



FY2026 Medium-Term Management Plan

Semiconductor Business Group

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I . Business Overview

Contributions to vehicle electrification, more compact power electronics, energy savings, and CO₂ emissions reductions

Automotive

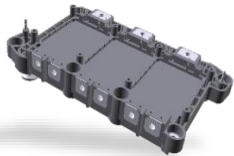
(Domestic sales: 68%; Overseas sales 32%)*



xEVs / Gasoline Vehicles

xEV motor control, engine control, transmission control, brake control, steering control, etc.

Automotive modules



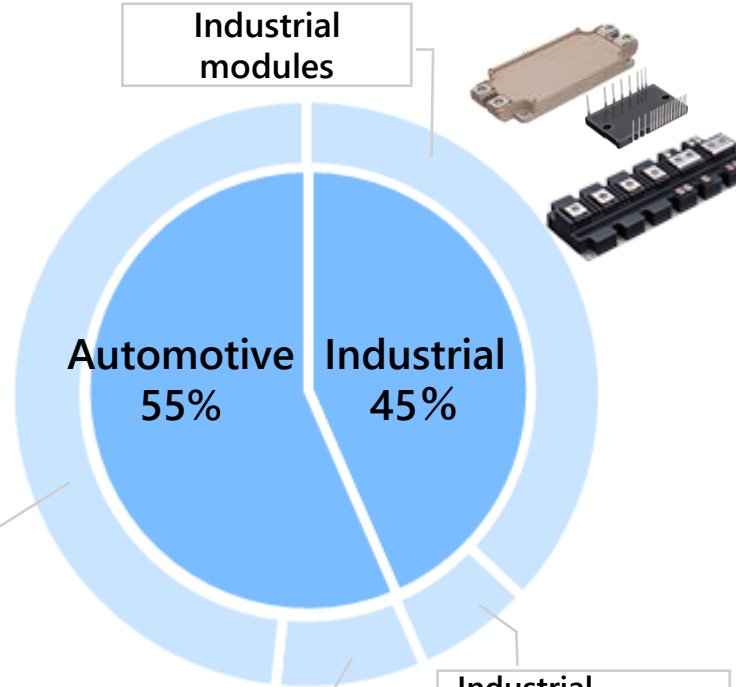
Automotive discrete devices



Net sales (FY2023 results)

¥228.0 billion

(Domestic sales: 47%; Overseas sales: 53%)*



Industrial modules



Industrial discrete devices Photoconductors



Industrial

(Domestic sales: 23%; Overseas sales 77%)*



FA



Air conditioners

(invertors, servos) (commercial/household)



Renewables PCSs

(wind power, solar power)



Flat-screen TVs



Miniature UPSs



Printers

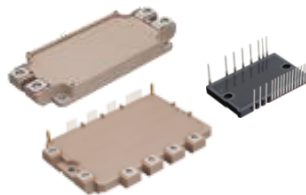
Note: Percentages of total net sales figures represent FY2023 results and are calculated before deduction and adjustment for inter-segment sales.

Industrial

Motor Drive Systems (Factory Automation, Air Conditioning, etc.)



IGBT Modules



Renewable Energy



IGBT and SiC Modules



- Low loss achieved using 7th-generation IGBTs
 - Compact yet high output equipment made possible using RC-IGBTs*1
- No. 3 global share for IGBT modules

Automotive

Electrified Vehicles (Full-hybrid vehicles, EVs)



IGBT and SiC Modules



- Low loss and ease of use through SiC-MOSFETs

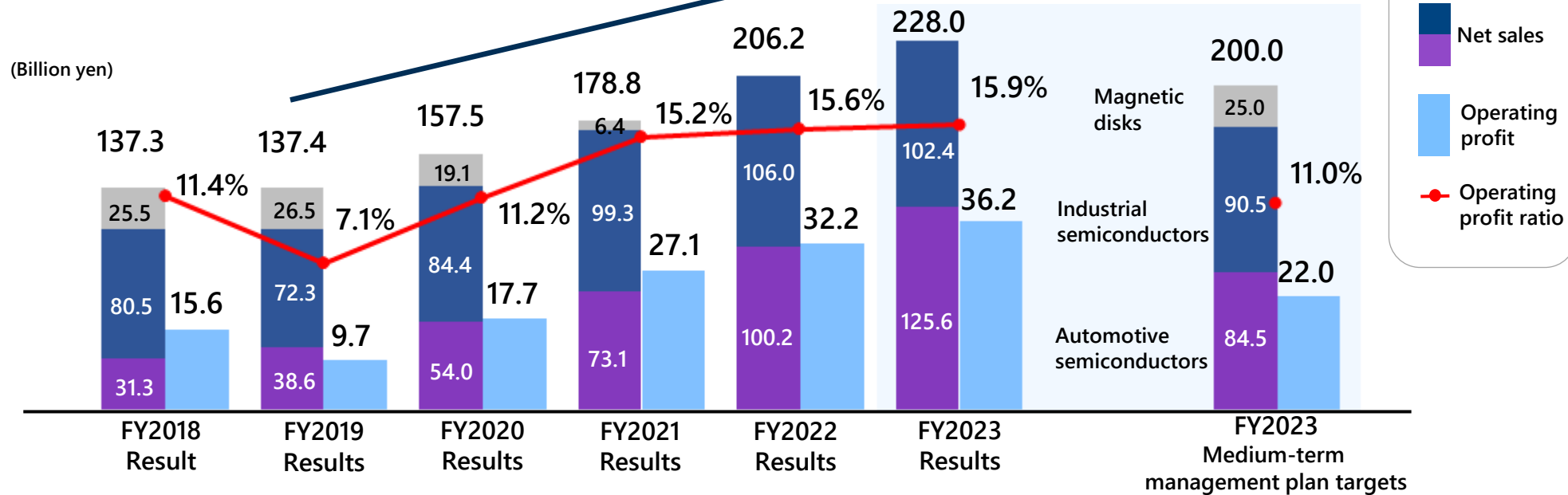
* Reverse Conducting-IGBT: Chips integrating both IGBT and FWD chips

