Fuji Electric
Innovating Energy Technology

Industry Business Strategies for FY2025

Industry Business Group

May 27, 2025

This is Tetsutani from the Industry Business Group.
I will explain the business strategy for FY2025. Thank you for your attention.

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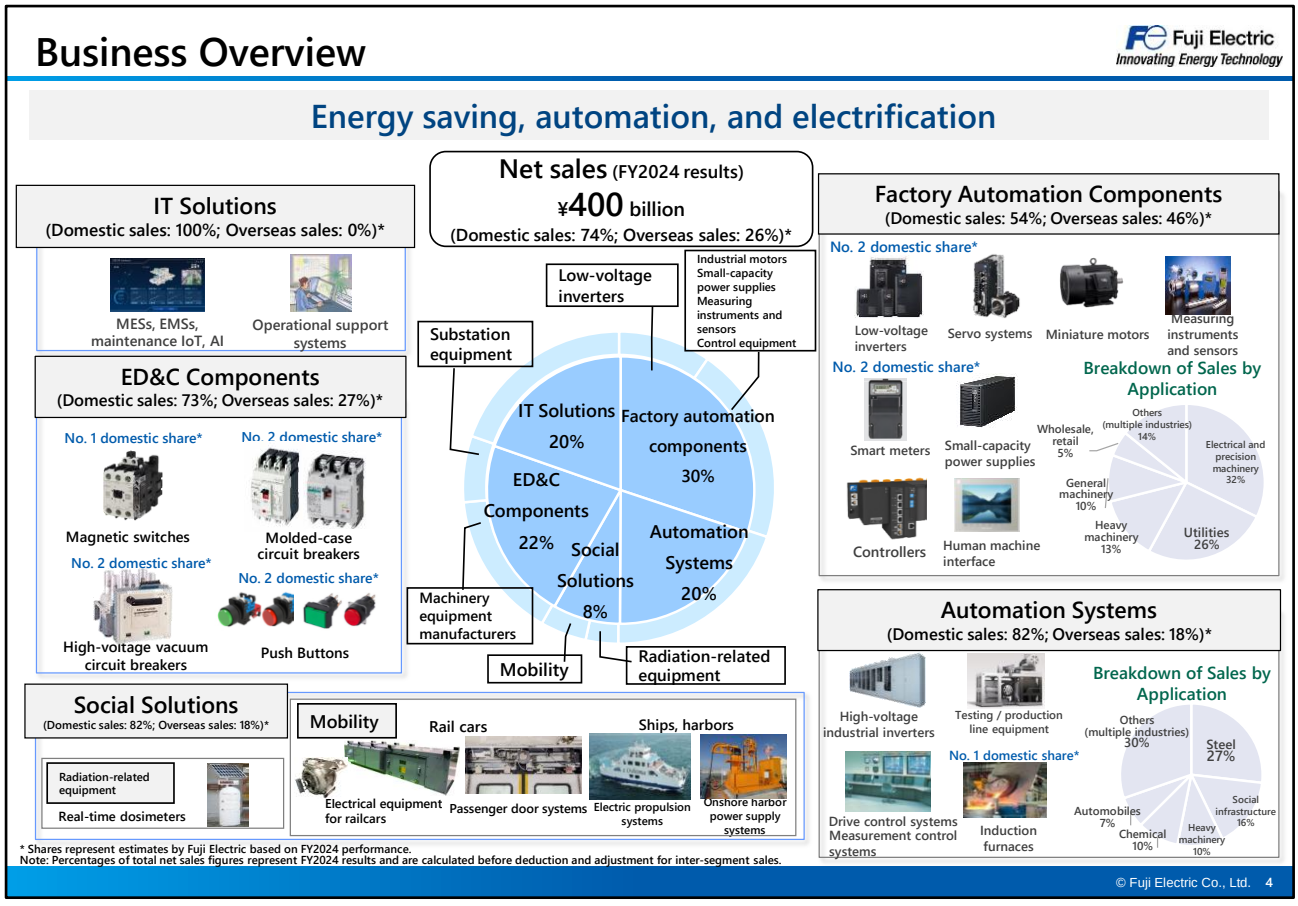
1 Business Overview



First, let me provide an overview of our businesses. This page shows, based on FY2024 results, the primary products, sales composition, and delivery destinations for each business segment.

In the upper right section, "FA Components" refers to a business that handles a complete range of general-purpose components, including low-voltage inverters, motors, and smart meters. We are able to promptly apply our in-house manufactured power semiconductors and sensors to component models, and are promoting standardization through the platformization of our products, thereby enhancing development and production efficiency. In addition, we are proactively developing overseas bases and distribution channels to further strengthen our global competitiveness.

In the lower right section, "Automation Systems" represents our plant and systems business. In addition to drive and measurement control systems and induction furnaces for traditional process automation fields such as steel and chemicals, from this fiscal year we have incorporated the FA systems business in the factory automation sector. We will continue to launch new products for the global market and further localize industry expertise to expand our overseas operations and GX (Green Transformation) businesses.

Next, "Social Solutions" consists of Mobility and radiation equipment. Mobility includes electrical equipment for railway vehicles, electrically operated door systems with proven track records in Japan and abroad, as well as electric propulsion systems and on shore power supply systems for ships. Our radiation equipment covers monitoring posts and personal dosimeters, and we are the largest provider in Japan. Going forward, we will respond to market demands such as electrification and Green Transformation, contributing to the safety and security of social infrastructure.

Next, regarding the “ED&C" business, as explained by the Energy Business Group it was integrated into the Industry Group from this fiscal year. Our main products are magnetic contactors and various circuit breakers, both of which have secured a high market share domestically. We will further promote synergies with the FA components business and aim for greater sales and profit expansion.

Lastly, regarding "IT Solutions," we will provide value to our customers in the form of energy savings and manpower reductions through digital solutions for the manufacturing industry and business support systems in the office sector.

