maintenance, and renewal. This allows us to provide safe, reliable, and comfortable movement services. We are “Shaping the Future of Urban Living.”



Global Network

Since entering Hong Kong in 1964, Fujitec has expanded globally and now has a presence in the Americas, South Asia, East Asia, Europe, and the Middle East. Our business activities are carefully tailored to the needs of each region.

**Sixty years
of global
expansion**

**1964: Fujitec (HK) Co., Ltd.
established
(First overseas operation)**

**Presence
in 24
countries
and
regions**

Overseas sales
ratio

**Approx.
60%**

Improving Product Quality

At our various R&D and production facilities for elevators and escalators, we focus on strengthening our product development and manufacturing capabilities and enhancing product quality.

Domestic elevator
R&D/production base:
Big Wing



Domestic escalator R&D/production base:
Big Step



Global R&D/production bases:

Fujitec America, Inc.
 Elevadores EV Internacional, S.A. de C.V. (Mexico)
 Fujitec India Private Ltd.
 Fujitec Express Ltd. (India)
 Huasheng Fujitec Elevator Co., Ltd. (China)
 Shanghai Huasheng Fujitec Escalator Co., Ltd. (China)
 Fujitec Shanghai Sourcing Center Co., Ltd. (China)
 Fujitec Shanghai Technologies Co., Ltd.*
 Fujitec (HK) Co., Ltd.
 Fujitec Taiwan Co., Ltd.
 Fujitec Korea Co., Ltd.

* R&D only

Elevator and Escalator Market

The market for elevators and escalators is expected to experience stable, long-term growth while also offering high capital efficiency.

Stable, long-term
growth with CAGR*
of 5%–10%

Generating
consistent profits
through maintenance
services

Generating revenue
through renewal
services over the entire
product life cycle

* Compound annual growth rate

Global Escalator and Elevator Market

Our elevator and escalator business includes first-time installations in new buildings, such as condominiums, commercial facilities, and public facilities, as well as aftermarket services (maintenance, repair, and renewal of existing units).

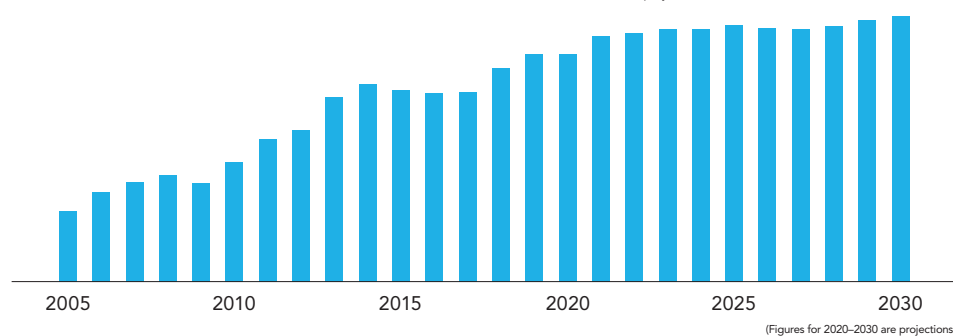
The global market for elevators and escalators is projected to grow from US\$88.59 billion^{*1} in 2023 to US\$140.6 billion^{*2} by 2030, for a CAGR* of 5%–10%.

Increasing investment in residential and commercial construction projects in developed and developing countries, such as India, China, and the United States, is driving growth in the market for elevators and escalators.

1. Fortune Business Insights
2. Global Information, Inc.

Global Elevator and Escalator Market: New Orders and Projections^{*3}

3. Elevator World Global NI unit orders by region 2005–2030 (absolute value) and NI unit orders by region for 2010, 2020, and 2030 (% value); source: Company data, Credit Suisse estimates



Domestic Elevator and Escalator Market

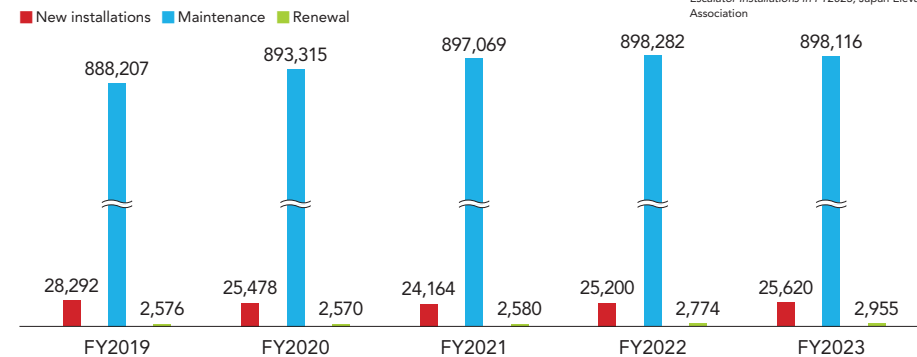
The Japanese elevator and escalator market is dominated by elevators (nearly 90%). Although demand for new installations is steady due to urban redevelopment projects, overall demand linked to new building construction is on a downward trend. By contrast, demand for maintenance services is trending upward.

Strong domestic aftermarket demand

In the domestic elevator and escalator market, the number of new installations is on a downward trend. However, aftermarket demand for maintenance and renewal services is growing against the backdrop of aging buildings and earthquake-resistant construction. Skilled technicians with in-depth knowledge are essential for maintenance and modernization services in our industry, so attracting specialized talent is a common challenge across the sector. Recently, however, we have seen progress in the development of solutions incorporating cutting-edge technologies. These include using IoT technology to constantly monitor the status of equipment and efficiently allocate maintenance personnel and using augmented reality (AR) technology to help improve the effectiveness of maintenance staff.

Domestic Elevator and Escalator Market: Unit Sales by Type^{*4} (Units)

4. Report on Survey Results for Elevator/ Escalator Installations in FY2023, Japan Elevator Association



| Business Model |

Integrated structure of a specialized manufacturer well-versed in elevators and escalators

Pursuing "Safety and Reliability"

Fujitec is a company responsible for the maintenance and operation of elevators and escalators, which constitute critical social infrastructure. Therefore providing "safety and reliability" to all stakeholders is a priority in all of our corporate activities. We will continue providing products and services with top priority on safety and reliability for users, customers, and employees.

Improving Product Quality

To further enhance product quality, we are building a facility dedicated to component analysis and evaluation.

For more details:

<https://www.fujitec.com/announcement/3228?listyear=2023>



Two main businesses

Our business model as a specialized manufacturer of urban space mobility systems can be divided into two categories: "new installation business," in which we install new elevators and escalators, and "aftermarket business," in which we maintain and renew existing units. We have an integrated system covering everything from R&D to sales, production, installation, maintenance, and renewal. Leveraging our in-depth knowledge of elevators and escalators, our various divisions work closely together to respond flexibly and agilely to customer requests. This allows us to develop highly distinctive, advanced, and superior products and services that are safe, reliable, comfortable, and have excellent long-term reliability and quality performance. Our integrated system also enables us to effectively incorporate the results of maintenance evaluations into the development of subsequent products. This creates a positive cycle and strengthens trust between our company and our customers.

With an integrated system that only a specialized manufacturer can provide, we have comprehensive technical capabilities to support the life cycles of elevators and escalators. Because elevators and escalators constitute important social infrastructure that will be used for long periods of time, we work continuously to build long-term relationships of trust with our customers.



We were the first in our industry to enter overseas markets in the 1960s, and today we have a global supply chain with R&D, production, and sales bases in 24 countries and regions. These bases work closely together to provide solutions that reflect regional characteristics and customer needs. With respect to R&D and production, which are directly related to strengthening competitiveness and profitability, we have bases in Japan, China, India, and the United States.



Huasheng Fujitec Elevator Co., Ltd. (China)



Shanghai Huasheng Fujitec Escalator Co., Ltd. (China)



Fujitec Shanghai Technologies Co., Ltd. (China)

| Business Model |

Global supply chain in 24 countries and regions



Fujitec India Private Ltd.



Fujitec America, Inc.

There are two key points for achieving sustainable growth overseas. The first is to ensure that each of our global operations works closely with one another to conduct meticulous business activities rooted in their respective regions, and the second is to achieve profitability that is unparalleled in the global market. With this in mind, we will leverage the strengths of our production bases in China, South Korea, and Taiwan to drive our business forward. In India, where demand is increasing, we completed our second plant in 2022. It is now fully operational with annual new installation orders reaching 2,000 units, surpassing the 1,500-unit level originally planned. We will also leverage our acquisition of Fujitec Express Ltd. in India to sustain our growth in that nation while also expanding exports to South Asia and the Middle East.

Overview by Segment

Consolidated Performance by Segment (Results/Plan)

(Millions of yen)

	Net Sales			Operating Income		
	FY2022	FY2023 (% change)	FY2024 plan (% change)	FY2022	FY2023 (change)	FY2024 plan (change)
Japan	77,507	88,072 (13.6)	91,000 (3.3)	2,111	6,645 (4,533)	6,500 (-145)
East Asia	82,927	79,378 (-4.3)	79,000 (-0.5)	4,486	1,630 (-2,856)	3,900 (2,269)
South Asia	24,128	31,000 (28.5)	37,000 (19.4)	3,543	5,010 (1,466)	5,800 (789)
The Americas and Europe	36,361	45,776 (25.9)	52,000 (13.6)	1,525	1,455 (-70)	1,900 (444)
Subtotal	220,925	244,228 (10.5)	259,000 (6.0)	11,667	14,741 (3,074)	18,100 (3,358)
Adjustment	-13,336	-14,826 —	-14,000 —	-48	-169 (-120)	— (169)
Total	207,589	229,401 (10.5)	245,000 (6.8)	11,618	14,571 (2,953)	18,100 (3,528)

Note: In fiscal 2023 (ended March 31, 2024), the Company finalized the provisional accounting treatment related to business combinations. The Company's performance in fiscal 2022 has been adjusted to reflect the finalized accounting treatment.

In fiscal 2023, ended March 31, 2024, we posted strong results in the new installation and modernization businesses in Japan, the Americas, and Europe, while sales in South Asia also increased significantly, driven by new installations in the fast-growing Indian market. In the Americas and Europe, our performance also benefited from the consolidation of a Mexican subsidiary acquired through an M&A in the previous fiscal year. However, sales in East Asia declined due to a fall in orders caused by the real estate recession in China and the resulting drop in market prices. Operating income in Japan improved significantly due to higher sales and pricing adjustments to reflect cost increases. In East Asia, we reported a decline in operating income due to the real estate recession in China, as well as increased provisions for construction losses in Hong Kong, Taiwan, and South Korea. In South Asia, we continued performing well throughout the region, and our new installation business in India also

returned to profitability. In the Americas and Europe, we posted improved operating income in the United States due to an increase in the number of maintenance projects and higher maintenance unit prices but declined slightly overall due to higher material costs and other factors in Canada.

In fiscal 2024, we forecast a ¥15.6 billion year-on-year increase in net sales, driven by record-high sales in Japan and South Asia, as well as revenue growth in the Americas and Europe. In South Asia, in particular, we forecast sales of ¥37 billion, up approximately 20% year on year.

While operating income in Japan is expected to decline due to increased costs, we project that overall operating income will reach a record-high figure, driven by continued revenue growth in South Asia and an increase in operating income in the Americas and Europe, as well as improvement in East Asia, where we made a provision for construction losses in the previous year.

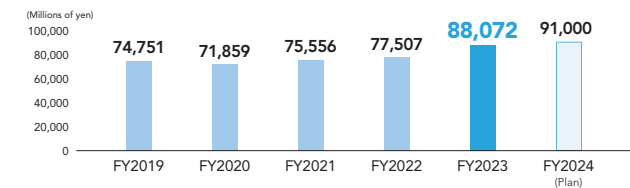
Japan

In Japan, we reported growth in both the new installation and modernization businesses, driven by an increase in volume and successful pricing adjustments. As a result, orders increased 14.0% year on year to ¥97.2 billion.

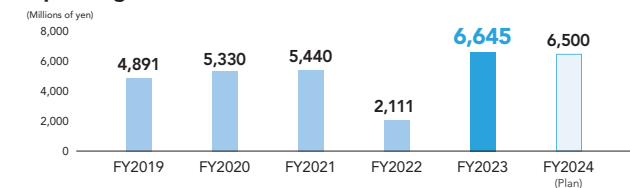
Sales in Japan grew significantly for both new installations and aftermarket modernization projects due to pricing adjustments. Despite higher import costs driven by ongoing yen depreciation, profitability also improved considerably thanks to better margins from pricing adjustments, resulting in an overall increase in operating income.

In fiscal 2024, we expect to post record-high sales in Japan, driven by continued strong demand and effective price adjustments. While business profits are expected to improve, we forecast a slight decline in operating income due to increased labor costs driven by inflation-related social demands and higher expenses associated with the launch of activities under the new mid-term business plan.

Net Sales



Operating Income



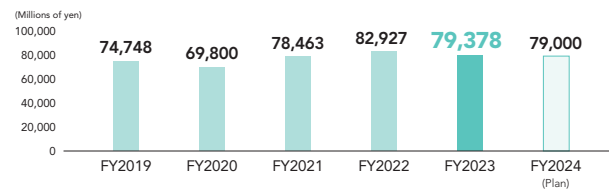
East Asia

In East Asia, despite a decline in demand due to China's real estate downturn, new installation projects in Hong Kong increased, and the aftermarket business grew in both Hong Kong and mainland China. As a result, orders rose 10.5% year on year to ¥66.2 billion.

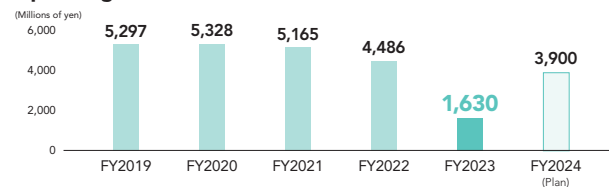
Sales in East Asia declined due to lower sales from new installation projects caused by the Chinese real estate recession, as well as the impact of declining market prices. This was despite an increase in sales from modernization projects in Hong Kong due to the progress of large-scale contracts. Operating income declined due to lower sales from new installation projects in China and an increase in provision for construction losses in Hong Kong, Taiwan, and South Korea.

In fiscal 2024, we expect a slight decline in sales due to the ongoing real estate downturn in China. However, we forecast a significant increase in operating income compared with the previous year, when we made temporary provisions for construction losses in Taiwan and South Korea.

Net Sales



Operating Income



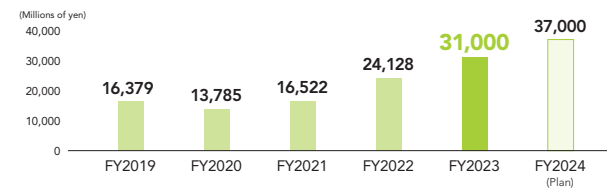
South Asia

In South Asia, both the new installation and aftermarket businesses performed strongly, with orders rising significantly to ¥36 billion, up 39.7% year on year.

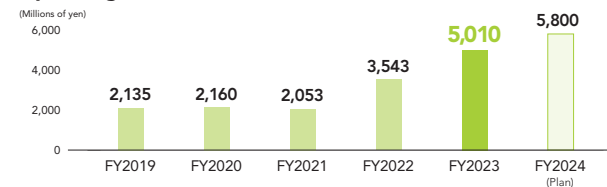
We reported an increase in sales due to higher orders in India, which boosted our new installation business, while the aftermarket business also grew with a rise in repair projects in Singapore and Malaysia. We also posted an increase in operating income, driven by higher sales from new installations and a return to profitability in India thanks to cost reductions, as well as increased sales in the aftermarket business in Singapore and Malaysia.

In fiscal 2024, we forecast record-high sales in South Asia, driven by strong performance in India and Singapore. We also look forward to an increase in operating income due to revenue growth in India, cost reductions in new installation projects, and maintenance pricing revisions in Singapore.

Net Sales



Operating Income



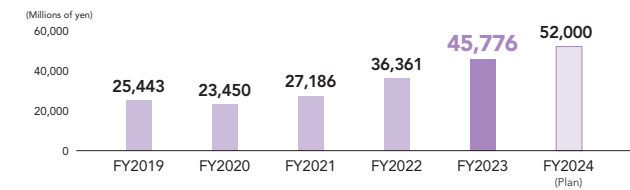
The Americas and Europe

In the Americas and Europe, orders grew 4.7% year on year to ¥48 billion, driven by growth in Argentina and an increase in the aftermarket business across all markets. This was despite a decline in new installations in the United States and Canada.

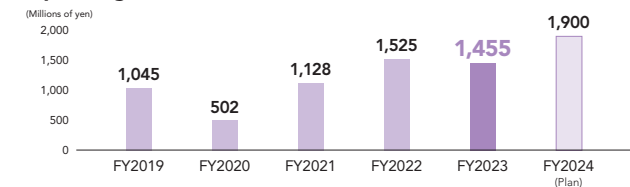
We posted increased sales in the new installation business in the United States and the United Kingdom, as well as in the aftermarket business due to an increase in modernization projects in the United States and the consolidation of a Mexican subsidiary. Operating income declined in the new installation business as higher material and labor costs in Canada led to lower profitability. This was despite increased income in the aftermarket business due to a higher number of maintenance projects and increased maintenance fees in the United States.

In fiscal 2024, we forecast a steady increase in sales, as well as operating income in line with revenue growth.