II. Review of FY2023 Medium-Term Management Plan

Review of FY2023 Medium-Term Management Plan

Net sales target of medium-term management plan achieved one year ahead of schedule, operating income target achieved two years ahead of schedule, and record-breaking performance posted in FY2023

Massive growth of power semiconductor business compensating for impacts of withdrawal from magnetic disk business



Successes

- Doubled sales of power semiconductors (in comparison to FY2018)
- Fourfold increase in automotive semiconductor sales (in comparison to FY2018)
- Fivefold increase in 8-inch Si device production capacity (in comparison to March 31, 2019, on March 31, 2024)




Challenges

- Further expansion of sales in growing electrified vehicle market
- Augmentation of 8-inch SiC and Si device production capacity
- Swift development of 8th-generation IGBTs and 3rd-generation SiC devices

III. Overview of FY2026 Medium-Term Management Plan

Industrial: Market growth anticipated centered on renewable energy

Automotive: Growth of overall electrified vehicle market, despite recent slowdown in growth of EVs

Business Fields	Market Outlook (FY2024–FY2026)		
Industrial	Factory automation	Adjustment phase to continue until mid-FY2024, but market growth anticipated due to recovery in capital investment expected to begin in second half of fiscal year	
	New energy	Ongoing trend toward decarbonization anticipated to sustain favorable conditions	
	Consumers, etc.	Slow market growth for private-sector and air-conditioning equipment in FY2024, but market recovery anticipated in leading up to 2026	
Automotive	xEVs	Recent slowdown in growth of BEVs, but growth in overall electrified vehicle market anticipated	
	Gasoline vehicles	Ongoing decline in demand related to gasoline vehicles due to continuation of trend toward electrified vehicles	

Business Policies

Expansion of sales due to strong progress soliciting specifications for use in growing fields (electrified vehicles, renewable energy)

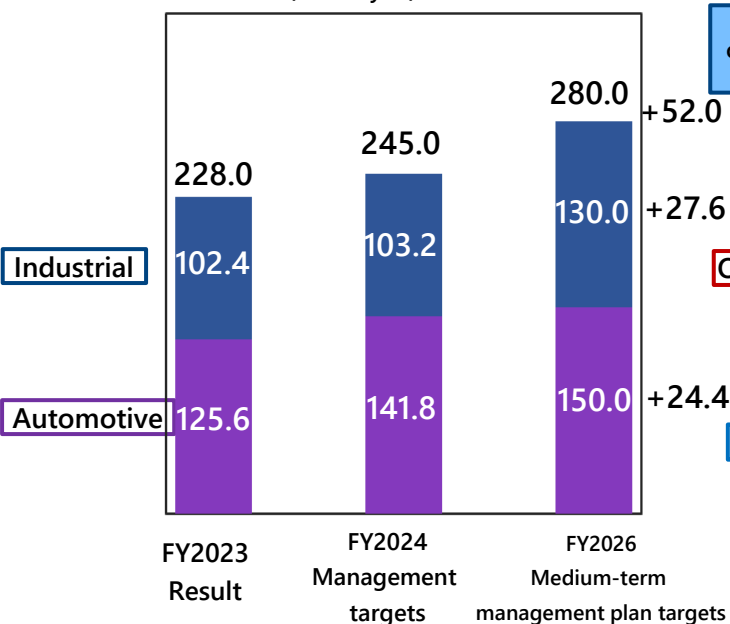
Construction of production system capable of accommodating growing SiC device demand

Business Targets

Net Sales by Subsegment

(Billion yen)

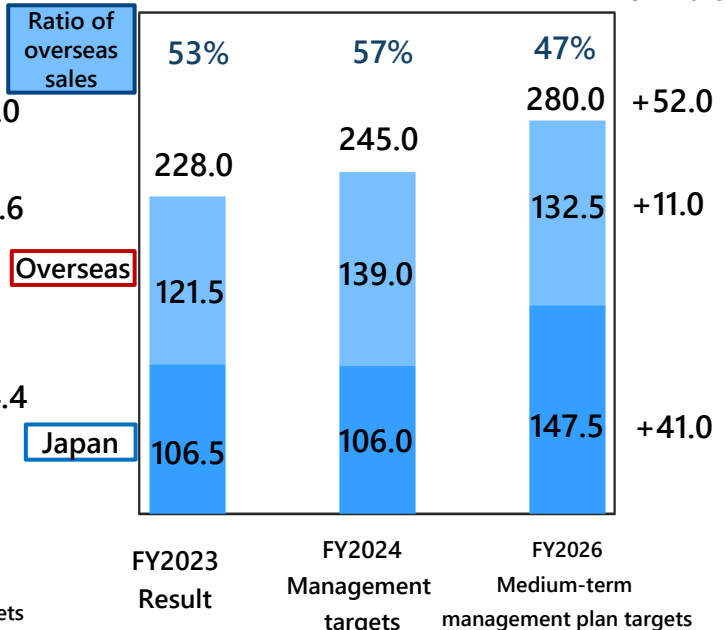
vs FY2023



Net Sales in Japan / Overseas

(Billion yen)

