



# **Sales Strategies (Area Strategies)**

May 17, 2012

Fuji Electric Co., Ltd.

Global Business Group / Sales Group



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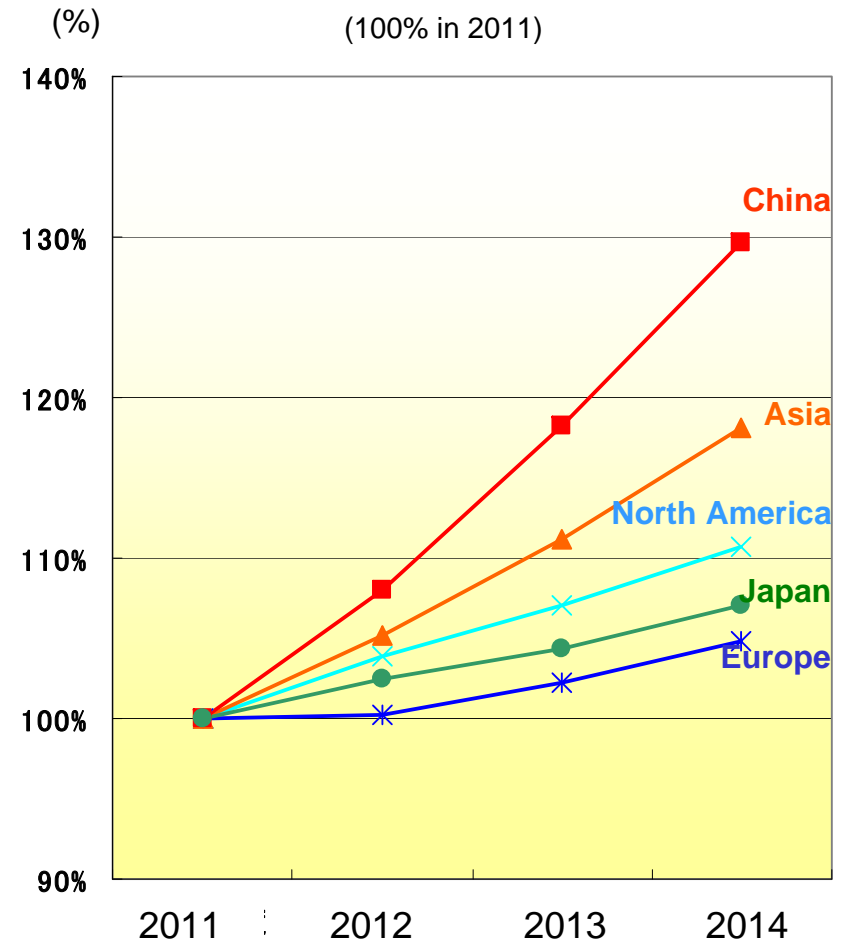
- Market Conditions Outlook
- Basic Policy
- Net Sales (Percentage from Overseas Sales / By Area)
- Priority Measures by Area / Area Strategies  
(Asia, China, Japan)
- Cultivation of Human Resources that can act on the  
Global Stage



# Market Conditions Expected in 2012

Area	2012 1H	2012 2H
Japan	Recovering modestly due to allotment of supplementary budget for earthquake restoration and steady consumer-spending	Growing modestly due to restoration demand and recovery in exports improving global economy centered on China and Asia
China	Softening of growth due to slumping exports to North America and Europe	Growth recovering stably due to domestic demand and pick-up in exports to North America and Europe
Asia	Thailand etc. expected to grow on flood restoration demand although economic slowdown last in some countries due to European debt crisis	Asian area likely to return to growth path due to economic restoration in North America and Europe and recovery of growth in China
North America	Recovering modestly due to improving employment market and solid consumer spending and manufacturing, in spite of uncertain outlook rooted deeply due to European debt crisis	
Europe	Negative growth due to the European debt crisis	Pace of recovery slow, although economy expected to pick up on higher exports due to euro depreciation

Forecast Growth Rates of Fuji Electric's Target Markets 2012– 2014 (in calendar year)

