



Food and Beverage Distribution Business Strategies for FY2025

Food and Beverage Distribution Business Group

May 27, 2025

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1 Business Overview

Vending Machines

(Domestic sales: 96%; Overseas sales: 4%)*

Japan

Overseas

No. 1 share*



Beverage Vending Machines



Refrigerated food vending machines

Two-way communication product



Sustainable vending machines



Frozen food vending machines

No. 1 share in China*



Energy-saving beverage vending machines



Coffee machines

No. 1 share in Thailand*



Large-container beverage vending machines



Ice cream vending machines

Major Customer Industries

Japan

- Beverages
- Food products

Overseas

- Beverages
- Convenience stores
- Restaurants

Net sales

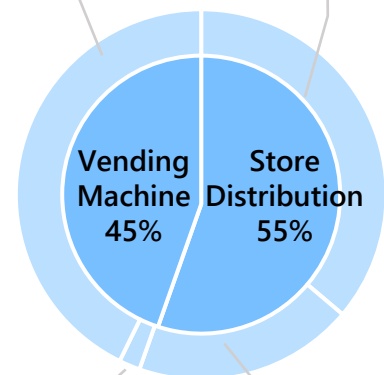
(FY2024 results)

¥111.5 billion (Up 4% YoY)

(Domestic sales: 98%; Overseas sales: 2%)*

Japan

Convenience store products (Unchanged YoY)



Overseas

Products for supermarkets and point of sale system manufacturers
(Up 30% YoY)
(Upgrade demand)

Store Distribution

(Domestic sales: 100%)



Refrigerated and freezer showcases



Total store solution



Counter fixtures



Automatic change dispensers



Coffee machines



Vending machine convenience stores

Major Customer Industries

- Convenience stores
- Point of sale systems
- Super markets
- Restaurants

* Shares represent estimates by Fuji Electric based on FY2024 performance.

Note: Percentages of total net sales figures represent FY2024 results and are calculated before deduction and adjustment for inter-segment sales.

Strengths of Food and Beverage Distribution Segment

Domestic Vending Machines

Beverage Vending Machines

Top domestic share*



Food/Goods Vending Machines

Top domestic share*



- Core freezing and heating, conveyance, structural durability, and water-proofing technologies
- Trust fostered over half a century
- Nationwide service network
- High market share
→ Fuji Electric products represent roughly half of 2 million vending machines in operation ※

Overseas Vending Machines

Beverage Vending Machines

No. 1 share of beverage sales in China*

No. 1 share in Thailand*



Food/Goods Vending Machines

No.2 share*

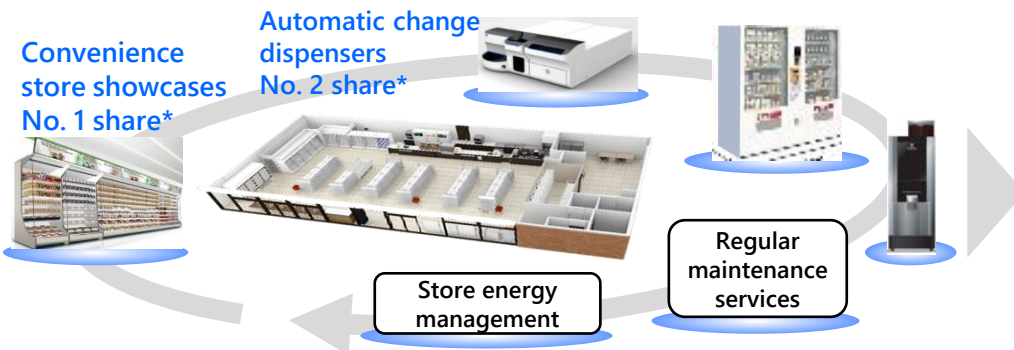


- Japanese-quality technologie
→ Freezing and heating, energy conservation, and conveyance technologies
- Sale and service networks
(China, Thailand, and Singapore)

Store Distribution

Convenience store showcases No. 1 share*

Automatic change dispensers No. 2 share*



- Core freezing and heating, airflow control, structural durability, and conveyance technologies
- Lineup for meeting all store needs
- Nationwide service network (round-the-clock service)

* Shares represent estimates by Fuji Electric based on FY2024 performance.

2 Review of FY2024

Review of FY2024

(Billions of yen)

■ Net Sales
■ Operating Profit
— Operating Profit Ratio

Management emphasizing profitability (shift in focus from quantity to quality)

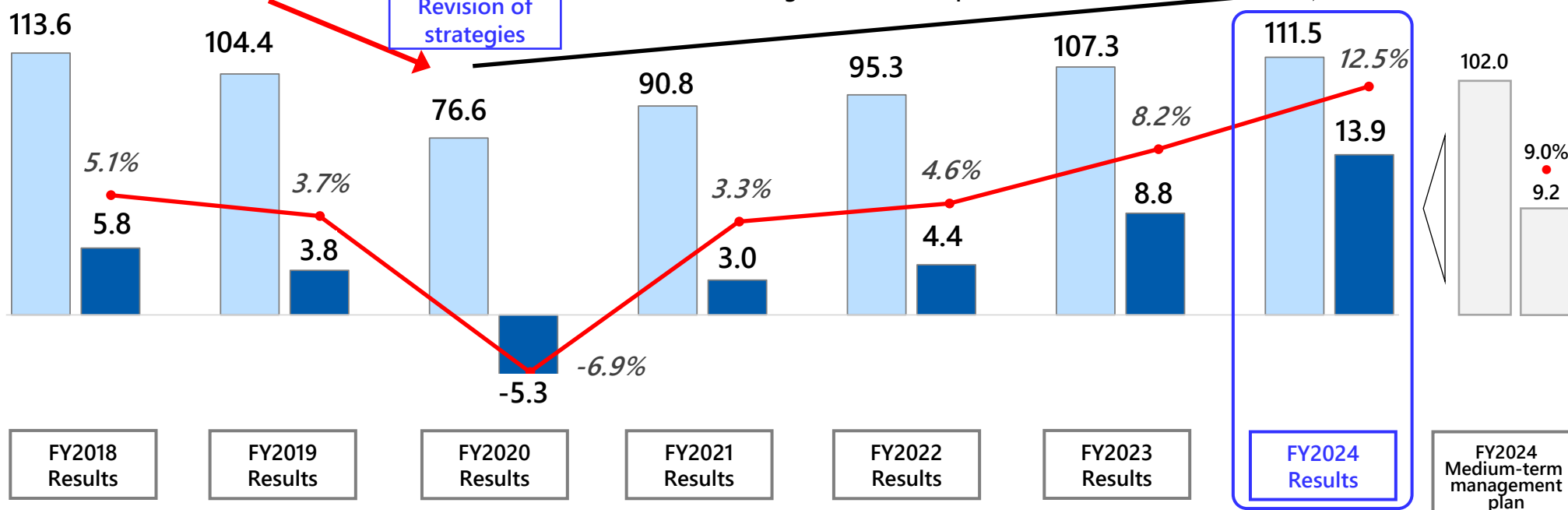
- Headcount optimization
- Production base consolidation (5 bases → 2 bases)
- Reorganization of subsidiaries
- Price revision (transition to prices matching product value)
- Profitability improvements through development of high-value-added products

Impacts of
COVID-19
pandemic

Revision of
strategies

FY2024 Performance

- ◆ Record-breaking performance due to upgrade demand
- ◆ Changes versus FY2019 (prior to COVID-19 pandemic)
 - Net sales: Same level
 - Operating profit: 3.6 times higher



