



Consolidated Financial Results for 1Q FY2024

Fuji Electric Co., Ltd.

July 25, 2024

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1. FY2024 1Q Results

(YoY Comparison)

New record highs for net sales, operating profit, and ordinary profit

	(Billion yen)		
	FY2023	FY2024	Change
Net Sales	234.1	236.4	2.2
Operating Profit (Operating Profit Ratio)	14.7 (6.3%)	17.3 (7.3%)	2.6 (1.0%)
Ordinary Profit	15.1	18.3	3.1
Extraordinary Profit	4.6	0.3	-4.3
Profit before Income Taxes	19.7	18.5	-1.2
Profit Taxes	6.3	5.9	-0.5
Profit attributable to Non-controlling Interests	1.1	1.2	0.1
Profit attributable to Owners of Parent	12.3	11.5	-0.8

(Period-End rate : End of June)

	(Yen)		
US\$	144.99	161.07	16.08
EURO	157.60	172.33	14.73
RMB	19.94	22.04	2.10

(Average Exchange Rate)

	(Yen)		
US\$	137.37	155.88	18.51
EURO	149.47	167.88	18.41
RMB	19.56	21.48	1.92

Change of Net Sales

Gain on translation of earnings of overseas subsidiaries	+5.5
Demand Decrease	-3.3

Change of Operating Profit

Decrease in sales and production volumes	-0.2
Increase in fixed costs	-3.4
Exchange rate effect	+1.0
Others*	+5.2
	+2.6

*cost reduction, price fluctuations, sales mix changes and others

Change of Non-operating Profit

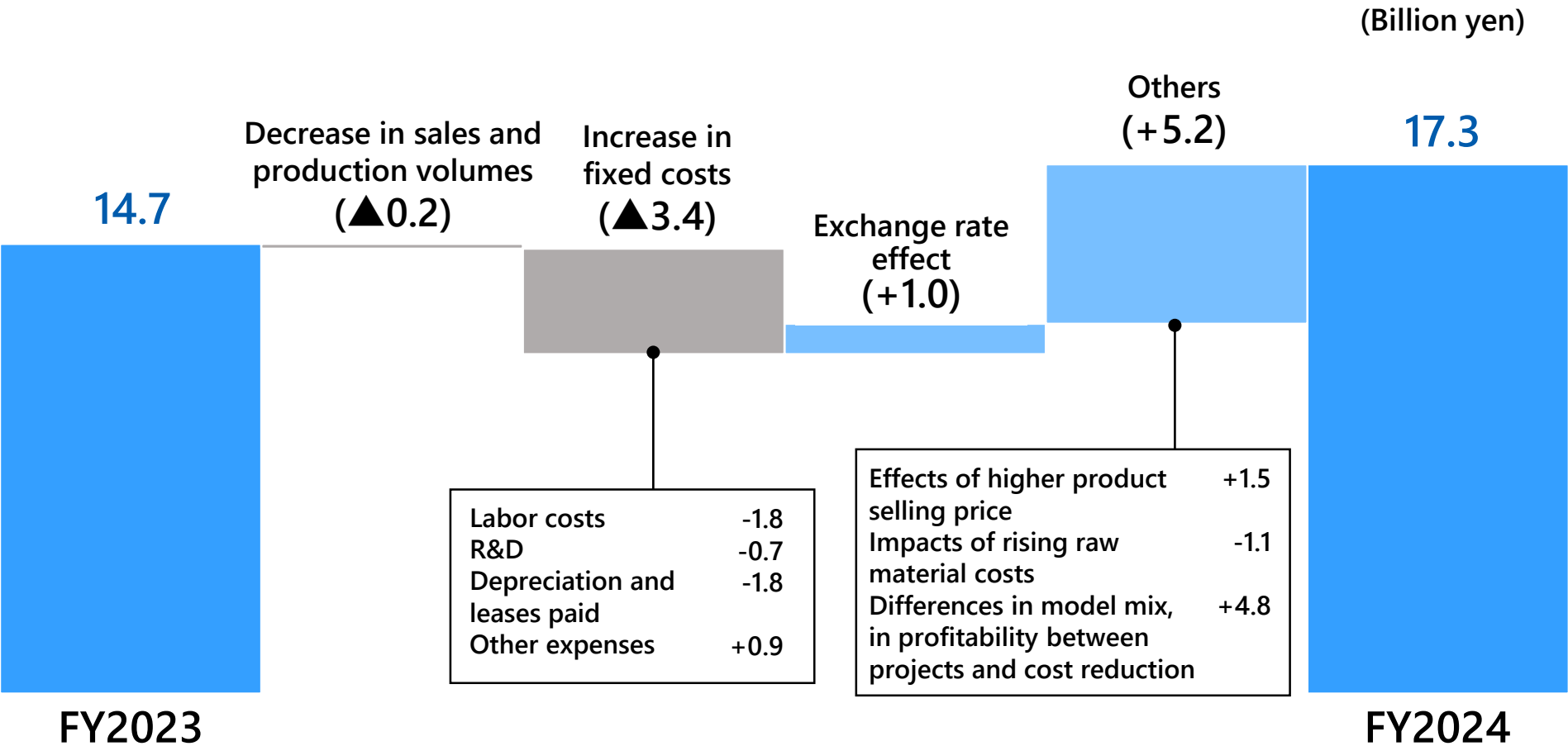
Net interest expense	(-0.4	0.8	→	0.4)
Foreign exchange gain	(-0.5	1.6	→	1.1)
Others	(1.4	-1.9	→	-0.5)
	(+0.5	0.5	→	1.0)