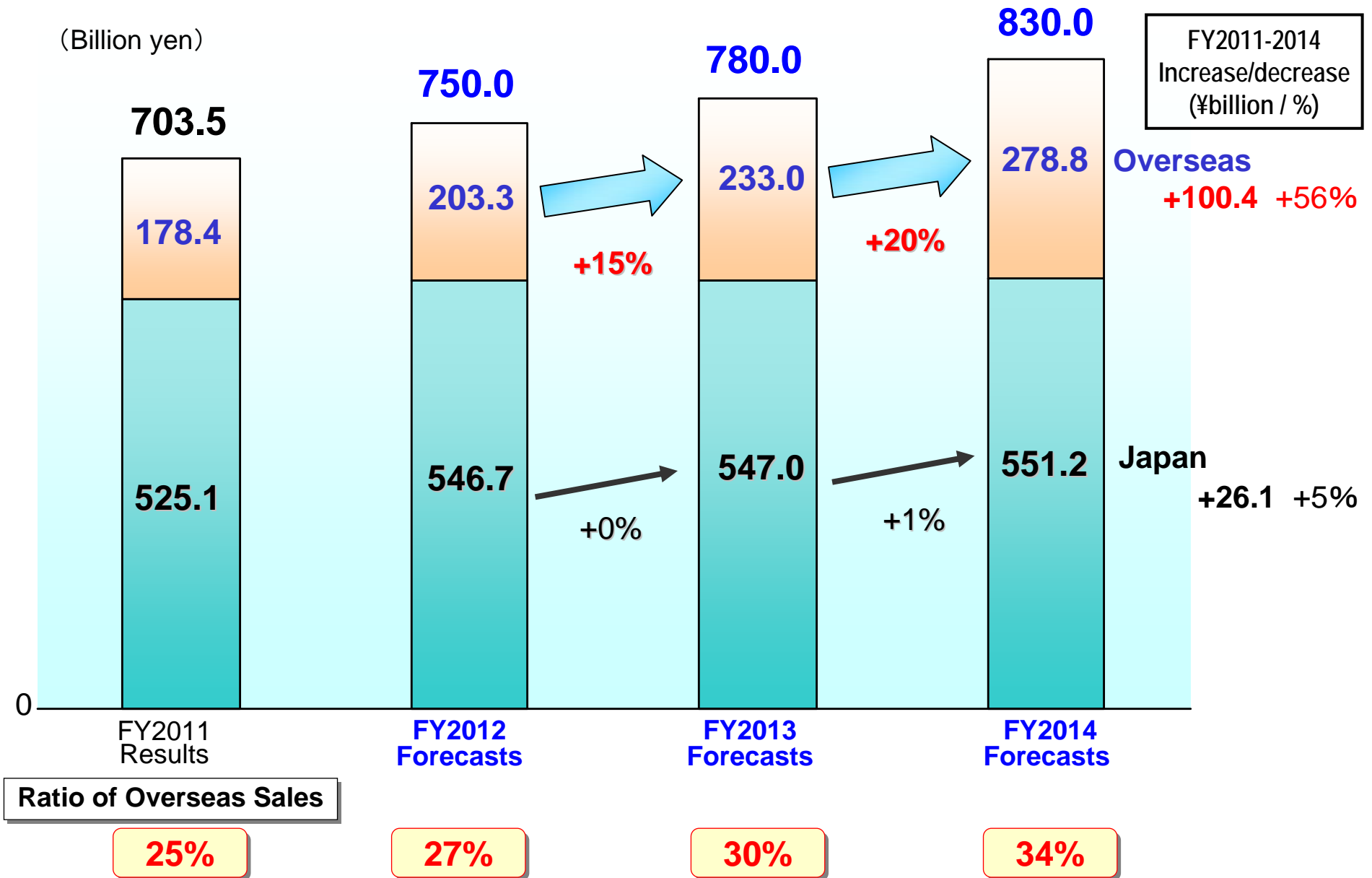


\* Fuji Electric's estimate

- ◆ Develop Global Business Group and expand business on a global scale
  - Strengthen and expand network of sales bases and distributors centered on Asia
  - Develop engineering systems to enhance responsiveness to changes in local conditions
  - Participate in new markets through joint-ventures with local partners
  - Cultivate human resources that can act on the global stage
  
- ◆ Strengthen provision-based sales capabilities and secure base load in Japan
  - Improve customer satisfaction by strengthening sales capabilities of service divisions
  - Step up customer retention efforts and sales channel strategies
  - Increase responsiveness to restoration demand through development of project system



