

**NOTICE OF CONVOCATION OF
THE 149th ORDINARY GENERAL MEETING OF SHAREHOLDERS**

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To Our Shareholders

We would like to express our gratitude to all of our shareholders for their continued support.

As we present this notice of convocation of the 149th Ordinary General Meeting of Shareholders (for fiscal 2024) of the Company, I would like to take this opportunity to extend my greetings.

In fiscal 2024, we began our three-year Medium-Term Management Plan, “To be enthusiastic, ambitious and sensitive 2026,” for which the final year is fiscal 2026. To go back to our management roots, we have placed our management slogan at the center of the plan. Our aim is to pursue management, with the enthusiasm to contribute to society by creating new technologies and products, with the ambition to set high goals, and with the high sensitiveness to appreciate and care for our customers, colleagues, and families.

In the first year of the plan, our business environment remained uncertain due to rising geopolitical risks and increasing protectionist policies, despite an increase in capital investment driven by advancements in decarbonization and generative AI.

In this environment, all the employees worked together for “improvement of corporate value through management emphasizing profit,” which is the fundamental policy of our Medium-Term Management Plan. As a result, in fiscal 2024, net sales increased 20.2 billion yen year on year to 1,123.4 billion yen, operating profit increased 11.6 billion yen year on year to 117.6 billion yen, operating profit ratio was 10.5%, and profit attributable to owners of parent increased 16.9 billion yen year on year to 92.2 billion yen. All of these consolidated results are new record highs.

In view of the above business performance and future investment plans, we have decided to pay a year-end dividend of 85 yen per share. Together with the interim dividend, this will bring the total dividend per share for the fiscal year ended March 31, 2025 to 160 yen, an increase of 25 yen, or an increase by 19%, compared to the previous fiscal year.

Currently, trade policies in the United States are generating global concern for potential economic adjustments, while the US-China trade war is also contributing to growing worldwide uncertainty. In this environment, through the implementation of our corporate philosophy and management policies, that is, through our innovation in energy and environment technology, we will aim to continue as a Group that contributes to the creation of a responsible and sustainable society. To do so, based on our employee-first approach, we will prioritize the safety and health of our employees and their families and work as a team to drive our business activities forward, value communication with our stakeholders to earn their trust, and further increase the value of our Company.

We would like to ask for the continued confidence and support of our shareholders.

June 2025

Michihiro Kitazawa
Representative Director
Chairman of the Board and CEO

FUJI ELECTRIC CO., LTD.
Securities Code: 6504
1-1 Tanabe Shinden, Kawasaki-ku, Kawasaki
(Head Office)
Gate City Ohsaki, East Tower
11-2, Osaki 1-chome, Shinagawa-ku, Tokyo

June 4, 2025
(Provision of the information to be provided
electronically commences on June 3, 2025)

**NOTICE OF CONVOCAION OF
THE 149th ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders,

The 149th Ordinary General Meeting of Shareholders of FUJI ELECTRIC CO., LTD. shall be held as outlined below.

In convocation of this General Meetings of Shareholders, the Company takes electronic provision measures to provide electronically information that is the content of reference materials for the General Meeting of Shareholders, etc. (matters to which the electronic provision measures apply), and posts such matters on the following Company's website.

Company's website

<https://www.fujielectric.co.jp/about/ir/stock/meeting/index17.html> (in Japanese)

In addition to the above website, the same information is posted on the website of Tokyo Stock Exchange, Inc. (TSE).

TSE website

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

Please access the above website and enter "Fuji Electric" in "Issue name (company name)" field, or "6504" in "Code" field, and then click "Search" button. Subsequently, click "Basic information" and then "Documents for public inspection/PR information," which will allow you to access "Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting" section under "Filed information available for public inspection."

Please exercise your voting rights by no later than 6:00 p.m., Tuesday, June 24, 2025 after reviewing the attached reference materials (pp. 6-22) and following the "Guidelines for the Exercise of Voting Rights" on page 4.

Sincerely,
Michihiro Kitazawa
Representative Director
Chairman of the Board and CEO

Details of Meeting

1. Date: 10:00 a.m., Wednesday, June 25, 2025 (Reception opens at 9:00 a.m.)

2. Place: Galaxy Room, 2nd Basement, Westin Hotel Tokyo
4-1 Mita 1-chome, Meguro-ku, Tokyo
(within Yebisu Garden Place)

3. Meeting Agenda

Items to be reported:

Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the 149th term (from April 1, 2024 to March 31, 2025), as well as the results of the audit of Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board

Items to be resolved:

Item: Election of Ten (10) Directors

4. Other Matters Shareholders Are Asked to Know with respect to this Convocation

- (1) The agenda item unmarked on a ballot form will be counted as “approved.”
 - (2) If voting rights are duplicated through the use of postal and via the Internet, etc., any vote that reaches the Company later will be regarded as the valid vote. In the event that multiple votes reach the Company on the same day, the vote exercised via the Internet, etc. shall take precedence.
 - (3) If voting rights are exercised multiple times via the Internet, etc., the last vote will be regarded as the valid vote.
- Please be advised that the Company’s Directors, Audit & Supervisory Board Members, and persons in charge are encouraged to be in light attire (the so-called Cool Biz) on the day of the Ordinary General Meeting of Shareholders.
 - Of the matters to which the electronic provision measures apply, the “Explanatory Notes for Consolidated Financial Statements” in the Consolidated Financial Statements and the “Explanatory Notes for Non-consolidated Financial Statements” in the Non-consolidated Financial Statements are posted on the Company’s website as well as on the TSE website as mentioned in page 2 of this notice, pursuant to the provisions of laws and regulations and the Articles of Incorporation of Company, and thus are omitted from this notice.
 - In the case that any revisions are made to the matters to which the electronic provision measures apply, a notice of the revisions and the details of revisions showing before and after changes will be posted on both of the aforementioned websites.

Guidelines for the Exercise of Voting Rights

You may exercise your voting rights at the Ordinary General Meeting of Shareholders by one of the following methods.

If you are not attending the meeting:

1. Exercising voting rights by postal mail (in writing)

Please indicate your approval or disapproval on the ballot form and send it back to us. (No postage is needed.)

*All unmarked agenda items will be counted as “approved.”

Exercise deadline: **Received by no later than 6:00 p.m., Tuesday, June 24, 2025**

2. Exercising voting rights via the Internet, etc.

Please access the Company’s designated website to exercise your voting rights online, and enter your vote of approval or disapproval by following on-screen guidance.

Please refer to the following page for instructions concerning the exercise of voting rights via the Internet, etc.

[Cautions regarding exercising voting rights via the Internet, etc.]

- If voting rights are exercised multiple times, the last vote will be regarded as the valid vote.
- If voting rights are duplicated through the use of postal and via the Internet, etc., any vote that reaches the Company later will be regarded as the valid vote. In the event that multiple votes reach the Company on the same day, the vote exercised via the Internet, etc. shall take precedence.

Exercise deadline: **Input by no later than 6:00 p.m., Tuesday, June 24, 2025**

If you are attending the meeting:

Please present the ballot form to the receptionist. (A personal seal will not be required.)

*You may exercise your voting rights by a proxy who is also a shareholder. In this case, the proxy should submit the following three documents to the reception on the day of the meeting: the proxy authorization form, your ballot form, and the proxy’s ballot form.

Date of the Ordinary General Meeting of Shareholders:

10:00 a.m., Wednesday, June 25, 2025 (Reception opens at 9:00 a.m.)

Instructions Concerning the Exercise of Voting Rights via the Internet, etc.*

*Institutional investors can exercise their voting rights via the electronic voting platform for institutional investors operated by Investor Communications Japan Inc. (ICJ).

By scanning the QR code (“Smart Exercise”)

You can log-in to the website for exercise of voting rights without entering the voting rights exercise code and password.

1. Please scan the QR code printed on the ballot form at the bottom right.

*QR code is a registered trademark of DENSO WAVE INCORPORATED.

2. Then please follow on-screen guidance and enter your vote of approval or disapproval.

The exercise of voting right by “Smart Exercise” is available only once.

In case if you want to change your vote after exercising your voting right, please access the website for PC and log-in by entering the “voting rights exercise code” and “password” indicated in the ballot form, to exercise your voting right again.

*You will be transferred to the website for PC by scanning the QR code again.

By entering the voting rights exercise code and password

Website for exercise of voting rights: <https://www.web54.net>

1. Please access the website for exercise of voting rights.

Click the “Next” button.

2. Please enter the “voting rights exercise code” indicated in the ballot form.

Enter the “voting rights exercise code.”

Click “Log in.”

3. Please enter the “password” indicated in the ballot form.

Enter the “password.”

Enter the new password that you will actually use.

Click “Register.”

4. Then please follow on-screen guidance and enter your vote of approval or disapproval.

If you have any questions on how to exercise your voting rights via the Internet using a personal computer or a smartphone, please contact the department below.

Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Web Support (dedicated line)

Toll-free number: 0120-652-031 (from within Japan only)
(9:00 a.m. to 9:00 p.m., JST)

Reference Materials for the General Meeting of Shareholders

Item: Election of Ten (10) Directors

Reasons for Proposal

The terms of office of all of ten members of the Board of Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. We, therefore, propose the election of the following ten members of the Board of Directors (four of them are Outside Directors) due to the following reasons.

In light of the Company's business characteristics, the Company has defined the insight and experience necessary for the Board of Directors of the Company as the seven areas of "Business management," "Finance and accounting," "Global business," "Environmental and Society," "R&D, technology, manufacturing, and DX," "Corporate Governance, legal matters, and risks," and "Marketing and industry."

Six candidates for Standing Directors (No. 1-6) have been decided on the basis of the skills and experience necessary for the execution of the Company's management policies.

Four candidates for Outside Directors (No. 7-10) have been selected based on a comprehensive evaluation of the candidate's insight and experience, including management experience in other companies and expertise and international experience in the energy and environmental fields related to the Company's business, to determine their ability to conduct multifaceted management decisions, as well as of their understanding with regard to Fuji Electric's management and their independence from the Company described in pages 15-20. This approach has been adopted to facilitate the reinforcement of Fuji Electric's management supervisory functions and ensure the validity and appropriateness of important management decisions.

For the areas expected to Director candidates by the Company, please refer to pages 7 to 8.


As mentioned above, we would ask you to approve the election of these ten Directors in order to execute highly transparent management in a prompt manner with the aim of future business growth.

The election of Director candidates was made after the "Nomination and Remuneration Committee," a discretionary committee whose membership is made up of a majority of Outside Directors who are Independent Officers and whose chairman is an Outside Director who is an Independent Officer, deliberated and reported its findings.


Current positions and direct duties of Director candidates in the Company and areas expected to them by the Company

No.	Name	Current positions and direct duties in the Company		Areas expected to Director candidates by the Company						
				Business management	Finance and accounting	Global business	Environment and Society	R&D, technology, manufacturing, and DX	Corporate Governance, legal matters, and risks	Marketing and industry
1	Michihiro Kitazawa (Male) (Reappointment)	Representative Director Chairman of the Board and CEO (Chief Executive Officer)	Nomination and Remuneration Committee member	●	●	●	●	●	●	●
2	Shiro Kondo (Male) (Reappointment)	Representative Director President and COO (Chief Operating Officer)	President Nomination and Remuneration Committee member	●	●	●	●	●	●	●
3	Toru Hosen (Male) (Reappointment)	Director	Senior Managing Executive Officer Corporate General Manager, Semiconductors Business Group				●	●		●
4	Hiroshi Tetsutani (Male) (Reappointment)	Director	Managing Executive Officer Corporate General Manager, Industry Business Group				●	●		●
5	Masashi Kawano (Male) (Reappointment)	Director	Senior Managing Executive Officer Corporate General Manager, Energy Business Group				●	●		●

No.	Name		Current positions and direct duties in the Company		Areas expected to Director candidates by the Company						
					Business management	Finance and accounting	Global business	Environment and Society	R&D, technology, manufacturing, and DX	Corporate Governance, legal matters, and risks	Marketing and industry
6	Yoshitada Miyoshi (Male)	(New appointment)		Senior Managing Executive Officer Corporate General Manager, Corporate Management Planning Headquarters General Manager, Export Control Office In charge of compliance management		●		●		●	
7	Toshihito Tamba (Male)	(Reappointment) (Outside Director) (Independent Officer)	Outside Director	Nomination and Remuneration Committee chairman	●	●	●			●	
8	Yukari Tominaga (Female)	(Reappointment) (Outside Director) (Independent Officer)	Outside Director	Nomination and Remuneration Committee member	●				●	●	
9	Yukihiro Tachifuji (Male)	(Reappointment) (Outside Director) (Independent Officer)	Outside Director	Nomination and Remuneration Committee member	●		●	●	●	●	
10	Tomonari Yashiro (Male)	(Reappointment) (Outside Director) (Independent Officer)	Outside Director	Nomination and Remuneration Committee member			●	●		●	

No.	Name, date of birth, and reappointment or new appointment	Brief personal record, positions and direct duties in the Company	
1	 <p>Michihiro Kitazawa (Feb. 10, 1952) (Reappointment)</p>	<p>Apr. 1974: Joined the Company</p> <p>Apr. 1998: President and Director, U.S. FUJI ELECTRIC INC.</p> <p>Jun. 2001: President and Representative Director, Fuji Electric Imaging Device Co., Ltd.</p> <p>Oct. 2003: Director, Fuji Electric Device Technology Co., Ltd.</p> <p>Jun. 2004: Managing Director, Fuji Electric Device Technology Co., Ltd.</p> <p>Jun. 2006: Senior Managing Director, Fuji Electric Device Technology Co., Ltd.</p> <p>Apr. 2008: Senior Executive Officer of the Company</p> <p>Jun. 2008: Representative Director, Vice President and Director of the Company</p> <p>Apr. 2010: Representative Director, President and Director of the Company</p> <p>Apr. 2011: President of the Company</p> <p>Apr. 2022: Representative Director, Chairman of the Board and CEO of the Company (up to the present)</p> <p>[Direct duties in the Company]</p> <p>Chief Executive Officer</p> <p>Nomination and Remuneration Committee member</p>	<p>Ownership of the Company's shares 45,500</p> <p>Tenure 17 years</p> <p>Number of attendance at the Board of Directors meetings 13/13</p>
<p>Reasons for nomination as a candidate for Director</p> <p>Mr. Michihiro Kitazawa was elected Director in 2008, and his tenure of office is 17 years. He was appointed as President of the Company in April 2010, and has been leading the management of the Company ever since. In addition, he has been Chairman of the Board and CEO since April 2022.</p> <p>We would ask shareholders to reelect him as Director, to perform the duties of a person to oversee the formulation of medium- to long-term business strategies and management plans. This is based on his experience of working abroad for many years and in the semiconductors business, where outstanding progress of technological innovation is seen, and his insight into business management.</p> <p>If his reelection is approved at this General Meeting, the Company will continue his appointment as Chairman of the Board and CEO.</p>			