2 Review of FY2024

Review of FY2024

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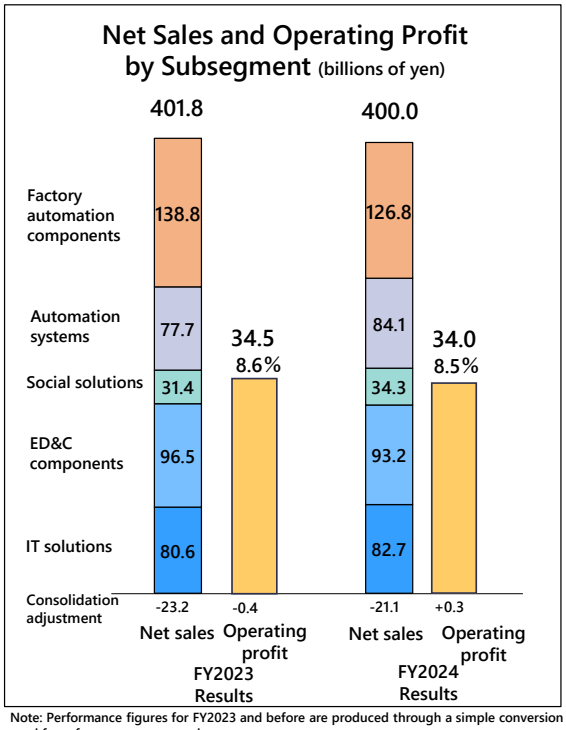

Successes

- Increased plan and system sales and earnings
- Business Expansion in India
  (Net sales in FY2023: ¥21.0 billion → Net sales in FY2024: ¥24.4 billion)
- Development and deployment of global products

Challenges

- Development of global supply chain operations
- Expansion of overseas and green transformation businesses
- Reinforcement of earnings structures

Note: Performance figures for FY2023 and before are produced through a simple conversion of past figures to reflect the business reorganization undertaken in FY2025 and thus should be used for reference purposes only.

Next, let's look back on the results of FY2024. The achievements for FY2023 shown on the left reflect figures based on this year's segment changes.

In FY2024, we offset the deteriorating performance of the component business with increased sales and profit in the plant and system business, which allowed us to maintain sales and operating income at the same level as in FY2023. Other major accomplishments include the expansion of our business in India, where we have promoted localization mainly for small power supplies, as well as the development and market launch of global products such as industrial low-voltage inverters.

There are three main issues, listed at the bottom right.
Regarding global operations in the supply chain, we recognize as a lesson learned that we were unable to flexibly respond—particularly in manufacturing operations—to changes in the components market, and we are implementing improvement measures as an important initiative for FY2025. In addition, we will continue to make steady progress in FY2025 on ongoing issues from our mid-term plan, such as further expansion of our overseas and green transformation businesses and further strengthening our profitability.

3 Management Plan for FY2025

Market Trends

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	Subsegment	Market Trends (FY2025)			
		Market		Outlook	FY2024 to FY2025
Components	Factory automation components		Japan	Market growth of 1% year on year in FY2025, despite flat growth in first half, due modest recovery centered on semiconductor production equipment projected in second half of the fiscal year	→
			Overseas	Flat overall growth in first half of the fiscal year followed by growth of 1% in second half; outlook opaque due to impacts of policies in the United States Decrease in sales in China due to lower demand in industries affected by prolonged real estate market slump Slight growth in market growth in India and Asia, despite intensified competition sparked by influx of products from China	→
	ED&C components		Japan	Recovery in market for machine tool manufacturers in second half of the fiscal year, but flat growth in power distribution market	↗
			Overseas	Flat growth in market for machine tool manufacturers in China and declines in demand for elevator and other industries affected by sluggish construction market; gradual recovery anticipated in semiconductor markets of the United States, South Korea, and Southeast Asia	→
Plants and systems	Automation systems		Japan	Ongoing investment in digital transformation and green transformation and in BCP and other measures for conserving energy, addressing aging facilities, and maintaining facilities (steel, chemicals, electric furnaces) Accelerated electrification of furnaces and steelmaking facilities	→
			Overseas	Steady demand in India, but reduced demand in Asia (steel) Prevention of Chinese imports into the United States, increased crane projects in Asia, Africa, and Latin America due to conflicts in the Middle East	→
	Social Solutions	Rail cars	Japan	Recovery in railcar production to pre-COVID-19 pandemic levels, demand for long-term use of railcars (equipment upgrades, maintenance reduction)	→
			Overseas	Ongoing demand for upgrades to railcars used in major city subways (United States) Continuous development of new railways largely taking advantage of official development assistance programs (India, Southeast Asia)	→
		Ships, harbors	Japan	Delays in development of markets for electric ship propulsion and shoreside power supply systems, but rising demand for shaft generation systems* due to CO_2 emissions regulations	→
		Radiation-related equipment	Japan	Push to make full use of nuclear power in Japanese government's Seventh Strategic Energy Plan accelerating restarting and decommissioning of reactors	↗
	IT Solutions		Japan	Brisk IT investment among small and medium-sized enterprises and other entities; preparation of NEXT GIGA program for introducing IT equipment into schools in the academic sector	↗

* Systems that use the rotation of propellor shafts to generate electricity

Let's look at the market trends. Here, we have described the market outlook for major products in each business segment, divided into domestic and overseas markets.

Starting with components, for FY2025 in Japan, we expect the first half to remain flat, and from the second half, we anticipate a gradual recovery in semiconductor manufacturer, particularly in the machinery set manufacturer sector. Overseas, we expect the market downturn caused by China's real estate recession to be offset by market recovery centered in Asia and India, so overall we project a flat trend as well.

In the plant and system, we expect growth in both radiation devices for "Social Solutions" and the market for "IT Solutions." The former is supported by a shift in nuclear policy under the seventh Basic Energy Plan, while the latter is driven by robust IT investment and further deployment of the Ministry of Education's "Second GIGA" educational ICT policy nationwide.

As for "Automation Systems" and mobility in "Social Solutions," while continuous investments in Green transformation, BCP, and maintenance reduction are progressing, overall, we anticipate a flat trend.