Accomplishments in FY2024

Capitalization on Upgrade Demand Trend
 Issuance of new paper currency in Japan
 → Demand for replacement of automatic change dispensers
 → Demand for software upgrades

Improvement of Market Share
 Vending machines (Japan):
 Less than 70% → More than 70%
 Automatic change dispensers:
 More than 30% → Nearly 40%

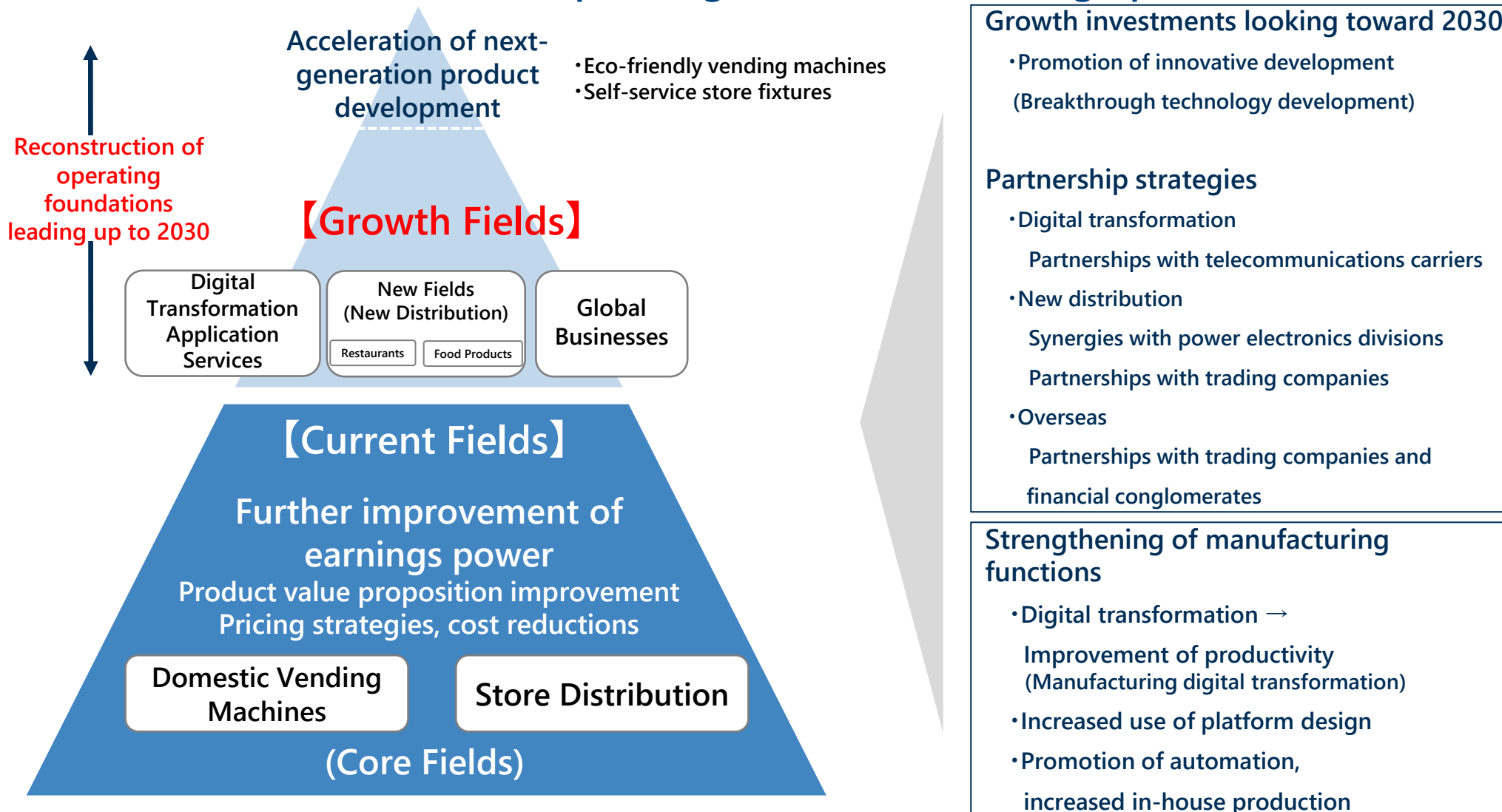
Release of New Products
 Vending machines with increased plastic PET storage space: Released in May 2024
 Coffee machines for restaurants: Released in December 2024
 Locker vending machines: Released in March 2025

Challenges in FY2025

- **Improvement of earnings power**
 - Development of high-value-added products
- **Topline earnings improvement**
 - Exploration of new fields (new distribution), deployment of new products

3 Management Plan for FY2025

Further improvement of earnings power (transition to high-profit businesses) Reconstruction of operating foundations leading up to 2030



Operating Environment and Market Trends

Operating environment
Changes in needs

Business opportunities
Response to needs
(provision of value)

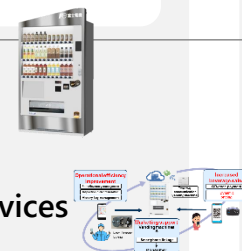
Market Trends
(FY2024 to FY2025)

Vending Machines

Japan
(Existing Fields)

- Energy conservation, green power
- Improvement of vending machine operational efficiency

- Proposal of high-value-added vending machines
- Expansion of digital transformation application services



Vending Machines

Investment curtailing

Japan
(New Fields [New Distribution])

- Automation of fresh food sales
- Automated medicine sales made possible by regulatory reforms

New Products

- Promotion of sales of locker vending machine
- Proposal of medicine vending machines



New Fields

Growth

Overseas

- Changing tastes
- Diversification of product lineup

New Products

- Proposal of global-specification coffee machines
- Promotion of ice cream vending machines



China

Unchanged

Asia

Unchanged

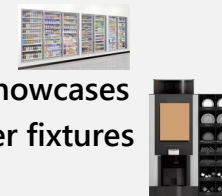
Store Distribution

Convenience stores

- Eco-friendliness (shift toward non-fluorocarbon gas and lower GWP)
- Diversification of tastes

New Products

- Reduction of GWP of showcases
- Proposal of new counter fixtures



Convenience Stores

Unchanged

Automatic change dispensers

- Convergence of upgrade demand
- Trend toward space saving

New Products

- Proposal of new automatic change dispensers



Automatic change dispensers

Dissipation of upgrade demand

New Fields
(New Distribution)

- Labor saving to address labor shortfalls (restaurants)