Net Sales

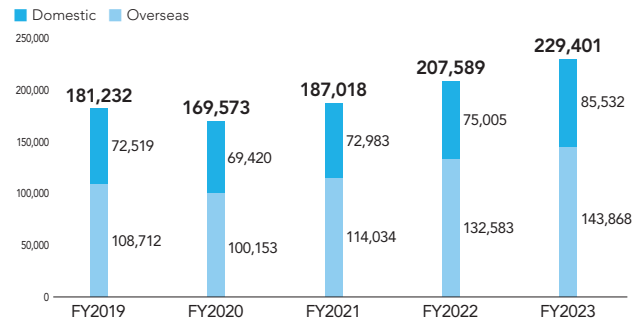


Operating Income

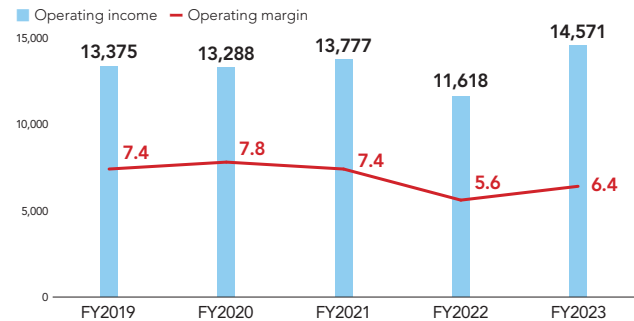


Financial Highlights

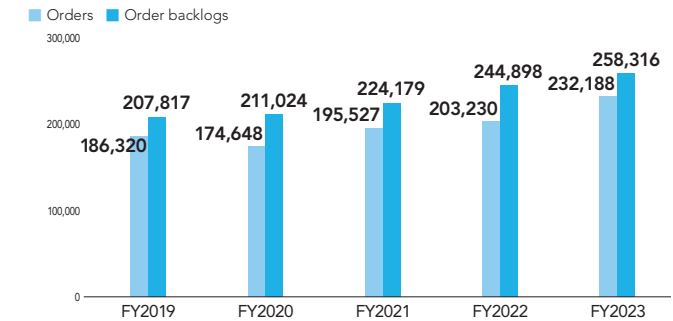
Net Sales (Millions of yen)



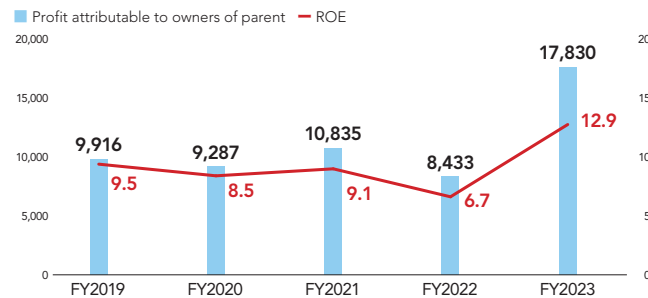
Operating Income (Millions of yen)/Operating Margin (%)



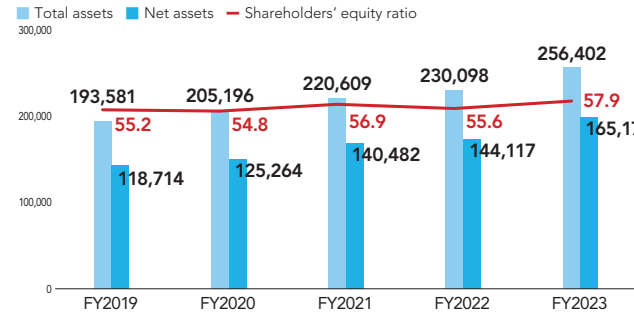
Orders (Millions of yen)/Order Backlogs (Millions of yen)



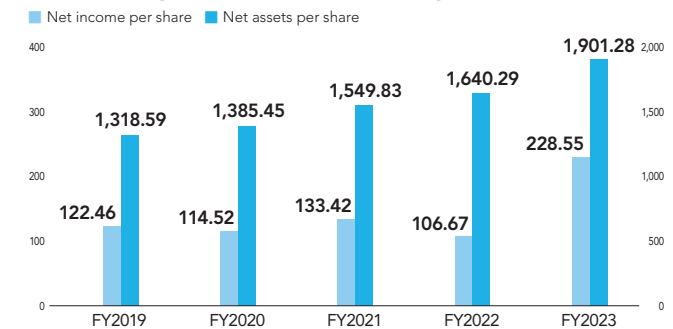
Profit Attributable to Owners of Parent (Millions of yen)/ROE (%)



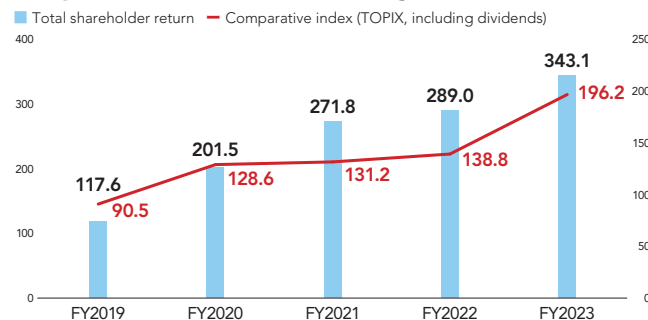
Total Assets (Millions of yen)/Net Assets (Millions of yen)/Shareholders' Equity Ratio (%)



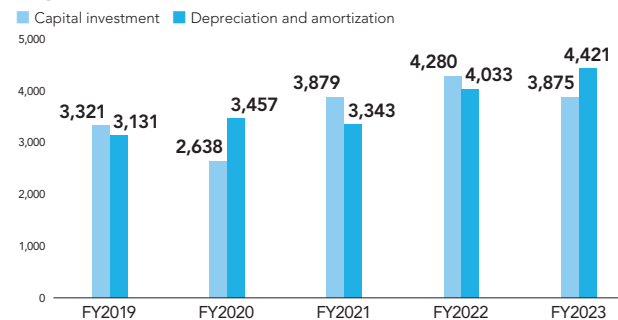
Net Income per Share (Yen)/Net Assets per Share (Yen)



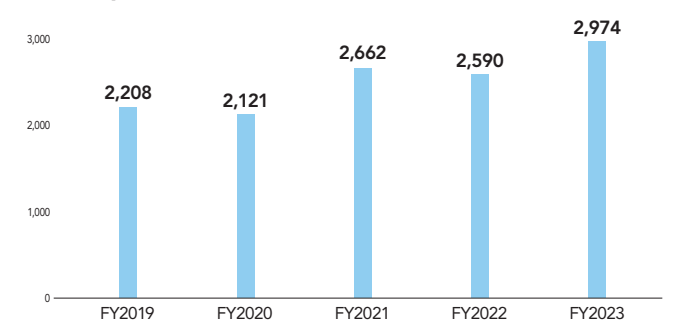
Total Shareholder Return (%) / Comparative Index (TOPIX, including dividends) (%)



Capital Investment (Millions of yen) / Depreciation and Amortization (Millions of yen)



R&D Expenses (Millions of yen)

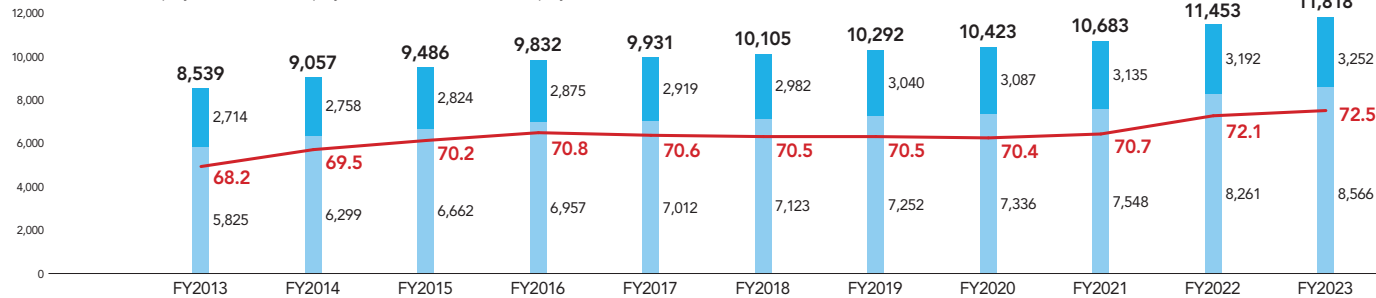


Note: Amounts less than ¥1 million have been rounded off.

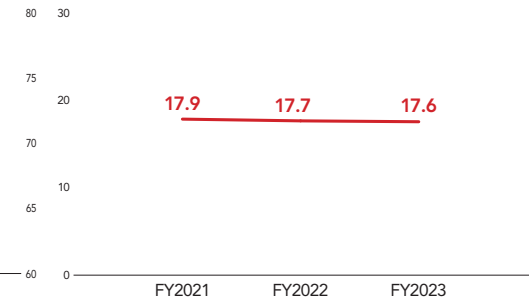
Nonfinancial Highlights

Number of Employees/Ratio of Overseas Employees (%)

■ No. of overseas employees ■ No. of employees — Ratio of overseas employees

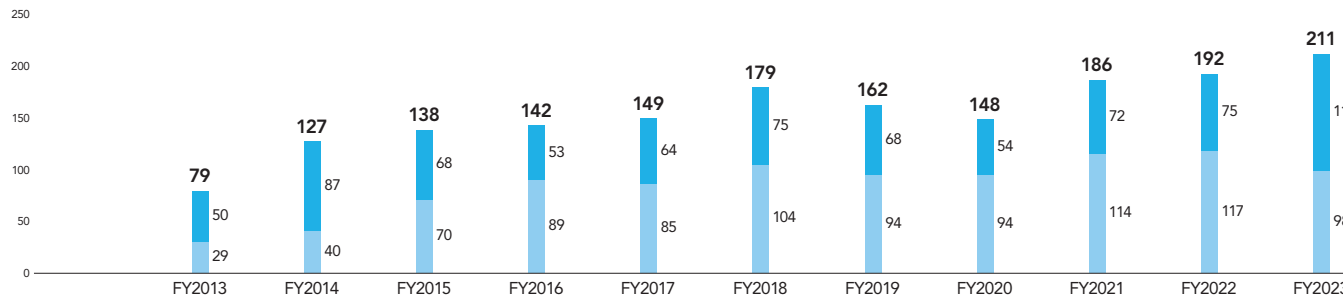


Average Length of Service (Years)



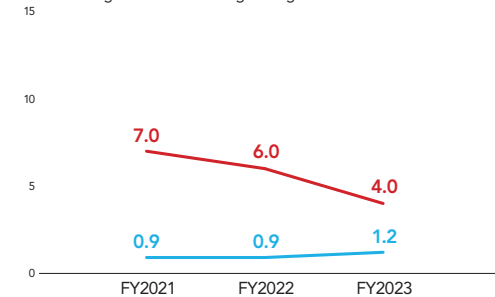
Number of New Graduate Hires/Mid-Career Hires*1

■ No. of new graduate hires ■ No. of mid-career hires



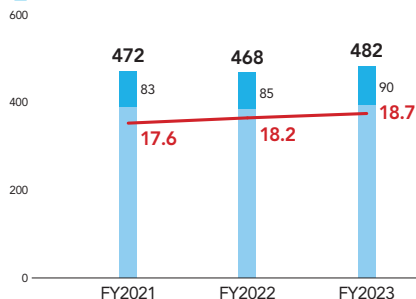
Percentage of Women among New Hires Fresh Out of School*1 (%)/Percentage of Women among Managers*1 (%)

— Percentage of women among new hires fresh out of school
— Percentage of women among managers



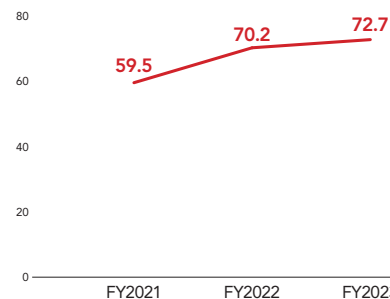
Mid-Career Hires for Management Positions*1

■ Mid-career hires — Ratio of mid-career hires



Paid Vacation Use Ratio*1 (%)

— Ratio of employees returning to work after childrearing leave
— Percentage of male employees taking childcare leave



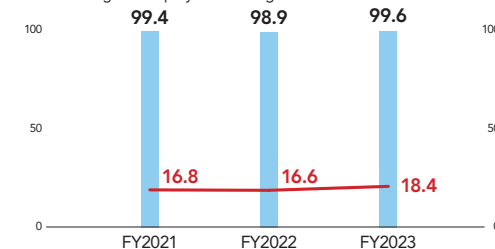
Ratio of Employees Returning to Work After Childrearing Leave*1 (%)/Percentage of Male Employees Taking Childcare Leave*1 (%)

— Ratio of employees returning to work after childrearing leave
— Percentage of male employees taking childcare leave



Stress Check Questionnaire Response Rate*1 (%)/Percentage of Employees with High Stress Levels*1,2 (%)

■ Stress check questionnaire response rate
— Percentage of employees with high stress levels



*1 Domestic

*2 Percentage of employees with a total score of 77 points or more for the items on mental and physical stress responses among the total respondents of the stress check questionnaire

Note: Average ratio of paid vacation used at companies with more than 1,000 employees: 61% (Ministry of Health, Labour and Welfare's General Survey on Working Conditions)

Ratio of paid vacation used = number of days of paid vacation used during the fiscal year/total number of days of paid vacation for the fiscal year

Osaka manufacturing plant with a 53-meter-tall elevator research tower (1965)



1948–

Seeking to help rebuild the nation

Swift overseas expansion after founding

The Company was founded by Shotaro Uchiyama, who was deeply moved upon witnessing Osaka's war-torn streets gradually regain their former appearance. Driven by a desire to help rebuild the nation and its cities, he established the business. Foreseeing the evolution of a globalized society, he quickly turned his attention to international markets. Under the philosophy that "the world is a single market," he accelerated the Company's business expansion.

1948

Fujitec Co., Ltd. established by Shotaro Uchiyama in Osaka City, Osaka Prefecture, with the aim of developing, manufacturing, selling, installing, and maintaining elevators

1962

Delivered Japan's first building-integrated, multistory parking facility

1964

Fujitec Hong Kong established as the Company's first overseas base, ahead of other companies in the industry

1965

Osaka Works began operations in Ibaraki City, Osaka Prefecture

1968

Fujitec Venezuela, C.A. established
Fujitec Korea Co., Ltd. established

1972

Fujitec Singapore established

Fujitec's 76-Year Journey

Founded in 1948, we became one of the first Japanese elevator and escalator manufacturers to expand overseas, operating with the global view that "the world is a single market." Today, we have a global supply chain with a presence in 24 countries and regions. Our track record of supplying elevators and escalators to landmark buildings in various countries continues to grow, accelerating the entrenchment of the Fujitec brand.

1974–

World's largest elevator research tower completed

Pursuing the challenge of original technologies

Anticipating the era of skyscrapers, we continued pursuing innovative technologies, including developing the world's tallest elevator research tower and a high-speed elevator with a speed of 600 meters per minute. In the late 1970s, as microcomputers entered the practical application phase, we began developing microcomputer control technology for standard elevators ahead of other companies.

1974

Company name changed to Fujitec Co., Ltd.; shares listed on the First Sections of the Tokyo Stock Exchange and Osaka Securities Exchange

1975

Completed a 150-meter elevator research tower (tallest and largest in the world at the time) in Ibaraki City, Osaka Prefecture

1976

Developed the world's first ultrahigh-speed DC gearless elevator with speed of 600 meters per minute

1978

Developed an elevator with microcomputer-based control technology

1982

Established one of the world's largest elevator factories, in Ohio, United States

1988

First in the world to develop elevator group control system utilizing fuzzy computer technology

150-meter elevator research tower, tallest and largest in the world at the time (1975)



1990–

Expansion into the world's most promising market: China

Targeting further business growth

In the 1990s, as urban development accelerated in China and elevator demand was expected to grow rapidly, we shifted from the traditional concept of enhancing technical capabilities solely through collaboration with other elevator-related companies. Instead, we focused on providing our technological expertise across China through an extensive network. To achieve this, we established a joint venture, Huasheng Fujitec, with Chinatex Corporation, a leading general trading company.

1990

Developed City Park EV, a multilevel parking system utilizing elevator technology

1993

First company in the domestic elevator industry to obtain ISO 9001 certification (international quality standard)

1995

First in the world to develop Neuros, an elevator group control system utilizing neural computer technology
Joint venture Huasheng Fujitec established

2001

World's first double-deck elevator (FLEX-DD) developed

2006

Big Wing (head office and elevator R&D and production facility) completed in Hikone City, Shiga Prefecture

2007

Earthquake-resistance features developed to further enhance elevator safety during seismic events

Big Wing



Big Fit

2008–

Supplied landmark buildings around the world

Accelerating global brand rollout

Our exceptional technology and products, backed by a rich history, robust global network, and strong relationships we have built with customers over the years, have earned us deep trust. This trust has enabled us to supply elevators and escalators to landmark buildings around the world. In ever-evolving cities worldwide, we continue to embrace new challenges with a vision for the future.

Big Step



2008

Tokyo head office established, creating a dual-head-office system alongside Big Wing

2009

First in the industry to develop Foot Safety Sensor to enhance escalator riding safety

2010

Big Step (escalator development and production facility) completed in Toyooka City, Hyogo Prefecture
Big Fit (aftermarket support facility) completed in Ibaraki City, Osaka Prefecture

2017

Total of 84 units (38 elevators and 46 escalators) supplied to the landmark GINZA SIX complex in Tokyo's Ginza district

2020

AirTap (contactless elevator button) launched

2023

75th anniversary
Total of 110 elevators and escalators supplied to Azabudai Hills (Japan's tallest building at approximately 330 meters)

2024

Total of 33 elevators and escalators supplied to 54-story office building constructed by Taiwan's leading financial group, Fubon Financial Holdings



AirTap

Message from the President and CEO

Under our new mid-term business plan, Move On 5, we will complete our transition into a “New Fujitec” based on the concept of “Continuity and Change.”