Business Policies / Business Plan

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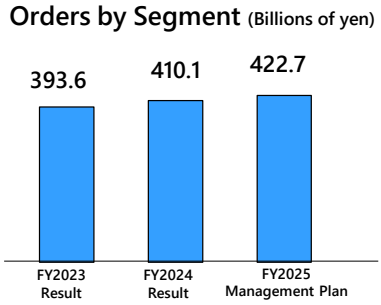
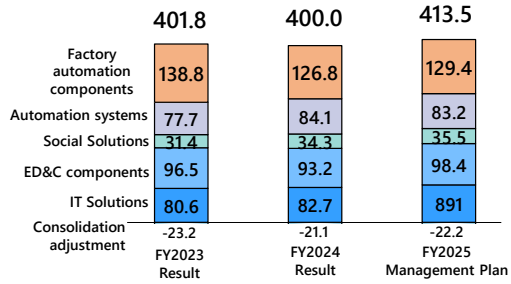
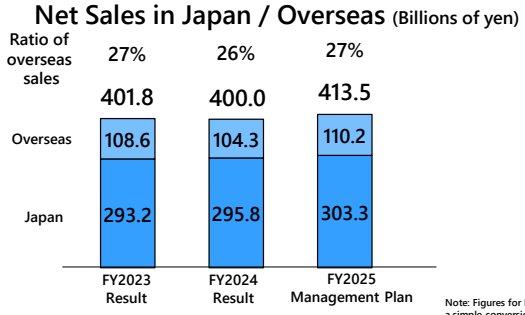
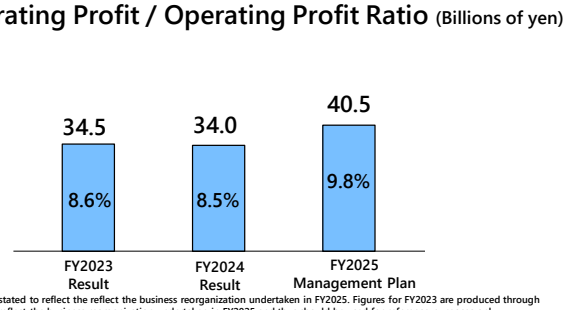
Business Policies:
Creation of competitive components for use in strengthening systems offerings
Utilization of systems to grow green transformation and overseas businesses
Enhancement of earnings structures in component businesses









Note: Figures for FY2024 have been restated to reflect the reflect the business reorganization undertaken in FY2025. Figures for FY2023 are produced through a simple conversion of past figures to reflect the business reorganization undertaken in FY2025 and thus should be used for reference purposes only.

Next, I will discuss the business policy and business plan.

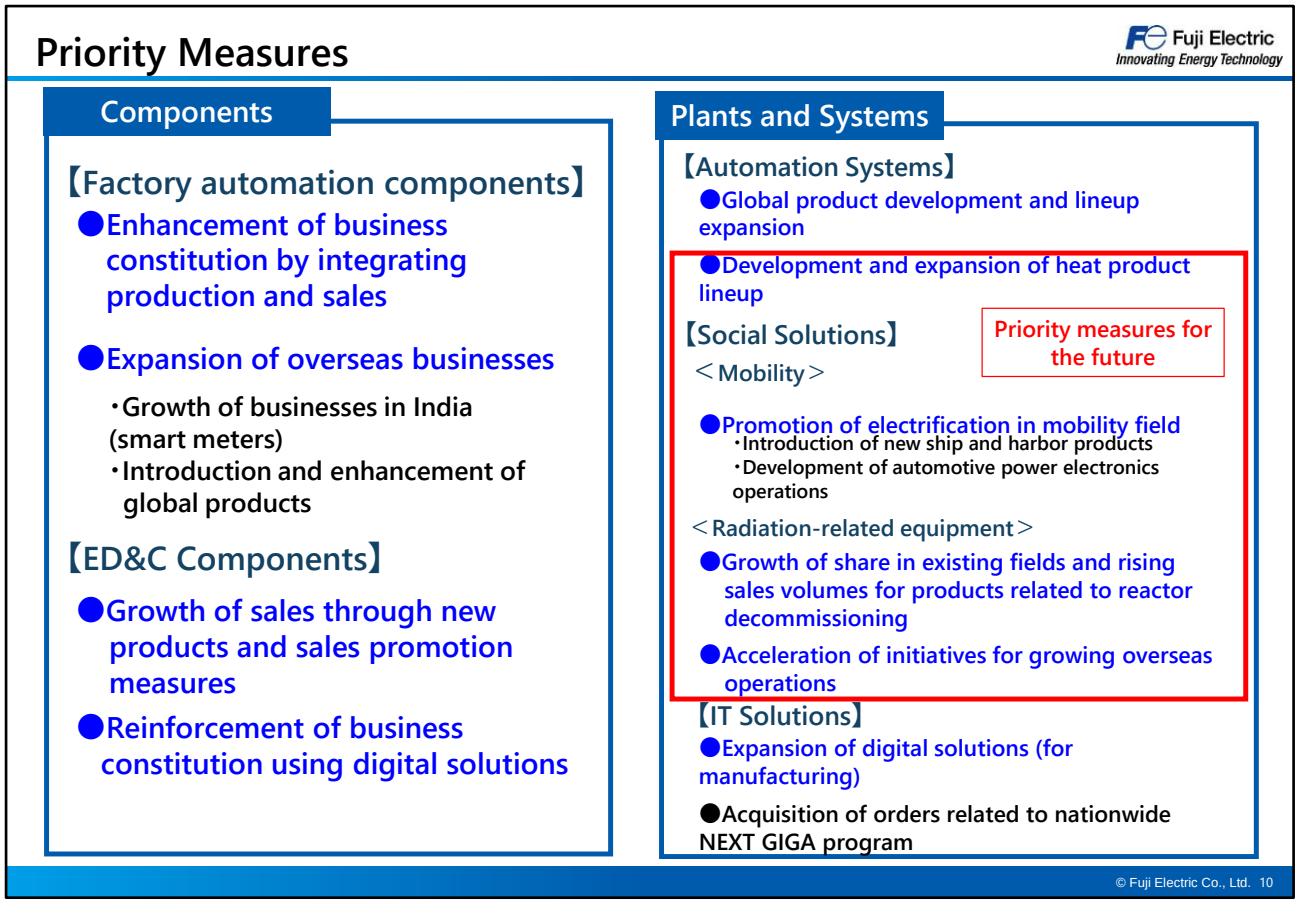
The business policy is a continuation and reinforcement of the policies set forth in our mid-term management plan.
We will continue to create strong components and strengthen the system. Through this system, we will expand our green transformation and overseas businesses. In addition, we will further strengthen the profitability of our component business.

In terms of the business plan, we aim to increase sales in FY2025, focusing on "FA Components," “ED&C Components," and "IT Solutions."

For both domestic and overseas sales, we expect revenue to increase by more than 5 billion yen each, with the overseas sales ratio projected at 27%.

Regarding profits, for FY2025 we are planning operating profit of 40.5 billion yen and an operating profit ratio of 9.8%.

In the "FA Components" business, which will drive profits, the effects of strengthening our business structure are emerging, and with this year's key measures, we will further enhance profitability.



The following are the priority measures for FY2025. Today, I will explain the respective measures by dividing them into "Components" and "Plant and Systems."