No.	Name, date of birth, and reappointment or new appointment	Brief personal record, positions and direct duties in the Company	
2	 <p>Shiro Kondo (Oct. 4, 1960) (Reappointment)</p>	<p>Apr. 1984: Joined the Company</p> <p>Apr. 2005: General Manager, Information and Communications Controls Department, Fuji Electric Advanced Technology Co., Ltd.</p> <p>Apr. 2007: General Manager, Information and Communications Controls Development Center, Fuji Electric Advanced Technology Co., Ltd.</p> <p>Jul. 2007: Director, Fuji Electric Advanced Technology Co., Ltd.</p> <p>Jul. 2008: General Manager, Technology Strategy Office, Technology and Business Strategy Headquarters of the Company</p> <p>Sep. 2010: Deputy General Manager (Director), Fuji Electric Holdings (Shanghai) Co., Ltd.</p> <p>Jun. 2012: General Manager (Chairman), Fuji Electric (China) Co., Ltd.</p> <p>Apr. 2013: General Manager, Instrumentation and Control Systems Division, Industrial Infrastructure Business Group of the Company</p> <p>Jul. 2014: General Manager, Industrial Plant Division, Industrial Infrastructure Business Group of the Company</p> <p>Apr. 2015: General Manager, Industrial and Instrumentation Equipment Division, Industrial Infrastructure Business Group of the Company</p> <p>Apr. 2016: Deputy Corporate General Manager, Corporate R&D Headquarters of the Company</p> <p>Apr. 2017: Executive Officer of the Company Corporate General Manager, Corporate R&D Headquarters of the Company</p> <p>Apr. 2020: Managing Executive Officer of the Company</p> <p>Jun. 2021: Director of the Company</p> <p>Apr. 2022: Representative Director, President and COO of the Company (up to the present) President of the Company (up to the present)</p> <p>[Direct duties in the Company]</p> <p>Chief Operating Officer Nomination and Remuneration Committee member</p>	<p>Ownership of the Company's shares 14,200</p> <p>Tenure 4 years</p> <p>Number of attendance at the Board of Directors meetings 13/13</p>
<p>Reasons for nomination as a candidate for Director</p> <p>Mr. Shiro Kondo was elected Director in 2021, and his tenure of office is four years. In addition, he has been President and COO since April 2022.</p> <p>We would ask shareholders to reelect him as Director, to perform the duties of a person responsible for business strategies and business execution based on management plans. This is based on his experience as a person responsible for business divisions, overseas bases and R&D operations and his insight into business management.</p> <p>If his reelection is approved at this General Meeting, the Company will continue his appointment as President and COO.</p>			

No.	Name, date of birth, and reappointment or new appointment	Brief personal record, positions and direct duties in the Company	
3	 <p>Toru Hosen (Jun. 25, 1960) (Reappointment)</p>	<p>Apr. 1983: Joined the Company</p> <p>Oct. 2003: Deputy General Manager, Matsumoto Office, Fuji Hitachi Power Semiconductor Co., Ltd.</p> <p>Feb. 2006: General Manager, Product Technology Center, Information and Power Supply Business Division, Semiconductor Devices Headquarters, Fuji Electric Device Technology Co., Ltd.</p> <p>Sep. 2007: Deputy General Manager, Information and Power Supply Business Division, Semiconductor Devices Headquarters, Fuji Electric Device Technology Co., Ltd.</p> <p>Apr. 2008: Senior Manager, Product Planning Department, Sales Coordination Division, Semiconductor Development and Sales Headquarters, Fuji Electric Device Technology Co., Ltd.</p> <p>Jul. 2008: Senior Manager, Discrete and IC Department, Semiconductors Business Coordination Division, Fuji Electric Device Technology Co., Ltd.</p> <p>Jan. 2009: Deputy General Manager, Business Strategy Coordination Division, Semiconductor Devices Headquarters, Fuji Electric Device Technology Co., Ltd.</p> <p>Oct. 2009: Deputy General Manager, Semiconductor Coordination Division, Semiconductor Devices Headquarters, Fuji Electric Systems Co., Ltd.</p> <p>Apr. 2011: General Manager, Power Semiconductor Business Division, Electronic Devices Business Group of the Company</p> <p>Apr. 2013: General Manager, Business Coordination Division, Electronic Devices Business Group of the Company</p> <p>Apr. 2017: Executive Officer of the Company Deputy Corporate General Manager, Electronic Devices Business Group of the Company</p> <p>Apr. 2018: Corporate General Manager, Electronic Devices Business Group of the Company</p> <p>Apr. 2019: Managing Executive Officer of the Company</p> <p>Apr. 2021: Corporate General Manager, Semiconductors Business Group of the Company (up to the present)</p> <p>Apr. 2022: Senior Managing Executive Officer of the Company (up to the present)</p> <p>Jun. 2022: Director of the Company (up to the present)</p> <p>[Direct duties in the Company]</p> <p>Corporate General Manager, Semiconductors Business Group</p>	<p>Ownership of the Company's shares 6,000</p> <p>Tenure 3 years</p> <p>Number of attendance at the Board of Directors meetings 13/13</p>
<p>Reasons for nomination as a candidate for Director</p> <p>Mr. Toru Hosen was elected Director in 2022, and his tenure of office is three years.</p> <p>We would ask shareholders to reelect him as Director, to perform his duties as the person responsible for the Semiconductors Business Group. This is based on his experience holding important positions in the semiconductors business, which the Company has placed as a growth field, and his insight into business management.</p>			


No.	Name, date of birth, and reappointment or new appointment	Brief personal record, positions and direct duties in the Company	
4	 <p>Hiroshi Tetsutani (Nov. 18, 1963) (Reappointment)</p>	<p>Apr. 1986: Joined the Company</p> <p>Jul. 2008: Senior Manager, Drive Equipment Technology Department, Drive Coordination Division, Drive Business Headquarters, Fuji Electric Systems Co., Ltd.</p> <p>Apr. 2009: General Manager, Complex Product Solution Coordination Division, Drive Business Headquarters, Fuji Electric Systems Co., Ltd.</p> <p>Apr. 2010: General Manager, Conveyance System Coordination Division, Transportation Solution Business Division, Environment Solution Headquarters, Fuji Electric Systems Co., Ltd.</p> <p>Apr. 2011: Senior Manager, Drive Planning Coordination Department, Drive Business Division, Power Electronics Business Group of the Company</p> <p>Oct. 2013: General Manager, Drive Business Division, Power Electronics Business Group of the Company</p> <p>Apr. 2017: Deputy Corporate General Manager, Power Electronics Systems Business Group of the Company</p> <p>General Manager, Factory Automation Business Division, Power Electronics Systems Business Group of the Company</p> <p>Apr. 2019: Executive Officer of the Company</p> <p>Corporate General Manager, Power Electronics System Industry Business Group of the Company</p> <p>Apr. 2021: Managing Executive Officer of the Company (up to the present)</p> <p>Sep. 2021: Corporate General Manager, Power Electronics Industry Business Group of the Company</p> <p>Jun. 2022: Director of the Company (up to the present)</p> <p>Oct. 2023: Corporate General Manager, Industry Business Group of the Company (up to the present)</p> <p>[Direct duties in the Company]</p> <p>Corporate General Manager, Industry Business Group</p>	<p>Ownership of the Company's shares 5,400</p> <p>Tenure 3 years</p> <p>Number of attendance at the Board of Directors meetings 13/13</p>
<p>Reasons for nomination as a candidate for Director</p> <p>Mr. Hiroshi Tetsutani was elected as a Director in 2022 and his tenure of office is three years. We would ask shareholders to reelect him as Director, to perform the duties as the person responsible for the Industry Business Group. This is based on his experience holding important positions in the industry business, which the Company has placed as a growth field, and his insight into business management.</p>			


No.	Name, date of birth, and reappointment or new appointment	Brief personal record, positions and direct duties in the Company	
5	 <p>Masashi Kawano (Sep. 14, 1961) (Reappointment)</p>	<p>Apr. 1986: Joined the Company</p> <p>Apr. 2009: Senior Manager, Development Department I, Power Electronics Development Center, Corporate R&D Headquarters, Fuji Electric Systems Co., Ltd.</p> <p>Jun. 2010: General Manager, Power Electronics Technology Center, Corporate R&D Headquarters, Fuji Electric Systems Co., Ltd.</p> <p>Senior Manager, Development Department I, Power Electronics Technology Center, Corporate R&D Headquarters, Fuji Electric Systems Co., Ltd.</p> <p>Apr. 2011: General Manager, Power Electronics Technology Development Center, Product Technology Laboratory, Corporate R&D Headquarters, Fuji Electric Systems Co., Ltd.</p> <p>Apr. 2013: General Manager, Kobe Factory, Production Division, Power Electronics Business Group of the Company</p> <p>Jul. 2015: General Manager, Power Supply Division, Power Electronics Business Group of the Company</p> <p>Apr. 2017: Deputy Corporate General Manager, Production & Procurement Group of the Company</p> <p>General Manager, MONOTSUKURI Strategy Center, Production & Procurement Group of the Company</p> <p>Apr. 2019: Executive Officer of the Company</p> <p>Corporate General Manager, Production & Procurement Group of the Company</p> <p>Apr. 2020: Corporate General Manager, Power Electronics System Energy Business Group of the Company</p> <p>Apr. 2021: Managing Executive Officer of the Company</p> <p>Sep. 2021: Corporate General Manager, Power Electronics Energy Business Group of the Company</p> <p>Oct. 2023: Corporate General Manager, Energy Business Group of the Company (up to the present)</p> <p>Jun. 2024: Director of the Company (up to the present)</p> <p>Apr. 2025: Senior Managing Executive Officer of the Company (up to the present)</p> <p>[Direct duties in the Company]</p> <p>Corporate General Manager, Energy Business Group</p>	<p>Ownership of the Company's shares 5,700</p> <p>Tenure 1 year</p> <p>Number of attendance at the Board of Directors meetings 10/10</p>

Reasons for nomination as a candidate for Director

Mr. Masashi Kawano was elected as a Director in 2024 and his tenure of office is one year. We would ask shareholders to reelect him as Director, to perform the duties as the person responsible for the Energy Business Group. This is based on his experience holding important positions in the energy business, which the Company has placed as a growth field, and his insight into business management.

Note: Since he has newly assumed office as Director at the conclusion of the 148th Ordinary General Meeting of Shareholders held on June 25, 2024, the number of attendance and the number of the Board of Directors meetings are counted after such assumption.

No.	Name, date of birth, and reappointment or new appointment	Brief personal record, positions and direct duties in the Company	
6	 <p>Yoshitada Miyoshi (Dec. 25, 1957) (New appointment)</p>	<p>Apr. 1981: Joined the Company</p> <p>Sep. 2002: General Manager, 80th Anniversary Project Promotion Office of the Company</p> <p>Apr. 2007: General Manager, Marketing Planning Office (in charge of PR and Advertising) of the Company</p> <p>Jan. 2009: General Manager, General Affairs Department, Mie Factory, MONOTSUKURI Headquarters, Fuji Electric Retail Systems Co., Ltd.</p> <p>Aug. 2010: General Manager, Secretary Office, Human Resources Office, Corporate Management Planning Headquarters of the Company</p> <p>Feb. 2011: General Manager, President's Office of the Company</p> <p>Apr. 2020: Executive Officer of the Company In charge of SDGs Promotion In charge of Public and Investor Relations</p> <p>Apr. 2022: Managing Executive Officer of the Company</p> <p>Apr. 2025: Senior Managing Executive Officer of the Company (up to the present) Corporate General Manager, Corporate Management Planning Headquarters of the Company (up to the present)</p> <p>[Direct duties in the Company] Corporate General Manager, Corporate Management Planning Headquarters General Manager, Export Control Office In charge of compliance management</p>	<p>Ownership of the Company's shares 9,500</p>
<p>Reasons for nomination as a candidate for Director Mr. Yoshitada Miyoshi is a new candidate for Director. We would ask shareholders to elect him as Director, to perform the duties of Corporate General Manager of the Corporate Management Planning Headquarters to oversee the entire administrative operations. This is based on his many years of experience as a person responsible for the administrative department of the Company's manufacturing site, the general manager of the President's office, and a person responsible for public and investor relations and SDGs promotion.</p>			

No.	Name, date of birth, and reappointment or new appointment	Brief personal record and positions in the Company	
7	 <p>Toshihito Tamba (Mar. 13, 1950) (Reappointment) (Outside Director) (Independent Officer)</p>	<p>Apr. 1972: Joined ITOCHU Corporation</p> <p>Jun. 2001: Executive Officer, Chief Operating Officer, Forest Products & General Merchandise Division, ITOCHU Corporation</p> <p>Jun. 2003: Managing Representative Director, President, Chemicals, Forest Products & General Merchandise Company, ITOCHU Corporation</p> <p>Apr. 2005: Senior Managing Representative Director, Chief Corporate Planning Officer, ITOCHU Corporation</p> <p>Oct. 2006: Senior Managing Representative Director, Chief Administration Officer, ITOCHU Corporation</p> <p>Apr. 2008: Representative Executive Vice President, Executive Advisory Officer, Chief Operating Officer, Overseas Operations, ITOCHU Corporation</p> <p>Apr. 2010: Representative Director, Executive Vice President, Executive Advisory Officer, ITOCHU Corporation</p> <p>Jun. 2011: Advisor, Century Tokyo Leasing Corporation (now Tokyo Century Corporation) Chairman & Co-CEO, Representative Director, Century Tokyo Leasing Corporation</p> <p>Jun. 2016: Outside Director of the Company (up to the present)</p> <p>Apr. 2020: Director, Tokyo Century Corporation</p> <p>Jun. 2022: Executive Adviser, Tokyo Century Corporation</p> <p>[Direct duties in the Company]</p> <p>Nomination and Remuneration Committee chairman</p>	<p>Ownership of the Company's shares 2,400</p> <p>Tenure 9 years</p> <p>Number of attendance at the Board of Directors meetings 13/13</p>
<p>Reasons for nomination as a candidate for Outside Director and overview of expected roles</p> <p>Mr. Toshihito Tamba was elected Outside Director in 2016, and his tenure of office is nine years. He provides valuable opinions and recommendations with regard to the overall management of the Company based on his extensive experience and considerable insight as a management executive of a listed company. In addition, he actively offers opinions on selection of candidates for officers and determination on remuneration, etc. for officers of the Company as the chairman of the Nomination and Remuneration Committee. As stated above, we would ask shareholders to reelect him as Outside Director because he has played appropriate roles in supervising business execution as an Outside Director of the Company. We expect him to continuously play the above roles.</p> <p>Mr. Tamba previously served as Executive Adviser at Tokyo Century Corporation. The Company conducts transactions with the aforementioned company. In fiscal 2024, transactions with Tokyo Century Corporation amounted to approximately 1.2 billion yen, and the amount makes up less than 1% of the total net sales of either the Company or the aforementioned company.</p>			