New Products

- Accelerated promotion of self-service coffee machines

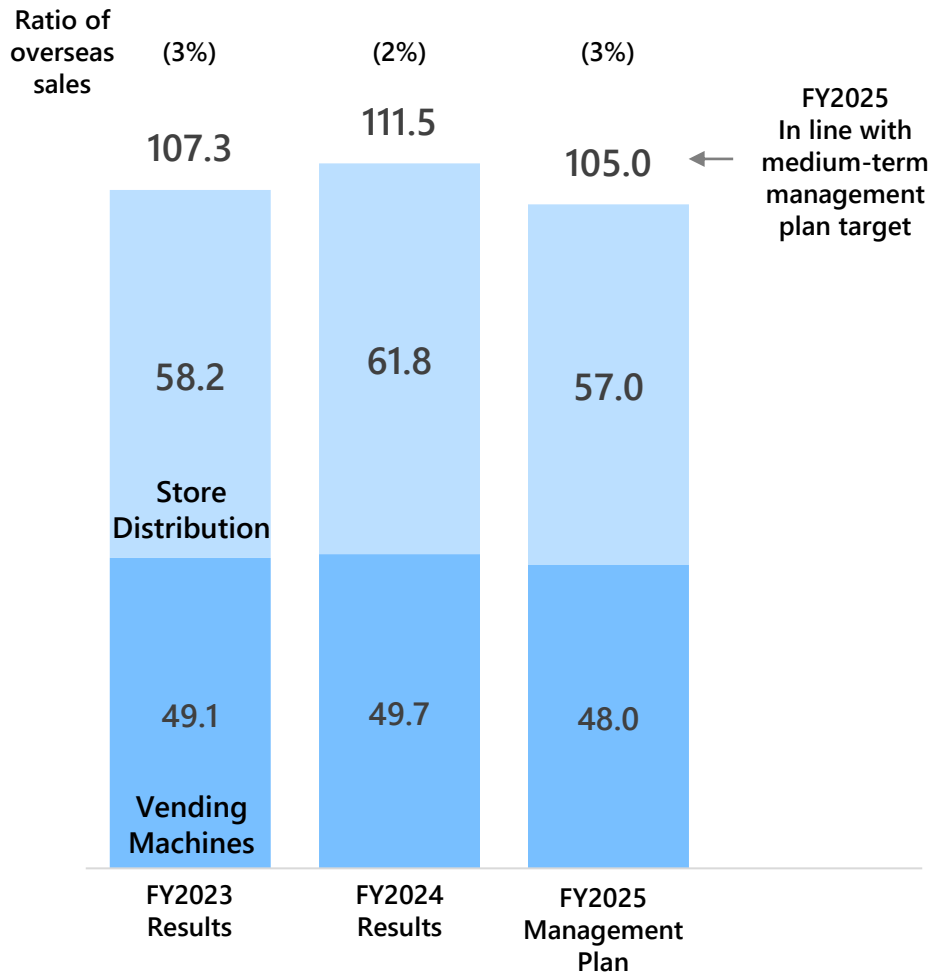


New Fields

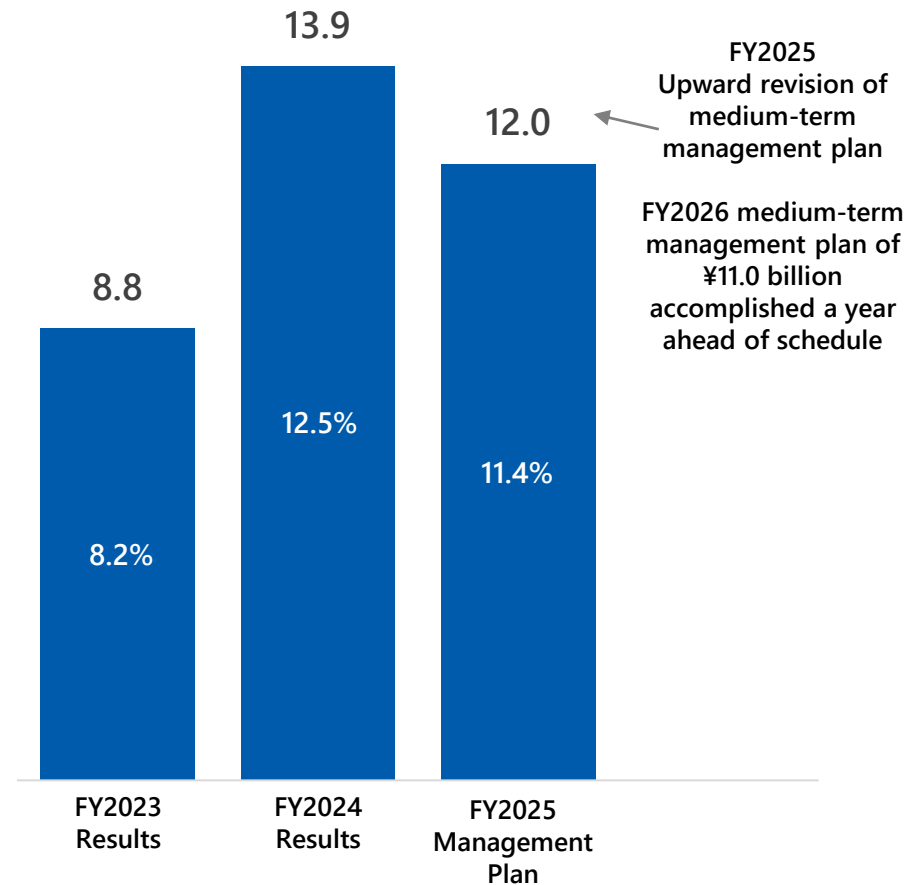
Growth

YoY decrease in sales due to temporary benefits of upgrade demand
Operating profit reaching level targeted by FY2026 medium-term management plan a year ahead of schedule

Net Sales by Subsegment (Billions of yen)