Masayoshi Harada
Representative Director,
President and CEO

In June 2023, we established a new management structure and launched the “New Fujitec.” Since then, we have been promoting management based on the concept of “Continuity and Change.” Since the end of 2023, we have been using our “Move On” slogan to strengthen internal and external communication and management. We have also consistently earned the trust of customers over the years and steadily increased our business performance, posting record-high revenue and income in fiscal 2023. In May 2024, we announced a new mid-term business plan, Move On 5, aimed at achieving further sustainable growth. Move On 5 embodies our new management strategy and business plan for fiscal 2024 through 2028. The plan expresses our strong will to complete our transition into a “New Fujitec” based on the concept of “Continuity and Change” over the next five-year period.

To enable sustainable growth, we must skillfully update our approach and flexibly adapt to dramatically changing business conditions while preserving our core essentials. Without such adaptability, we cannot survive in turbulent times. This embodies the concept of management “Continuity and Change,” which clearly distinguishes between “continuity” (what must not change) and “change” (what must evolve). Our “continuity” principles are to pursue safety and reliability, focus on quality, and develop human resources, and we will continue strengthening and advancing these principles in the future. On the other hand, our “change” principles refer to the areas we must focus on now to enhance corporate value: Adopt a “selection and concentration” approach, strengthen Group management, and enhance governance and communication.

The foundation of these efforts is our management philosophy: “Respecting people, technologies, and products, we collaborate with people from nations around the world to develop beautiful and functional cities that meet the needs of a new age.” This expresses our desire to create and deliver new value to society from a global perspective, which forms the basis for our activities.

During the period of Move On 5, we aim to post average annual revenue growth of 8% and achieve consolidated net sales of ¥325 billion by fiscal 2028. By improving profitability, we are targeting an operating margin of 13.5% and a gross margin of 26%, driven by cross-regional and cross-business growth initiatives. I trust that you will perceive these as extremely aggressive targets. To achieve our growth targets, we will thoroughly entrench our “Continuity and Change” concept and improve our product and service quality, business quality, and management quality to provide numerous customers with a sense of safety, reliability, and comfort. I believe that we can achieve the objectives of Move On 5 by combining the principles of “continuity” (our unique strengths) and “change” (new initiatives necessary for enhancing corporate value as the “New Fujitec”).

Under Move On 5, we have outlined three pillars that embody our vision for the next five years. The first pillar is “Selection and concentration of the regional/business mix.” This means clarifying the strategic positioning of each region, defining the direction of initiatives for each region and business, allocating resources appropriately, and encouraging each entity to focus on initiatives that enhance ROIC, with the aim of improving profitability.

The second pillar is “Achieve both high quality and high profitability.” This means enhancing our strength in quality by leveraging DX for remote elevator monitoring to improve maintenance quality and engaging in other improvement activities, while at the same time improving productivity by standardizing operations. In these ways, we will strive to enhance our margins.

The third pillar is “Build a robust business foundation,” which is essential in pursuing the first two pillars. This means strengthening Group management, developing global talent to support high quality and business growth, and further strengthening ESG management.

During the period of Move On 5, we will step up efforts to strengthen ESG management, which is essential for achieving sustainable growth. For example, to reduce environmental impact, which is an urgent priority for protecting the global environment, we have set a target of reducing greenhouse gas emissions (Scope 1 and 2) by 46% by 2030 compared with 2019 and will implement various measures to achieve this target. We will also continue actively focusing on talent development because

**Consistently embrace “Continuity and Change,”
leveraging the quality of our products and services
to deliver an exceptional riding experience
to more customers**

Continuity

Continue to pursue
without change

Fujitec’s unique strengths that
differentiate it from competitors

Pursue “Safety and Reliability”

Focus on Quality

Human Resource Development



Change

New Initiatives for the
New Fujitec

Key areas to focus on for further
enhancing corporate values

Selection and Concentration

Strengthen Group
management

Enhance governance and
communication

we regard our people as our greatest asset and a key strength. We have already introduced new programs, such as “Scholarship Repayment Support,” and will continue focusing on human capital to secure and retain excellent talent and sustainable corporate growth. In terms of governance, we have a diverse Board of Directors with nine members, of whom six are outside directors, two are women, and four are foreign nationals. We will continue to uphold the transparency and objectivity of our management.

By implementing these three pillars over the five years under Move On 5, we aim to further grow our business and attract exceptional, high-caliber talent, thus enhancing corporate value and creating a positive cycle that benefits all our stakeholders. Under our new management structure, we have made solid progress in changing our organization and fostering a sense of change among employees. I believe that the groundwork has been laid to complete Move On 5 and, above all, fulfill our true potential. When I was stationed at Fujitec (HK) Co., Ltd., our local subsidiary in that region, we delivered our products to many customers. At that time, one of our customers told us that our facility is the best in the world and nominated Fujitec as the best maker of elevators in the world as well. This demonstrates that we have both a proven track record and great potential.

We are constantly thinking about where we want to be in the long term, 10 years from now, based on our past achievements and challenges. Our long-term vision is to “Establish a top trusted brand in the industry where everyone can experience the unique beauty and hospitality of a dedicated Japanese manufacturer.”

To achieve this, our business strategy prioritizes cutting-edge initiatives, including the proactive integration of IT into operations. By delivering the highest value in each region and business, we aim to establish ourselves as the leading and most trusted brand in every market we serve. From the perspectives of organization, talent, and corporate culture, we are committed to fostering a culture that encourages proactive contributions without fear of failure. We will also focus on cultivating sophisticated



global talent capable of adapting to diverse business environments worldwide. Through these efforts, we aim to continuously enhance and strengthen our organizational foundation to achieve our long-term vision. Furthermore, with a long-term perspective, we emphasize addressing environmental and social issues while contributing to society. As a dedicated manufacturer of elevators supporting social infrastructure, we will continue focusing on safety, reliability, and top-quality products and services. By offering highly distinctive and industry-leading solutions, we aim to establish ourselves as a trusted brand that earns the confidence of both our customers and end-users.

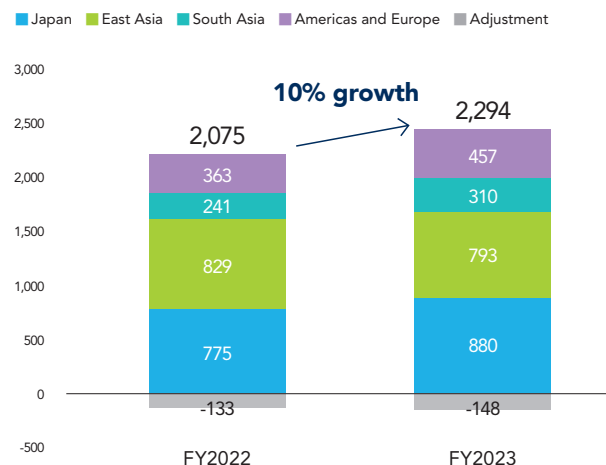
Finally, and above all, I myself am determined to remain steadfast and have a strong sense of responsibility. This is exemplified by one of my personal mottos: A Japanese Zen Buddhist expression meaning “I alone know contentment,” engraved on the *tsukubai* (stone water basin) at Ryoanji Temple in Kyoto. Originally, this expression stressed the importance of finding satisfaction in what one has. However, I interpret it as “Accepting the present circumstances with gratitude, while making every effort to pursue further improvement.” As the leader entrusted with implementing Move On 5, I am committed to meeting the expectations of all our stakeholders, driven by my guiding principle, “I alone know contentment.”

Review of Previous Mid-Term Management Plan (Vision24)

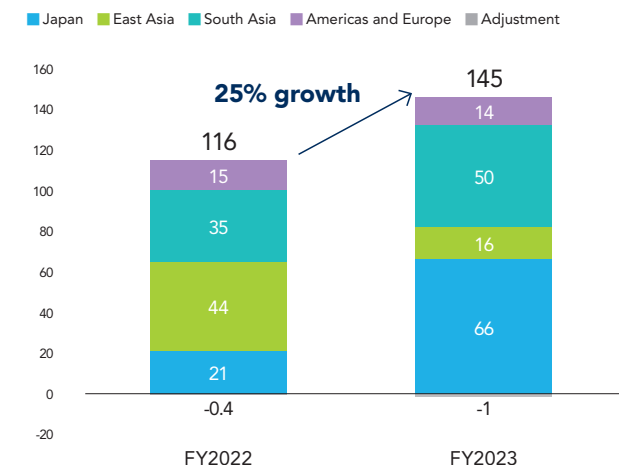
During the period of the previous mid-term management plan (fiscal 2022–2023), we achieved increases in both net sales and operating income owing to continuous growth in orders and revenue.

Growth in Net Sales and Operating Income

Revenue (100 million yen)



Operating Income (100 million yen)



As a result, we achieved continuous growth in revenue growth during fiscal 2022 and 2023. Challenges included delays in executing key initiatives, primarily due to the downturn in the Chinese market and unexpected spikes in material costs.

Business	Domestic Business	Overseas Business	Production & Operations	Corporate
Achieved	<ul style="list-style-type: none"> Increased name recognition through the completion of large-scale order projects Continuous expansion of maintenance business through new installation and modernization projects 	<ul style="list-style-type: none"> Rapid growth in new installation orders in growing markets, such as India Growth of aftermarket business in mature markets, such as North America 	<ul style="list-style-type: none"> Conducted demonstration experiments of next-generation technologies (such as AI and remote monitoring systems) in Japan 	<ul style="list-style-type: none"> Disclosed environmental response initiatives Stepped up initiatives related to governance structure
Issues	<ul style="list-style-type: none"> Worsening labor shortages Deterioration in profitability due to soaring material prices 	<ul style="list-style-type: none"> Cost competitiveness limited by delays in expanding range of standard models Deterioration in profitability due to real estate recession in China 	<ul style="list-style-type: none"> Delays in optimizing procurement through collaboration across locations and implementing next-generation technologies at global sites 	<ul style="list-style-type: none"> Need to pursue optimal balance between accelerated investment in growth and shareholder returns Need to further improve governance, including by enhancing effectiveness and transparency

New Mid-Term Business Plan (Fiscal 2024–2028)

Move On 5

Overview of the New Mid-Term Business Plan

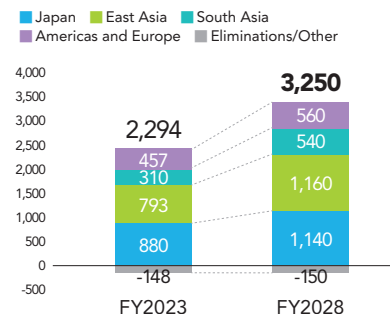
- We are targeting threefold growth in operating income while maintaining average annual revenue growth of 8%.
- We will strengthen our ability to generate cash to deliver increased dividends to shareholders.

Key Financial Targets

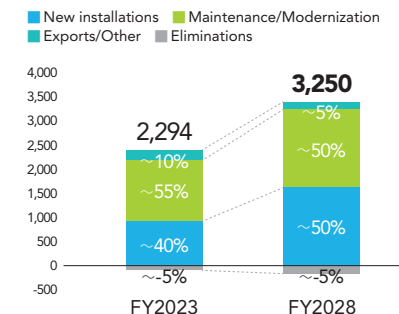
Net sales growth (company plan)

We aim to achieve consolidated revenue of ¥325 billion by fiscal 2028 through cross-lateral growth across multiple regions and businesses.

Revenue by Region (100 million yen)



Revenue by Business (100 million yen)



Growth Targets by Segment

We will drive growth in the new installation and modernization businesses through a geographic focus and both organic and inorganic expansion. This will enable us to increase the number of maintenance contracts and improve overall sales and profitability. To support such growth, we will expand our new installation and modernization businesses while focusing on digitalization and operational improvements. By adopting a “regional selection and concentration” approach, we expect to bolster operating income by ¥8 billion in fiscal 2028 compared with fiscal 2023.

Growth targets for the new installation and modernization businesses

New installations (after 5 years) ▶ Return to **profitability**

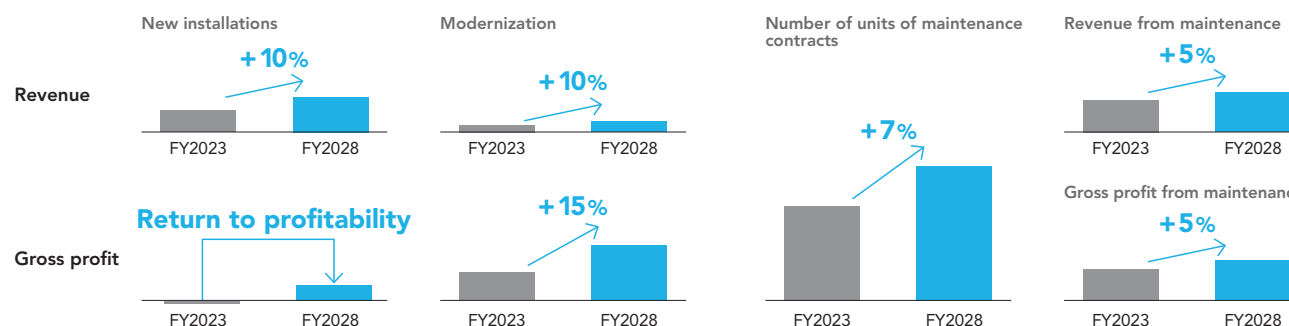
Modernization ▶ **15% growth in gross profit**

Aiming for **top-line growth of about 10% in both businesses**

Growth targets for the maintenance business

Increase the number of maintenance contracts in mature markets; targeting a **7% increase** in maintenance contracts **over the next 5 years**

Targeting a **5% increase in both sales and gross profit**



New Mid-Term Business Plan (Fiscal 2024–2028)

Move On 5

Under our new mid-term business plan, Move On 5 (April 2024–March 2029), we aim to achieve sustainable growth and increase corporate value.

The plan consists of the following three pillars.

P.17

1. Adopt “selection and concentration” approach to regions and business mix

We have categorized our business regions into four quadrants—Grow, Stabilize, Refocus, and Turnaround or Exit—to clarify the strategic positioning of our businesses and allocate resources appropriately. By defining tailored approaches for each region’s focal points, we aim to achieve efficient business operations.

PP.18–19

2. Achieve both high quality and high profitability

Emphasizing both quality and profitability, we will optimize the supply chain for our new installation and modernization businesses while promoting the standardization of models and construction methods. At the same time, we will introduce digital technologies into our maintenance services to improve productivity and operational efficiency. We will also reduce SG&A expenses by standardizing administrative and sales operations, improving operational productivity, and adopting business process reengineering (BPR).

PP.20–21

3. Build a robust business foundation

We will establish a Group management system and build a Project Management Office (PMO) structure to define clear responsibilities and roles. We will also develop global talent to support high product quality and business growth and further strengthen ESG management to achieve sustainable growth.

1. Adopt “selection and concentration” approach to regions and business mix

Under our “selection and concentration” approach to regions and business mix, we aim to work to improve profitability by clarifying the strategic positioning of each region and defining the direction of initiatives for each region and business.

Specifically, we analyzed each region from the perspective of business feasibility, taking into account such factors as market life cycle, sales scale, operating margins, competitive advantages, and market trends. Based on this analysis, we categorized the regions were into four main quadrants: Grow, Stabilize, Refocus, and Turnaround or Exit.

Our plan is to achieve profit growth through initiatives in each region, particularly in the Refocus and Turnaround or Exit categories, to improve profitability.

Below is a description of the key regional strategies for each geographic segment.

Hiroshi Maruyama

Senior Executive
Operating Officer,
General Manager of
Global Business HQ



Shigeo Nishimura

Executive Operating
Officer,
General Manager of
Japan Business HQ

GROW – India Case Study

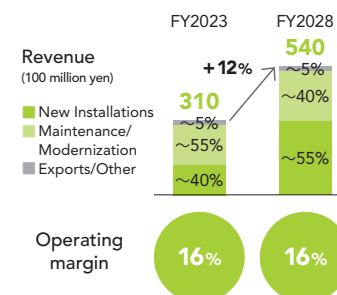
Through a multi-brand strategy, aim to achieve stock growth in new installations that outpaces overall market growth

Fujitec India Strategy 1: Win new projects by strengthening customized products and the sales force with a focus on strategic major cities and key business and commercial districts

Fujitec India Strategy 2: Strengthen the second brand, Fujitec Express, to target the mass market with the aim of securing new elevator installation and maintenance contracts

In addition, we will expand our local production capacity to support sales growth across India while utilizing digital tools and apps to enhance sales efficiency and customer loyalty.

In fiscal 2024, we established a sales office in Ahmedabad, in the northwest region of India. Going forward, we will further expand branches across the country to accelerate business growth.



Turnaround – China Case Study

Adopt a multifaceted approach to a key challenge (performance downturn due to prolonged real estate recession), aiming for business recovery; select and concentrate on market segments with high growth potential where Fujitec’s strengths can be leveraged to achieve business recovery

We have formulated and are working on measures to address each of the issues that are causing our sluggish performance.

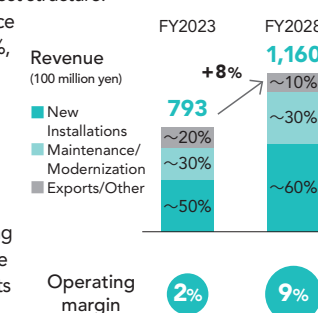
We will identify high-potential focus markets where we can leverage our strengths and drive strategic initiatives accordingly. We will also enhance our distributor network to increase top-line revenues while developing inexpensive equipment and streamlining processes to reduce costs.

In fiscal 2024, we took the following measures to rebuild our business operations and cost structure.

(1) China business workforce reduction: Approx. 10%, or 300 people

(2) Branch network restructuring: 23 branches consolidated to 17

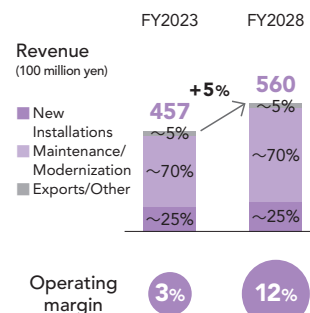
To drive business growth, we are accelerating strategic initiatives with the help of external consultants and building a distributor network and incentive system tailored to market changes.