First, for "FA Components," we aim to strengthen our organizational structure by integrating production and sales, expand our business in India through smart meters, and further develop our overseas business by introducing and expanding global products.

For “ED&C Components," our priority measures are to increase sales through new products and sales expansion initiatives, as well as to strengthen our organization through digital solutions.

Regarding "Plant and Systems," starting with "Automation Systems," we will focus on developing and expanding global products. In the "IT Solutions" business, we plan to grow sales and profits by expanding digital solutions for the manufacturing industry and acquiring nationwide Second GIGA projects.

In addition, towards FY2030 as indicated by the red frame, our priority measures include the development of heat-related products, promoting electrification in the mobility sector, and expanding internationally in the radiation equipment field. From this term, we will make solid capital investments and R&D investments so as to achieve mid- to long-term growth in sales and profits.

<Factory Automation Components>

Enhancement of Business Constitution by Integrating Production and Sales

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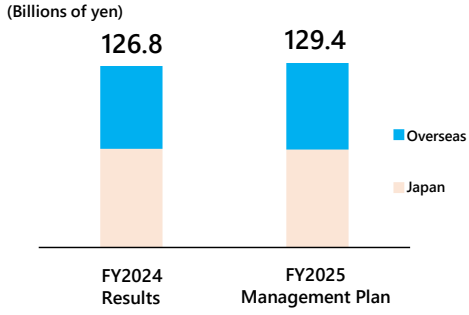
Enhancement of business constitution by integrating production and sales to heighten earnings power

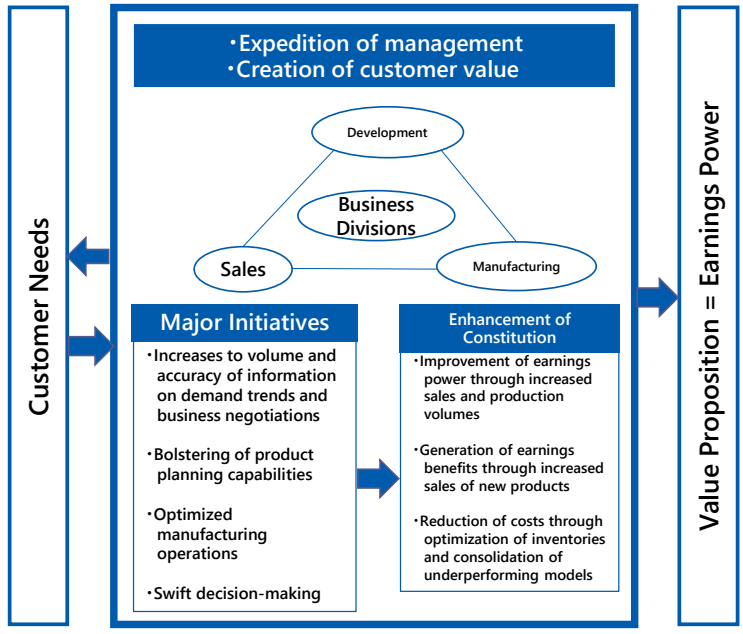
Factory Automation Component Sales



■Domestic Measures
- Exploration of new sectors of semiconductor production equipment and air-condition industries
- Development of next-generation products (integrated with inverters) through co-creation with customers
- Expansion of lineup of green transformation projects (next-generation electricity measuring equipment, compact ultrasonic flowmeters)

■Overseas Measures
- Promotion of sales of air-conditioning equipment for data centers (inverters for large-scale chillers)
- Introduction of new products for elevators (all-in-one products)
- Expansion of smart meter business in India
- Launch of competitive products for overseas markets (inverters, servo systems)

Enhancement of Business Constitution by Integrating Production and Sales



From here, I will explain the priority measures for each business. First is the strengthening of our structure through the integration of production and sales in the "FA Components" business.

Although we expect the market environment for the FA Components business to remain flat, we are planning to increase revenue by just under 3 billion yen in FY2025 by newly cultivating priority industries such as semiconductor manufacturer, which is expected to recover in the second half of the year, launching green transformation products to the market, and introducing new models such as inverters for large chillers used in data centers.

Through the integration of production and sales, we will implement these priority measures while simultaneously working to strengthen our structure.

From this fiscal year, we have restructured our organization to integrate sales, development, manufacturing, and the business division. We have already started operations aimed at expanding and improving the accuracy of demand trends and business negotiations, and at making prompt decisions on optimal product planning and manufacturing operations based on that information. As a result, we are able to respond appropriately to customer requests and provide added value, thereby enhancing profitability through our daily operations.

<Factory Automation Components and Automation Systems>

Expansion of Overseas Businesses (Regional Strategies)

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	China	Southeast Asia, etc.	India	Europe and Americas
Ratio of overseas sales	35% (FY2024) → 36% (FY2025)			
Distribution of overseas sales	25% (FY2024) → 24% (FY2025)	20% → 20%	33% → 35%	22% → 21%
Net sales	¥18.1 billion (FY2024) → ¥18.7 billion (FY2025)	¥14.6 billion → ¥15.1 billion	¥24.4 billion → ¥27.4 billion	¥16.1 billion → ¥16.3 billion
Target industries	 Steel  Electricity  Equipment manufacturing	 HVAC  Elevators  Steel  Ports  Chemical  Equipment manufacturing  Electricity		 Oil and gas  Chillers  Elevators
Priority measures — Components	・Engagement in new systems business negotiations (Lithium-ion batteries, semiconductor production equipment) ・Increased local production and consumption of measuring instruments	・Growth of sales from air-conditioning equipment market ・Reorganization of distributor network (Philippines, Indonesia, Vietnam, etc.)	・Increased in-house production of existing component products ・Entry into smart meter business ・Promotion of sales of products for elevators	・Enhancement of coordination with OEMs to capitalize on North American data center investment ・Promotion of sales of products for elevators ・Bolstering of coordination with partners
Priority measures — Systems	・Promotion of high-voltage inverter sales (air storage, turbine electrification, electricity regeneration) ・Proposal of steelmaking and harbor crane systems (low-voltage industrial inverters, automation, fuel cell cranes)			
	・Sales promotion through partnerships and joint venture in Shanghai (Drive control, industrial heating systems)	・Response to maintenance and service businesses of Japanese companies (Increased coordination between sales companies and Japanese headquarters)	・Solicitation of products for steel plants (Industrial inverters, EMS packages)	

Next is the overseas business expansion in "FA components" and "Automation Systems."
This table organizes the target industries and priority measures for each area.
As shown in the third row from the top regarding sales plans, although the absolute value of sales in each area will grow, India will serve as the growth driver in terms of the sales composition ratio.
The priority measures written in blue will be explained in detail later.