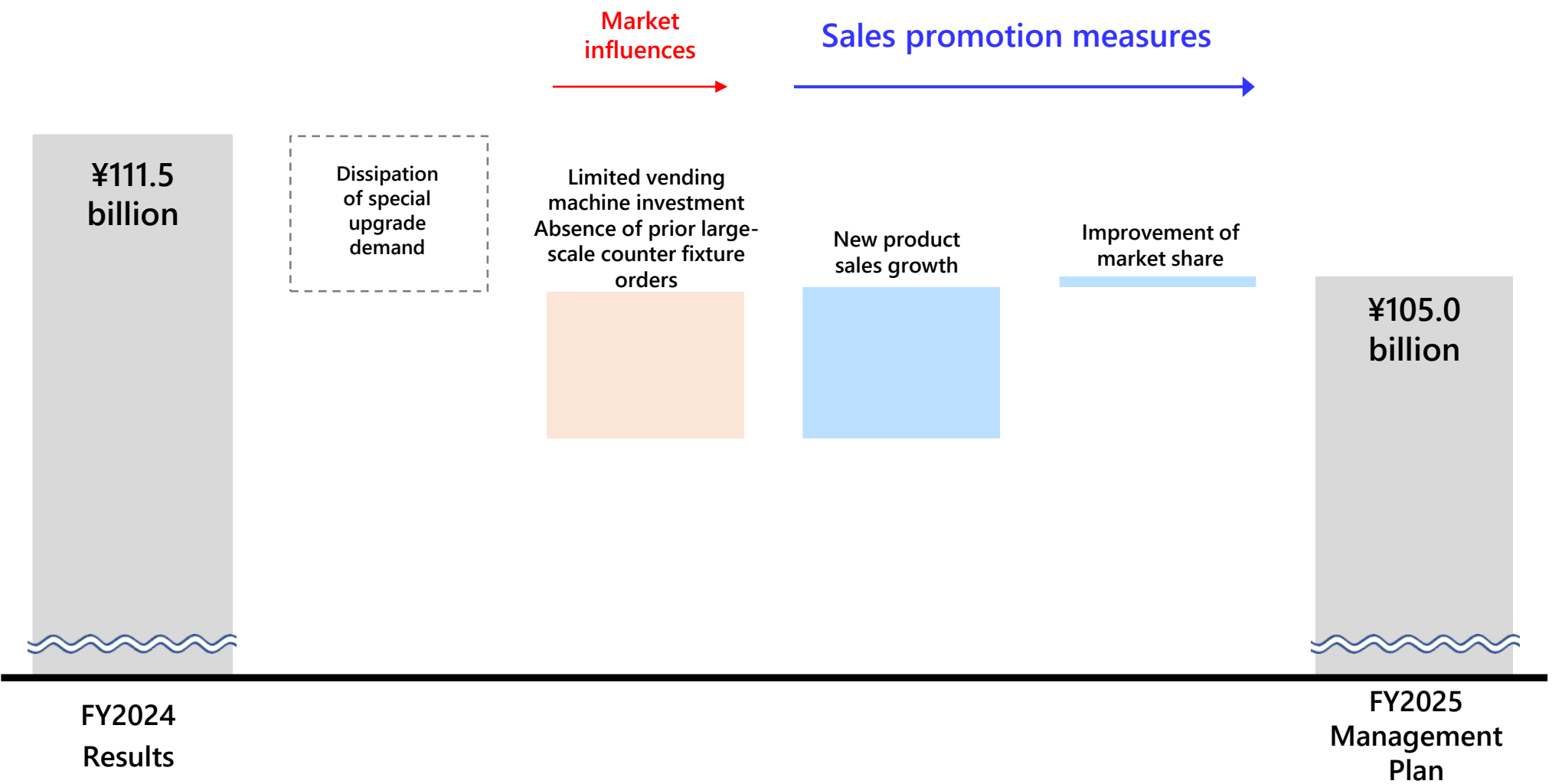


Operating Profit / Operating Profit Ratio (Billions of yen)



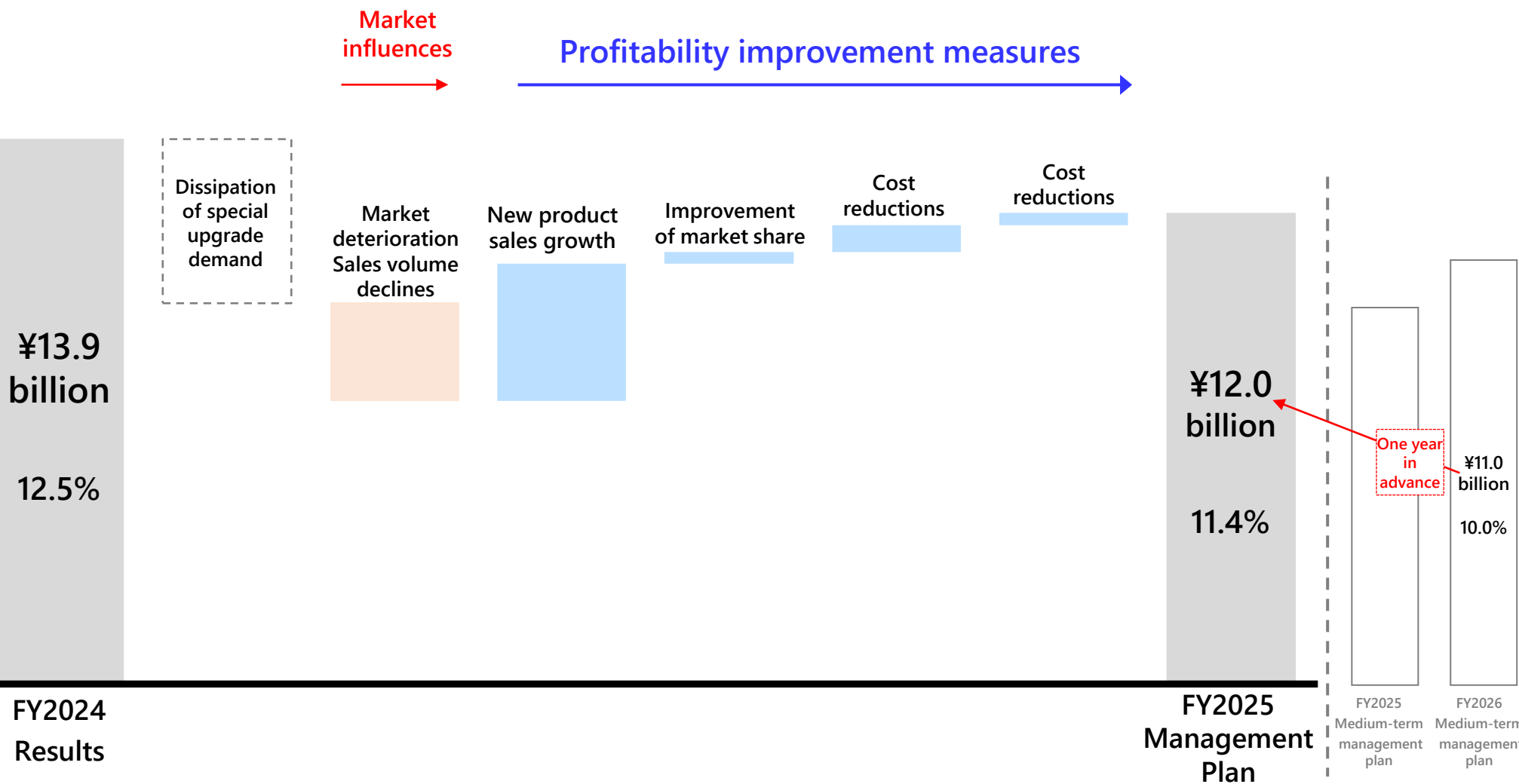
Net Sales Forecast (YoY Changes)

Sales promotion measures to grow new product sales and market share to be advanced despite decline in sales associated with dissipation of special upgrade demand



Factors Affecting Operating Profit (Year-on-Year Growth)

Operating profit ratio of more than 10% maintained through profitability improvement measures



Improvement of Earnings Power and Operating Foundation Reconstruction (Topline Earnings Improvement)

Improvement of profitability

① Domestic Vending Machines

- Deployment of high-value-added vending machines matched to customer needs and advancement of pricing strategies



② Store Distribution

- Convenience store showcases → Promotion of high-value-added products to increase market share
- Development of new high-value-added products (new counter fixtures, automatic change dispensers)



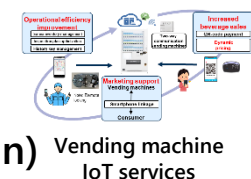
③ Reductions in total costs

- Optimization and digital transformation of manufacturing systems
- Expansion of platform designs
- Promotion of automation and expansion of in-house production



① Digital transformation application services

- Deployment of operational efficiency improvement services (vending machines)
- Redoubling of energy management proposals (store distribution)



② Exploration of new distribution services (New Distribution)

- Entry into new fields (restaurants, food products, and logistics)
(New products: Accelerated deployment of coffee machines for restaurants and locker vending machines)