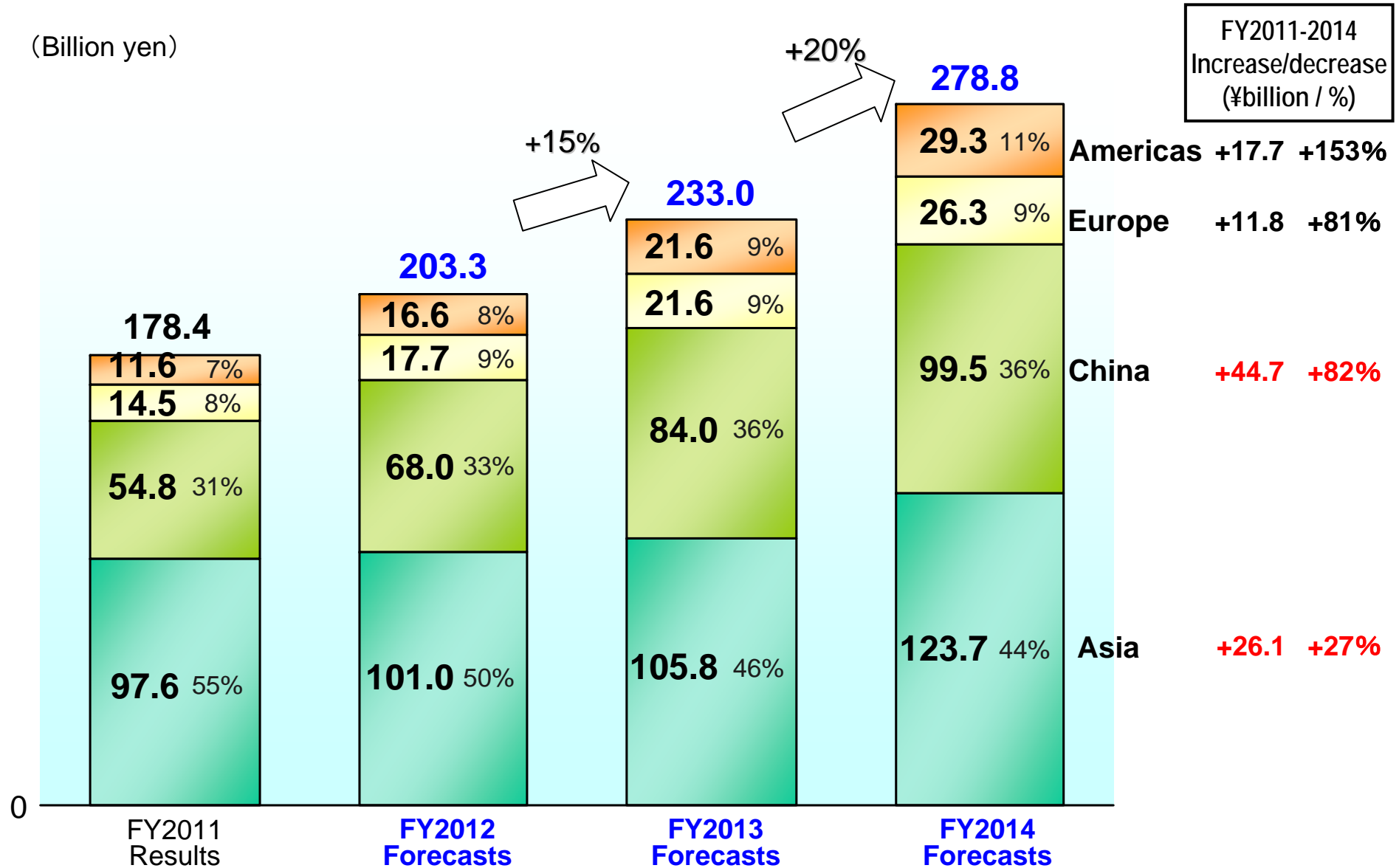
# Net Sales (overseas percentage)





# Overseas Net Sales (by area)

(Billion yen)



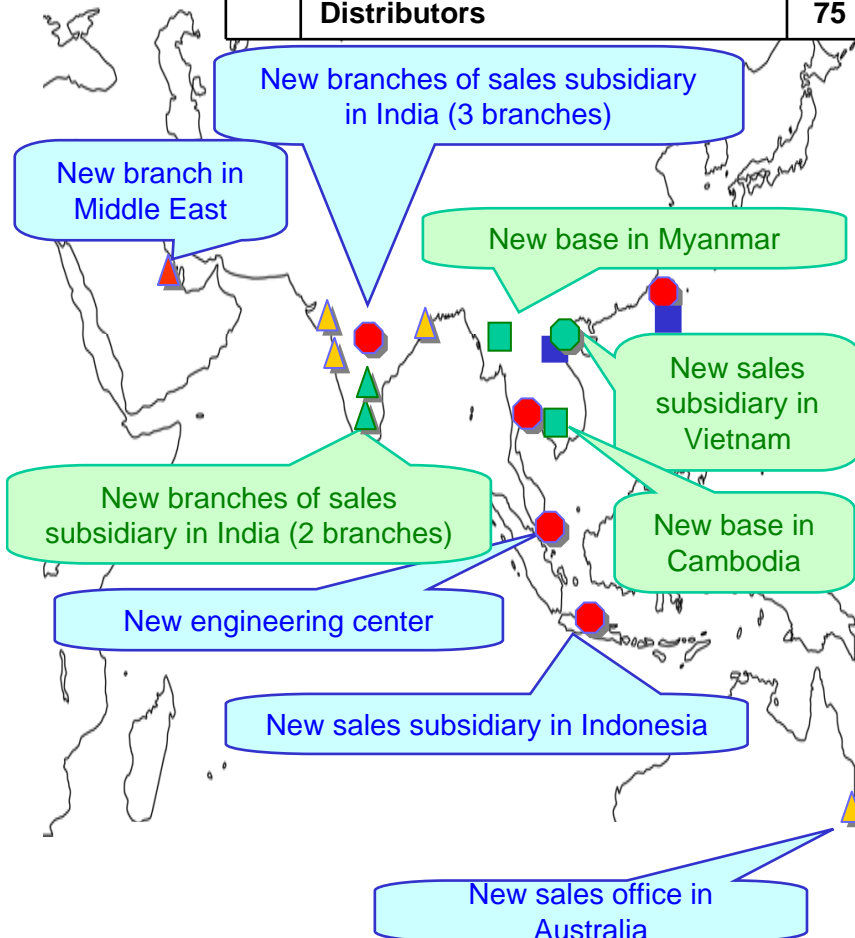


# Priority Measures by Area (Asia)

## Asia

Bases in FY2011

●	Sales subsidiaries	5
▲	Fuji Electric branches	1
■	Representative offices	2
▲	Branches, sales offices	4
	Distributors	75