Refocus – North America Case Study

Aim to boost sales and improve the operating margin through product enhancement, cost-reduction initiatives via supply chain restructuring, and M&As

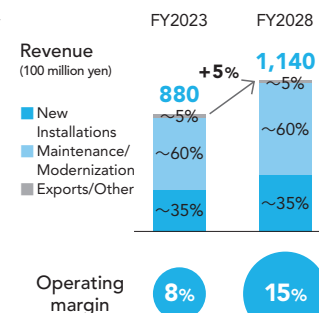
We aim to increase revenue by enhancing the quality and speed of maintenance services, upgrading our renewal package products tailored to market needs, introducing new installation products, and considering M&As.



Refocus – Japan Case Study

Aim to improve profitability and grow sales by increasing field personnel and introducing new products

We will drive top-line growth by developing and launching new standard models, expanding maintenance resources and partnerships, and enhancing our modernization offerings. We will also work to reduce costs through digital technologies and process improvements. In addition, we will address workforce shortages by improving our personnel and compensation systems.



2. Achieve both high quality and high profitability

To achieve both high quality and high profitability, we have identified three key initiatives: improve field margins (including through smart productivity), optimize the manufacturing and procurement supply chain for new installations and renewals, and standardize and streamline sales and administrative operations.

To improve field margins, we will take a wide range of initiatives, from basic operations to digital technology. While enhancing basic operations, we will improve field productivity and profitability to levels that mitigate the impact of inflation by leveraging various digital tools for smart productivity gains. Through these measures, we anticipate a 19% increase in productivity at our key locations in Japan and the United States.

To optimize the manufacturing and procurement supply chain, we will fundamentally overhaul our

production and procurement systems, strongly driving efforts to reduce the cost of sales. We aim to reduce Group-wide material and labor costs by actively introducing simplified, easy-to-install standard models and construction methods to improve cost efficiency and productivity, as well as by optimizing the “make or buy” decision-making process. As part of our efforts to streamline the supply chain, which serves as the foundation for these cost-reduction measures, we will concentrate production at high-capacity sites, such as our plants in India and China. We will also optimize our production footprint by diversifying risks from a business continuity plan (BCP) perspective. Through these initiatives, we aim to improve the gross margin by 14 percentage points for new installations and eight points for renewal projects.

To standardize and streamline sales and administrative operations, we will undertake a wide range of initiatives, from overall process optimization to reviewing individual contracts. Our aim is to significantly reduce the ratio of selling, general, and administrative (SG&A) expenses to net sales, with a target of improving the operating margin by two percentage points by fiscal 2028.



Takashige Nakajima

Representative Director,
Senior Executive Operating Officer,
In Charge of Engineering & Production

Targets

Improve field margins, including through smart productivity (maintenance)

Overall target

Gross margin (vs. FY2023)

+2pt

Increase productivity at
key Refocus sites

Japan ~+19%

United States ~+19%

Operating income improvement
through FY2028

¥2 billion

Optimize the manufacturing and procurement supply chain (new installations/modernization)

Overall target

Gross margin (vs. FY2023)

New installations +14pt

Gross margin (vs. FY2023)

Modernization +8pt

Operating income improvement
through FY2028

¥16 billion

Standardize and streamline operations, upgrade IT infrastructure, and control various expenses

Overall target

Operating margin (vs. FY2023)

+2pt

Operating income improvement
through FY2028

¥4 billion

Digital Transformation (DX)



Kenji Tomooka

Senior Executive Operating
Officer,
General Manager of
Digital Innovation HQ
(CIO)

Under our new mid-term business plan, Move On 5, we will focus on achieving both high quality and high profitability.

To this end, we will work to improve margins across the entire Group. Specifically, we will deploy digital tools to enhance smart productivity by utilizing, including by introducing predictive maintenance and remote monitoring, remote support and remote training. We will also use augmented reality (AR) tools to improve field work efficiency and AI technology to introduce automated maintenance route planning and other systems.

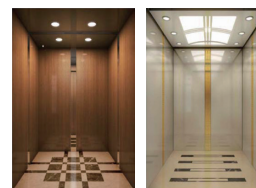
To standardize and streamline sales and administrative operations, meanwhile, we will work to improve productivity and reduce operational costs by updating our IT systems and introducing generative AI and robotic process automation (RPA) technologies.

Optimize the manufacturing and procurement supply chain

We will optimize our manufacturing and procurement supply chain and reduce production costs by introducing standard models and construction methods. Through these initiatives, we aim to improve the gross margin by 14 percentage points for new installations and eight points for renewal projects (compared with fiscal 2023).

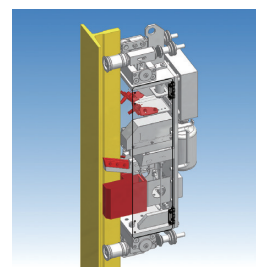
Reduce product cost through the introduction of standard models

By introducing standard models, we aim to ensure good quality while fostering cost reductions in each region.



Improve installation methods by automation/robotization

By deploying original robots and automated equipment co-developed with manufacturers on a global basis, we aim to significantly enhance work efficiency.



Guide rail cleaning device

Optimization of production footprint

We will enhance efficiency by diversifying risks across multiple locations and concentrating production at high-capacity sites, such as our plants in India and China.



Fujitec India Private Ltd.

Standardize and streamline sales and administrative operations

By standardizing and streamlining operations, upgrading IT infrastructure, and controlling various expenses, we will improve our SG&A ratio to the level of major competitors. Through these measures, we aim to improve our operating margin by two percentage points.

Outline of measures

Standardize sales/administrative operations and adopt BPR

- Introduce Fujitec-GAI (generative AI service) to reduce time spent on both routine and non-routine tasks
- Enhance efficiency of sales and administrative operations using RPA*1 and automation tools
- Fully leverage BPR*2 to streamline operations

Upgrade IT infrastructure to improve productivity and significantly reduce operational costs

- Upgrade IT systems to improve productivity and reduce costs
- Promote the digital transformation (DX) of sales operations to improve efficiency

Review contracts and tighten expense policies to control SG&A expenses

- Further improve productivity
- Review and reduce other expenses, including labor costs, rent, and travel costs

*1 RPA: Robotic process automation *2 BPR: Business process re-engineering

Progress Report

Construction of the Quality Lab (Tentative Name) Building Project

To enhance quality and reduce costs further, we are building a parts analysis and evaluation center for elevators, tentatively named the Quality Lab Building Project (at headquarters). We are also building a research, development, and production site (Big Wing) in Hikone City, Shiga Prefecture, Japan. Construction is progressing as planned and is scheduled for completion in February 2025.



Construction in progress (as of October 2024)



Completion image

3. Build a robust business foundation

The first priority in building a robust business foundation is to establish an effective governance system. Our Board of Directors consists of members with diverse backgrounds, and we take pride in having a structure well-suited to the global expansion of our business. Our business execution framework is led by the Steering Committee, which discusses core strategies and specific initiatives. We also established the Project Management Office (PMO) to clearly define each member's roles and responsibilities. Under our new mid-term business plan, Move On 5, we are mobilizing Group-wide efforts to implement various initiatives. We are also building a framework to monitor the progress of each initiative and the overall mid-term business plan using various KPIs.

We regard our ESG initiatives and the resulting social contributions as vital elements of our business operations.

As part of our efforts to address environmental issues, we aim to achieve a 46% reduction in greenhouse gas emissions by 2030 compared with the 2019 level. To this end, we will continue introducing various environmentally friendly products and construction methods while collaborating with logistics and other partner companies to improve environmental efficiency.

To strengthen our pursuit of safety, reliability, and quality, we are implementing a wide range of initiatives on a global scale. Specifically, we are refining our strengths in various ways, including by establishing an elevator research tower, pursuing top-level product and component quality, developing advanced technologies, training field employees, and engaging in around-the-clock remote monitoring and data collection.

Our business is driven by each of our more than 12,000 employees across the Group. We regard our people as our greatest asset and will continue actively investing in their development.

To ensure the sustainable growth of our business and Company under the *sampo yoshi* (good for everyone) philosophy, it is essential to strengthen our business foundation. With this in mind, we will implement the aforementioned initiatives to achieve long-term growth.



Kosuke Sato

Director, Senior Executive Operating Officer,
In Charge of Administration
General Manager of Finance HQ

New Mid-Term Business Plan (Move On 5): Implementation framework

Establish a business execution and PMO framework, led by the Steering Committee, that clearly defines each member's roles and responsibilities, with accountability for results; set KPIs to monitor business performance and the progress of initiatives

Operation system

• Meeting cadence

Strictly define the cadence of key meetings (including owner, responsible reporting officer, frequency, and duration) to deliver the best impact

• KPI monitoring

Use KPIs to monitor Group-wide performance and the progress of key initiatives

Establish execution and accountability frameworks for each initiative

- Establish 21 subcommittees based on the three core pillars of the overall "Move On 5" strategy as part of the implementation framework for the new mid-term business plan
- Each subcommittee to designate an owner, responsible person, and secretary to accelerate implementation

Improve progress monitoring system

- Established a new meeting body (Management Committee) to monitor progress and issues through subcommittees and to discuss response measures
- Management Committee members include domestic and international operating officers, regional and corporate heads, and subcommittee owners

ESG (Environment)

We will actively address global environmental issues and contribute to society.

KPIs and Targets

We aim to achieve a 46% reduction in greenhouse gas emissions (Scope 1 and 2) by 2030 compared with 2019.

Major topics	Initiatives
Contribute to a low-carbon society in response to climate change	<ul style="list-style-type: none"> Reduce energy consumption and greenhouse gas emissions, and reduce and manage waste Strengthen sense of ownership through education on global warming prevention and decarbonization initiatives Promote resource conservation, the reduction of waste materials, and recycling by improving products and construction methods Develop and introduce flood-resilient products and technologies
Strengthen our ability to conserve energy	<ul style="list-style-type: none"> Expand the lineup of environmentally friendly products and services through lighter-weight product designs and enhanced energy-saving features (such as reduced standby power consumption)
Implement product life-cycle management	<ul style="list-style-type: none"> Work with partner companies to enhance operational efficiency and thus improve environmental performance <ul style="list-style-type: none"> Promote environmentally friendly logistics

Through the above efforts, we will continue working to reduce greenhouse gas emissions.

For more information, see page 28.

ESG (Human Resource Development)



Asami Araki

Executive Operating Officer,
General Manager of Human
Resources Development
Center Administration HQ



Human resources are our greatest asset in our pursuit of safety and reliability and our emphasis on quality.

We foster a culture of challenge and provide healthy work environments where individual employees can experience growth through their tasks. We also operate a performance-based evaluation and compensation system, making improvements as needed.

We strive to earn the strong trust of stakeholders and customers by ensuring every employee embodies a spirit of hospitality and delivers a high level of overall satisfaction.

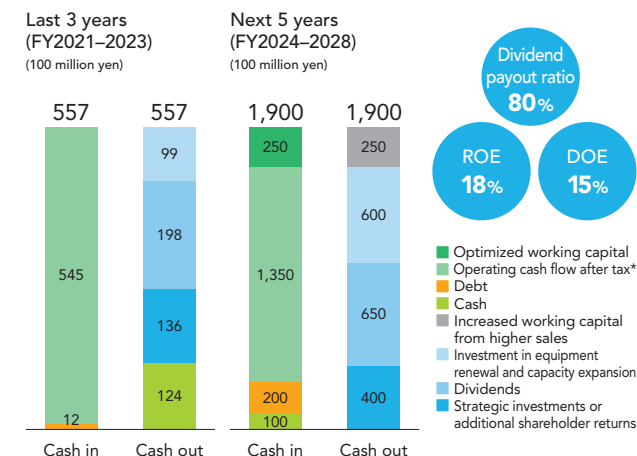


Through diverse training programs aimed at further enhancing the skills of specialized technicians, we pursue the balance of “people” and “skills” to earn the trust of our customers.

For more information, see page 26.

Capital allocation

We aim to enhance capital efficiency by utilizing debt, reducing cash on hand, and optimizing working capital while balancing accelerated growth investments with high shareholder returns.



* Cash flow from operating activities includes cash flow from some investment activities, including dividend income, interest income on time deposits, and proceeds from sale of strategic shareholdings.

Measures

Optimize working capital

We will enhance working capital turnover in each region to meet industry standards and curb cash outflows.

Leverage liabilities

We will actively reduce cash on hand and increase debt utilization while maintaining financial soundness.

Drive strategic investments

We will accelerate investments in equipment renewal and capacity expansion in high-growth regions and pursue M&As in key focal regions.

Strengthen shareholder returns

We aim to provide high-level shareholder returns with a target payout ratio of 80%. We will also prepare for strategic investments to support growth and buy back shares in a flexible manner.

Our Philosophy on Sustainability



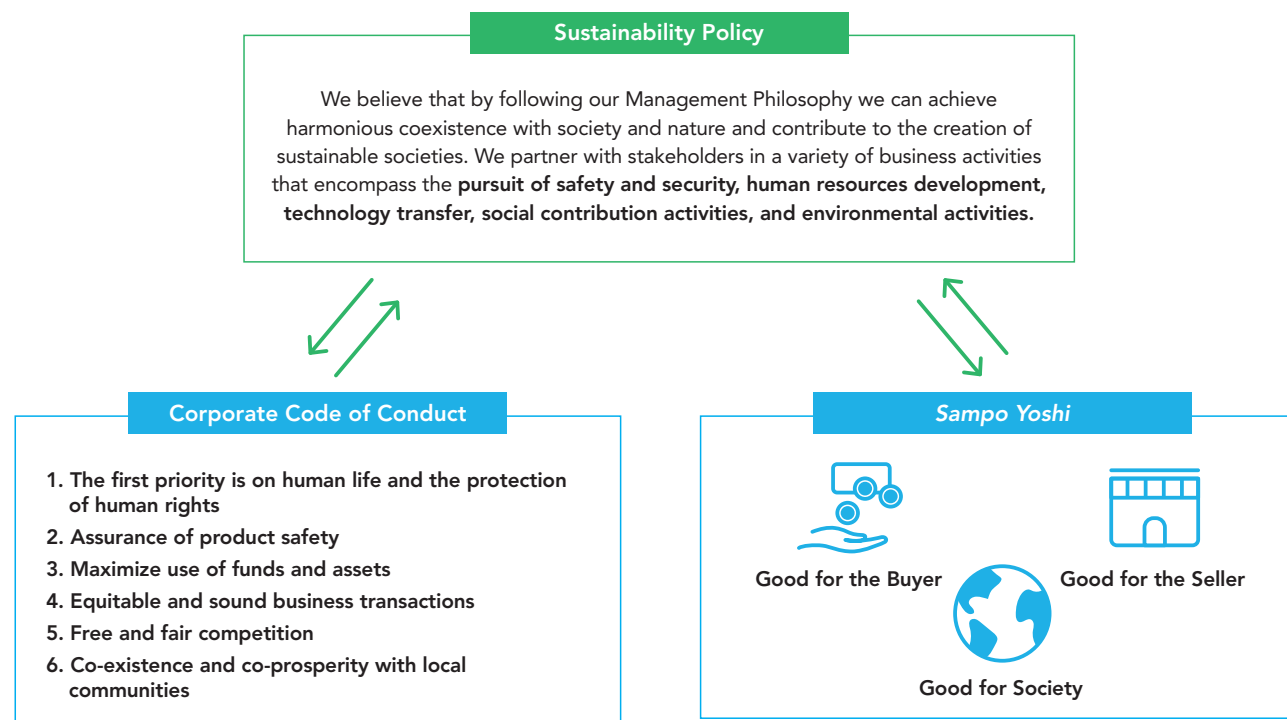
Masashi Tsuchihata

Senior Executive Operating
Officer,
General Manager of
Stakeholder Communication HQ

Complying with its Sustainability Policy and Corporate Code of Conduct, Fujitec is implementing its Fujitec Global Mission Statement: “Respecting people, technologies, and products, we collaborate with people from nations around the world to develop beautiful and functional cities that meet the needs of a new age.” In these ways, we help realize a sustainable society. We relate to the merchant trader management philosophy, called *sampo yoshi* in Japanese, where the aim is to engage in business for the good of society, in addition to satisfaction for sellers and buyers. This spirit is also connected to the SDGs.

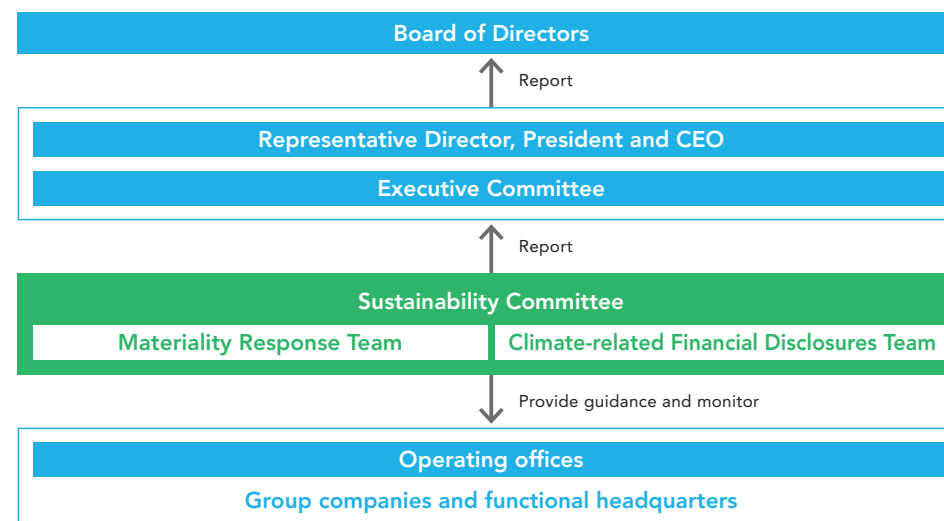
We aim to fulfill our social responsibility by contributing in ways unique to Fujitec, as a provider of social infrastructure.