No.	Name, date of birth, and reappointment or new appointment	Brief personal record and positions in the Company	
8	 <p>Yukari Tominaga (Apr. 19, 1958) (Reappointment) (Outside Director) (Independent Officer)</p>	<p>Apr. 1981: Joined Hitachi Computer, Consultant Ltd. (now Hitachi Solutions, Ltd)</p> <p>Oct. 2010: General Manager, Application Systems Department, Industrial and Retail Solutions Systems Business Department No. 1, Industrial and Retail Solutions Systems Business Group of Hitachi Solutions, Ltd.</p> <p>Apr. 2011: Executive Officer, Deputy General Manager, Retail Solutions Business Division, Industrial and Retail Solutions Systems Business Group of Hitachi Solutions, Ltd.</p> <p>Apr. 2012: Executive Officer, General Manager, Retail Solutions Business Division, Industrial and Retail Solutions Systems Business Group of Hitachi Solutions, Ltd.</p> <p>Apr. 2013: Executive Officer, General Manager, Financial Systems Business Division, Financial Systems Business Group of Hitachi Solutions, Ltd.</p> <p>Apr. 2014: Vice President and Executive Officer, Chief Officer, Financial Systems Business Group of Hitachi Solutions, Ltd.</p> <p>Apr. 2015: Vice President and Executive Officer, Chief Officer, Social Innovation Promotion Group of Hitachi Solutions, Ltd. Deputy Chief Officer, Sales Operations of Hitachi Solutions, Ltd.</p> <p>Oct. 2015: Vice President and Executive Officer, In charge of Social Innovation System Business of Hitachi Solutions, Ltd.</p> <p>Oct. 2016: Vice President and Executive Officer, Chief Officer, Quality Assurance Group of Hitachi Solutions, Ltd.</p> <p>Apr. 2019: Assistant to the President, Chief Diversity Officer (CDO) of Hitachi Solutions, Ltd.</p> <p>Apr. 2020: Fellow of Hitachi Solutions, Ltd.</p> <p>Jun. 2020: External Director, MORINAGA MILK INDUSTRY CO., LTD. (up to the present)</p> <p>Jun. 2021: Outside Director, Yashima & Co., Ltd.</p> <p>Jul. 2021: Senior Advisor, SB Technology Corp.</p> <p>Jun. 2022: External Member of the Board, SB Technology Corp.</p> <p>Outside Director of the Company (up to the present)</p> <p>[Direct duties in the Company] Nomination and Remuneration Committee member</p> <p>[Significant concurrent positions] External Director, MORINAGA MILK INDUSTRY CO., LTD.</p>	<p>Ownership of the Company's shares 400</p> <p>Tenure 3 years</p> <p>Number of attendance at the Board of Directors meetings 13/13</p>

Reasons for nomination as a candidate for Outside Director and overview of expected roles

Ms. Yukari Tominaga was elected Outside Director in 2022, and her tenure of office is three years.

She provides valuable opinions and recommendations with regard to the overall management of the Company based on her broad insight and experience in corporate management, accumulated through having held important positions in various business fields deeply related to the Company's business activities at a business company as well as serving as an Outside Director of listed companies.

In addition, she actively offers opinions on selection of candidates for officers and determination on remuneration, etc. for officers of the Company as a member of the Nomination and Remuneration Committee.

As stated above, we would ask shareholders to reelect her as Outside Director because she has played appropriate roles in supervising business execution as an Outside Director of the Company. We expect her to continuously play the above roles.

Ms. Tominaga previously served as Chief Diversity Officer at Hitachi Solutions, Ltd. The Company conducts transactions with the aforementioned company. In fiscal 2024, transactions with Hitachi Solutions, Ltd. amounted to approximately 7 million yen, and the amount makes up less than 1% of the total net sales of either the Company or the aforementioned company.

No.	Name, date of birth, and reappointment or new appointment	Brief personal record and positions in the Company	
9	 <p>Yukihiro Tachifuji (Oct. 12, 1960) (Reappointment) (Outside Director) (Independent Officer)</p>	<p>Apr. 1985: Joined Mitsubishi Paper Mills Limited</p> <p>Apr. 1999: Manager, New Products Development Section of Mitsubishi HiTec Paper Bielefeld GmbH</p> <p>Jun. 2013: Executive Officer, Mitsubishi Paper Mills Limited Head, Takasago Mill of Mitsubishi Paper Mills Limited Deputy General Manager, Paper Division of Mitsubishi Paper Mills Limited Deputy General Manager, Imaging Division of Mitsubishi Paper Mills Limited Deputy General Manager, Specialty Materials Division of Mitsubishi Paper Mills Limited</p> <p>Jan. 2016: Senior Executive Officer, Mitsubishi Paper Mills Limited</p> <p>Jan. 2018: Managing Executive Officer, Mitsubishi Paper Mills Limited</p> <p>Jun. 2019: President & CEO, Mitsubishi Paper Mills Limited</p> <p>Apr. 2022: Director and Advisor, Mitsubishi Paper Mills Limited</p> <p>Jun. 2022: Advisor, Mitsubishi Paper Mills Limited</p> <p>Jun. 2023: Outside Director of the Company (up to the present)</p> <p>Mar. 2025: Outside Director, artience Co., Ltd. (up to the present)</p> <p>[Direct duties in the Company] Nomination and Remuneration Committee member</p> <p>[Significant concurrent positions] Outside Director, artience Co., Ltd.</p>	<p>Ownership of the Company's shares 300</p> <p>Tenure 2 years</p> <p>Number of attendance at the Board of Directors meetings 13/13</p>
<p>Reasons for nomination as a candidate for Outside Director and overview of expected roles</p> <p>Mr. Yukihiro Tachifuji was elected Outside Director in 2023, and his tenure of office is two years. He provides valuable opinions and recommendations with regard to the overall management of the Company based on his extensive experience and considerable insight as a management executive of a listed company. In addition, he actively offers opinions on selection of candidates for officers and determination on remuneration, etc. for officers of the Company as a member of the Nomination and Remuneration Committee. As stated above, we would ask shareholders to reelect him as Outside Director because he has played appropriate roles in supervising business execution as an Outside Director of the Company. We expect him to continuously play the above roles.</p>			

No.	Name, date of birth, and reappointment or new appointment	Brief personal record and positions in the Company	
10	 <p>Tomonari Yashiro (Jul. 2, 1957) (Reappointment) (Outside Director) (Independent Officer)</p>	<p>Apr. 1985: Researcher, Building Research Institute, Ministry of Construction</p> <p>Apr. 1991: Associate Professor, Department of Architecture, Musashi Institute of Technology</p> <p>Oct. 1994: Visiting Research Fellow, University of Reading (UK)</p> <p>Apr. 1998: Associate Professor, Department of Civil Engineering, Graduate School of Engineering, The University of Tokyo</p> <p>Oct. 1999: Associate Professor, Institute of Industrial Science, The University of Tokyo</p> <p>Apr. 2001: Professor, Institute of Industrial Science, The University of Tokyo</p> <p>Apr. 2009: Director General, Institute of Industrial Science, The University of Tokyo</p> <p>Apr. 2013: Executive Vice President, The University of Tokyo</p> <p>Dec. 2018: Chairman, Design-Led X Pedagogical Research Initiative, The University of Tokyo</p> <p>Mar. 2023: Retired The University of Tokyo</p> <p>Apr. 2023: Professor, Kochi University of Technology Specially-appointed Professor, Tokyo City University</p> <p>Jun. 2023: Outside Director of the Company (up to the present)</p> <p>Jan. 2024: President, Tokyo City University (up to the present)</p> <p>[Direct duties in the Company] Nomination and Remuneration Committee member</p> <p>[Significant concurrent positions] President, Tokyo City University</p>	<p>Ownership of the Company's shares 200</p> <p>Tenure 2 years</p> <p>Number of attendance at the Board of Directors meetings 13/13</p>
<p>Reasons for nomination as a candidate for Outside Director and overview of expected roles</p> <p>Mr. Tomonari Yashiro was elected Outside Director in 2023 and his tenure of office is two years. He has not engaged in business management, but he has extensive experience and considerable insight as an expert in sustainable architecture and innovation management. Based on this knowledge, he provides valuable opinions and recommendations with regard to the overall management of the Company.</p> <p>In addition, he actively offers opinions on selection of candidates for officers and determination on remuneration, etc. for officers of the Company as a member of the Nomination and Remuneration Committee.</p> <p>As stated above, we would ask shareholders to reelect him as Outside Director because he has played appropriate roles in supervising business execution as an Outside Director of the Company. We expect him to continuously play the above roles.</p> <p>Mr. Yashiro previously served as Executive Vice President at University of Tokyo which is managed by National University Corporation, The University of Tokyo. The Company conducts transactions with the aforementioned company. In fiscal 2024, transactions with National University Corporation, the University of Tokyo amounted to approximately 45 million yen, and the amount makes up less than 1% of the total net sales of the Company and the total ordinary profit of the aforementioned company.</p>			

Matters Concerning Candidates for Directors

Special interests

- There are no special interests between each candidate and the Company.

Matters concerning candidates for Outside Directors

- Mr. Toshihito Tamba, Ms. Yukari Tominaga, Mr. Yukihiro Tachifuji, and Mr. Tomonari Yashiro are candidates for Outside Directors.
- Each of the candidates for Outside Directors does not intend to receive large payments or transfers of assets in other forms from the Company or specified related businesses of the Company except for Directors' remuneration, and has not received such payments within the past two years.
- Each of the candidates for Outside Directors is not a spouse, a family member within the third degree of kinship, or a member having similar relationship thereof of operators or non-executive officers of the Company or specified related businesses of the Company.

Details of limited liability agreement between the candidates for Outside Directors and the Company

In accordance with laws and regulations and the Articles of Incorporation of the Company, the Company has concluded limited liability agreements with Mr. Toshihito Tamba, Ms. Yukari Tominaga, Mr. Yukihiro Tachifuji, and Mr. Tomonari Yashiro as follows. If this proposal is approved, their agreements with the Company shall continue in effect.

- In the event that any of them bears liability with regard to the Company, the maximum amount of this person's liability to the Company will be the amount of six million yen or the minimum amount for damages stipulated in the Companies Act, whichever is the higher, so long as this person has carried out their duties in good faith and in absence of gross negligence.
- After entering into the agreement, they will continue to fulfill their duties with care and carry out their duties as Outside Director with due diligence.

Overview of the directors and officers liability insurance policy, under which the candidates for Directors are insured

The Company has concluded a directors and officers liability insurance policy with an insurance company, under which if claim for damages is made against the insured when such damage is caused by actions (including inactions) taken when performing duties as a corporate officer, the amount of indemnification, court costs, etc. shall be reimbursed by said insurance. All Directors (including Outside Directors) are insured, and for all who are insured under this insurance, the insurance premium shall be fully borne by the Company.

If each candidate is elected and assumes the office as Director, the Company plans to include every such Director as an insured in the insurance policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

Independence of the Outside Director Candidate

Matters stipulated by the Ordinance for Enforcement of the Companies Act

- Mr. Toshihito Tamba, Ms. Yukari Tominaga, Mr. Yukihiro Tachifuji, and Mr. Tomonari Yashiro have not been operators or non-executive officers of the Company or its subsidiaries in the past.
- Mr. Toshihito Tamba, Ms. Yukari Tominaga, Mr. Yukihiro Tachifuji, and Mr. Tomonari Yashiro are not operators or non-executive officers of specified related businesses of the Company as defined by the Ordinance for Enforcement of the Companies Act and have not been operators or non-executive officers of specified related businesses of the Company within the past 10 years.

Matters stipulated by the Securities Listing Regulations of the Financial Instruments Exchanges

- The Company has reported Mr. Toshihito Tamba, Ms. Yukari Tominaga, Mr. Yukihiro Tachifuji, and Mr. Tomonari Yashiro as independent officers as stipulated in the Securities Listing Regulations of the Financial Instruments Exchanges, etc. If this proposal is approved, the Company will continue to report them as such.

(Reference) *Independence Criteria for Outside Directors and Outside Audit & Supervisory Board Members*

The Company judges the applicable candidate to be fully independent from the Company when he/she does not fall under any of the conditions listed below in addition to criteria of independence stipulated by domestic financial instruments exchanges including the Tokyo Stock Exchange.

(1) Major shareholder

A major shareholder of the Company (who owns 10% or more of the voting rights) or its executor of business.

(2) Major business partner

A business partner (including attorneys-at-law, certified public accountants, tax accountants and other consultants, as well as law firms, audit firms, tax firms and other consulting firms) or a person executing its business whose transactions with the Company exceed 2% of the annual consolidated net sales of the Company or the other entity in the past three fiscal years.

(3) Major lender, etc.

A financial institution, other major creditor, or a person executing the business of these institutions that are indispensable for the Company's funding and on which the Company depends to the extent that it is irreplaceable.

(4) Accounting auditor

A certified public accountant who belongs to an auditing firm that serves as the accounting auditor of the Company or employee, etc. of such auditing firm.

(5) Donee

A person executing the business of an organization which receives a donation exceeding 10 million yen per year that is greater than 2% of its annual income from the Company for the past three fiscal years.

[Reference] Policy on Cross-shareholding

The Company holds listed shares as a matter of policy in order to maintain and strengthen relations with its investee companies. As a basic policy, we will reduce our cross-shareholdings; even if certain rationality is recognized, we will reduce them while paying attention to the impact on management and business.

Under the basic policy, we reduced the number of issues of listed stocks we held from 102 as of March 31, 2019 to 6 by March 31, 2025. In fiscal 2024, we reduced our holdings in some of the issues of listed stocks we held.