### FY2011 Accomplishments

#### 1. Enhancing area coverage

- (1) Indonesia: Established new sales subsidiary
- (2) India: Established 3 new branches, expanded distributor network
- (3) Middle East: Established Fuji Electric Middle East Branch
- (4) Australia: Established new sales office

#### 2. Strengthening local operational systems

- (1) Singapore sales subsidiary: Established engineering center
- (2) Indian sales subsidiary: Appointed local staff members to executive management positions (Vice President level)

#### 3. Acquiring new customers

- (1) Responded to post-Thailand flood restoration demand

### FY2012 Plan

#### 1. Enhancing area coverage

- (1) Vietnam: Establish new sales subsidiary
- (2) Myanmar, Cambodia: Establish new bases
- (3) India: Establish 2 new branches, expand distributor network

#### 2. Strengthening local operational systems

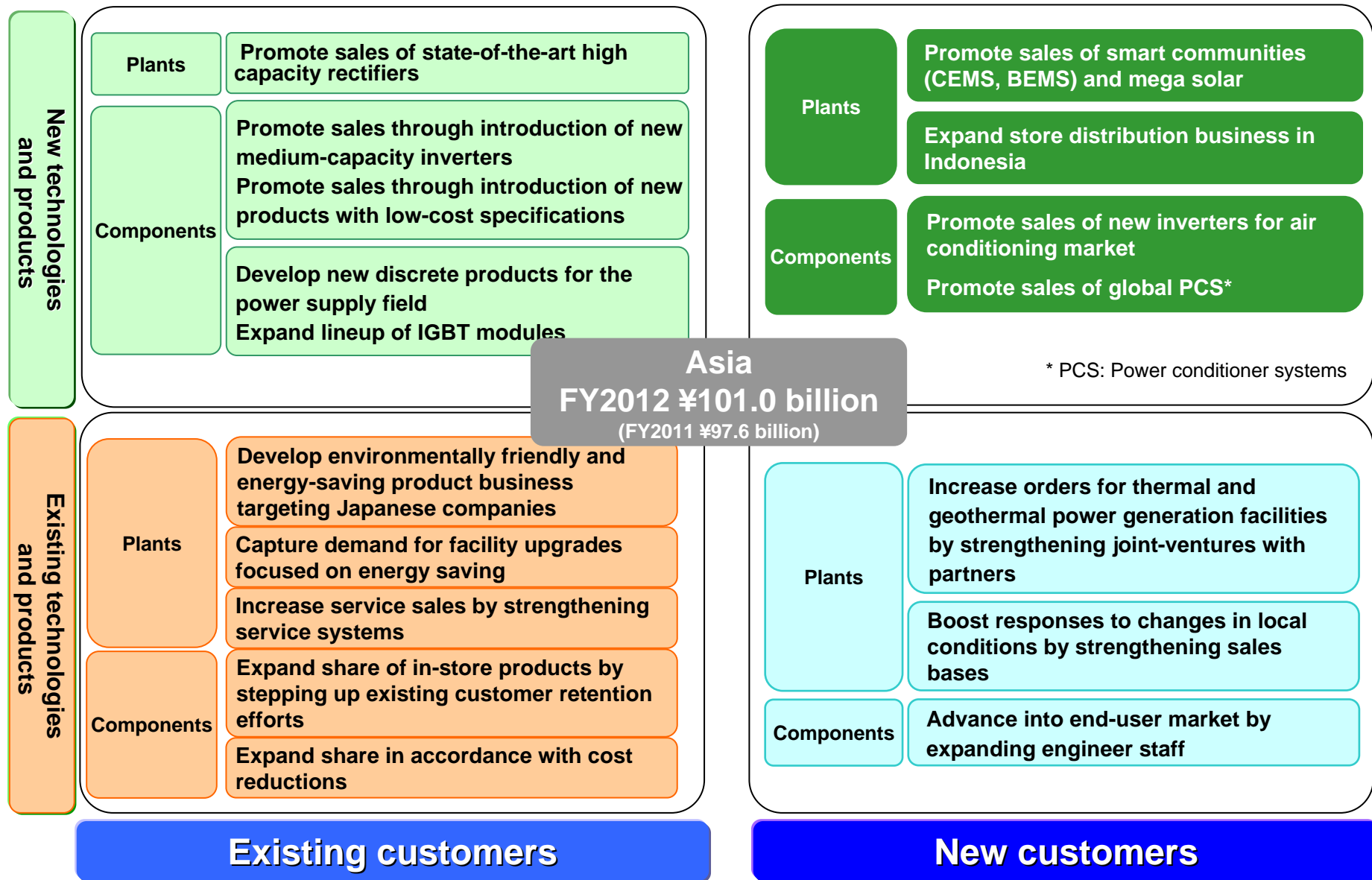
- (1) Strengthen engineering capabilities and bolster staff (Singapore, Thailand, Indonesia)
- (2) Develop comprehensive sales company system by expanding range of equipment handled (Taiwan, Thailand)

#### 3. Acquiring new customers

- (1) Enter into alliances with local partners (India, Indonesia, Thailand)