Under our new mid-term business plan, Move On 5, we will continue promoting sustainability initiatives as a Group-wide strategy. On the environmental front in particular, we will strive to lower our environmental impact, including by reducing greenhouse gas emissions. We will also leverage our strengths to pursue various initiatives under our “All Fujitec” approach to creating a safe, reliable, and comfortable society. At the same time, we will focus on developing talent to underpin these efforts.



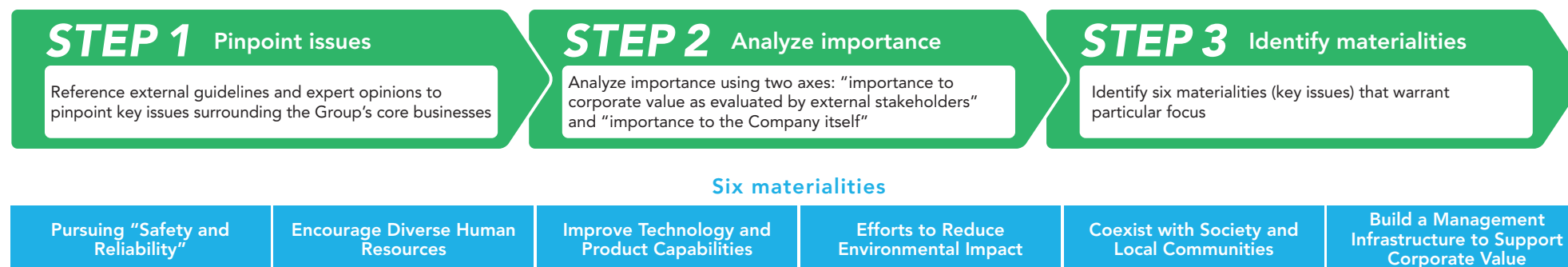
To strengthen our response to sustainability issues, we established the Sustainability Committee, chaired by the president, to formulate Group-wide policies and targets related to sustainability. We also established and maintain a system to put sustainability policies and targets into practice, monitoring the implementation of various measures. The Materiality Response Team is the first of two management teams organized under the Sustainability Committee to determine materiality implementation plans and monitor progress. The other is the Climate-related Financial Disclosures Team, responsible for collecting Company information related to the environment, gathering information on climate-response activities, and disclosing the financial impact of risks and opportunities related to climate change in line with the TCFD framework. The agenda and results of Sustainability Committee meetings are reported to and discussed by the Executive Committee and the Board of Directors.

Sustainability Promotion Framework



Materiality Identification Process

At Fujitec, we classify issues to be addressed using two axes: "importance to corporate value as evaluated by external stakeholders" and "importance to the Company itself." By prioritizing these issues, we have identified six materialities (key issues) that warrant particular focus.



Materiality and Major Topics

Materialities	Major Topics	Initiatives
Pursuing “Safety and Reliability” See page 25 SDGs   	Safety and Reliability for users Safety and Reliability of products and services Safety and Reliability of employees	<ul style="list-style-type: none"> • Prevent serious accidents involving users • Pursue educational activities • Technical development of disaster-resistant elevators • Technical development of escalators with advanced safety features • Stable products and services enabled by advanced technical skills of field engineers • Implement safety and health management guidelines consistently and thoroughly • Provide safe and secure work environments for and promote the health of our employees
Encourage Diverse Human Resources See page 26 SDGs    	Respect basic human rights Foster a corporate culture that recognizes diverse values Nurture open-minded and energetic human resources	<ul style="list-style-type: none"> • Communicate the Corporate Code of Conduct throughout the organization • Implement human rights policies consistently and thoroughly through supplier vetting • Establish workplace environments and systems that recognize employee diversity • Strengthen organizational capabilities through personnel exchange, across organizational boundaries • Offer diverse work styles through the application of digital technologies • Encourage skills transfer on a global level • Cultivate global human resources to foster an open organizational climate • Evolve our organization through comprehensive human resource development that encourages individual growth
Improve Technology and Product Capabilities See page 27 SDGs  	Offer beautiful urban functions Technological innovation for a new era Provide a robust social infrastructure	<ul style="list-style-type: none"> • Develop designs that highlight Fujitec uniqueness • Develop environmentally-friendly products tailored to new lifestyles and diverse societies • Develop modernization packages that enhance safety and environmental performance • Develop technologies that enable predictive maintenance and early recovery from disasters through the use of AI and IoT • Strengthen global deployment of remote monitoring systems • Improve service quality through elevator and escalator operation diagnosis systems

Materialities	Major Topics	Initiatives
Efforts to Reduce Environmental Impact See page 28 SDGs    	Contribute to a low-carbon society in response to climate change Strengthen our ability to conserve energy Implement product life cycle management	<ul style="list-style-type: none"> • Pursue management and reduction measures for energy consumption, GHG emissions, and waste based on ISO 14001 • Enhance awareness of the importance of global warming counter measures and decarbonization through consistent in-house education • Save resources, reduce waste materials, and recycle by improving products and construction methods • Expand environmentally-friendly products and services • Improve eco-efficiency through improved operational efficiencies in collaboration with partner companies
Coexist with Society and Local Communities See page 29 SDGs   	Work in harmony with society Seek co-prosperity with local communities	<ul style="list-style-type: none"> • Provide opportunities for mutual understanding and cultural development among diverse people • Offer educational support for children in local communities • Engage in activities to preserve the natural environment and landscape in local communities
Build a Management Infrastructure to Support Corporate Value See page 33 SDGs 	Strengthen corporate governance Effective stakeholder communications Conduct risk management to preserve corporate value Rigorously enforce compliance	<ul style="list-style-type: none"> • Improve the effectiveness of Board of Director operations • Strengthen support systems for information sharing to outside directors • Expand stakeholder communication • Share risk management policies on a global level and establish a centralized management system • Reduce information security risks by shifting data centers to cloud computing • Establish compliance promotion guidelines, communicate guidelines internally, and continue training

Materiality
Promotion
Case Studies

Pursuing “Safety and Reliability”

We believe that to ensure a safe and reliable experience for users of our elevators and escalators, it is essential that our products and services are inherently safe and reliable. The workplace environments for the employees who support these products and services must also be safe and reliable. To this end, we are working to prevent serious accidents, develop elevator technology that is resilient against disasters, and enhance workplace conditions. We will continue delivering products and services with the top priority on people, technology, and quality.

Our aspirations for occupational safety and health and health management

To achieve sustainable growth for the entire Fujitec Group, we will emphasize both “occupational safety and health” and “corporate value enhancement.” As a provider of safe and reliable products and services, we strive to create workplaces where everyone at Fujitec can thrive, both physically and mentally. Our goal is to foster safe, comfortable environments where each individual can continue working with enthusiasm and vitality.

Occupational Health and Safety

Engage in corporate activities that
prioritize safety and reliability

Declaration on Occupational Safety

Health

Aim to promote good health for all
employees and their families/partners

Declaration on Health



The full text of our Declaration on Occupational Safety and Declaration on Health can be found here.

https://www.fujitec.com/sustainability/safe_and_reliability/health_management

Case Study

Website for children to learn how to ride elevators and escalators safely (user “safety and reliability”)

We established a website to help elementary school students learn how to safely ride elevators and escalators.

The mascot character “Techy” serves as the guide, offering a fun and educational experience. He explains the mechanics and history of elevators and escalators, demonstrates safe riding practices, and provides information on new technologies through quizzes and videos. He also answers questions like “How do elevators and escalators work?” and “What should I do in such and such a situation?” This website can be used for education both at home and in elementary school classes.

Since 2013, we have been holding safety lessons at elementary schools in Shiga Prefecture, where our head office is located, as well as at some elementary schools in Tokyo, to raise awareness of how to use elevators and escalators safely. Recently, we expanded this initiative in the form of a website, with the aim of raising awareness of how to use elevators and escalators safely for elementary school students across the country, regardless of region.

We will continue actively promoting educational activities to ensure “safety and reliability” for all users, including children.



Case Study

Distributed safety pictograms at domestic and overseas locations (employee “safety and security”)

We have translated our safety pictograms into 12 languages* to make risks and safety precautions easily understandable for all our field engineers working across 24 countries and regions. These are being utilized at both domestic and international sites.

In October 2023, we announced our Occupational Safety and Health Guidelines and Health Declaration to strengthen our commitment to health and safety. As part of this effort, we have created safety pictograms and distributed them to our sites in Japan and overseas. These include a card-type pictogram for employees to carry and a poster-type pictogram for display at each site.

By instilling the Occupational Safety and Health Guidelines, we will promote employee safety and reliability on a Group-wide basis.

* English, Chinese (Simplified), Chinese (Traditional, Hong Kong), Chinese (Traditional, Taiwan), Spanish, Vietnamese, Indonesian, Malay, Thai, Arabic, Korean, Japanese



Ayu Nakayama
Production Manager

Stakeholder Communication Division
Sustainability Promotion Office

Case Study

Recognized as a 2024 Certified Health & Productivity Outstanding Organization (employee “safety and reliability”)

Fujitec has been recognized as a 2024 Certified Health & Productivity Outstanding Organization* under the Health & Productivity Management certification program.

The Company was highly praised for its organizational structure for promoting health management, its formulation of Group-wide Occupational Safety and Health Guidelines (covering both Japanese and overseas operations) and Health Declaration, and its instillation of health management awareness among employees. It is our second consecutive year to receive the certification.

* The scope of the Health & Productivity Management certification program covers our Japanese operations.

Materiality
Promotion
Case Studies

Encourage Diverse Human Resources

To achieve sustainable growth, it is essential to respect each individual employee and foster an environment where diverse talent can thrive and contribute. We respect fundamental human rights and will strengthen our organizational capabilities through communication that transcends divisional, domestic, and international boundaries. In an open work environment, we aim to be a company that grows together with people in countries around the world by encouraging a sense of personal growth and self-actualization so that each individual can fully demonstrate their capabilities.

Human Resources Development Policy

Fujitec formulated its Human Resources Development Policy in 2022, based on the Fujitec Philosophy of Human Resource Management, to promote diversity and the development of global human resources.

Fujitec Philosophy of Human Resource Management

Refining individual qualities as a member of society pursuing an enhanced ability as a member of the organization, and expanding awareness and perception as a member of the global community, all Fujitec members achieve personal goals, sharpen leadership skills and develop a broader understanding of others, while ensuring the company's continued growth and success.

Human Resources Development Policy

- We cultivate human resources that can provide a platform for the next stage in our development, encouraging each individual employee to upskill and adopt a proactive and open mindset.
- We are accelerating efforts to foster a sense of values and create an environment that recognizes diversity.

Develop human resources through responsible work experience and training programs

- Develop management personnel capable of working in global environments
- Cultivate engineers with high levels of expertise

Improve organizational strengths through active communications with diverse human resources and flexible work styles

- Conduct global human resource exchanges
- Hire and promote diverse human resources
- Offer flexible work styles not limited by time or place

Case Study

Fujitec India's human resource development body is certified by Japan's METI as a "Japan-India Institute for Manufacturing"

Fujitec India's Fujitec Japan-India Institute for Manufacturing (Fujitec JIM), opened in November 2023, in Tamil Nadu, Chennai, has been certified by Japan's Ministry of Economy, Trade and Industry (METI) as a "Japan-India Institute for Manufacturing."

The "Japan-India Institute for Manufacturing" program is a certification and support initiative aimed at recognizing human resource development bodies established by Japanese companies operating in India. The curriculum of such schools is designed to help students acquire Japanese-style manufacturing concepts and skills.

Fujitec JIM will provide classroom and on-site practical training in elevator production, installation, maintenance, and quality control. After about one year of training, the first cohort of students will be assigned as full-time employees of Fujitec India.



Certification ceremony held at the Ministry of Economy, Trade and Industry

Case Study

Skills competitions

As part of our human resource development efforts, we hold in-house competitions to test the skills of our field engineers. For field engineers in Japan, we hold two events covering equipment installation and maintenance: the "National Installation/Renovation Technique Competition" and the "Field Engineering Skills Competition." In February 2024, 32 field engineers selected from all over Japan participated in the Field Engineering Skills Competition, showcasing their elevator and escalator maintenance skills.

For domestic and overseas field engineers, we hold the "Global Field Engineering Skills Competition," where multiple companies come together to demonstrate their skills.

We will continue holding these events to deepen both technological exchanges and human resource exchanges.

Materiality
Promotion
Case Studies

Improve Technology and Product Capabilities

Now that technological advances are rapidly changing the world, we believe that Fujitec's mission is to continue providing a robust social infrastructure that contributes to creating a safe, reliable, and comfortable urban environment with innovation. To develop beautiful and functional cities that meet the needs of a new age, we are committed to developing reliable skills that win the trust of customers through products and services that are unique to Fujitec, a specialized manufacturer of elevators and escalators.

Case Study Immersive Elevator wins digital signage award



Immersive Elevator combines LED visuals and music to provide an emotional experience

Fujitec's Immersive Elevator won the Excellence Award in the XR/Entertainment category at the Digital Signage Awards 2024.

The Immersive Elevator was designed to create a more open and comfortable experience for users who might feel anxious or claustrophobic in enclosed spaces. Based on Fujitec's development concept, Cloudpoint Inc. was responsible for the visual content, while Senyo Music Management Co., Ltd. created the musical score.

Together, they brought the concept to life, creating an elevator experience that makes passengers look forward to the ride.

An Immersive Elevator is installed in the Big Wing, which houses our head office and R&D and production facilities, Hikone City, Shiga Prefecture. We will continue using it as an evocative elevator that encourages customers who visit the site to expand on further ideas.

Going forward, we will work to improve our technological and product capabilities to step up development of innovative elevator designs that deliver beautiful urban functionality.

Sumiko Kiriya
Development
Manager
Research &
Development HQ
UX Innovation Dept.



Intellectual property

As a specialized manufacturer, the Fujitec Group is refining its technological capabilities and promoting intellectual property activities based on the following policies to establish a competitive advantage, generate profits, and achieve global growth.

1. Acquire strategic and efficient intellectual property based on the Company's proprietary technologies
2. Actively integrate external technologies and promote collaboration, including through open innovation
3. Utilize existing intellectual property rights
4. Use trademark systems and other mechanisms to protect and enhance our brand value
5. Minimize the risk of infringement by respecting, investigating, and clarifying other companies' intellectual property rights
6. Provide technical information to our R&D departments
7. Develop intellectual property professionals and utilize internal and external networks



Patent certificate

Intellectual Property Management System

In principle, the Fujitec Group's intellectual property, including patents, designs, and trademarks, is overseen and managed by the head office. Based on the positioning of the technology and our business strategy, we decide on the application country and content with the aim of acquiring rights efficiently.

Intellectual Property Initiatives

• Invigorate our intellectual property activities

To maintain an optimal number of patent applications and registrations in line with the scale of our business, we are strengthening efforts to uncover inventions in key development areas and actively building an effective patent portfolio.

• Provide intellectual property training for employees

Improving the intellectual property literacy of our employees (inventors) is essential for ensuring effective intellectual property activities. With this in mind, we provide ongoing intellectual property training tailored to specific job functions, targeting each department and level within the organization.

• Address intellectual property risks

We routinely monitor competitors' patents in the elevator and escalator industry and incorporate reviews of third-party patents into our development process to minimize risks.

Materiality
Promotion
Case Studies

Efforts to Reduce Environmental Impact

As global warming deepens, we believe that it is part of our social responsibility to leave the beautiful earth to generations to come.

Fujitec commits itself to contributing to a decarbonized society in response to climate change. Our efforts to fulfill this commitment include developing environmentally friendly products and services, reducing greenhouse gas (GHG) emissions based on ISO 14001, developing a TCFD-compliant environmental strategy, and improving eco-efficiency through improved operational efficiencies.

Environmental Policy (Action Guidelines)

At Fujitec, we will strive to undertake environmentally friendly business activities as we work toward the creation of a sustainable society.

KPIs and Targets

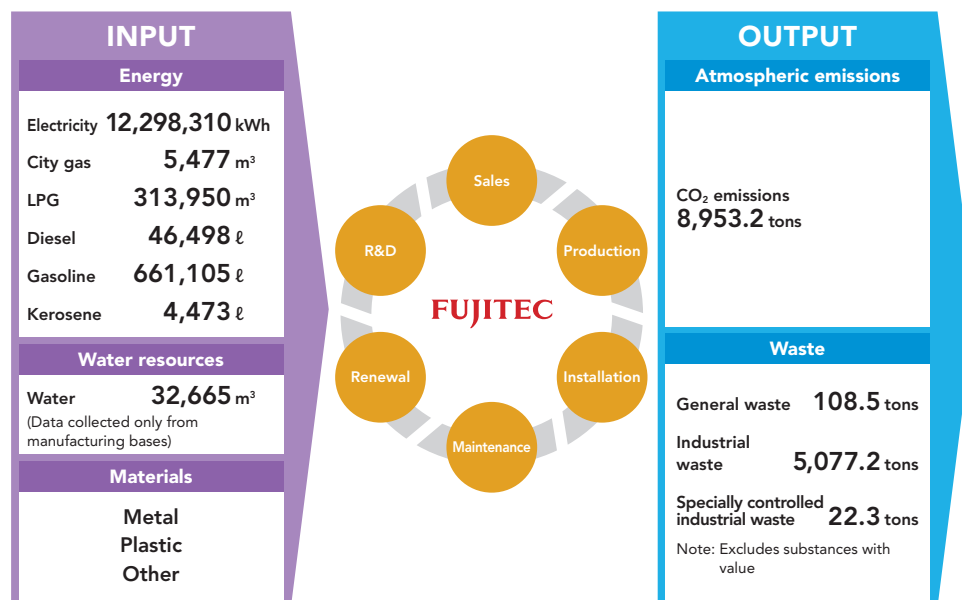
46% reduction in greenhouse gas emissions (Scope 1 and 2) by 2030, compared with 2019 level

Environmental load reduction

Fujitec is working to reduce its environmental footprint throughout product life cycles.