For components, we will introduce all-in-one products for elevators as new value-added offerings in the Indian market, and further expand our partner strategy for low-voltage inverters, for which we have already secured stable volumes in Europe and the United States.

In the plant and systems business, we will further expand the business domains of our joint venture in Shanghai, and in India, we will further advance local production of new products and strengthen engineering capabilities through local engineering companies, thereby expanding plant sales for the steel industry.

<Factory Automation Components>

Expansion of Overseas Businesses (Entry into Smart Meter Business in India)

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Development of local production and consumption systems in FY2025 to enter into Indian smart meter market

Market Outlook

Indian Market

Overall demand of scale of 280 million units due to government policies requiring smart meter introduction

Competition

Issues with quality and production capacity among current four major local providers

Fuji Electric's Strengths and Measures

Strengths: Automated production, high product quality, product planning certification* (only Japanese company with certification)

Automation: Ability to utilized engineering expertise backed by track record in Japan and to design structures allowing for automation → Reliable production capacity secured through full automation

Quality: Low costs and high quality required by the Indian market made possible by use of parts with quality verified in Japan and minimization of human variables through automation

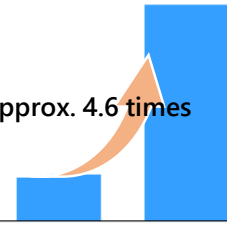
Measures: Utilization of local parts manufacturers to reduce product costs

Promotion of use of products of local parts manufacturers for three low-margin parts

* BIS (Bureau of Indian Standards) certification

Net Sales Plan

Smart meters



FY2023 Result	FY2024 Result	FY2025 Management Plan	FY2026 Plan
Basic Design	Product Development	★ BIS certification acquisition*	
		Launch★ Manufacture/Sales	

Production site

Automated production line

The first priority measure for expanding our overseas business is smart meters in India.

In India, the installation of smart meters is being promoted as a national policy, and there is a projected demand for approximately 280 million units nationwide in the future. We anticipate competition from four local Indian manufacturers, but we recognize that they face challenges regarding quality and production capacity.

Our strength lies in utilizing the design know-how we have developed in Japan to create product structures that enable automated production, thus securing stable production capacity. Furthermore, we have established a "manufacturing system" that is fully automated and does not require manual labor, achieving high quality. Going forward, while maintaining high quality, we will sequentially adopt more local Indian components, thereby further enhancing our cost competitiveness. After entering the market in FY2025, we are planning to achieve a 4.6 times increase in sales in FY2026 compared to the previous year.

<Automation Systems>
Expansion of Overseas Businesses (Global Product Development and Lineup Expansion)

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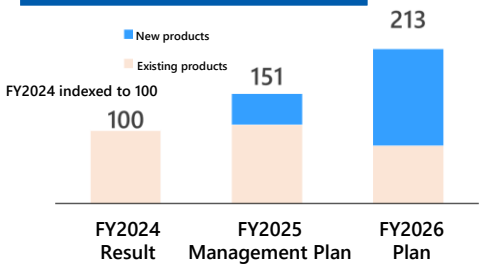
Expansion of overseas businesses by launching next-generation low-voltage industrial inverters and high-voltage inverters and enhancing engineering capabilities

Global Product Sales



Engineering Measures

- Development of engineering bases (China, Vietnam, and India)
- Streamlining of engineering functions through shared use of engineering assets
- Pre-engineering coordination with machinery manufacturers and sales and EPC* partners

* Engineering, procurement, and construction

FRENIC-GS

Next-generation low-voltage industrial inverter

- Applications: Steelmaking, harbor cranes, etc.
- Value proposition: Lower space requirements, energy conservation (higher energy efficiency)
- Launch: FY2024 (currently on market)

FRENIC4600FM7

Next-generation high-voltage inverter

- Applications: Compressors, conveyors, etc.
- Value proposition: Energy conservation, high reliability, preventative maintenance
- Launch: Second half of FY2025 (FY2026 in Japan)

FRENIC-MV

Large-capacity, high-voltage, water-cooled inverter

- Applications: Air storage, turbine electrification, etc.
- Value proposition: Lower space requirements, high reliability
- Launch: FY2025 (currently on market)

The second measure for overseas business expansion is the development and enhancement of global products in the automation business.

The industrial low-voltage inverter "FRENIC-GS" was launched in FY2024. It has been highly evaluated for its space-saving design and high efficiency, mainly in steel and port crane systems, leading to an increasing number of deliveries.

In FY2025, we will introduce next-generation high-voltage inverters and large-capacity water-cooled products to further expand orders in applications such as compressors and conveyors, while also entering new fields such as air storage. By promoting values such as energy saving, high reliability, and preventive maintenance, and by thoroughly localizing the engineering know-how and assets cultivated in Japan, we will expand our business as a system.

In the current fiscal year, we expect sales to be about 1.5 times higher than the previous year, and more than double those of FY2024 in FY2026.

<ED&C Components>

Growth of Sales and Enhancement of Constitution

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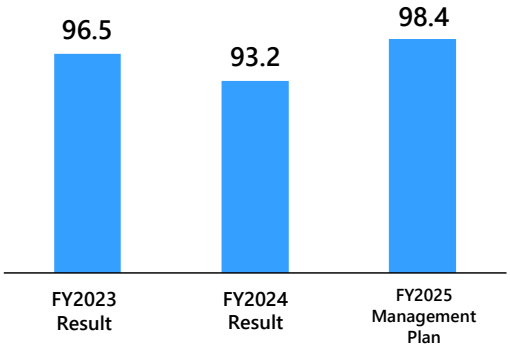
Growth of Sales Using New Products and Sales Promotion Measures

ED&C Components Sales

(Billions of yen)



■ Machinery Manufacturer Measures

- Transition to new products that are more compact and consume less electricity
- Expansion of semiconductor production equipment product sales through improved safety, productivity, and short-circuit current rating compatibility

■ Power Distribution Market Trends

- Pursuit of orders for internet data center and factory construction products
- Provision of simple small-scale power monitoring solutions to address demand for carbon footprint reduction
- Acquisition of orders for replacements of high-voltage vacuum circuit breakers currently installed in Japan and overseas

Enhancement of Constitution with Digital Solutions

New SC-NEXT Offerings for Development of Smart Production Lines

Utilization of new automated assembly technologies to develop high-quality, high-efficiency production lines
Development of MESs* for creating smart factories with evolved autonomous control functions

Reduction of Costs and Improvement of Productivity through Digital Transformation

Merging of work by people with sophisticated automation technologies using digital technologies

2024: Visualization
2025: Development of production line nonconformity analysis systems

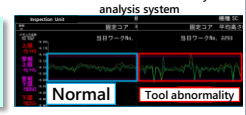
Introduction of visualization solutions

Control MES data acquisition
Operation monitoring
Equipment maintenance monitoring
Energy monitoring
Quality trend monitoring

Automated acquisition of production floor data

Worker information
Object management information
Parts and product information

Production line nonconformity analysis system



Production Floor Data

Real-time information on people, objects, and flows

* Manufacturing execution systems

Next, I will introduce the priority measures for the “ED&C Components" business.