# FY2012 Area Strategies (Asia)

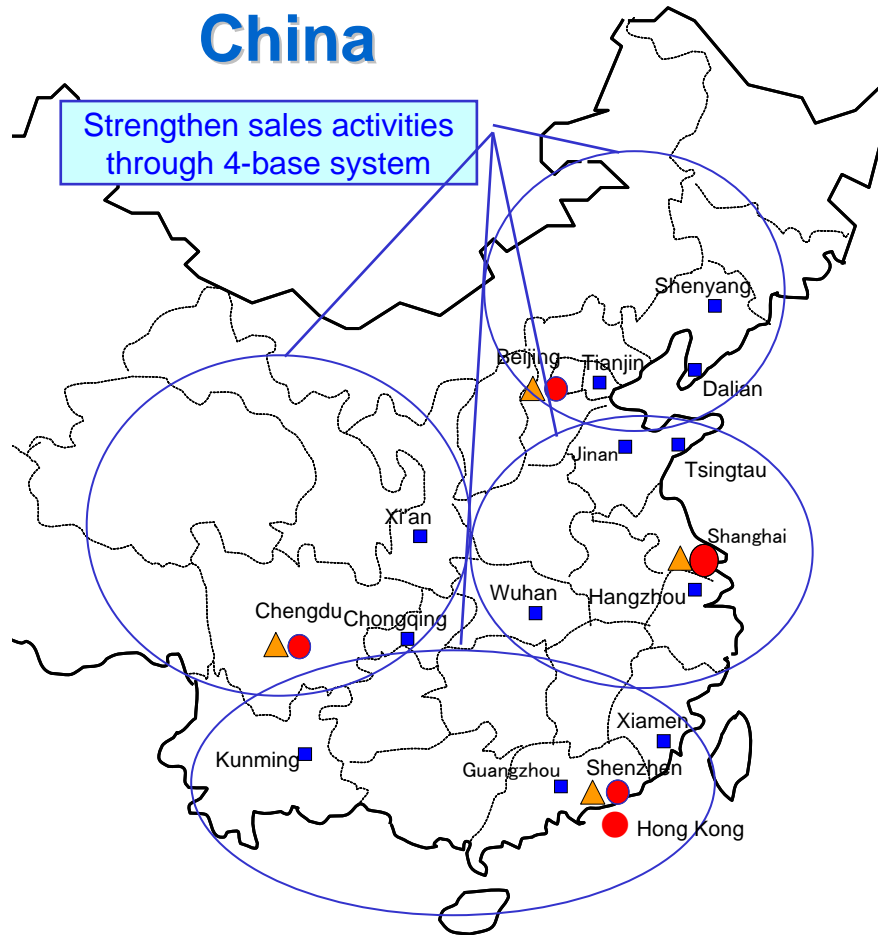


\* PCS: Power conditioner systems





# Priority Measures by Area (China)



Bases in FY2011

●	Headquarters + branches Hong Kong sales subsidiary	4 1
■	Branches	12
▲	Technical service bases	4
	Distributors	62

## FY2011 Accomplishments

### 1. Enhancing area coverage

- (1) Strengthened sales activities through 4-base system  
Shanghai (headquarters), Shenzhen, Beijing, Chengdu
- (2) Reinforced distributor network in all areas

### 2. Cultivating human resources

- (1) Appointed local staff members to executive management positions (Vice President level)
- (2) Expanded local staff

### 3. Boosting sales through alliances

- (1) Made alliances for compact inverters
- (2) Made alliances in UPS field
- (3) Expanded energy-saving business

## FY2012 Plan

### 1. Enhancing area coverage

- (1) Revise and strengthen distributor measures  
(commissions, incentive system)

### 2. Cultivating human resources

- (1) Assign young, local staff members to higher ranking sales positions
- (2) Educate distributor engineers (introduce qualification system)