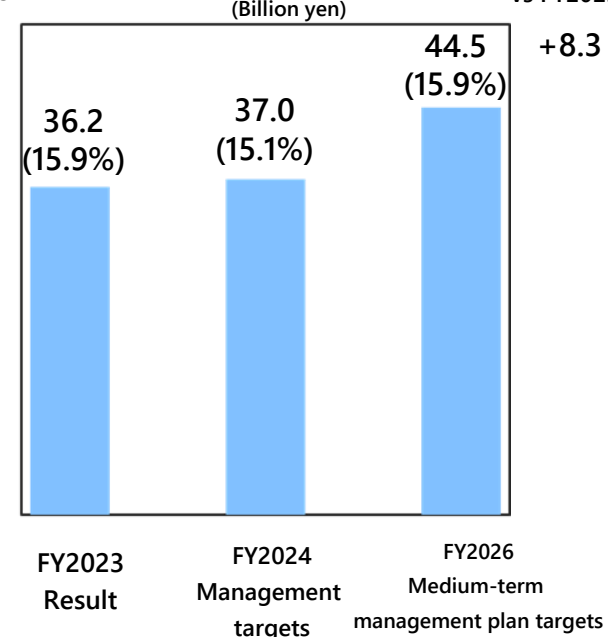
vs FY2023



Operating Profit / Operating Profit Ratio

(Billion yen)

vs FY2023



- **Automotive business**
 - Expansion of sales centered on SiC devices in growing electrified vehicle market

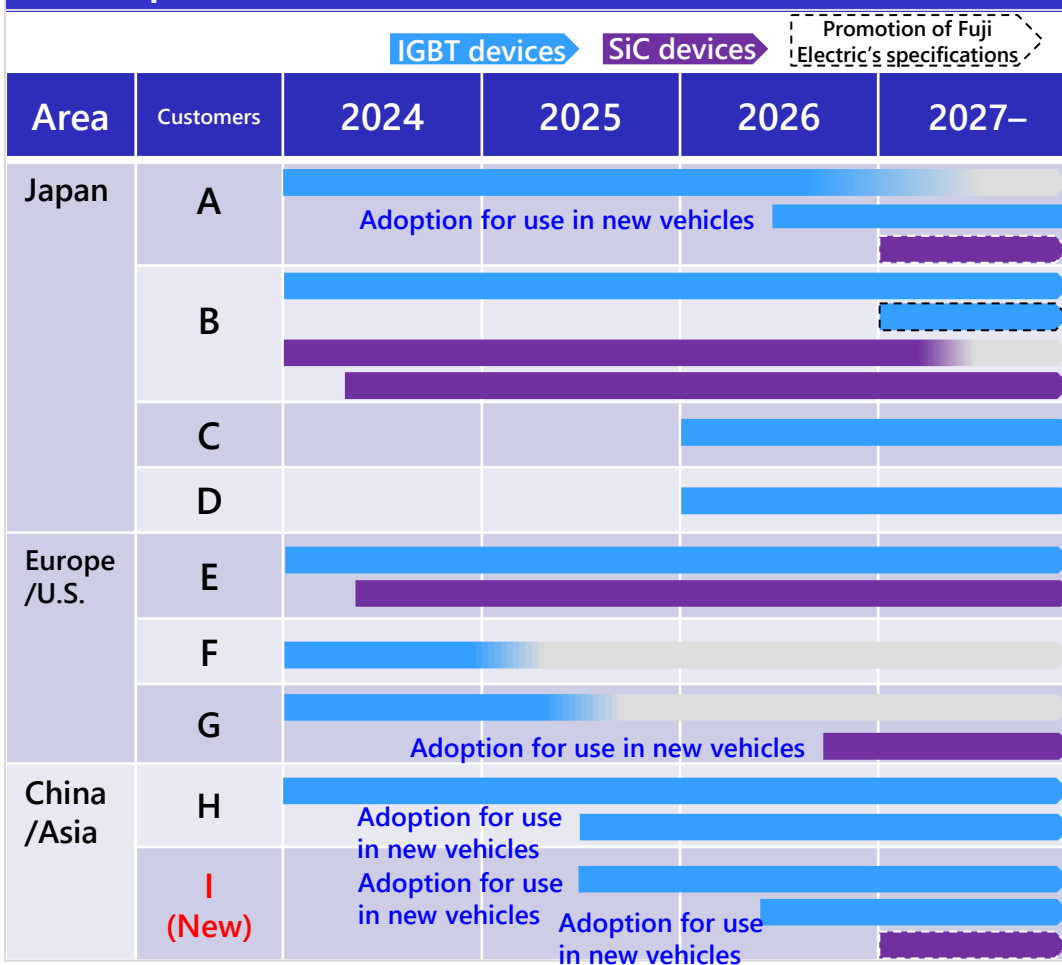
- **Industrial business**
 - Expansion of sales of 7th-generation IGBTs driven by favorable renewable energy market trends