Total environmental impact (FY2023: April 1, 2023–March 31, 2024)

Scope for data collection: Head office, factories, branch offices, branch operation bases, sales offices, and services centers in Japan



Initiatives to address the TCFD recommendations

Governance

The Sustainability Committee, under the supervision of Fujitec's Representative Director and President, analyzes and manages risks and opportunities related to climate change. Together with other sustainability issues and initiatives, the Committee confirms alignment with management plans, managing and overseeing the implementation of relevant measures.

Strategy: Climate Change Risks and Opportunities

We conducted a qualitative analysis of the impact of climate change on our business and financial performance based on the TCFD framework.

Risk Management

Fujitec established the Risk Management Committee, chaired by the President, to reduce business risks and eradicate risks that have a major impact on society, including ethical, legal, environmental, and quality issues. The Committee strives to ensure the early detection of risks and appropriate responses measures.

Indicators and Targets

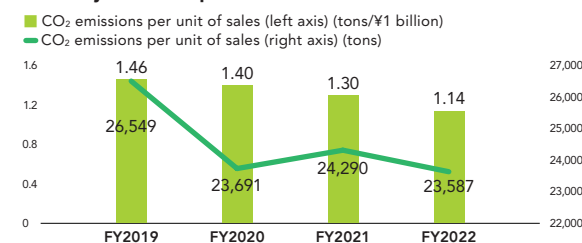
The Fujitec Group's greenhouse gas (GHG) emissions are described below.

In 2022, the Group's GHG emissions declined 11.2% compared with 2019 (benchmark year) to 23,587 tons. Emissions per unit of sales declined 21.9% (compared with 2019), from 146 tons per ¥1 billion to 114 tons per ¥1 billion.

As a company that aims to make a positive impact on the environment and society, Fujitec takes a proactive stance to our social responsibilities. We consider how we can contribute to decarbonization and solutions to other social issues in ways only a company responsible for social infrastructure can.

As part of our decarbonization efforts, we will continue to capture Scope 3 GHG emissions while sharing information with suppliers in our supply chain.

The Fujitec Group's CO₂ emissions



Note: Scope consists of Fujitec CO., LTD. and consolidated subsidiary locations.



Our climate-related information disclosures based on the TCFD framework can be found here.

<https://www.fujitec.com/sustainability/tcfd>

Case Study Adoption of renewable energy in India

Fujitec India has installed solar panels at its first and second plants and begun generating solar power. Our aim here is to reduce both CO₂ emissions and electricity costs.

Solar panels are installed on 75% of the roofs of Fujitec India's first and second plants, with capacity of 383 kW and 315 kW, respectively. By adopting solar power generation, those plants can cover around 35% of their total electricity consumption through renewable energy sources.

Fujitec India also installed an online monitoring system to monitor its internal solar power generation and keep track of its electricity generation volume and CO₂ emission reductions.

Rajkamal Thangaraj
Person in charge
Plant Maintenance
Department
Fujitec India Private Ltd.



Case Study Launch of company trucks running on environmentally friendly biodiesel fuel

At the Big Step, our research and production hub for escalators, we converted the fuel for our 4-ton trucks from regular diesel to biodiesel in 2024.

The biodiesel we use is an environmentally friendly fuel that meets JIS standards and is equivalent in standard to diesel fuel. It is made from used cooking oil collected from employees' homes and processed by a biodiesel production company using alkaline catalysis and other methods.

Recycling used cooking oil that would otherwise be disposed of as waste reduces the amount of garbage incinerated and decreases the use of fossil fuels in our truck operations.



Refueling a company truck with biodiesel fuel



Cooking oil from employees' homes is collected next to our cafeteria

Materiality Promotion Case Studies

Coexist with Society and Local Communities

As a company that conducts business activities in countries and regions around the world, we strive to coexist and prosper in harmony with society and local communities. Our activities are supported by the trust of the local community. As a responsible member of society, we adhere to both domestic and international rules and standards. We also foster mutual understanding and cultural growth across diverse communities. By engaging in activities that help preserve local landscapes, we are committed to building strong connections with people in countries and regions around the world where we provide elevators and escalators.

Case Study Safety lessons

Since 2013, we have conducted safety lessons for elementary school students to teach them how to ride elevators and escalators safely. Over the past 11 years, approximately 3,000 students have participated in these lessons.

Safety classes are held at the Big Wing head office in Shiga Prefecture and at elementary schools near our Tokyo head office.

We also conduct similar initiatives overseas. In India, we conducted awareness activities at schools and shopping malls over a three-day period, attracting around 2,000 people. In China, we provide educational sessions at elementary schools, where we introduce the structure and technology of elevators and escalators and teach safe usage practices.

Moving forward, we will continue actively promoting awareness activities to ensure all users can enjoy safe and reliable experiences.

Hang Zhongju
Safety lessons
Manager
Marketing
Department
Huasheng Fujitec
Elevator Co., Ltd.



Safety lesson at an elementary school in Tokyo

Case Study Entered into a sponsorship agreement with WheelLog, an organization dedicated to creating a society of mutual understanding where wheelchair users can fully enjoy their lives

The Company has signed a Silver Sponsorship Agreement with the NPO WheelLog, which offers a user-generated accessibility map app called WheelLog!. This collaboration aligns with our goal of creating a society where wheelchair users can fully enjoy their lives.

WheelLog Silver Sponsor

FUJITEC × **WheelLog**

Elevators and escalators are essential to daily life for people with mobility difficulties, but there are still issues to address in terms of the environment and information. With this sponsorship agreement, we will continue collaborating with WheelLog with a view to conducting joint research into elevators that incorporate the perspectives of wheelchair users and providing elevator location information on its user-generated accessibility map app, WheelLog!

Directors, Members of Audit & Supervisory Board, and Operating Officers (As of June 26, 2024)

Directors



Representative Director,
President and CEO

**Masayoshi
Harada**

Apr. 1984 Joined the Company
Apr. 2009 Operating Officer
Apr. 2012 General Manager of Osaka Region HQ, Japan Business HQ
Apr. 2013 General Manager of Tokyo Region HQ, Japan Business HQ
Oct. 2016 Deputy General Manager of Japan Business HQ
Apr. 2017 Executive Operating Officer
Apr. 2019 President of Company subsidiary Huasheng Fujitec Elevator Co., Ltd.
May 2019 Director of Company subsidiary Huasheng Fujitec Elevator Co., Ltd.
Apr. 2023 Regional Director – China
Jun. 2023 Representative Director (to the present)
President and Chief Executive Officer (to the present)



Representative Director
Senior Executive
In Charge of Engineering &
Production

**Takashige
Nakajima**

Feb. 2019 Joined the Company
Oct. 2019 General Manager of Quality Management HQ
Apr. 2020 Operating Officer
Apr. 2021 Executive Operating Officer
Jun. 2023 Representative Director Senior Executive (to the present)
Senior Executive Operating Officer (to the present)
In Charge of Engineering & Production (to the present)
Aug. 2023 Chairman of Company subsidiary Fujitec (HK) Co., Ltd. (to the present)
Chairman of Company subsidiary Fujitec Taiwan Co., Ltd. (to the present)
Director of Company subsidiary Fujitec Singapore Corp. Ltd. (to the present)



Outside Director

Kaoru Umino

Sep. 1987 Associate, David Polk & Wardwell (New York and Tokyo) (Admitted to the New York State Bar (Second Department) in May 1988)
Oct. 1988 Of Counsel, Paul Hastings (Tokyo)
Oct. 1999 Partner, Paul Hastings (Tokyo)
Apr. 2000 Registered as Gaikokuho Jimu Bengoshi, Daini Tokyo Bar Association
Feb. 2006 Managing Director and Associate General Counsel, J.P. Morgan Securities Japan Co., Ltd.
Jun. 2008 Partner, Jones Day (Tokyo)
Jan. 2018 Partner, DLA Piper (Tokyo) (to the present)
Feb. 2023 Director (to the present)



Outside Director

**Clark
Graninger**

Sep. 1991 Joined Nippon Shaft Co.
Jun. 1997 Graduated from University of Chicago, Booth School of Business
Jul. 1997 Joined Lehman Brothers Japan Inc.
Jun. 2000 Joined Shinsei Bank, Ltd., Manager, Head of Credit Trading Team
Sep. 2003 Shinsei Bank, Ltd., Senior Managing Executive Officer, Head of Institutional Banking
Feb. 2007 Representative Director, Chairman and CEO, Aplis Co., Ltd.
Nov. 2009 Executive Advisor to the CEO, Shinsei Bank, Ltd.
Feb. 2011 Joined Aozora Bank, Ltd. as Managing Executive Officer, Head of Retail Banking
Aug. 2017 Board Member, Managing Director, Chief Wealth Management Officer, WealthPark, Inc.
Jun. 2021 Board Member, Managing Director, WealthPark Capital K.K. (to the present)
Jun. 2022 Co-Founder, Representative Director, COO/CFO, Reboot K.K. (to the present)
Feb. 2023 Director (to the present)



Director
In Charge of
Administration, General
Manager of Finance HQ

Kosuke Sato

Jan. 2021 Joined the Company
Mar. 2021 Auditor of Company subsidiary Fujitec Korea Co., Ltd.
Auditor of Company subsidiary Fujitec Shanghai Sourcing Center Co., Ltd.
Apr. 2022 Operating Officer
Apr. 2023 General Manager of Finance HQ (to the present)
Director of Company subsidiary Fujitec America, Inc. (to the present)
May 2023 Director of Company subsidiary Fujitec Taiwan Co., Ltd.
Jun. 2023 Director (to the present)
Senior Executive Operating Officer (to the present)
In Charge of Administration (to the present)
Aug. 2023 Auditor of Company subsidiary Huasheng Fujitec Elevator Co., Ltd. (to the present)
Auditor of Company subsidiary Shanghai Huasheng Fujitec Escalator Co., Ltd. (to the present)



Outside Director

**Torsten
Gessner**

Oct. 1985 Joined Otis Elevator Company
Oct. 1993 Business Unit Manager, Electronic Division, Otis Elevator Company
Oct. 1997 Director, Supply Chain Management (Electronics), United Technologies Corporation
Oct. 2003 Vice President (Supply Chain in Europe), Otis Elevator Company
Jan. 2005 Area Director, Supply Chain Management & Logistics, Otis UK & Central Europe
Oct. 2005 Chief Operating Officer (COO), ThyssenKrupp Elevator CENE GmbH
Jan. 2007 Senior Vice President Manufacturing, ThyssenKrupp Elevator AG
Jan. 2010 Chairman and CEO, ThyssenKrupp Escalator & Passenger Boarding Bridges GmbH
Oct. 2011 Chairman and Chief Executive Officer (CEO), ThyssenKrupp North America, Inc.
Feb. 2015 Senior Advisor and Consultant, self-employed (to the present)
Feb. 2023 Director (to the present)



Outside Director

Ako Shimada

Aug. 1999 Associate, Hancock Rothert & Bunshoft LLP
Mar. 2001 Associate, Coudert Brothers LLP
May 2005 Associate, Rutan & Tucker, LLP
May 2008 Senior Corporate Counsel, Apria Healthcare
Jul. 2010 Assistant General Counsel, Apria Healthcare
May 2014 Assistant General Counsel, Christie Digital Systems
Apr. 2017 Vice President, General Counsel and Corporate Secretary, Ushio America, Inc. (to the present)
Jun. 2019 Board of Directors (outside director), KA Imaging Inc. (to the present)
May 2021 General Counsel, Ushio Europe (to the present)
Feb. 2023 Director (to the present)

Directors



Outside Director

Anthony Black

Jun. 1984 Joined United Technologies Corporation
May 1991 Completed a master's degree in business administration (MBA) of University of Virginia Darden School of Business
Jan. 2001 Worldwide Vice President, Field Operations, Environmental Health & Safety, and Quality, Otis Elevator Company United Technologies Corporation
Mar. 2005 Managing Director, Nippon Otis Elevator United Technologies Corporation
Apr. 2009 Senior Vice President of Operations, Fire & Security United Technologies Corporation
Jun. 2010 Vice President of Operations - China Region, Otis Elevator Company United Technologies Corporation
Feb. 2012 President & CEO, Otis Elevator Company, Otis China Limited Director & Chairman, Guangzhou Otis Elevator/Shanghai Otis Elevator/Beijing Otis Elevator United Technologies Corporation
Mar. 2016 Global Vice President, Service & Field Operations, Otis Elevator Company United Technologies Corporation
Jan. 2020 President, Service Husky Injection Molding Systems Ltd. (to the present)
Jun. 2023 Director (to the present)



Outside Director

Shakil Ohara

Aug. 1994 Regional Finance Manager, FedEx North Pacific Region
May 1999 Finance Director, Abbot Laboratories (Japan)
Jan. 2004 Vice President, Asia (Regional CEO), Hospital Division, Abbot Laboratories (Japan)
Mar. 2008 Regional CFO/Regional Strategy Officer (Pacific/Asia, Africa), Abbot Laboratories (Japan)
Oct. 2014 Senior Managing Executive Officer and CFO, Tsubaki Nakashima Co., Ltd.
Mar. 2015 Director, Senior Managing Executive Officer, and CFO, Tsubaki Nakashima Co., Ltd.
Mar. 2018 Director, Executive Vice President, and CFO, Tsubaki Nakashima Co., Ltd.
Mar. 2022 Maple Associates Pte Ltd Co-CEO (to the present)
Jun. 2022 FreeD Technologies Group CFO
Jan. 2024 DIGIFIT Corporation Co-CEO (to the present)
Jun. 2024 Director (to the present)

Members of Audit & Supervisory Board

Member of Audit & Supervisory Board (Standing)

Takeharu Igaki

Apr. 1986 Joined Fujitec Co., Ltd.
May 2004 Assistant General Manager of Finance Department for Company subsidiary Huasheng Fujitec Elevator Co., Ltd.
Sep. 2007 Assistant Manager of Finance Department for Finance HQ
Oct. 2009 Manager of Finance Department for Finance HQ
Oct. 2020 Senior Manager and Manager of Finance Department of Finance HQ
Apr. 2021 Auditor of Company subsidiary Fujitec Shanghai Technologies Co., Ltd. (to the present)*
Jun. 2022 Substitute Audit & Supervisory Board Member (to the present)
Apr. 2023 Advisor and Manager of Finance Department for Finance HQ
Jun. 2023 Member of Audit & Supervisory Board (to the present)

Member of Audit & Supervisory Board (Standing)

Yoshitaka Nakao

Apr. 1986 Joined Fujitec Co., Ltd.
Apr. 2004 General Manager of Technology of Company subsidiary, Shanghai Huasheng Fujitec Escalator Co., Ltd.
Jan. 2011 Vice President of Company subsidiary Shanghai Huasheng Fujitec Escalator Co., Ltd.
Jan. 2013 Plant Manager of Big Step, Production HQ
Jan. 2015 Director and President of Company subsidiary Shanghai Huasheng Fujitec Escalator Co., Ltd.
Director of Company subsidiary Huasheng Fujitec Elevator Co., Ltd.
Apr. 2018 Operating Officer
Jun. 2024 Member of Audit & Supervisory Board (to the present)

Outside Member of Audit & Supervisory Board

Yoshiyuki Yamasaki

Apr. 1979 Joined Asahi Audit Co. (currently KPMG AZSA LLC)
Mar. 1982 Passed final assessment of CPA examination, registered as a CPA
Dec. 1988 New York Office
Jul. 1993 Partner
Dec. 1998 Tokyo Office
Jun. 2007 General Manager of Transaction Services HQ
Apr. 2019 General Manager of the Risk Management Department, KPMG AZSA
Jul. 2019 Senior Managing Officer, KPMG AZSA
Jun. 2021 Retired from KPMG AZSA
Jul. 2021 Founded Office of Yoshiyuki Yamasaki, CPA
Apr. 2022 Outside Director, Audit and Supervisory Committee Member, Tokyo Rakuten Co., Ltd. (to the present)
Jun. 2022 Member of Audit & Supervisory Board (to the present)

Outside Member of Audit & Supervisory Board

Hiroyuki Hara

Sept. 1988 Joined Tohmatsu Awoki & Sanwa (currently Deloitte Touche Tohmatsu LLC)
Apr. 1992 Registered as certified public accountant
Aug. 1993 Joined Tadashi Furumoto Certified Public Accounting and Tax Office (currently Deloitte Tohmatsu Tax Co.)
Nov. 1993 Registered as tax accountant
Jun. 2005 Partner, Tohmatsu Tax Co. (currently Deloitte Tohmatsu Tax Co.)
Sep. 2020 Retired from Tohmatsu Tax Co. (currently Deloitte Tohmatsu Tax Co.)
Oct. 2020 Director, Hiroyuki Hara Certified Public Accounting & Tax Office (to the present)
Jun. 2023 Substitute Member of the Audit & Supervisory Board, Fujitec Co., Ltd.
Outside Member of the Audit & Supervisory Board, Heliwa Paper Co., Ltd. (to the present)
Mar. 2024 Substitute Director who is an Audit and Supervisory Committee Member, Sinops Inc. (to the present)
Jun. 2024 Member of Audit & Supervisory Board (to the present)

Operating Officers

President and CEO

Masayoshi Harada*

Senior Executive Operating Officers

Takashige Nakajima*

Kosuke Sato*

Masashi Tsuchihata

Kenji Tomooka

Hiroshi Maruyama

Executive Operating Officers

Asami Araki

Ikuo Masuda

Shiro Adachi

Hiroki Tokumai

Yusuke Uchiyama

Kazuhiro Shiode

Kenichi Sugiyama

Meng Kwong William Wong

Shigeo Nishimura

Operating Officers

Kenta Fujino

Hidehito Wakabayashi

Nobuo Fukamatsu

Yuji Yoneda

Akira Izaki

Yasuyuki Kawachi

Haruaki Mukai

Michinari Fukamoto

* Concurrently serving as a director



Director
Chairperson
of Board of
Directors
**Kaoru
Umino**

Interview with an Outside Director

What are your thoughts on your role as Chairperson of the Board of Directors and what the Board should be like?