Change of Extraordinary Profit

Gain on sales of investment securities	(-4.4	4.6	→	0.2)
Others	(+0.0	-0.0	→	0.0)
	(-4.3	4.6	→	0.3)

Breakdown of Changes in Operating Results for 1Q FY2024 (YoY Comparison)

Profit up, despite higher fixed costs and raw material prices, due to benefits of differences in profitability between models and cost reduction activities



Net Sales and Operating Profit by Segment for 1Q FY2024 (YoY Comparison)

Higher sales and operating profit in Industry, Semiconductors,
and Food and Beverage Distribution segments

(Billion yen)

	FY2023			FY2024			Change		
	Net Sales	Operating Profit	Operating Profit Ratio	Net Sales	Operating Profit	Operating Profit Ratio	Net Sales	Operating Profit	Operating Profit Ratio
Energy	72.6	5.0	6.9%	68.2	3.3	4.8%	-4.5	-1.7	-2.1%
Industry	79.7	0.0	0.0%	80.2	2.0	2.5%	0.5	2.0	2.5%
Semiconductors	51.1	7.1	14.0%	53.9	7.7	14.3%	2.8	0.6	0.4%
Food and Beverage Distribution	27.8	3.2	11.4%	30.7	5.2	16.9%	2.9	2.0	5.5%
Others	15.8	1.0	6.6%	13.8	0.8	5.7%	-2.0	-0.3	-0.9%
Elimination and Corporate	-12.8	-1.7	-	-10.4	-1.7	-	2.4	-0.0	-
Total	234.1	14.7	6.3%	236.4	17.3	7.3%	2.2	2.6	1.0%

Business Results by Segment for 1Q FY2024

(YoY Comparison) ①

(Billion yen)

		FY2023 1Q	FY2024 1Q	Change	Overview
Energy	Net Sales	72.6	68.2	-4.5 <div>+1.5*</div>	<p>Power Generation: Lower net sales and operating results (Net Sales Decreased by 20%)</p> <p>Decrease in net sales and operating results due to the absence of large-scale renewable energy projects recorded in the previous equivalent period</p> <p>Energy Management: Higher net sales and operating results (Net Sales Increased by 14%)</p> <p>Increase in net sales and operating results as a result of increases in large-scale orders for substation equipment for power and industrial applications. These increases outweighed the impacts of a decline in large-scale orders from solar power generation facilities</p>
	Operating Profit	5.0	3.3	-1.7 <div>+0.3*</div>	<p>Power Supply and Facility Systems: Lower net sales and operating results (Net Sales Decreased by 7%)</p> <p>Decrease in net sales and operating results despite strong demand from data center operators, as a result of decreases in large-scale projects from overseas semiconductor manufacturers.</p> <p>ED&C Components: Lower net sales and operating results (Net Sales Decreased by 11%)</p> <p>Decrease in net sales due to reductions in demand from finished machinery manufacturers while operating results deteriorated because of the lower net sales combined with the impacts of higher material prices</p>