### 3. Acquiring new customers

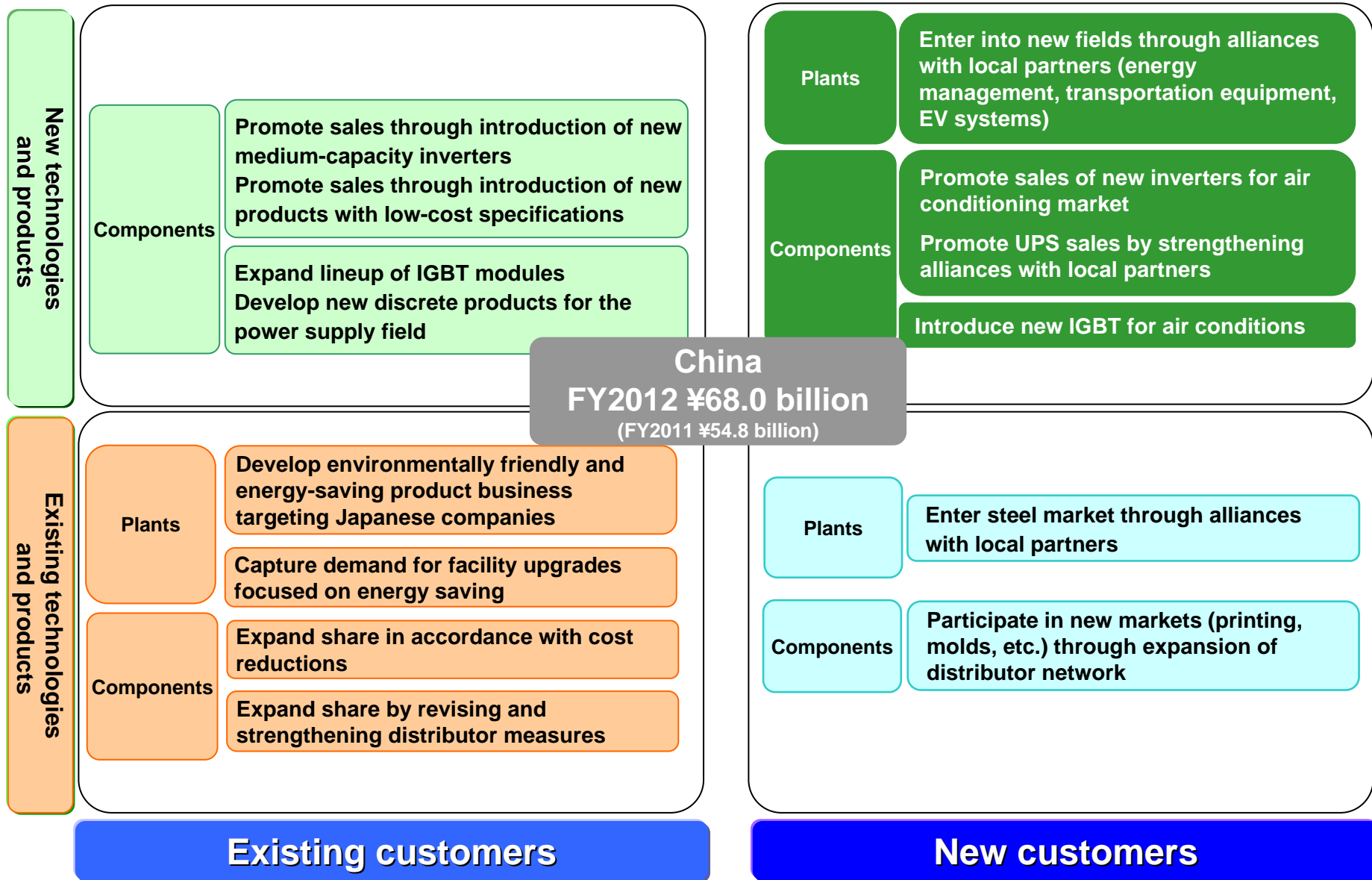
- (1) Enter into alliances with local partners

### 4. Increasing sales through new product introduction

- (1) Promote sales of power semiconductors for air conditioners
- (2) Promote sales of new inverters with low-cost specifications



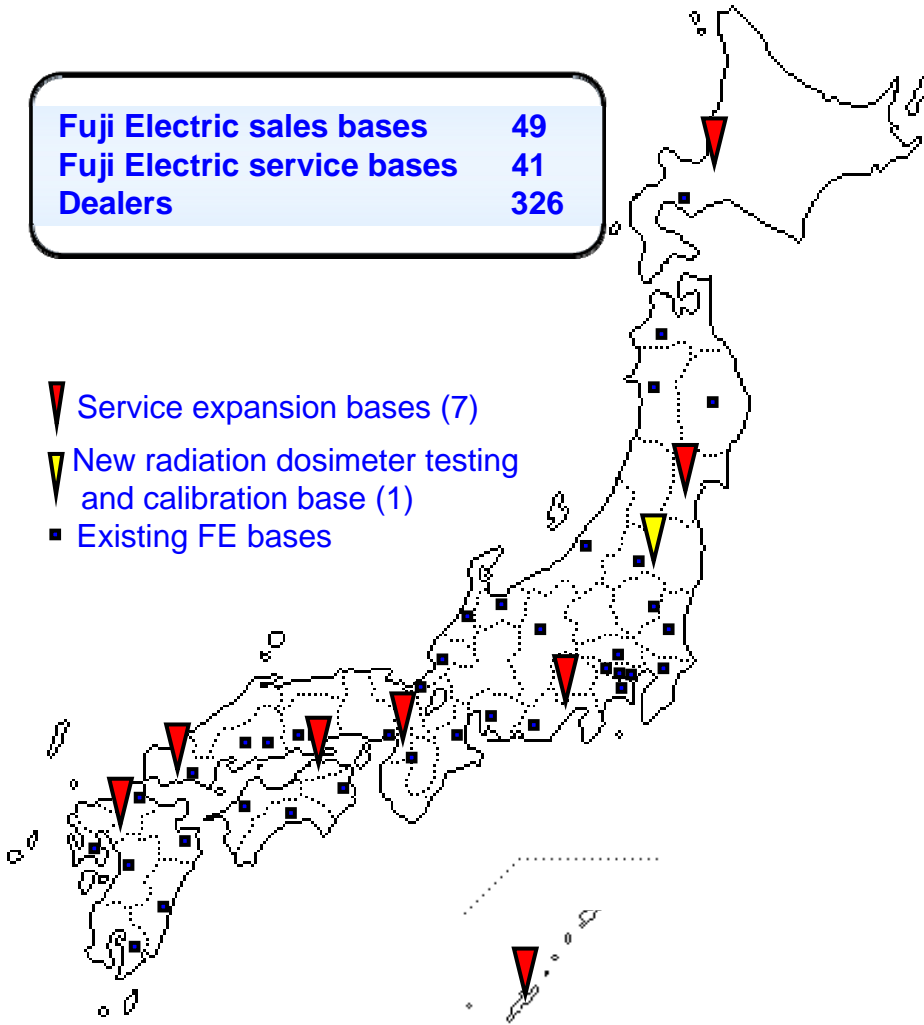
# FY2012 Area Strategies (China)