As Chairperson of the Board of Directors, I strive to improve the effectiveness of the Board and the transparency of its decision-making with the aim of fostering Fujitec's sustainable growth and enhancing corporate value over the medium to long term. I was appointed as a director in February 2023. In June 2023, during the General Shareholders' Meeting, new internal and outside directors joined the Board, establishing the current management structure. Our Board of Directors brings together diverse skills and has a unique composition for a Japanese company. For example, six of its nine members are outside directors, making up the majority, and we have foreign nationals as members. I believe the role of the Board is to enhance the efficiency of management decision-making. To achieve this, we must clearly define matters to be resolved by the Board and elevate the quality of discussions

throughout the decision-making process. All directors are committed to this approach and continuously engage in discussions about the ideal vision we aim to achieve. We will further invigorate these efforts moving forward.

Please tell us about the new mid-term business plan, Move On 5, the positioning of sustainability-related issues at Board meetings, and other points of discussion.

The common understanding among the Board of Directors is that we have a strong customer base, a superior business model with exceptional products and services, and a full range of strategic options. After extensive discussions by both the Board of Directors and management and a review of market changes and targets, we formulated our new mid-term business plan, Move On 5. Under the new plan, we will continue maintaining and reinforcing our strengths with respect to stability and continuity. While these are strengths, however, we are also committed to making changes when necessary. This is clearly articulated in Move On 5. In other words, we must strike a balance between continuity and change. This is embodied in the overarching message of "Continuity and Change" that President Harada aims to convey to stakeholders, including customers and internal teams. In terms of sustainability, we will actively engage in rigorous discussions at the Board level about initiatives related to human capital and the global environment. Furthermore, based on clear and transparent communication with shareholders and a global benchmarking approach, we will regularly review our financial position and engage in discussions, with input from directors with expertise in the elevator and escalator industry.

Please tell me about the outcomes of your efforts to reform governance and the issues you face.

In our dialogue with shareholders, we found that they have high expectations for the new Board of Directors to establish a robust governance framework. To meet these expectations, the Board has dedicated considerable time to governance-related discussions and has taken

a comprehensive approach to other governance issues. We also conducted a thorough review of the Company's existing compliance and risk management structures. One outcome of these efforts was the revision of our Corporate Governance Guidelines in June 2024, which further clarified the roles of independent outside directors. We will continue adopting international governance best practice as a benchmark as we strive to establish a governance framework that is well-balanced and suitable for a Japanese company. We will also maintain discussions with the management team and others to establish the highest standards of corporate governance, and I will persistently demonstrate strong leadership in this endeavor.

As a legal professional with extensive experience and a proven track record in global business, how do you plan to continue working to enhance Fujitec's corporate value?

I have received much of my education overseas, including in the United States, where I attended Columbia Law School and studied New York State law, then practiced as a New York State attorney. My expertise extends beyond legal affairs and includes a strong background in governance. I also had compliance-related roles at a foreign-affiliated securities company in Japan. I am aware that, as a director, I am expected to help resolve our Company's problems using the knowledge and experience I have gained in my career. Therefore, I will work to ensure that the Company becomes a more trusted presence for all stakeholders and society at large. To achieve sustainable growth and enhance long-term corporate value, I will oversee business execution while actively setting policies to establish the highest standards of corporate governance. Together with management, I will work to entrench and strengthen our execution framework and promote key initiatives. With the understanding of our stakeholders, I will work to maximize the corporate value of the "New Fujitec."

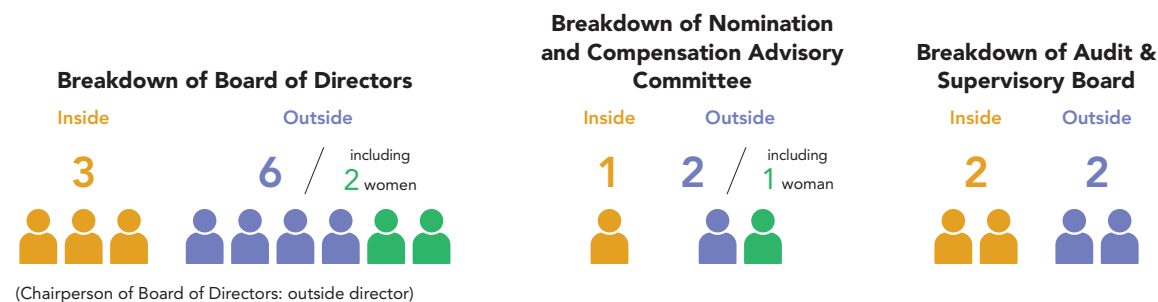
Corporate Governance

Basic Policy

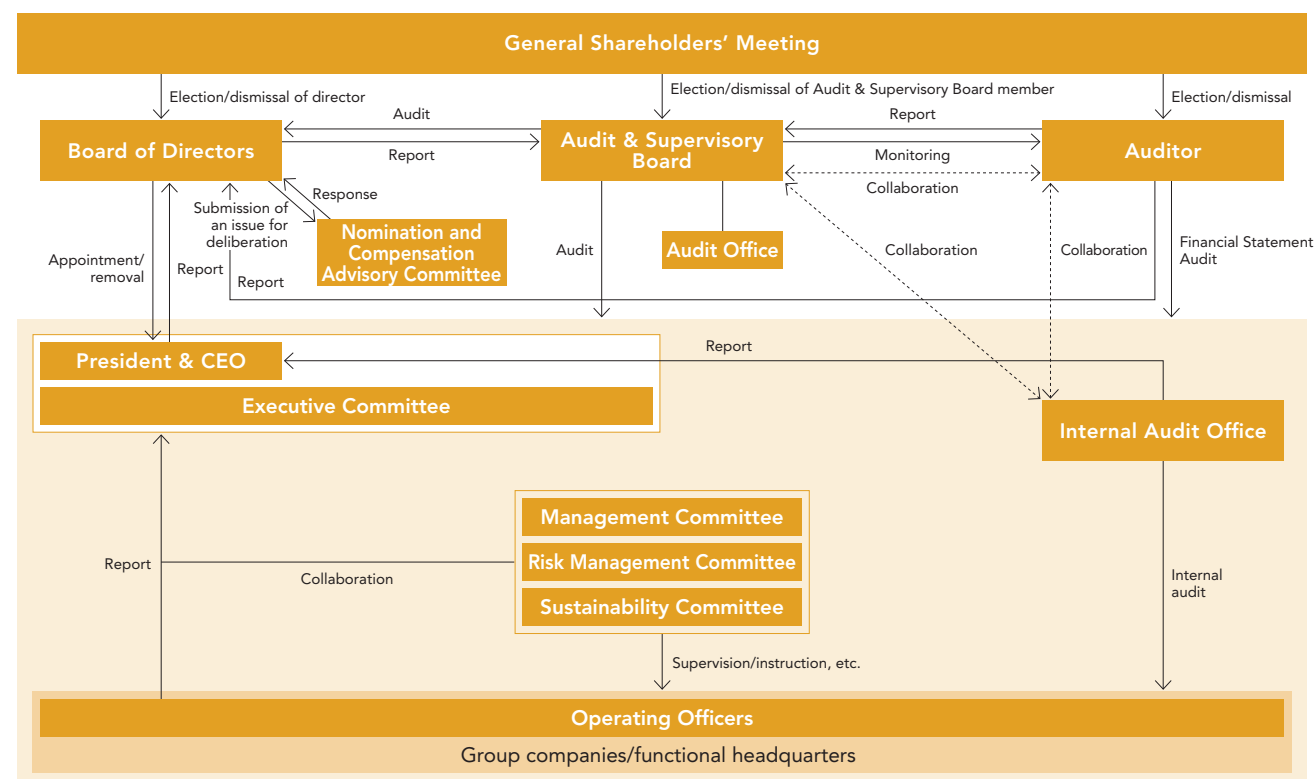
Our Management Philosophy reads, “Respecting people, technologies, and products, we collaborate with people from nations around the world to develop beautiful and functional cities that meet the needs of a new age.” We understand that it is essential we maintain relationships of trust with our stakeholders to carry out this mission. To secure positive appraisals of the Fujitec Group, meet the expectations of our stakeholders, and strengthen relationships of trust, we strive to build and maintain a corporate governance structure that ensures sound and transparent Group management.

Quick Overview of Our Corporate Governance Structure

Organizational form	Company with Audit & Supervisory Board
Number of directors	9 (including 6 independent outside directors)
Number of female directors	2
Chairperson of Board of Directors	Kaoru Umino (outside director)
Director term of service under Articles of Incorporation	1 year
Establishment of an optional committee	Nomination and Compensation Advisory Committee
Chair of the Nomination and Compensation Advisory Committee	Ako Shimada (outside director)
Number of Audit & Supervisory Board Members	4 (including 2 outside members)
Executive officer system	In place
Accounting Auditor	Grant Thornton Taiyo LLC



Corporate Governance System



Composition of the Board of Directors

Experience and Expertise of Directors

Name	Position/responsibility	Independence	Experience and expertise, etc., in corporate management (main points)									Years as director (as of June 26, 2024)	Number of Board of Directors attended (fiscal 2023)	Number of shares of the Company held (as of March 31, 2024)	Reasons for appointment (General Shareholders' Meeting on June 26, 2024)
			Corporate management/ Corporate strategies	Global business	Technology	Finances and accounting	Corporate legal affairs/ Compliance	Risk management	Sustainability	Governance	M&A/ Capital market				
Masayoshi Harada	Representative Director, President and CEO		○	○				○		○		1 year	9/9	11,481 shares	In his first year as president, he demonstrated exceptional leadership in minimizing internal and external turmoil amid the total turnover of internal directors, and he achieved the results expected of him, including the penetration of price increases commensurate with cost increases. We are certain that his strong will and years of sales experience are reflected in his performance, and we believe that he is irreplaceable as the driving engine of our new mid-term business plan.
Takashige Nakajima	Representative Director, Senior Executive Operating Officer, In Charge of Engineering & Production General Manager Member of Nomination and Compensation Advisory Committee			○	○			○	○			1 year	9/9	2,758 shares	In his first year in the role of COO, he has achieved results that have contributed significantly to improving our business performance without causing any major quality or delivery problems, and has achieved normalization of the supply chain, which was in turmoil the year before last. Considering the fact that he has been steadily laying the groundwork for the introduction of new-generation products, although it will be a while before that can bear fruit, we have determined that he is the most suitable person to oversee field operations and keep a close eye on the progress of our new mid-term business plan.
Kosuke Sato	Director, Senior Executive Operating Officer, In Charge of Administration, General Manager of Finance HQ		○				○			○	○	1 year	9/9	1,349 shares	In his first year as CFO, he has been successful in promoting reforms from a medium- to long-term perspective by launching a series of measures to strengthen our internal infrastructure, and at the same time, he has demonstrated leadership in the process of formulating the new mid-term business plan and a track record of coordinating the Company. Considering the fact that he has been steadily laying the groundwork for the integration of our overseas entities, which has been a longstanding issue for us, we have determined that he is indispensable to the implementation of the new mid-term business plan.
Kaoru Umino	Outside Director, Independent Director Chairperson of the Board of Directors	○		○			○	○	○	○	○	1 year	12/12	0 shares	Since assuming the position of the chairperson of the Board of Directors, she has increased the frequency of board meetings, encouraged candid discussions among the diverse board members, and tenaciously provided leadership in the Company's governance reforms. Everyone around her recognizes her dedication to the Company. We expect that she will continue to monitor the Company's efforts in governance reform in light of the current situation, where the establishment of an internal structure is still in the middle of the road and there are still many difficult issues to be addressed.
Torsten Gessner	Outside Director, Independent Director	○	○	○	○	○	○	○		○	○	1 year	12/12	0 shares	With more than 30 years of experience as a leader in the global elevator industry, he has addressed the Company's deviation from global standards and focused the discussion on improving the value. Using international benchmarks, he supported management in the preparation of the new mid-term business plan and will continue to critically accompany the implementation process.
Clark Graninger	Outside Director, Independent Director	○	○	○		○	○				○	1 year	12/12	0 shares	Based on 20 years of work experience accumulated in the financial industry, Mr. Clark Graninger has served in a liaison function, participating in the Company's engagement activities on behalf of the outside directors alongside Ms. Kaoru Umino, chairperson of the Board of Directors. As the new mid-term business plan gets under way, engagement will become increasingly important, and we expect that he will continue to reflect the voices of the investor community in the board's discussions and decision-making.
Ako Shimada	Outside Director, Independent Director Chair of the Nomination and Compensation Advisory Committee	○	○	○			○	○		○	○	1 year	12/12	0 shares	Based on her 15 years of work experience accumulated as an in-house lawyer, Ms. Ako Shimada has played a role in bringing new life to the Company's corporate headquarters by hiring outside experts and acting as a bridge between the Company's governance reforms and personnel. Her quiet leadership style is highly compatible with the corporate culture of Japanese companies, and we expect that she will be able to ease the friction that inevitably arises as we continue to implement numerous reforms.
Anthony Black	Outside Director, Independent Director	○	○	○	○	○	○	○				1 year	9/9	0 shares	With 35 years of experience as a global leader in the elevator industry, Mr. Anthony Black has provided a different perspective on our operations and served as an inspiration to the front lines. He has pushed our team members to challenge high goals during the development of our new mid-term business plan, and we expect that he will provide full support during the implementation process.
Shakil Ohara	Outside Director, Independent Director Member of Nomination and Compensation Advisory Committee	○	○	○		○		○		○	○	(New appointment)	—	0 shares	Mr. Shakil Ohara has extensive experience in international business management, including management experience in the growth markets of India and Southeast Asia. He has also served as CEO and CFO of a portfolio company of one of the largest global PE funds in the United States and has successfully completed an IPO. As we continue to consider ways to enhance our corporate value, we expect that he will provide us with superior advice from multiple perspectives.

Board of Directors

The Board of Directors is composed of nine directors (including six outside directors) and is responsible for deciding important matters relating to business management and overseeing the directors' execution of their duties. Its chairperson is served by an independent outside director to ensure the transparency of decision-making processes.

Key agenda items

- Finalization of management plans and policies
- Matters related to the settlement of accounts
- Selection of directors with a specific title (including the representative director)
- Important personnel matters involving operating officers
- Disposal of important assets
- Matters related to shareholders' meetings

Evaluation of Effectiveness of the Board of Directors

Our Board of Directors assessed the effectiveness of the board in fiscal 2023 in accordance with the Corporate Governance Guidelines. A summary of the results is as follows.

Summary of the evaluation

We conducted the Effectiveness Evaluation Questionnaire 2023 of all directors with questions in four categories: "Operation of BOD," "Composition and Ability of BOD," "Activities of BOD," and "Overall Evaluation." The following is a summary of the evaluation for each category.

While the majority of respondents were generally satisfied with the "Operation of BOD," there were some issues regarding the quality of information provided. Regarding "Composition and Ability of BOD," while the size and composition of the board was highly rated, there was room for improvement in the provision of training

opportunities for board members. Regarding "Activities of BOD," while the Steering Committee, which was established in October 2023, was able to hold sufficient discussions on the strategic direction and management plan, there was a need for more opportunities to discuss sustainability issues.

As described above, although there were some issues that needed to be improved, "Deepen discussions of management strategy from a medium- to long-term perspective," which was an issue in fiscal 2022, was significantly improved, and overall, the majority of respondents answered that there were no problems, and the effectiveness of the Board of Directors in fiscal 2023 is considered to be secured.

Future initiatives

The Board of Directors will discuss and share specific measures to address the issues identified this time, and incorporate them into the action plan and implement them in the following directions to improve the effectiveness of the Board of Directors meetings.

- The information provided should focus on necessary information and clarify the issues.
- We will provide training opportunities by outside organizations.
- Sustainability-related measures will be implemented by the subcommittees associated with the mid-term business plan strategy and reported to the Board of Directors as appropriate.

Nomination and Compensation Advisory Committee

To strengthen the supervisory function of the Board of Directors and increase transparency in the decision-making process, we have established the Nomination and Compensation Advisory Committee as a voluntary advisory committee under the Board of Directors. This committee is chaired by an independent outside director, and the

majority of members are independent outside directors. The Nomination and Compensation Advisory Committee deliberates matters related to the election and dismissal of officers, succession plans for the president (chief executive officer), and corporate officer remuneration, reporting to the Board of Directors.

Given the change in composition of the Board of Directors as a result of the 77th Ordinary General Shareholders' Meeting held on June 26, 2024, at the Board of Directors meeting held on the same day, Ms. Ako Shimada was selected as chair and Mr. Shakil Ohara and Mr. Takashige Nakajima as members of the Nomination and Compensation Advisory Committee.

Audit & Supervisory Board

The Company's Audit & Supervisory Board comprises two full-time members and two part-time members, two of whom are outside members.

We established the Audit & Supervisory Office as a specialized organization to support the work of the Audit & Supervisory Board and its members. We have allocated one employee to support the work of Audit & Supervisory Board members. In this way, we are striving to enhance audit functions. The Audit & Supervisory Office is directly supervised by Audit & Supervisory Board members to ensure its independence, and the employee tasked with supporting the members does not have any concurrent work related to the execution of operations for the Group.