③ Global strategies

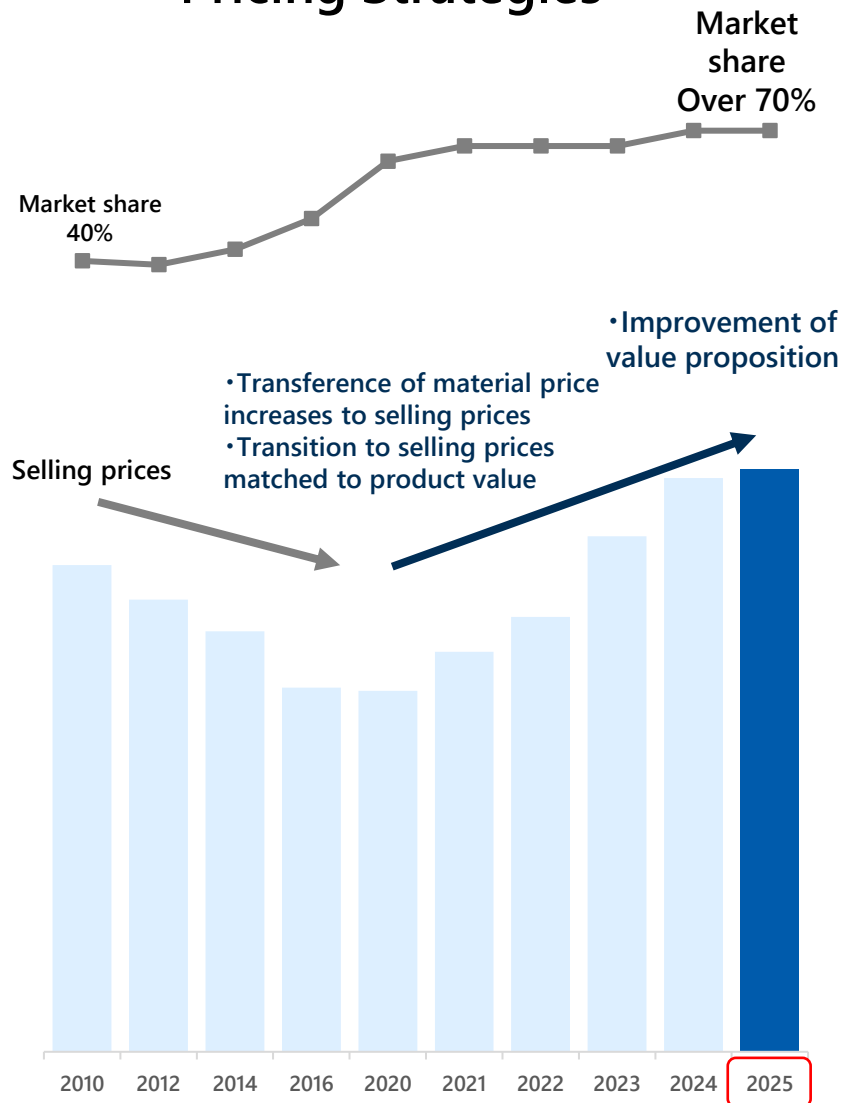
- Deployment of new products matched to needs and expansion of regional coverage



Operating foundation reconstruction (Topline sales growth)

Improvement of Earnings Power —Domestic Vending Machines (Value Proposition Improvement)

Pricing Strategies



FY2025: Promotion of High-Value-Added Products

Ultra-energy-efficient vending machines



Reduction in electricity consumption and CO₂ emissions

PET bottle exclusive vending machines



<Value Proposition>
Promotion of sales of specific products
Increases to selling prices

Beverage vending machines with locker functions



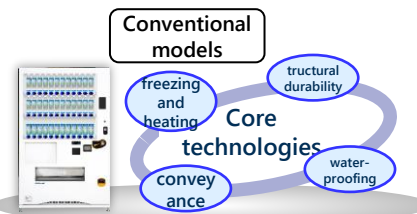
Diversification of applicable products

Value Proposition

20% reduction in energy consumption

Effective beverage sales increases
Reduced food loss (Dynamic pricing)

