

At the beginning of the year 2026, we wish you a very Happy New Year.

I would like to thank you for your great support and patronage over the past year. Looking back on the year 2025, it was the year in which we have completed the large-scale capital investments to support future growth and began exhibiting our step towards a phase of expanding market share and earnings in line with the increase in the number of maintenance contracts. The number of maintenance contracts in Japan increased steadily to more than 120 thousand as of the end of 2025.

In 2026 we will enter the final year of our medium-term management plan "VISION 2027" which was announced in 2022. Despite today's rapidly changing environment, we are steadily advancing to achieve the plan based on the basic strategies set forth at the time of its formulation. In terms of growth potential, we are now within reach of achieving net sales of 60 billion yen or more thanks to a steady increase in the number of maintenance contracts and the expansion of the modernization business. In terms of profitability, we are approaching our goal of achieving an operating margin before amortization of goodwill of 20% or more, thanks to improved efficiency with sales expansion and thorough cost control. As we expect to generate abundant cash flows in the future, we will actively work to enhance shareholder returns, and the dividend payout ratio for current fiscal year is expected to exceed 50%. Consistent with our TSE Prime market designation, our goals include addressing social and environmental issues, responding to social change, and achieving sustainable growth in operations and corporate value.

Under the management philosophy of "Safety Above Anything Else", "No Cutting Corners", and "Building on Trust", the Group continues to focus on employee education, improving technical capabilities as well as optimizing business processes, in order to provide more customers with "high-quality services at reasonable prices", one of our strengths. The aim is also to further improve the Group's overall service quality.

In closing, I would like to wish you all a happy and prosperous new year.

January 5, 2026  
Katsushi Ishida,  
President and Representative Director CEO,  
Japan Elevator Service Holdings Co., Ltd.