Apart from attending the meetings of the Audit & Supervisory Board, all the Board members met with the representative director and president to exchange information and opinions related to auditing issues. As necessary, they also exchanged opinions and information with operating executive directors as well as executive officers engaged in managing overseas subsidiaries.

In addition, after Board of Directors meetings, independent outside directors regularly hold meetings to

exchange information with the Audit & Supervisory Board, with both sides working to foster mutual collaboration.

Compensation for Executives

In regard to policy for decisions on systems related to director compensation and agenda submission to the General Shareholders' Meeting, the Company shall make decisions via resolution of the Board of Directors, the majority of which shall be comprised of independent outside directors. The basic policy will be one of providing incentives improving the corporate value of the Company on an ongoing basis, as well as of encouraging a greater sense of shared value with shareholders. An overview of this decision-making policy for the fiscal year under review is as follows.

- (i) Performance-linked compensation (bonuses) and remuneration other than performance-linked (basic compensation and grants of restricted stock) will be allocated at a ratio of approximately 1:2.
- (ii) Basic remuneration to be paid to each director as fixed monthly monetary remuneration shall be calculated by

taking into account the responsibilities and activities of each director, as well as remuneration paid at other companies.

- (iii) Restricted stock will be granted according to issuance price, timing, and conditions as determined by resolution of the Board of Directors in accordance with the activities of each director in their assigned duties and the degree of contribution to business performance.
- (iv) To motivate directors to improve performance in the short and medium term, a bonus shall be paid as performance-linked compensation within four months after the end of the current fiscal year. The bonus amount shall be determined based on operating income of the previous fiscal year, used as a performance indicator. This indicator shall take into consideration an addition or subtraction of the amount in the previous fiscal year according to the level of achievement. The amount of bonus to be paid to each individual director will be according to the activities of their assigned duties and the degree of contribution to business performance.

Reason for Appointment of Outside Members of Audit & Supervisory Board

Name	Years as director	Audit & Supervisory Board meetings attended	Board of Directors meetings attended (fiscal 2023)	Reason for appointment
Yoshiyuki Yamasaki	2 years	15/15	12/12	Mr. Yoshiyuki Yamasaki is well versed in corporate financial statement audits and acquisition due diligence, having worked as a certified public accountant for many years. He has extensive knowledge of finance, accounting, and tax affairs.
Hiroyuki Hara	—	—	—	Although not previously involved in the Company's management, he has extensive experience and expertise from many years as a certified public accountant and tax accountant specializing in auditing and tax services.

Total Amount of Remuneration of Directors and Members of the Audit & Supervisory Board

Classification of officers	Number of officers covered	Total amount of remuneration by type (Millions of yen)				
		Base compensation	Performance-linked remuneration, etc.	Non-monetary remuneration, etc.		Total amount of remuneration
			Bonuses	Transfer-restricted share compensation	Post-delivery stock-based compensation	
Directors	12	175	57	10	28	271
(Of which, outside directors)	(6)	(72)	(—)	(—)	(28)	(100)
Audit & Supervisory Board members	5	54	—	—	—	54
(Of which, outside Audit & Supervisory Board members)	(3)	(19)	(—)	(—)	(—)	(19)
Total	17	230	57	10	28	325

- Notes: 1. Amounts paid to directors do not include the employee wages of directors who also serve as employees or the expenses required for the execution of director duties.
2. The number of directors and their remuneration includes the number of individuals and amount paid to three directors who retired during the current fiscal year (zero outside directors).
3. The number of Audit & Supervisory Board members and their remuneration includes the number of individuals and amount paid to one Audit & Supervisory Board member who retired during the current fiscal year (one outside Audit & Supervisory Board member).
4. As of the conclusion of the 60th Ordinary General Shareholders' Meeting held on June 27, 2007, the Company has abolished the directors' retirement benefits system.
5. The amount of bonuses is the provision for director bonuses for the current fiscal year.

Risk Management Framework

The aims of the Group's risk management activities are to facilitate appropriate decision-making based on risks and opportunities and drive business growth.

The Risk Management Committee comprehensively identifies risks that could significantly impact management in light of the Company's management philosophy, business objectives, and potential effects on stakeholders. The Committee actively works to determine critical risks and address them effectively.

Risk Management Framework



Initiatives for Shareholders and Investors

To realize the sustainable growth and improvement of the medium- to long-term corporate value of the Company, the Company shall engage in constructive dialogue with major shareholders who have investment policies corresponding to the medium- to long-term interests of shareholders.

Dialogue with Shareholders

The Company established the following policies regarding the development of systems and initiatives to encourage constructive dialogue with shareholders.

- (i) The Company considers dialogue with shareholders to be an important issue, and we consolidated the function for investor relations into the IR Promotion Office, seeking to improve content and strengthen investor relations activities.
- (ii) The department in charge of investor relations handles requests for dialogue, interviews, etc., from shareholders.
- (iii) The Company discloses explanatory materials regarding plans and financial results regularly, and provides briefings related to said information as appropriate. The president and/or responsible officers provide explanations at financial results presentations.
- (iv) The department responsible for investor relations summarizes opinions and other information received from shareholders as appropriate, reporting to the president and sharing information with the Board of Directors.
- (v) When engaging in dialogue with shareholders, the Company takes care to manage insider information, focusing on matters related to the Company's sustainable growth and improvement of corporate value over the medium to long term. We also take sufficient care to avoid material information disparities among shareholders.

11-Year Summary

Fujitec Co., Ltd. and Consolidated Subsidiaries

											(Millions of yen)	(Thousands of U.S. Dollars)
(Years ended March 31)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024
Business Results												
Orders	¥165,789	¥178,823	¥191,282	¥174,966	¥182,023	¥179,007	¥186,320	¥174,648	¥195,527	¥203,230	¥232,188	\$1,537,672
Order backlogs	143,881	166,745	195,339	184,738	199,602	208,183	207,817	211,024	224,179	244,898	258,316	1,710,707
Net sales	147,054	165,297	177,128	167,442	168,795	170,759	181,232	169,573	187,018	207,589	229,401	1,519,213
Operating income	12,871	13,488	14,449	12,687	10,665	10,313	13,375	13,288	13,777	11,618	14,571	96,501
Ordinary income	14,187	14,826	15,162	13,110	11,911	11,922	14,682	14,633	15,713	13,331	18,717	123,957
Profit attributable to owners of parent	7,664	8,356	8,807	8,564	8,857	9,220	9,916	9,287	10,835	8,433	17,830	118,082
Comprehensive income	19,450	19,343	6,533	6,530	10,907	5,557	8,790	11,003	21,885	19,007	27,601	182,790
Net income per share (Yen)/(U.S. dollars)	82.32	90.84	109.36	106.35	109.82	114.14	122.46	114.52	133.42	106.67	228.55	1.51
Diluted net income per share (Yen)/(U.S. dollars)	82.31	90.79	109.28	106.26	109.73	114.07	122.40	114.46	133.36	106.61	228.44	1.51
Capital investment	1,867	4,071	4,138	4,149	2,175	2,721	3,321	2,638	3,879	4,280	3,875	25,664
Depreciation and amortization	2,237	2,373	2,748	2,751	2,915	3,055	3,131	3,457	3,343	4,033	4,421	29,280
R&D expenses	1,976	2,023	2,179	2,302	2,323	2,425	2,208	2,121	2,662	2,590	2,974	19,700
Financial Position												
Total assets	154,265	179,856	171,872	173,007	182,503	184,690	193,581	205,196	220,609	230,098	256,402	1,698,031
Net assets	93,501	104,620	100,406	103,847	111,822	113,923	118,714	125,264	140,482	144,117	165,177	1,093,888
Shareholders' equity	84,570	93,321	88,718	92,564	100,365	102,807	106,913	112,417	125,482	127,897	148,358	982,503
Net assets per share (Yen)/(U.S. dollars)	912.40	1,074.82	1,102.66	1,148.36	1,243.46	1,271.28	1,318.59	1,385.45	1,549.83	1,640.29	1,901.28	12.59
Interest-bearing debt	2,320	9,642	8,902	5,293	4,421	4,116	4,901	3,720	4,505	11,886	8,349	55,291

											(Millions of yen)	(Thousands of U.S. Dollars)
(Years ended March 31)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024
Cash Flows												
Cash flows from operating activities	¥ 9,294	¥10,753	¥ 8,932	¥14,360	¥11,870	¥ 9,589	¥11,078	¥21,542	¥ 9,846	¥ (2,346)	¥ 17,498	\$115,881
Cash flows from investing activities	(2,655)	(619)	(5,319)	(6,957)	(5,345)	(2,160)	(4,341)	(7,955)	(3,994)	1,949	433	2,870
Cash flows from financing activities	(3,823)	(3,225)	(11,532)	(6,757)	(3,858)	(4,198)	(3,800)	(5,866)	(6,520)	(10,670)	(12,104)	(80,164)
Free cash flow	6,639	10,134	3,612	7,403	6,525	7,428	6,736	13,586	5,852	(397)	17,931	118,752
Cash and cash equivalents at end of year	20,903	30,602	21,833	20,910	24,043	25,902	28,181	35,840	39,042	31,463	38,987	258,196
Stock Information												
Stock issued and outstanding (thousand shares)	93,767	93,767	93,767	93,767	93,767	90,067	90,067	85,300	82,400	78,900	78,900	—
Dividend per share (Yen)/(U.S. dollars)	22.00	24.00	30.00	30.00	35.00	45.00	50.00	60.00	70.00	75.00	155.00	1.03
Dividend payout ratio (%)	26.7	26.4	27.4	28.2	31.9	39.4	40.8	52.4	52.5	70.3	67.8	—
Management Indicators												
Return on equity (ROE) (%)	9.8	9.4	9.7	9.4	9.2	9.1	9.5	8.5	9.1	6.7	12.9	—
D/E ratio (%)	2.7	10.3	10.0	5.7	4.4	4.0	4.6	3.3	3.6	9.3	5.6	—
Ratio of ordinary income to total assets (%)	10.2	8.9	8.6	7.6	6.7	6.5	7.8	7.3	7.4	5.9	7.7	—
Operating margin (%)	8.8	8.2	8.2	7.6	6.3	6.0	7.4	7.8	7.4	5.6	6.4	—
Shareholders' equity ratio (%)	54.8	51.9	51.6	53.5	55.0	55.7	55.2	54.8	56.9	55.6	57.9	—
Overseas sales ratio (%)	60.3	62.8	65.9	62.5	61.5	59.6	60.0	59.1	61.0	63.9	62.7	—
Key Nonfinancial Information												
Number of employees	8,539	9,057	9,486	9,832	9,931	10,105	10,292	10,423	10,683	11,453	11,818	—
Overseas employees	5,825	6,299	6,662	6,957	7,012	7,123	7,252	7,336	7,548	8,261	8,566	—
Ratio of overseas employees (%)	68.2	69.5	70.2	70.8	70.6	70.5	70.5	70.4	70.7	72.1	72.5	—

Notes: 1. The prevailing exchange rate (1USD=151 yen) on March 31, 2024, was used to translate Japanese yen into U.S. dollars for the convenience of foreign readers.

2. Amounts less than ¥1 million or \$1,000 have been rounded off.

3. In fiscal 2023 (ended March 31, 2024), the Company finalized the provisional accounting treatment related to business combinations. The Company's performance in fiscal 2022 has been adjusted to reflect the finalized accounting treatment.

Global Network (As of September 30, 2024)

Global (24 countries and regions)

Consolidated subsidiaries: 24
Manufacturing bases: 12

Japan

Head office and bases: 6
Head office and regional offices: 5
Branches: 13

Japan

Head Office Big Wing (Hikone City, Shiga)
Tokyo Head Office (Minato-ku, Tokyo)
Big Fit (Ibaraki City, Osaka)
Big Step (Toyoooka City, Hyogo)
Tokyo Fit (Ota-ku, Tokyo)
Osaka Fit (Osaka City, Osaka Prefecture)
Control HQs/Offices
Tokyo Metropolitan Area Control HQ (Minato-ku, Tokyo)
Osaka Metropolitan Area Control HQ (Ibaraki City, Osaka)
North Japan Regional Office (Sapporo City, Hokkaido)
Chubu Regional Office (Nagoya City, Aichi)
West Japan Regional Office (Fukuoka City, Fukuoka)
Other: 13 branches

The Americas

Fujitec America, Inc. (U.S.A.)
Fujitec Canada, Inc. (Canada)
Elevadores EV International, S.A. de C.V. (Mexico)
Fujitec Venezuela, C.A. (Venezuela)
Fujitec Argentina S.A. (Argentina)
Other: 2 companies in Argentina and Uruguay
Fujitec Pacific, Inc. (Guam, U.S.A.)

South Asia

Fujitec Singapore Corporation Ltd. (Singapore)
P.T. Fujitec Indonesia (Indonesia)
Fujitec Lanka (Private) Ltd. (Sri Lanka)
Fujitec (Malaysia) Sdn. Bhd. (Malaysia)
Fujitec India Private Ltd. (India)
Fujitec Express Ltd. (India)
Fujitec, Inc. (Philippines)
Fujitec Vietnam Company Ltd. (Vietnam)
Fujitec Myanmar Co., Ltd. (Myanmar)
Fujitec (Thailand) Co., Ltd. (Thailand)
Other: 2 companies

East Asia

Huasheng Fujitec Elevator Co., Ltd. (China)
Shanghai Huasheng Fujitec Escalator Co., Ltd. (China)
Fujitec Shanghai Sourcing Center Co., Ltd. (China)
Fujitec Shanghai Technologies Co., Ltd. (China)
Shanghai Tecky Trading Co., Ltd. (China)
Fujitec (HK) Co., Ltd. (Hong Kong)
Sales subsidiary of Fujitec (HK) Co., Ltd. (Hong Kong)
Fujitec Taiwan Co., Ltd. (Taiwan)
Fujitec Korea Co., Ltd. (South Korea)

Europe

Fujitec UK Ltd. (U.K.)
Amalgamated Lifts Ltd. (U.K.)

Middle East

Fujitec Egypt Co., Ltd. (Egypt)
Fujitec Saudi Arabia Co., Ltd. (Saudi Arabia)

Company and Stock Information (As of September 30, 2024)

Company Data

Company Name	Fujitec Co., Ltd.
Date of Establishment	February 9, 1948
Representative	Masayoshi Harada
Paid-in Capital	¥12,533.93 million
Line of Business	Research and development, manufacture, sale, installation, and maintenance of elevators, escalators, and moving walkways
Location	Head Office (Big Wing): 591-1, Miyata-cho, Hikone, Shiga, Japan Tokyo Head Office: 1-17-3, Shirokane, Minato-ku, Tokyo
Consolidated Subsidiaries	24
Number of Employees	Consolidated basis: 12,002 (Japan: 3,355, Overseas: 8,647)

Stock Overview

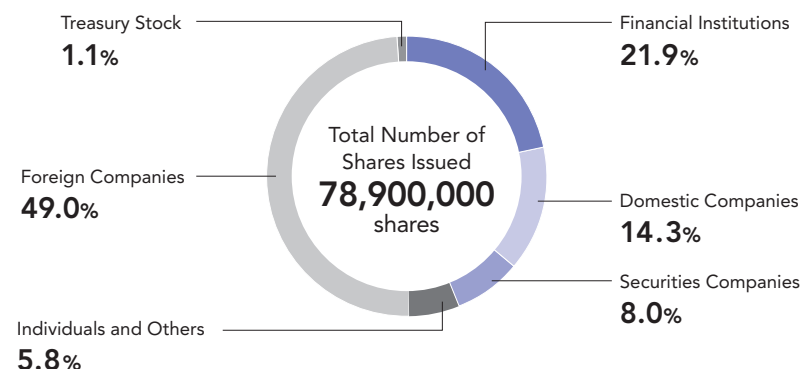
Total Number of Authorized Shares (Common Stock)	300 million shares
Total Number of Issued Shares (Common Stock)	78.9 million shares
Number of Shareholders	5,863
Stock Exchange Listing	Prime Market, Tokyo Stock Exchange (Ticker Code: 6406)
Annual Meeting of Shareholders	Held in June each year
Auditor	Grant Thornton Taiyo LLC
Transfer Agent	1-4-1, Marunouchi, Chiyoda-ku, Tokyo, Japan Sumitomo Mitsui Trust Bank, Limited
Transfer Agent's Business Office	Stock Transfer Agency Department 4-5-33, Kitahama, Chuo-ku, Osaka, Japan Sumitomo Mitsui Trust Bank, Limited

Major Shareholders

Name of Shareholders	Number of Shares Held (Thousands)	Shareholding Ratio
The Master Trust Bank of Japan, Ltd. (Trust Account)	6,276	8.04
Uchiyama International Co., Ltd.	5,043	6.46
Resona Bank, Limited	3,079	3.95
Nomura Securities Co., Ltd.	2,922	3.74
MOJAVE INVESTORS LTD.	2,759	3.54
OASIS JAPAN STRATEGIC FUND LTD.	2,472	3.17
Santo Co., Ltd.	2,386	3.06
UBS AG LONDON A/C IPB SEGREGATED CLIENT ACCOUNT	2,263	2.90
GOLDMAN SACHS INTERNATIONAL	2,141	2.74
Morgan Stanley MUFG Securities Co., Ltd.	2,138	2.74

Note: The shareholding ratio is calculated based on 78,036,376 shares, which equates to 78,900,000 shares (total number of issued shares as of September 30, 2024) minus 863,624 shares of treasury stock.

Distribution of Shareholders



FUJITEC CO.,LTD.

We would love to hear your thoughts and feedback for future improvements. Please take a moment to complete the questionnaire below.

<https://forms.gle/iHNFyTMDzGpGY86B9>