* Exchange rate effect

(Billion yen)

Business Results by Segment for 1Q FY2024

(YoY Comparison) ②

		FY2023 1Q	FY2024 1Q	Change	Overview
Industry	Net Sales	79.7	80.2	0.5 <div>+1.4*</div>	<p>Automation Systems: Higher net sales and operating results (Net Sales Increased by 7%)</p> <p>Increase in net sales and operating results as the benefits of increased demand for drive control systems for process automation applications counteracted the decrease in demand for low-voltage inverters for factory automation applications</p> <p>Social Solutions: Higher net sales and operating results (Net Sales Increased by 19%)</p> <p>Increase in net sales and operating results due to increases in orders for nuclear power-related equipment and differences in profitability between railway system projects</p>
	Operating Profit	0.0	2.0	2.0 <div>-0.1*</div>	<p>Digital Transformation Solutions: Lower net sales and operating results (Net Sales Decreased by 12%)</p> <p>Decrease in net sales and operating results due to the absence of previously recorded large-scale IT solutions projects</p> <p>Equipment Construction: Higher net sales and operating results (Net Sales Increased by 11%)</p> <p>Increase in net sales and operating results as a result of strong trends in construction projects</p>

* Exchange rate effect

※Figures for FY2023 have been restated to reflect the business reorganization resulting in the creation of the digital transformation solutions business undertaken in FY2024.