- **Enhancement of manufacturing**
 - Front-end: Ongoing bolstering of 8-inch Si and SiC wafer production capacity
 - Back-end: Construction of mass production line for automotive SiC modules
Augmentation of industrial IGBT module production capacity and expansion of range of products manufactured

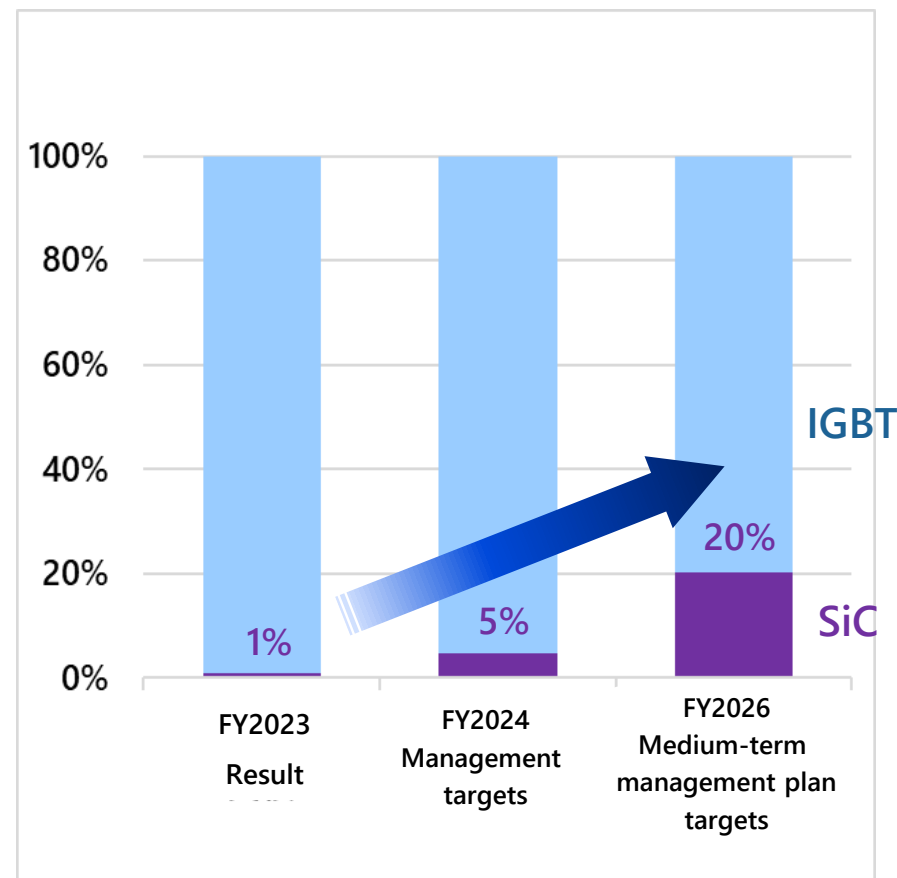
- **Development of competitive new products**
 - Development and mass-production of IGBTs and SiC modules for automotive and industrial (large-capacity) applications
 - Development of 3rd-generation SiC-MOSFETs
 - Development of 8th-generation IGBTs

- Advancement of campaigns to encourage use of Fuji Electric's specifications aimed at target customers
- Rapid growth in portion of sales represented by SiC devices beginning in 2026 due to increased sales of vehicles using Fuji Electric SiC devices and adoption for use in new vehicles

Adoption of New IGBT and SiC Products for xEVs



Breakdown of Sales of Automotive Modules

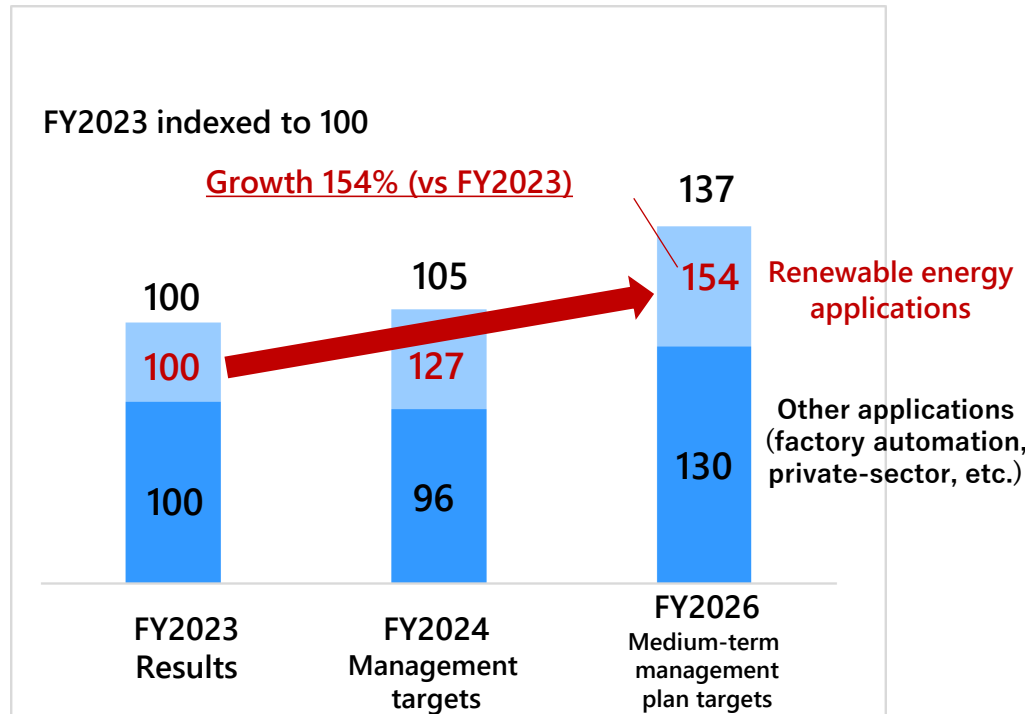


Industrial Semiconductors (IGBT Module Sales Targets)