The Board of Directors will periodically evaluate the rationality of shareholding from the following perspectives and disclose the evaluation details

- - Necessity of maintaining and strengthening relationships with the investee companies
- - Comparison of capital cost and return

The voting rights that come with cross-shareholding are exercised after considering all relevant factors, including whether the proposed action will help the issuing company to establish an appropriate corporate governance framework and to increase its medium- to long-term corporate value, and what impact the action will have on Fuji Electric. We also have dialogue regarding the details of the proposal, among others, with the issuing company as necessary.

Number of cross-shareholding issues and carrying value on the balance sheet

Category		As of March 31, 2024	As of March 31, 2025	Changes
Listed stocks	Number of issues	6	6	0
	Carrying value on the balance sheet (Millions of yen)	92,186	83,581	-8,605
Unlisted stocks	Number of issues	69	72	3
	Carrying value on the balance sheet (Millions of yen)	4,151	4,277	127
Total	Number of issues	75	78	3
	Carrying value on the balance sheet (Millions of yen)	96,337	87,859	-8,478

*As of March 31, 2025, in addition to the above, there were 300 million yen of deemed cross-shareholdings, bringing the total amount of cross-shareholdings (including deemed cross-shareholdings) to 88,159 million yen. This represents 12.1% of consolidated net assets as of March 31, 2025.

The amount of deemed cross-shareholdings is calculated by multiplying the market value of shares as of March 31, 2025 by the number of shares held.

(Note) As used in this Reference Materials for the General Meeting of Shareholders, the expression “Fuji Electric” refers to the company group comprising the Company, its subsidiaries, and affiliates, and the expression “Standing Directors” refers to executive directors as prescribed in Article 2, Item 15 of the Companies Act.

Business Report (April 1, 2024–March 31, 2025)

[Business Overview]

Overview

In the fiscal year ended March 31, 2025, Fuji Electric launched the three-year Medium-Term Management Plan “To be enthusiastic, ambitious and sensitive 2026” slated to conclude with the fiscal year ending March 31, 2027. In accordance with the plan’s fundamental policy of pursuing the improvement of corporate value through management emphasizing profit, Fuji Electric will move forward with the improvement of profitability, the promotion of growth strategies, and the reinforcement of operating foundations. At the same time, adaptiveness toward operating environment changes will be heightened with the goal of growing sales and profit and achieving ongoing increases in corporate value.

In the fiscal year ended March 31, 2025, brisk capital investment by manufacturers and data center business operators was seen. These needs were sparked by the growth in investments for achieving decarbonization, developing to circular economies, and promoting digitalization. Meanwhile, demand for machine tools was weak due to the lack of economic recovery in China. In addition, electrified vehicle (xEV) market trends varied greatly by region, and growth in this area was lower than expected as a result. At the same time, the trade policies of the United States sparked rising uncertainty in the outlook for the global economy, presenting a need to carefully monitor market trends going forward.

In this environment, Fuji Electric moved forward with initiatives to grow its plant and system operations by taking advantage of the rising demand for substation equipment and in the power supply and facility systems business and the decarbonization needs seen in steel, chemical, and other material industries. At the same time, the Company proceeded to develop and introduce high-value-added products while strengthening its overseas operations. Production areas initiatives included advancing steady preparations for augmenting production capacity for switchboards and power supply systems. In addition, the Company commenced operation of a new SiC power semiconductor production line designed to conduct mass production as needed to respond to demand while also implementing investment plans for bolstering future production capacity. Meanwhile, steps were taken to adapt flexibly to changes in the operating environment, including measures to improve profitability through the optimization of production systems and the promotion of local production and consumption in response to delays in the recovery of component demand.

Due to these factors, increases were seen in the sales of the Energy, Semiconductors, and Food and Beverage Distribution segments, resulting in consolidated net sales in the fiscal year ended March 31, 2025, rising 20.2 billion yen or 2%, year on year, to a new record high of 1,123.4 billion yen.

Although profit was impacted by higher material prices as well as by reduction in component sales volumes, overall profit was buoyed by the benefits of growth in plant and system demand, launches of high-value-added products, increases to product selling prices, cost reduction activities, and foreign exchange influences. As a result, operating profit rose 11.6 billion yen year on year, to 117.6 billion yen, and ordinary profit was up 10.9 billion yen, to 118.8 billion yen, both reaching new record highs. Profit attributable to owners of parent increased 16.9 billion yen, to a new record high of 92.2 billion yen, due to the recording of gains on sales of investment securities recorded under extraordinary profit.

Consolidated results of operations for the fiscal year ended March 31, 2025, were as follows.

Fiscal 2024 (April 1, 2024 to March 31, 2025)

Classification	149th term Fiscal 2024	Increase/Decrease
Net sales	1,123.4 billion yen	Up 20.2 billion yen YoY
Operating profit	117.6 billion yen	Up 11.6 billion yen YoY
Ordinary profit	118.8 billion yen	Up 10.9 billion yen YoY
Profit attributable to owners of parent	92.2 billion yen	Up 16.9 billion yen YoY
Basic earnings per share	642.69 yen	Up 115.12 yen YoY
Total assets	1,312.2 billion yen	Up 41.0 billion yen YoY

Business Segment Overview

(billions of yen)

Business segment	Classification	148th term Fiscal 2023	149th term Fiscal 2024	Change (%)
Energy	Net sales	342.8	350.9	102%
	Operating profit	30.1	32.1	107%
Industry	Net sales	419.9	412.4	98%
	Operating profit	34.3	38.2	111%
Semiconductors	Net sales	228.0	236.8	104%
	Operating profit	36.2	37.1	103%
Food and Beverage Distribution	Net sales	107.3	111.5	104%
	Operating profit	8.8	13.9	158%
Others	Net sales	63.2	56.1	89%
	Operating profit	4.3	3.8	87%
Sub-total	Net sales	1,161.2	1,167.8	101%
	Operating profit	113.7	125.0	110%
Eliminate/Corporate	Net sales	-57.9	-44.4	-
	Operating profit (loss)	-7.6	-7.4	-
Total	Net sales	1,103.2	1,123.4	102%
	Operating profit	106.1	117.6	111%

Results by Business Segment

[Energy]

Net sales increased 2% year on year, to 350.9 billion yen, and operating profit increased 2.0 billion yen year on year, to 32.1 billion yen.

In the Energy segment, net sales and operating profit were up year on year, despite increases in expenses in the power generation business and delays in the recovery of and subsequently declines in demand in the ED&C components business, due to increases in plant and system demand in the energy management business and the power supply and facility systems business.

- In the power generation business, net sales were up year on year due to the benefits of large-scale renewable energy projects. Operating results, meanwhile, were down year on year as a result of increases in expenses associated with thermal power and geothermal power generation projects.
- In the energy management business, net sales and operating results were up year on year as a result of increases in large-scale orders for substation equipment for power, industrial, and railway applications.
- In the power supply and facility systems business, net sales and operating results were up year on year, regardless of the decreases in large-scale projects from overseas semiconductor manufacturers, due to growth in demand from data centers.
- In the ED&C components business, net sales were down year on year due to delays in the recovery and subsequent declines in demand from finished machinery manufacturers while operating results deteriorated because of the lower net sales combined with the impacts of higher material prices.

Research and Development Activities

We developed a large-capacity storage battery PCS for the storage battery market, which is growing in line with the spread of renewable energy. We will cater to customers' diverse needs through the addition of this product with a 2,750kVA output capacity to our lineup and the provision of solutions for independent operation and low noise.

Moreover, we developed a 22kV molded transformer for domestic and overseas semiconductor plants and data centers, in which there is active capital investment. Utilizing the technologies we have accumulated in thermo-fluid analysis and electric field analysis, we succeeded in creating more compact and lightweight products by optimizing insulation and heat dissipation structures.

Capital Investment

In the energy management business, we introduced large-capacity short-circuit testing equipment at our Chiba Factory to shorten lead times in the development of new substation equipment with less environmental impact. Moreover, in the ED&C components business, at our Fukiage Factory we introduced a fully automated assembly line and begun mass production of electromagnetic switches (new SC-NEXT products), which are more compact and energy efficient than previous models.

ENERGY TOPICS

Expanding businesses for data centers

Demand for data centers is growing due to advancements in digitalization and the rise of generative AI. We are growing our businesses through comprehensive proposals that include everything from uninterrupted power supply that ensures stable equipment operations, to substation equipment, distribution equipment, installation, and maintenance services.

Expanding substation system businesses

Demand for substation equipment is rising due to upgrades to aging equipment and an increase in electricity usage.

We are focusing on expanding sales of transformers with excellent environmental performance and gas insulated switchgears (GIS) for overseas markets, and we will accelerate product development through the start of operation of short-circuit testing equipment.

[Industry]

Net sales decreased 2% year on year, to 412.4 billion yen, and operating profit increased 3.9 billion yen year on year, to 38.2 billion yen.

In the Industry segment, net sales were down year on year as a result of reduced demand for low-voltage inverters in the automation systems business and the impacts of large-scale projects in the equipment construction business. Meanwhile, operating profit was up year on year due to higher demand in the process automation operations of the automation systems business as well as in the social solutions business and the digital transformation solutions business.

- In the automation systems business, net sales and operating results were down year on year due to the impacts of the ongoing inventory adjustment in relation to low-voltage inverters for factory automation applications, which counteracted the benefits of increased demand for drive control systems for process automation applications and other strong performance factors for plant operations.
- In the social solutions business, net sales and operating results were up year on year due to increases in demand for transportation systems.
- In the digital transformation solutions business, net sales and operating results were up year on year due to increases in large-scale IT solutions projects.
- In the equipment construction business, net sales were down year on year due to the absence of large-scale air-conditioning equipment construction projects recorded in the previous fiscal year. Meanwhile, operating results were up year on year because of differences in profitability between projects and the benefits of cost reduction activities.

(Note) Effective April 1, 2024, the name of the IT solutions business subsegment was changed to the digital transformation solutions business and the information solutions operations previously contained in the social solutions business subsegment were transferred to the digital transformation solutions business subsegment. Year-on-year comparisons use figures that have been restated to reflect this change in subsegments.

Research and Development Activities

We developed FRENIC-Lift (LM3), an elevator inverter with significantly improved control functions. This new inverter will contribute to improved comfort in elevators by controlling the motor to significantly reduce tremors when the elevator starts to move.

For manufacturing lines and plants, we developed CPU modules in the MICREX-SX Series of programmable controllers. These new modules boast a control speed that is 6.5-times faster than conventional modules, and their use in analyses of production line malfunctions will contribute to improved efficiency in customers' equipment and digital transformations on the frontlines of manufacturing.

We also developed Karuwaza Web V8.0, a tool to help streamline various administrative operations such as information searches and analyses and report creation. This new version incorporates new universal design elements for improved usability.

Capital Investment

At our Suzuka Factory, we invested in upgrades to our aluminum diecast equipment to launch new alternating electric motors (75kw and higher) for the steel, chemical, and oil and gas industries. Moreover, at Fuji Electric Meter, we are building a new production line for second-generation smart meters that can measure power volume and voltage to a high level of granularity. We are also building a smart meter production line at Fuji Electric India.

INDUSTRY TOPICS

Expanding plant system sales

In steel, chemical, and other material industries, we are working to increase sales with a focus on our engineering expertise and monitoring and control systems that facilitate low energy consumption and stable operations.

We have also commenced sales of the FRENIC-GS drive equipment for plants that reduce power loss in motor control.

Expanding business in India

In India, where economic growth continues, we are expanding the businesses of Fuji Electric India. We increased sales mainly of inverters for elevators and air conditioning equipment, and power supply equipment for data centers. We will also roll out a new smart meter business as we aim for further business expansion.

[Semiconductors]

Net sales increased 4% year on year, to 236.8 billion yen, and operating profit increased 0.9 billion yen year on year, to 37.1 billion yen.

- Net sales for the automobile business were up year on year due to higher domestic demand, the benefits of which outweighed the impacts of the weak overseas demand for power semiconductors for xEVs. Meanwhile, a year-on-year increase was seen in net sales of the industry business as the declines in domestic demand were counteracted by the increases in demand for semiconductors for renewable energy and other applications overseas. Operating results were up year on year, despite the rise in expenses for bolstering production capacity and the increases in material costs, due to the growth in net sales and the benefits of selling price revisions.

Research and Development Activities

To cater to demand for larger capacity power semiconductors for renewable energy applications, we developed a 2,300V large-capacity All-SiC module (HPnC package) equipped with a 3rd-generation SiC trench gate MOSFET chip. This new product ensures significantly lower losses and contributes to greater efficiency in customer equipment.

We also developed a 750V direct liquid cooling power module for light and compact electrified vehicles. Equipped with a low-loss 7th-generation RC-IGBT chip, we optimized the structure of the cooler to enhance power density, contributing to more efficient, compact, and lightweight electrified vehicles.

Capital Investment

Ahead of the mass production of SiC chips that achieve further size and weight reductions and greater efficiency, we established a new production line at Fuji Electric Tsugaru Semiconductor. Moreover, we invested in production capacity improvements for Si chips at FUJI ELECTRIC (MALAYSIA), as well as capacity improvements for the automotive IGBT module assembly line at the Hokuriku Factory of Fuji Electric Power Semiconductor.

SEMICONDUCTORS TOPICS

Semiconductor supply plan approved by the Ministry of Economy, Trade and Industry

A semiconductor supply plan submitted jointly by Fuji Electric and DENSO CORPORATION has been approved by the Ministry of Economy, Trade and Industry.

In addition to contributing to the development of stable supply frameworks for SiC power semiconductors, we will supply competitive products and help advance the decarbonization of society.

Introducing renewable energy at semiconductor factories

To secure a stable supply of renewable energy to reduce greenhouse gas emissions during production, we have signed 20-year supply contracts with both Chubu Electric Power Miraiz Company, Incorporated and Tohoku Electric Power Co., Inc. In line with these contracts, we will move forward with the introduction of renewable energy at four domestic factories, including at our production subsidiaries.

[Food and Beverage Distribution]

Net sales increased 4% year on year, to 111.5 billion yen, and operating profit increased 5.1 billion yen year on year, to 13.9 billion yen.

- In the vending machine business, net sales and operating results improved year on year because of the benefits of cost reduction activities and increased demand in Japan.
- In the store distribution business, net sales and operating results were up year on year due to the special demand trend seen for automatic change dispensers that stemmed from the issuance of newly designed paper currency in Japan.

