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July 30, 2025

To all parties concerned

Company	Fujitec Co., Ltd. (Stock Code 6406)
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**Notice Concerning Revisions to the Mid-term Business Plan**

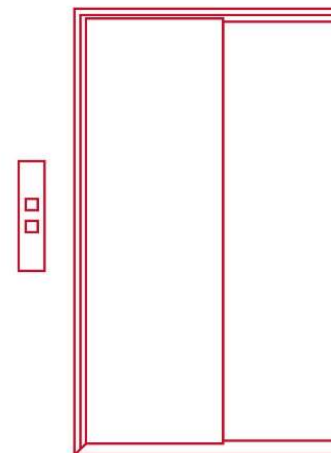
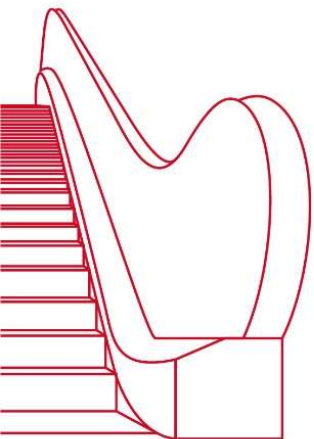
Fujitec Co., Ltd. (the “Company”) hereby announces that the Company has revised the consolidated financial targets for FY2028 (year ending March 2029), which is the final year of the five-year mid-term business plan “Move On 5”, announced on May 14, 2024 in the “Fujitec announces New Mid-term Business Plan”.

For details, please refer to the attachment.

End

# FUJITEC

***Mid-Term BUSINESS PLAN 2024-2028 “Move On 5”***  
**Regarding Revision of Business Plan**



**July 30, 2025**

**Fujitec Co., Ltd.**

**(TSE ticker: 6406)**

# Summary of revised major KPIs and targets for the final fiscal year of MO5 (FY 2028)

Net sales has been revised downward by 13% due to the decline in the Chinese business. Operating income remains unchanged through stronger pricing in the maintenance business in North America, Hong Kong, and Singapore, etc.

(100 million yen)	Original MO5 FY2028 Plan	Revised MO5 FY2028 Plan	Change (%)
Revenue	3,250	<b>2,830</b>	▲12.9%
Operating income (%)	440 (13.5%)	<b>440</b> <b>(15.5%)</b>	- (+2.0%)
ROE	18%	18%	-
Exchange Rate	135.00 yen	135.00 yen	-

Note: Disclosure of numerical targets of dividend payout ratio and EPS has been withheld in consideration of the potential impact of the tender offer, which was separately announced today.

# Revised consolidated earnings forecast by segment

The original and revised earnings forecast by each segment for FY2028, the final year of the mid-term business plan, are as follows:

## FY2028 (April 1, 2028~March 31, 2029) consolidated targets

(Rounded down to nearest million yen)

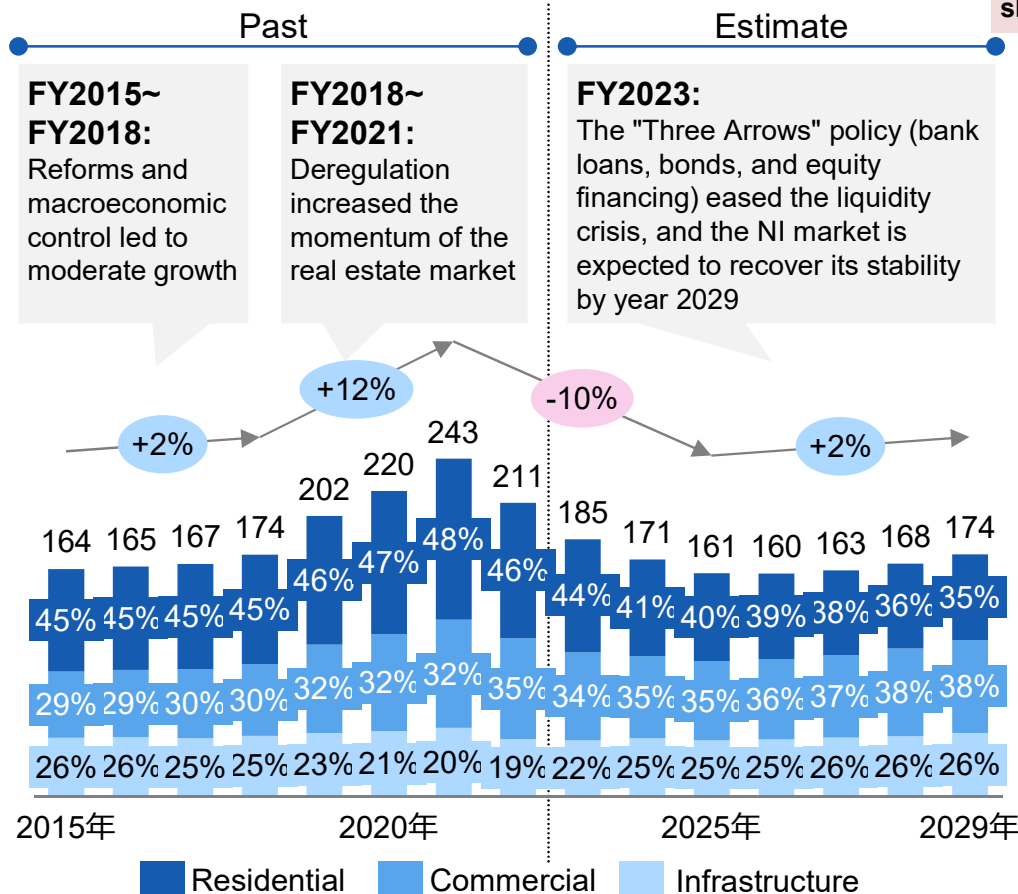
	Revenue			Operating Profit		
	Original Plan	Revised Plan	Change (%)	Original Plan (A)	Revised Plan (B)	Change (B-A)
<b>Japan</b>	114,000	<b>114,000</b>	—	17,400	<b>17,400</b>	—
<b>East Asia</b>	116,000	<b>73,700</b>	▲36.5	11,300	<b>10,400</b>	▲900
<b>South Asia</b>	54,000	<b>54,300</b>	0.6	8,600	<b>8,900</b>	300
<b>Americas &amp; Europe</b>	56,000	<b>56,000</b>	—	6,700	<b>7,300</b>	600
<b>Subtotal</b>	340,000	<b>298,000</b>	▲12.4	44,000	<b>44,000</b>	—
<b>Adjustments</b>	▲15,000	<b>▲15,000</b>	—	—	—	—
<b>Total</b>	325,000	<b>283,000</b>	▲12.9	44,000	<b>44,000</b>	—