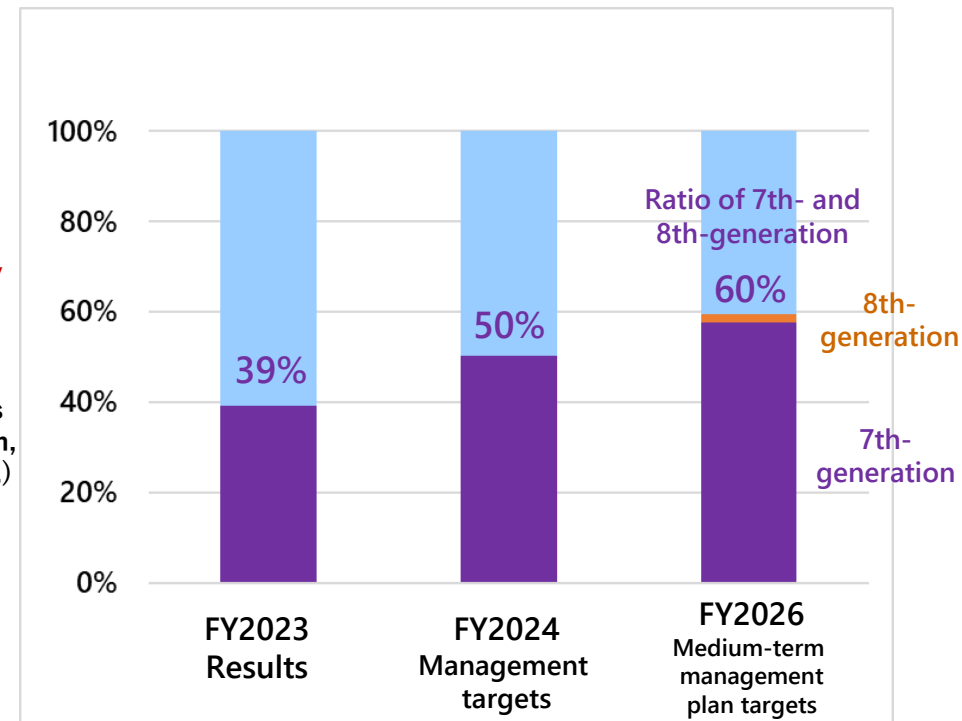
- Increased sales of industrial semiconductors for renewable energy applications following growth in share among major industry customers
- Rise in portion of sales presented by 7th- and 8th-generation IGBTs (60% in FY2026)

Note: Sales of 8th-generation IGBTs scheduled to commence in late FY2025

Sales by Application



Ratio of Sales from Industrial IGBTs



Bases



Japan (Matsumoto)

- Mother factory
- Mass production of 8th-generation IGBTs scheduled to begin in FY2025
- Augmentation of SiC device production capacity to start in FY2025



Japan(Yamanashi)

- Principal 8-inch Si wafer factory
- Production of automotive IGBTs and 7th-generation IGBTs



Japan (Tsugaru)

- Mass production of SiC devices scheduled to begin in FY2024
- Augmentation of SiC device production capacity scheduled for FY2025



Malaysia

- Augmentation of 8-inch Si wafer production capacity scheduled for FY2024 (Mass production commenced in FY2023)

Measures

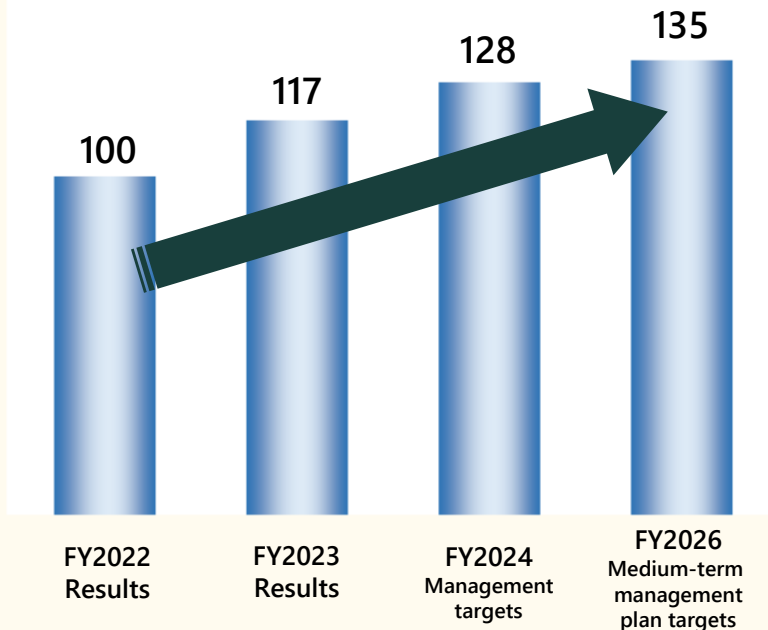
- Augmentation of 8-inch Si wafer production capacity (Malaysia) and accommodation of new products
- Commencement of mass production of 6-inch SiC wafers (Tsugaru) and expansion of production capacity (Matsumoto, Tsugaru) in FY2024