Business Results by Segment for 1Q FY2024

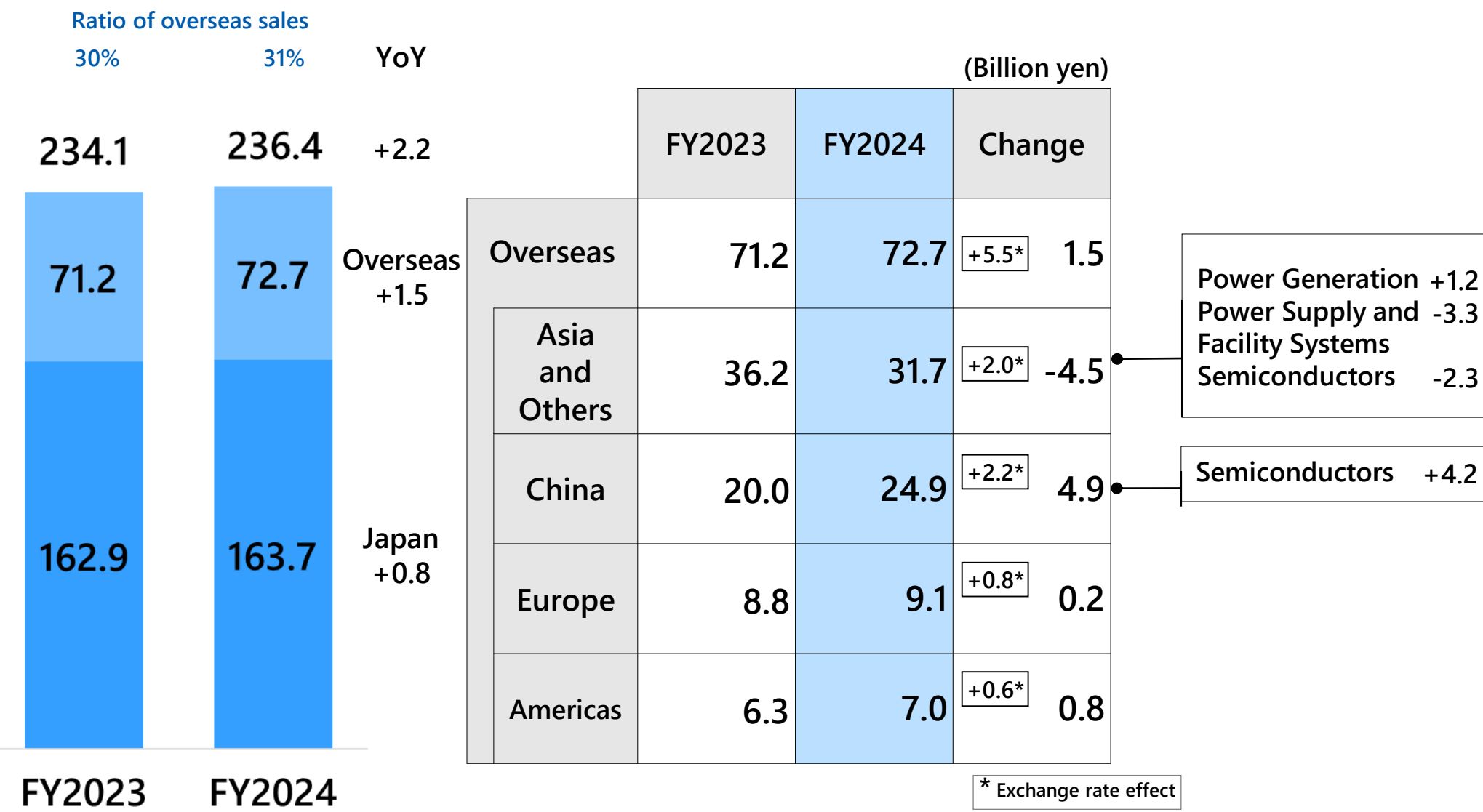
(YoY Comparison) ③

(Billion yen)

		FY2023 1Q	FY2024 1Q	Change	Overview												
Semiconductors	Net Sales	51.1	53.9	2.8 +2.6*	<div>Increase in net sales due to growth in demand for power semiconductors for electrified vehicles (xEVs) and favorable foreign exchange influences, the benefits of which offset the impacts of declines in demand for industrial power semiconductors for factory automation applications. The growth in sales coupled with the benefits of cost reduction activities and favorable foreign exchange influences led to operating results improving year on year, despite the rise in expenses for bolstering power semiconductor production capacity and the increases in material costs</div> <table><tr><td></td><td>FY2023</td><td>FY2024</td><td>Change</td></tr><tr><td>Industrial</td><td>25.2</td><td>26.4</td><td>1.2</td></tr><tr><td>Automotive</td><td>25.9</td><td>27.5</td><td>1.6</td></tr></table>		FY2023	FY2024	Change	Industrial	25.2	26.4	1.2	Automotive	25.9	27.5	1.6
		FY2023	FY2024	Change													
Industrial	25.2	26.4	1.2														
Automotive	25.9	27.5	1.6														
	Operating Profit	7.1	7.7	0.6 +0.8*													
Food and Beverage Distribution	Net Sales	27.8	30.7	2.9	<div>Vending Machines: Net sales unchanged but operating results improved (Net Sales Increased by 1%)</div> <div>Relatively unchanged in sales, but operating results improved because of the benefits of cost reduction activities</div>												
	Operating Profit	3.2	5.2	2.0	<div>Store Distribution: Higher net sales and operating results (Net Sales Increased by 20%)</div> <div>Increase in net sales and operating results due to a special demand trend stemming from the issuance of newly designed paper currency in Japan</div>												