The first measure is sales expansion through new products and promotion strategies. In the machine tool manufacturer market, we will accelerate the transition to the new product "SC-NEXT," listed on the right, and capture demand for semiconductor manufacturers.

In the power distribution market, we will focus on acquiring new orders for IDC and factory construction projects, promote orders for small-scale power monitoring in response to carbon footprint demand, and plan for an increase in net sales of about 5 billion yen over the previous year in FY2025.

In parallel, we will strengthen our operations through digital solutions. We will build an MES for the fully automated assembly line of the new product SC-NEXT, automatically acquire on-site data, and implement a production line analysis system to lower costs, improve productivity, and expand profits.

<IT Solutions>

Expansion of Digital Solutions (for Manufacturing)

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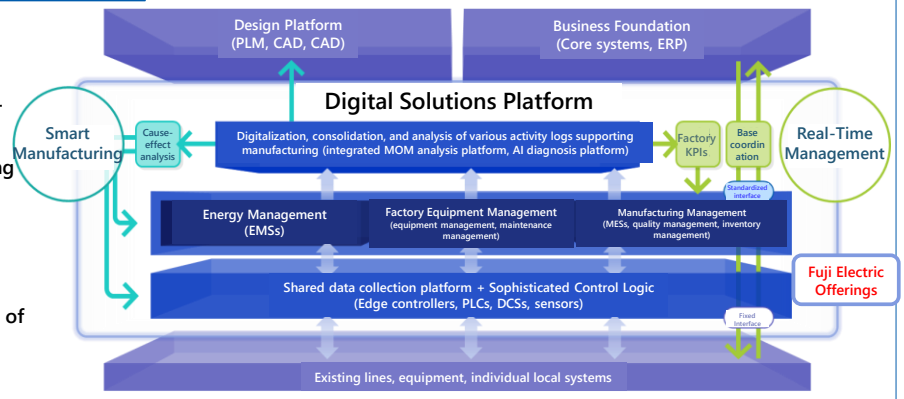
Promotion of comprehensive solutions incorporating factory process systems, edge controllers, and AI diagnosis tools based on application examples from Fuji Electric factories

Digital Solutions (for Manufacturing)

Value Proposition

- Production management linking management to the production floor
- Sharing and analysis of manufacturing and carbon footprint information among production bases around the world
- Development of EMSs and reduction of CO_2 emissions in pursuit of carbon neutrality



Fuji Electric's Strengths and Measures

Strengths **Proposal of comprehensive solutions using Fuji Electric offerings**

Comprehensive solutions made possible by combining edge controllers and AI analysis tools with factory process support systems (MESs; EMSs; equipment maintenance, quality, and inventory management; etc.)

Target industries: Electrical, electronics, machinery, food, chemicals

Measures **Enhancement of products and functions based on application examples from Fuji Electric factories**

Enhancement of solutions by applying advanced AI technologies used at Fuji Electric factories and embedding accumulated factory KPI expertise into products and functions for external sales

Next, I will explain the expansion of digital solutions for the manufacturing industry.

Our digital solutions are comprehensive offerings that combine factory operation support systems such as MES and EMS, as well as equipment maintenance and quality management, with edge controllers and AI diagnostics. This enables production management that connects the production site with management, contributing to the sharing and automatic analysis of manufacturing and carbon footprint information as well as CO2 reduction EMS on a global scale and across multiple production site.

We already have numerous delivery records in our priority industries: electrical and electronics, food, and chemicals. The reason we are chosen by customers is that we were quick to implement these digital solutions, which incorporate advanced AI technologies, in our own factories. By integrating the accumulated factory KPI know-how into our commercial offerings, we are able to firmly meet customer needs. In FY 2025, we will consolidate engineers at Fuji Electric IT Solutions, one of our group companies, and, by further strengthening our solution capabilities, will work to expand our business.

Capital Investment / Research and Development

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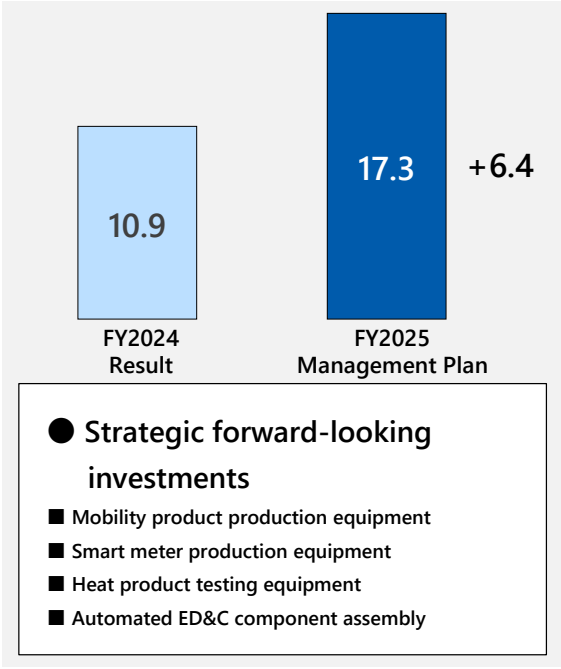
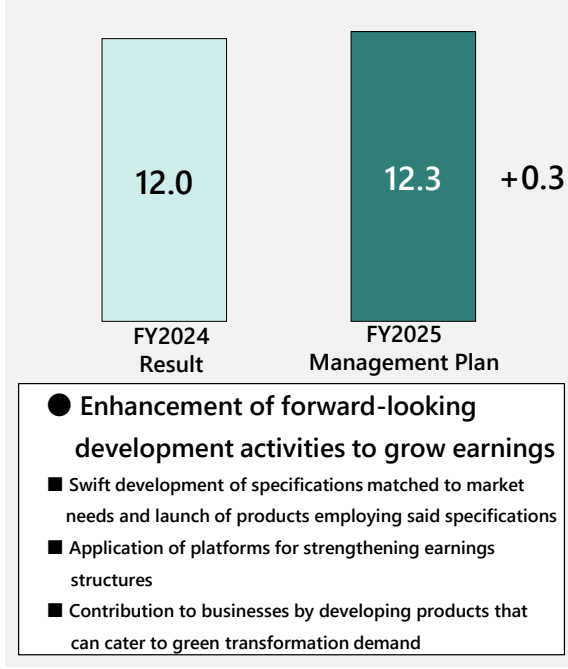
Capital Investment (Billions of yen)