Production Capacity Augmentation Plans for 8-Inch Si Wafers and SiC Wafers

- Augmentation of 8-inch Si wafer production capacity scheduled for FY2026 (35% increase from FY2022)
- Mass production of SiC devices scheduled to begin in FY2024 and massive increase in production capacity slated for FY2026

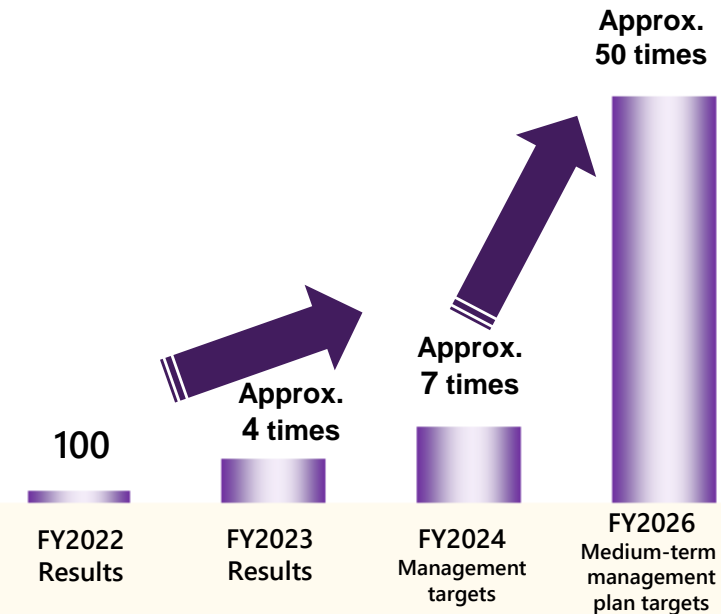
Front-End 8-Inch Si Wafer Production Capacity

Note: Figures are as of March 31 of respective year. FY2022 is indexed to 100.



Front-End 6-Inch SiC Wafer Production Capacity

Note: Figures are as of March 31 of respective year. FY2022 is indexed to 100.



Bases



Japan (3 bases)

- Mother base for assembly products
- Manufacturing of products for domestic customers
 - Augment of automotive module production capacity
 - Start of production of 8th-generation IGBTs (FY2025)



China (Shenzhen)

- Production base for IGBT modules for Chinese market
 - Augment of 7th-generation IGBT production capacity



Philippines

- Principal base for production of discrete devices and air-conditioner modules
- Start of production of 7th-generation IGBTs (FY2025)



Malaysia

- Production base for industrial IGBT modules for U.S. market
 - Augment of 7th-generation IGBT production capacity

Measures

- Promotion of **local production and consumption** and start of industrial IGBT module production in the Philippines (FY2025)
- Augmentation of electrified vehicle module production and **start of production of new products** (Approx. 35% increase from March 31, 2024, to March 31, 2027)
- Bolstering of 7th-generation industrial IGBT module production capacity and **expansion of range of products manufactured** (Approx. 30% increase from March 31, 2024, to March 31, 2027)

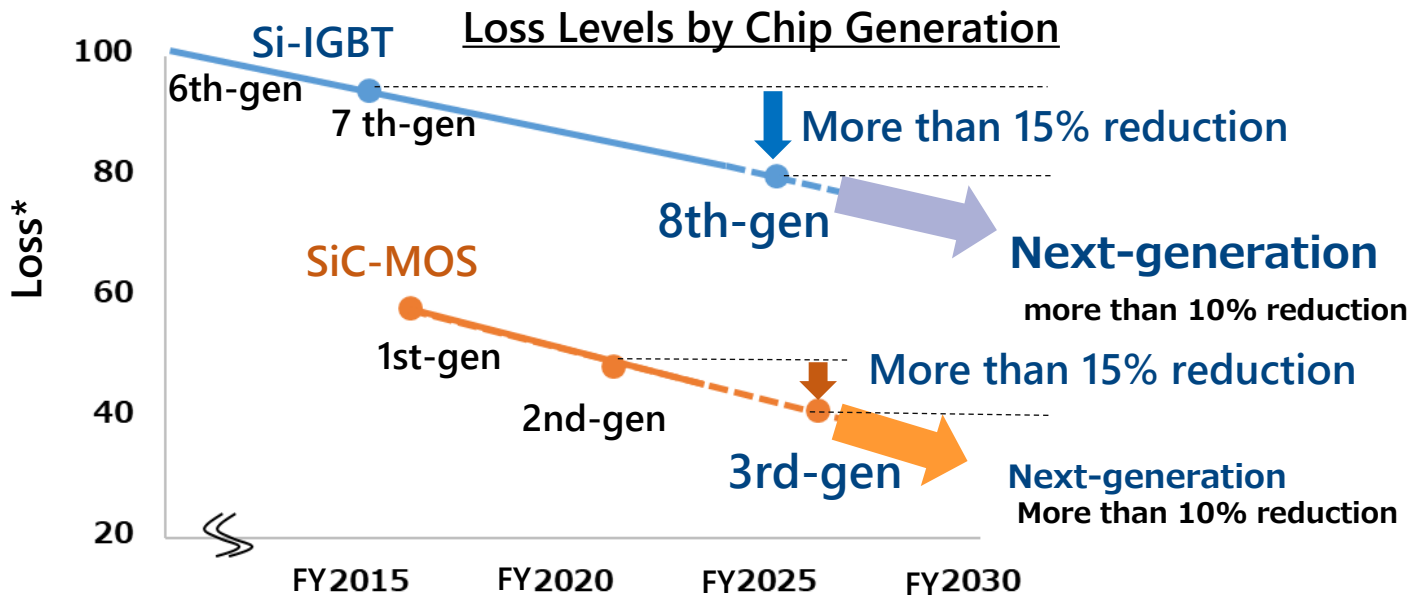
- Development of new 3rd-generation SiC-MOSFETs and 8th-generation Si-IGBT chip products and next-generation technologies