* Exchange rate effect

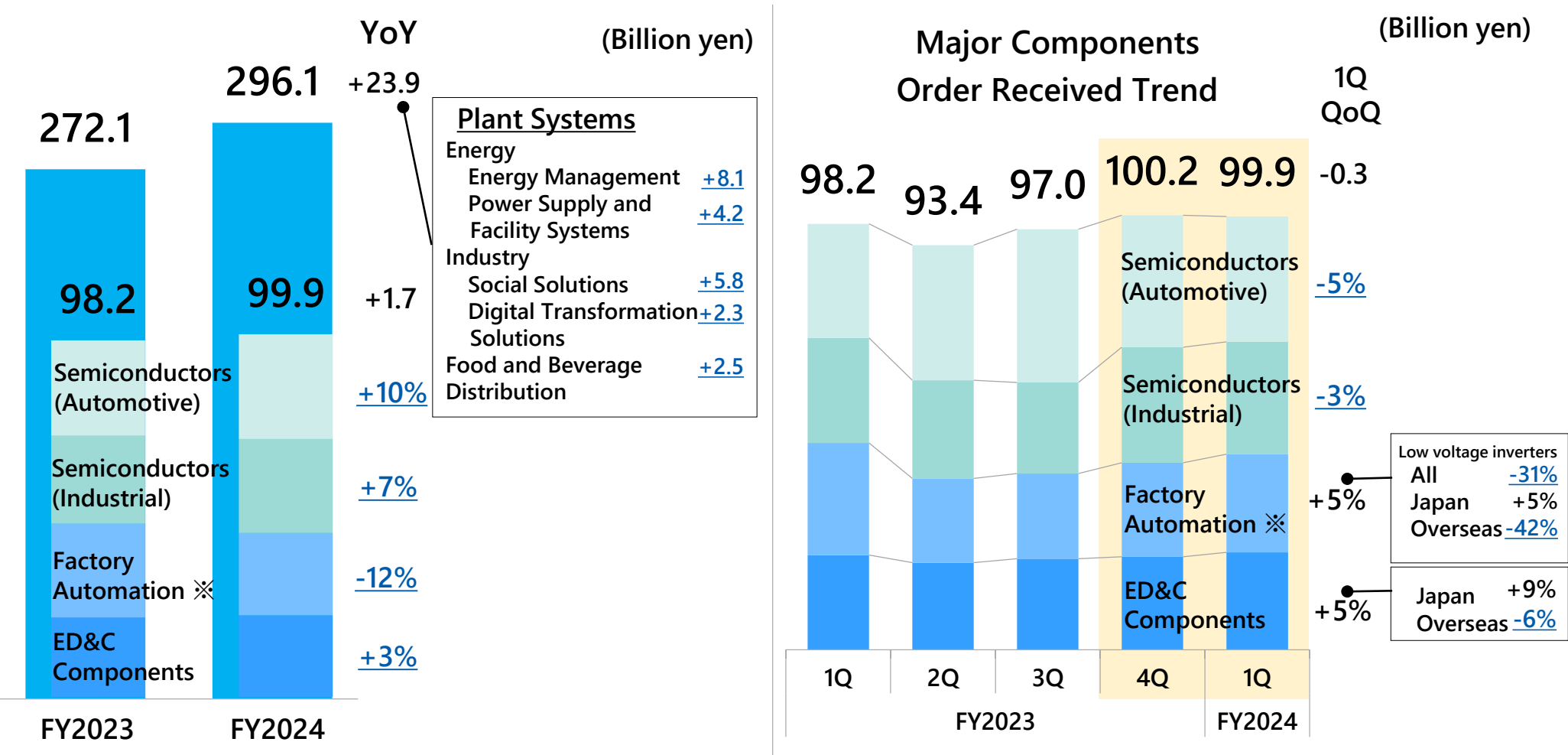
Net Sales by Japan and Overseas Area for 1Q FY2024 (YoY Comparison)



※Figures for FY2023 have been restated to reflect the business reorganization resulting in the creation of the digital transformation solutions business undertaken in FY2024.

YoY : Large increase in plant system orders

QoQ: Decrease in semiconductor and Low-voltage inverters demand



※The definition of factory automation components has been changed to refer to low-voltage inverters, industrial motors, and measuring instruments.

2. FY2024 Forecasts

(Comparison with Forecasts on April 25, 2024)

【Six-month (1st Half)】

- Downward revision to reflect lower demand from certain automotive semiconductor customers
- Upward revision following rise in demand for automatic change dispensers in Food and Beverage Distribution segment
- Recording of gains on sale of investment securities in second quarter

【Full-year】

- Full-year forecasts revised to reflect revision to six-month forecasts
Revision to full-year forecasts incorporating six-month order trends, operating environment, foreign exchange rates, etc.