Enhancements to operations



FY2024 Promotion of High-Value-Added Products

Vending machines with increased plastic PET storage space



Ratio of PET bottles
40% → 70%

Vending machines with dynamic pricing buttons



Expansion of customer base

FY2023 Energy Conservation Grand Prize recipient

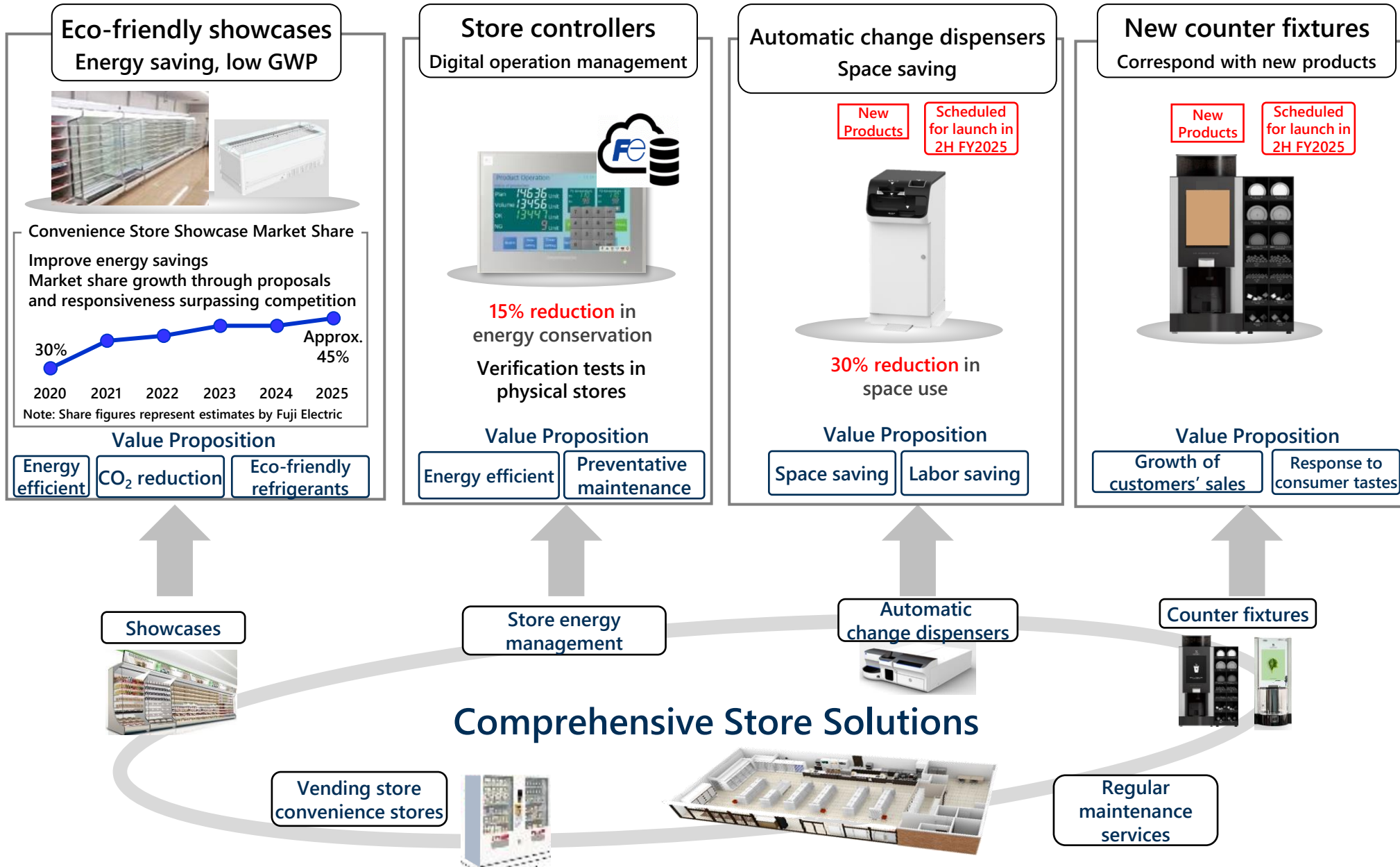
Sustainable vending machines



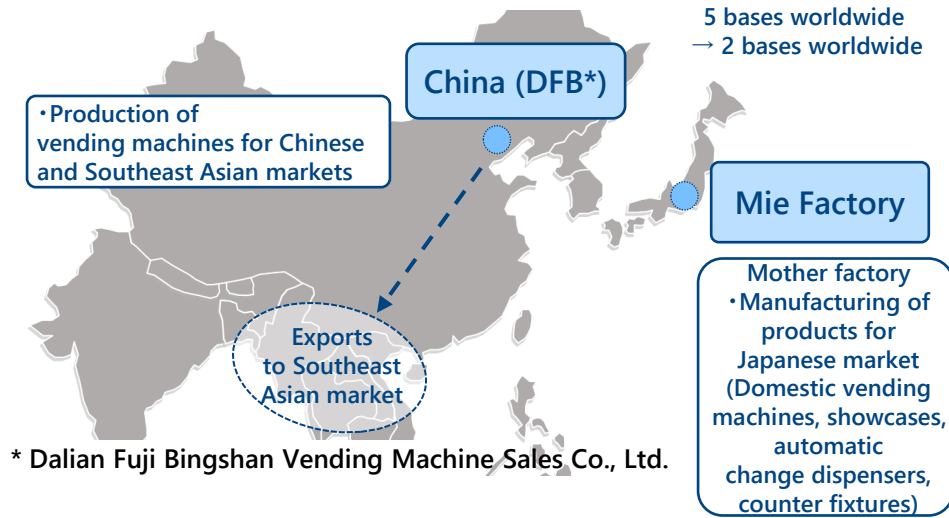
Two-way communication vending machines

Improvement of Earnings Power

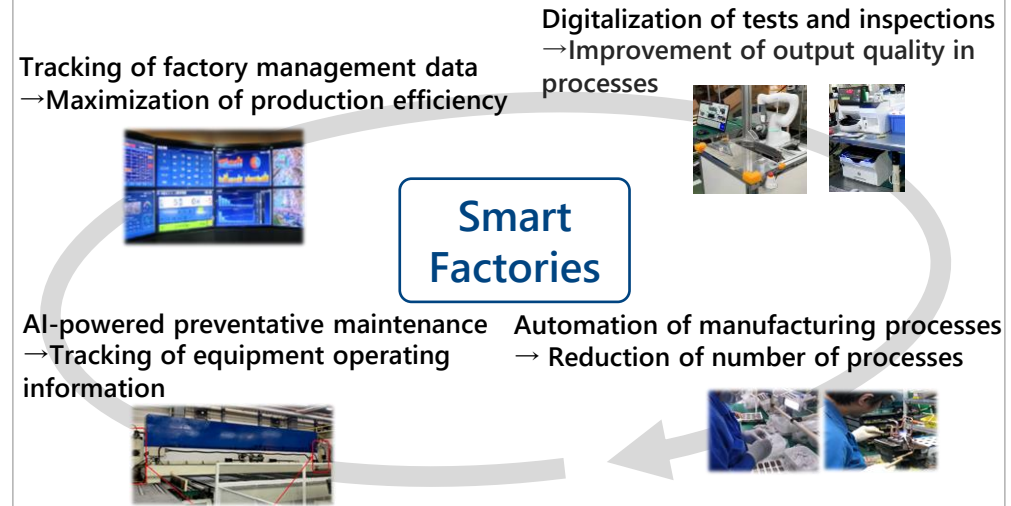
—Store Distribution(Value Proposition Improvement)



Manufacturing Network (2 Bases Worldwide)



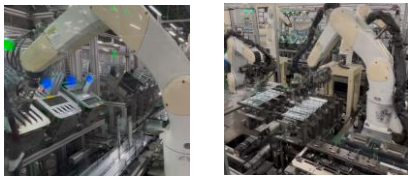
Digital Transformation of Manufacturing Processes



Rationalization of Manufacturing

Cost reduction through capital investment in rationalization and automation

Automation of parts assembly



Automated vending machine rack assembly lines

Increased in-house sheet metal processing

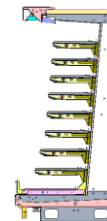


Integrated laser processing equipment

Increased use of platform design

Showcases

Standardization of showcase
Rate of standardization:
60% → 85%



- Consolidation of models
- Development of shared modules
- Reduction of important materials through **standardization of parts**

Automatic change dispensers

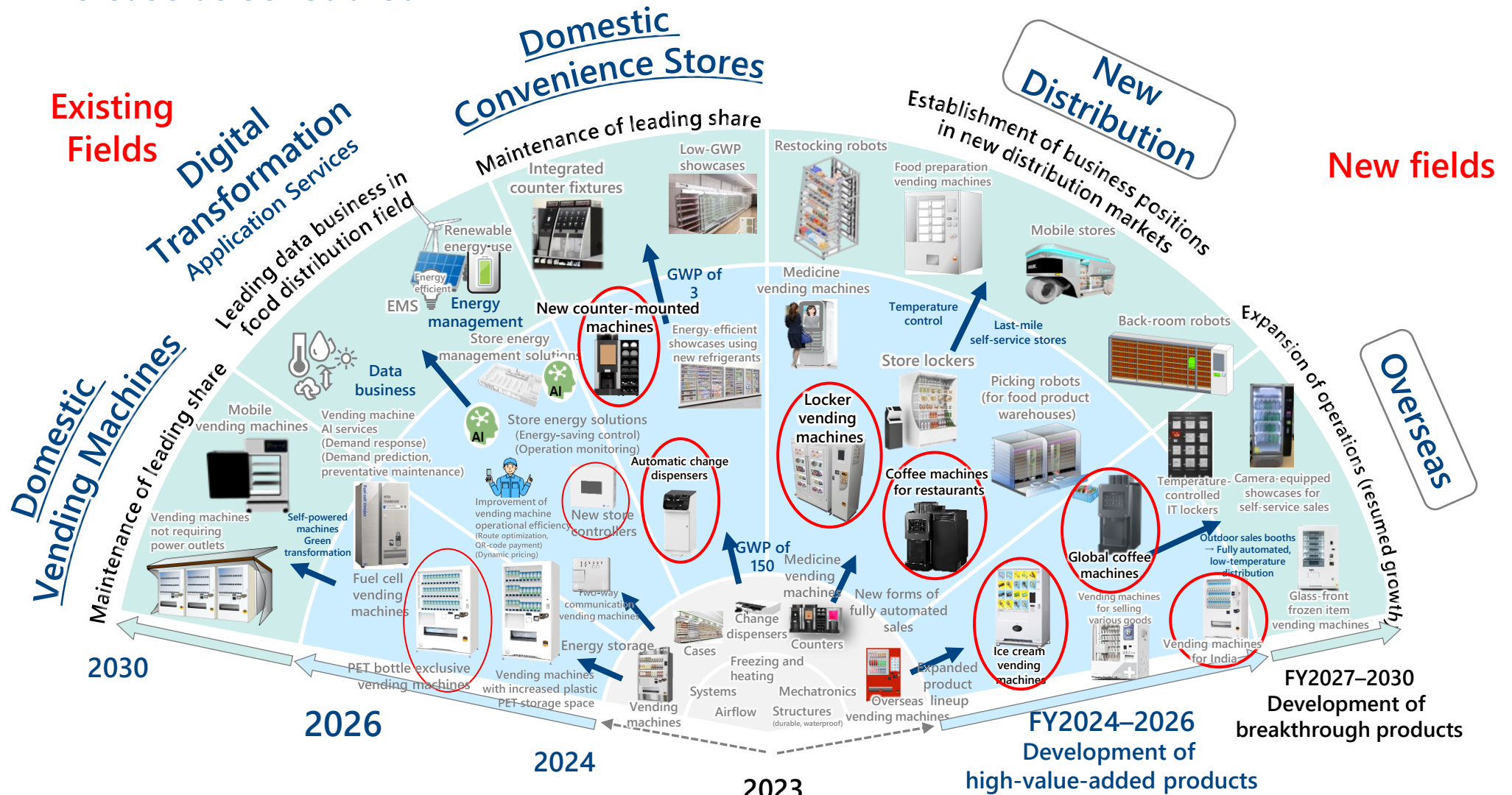


- Development of shared modules
- **Standardization of parts**
- In-house production of cabinets