## Japan

Fuji Electric sales bases	49
Fuji Electric service bases	41
Dealers	326

- Service expansion bases (7)
- New radiation dosimeter testing and calibration base (1)
- Existing FE bases



### FY2011 Accomplishments

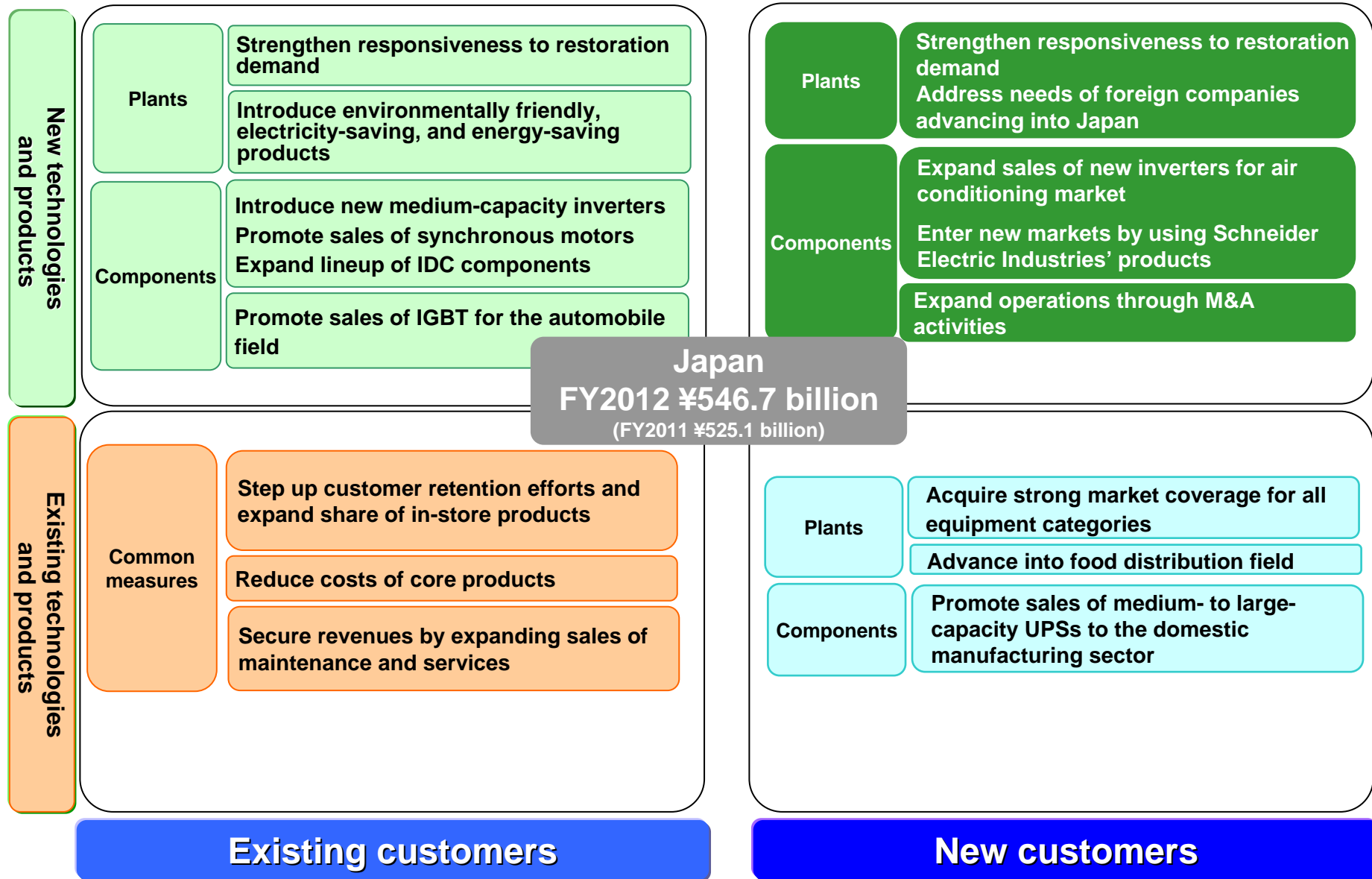
- 1. Addressing post-earthquake restoration demand**
  - (1) Established restoration support project
  - (2) Promoted sales of radiation dosimeters
- 2. Strengthening service systems**
  - (1) Bolstered proposal-based sales capabilities by expanding service staff in all regions
- 3. Fortifying relationships with key customers**
  - (1) Thoroughly considered customer needs and provided appropriate solutions
- 4. Implementing sales channel strategies**
  - (1) Strengthened partnerships with dealers