Research and Development Activities

We developed the industry's first locker-type vending machine with refrigeration function for the unmanned store market. Although previously only regular-sized products could be sold in vending machines, we launched this new locker-type vending machine to market, enabling the sale of various products, including fruits, vegetables, flowers, and other irregular-sized products, as well as whole cakes, boxes of sushi, and other large, refrigerated products.

Moreover, we developed an external milk unit that can be attached to the fully automated commercial coffee machine Cafe Mania for use in the restaurant industry and offices. The milk is steamed and mixed with air to create a smooth froth texture.

Capital Investment

At our Mie Factory, we invested in work to streamline the production line for printed circuit boards used in vending machines and automatic change dispensers, as well as in work to automate the vending machine component assembly line.

We also installed solar power generation equipment in the factory to help reduce greenhouse gas emissions.

FOOD AND BEVERAGE DISTRIBUTION TOPICS

Improving profitability through high-value-added vending machines

With growing needs for energy and labor savings in the vending machine business, we are improving profitability through the roll-out of sustainable vending machines that achieve up to a 20% reduction in energy consumption compared to conventional machines.

Moreover, by equipping vending machines with two-way communication devices, we are using digital technologies to visualize sales and providing dynamic pricing services that change product prices in line with supply and demand. In doing so, we are helping to ensure greater efficiency in customers' vending machine operations.

Expanding sales by capturing renewal demand stemming from new banknote issuance

In line with the issuance of new banknotes in July 2024, sales of automatic change dispensers and banknote identifying machines increased as we steadily captured renewal demand by establishing new banknote identification technologies and by building flexible production and service systems that can meet changes in demand.

[Others]

Net sales decreased 11% year on year, to 56.1 billion yen, and operating profit decreased 0.5 billion yen year on year, to 3.8 billion yen.

R&D Expenditures

In fiscal 2024, R&D expenditures increased 1.8 billion yen year on year, to a total of 37.8 billion yen. This was attributed to the development of next-generation product and mass production technologies for semiconductors, development of global products for the Industry and Energy segments, development of products that conform to environmental regulations, development of shared fundamental technologies, and development of advanced technologies in anticipation of markets in the future, utilizing core technologies in such areas as power semiconductors, power electronics, measurement and control, and heating and cooling.

Capital Investment

In fiscal 2024, capital investment increased 16.9 billion yen year on year, to a total of 85.2 billion yen. This was attributed to the promotion of investments in production increases for semiconductors (Si 8 inch and SiC 6 inch), investments in new products for the Industry segment and the ED&C components business, and investments in production increases and streamlining activities at our domestic and overseas production sites.

Financing

In fiscal 2024, we repaid long-term borrowings, while we issued the 32nd series of unsecured bonds in the amount of 10.0 billion yen and procured new long-term borrowings.

We also repaid commercial papers using free cash flow.

As a result, our consolidated bonds, commercial papers, and loans payable as of the end of March 2025 decreased by 40.6 billion yen year on year to 70.8 billion yen.

Initiatives to improve our corporate value

To contribute to society through our energy and environmental businesses and to reinforce our operating foundations with the aim of achieving sustainable growth, we are promoting global-scale activities to address key ESG (environment, society, and governance) challenges based on the Fuji Electric Code of Conduct.

Environment

Our Environmental Vision 2050 aims to realize a decarbonized society, a recycling-oriented society, and a society that is in harmony with nature. Led by this policy, we engage in various environmental activities globally.

Environmental Vision 2050

We aim to contribute to the achievement of a decarbonized society, a recycling-oriented society, and a society that is in harmony with nature by expanding the use of Fuji Electric's innovative clean energy technologies and energy-saving products.	
Achieve a Decarbonized Society	Target carbon neutrality across the supply chain
Achieve a Recycling-Oriented Society	Promote green supply chains to reduce the environmental impact to zero across throughout the entire life cycle
Achieve a Society in Harmony with Nature	Aim for zero impact on the ecosystem through corporate activities that contribute to biodiversity

Fiscal 2030 Goals

[Decarbonized Society] We aim to achieve the following goals in order to limit the temperature increase to 1.5°C above pre-industrial levels.
<ul style="list-style-type: none">Greenhouse gas emissions throughout the supply chain: Reduction of over 46% (compared to FY2019)Greenhouse gas emissions through production: Reduction of over 46% (compared to FY2019)Contribution to CO₂ reduction in a society through our products: Over 59 million tons/year
[Recycling and Harmony with Nature] We will promote a circular economy while complying with environmental regulations around the world.
<ul style="list-style-type: none">Transitioning to environmentally friendly products that comply with ecological design regulationsFinal waste disposal rate (including plastic waste): Less than 0.5%

- Promotion of Environmental Vision 2050
To realize a decarbonized society, we have set Fiscal 2030 Goals and we are working to reduce our greenhouse gas emissions during production and product usage.
In fiscal 2024, we began using new solar power generation equipment at five domestic factories and two overseas factories. Moreover, at our domestic and overseas semiconductor factories, we signed long-term renewable energy supply contracts as part of our efforts to ensure stable supply for fiscal 2025 onwards. We also proceeded to upgrade to energy-saving equipment and reduced greenhouse gas emissions during

production by 27% compared to fiscal 2019. Further, we also reduced CO₂ emissions associated with the use of our products in society by 58 million tons. Both of these achieved our expected goals.

To play our part in the promotion of a circular economy, we created standards for environmentally friendly products with the goal of minimizing their environmental impact throughout product lifecycles, and also proceeded with preparations to conform to ecological design regulations.

- Disclosure of information in line with TCFD (Task Force on Climate-related Financial Disclosures) Recommendations

We have disclosed the significant risks and opportunities produced by climate change and the adaptation measures.

In line with our FY2026 Medium-Term Management Plan, we reviewed the environmental investment amounts required to reduce greenhouse gas emissions. In addition, we also presented decarbonization of the electric power sector and shift to cleaner fuels in the mobility sector as business opportunities.

Society

One of the values in the Fuji Electric Code of Conduct is to “respect and value all people.” Respect for human rights as well as health and safety are the foundation of all of our activities, and we aim to realize a virtuous cycle of employees’ happiness, improved job satisfaction, and sustainable corporate growth. We are actively investing in our human resources by encouraging the advancement of diverse human resources and developing our human resources.

For our business partners, our basic policy is mutual prosperity. To build a supply chain that supports a sustainable society, we conduct assessments based on the Fuji Electric CSR Procurement Guidelines. We have also started a new CSR on-site survey, with the aim of sharing issues to be addressed and improving cooperation.

- Measures for respecting human rights

In line with the United Nations Guiding Principles on Business and Human Rights, we follow a policy of “never involved in or complicit in human rights violations.” Led by this policy, we carry out human rights due diligence measures at our business sites and consolidated subsidiaries in Japan and overseas. We are conducting human rights e-learning for the employees of the Company and subsidiaries in Japan.

- Encouraging the advancement of diverse human resources

For the advancement of female employees, we are conducting intensive training with the aim of increasing the number of female employees in supervisory positions. In the future, we will set up a mentorship system to support the career advancement of registered management candidates.

To encourage the advancement of senior employees, we have changed our previous system for flexible retirement between the ages of 60 and 65 to a mandatory system for retirement at age 65, and raised salaries for employees aged 60 and over.

We are increasing our employment of differently abled people and expanding the scope of duties.

- Developing human resources

As one of our efforts to support employees’ career development, we have reviewed and revitalized our internal recruitment system.

In terms of fostering future management candidates, we implement human resource development programs such as OJT and selective training based on personnel development plans.

At our overseas bases, to develop local human resources, we send employees to Japan for training and to appoint them to management positions.

- Creating satisfying workplaces

In workstyle reforms, to increase our employees' awareness to improve productivity, we pay incentives to employees who work in ways that make valuable use of their time.

To facilitate employees' work-life balance, we are promoting even more flexible workstyles by relaxing the requirements for different working systems for employees with special needs, such as childcare or nursing care.

We conduct an employee awareness survey every year and analyze results and how the results have changed over time. We use the survey to determine the level of understanding our employees have of our management policies and the degree of satisfaction they feel, to have employees review their own divisions, and to improve our organizational management.

Target item	Fiscal 2023 Result	Fiscal 2024 Result	Fiscal 2026 Target
Satisfaction with Fuji Electric ^{*1}	3.8 points	3.8 points	3.8 points or above
Well-being index ^{*2}	3.5 points	3.6 points	3.6 points or above

^{*1} Average score for typical questions indicative of overall satisfaction with Fuji Electric

^{*2} Average score for questions on job satisfaction, work-life balance, psychological and physical health, and level of agreement with assessments

(The questions use a five-point scale, from 1 to 5, with higher numbers indicating more positive responses.)

Governance

The Company has created and is operating a healthy, efficient, transparent, and effective governance framework and a compliance system that ensures thorough compliance with laws, regulations, and social norms, and also conducts thorough risk management. (For more information regarding our corporate governance system, please see page 57.)

In addition, the Company appropriately responds to "Japan's Corporate Governance Code" stipulated by Tokyo Stock Exchange.

- Improving the effectiveness of governance

The Company evaluates the effectiveness of the Board of Directors through the use of a third-party survey, and strives to enhance the Board's effectiveness by making improvements to address the identified issues. To contribute to sustainable growth and to improvement of corporate value, the Board of Directors engages in more active deliberations regarding medium- and long-term management issues, and also shares initiatives and issues related to ESG, etc. Based on these efforts, the Company will promote constructive dialog with shareholders and investors.

- Strengthen capability to cope with risks

Based on the "Fuji Electric Risk Management Rules," we are working to prevent risks from materializing and to minimize their impact by thoroughly and appropriately managing and countering various risks.

In order to strengthen our business continuity capabilities, we use the BCP system, which can quickly grasp the potential impact of incidents, such as large-scale natural disasters and accidents, on the safety and production operations of our business partners, and are expanding the multi-sourcing of our material procurement.

We have formulated policies and regulations related to information security. We provide regular training to our employees to improve their information security knowledge and skills. To respond to increasingly diversified and sophisticated cyber-security threats, we are incorporating the expertise of third-party specialists to strengthen our security response structures, our monitoring of signs of new cyber-attacks and for preventing information leakage, and our information system defense and attack monitoring functions.

- Reducing cross-shareholding

We are engaging in a reduction of our cross-shareholdings from the perspective of capital efficiency. In fiscal 2024, we sold some of our investment securities, and as of the end of fiscal 2024 we held 6 listed stocks.

ENVIRONMENTAL TOPICS

Selection as an “A List (climate change)” company by CDP for the sixth consecutive year

For the sixth consecutive year, we were selected as an “A List” company, the top rating of CDP*, as one of the most excellent companies at climate change initiatives and information disclosure.

* CDP is an international environmental NGO that investigates, evaluates and discloses companies’ environmental measures.

Challenges to Be Addressed

The fundamental policy of our three-year Medium-Term Management Plan ending in fiscal 2026 is “improvement of corporate value through management emphasizing profit.” Within the plan, our important management targets are operating profit ratio of more than 11%, ratio of profit attributable to owners of parent to net sales of more than 7%, ROE of 12% or more, and ROIC of 10% or more. We will work to reinforce our management foundations to achieve sustainable growth, and engage in global-scale activities to address key ESG (environment, society, and governance) challenges based on the Fuji Electric Code of Conduct.

Management plan for fiscal 2025

[Our business environment]

In our business environment, as energy demand increases in line with the new and additional construction of AI data centers and semiconductor factories, needs are growing for decarbonization and the stable supply of energy, as well as for energy-saving and electrification solutions among consumers. With ever-declining birthrates and population aging, we anticipate business opportunities in the use of digital technologies and generative AI to address labor shortages.

[Basic policy]

- Amid increasing uncertainty, enhance the adaptability to change and advance the profit-oriented management outlined in our Medium-Term Management Plan.
- Building a production system that adapts to changes in demand, executing optimal and timely investments aimed at increasing production capacity, and striving to enhance productivity through the use of digital technology.

[Management plan]

For fiscal 2025, the interim year of our Medium-Term Management Plan, we are targeting net sales of 1,140.0 billion yen, operating profit of 118.0 billion yen, and profit attributable to owners of parent of 81.0 billion yen. The specific initiatives for each segment are as below. Note that we have made changes to our segments from fiscal 2025 onwards. We have incorporated the equipment construction business into the Energy segment to reinforce the plant systems business, and incorporated the ED&C components business into the Industry segment to generate synergies with FA components. Both segments will play a key role in driving our business performance.

[Priority measures by business segment]

- Energy
With expected growth in the market for grid stabilization, which is essential for customers' decarbonization needs, growing energy demand, and the spread of renewable energy, we will aim to increase orders for power generation plants, substation systems, energy management systems, which are a solution for decarbonization, and storage battery systems.
In terms of production, we will reinforce our production capacity for uninterrupted power supplies through the construction of a new production building. For substation systems, in addition to optimizing production sites and quickly reinforcing production capacity, we will seek to improve productivity through use of digital technologies.
- Industry
In the components business, we will aim to increase the speed of management and improve profitability by reinforcing our structure through integrated manufacturing and

sales. We will aim for medium- to long-term growth by strengthening our product planning capabilities with a focus on creating value for customers.

In the plant systems business, we will work to increase orders through the provision of solutions for improved power and heat energy savings, as well as for electrification.

In India, which continues to see high levels of growth, we have newly entered the smart meter business and will aim for further business expansion.

- **Semiconductors**

For the automobile business, although growth in the rapidly expanding battery electric vehicle (BEV) market has slowed, in the medium to long term we expect further needs for decarbonization and growth in the electrification of mobility. We will promote investments in production capacity reinforcements to respond to this demand.

For the industry business, we will increase sales in the ever-growing renewable energy domain and aim to improve profitability by reducing costs.

By uncovering customers' latent needs, we will reinforce and accelerate our efforts to incorporate specifications required by both existing and new customers.

- **Food and Beverage Distribution**

To cater to social challenges such as growing environmental impacts and labor shortages, we will streamline vending machine operations by improving energy efficiency and using digital technologies. Moreover, through the roll-out of machines that enable dynamic pricing services to change product prices in line with supply and demand, we will enhance value for customers and provide more high-value-added products.

We will also ensure the timely roll-out of new products using core technologies in new domains, such as the restaurant, food, and distribution industries.

In manufacturing, in addition to reducing costs through the development of a platform design and the expansion of in-house manufacturing, we will improve productivity through digital technologies to drive further improvements in profitability.

[Dividends of Surplus]

Policies Relating to Decisions on the Dividend of Surplus, etc.