Topline Earnings Improvement: Product Strategies Leading up to 2030 (Medium-Term Plan)

Launch of new products planned for 2025 release as scheduled

- New counter-mounted machines
- Automatic change dispensers
- Coffee machines for restaurants
- Locker vending machines



Topline Earnings Improvement: Deployment of New Products (Japan)

New counter fixtures

Scheduled for launch in 2H FY2025



Targets

- Convenience stores

Value Proposition

- Diverse product lineup
- High-quality flavors

Sales strategies

- Completion of efforts to have specifications adopted by customers
- Accelerated shipment timetable

Existing Fields

New Distribution

Coffee machines for restaurants

Launched in December 2024



Targets

- Restaurants, fast food chains

Value Proposition

- Automation, high-quality flavors
- No need for maintenance

Sales strategies

- **Partnership strategies**
 - Collaboration with coffee machine trading companies
- Accelerated marketing approach targeting franchises
 - Adoption by major chains finalized (sandwich/coffee shops)

Customer needs

- Higher sales
- Labor savings
- Automation

Automatic change dispensers

Scheduled for launch in 2H FY2025



Targets

- Supermarkets, convenience stores
- Specialty stores, restaurants

Value Proposition

- Reduced space requirements
 - Improvement of operational efficiency
 - Increased sales due to expansion of displays close to point of sales

Sales strategies

- Deployment through collaboration with point of sales system manufacturers
 - Point of sales system manufacturers
 - Retailers, restaurants
 - Supermarkets, etc.

Locker vending machines

Launched in March 2025



Targets

- New fields
 - Restaurants, fruit and vegetables, confections, agricultural products

Value Proposition

- Round-the-clock operation (improved convenience)
- Correspond with diverse temperature and wide ranges of products

Sales strategies

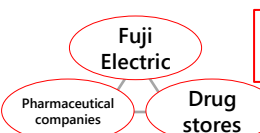
- Promotion of **partner strategies**
 - Vending machine dealers
 - Food sales equipment manufacturers

Emergence of New Business Opportunities (**Medicine Vending Machines**)

- Amendment of Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices

Proposal passed in National Diet (May 14, 2025)

- **Creation of new businesses through collaboration**



Verification test scheduled for fall 2025

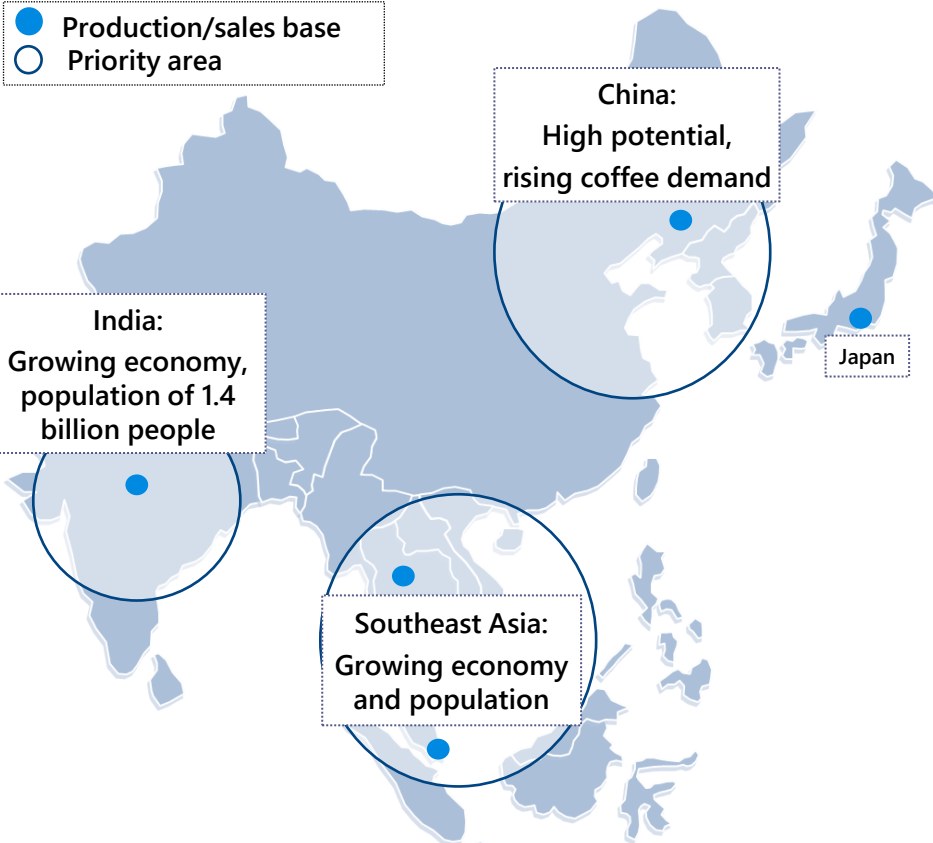


Topline Earnings Improvement: Global Strategies

< Area Strategies >

- China: Acquisition of beverage vending machine replacement orders
Deployment of coffee machines
- Southeast Asia: Promotion of partnership strategies
- India: Entry into this new market through partnership with general trading companies
- Approach targeting manufacturers of global beverage brands in all markets