### FY2012 Plan

- 1. Strengthening social infrastructure businesses**
  - (1) Address further post-earthquake restoration demand
  - (2) Take full advantage of supplementary budgets (FIT scheme, approaching municipalities)
- 2. Strengthening service systems**
  - (1) Expand service business
- 3. Fortifying relationships with key customers and implementing sales channel strategies**
  - (1) Boost responsiveness toward customers' global strategies
  - (2) Respond to needs of dealers



# FY2012 Area Strategies (Japan)





## Strategies for cultivation of globally functional human resources

### Raising globally functional human resources

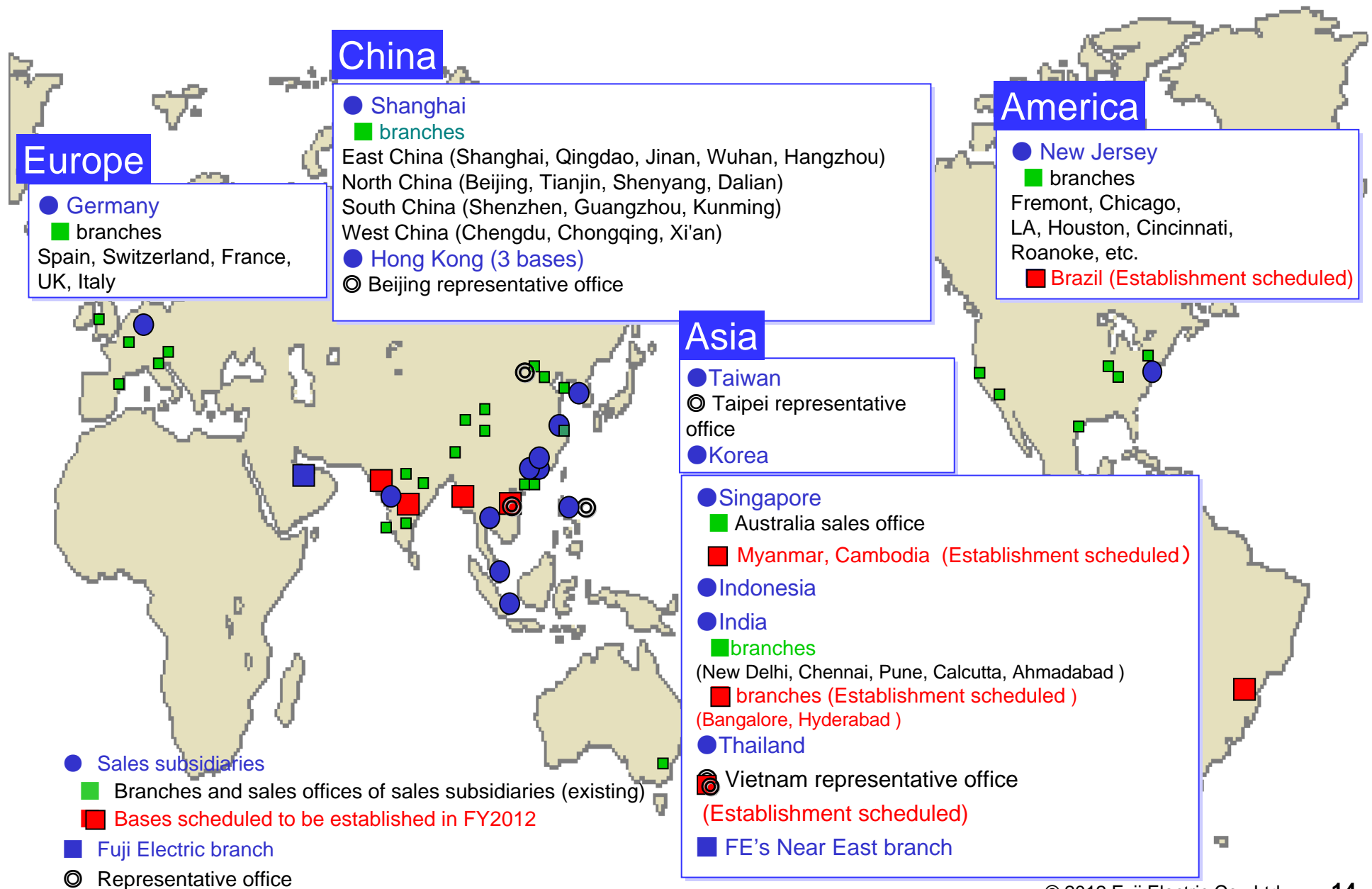
- Systematic development of future global managers
- Development of core personnel through enhancement of global-minded employee education programs
- Quick development of young employees through global trainee system

### Strengthening global HRM

- Bolster local staff (assign local staff to management positions)
- Create global human resources infrastructure (develop and utilize databases)
- Create global career paths (increase exchange of personnel)



# Overseas Sales Bases





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