● Strategic forward-looking investments

- Mobility product production equipment
- Smart meter production equipment
- Heat product testing equipment
- Automated ED&C component assembly

Research and Development (Billions of yen)



● Enhancement of forward-looking development activities to grow earnings

- Swift development of specifications matched to market needs and launch of products employing said specifications
- Application of platforms for strengthening earnings structures
- Contribution to businesses by developing products that can cater to green transformation demand

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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Next, we will discuss our plans for capital investment and research and development.

For capital investment, in the FY2025, we will increase strategic investments for the future, such as production equipment for mobility-related products and test equipment for heat products.

Regarding research and development investment, we will also strengthen future-oriented development, primarily focusing on platform development aimed at profit expansion and product development to capture green transformation demand.

We already have numerous delivery records in our key industries: electric and electronics, food, and chemical sectors. The reason why customers choose us is that we are quick to introduce this digital solution, incorporating advanced AI technology, into our own factories. We also integrate the accumulated factory KPI know-how into our external products, which enables us to respond precisely to our customers' needs. In FY2025, we will consolidate engineers at Fuji Electric IT Solutions, our affiliated company, and promote business expansion by further enhancing our solution capabilities.

Development Schedule (Product Strategy)

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Improvement of development efficiency, swift introduction of new products, and expansion of range of platform utilizing models

	Major Development Themes	Market	FY2023	FY2024	FY2025	FY2026	FY2027
Factory Automation Components	Low-voltage inverters ・All-in-one elevator solutions ・Mini series compact platforms ・Global compact platform for economic type Servos ・Global servo systems Next-generation electricity measuring instruments ・Power quality instruments / dual power instruments Measuring instruments ・Compact ultrasonic flowmeters (S-Flow)	Japan Europe and Americas China Asia China (Asia) Japan South Korea and Taiwan North America Japan Asia and Europe	7th platform ALPHA7S Platform development S-Flow	Elevator-use inverters Global servos Carbon footprint-compatible electricity instruments Expanded caliber range	All-in-one elevator solutions Mini-C3 development Global compact Highly function models Wireless capabilities and expanded functions	Development of 8th platform	Deployment of products for 8th platform
Automation Systems	Systems ・Bolstering of industrial inverter functions ・Large-capacity water-cooled inverters ・Global medium-voltage inverters ・Medium-sized industrial motor model updates and lineup expansion	Japan China Asia	Industrial inverters Large-capacity water-cooled inverters Medium-sized industrial motor model updates		Series expansion Global medium-voltage inverters Medium-sized industrial motor lineup expansion	Expansion of series	
	Plant control systems ・Global control systems	Japan Asia			Next-generation systems, integration of DCS and PLC platforms Control system security capabilities		Coordination with higher-level systems
IT Solutions	Digital transformation product lineup expansion ・Development of platforms for factory digital transformation and expansion of employing systems Heat products	Japan China Asia	Digital transformation solutions		Heat products		
Mobility	Electrical mobility equipment and systems ・Electrical equipment for shinkansen trains ・Next-generation door platforms and condition-based management systems ・Automotive power electronics ・Electric propulsion, shaft generators ・CO_2/ammonia capture systems for ships	Japan North America Asia India	Smaller, lighter, and all-SiC electrical equipment for shinkansen trains Standardized door development and lineup expansion Automotive power electronics Electric propulsion, shaft generators Ammonia leak decision, measurement, and recovery system				
Radiation-Related equipment	Personal exposure management, components for overseas markets ・Next-generation dosimeters ・New survey meters	Japan China and other parts of Asia Europe and Americas	Next-generation dosimeter development Next-generation survey meters				
ED&C Components	Enhancement of competitiveness of core products ・SC-NEXT series magnetic switches ・Next-generation breakers and measuring units	Japan China and other parts of Asia North America	SC-NEXT Large MAG development Next-generation breaker and measuring unit development				

The specific development plan is on page 18.

In FY2025, we plan to launch a total of 28 new products to the market. Especially in FA components, to build a competitive advantage over local Chinese competitors, we will complete the global servo system within this fiscal year and introduce the global compact inverter next fiscal year.

Additionally, starting next year, we will promote the development of a platform equipped with 8th generation IGBT, further strengthening our competitiveness over the medium and long term.

Furthermore, to capture green transformation demand, we will proceed with the development of next-generation power measuring devices and compact ultrasonic flow meters.

In parallel, for future business expansion, we will advance the development of thermal products, mobility products, and new radiation devices for overseas markets.

<Automation Systems>

Heat Product Development

Fuji Electric
Innovating Energy Technology

Growth of sales with new waste heat utilization products that contribute to decarbonization, electrification, and energy conservation

150 ℃ / 100 kW Steam-Generation Heat Pump

■ Applications:
Sterilization, drying, humidification, dehumidification, condensation, distillation

■ Advantages:
Energy conservation (up to 3.2 COP*), water intake reduction through wastewater reuse

■Launch: 1H of FY2026

200 kW Ejector Cooling System

■ Applications:
AI server cooling, gigacasting mold cooling

■Advantages:
Energy conservation (up to 200.0 COP*), low maintenance (pump replacement only once every 10 years)

■Launch: 1H of FY2026

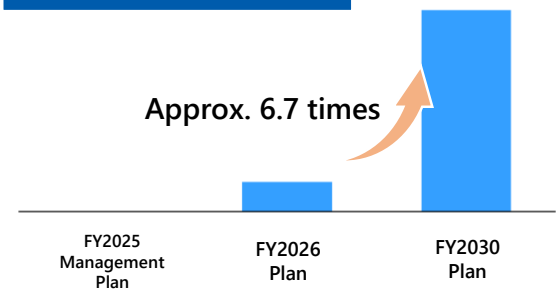
Sales Strategies

■Coordination with specialized partners and engineering companies to explore new sales channels
Target industries: Food, beverages

■Provision of higher value through coordination with equipment manufacturers
Target industries: Chemicals

■Proposal of solutions integrating electrical machinery, heat, and digital transformation
Target industries: Data centers, semiconductors

Net Sales Plan



* Coefficient of performance, an indicator of energy efficiency

From here, I will explain the priority measures for the future. First is our new product under development, “heat products”

The first is the steam-generation heat pump. This product utilizes waste heat that has not conventionally been used in factories to efficiently generate steam at 150°C. It enables boiler assistance and reduction of boiler fuel consumption, thereby achieving energy savings and CO2 reduction.

