

## CEO and President's New Year Message for Employees (Excerpt)



Noriharu Amiya

**Tokyo, January 6, 2025** – Hitachi Building Systems Co., Ltd. (hereafter **Hitachi Building Systems**) today announced that **Noriharu Amiya, Vice President and Executive Officer, CEO of Building Systems Business Unit, Hitachi, Ltd.** (TSE: 6501; hereafter **Hitachi**) / **President of Hitachi Building Systems** delivered his New Year's message for employees as below.

Happy New Year! I would like to again express my heartfelt thanks to all of you who are working hard around the world during the year-end and New Year's holidays to protect the safety, security, and comfort of urban life. As we begin 2025, please allow me to offer a few thoughts.

We have only three months left in the current fiscal year, the final year of the Mid-term Management Plan 2024. The challenges of the business environment are continued that including soaring raw material and labor costs worldwide, falling demand for new installation of elevators and escalators in China, and a lack of construction capacity in Japan and Taiwan, and more. Amid this, we are making strong progress towards achieving budget target, an Adjusted EBITA margin of 11.3% in FY2024. Once again, I would like to express my gratitude to you all for your efforts.

For the next Mid-term Management Plan, we have positioned our future ideal state as achieving the global top position in the elevator, escalator and building systems industry. We are discussing the numerical targets for the next Mid-term Management Plan and the growth strategies for achieving the figures by backcasting from this ideal state.

Our strength is the knowledge of installation, maintenance, remote monitoring and control, and the data on equipment maintenance efficiency, equipment operation efficiency, and energy efficiency that we have gained from them, namely, frontline power we have gained through our elevator and escalator business.

How can we make better use of this strength to grow in the elevator and escalator business, which is our primary growth pillar, throughout the entire lifecycle, from new installation to maintenance and modernization services? We will create revenues and profit growth by carefully formulating segment strategies, clarifying the markets we should target, and implementing strategies.

The second growth pillar is the Green & Smart Building business, which leverages the frontline strengths cultivated in the elevator and escalator business. We are expanding the **BuilMirai** building IoT solution. In last December we began airing a new TV commercial to promote it in Japan. We are currently working with GlobalLogic to develop a global standard model using digital engineering methods, with plans to begin offering it in FY2025. Green & Smart Buildings are not something that can be achieved by us alone. We will strengthen collaboration with our colleagues in the Connective Industries Sector, as well as those in the Digital Systems & Services Sector, including GlobalLogic, and the Green Energy & Mobility Sector, including Hitachi Energy, with the aim of becoming a world leader in Green & Smart Buildings.

#### **Hitachi Elevators and Escalators Website**

<https://www.hitachi.com/businesses/elevator/>

#### **Hitachi Building Systems Brand Channel**

<https://www.youtube.com/channel/UCfOqxclRk3NHm2WrqHeQ6MA>

- End -

#### **About Hitachi, Ltd.**

Hitachi drives Social Innovation Business, creating a sustainable society through the use of data and technology. We solve customers' and society's challenges with Lumada solutions leveraging IT, OT (Operational Technology) and products. Hitachi operates under the 3 business sectors of "Digital Systems & Services" – supporting our customers' digital transformation; "Green Energy & Mobility" – contributing to a decarbonized society through energy and railway systems, and "Connective Industries" – connecting products through digital technology to provide solutions in various industries. Driven by Digital, Green, and Innovation, we aim for growth through co-creation with our customers. The company's revenues as 3 sectors for fiscal year 2023 (ended March 31, 2024) totaled 8,564.3 billion yen, with 573 consolidated subsidiaries and approximately 270,000 employees worldwide. For more information on Hitachi, please visit the company's website at <https://www.hitachi.com>.