

**Announcement Regarding Capital Investment for Expanding Switchboard
and Power Supply System Production Capacity**

Fuji Electric Co., Ltd., announced today that it has made plans to conduct capital investments for expanding its production capacity for switchboards and power supply systems at its Kobe Factory, located in the Nishi Ward of Kobe City, Hyogo Prefecture.

Rapid growth is being seen in demand for substation equipment and power supply systems for supplying power to the servers and air-conditioning equipment of internet data centers. This demand growth is being driven by increased construction for internet data centers amid the popularization of generative AI.

Fuji Electric supplies substation equipment (switchboards and molded transformers) as well as uninterruptable power supply systems (UPSs) for use in internet data centers and in the semiconductor factories for which construction has been brisk as of late. Orders for such items for internet data center and semiconductor factory applications in the fiscal year ending March 31, 2027, are projected to be roughly double the volume of orders seen in the fiscal year ended March 31, 2024.

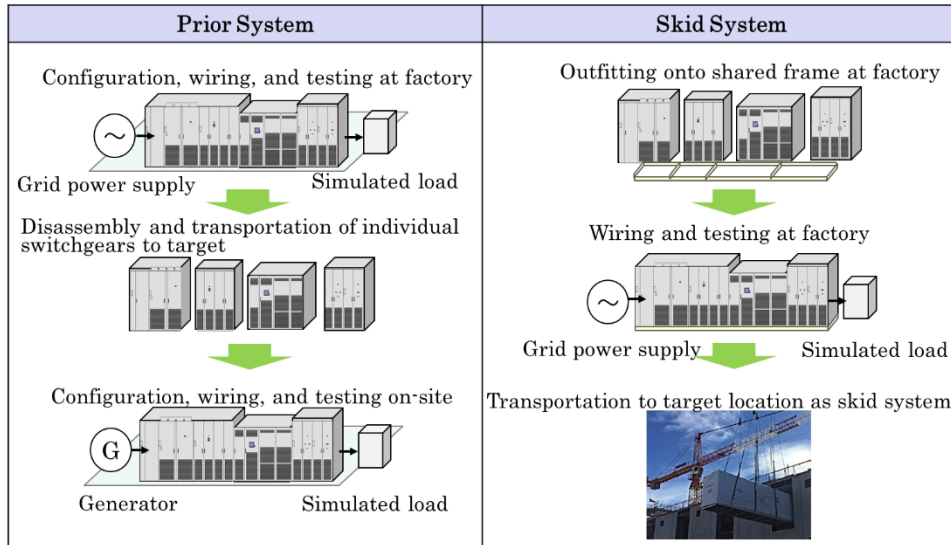
In light of these conditions, the Company has approved plans to augment the switchboard and UPS production facilities at the Kobe Factory and to install skid system production equipment (cranes and testing apparatuses) at this factory.

Skid systems are a type of transportation system in which switchboards, UPSs, transformers, and other equipment, which were previously transported separately to their intended location, are outfitted onto a shared frame to be transported as a unit. This approach allows for the wiring, direct current and sequence testing, and exterior inspections that were previously conducted both at factories and final destinations to be consolidated and conducted only at factories, thereby contributing to shorter construction periods for internet data centers. Moreover, the reduction in amount of installation and testing work needing to be performed on-site helps address shortages in installation and other workers.

The augmentation of production facilities and introduction of skid system production equipment is anticipated to result in a 50% increase in production capacity for switchboards and UPSs at the Kobe Factory. In addition, these investments are expected to reduce the amount of time required for the processes spanning from pre-shipment testing to on-site installation by 40%.

Construction work at the Kobe Factory is scheduled begin in June 2025 and to be completed in September 2026.

**System Reducing Amount of Time Required for Processes Spanning
from Pre-Shipment Testing to On-Site Installation by 40%**



Note: Information contained within this news release is as of the time of release and is subject to change without prior notification.