# Reason of revision – decline in Chinese real estate market

The outlook for China’s NI market which serves as the basis of this revision, is as follows:

The recovery of China’s NI market is projected to be slower than expected due to the debt crisis of real estate companies, the limited effectiveness of policy measures, and the decline in housing supply and demand since 2024.

## Outlook for China’s NI market (elevator) <Before revision>



## <After revision>

"Housing for the middle class" in which our Chinese business has a relatively large share, is expected to be the most susceptible to price declines due to the recession



### Debt crisis of real estate companies has become apparent

- “ In 2024, the defaults of a major developers, including Country Garden HD, spread to the supply chain with more than 200 projects shut down
- “ In the first half of 2024, the domestic debt defaults by small and med-sized developers exceeded 200 billion yuan (100% YoY)
- “ As a result, the volume of NI orders decreased by 18% in the first half of 2024



### Limitations of real estate promotion policies

- “ The land sales revenue of local government decreased by 40% YoY (May, 2024) and the amount of the “Fund for unfinished residential projects” shrank to 30 billion yuan
- “ Only 35% of subsidies for home renovation is implemented, and the effect of promoting real estate through subsidies for home purchase is also limited



### Decline in housing supply and demand due to economic recession

- “ Housing sales area in January-May, 2024 was -23.8% YoY, prices fell for twelve consecutive months
- “ Small and mid-sized developers were impacted by an average price cut of 25%, leading to a sharp 12% drop in elevator installation prices

# Measures against the declining China's real estate market

	Major initiatives to recover business results	Specific initiatives, process and future plans
Sales	1 Identify high-potential markets and adjust our strategy to leverage our strengths	> Currently promoting sales initiatives focused on the NI/MOD market that has strong demand because of government grants
	2 Improve the performance of existing sales A&D and partner with a strong A&D network	> Revitalize sales activity by enforcing stricter evaluation of existing agents and replacing them with new A&D
	3 Improve the service portfolio through the acquisition of ISP and enhance conversion rate	> Exploring M&A opportunities despite slowdown in service portfolio growth led by intensified competition with ISPs
Cost	4 Reduce costs and achieve 10~15% price advantage over Tier 1 & 2 competitors	> Undergoing cost-reduction in raw materials and manufacturing overhead while YoY is on track
	5 Consolidate branch network and streamline organization	> Initiated branch reform by appointing local executives, aimed at streamlining organization with further organizational optimization
Business Fnd.	6 Performance management operations redesign & management enhancement	> Increase the involvement of the HQ with focus on credit management and debt collection risks, promoting the improvement of business management capabilities

# Increasing profitability in the maintenance business

- Measures to strengthen pricing in each global regions -

We have identified the following areas for improvement that were not anticipated during the formulation of MO5, and we will implement enhancement measures for each. These measures will make up for the decline in profits in the Chinese business and maintain operating profit as originally planned.

## Americas & Europe

- In the past, we continued to have loss-making contracts with some US customers in the maintenance business
  - Upon examining the background and cause of the deficit for each contract, we considered price revisions
- **Addressing loss-making contracts is expected to increase profits by +600 million yen**

## East Asia

- Mainly in Hong Kong, we considered price revision aiming to raise prices on par with competitors
- **Stronger pricing is expected to increase profits by +2.4 billion yen**

## South Asia

- Mainly in Singapore, the price of NI is relatively higher than that of competitors and the difference is compensated by discounts in the maintenance business
- **Stronger pricing in the maintenance business is expected to increase profits by +300 billion yen**

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