We intend to return profit gained through business activities to shareholders. At the same time—while maintaining and strengthening our management foundation—we intend to appropriate profit for consolidated shareholders' equity in order to secure internal reserves for research and development, capital investment, human resources development, and other investments reflecting a medium- to long-term viewpoint.

We will determine the amount of dividends to be paid from retained earnings in light of the above medium- to long-term business cycle; our policy of paying stable and continuous dividends; and comprehensive consideration of the business results of the relevant fiscal year, research and development and capital investment plans for future growth, and business conditions.

We regard the acquisition of treasury shares as a flexible mechanism to supplement dividends when warranted by the cash flow position.

Moreover, the capital strategies as prescribed by Article 459, Paragraph 1 of the Companies Act, shall be conducted with a view to strengthening consolidated shareholders' equity.

Also the matters prescribed by Article 459, Paragraph 1 of the Companies Act will be decided by resolution of the Board of Directors, or the Ordinary General Meeting of Shareholders.

Year-End Dividend for Fiscal Year Ended March 31, 2025

Based on the policies relating to decisions on the dividend of surplus, etc. described in the above, the Company resolved to pay a year-end dividend of 85 yen per share at the meeting of the Board of Directors held on May 23, 2025, with due consideration given to the consolidated operating results for the current and next period, future investment plans, and other factors.

The annual dividend for the fiscal 2024 amounted to 160 yen per share including the amount of interim dividend.

[Consolidated Financial Results and Trends in Assets]

Classification	146th term Fiscal 2021	147th term Fiscal 2022	148th term Fiscal 2023	149th term Fiscal 2024
Net sales (billion yen)	910.2	1,009.4	1,103.2	1,123.4
Operating profit (billion yen)	74.8	88.9	106.1	117.6
Ordinary profit (billion yen)	79.3	87.8	107.8	118.8
Profit attributable to owners of parent (billion yen)	58.7	61.3	75.4	92.2
Basic earnings per share (yen)	410.68	429.50	527.57	642.69
Total assets (billion yen)	1,117.1	1,181.6	1,271.2	1,312.2
Annual dividend per share (yen)	100.0	115.0	135.0	160.0

[Remuneration for Directors and Audit & Supervisory Board Members]

Policy on the Determination of Remuneration for Directors and Audit & Supervisory Board Members

1. Details of the policy

In accordance with the Board of Directors' resolutions, the Company set the policy on determination of remuneration for the Company's Directors and Audit & Supervisory Board Members as described below.

In paying remuneration etc. to Directors and Audit & Supervisory Board Members of the Company, the Company considers its duty to respond to the mandate of the shareholders, acquire and maintain excellent personnel and provide incentive for improvement in earnings performance, and it has in place a remuneration system with set remuneration levels.

While considering changes in the business environment and data objectively compiled by third parties, the Company continuously examines the suitability of the remuneration system and the remuneration levels and whether there is a need to make changes.

(1) Standing Directors

Since Standing Directors are charged with a duty to improve consolidated results for each fiscal year and realize medium- to long-term improvement in corporate value, their remuneration is structured and managed as follows.

(i) Base remuneration

Base remuneration shall be paid as a monthly financial sum determined in advance, applicable to that senior management rank, and at certain time of the month.

(ii) Performance-related remuneration

i. Annual bonuses

Bonuses are decided by taking into full consideration consolidated results (net sales, operating profit, profit, dividends, etc.), based on the consolidated ratio of operating profit to net sales for the previous fiscal year, which is set as a key target in the medium-term management plan.

Bonuses shall be paid only in instances in which dividends are paid to shareholders from retained earnings, and at a certain time of the year. The total amount of bonuses shall be within one percent of the consolidated profit for the fiscal year prior to the date of payment in order to make the linkage with the consolidated results for each fiscal year more transparent.

ii. Share-based remuneration

Share-based remuneration is decided by taking into full consideration consolidated results (net sales, operating profit, profit, dividends, etc.), based on the consolidated ratio of profit to net sales for the previous fiscal year in order to make the linkage with share value more transparent.

The Company's shares commensurate with the remuneration amount mentioned above shall be delivered only in instances in which dividends are paid to shareholders from retained earnings, and at a certain time of the year. The total number of shares to be delivered per fiscal year shall be limited to 42,000 shares.

In the results for the fiscal year ended March 31, 2025, the consolidated ratio of operating profit to net sales was 10.5%, and the consolidated ratio of profit to net sales was 8.2%. The ratio of annual bonuses and the ratio of share-based remuneration to remuneration were approximately 37.6% and 27.0%, respectively.

(2) Standing Audit & Supervisory Board Members

Remuneration for Standing Audit & Supervisory Board Members shall be paid, at certain time of the month, as base remuneration as a monthly financial sum determined in advance, applicable to their senior management rank, since Standing Audit & Supervisory Board

Members are charged with the duty of auditing the execution of duties across the entire Fuji Electric.

(3) Outside Directors and Outside Audit & Supervisory Board Members

Remuneration for Outside Directors and Outside Audit & Supervisory Board Members shall be paid, at certain time of the month, as base remuneration as a monthly financial sum determined in advance, applicable to their senior management rank, since Outside Directors and Outside Audit & Supervisory Board Members are charged with the duty of supervising or auditing the execution of duties across the entire Fuji Electric.

The Board of Directors has resolved to delegate the decision on amount of remuneration for each Director to Representative Director, Chairman of the Board and CEO Michihiro Kitazawa. The scope of his authority is to reflect evaluations of the performance in direct duties by each Director in line with the resolution passed in the Board of Directors, which is based on report by the Nomination and Remuneration Committee. To ensure this authority be exercised appropriately, the Nomination and Remuneration Committee has decided on a range within which bonuses shall be determined based on individual evaluation and the delegated authority shall be exercised within said range.

2. Method for determining the policy

The Company has established the Nomination and Remuneration Committee to discuss policies and standards relating to remuneration of Directors and Audit & Supervisory Board Members and details of remuneration of Directors and Audit & Supervisory Board Members. Consisting of a majority of Outside Directors and chaired by an Outside Director, the Nomination and Remuneration Committee considers changes in the business environment and data objectively compiled by third parties and discusses the suitability of policies and standards relating to remuneration and the remuneration levels before reporting to the Board of Directors. Thereby, the Board of Directors resolves on policy on the determination respecting details of said report.

3. Reasons for which the Board of Directors judges details of remuneration of Directors and Audit & Supervisory Board Members are in line with the policy for fiscal 2024

Regarding determination of remuneration for Directors and Audit & Supervisory Board members, the Nomination and Remuneration Committee makes consideration from various perspectives in matters such as whether is it in line with the policy on the determination and the Board of Directors respects the Committee's report and judges it in line with the policy on the determination.

Total Amount, etc. of Remuneration Paid to Directors and Audit & Supervisory Board Members for Fiscal 2024

Classification	Total Remuneration (millions of yen)	Remuneration by Type (millions of yen)			Number of Recipients
		Base Remuneration	Performance-related Remuneration		
			Annual Bonuses	Share-based Remuneration	
Directors	1,052	380	392	281	11
(Outside)	(50)	(50)	(-)	(-)	(4)
Audit & Supervisory Board Members	92	92	-	-	7
(Outside)	(29)	(29)	(-)	(-)	(4)
Total	1,145	472	392	281	18
(Outside)	(79)	(79)	(-)	(-)	(8)

(Notes) 1. The amounts of remuneration for Directors were resolved as follows at the 131st Ordinary General Meeting of Shareholders held on June 26, 2007, at the 137th Ordinary General Meeting of Shareholders held on June 25, 2013, at the 146th Ordinary General Meeting of Shareholders held on June 28, 2022 and at the 148th Ordinary General Meeting of Shareholders held on June 25, 2024.

(1) Directors (excluding Outside Directors)

Total of (i) fixed remuneration, (ii) performance-related remuneration (annual bonuses) and (iii) performance-related remuneration (share-based remuneration) as below.

(i) within 450 million yen per year

(ii) within one percent of the consolidated profit for the fiscal year prior to the date of payment

(iii) within 42,000 shares per year

(2) Outside Directors

within 100 million yen per year

The number of Directors at the conclusion of the 131st Ordinary General Meeting of Shareholders was eight (of which, two Outside Directors), the number of Directors at the conclusion of the 137th Ordinary General Meeting of Shareholders was ten (of which, three Outside Directors) and the number of Directors at the conclusion of the 146th and the 148th Ordinary General Meetings of Shareholders was ten (of which, four Outside Directors).

2. The amounts of remuneration for Audit & Supervisory Board Members were resolved as 120 million yen per year at the 131st Ordinary General Meeting of Shareholders held on June 26, 2007. The number of Audit & Supervisory Board Members at the conclusion of said General Meeting of Shareholders was five.

3. Representative Director, Chairman of the Board and CEO Michihiro Kitazawa decides the amount of remuneration for each Director based on the resolution to delegate the decision to him by the Board of Directors. The scope of his authority is to reflect evaluations of the performance in duties by each Director in line with the resolution passed in the Board of Directors, which is based on report by the Nomination and Remuneration Committee. The reason for delegating this authority to a Representative Director is that the Company judges a Representative Director most suitable to make comprehensively evaluations based on the operating environment, the Company's business results, and performance in direct duties by each Director. To ensure this authority be exercised appropriately, the Nomination and Remuneration Committee has decided on a range within which bonuses shall be determined based on individual evaluation and the delegated authority shall be exercised within said range.

(Note) As used in this Business Report, the expression "Standing Directors" refers to executive directors as prescribed in Article 2, Item 15 of the Companies Act.

[Corporate Overview]

Share Information (as of March 31, 2025)

1. **Authorized shares:** **320,000,000**
2. **Issued shares:** **149,296,991**
3. **Number of shareholders:** **47,030**
(an increase of 6,100 from the end of the previous term)

4. Shareholdings by type of shareholder

Classification	Number of shareholders (persons)	Number of shares (shares)	Ratio of shareholding (%)
Financial institutions/Securities firms	148	59,339,206	39.74
Other domestic corporations	572	5,564,928	3.73
Foreigners	958	66,732,166	44.70
Individuals and others	45,352	17,660,691	11.83
Total	47,030	149,296,991	100.00

(Note) "Individuals and others" includes treasury shares.

5. Top ten shareholders

Name	Number of shares (thousands of shares)	Ratio of shareholding (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	23,625	16.00
Custody Bank of Japan, Ltd. (Trust Account)	14,204	9.62
STATE STREET BANK AND TRUST COMPANY 505001	4,966	3.36
Asahi Mutual Life Insurance Company	3,983	2.70
National Mutual Insurance Federation of Agricultural Cooperatives	3,059	2.07
FANUC CORPORATION	2,684	1.82
BNYM AS AGT/CLTS 10 PERCENT	2,659	1.80
STATE STREET BANK WEST CLIENT – TREATY 505234	2,658	1.80
GOVERNMENT OF NORWAY	2,563	1.74
JPMorgan Securities Japan Co., Ltd.	1,889	1.28

(Note) Ratio of shareholding is calculated by deducting treasury shares from the total number of issued shares based on the provisions of the Ordinance for Enforcement of the Companies Act.

Type of Bonds with Share Acquisition Rights (as of March 31, 2025)

Not applicable.

Status of Directors and Audit & Supervisory Board Members

1. Directors and Audit & Supervisory Board Members

Name	Positions and direct duties in the Company	
Michihiro Kitazawa	Representative Director	Nomination and Remuneration Committee member
	Chairman of the Board and CEO (Chief Executive Officer)	
Shiro Kondo	Representative Director	President
	President and COO (Chief Operating Officer)	Nomination and Remuneration Committee member
Toshihito Tamba	Outside Director	Nomination and Remuneration Committee chairman
Yukari Tominaga	Outside Director	Nomination and Remuneration Committee member
Yukihiro Tachifuji	Outside Director	Nomination and Remuneration Committee member
Tomonari Yashiro	Outside Director	Nomination and Remuneration Committee member
Junichi Arai	Director	Senior Managing Executive Officer Corporate General Manager, Corporate Management Planning Headquarters General Manager, Export Control Office In charge of compliance management
Toru Hosen	Director	Senior Managing Executive Officer Corporate General Manager, Semiconductors Business Group
Hiroshi Tetsutani	Director	Managing Executive Officer Corporate General Manager, Industry Business Group
Masashi Kawano	Director	Managing Executive Officer Corporate General Manager, Energy Business Group
Junichi Matsumoto	Standing Audit & Supervisory Board Member	
Jun Ohashi	Standing Audit & Supervisory Board Member	
Hirohiko Takaoka	Outside Audit & Supervisory Board Member	
Yuko Katsuta	Outside Audit & Supervisory Board Member	
Noriyuki Uematsu	Outside Audit & Supervisory Board Member	

(Notes) 1. The term of Directors has been set as one (1) year in order to clarify the management responsibilities of individual Directors with regard to each given fiscal year and construct a management system that can quickly respond to changes in the operating environment.

2. The Company has established the Nomination and Remuneration Committee as an advisory body to the Board of Directors to further enhance corporate governance by strengthening the fairness, transparency and objectivity of the procedures relating to the nomination and remuneration of Directors and Audit & Supervisory Board Members. The majority of Nomination and Remuneration Committee members are Outside Directors and it is chaired by an Outside Director.

3. We expect Outside Directors to play roles in strengthening the management supervisory function and ensuring adequacy and appropriateness of decision-making related to the execution of business. To this end, Mr. Toshihito Tamba, Mr. Yukihiro Tachifuji, who are experienced managers in listed companies, Ms. Yukari Tominaga, who has extensive experience in corporate management, and Mr. Tomonari Yashiro, who is an expert in academic fields closely related to Fuji Electric's business, were selected as Outside Directors at the General Meeting of Shareholders as persons who have an understanding of the Fuji Electric's management, as well as insights and experience necessary for making multifaceted management decisions.

Mr. Toshihito Tamba, Ms. Yukari Tominaga, Mr. Yukihiro Tachifuji, and Mr. Tomonari Yashiro are reported as Independent Officers as stipulated by the Securities Listing Regulations of the Financial Instruments Exchanges.

4. We expect Outside Audit & Supervisory Board Members, along with Outside Directors, to be conducive to ensuring the adequacy and legality of decision-making related to the execution of business, as well as to play roles in strengthening the management audit function, by giving advice and making suggestions about the entire spectrum of management activities at meetings of the Board of Directors and on other occasions. To this end, Mr. Hirohiko Takaoka, who is an experienced Audit & Supervisory Board Member for a listed company, Ms. Yuko Katsuta, who is an attorney-at-law, and Mr. Noriyuki Uematsu, who is a certified public accountant, were selected as Outside Audit & Supervisory Board Members at the General Meeting of Shareholders upon obtaining approval at a meeting of the Audit & Supervisory

Board as persons who have expertise and experience necessary for performing audits.