SiC-MOSFET

- 3rd-generation SiC-MOSFETs (mass production scheduled to commence in FY2026)
 - Reduction of more than 15% in loss in comparison to 2nd generation
 - Series with voltage-resistance spanning from 750 V to 3,300 V
- Development of next-generation SiC MOSFET technologies
 - Reduction of more than 10% in loss in comparison to 3rd generation

Si-IGBT

- 8th-generation IGBTs (mass production scheduled to commence in FY2025)
 - Reduction of more than 15% in loss in comparison to 7th generation
- Development of next-generation IGBT technologies
 - Reduction of more than 10% in loss in comparison to 8th generation



* 6th-generation Si-IGBTs indexed to 100

Development of Competitive Modules

- Development of modules employing 8th-generation IGBT and 3rd-generation SiC technologies
- Improvement of output density through high-density mounting technologies and functionality under high temperatures

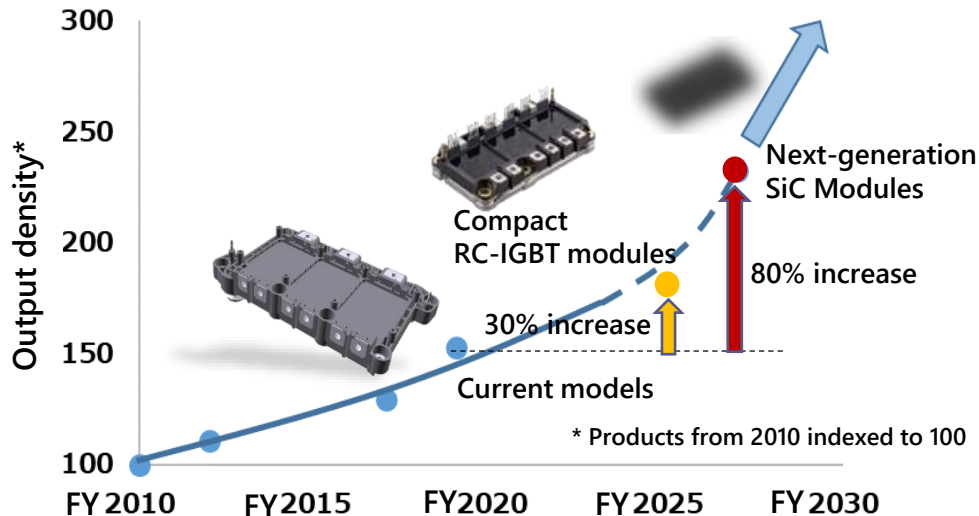
Automotive Modules

- Compact RC-IGBT modules (mass production scheduled to commence in FY2025)
 - Improved output density through use of RC-IGBT and high-density mounting technologies
- Next-generation SiC modules (mass production scheduled to commence in FY2026)
 - Improved output density through use of 3rd-generation SiC and 3D wiring