The other is the ejector chiller, which is suitable for applications such as AI server cooling in data centers. Its key feature is ultra-high efficiency, made possible by compression using an ejector without the use of a refrigerant compressor. We will promote these thermal solutions to industries such as food and beverage and data centers through partner strategies and through integrated solution proposals involving electricity, heat, and DX, aiming for significant sales growth toward FY2030.

We already have a strong track record of deliveries in focus industries such as electrical and electronics, food, and chemicals. The reason customers choose our products is that we were quick to introduce this digital solution, incorporating advanced AI technology, to our own factories. By embedding the accumulated factory KPI know-how into our commercial products, we are able to reliably meet customer needs. In FY2025, we will gather engineers at Fuji Electric IT Solutions, a group company, and further strengthen our solution capabilities to expand our business.

<Social Solutions (Mobility) >

Business Expansion in Mobility Field

Fuji Electric
Innovating Energy Technology

Expansion of new fields business (ships, harbors, electrified vehicles) and improvement of earnings in existing fields (railcars)

Rail Cars

Platform products

Auxiliary power supplies

Door systems

Enhancement of diagnosis functions

(Condition-based maintenance functions for doors)

Ships, Harbors

Electric propulsion

Water-cooled permanent magnet traction motors

Cool water conversion systems

Shaft generators

Permanent magnet shaft generators

Products for ammonia vessels

Measuring instruments

Medium- to Long-Term Outlook for Target Markets

		2024	2025	2026	–2030
Existing Field	Railcar systems	Railcar upgrade demand in North America			
			Low maintenance and automated operation needs		
New Fields	Ships (electrification)		Introduction of hybrid ships		
				Full-electric ships	
	Ships (shaft generation)	Increased introduction of shaft generation systems in response to CO_2 emissions regulations			
	Harbors (shoreside power)			Introduction	
				Popularization	
	Automobiles (electrification)	Popularization			

Priority Measures

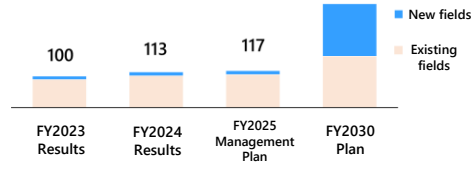
<Rail Cars>
- Increased adoption of platform products
- Focus on global customers to grow orders (global products)
- Enhancement of self-diagnosis functions for reducing labor requirements and supporting long-term railcar sue

<Ships, Harbors>
- Introduction of new global products to acquire new orders; acceleration of partnership strategies

<Electrified Vehicles>
- Entry into automotive power electronics market and development of related production systems

Net Sales Plan

FY2023 indexed to 100



From here, we will explain the priority measures for the mobility business under "Social Solutions."

For the existing field, the mainstay railcar systems will focus on increasing the application rate of platform products and developing enhanced diagnostic functions. Toward FY2030, we aim to steadily capture domestic and overseas demand for new installations, renewals, and labor-saving needs, thereby expanding sales.

One of the new fields is the ship and harbor sector. Although market establishment for electrification is currently delayed, demand is expanding for generators for shaft power generation systems due to CO2 emission regulations. We will also thoroughly develop water-cooled converters and electric motors for electric propulsion, which are expected to grow in the medium to long term. Through partner strategies, we will seek to expand net sales.

Another new field, xEV, plans significant business growth towards FY2030. We believe the trend toward vehicle electrification will continue in the medium to long term, and we plan to enter the market for in-vehicle power electronics products. To prepare for mass production, we will advance the development of our production system during this fiscal year.

<Social Solutions (Radiation-Related Equipment) >

Initiatives for Growing Sales Volumes

Fuji Electric
Innovating Energy Technology

Response to market growth stimulated by green transformation trend by enhancing core products and technologies and strengthening manufacturing platforms

Development of Products for Overseas Markets

Neutron Survey Meters

Neutron survey meters

Lightweight and durable survey meters compatible with latest domestic and international standards

・Compliant with latest domestic standards (JIS) and international standards (IEC61005, Ed.3)

Dosimeters

Dosimeters

Full utilization of domestic share-leading core technologies

・Compliant with international standards (IEC61526, Ed.4)

Priority Measures

■Growth of market share by strengthening existing businesses

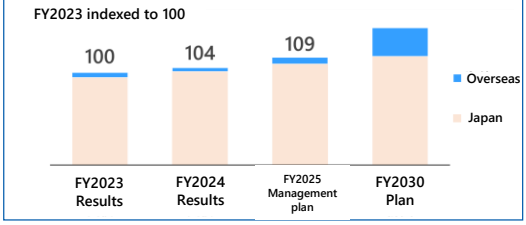
■Expansion of sales volumes by entering into decommissioning equipment market

■Acceleration of initiatives to expand overseas operations

Medium- to Long-Term Outlook for Target Markets

		2024	2025	2026	–2030
Japan	Nuclear fuel cycle	Completion of new factories and start of operation			
	Resumption of nuclear power plant operation	Growth in conjunction with implementation of Japanese government's Seventh Strategic Energy Plan			
	Decommissioning	Rise in sales volumes due to aging and decommissioning of facilities			
Overseas markets		Construction of new nuclear power plants			

Net Sales Plan



Lastly, here are the priority measures for the radiation related equipment business.

The nuclear power market is on an upward trend against the backdrop of Green transformation, and domestically, we will steadily capture demand by strengthening existing businesses and newly entering the decommissioning market.

In the medium to long term, we have positioned overseas business expansion as a priority measure. By strengthening the development of new survey meters and dosimeters for overseas markets—focusing on compliance with international standards, lightweight design, and robustness—we plan to significantly expand overseas sales by FY2030.

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This concludes the business strategy presentation of the Industry Business Group.
Thank you for your attention.