Mr. Hirohiko Takaoka, Ms. Yuko Katsuta, and Mr. Noriyuki Uematsu are reported as Independent Officers as stipulated by the Securities Listing Regulations of the Financial Instruments Exchanges.

5. The financial, accounting and other expertise possessed by each Audit & Supervisory Board Member is as follows:
- Standing Audit & Supervisory Board Member Junichi Matsumoto is highly knowledgeable about financial and accounting matters and overall corporate management, which he has gained from his longstanding career in Fuji Electric as person in charge of finance and accounting division, including Director.
 - Standing Audit & Supervisory Board Member Jun Ohashi is highly knowledgeable about financial and accounting matters and overall corporate management, which he has gained from his longstanding career in Fuji Electric as person in charge of the Company's audit and corporate planning divisions and the finance and accounting divisions of subsidiaries.
 - Outside Audit & Supervisory Board Member Hirohiko Takaoka is highly knowledgeable about auditing and overall corporate management, which he has gained from his career history having been a management executive of a company and an Audit & Supervisory Board Member for a listed company.
 - Outside Audit & Supervisory Board Member Yuko Katsuta is highly knowledgeable about overall corporate legal matters thanks to her involvement as an attorney-at-law in many corporate legal matters.
 - Outside Audit & Supervisory Board Member Noriyuki Uematsu is highly knowledgeable about financial and accounting matters and overall corporate management, which he has gained from his experience as a certified public accountant and an officer of a listed company.
6. Standing Audit & Supervisory Board Member Yoshio Okuno resigned at the conclusion of the 148th Ordinary General Meeting of Shareholders held on June 25, 2024.
7. On April 1, 2025, Mr. Junichi Arai retired from his positions as Senior Managing Executive Officer; Corporate General Manager, Corporate Management Planning Headquarters; General Manager, Export Control Office; and the position in charge of compliance management.
- On the same date, Mr. Masashi Kawano was promoted to the position of Senior Managing Executive Officer.

2. Significant Concurrent Positions of Directors and Audit & Supervisory Board Members

(1) Directors

Name	Significant concurrent positions
Toshihito Tamba	Executive Adviser, Tokyo Century Corporation [retired on March 31, 2025]
Yukari Tominaga	External Director, MORINAGA MILK INDUSTRY CO., LTD. External Member of the Board, SB Technology Corp. [retired on September 30, 2024]
Yukihiro Tachifuji	Outside Director, artience Co., Ltd. [assumed office on March 26, 2025]
Tomonari Yashiro	President, Tokyo City University

- (Notes)
1. Information in brackets [] indicates the date on which the person began or ceased holding the concurrent position during the current fiscal year.
 2. There is no noteworthy relationship based on Article 124 of the Ordinance for Enforcement of the Companies Act between the Company and the other companies where Outside Directors serve concurrent position.

(2) Audit & Supervisory Board Members

Name	Significant concurrent positions
Yuko Katsuta	Attorney-at-law (Partner, ITN Partners)
Noriyuki Uematsu	Managing Director, Uematsu & Co. Representative Director, SU Consultant Co. Ltd. Outside Audit & Supervisory Board Member, Cybozu, Inc.

(Note) Besides the above, there is no noteworthy relationship based on Article 124 of the Ordinance for Enforcement of the Companies Act between the Company and the other companies where Outside Audit & Supervisory Board Members serve concurrent positions.

3. Overview of Directors and Officers Liability Insurance Policy

The Company has concluded a Directors and Officers liability insurance policy with an insurance company, under which if claim for damages is made against the insured when such damage is caused by actions (including inactions) taken when performing duties as a corporate officer, compensations for such damages and court costs, etc. shall be reimbursed by said insurance. Directors, Audit & Supervisory Board Members and Executive Officers of the Company and its subsidiaries are insured, and for all who are insured under this insurance, the insurance premium shall be fully borne by the Company.

4. Status of Outside Directors and Outside Audit & Supervisory Board Members

(1) Major activities

(i) Outside Directors

Name	Number of attendance at the Board of Directors meetings (attended/held)	Opinions offered and overview duties performed regarding expected roles as an Outside Director
Toshihito Tamba	13/13	<p>Mr. Toshihito Tamba is expected to fulfill the management supervisory function and has offered necessary opinions concerning the overall business management including the following items at the Board of Directors meetings as appropriate, based on his extensive experience and considerable insight as an experienced manager of a listed company. He has played an appropriate role in strengthening the management supervisory function and ensuring adequacy and appropriateness of important decision-making of Fuji Electric.</p> <ul style="list-style-type: none"> - Formulation of business plans by taking into account changes in the market environment - Appropriate way of IR activities <p>Moreover, he attended all two Nomination and Remuneration Committee meetings held in the current fiscal year as the chairman and led the supervisory function in appointment of candidates for Directors and Audit & Supervisory Board Members and the process of determining remunerations for Directors and Audit & Supervisory Board Members from an objective and neutral standpoint.</p>
Yukari Tominaga	13/13	<p>Ms. Yukari Tominaga is expected to fulfill the management supervisory function and has offered necessary opinions concerning the overall business management including the following items at the Board of Directors meetings as appropriate, based on her extensive experience and considerable insight in corporate management. She has played an appropriate role in strengthening the management supervisory function and ensuring adequacy and appropriateness of important decision-making of Fuji Electric.</p> <ul style="list-style-type: none"> - Appropriate way of promoting the advancement of diverse personnel - Appropriate way of IT investment initiatives <p>Moreover, she attended all two Nomination and Remuneration Committee meetings held in the current fiscal year as a member of the committee and fulfilled the supervisory function in appointment of candidates for Directors and Audit & Supervisory Board Members and the process of determining remunerations for Directors and Audit & Supervisory Board Members from an objective and neutral standpoint.</p>
Yukihiro Tachifuji	13/13	<p>Mr. Yukihiro Tachifuji is expected to fulfill the management supervisory function and has offered necessary opinions concerning the overall business management including the following items at the Board of Directors meetings as appropriate, based on his extensive experience and considerable insight as an experienced manager of a listed company. He has played an appropriate role in strengthening the management supervisory function and ensuring adequacy and appropriateness of important decision-making of Fuji Electric.</p> <ul style="list-style-type: none"> - Initiatives to optimize inventory - Strengthening of risk management in plant-related projects <p>Moreover, he attended all two Nomination and Remuneration Committee meetings held in the current fiscal year as a member of the committee and fulfilled the supervisory function in appointment of candidates for Directors and Audit & Supervisory Board Members and the process of determining remunerations for Directors and Audit & Supervisory Board Members from an objective and neutral standpoint.</p>
Tomonari Yashiro	13/13	<p>Mr. Tomonari Yashiro is expected to fulfill the management supervisory function and has offered necessary opinions concerning the overall business management including the following items at the Board of Directors meetings as appropriate, based on his professional standpoint and considerable insight in sustainable architecture and innovation management. He has played an appropriate role in strengthening the management supervisory function and ensuring adequacy and appropriateness of important decision-making of Fuji Electric.</p> <ul style="list-style-type: none"> - Initiatives to realize a Decarbonized Society - Strengthening of risk management in plant-related projects <p>Moreover, he attended all two Nomination and Remuneration Committee meetings held in the current fiscal year as a member of the committee and fulfilled the supervisory function in appointment of candidates for Directors and Audit & Supervisory Board Members and the process of determining remunerations for Directors and Audit & Supervisory Board Members from an objective and neutral standpoint.</p>

(ii) Outside Audit & Supervisory Board Members

Name	Number of attendance at the Board of Directors meetings Number of attendance at the Audit & Supervisory Board meetings (attended/held)	Opinions offered
Hirohiko Takaoka	13/13 8/8	Offered necessary opinions at meetings of the Board of Directors as appropriate, concerning the contents of meeting items and the Fuji Electric's business activities, based on his extensive experience and considerable insight as an experienced Full-time Audit & Supervisory Board Member, etc. of listed Companies. Also, at meetings of the Audit & Supervisory Board, confirmed the legality of business activities overall from the viewpoint of ensuring legal compliance, and offered appropriate opinions.
Yuko Katsuta	13/13 8/8	Offered necessary opinions at meetings of the Board of Directors as appropriate, concerning the contents of meeting items and the Fuji Electric's business activities, based on her professional experience as an attorney-at-law. Also, at meetings of the Audit & Supervisory Board, confirmed the legality of business activities overall from the viewpoint of ensuring legal compliance, and offered appropriate opinions.
Noriyuki Uematsu	10/10 6/6	Offered necessary opinions at meetings of the Board of Directors as appropriate, concerning the contents of meeting items and the Fuji Electric's business activities, based on his professional experience as a certified public accountant. Also, at meetings of the Audit & Supervisory Board, confirmed the legality of business activities overall from the viewpoint of ensuring legal compliance, and offered appropriate opinions.

(Note) Since Mr. Noriyuki Uematsu newly assumed the office of Audit & Supervisory Board Member at the conclusion of the 148th Ordinary General Meeting of Shareholders held on June 25, 2024, the above status on attendance at the Board of Directors meetings and attendance at the Audit & Supervisory Board meetings refers to those meetings held after his assumption.

(2) Outline of limited liability agreement with Outside Directors and Outside Audit & Supervisory Board Members

In accordance with laws and regulations and the Articles of Incorporation of the Company, the Company has concluded a limited liability agreement with each Outside Director and Outside Audit & Supervisory Board Member stipulating that in the event that he or she bears liability with regard to the Company, the maximum amount of his or her liability to the Company will be the amount of 6 million yen or the minimum amount for damages stipulated in the Companies Act, whichever is higher, so long as he or she has carried out his or her duties in good faith and in absence of gross negligence.

In the agreement, the Company has set forth articles to provide instruction ensuring that duties of due diligence as Outside Director or Outside Audit & Supervisory Board Member are fulfilled and these duties are executed sincerely even after the conclusion of the agreement to ensure the propriety of duties of Outside Director and Outside Audit & Supervisory Board Member.

Matters Related to Accounting Auditor

1. Designation of accounting auditor

ERNST & YOUNG SHINNIHON LLC

2. Accounting auditor remuneration for the period

Category	Payment amounts (millions of yen)
(i) Remuneration and other amounts payable by the Company for the period	196
(ii) Total profit on cash and other financial assets payable by the Company and its subsidiaries	353

- (Notes) 1. In the audit contract between the Company and the accounting auditor, no distinction is made and no such distinction can be made substantially in the amounts of auditing fees under the Companies Act and audit fees under the Financial Instruments and Exchange Act. For this reason, the sum of these two is entered in the total amount under (i) above.
2. The Audit & Supervisory Board confirmed and deliberated on the details of the audit plan of the accounting auditor, the execution of duties regarding an accounting audit, and the calculation basis of remuneration estimates upon receiving necessary documents and reports from Directors, related divisions of the Company, and the accounting auditor. As a result, the Audit & Supervisory Board believes these are appropriate and agrees to the amount of remuneration and other amounts payable to the accounting auditor.
3. The total profit under (ii) above includes the amount the Company paid as remuneration to the accounting auditor for the preparation of a comfort letter for the issuance of corporate bonds, that is entrusted as a service (non-audit service) other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act.

3. Policy for determining accounting auditor dismissal or non-reappointment

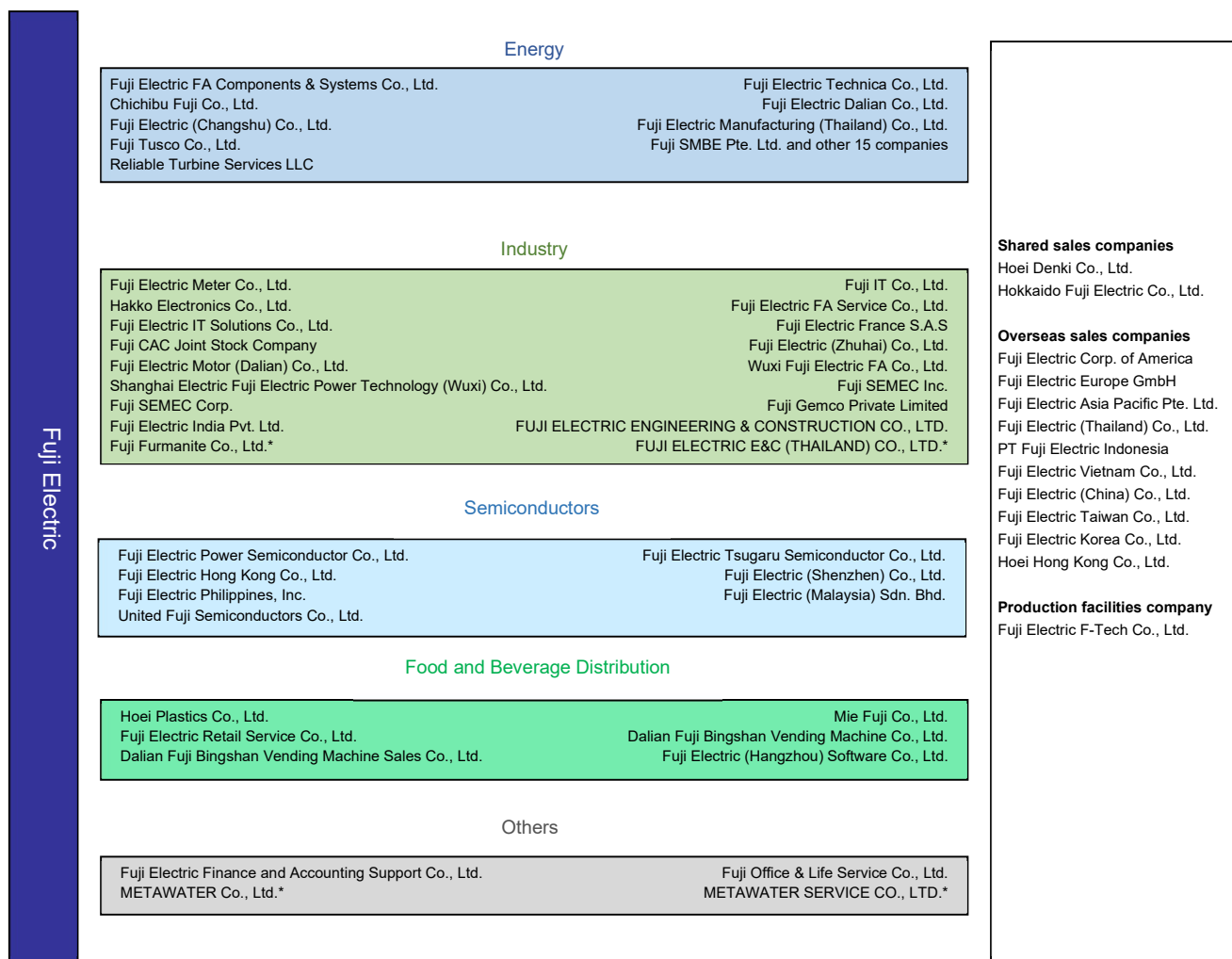
If any matters or circumstances surrounding the accounting auditor apply to any of the items under Article 340, Paragraph 1 of the Companies Act, and no improvement is expected, the Audit & Supervisory Board will dismiss the accounting auditor with the consent of all of the Audit & Supervisory Board Members.