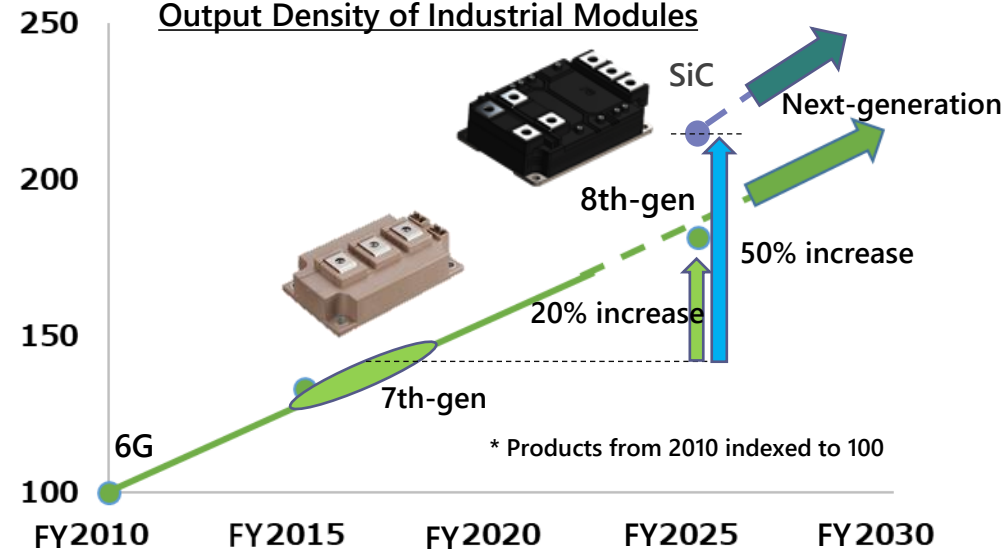
Industrial Modules

- 8th-generation industrial IGBT modules (mass production scheduled to commence in FY2025)
 - Increased output through use of 8th-generation IGBT technologies and functionality under high temperatures
- Large-capacity SiC modules (mass production scheduled to commence in FY2025)
 - Massive reduction in loss through use of 3rd-generation SiC technologies and low inductance packages
 - Contribution to increased inverter output through higher output density

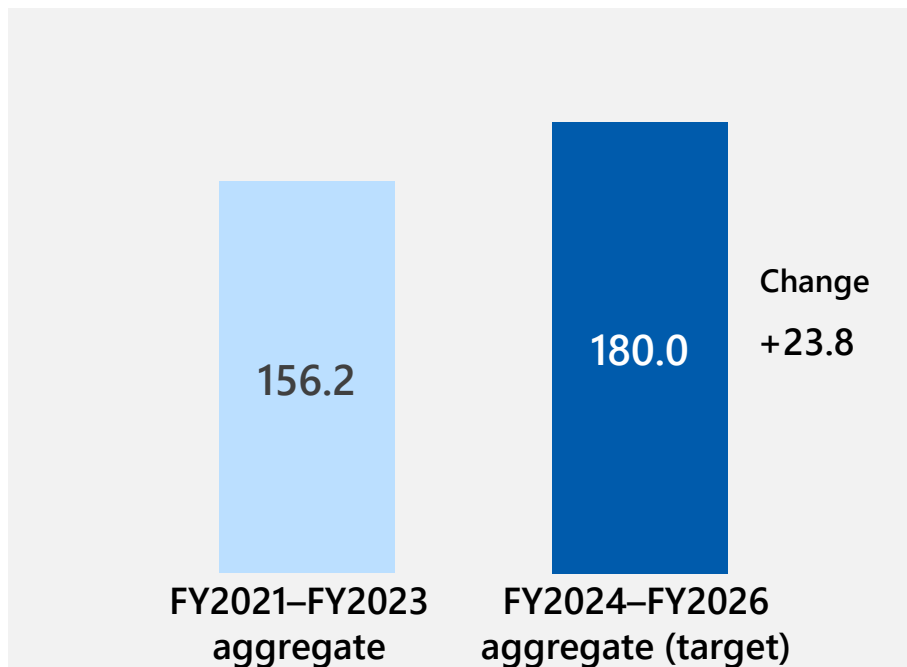
Output Density of Automotive Modules



Output Density of Industrial Modules

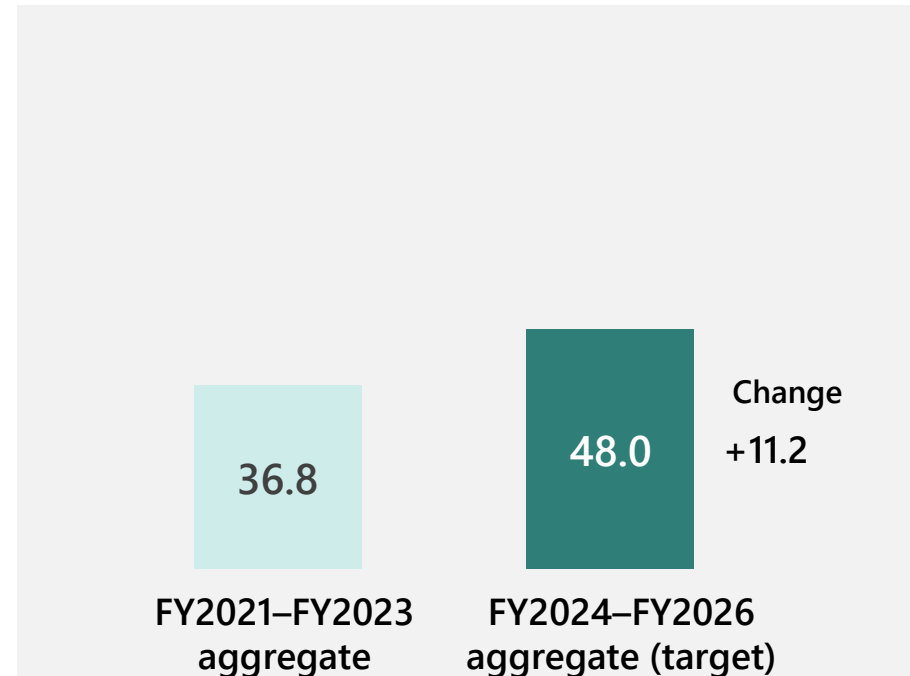


Capital Investment (Billion yen)



- Expansion of front-end (SiC, 8-inch IGBT) production capacity
- Expansion of back-end (automotive and industrial module) production capacity

Research and Development (Billion yen)



- Electrified vehicle and industrial SiC and IGBT modules
- Technological development for 3rd-generation SiC-MOSFETs and 8th-generation IGBTs
- Development of 8-inch SiC wafer mass production technologies

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