Consolidated Financial Results Forecasts for six months FY2024 (Comparison with Forecasts on April 25, 2024)

Revisions to performance forecasts for Semiconductors and Food and Beverage Distribution segments based on recent trends
Upward revision to forecast for profit attributable to owners of parent in reflection of gains on sale of investment securities

	(Billion yen)		
	Six months Forecasts (April 25)	Six months Forecasts (July 25)	Change
Net Sales	494.0	494.0	0.0
Operating Profit	35.5	35.5	0.0
Operating Profit Ratio	7.2%	7.2%	0.0
Ordinary Profit	33.0	33.0	0.0
Profit Attributable to Owners of Parent	20.0	29.5	9.5
Ratio of profit attributable to owners of parent to net sales	4.0%	6.0%	2.0%

Assumed Exchange Rate on 2Q FY2024			
	US\$	EURO	RMB
April 25 Forecast	¥140.00	¥150.00	¥19.50
July 25 Forecast	No Change	No Change	No Change

Foreign Exchange Rate Sensitivity※ (Million Yen)	-20	30	90
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* Impact on operating profit (3 months impact from July to September 2024)
US\$ and EURO: Impact of ¥1 yen depreciation-fluctuations
RMB: Impact of 1% yen depreciation fluctuations

	Six months Forecasts (April 25)		Six months Forecasts (July 25)		Change	
	Net Sales	Operating profit	Net Sales	Operating profit	Net Sales	Operating profit
Energy	149.0	8.7	149.0	8.7	0.0	0.0
Industry	173.0	6.2	173.0	6.2	0.0	0.0
Semiconductors	117.0	16.9	113.0	14.9	-4.0	-2.0
Food and Beverage Distribution	52.0	5.5	56.0	7.5	4.0	2.0
Others	26.0	1.6	26.0	1.6	0.0	0.0
Elimination and Corporate	-23.0	-3.4	-23.0	-3.4	0.0	0.0
Total	494.0	35.5	494.0	35.5	0.0	0.0

Consolidated Financial Results Forecasts for full-year FY2024
(Comparison with Forecasts on April 25, 2024)

Full-year forecasts revised to reflect revision to six-month forecasts

Forecasts to be reexamined after six-month financial results announcement based on foreign exchange rates, etc.

	(Billion yen)		
	Full-year Forecasts (April 25)	Full-year Forecasts (July 25)	Change
Net Sales	1,114.0	1,114.0	0.0
Operating Profit	109.0	109.0	0.0
Operating Profit Ratio	9.8%	9.8%	0.0
Ordinary Profit	109.5	109.5	0.0
Profit Attributable to Owners of Parent	76.5	80.5	4.0
Ratio of profit attributable to owners of parent to net sales	6.9%	7.2%	0.3%

Assumed Exchange Rate on 2Q to 4Q FY2024

	US\$	EURO	RMB
April 25 Forecast	¥140.00	¥150.00	¥19.50
July 25 Forecast	No Change	No Change	No Change

Foreign Exchange Rate Sensitivity※ (Million Yen)	-40	100	240
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* Impact on operating profit (9 months impact from July to March 2025)
US\$ and EURO: Impact of ¥1 yen depreciation-fluctuations
RMB: Impact of 1% yen depreciation fluctuations

	Full-year Forecasts (April 25)		Full-year Forecasts (July 25)		Change	
	Net Sales	Operating profit	Net Sales	Operating profit	Net Sales	Operating profit
Energy	348.0	31.0	348.0	31.0	0.0	0.0
Industry	414.0	36.0	414.0	36.0	0.0	0.0
Semiconductors	245.0	37.0	241.0	35.0	-4.0	-2.0
Food and Beverage Distribution	102.0	9.2	106.0	11.2	4.0	2.0
Others	55.0	3.7	55.0	3.7	0.0	0.0
Elimination and Corporate	-50.0	-7.9	-50.0	-7.9	0.0	0.0
Total	1,114.0	109.0	1,114.0	109.0	0.0	0.0

3. Balance Sheet Cash Flow Statement

Consolidated Balance Sheet at the End of 1Q FY2024 (Comparison on the end of a previous fiscal year)