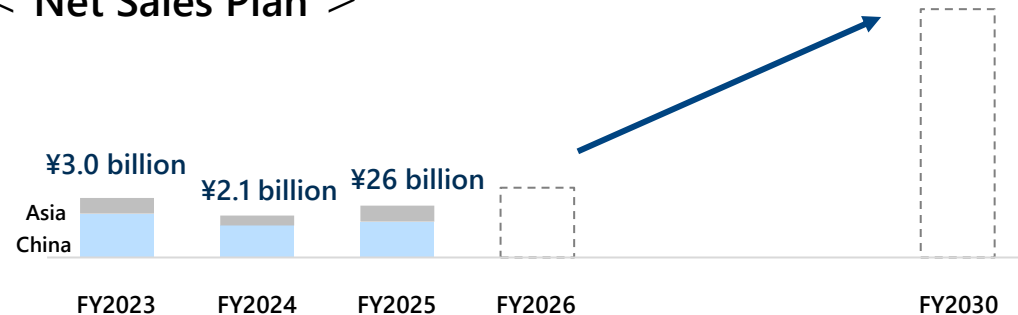
- Production/sales base
- Priority area



< Sales Strategies >

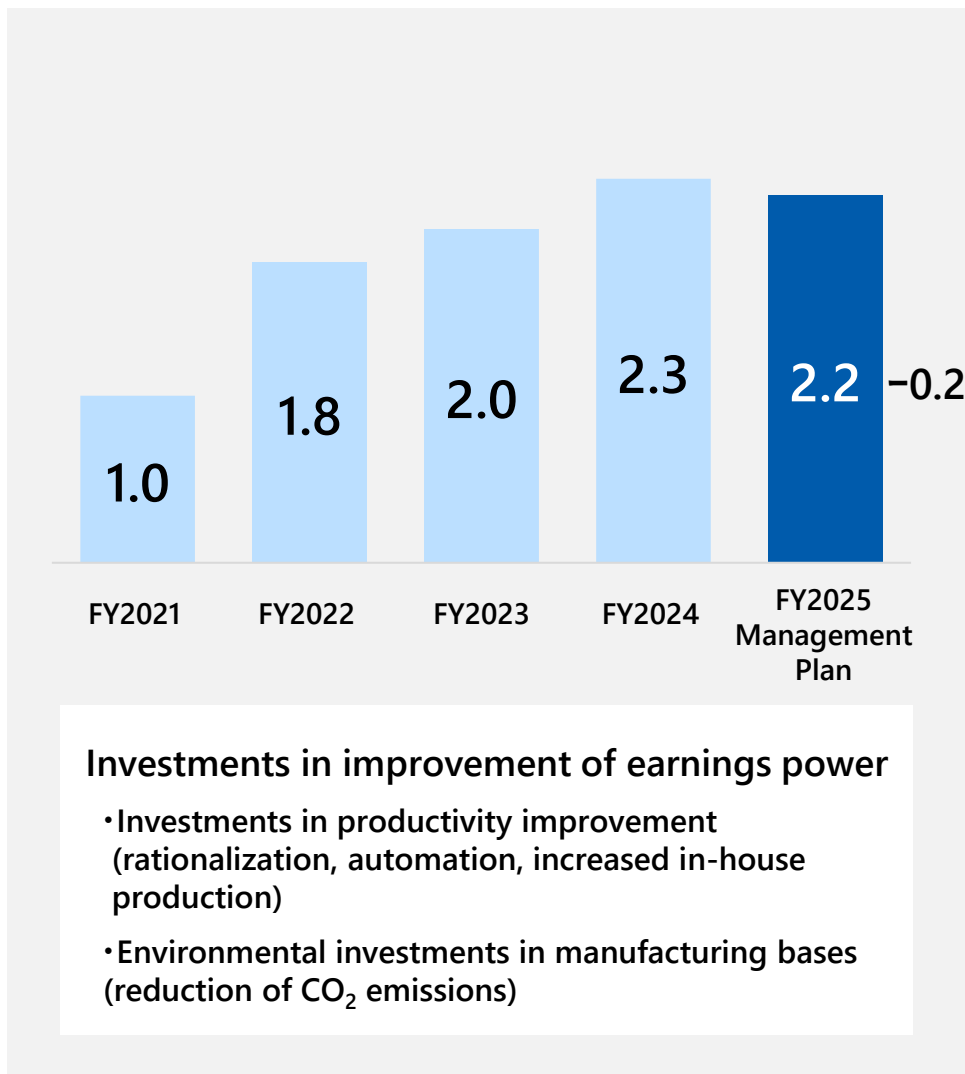
	Existing markets		New markets
	China	Southeast Asia	India
Target customers	<ul style="list-style-type: none"> • Major beverage manufacturers • Convenience stores • Dairy product manufacturers 	<ul style="list-style-type: none"> • Major beverage manufacturers • Financial conglomerates, convenience stores 	<ul style="list-style-type: none"> • Major beverage manufacturers
Product strategies	<div>Beverage vending machines</div> <div>Global coffee machines</div> <div>Ice cream vending machines</div>	<div>Beverage vending machines</div> <div>Global coffee machines</div>	<div>Beverage vending machines</div>
Points of differentiation	<div>Energy saving Large-scale products</div> <div>High-density extraction</div> <div>Stabilization of product temperature</div>	<div>Large capacity</div> <div>High-density extraction</div>	<div>Energy saving Large-scale products</div>
Sales Strategies	<ul style="list-style-type: none"> • Global beverage manufacturers • Collaboration with general trading companies 	<ul style="list-style-type: none"> • Collaboration with coffee bean producers 	<ul style="list-style-type: none"> • Partnership with general trading companies

< Net Sales Plan >

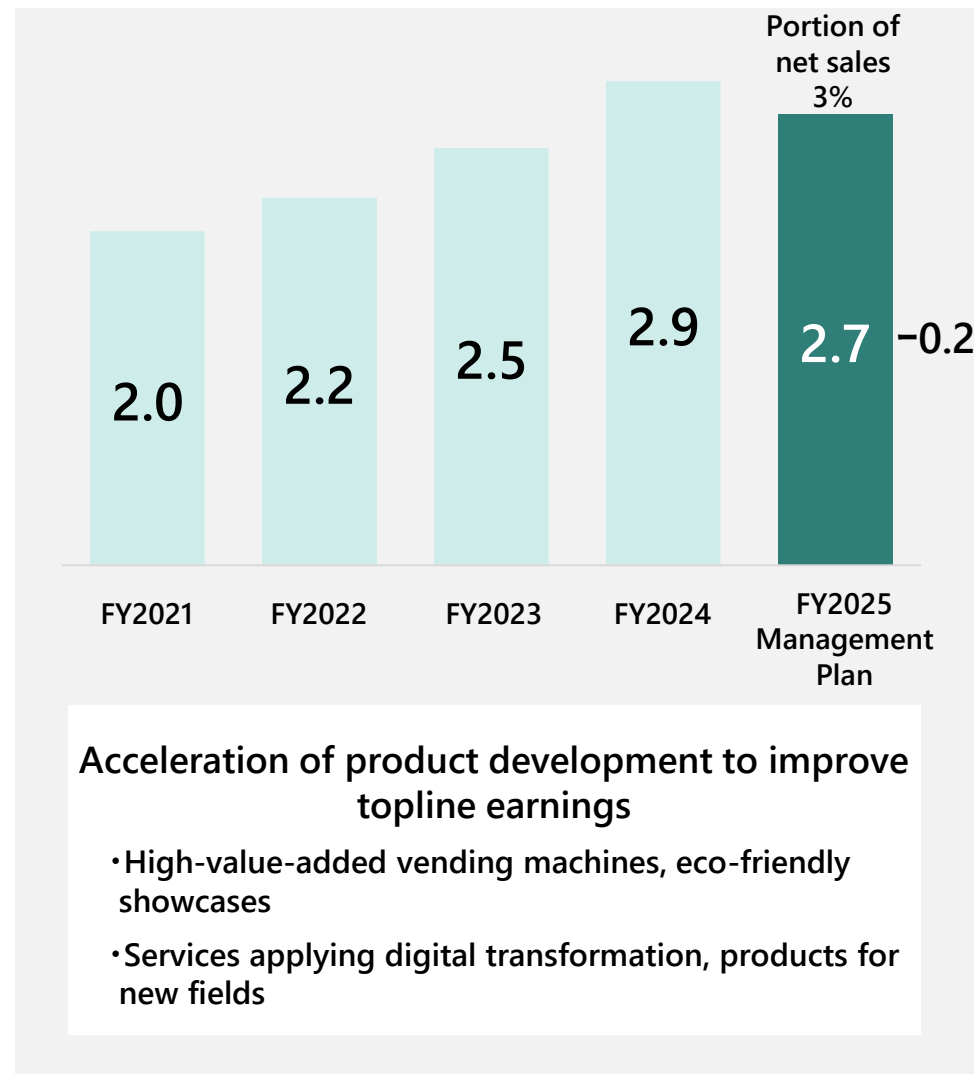


Capital Investment and Research and Development

Capital Investment (Billions of yen)



Research and Development (Billions of yen)



Note: The R&D expenditure figures above represent expenditures that have been allocated to segments based on theme and may therefore differ from figures contained in consolidated financial reports.

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