Assets

	3/31/24	6/30/24	Change
Cash and deposit	66.2	66.2	-0.0
Notes and account receivables-trade, Contract assets	430.1	356.1	-74.0
Inventories	226.1	248.3	22.2
Other current assets	40.6	48.1	7.5
Total current assets	763.1	718.7	-44.3
Property, plant and equipment	311.5	336.8	25.4
Intangible assets	25.5	26.2	0.8
Investments and other assets	171.1	170.5	-0.6
Total long-term assets	508.1	533.6	25.5
Deferred assets	0.0	0.1	0.0
Total assets	1,271.2	1,252.4	-18.8
Equity ratio	47.4%	49.1%	1.7%
Net interest-bearing debt※1	97.4	70.2	-27.2
Net D/E ratio(times) ※2	0.2	0.1	-0.0

Liabilities and Net Assets

(Billion yen)

	3/31/24	6/30/24	Change
Notes and account payables-trade	207.4	190.6	-16.8
Interest-bearing debts	162.9	135.4	-27.5
Other liabilities	239.4	252.4	13.0
Total liabilities	609.7	578.4	-31.3
Share capital	47.6	47.6	—
Capital surplus	46.0	46.0	0.0
Retained earnings	423.1	423.8	0.7
Treasury shares	-7.4	-7.4	-0.0
Shareholders' equity	509.3	510.0	0.7
Accumulated other comprehensive income	93.2	105.1	11.9
Non-controlling interests	59.0	58.9	-0.1
Total net assets	661.5	674.0	12.5
Total liabilities and net assets	1,271.2	1,252.4	-18.8

※1 Net interest-bearing debt: Interest-bearing debt – Cash and cash equivalents

※2 Net D/E ratio: Net interest-bearing debt ÷ Equity

Consolidated Cash Flows for 1Q FY2024 (YoY Comparison)

		(Billion yen)	
		FY2023	FY2024
I	Cash Flows from Operating Activities	12.0	66.2
II	Cash Flows from Investing Activities	-5.3	-27.0
I + II	Free Cash Flow (FCF)	6.7	39.2
III	Cash Flows from Financing Activities	-44.9	-43.2
IV	Cash and Cash Equivalents at End of Period	48.1	65.3

4. Reference

■ ED&C Components amount of orders received

	1Q QoQ	1Q YoY
All	+5%	+3%
Japan	+9%	-1%
Overseas	-6%	+13%

■ Low-voltage inverters amount of orders received

All	-31%	-18%
Japan	+5%	-15%
Overseas	-42%	-20%

■ Semiconductors amount of orders received

All	-4%	+8%
Industrial	-3%	+7%
Automotive	-5%	+10%

■ Vending machines amount of orders received

All	+12%	+1%
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※Figures for FY2023 have been restated to reflect the business reorganization resulting in the creation of the digital transformation solutions business undertaken in FY2024.

Reference: Consolidated Financial Results Forecasts for six months FY2024
(YoY Comparison)

	(Billion yen)		
	FY2023 Results	FY2024 Forecasts (July 25, 2024)	Change
Net Sales	491.7	494.0	2.3
Operating Profit	35.0	35.5	0.5
Operating Profit Ratio	7.1%	7.2%	0.1%
Ordinary Profit	34.6	33.0	-1.6
Profit Attributable to Owners of Parent	24.3	29.5	5.2
Ratio of profit attributable to owners of parent to net sales	5.0%	6.0%	1.0%

	FY2023 Results		FY2024 Forecasts (July 25, 2024)		Change	
	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit
Energy	146.3	8.7	149.0	8.7	2.7	0.0
Industry	179.7	5.2	173.0	6.2	-6.7	1.0
Semiconductors	108.5	16.8	113.0	14.9	4.5	-1.9
Food and Beverage Distribution	53.2	5.4	56.0	7.5	2.8	2.1
Others	31.3	2.1	26.0	1.6	-5.3	-0.5
Elimination and Corporate	-27.2	-3.1	-23.0	-3.4	4.2	-0.3
Total	491.7	35.0	494.0	35.5	2.3	0.5

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