In addition, if it is deemed impossible for the accounting auditor to perform its duties properly, the Audit & Supervisory Board may determine the content of a proposal concerning dismissal or non-reappointment of the accounting auditor which will be submitted to the Ordinary General Meeting of Shareholders.

[The Fuji Electric Group]

Group Companies

(as of March 31, 2025)



- (Notes) 1. The number of consolidated subsidiaries for fiscal 2024 including those above is 68 and the number of equity method affiliates is 4.
2. Companies marked with an asterisk (*) are accounted for as equity method affiliates.

Important Subsidiaries of the Corporate Group

(as of March 31, 2025)

Company name	Fuji Electric FA Components & Systems Co., Ltd.		
The Company's capital contribution	63.2%		
Major business	Development, manufacturing and sales of control equipment and power receiving/distribution equipment.		
Net sales (billion yen)	47.9	Net assets (billion yen)	41.4
Operating profit (loss) (billion yen)	1.6	Capital (billion yen)	7.6
Profit (loss) (billion yen)	5.1	Number of employees	828

Company name	FUJI ELECTRIC ENGINEERING & CONSTRUCTION CO., LTD.		
The Company's capital contribution	100%		
Major business	Designing and construction of plant facilities, air conditioning facilities, electrical engineering work, civil engineering work, solar power facilities, power transmission work, and information and communications work.		
Net sales (billion yen)	82.2	Net assets (billion yen)	41.6
Operating profit (loss) (billion yen)	9.3	Capital (billion yen)	2.0
Profit (loss) (billion yen)	5.8	Number of employees	1,162

Company name	Fuji Electric IT Solutions Co., Ltd.		
The Company's capital contribution	91.1%		
Major business	Sales of computer and telecommunication equipment, development of information processing systems and provision of total solutions.		
Net sales (billion yen)	85.6	Net assets (billion yen)	16.7
Operating profit (loss) (billion yen)	6.0	Capital (billion yen)	1.0
Profit (loss) (billion yen)	4.3	Number of employees	670

Specified Wholly Owned Subsidiaries

Not applicable.

Important Corporate Realignments

With an effective date of February 3, 2025, the Company executed a share exchange with FUJI FURUKAWA ENGINEERING & CONSTRUCTION CO. LTD. (name changed to FUJI ELECTRIC ENGINEERING & CONSTRUCTION CO. LTD. on the same date), making it into a wholly owned subsidiary.

Main Facilities of the Group (as of March 31, 2025)

1. Energy

Domestic bases

Production bases	Kawasaki, Ichihara, Kobe, Ami machi (Ibaraki), Konosu, Otawara
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Overseas bases

Fuji Electric Dalian Co., Ltd. (China), Fuji Electric (Changshu) Co., Ltd. (China), Fuji Electric Manufacturing (Thailand) Co., Ltd., Fuji Tusco Co., Ltd. (Thailand), Fuji SMBE Pte. Ltd. (Singapore), Reliable Turbine Services LLC (U.S.A.)
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2. Industry

Domestic bases

Production bases	Hino, Suzuka
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Overseas bases

Fuji Electric France S.A.S, Fuji CAC Joint Stock Company (Vietnam), Fuji Electric (Zhuhai) Co., Ltd. (China), Fuji Electric Motor (Dalian) Co., Ltd. (China), Wuxi Fuji Electric FA Co., Ltd. (China), Shanghai Electric Fuji Electric Power Technology (Wuxi) Co., Ltd. (China), Fuji SEMEC Inc. (Canada), Fuji SEMEC Corp. (U.S.A.), Fuji Gemco Private Limited (India), Fuji Electric India Pvt. Ltd., FUJI ELECTRIC E&C (THAILAND) CO., Ltd.
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3. Semiconductors

Domestic bases

Production bases	Matsumoto, Minami Alps, Goshogawara
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Overseas bases

Fuji Electric Hong Kong Co., Ltd. (China), Fuji Electric (Shenzhen) Co., Ltd. (China), Fuji Electric Philippines, Inc., Fuji Electric (Malaysia) Sdn. Bhd., United Fuji Semiconductors Co., Ltd. (China)
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4. Food and Beverage Distribution

Domestic bases

Production bases	Yokkaichi
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Overseas bases

Dalian Fuji Bingshan Vending Machine Co., Ltd. (China), Dalian Fuji Bingshan Vending Machine Sales Co., Ltd. (China), Fuji Electric (Hangzhou) Software Co., Ltd. (China)

5. Others, Common

Domestic bases

Sales bases	Shinagawa-ku (Tokyo), Chiba, Saitama, Sapporo, Sendai, Toyama, Kanazawa, Nagoya, Chiryu, Osaka, Kobe, Fukuoka, Hiroshima, Takamatsu, Naha
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Overseas bases

Fuji Electric Corp. of America, Fuji Electric Europe GmbH (Germany), Fuji Electric Asia Pacific Pte. Ltd. (Singapore), Fuji Electric (Thailand) Co., Ltd., PT Fuji Electric Indonesia, Fuji Electric Vietnam Co., Ltd., Fuji Electric (China) Co., Ltd., Fuji Electric Taiwan Co., Ltd., Fuji Electric Korea Co., Ltd., Hoei Hong Kong Co., Ltd. (China)
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Employees of Fuji Electric (as of March 31, 2025)

(Persons)

Business segment	Number of employees	Year-on-year change
Energy	8,006	135
Industry	9,808	-84
Semiconductors	6,198	166
Food and Beverage Distribution	1,860	-31
Others	1,519	-120
Total	27,391	66

(Note) The number of employees of the Company at the end of March 2025 is 10,939 (an increase of 228 from the end of the previous fiscal year).

Major Lenders (as of March 31, 2025)

Name of lenders	Balance of loans (billion of yen)
Mizuho Bank, Ltd.	14.2
MUFG Bank, Ltd.	10.0
Resona Bank, Limited	4.5
The Norinchukin Bank	3.0

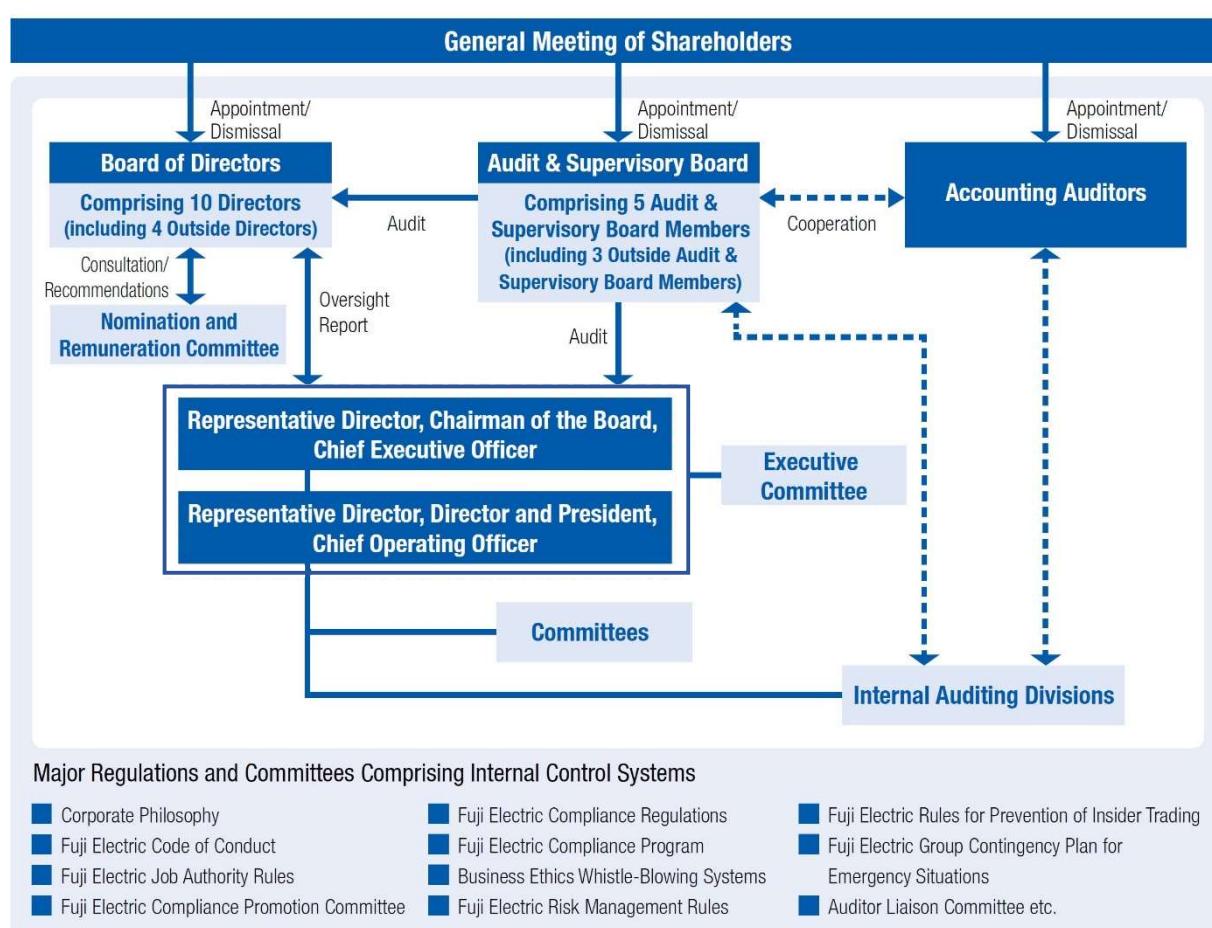
(Reference) The corporate governance system and internal controls system of the Company

The Company's corporate governance system consists of the Board of Directors, which performs the management supervisory function and important decision-making, and the Audit & Supervisory Board, which is in charge of the management auditing functions. As a company employing the corporate auditor system, the Audit & Supervisory Board suitably undertakes audits of the Company's Directors and Executive Officers and guarantees objectivity and neutrality.

The Company actively appoints Outside Audit & Supervisory Board Members that satisfy the requirements for Independent Officers, endeavors to strengthen management supervisory and management auditing functions, and has established the Nomination and Remuneration Committee comprising a majority of Outside Officers as an advisory body to the Board of Directors.

Also, in order to separate the roles of management and execution, we have introduced the executive officer structure in an effort to clearly define the responsibilities of each business and streamline business execution. We are endeavoring to build an effective corporate governance system with the use of Executive Committee, which deliberates and reports on important matters related to management as an advisory body to the Chairman of the Board and CEO and the President and COO as well as other committees tasked with planning and promoting key business strategy issues and key external issues, such as legal compliance.

Details on the internal controls system of the Company is as stated in the following pages.



(as of March 31, 2025)

Basic Policy on System of Internal Controls and Operation of the Internal Controls System

1. Basic policy on system of internal controls

Based on the provisions of Article 362, Paragraph 5 of the Companies Act, as for the development of an internal control system as provided for in Article 362, Paragraph 4, Item 6 of the Companies Act and each Item of Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act, the Board of Directors resolved to adopt the proposal as follows.

(1) System for ensuring that Directors and employees carry out their duties in accordance with laws, regulations, and the Articles of Incorporation

- (i) The Company will repeatedly give explanations to employees of the Company and its subsidiaries on management principles applicable to the Company, and on the spirit behind the Criteria of Corporate Behavior, which serves as a code of behavior for all executives and employees, and ensure such principles and criteria are rigorously followed.
- (ii) The Company will establish and promote a compliance system as follows, based on internal regulations, to ensure the transparency and soundness of business execution.
 - The Compliance Promotion Committee is chaired by the Representative Director of the Company. It will ensure full compliance with laws, regulations, and social norms pertaining to the Company and its subsidiaries.
 - The Company will establish a compliance program that systematizes roles and responsibilities in terms of internal rules, daily monitoring, auditing, education, and other areas for each law and regulation, and carry out the program in accordance with the annual plan.
 - Compliance training is conducted for all full-time executives of the Company and its subsidiaries.
 - The Company will establish an internal reporting system that facilitates communication from employees of the Company and its subsidiaries to the President and COO of the Company and external attorneys-at-law, using a route that is independent of normal lines of communication. This is intended to prevent actions that violate laws, regulations, Articles of Incorporation, or internal rules before they occur, and aid the early discovery of such actions.
 - The establishment and promotion of the above systems will also enable the Company to provide an organized response aimed at rejecting antisocial forces and groups that threaten public order and the safety of private citizens.
- (iii) Internal auditing divisions of the Company under the jurisdiction of the President and COO conduct audits of the Company and subsidiaries. In addition, to ensure effective internal auditing, information on various activities is shared within the committee, which consists of members of internal auditing divisions of the Company and subsidiaries.

(2) System for retaining and managing information pertaining to the performance of Directors

Internal regulations will be formulated to ensure accurate retention and management of records of important business and to ensure that Directors and Audit & Supervisory Board Members acquire knowledge of records. The regulations establish procedures for Directors, Audit & Supervisory Board Members, and managers involved in saving and storing records regarding access to information. Audit & Supervisory Board Members are also consulted in advance with regard to formulating, amending, or eliminating regulations.

(3) Regulations for managing loss-related risk and other systems

- (i) The internal regulations will be formulated to systematically manage operational risks faced by the Company and its subsidiaries. Based on these regulations, the Company and its subsidiaries will establish appropriate risk management systems, and a system for managing specific group-wide risks will be established. The system involves the designation of departments to manage each category of risk.

- (ii) The Company will establish an emergency response manual to minimize damage incurred at the time of a crisis, such as a major disaster. The manual will prescribe the directors in charge of crisis management and establishment of a conference system and response headquarters to be activated when an emergency occurs.
- (iii) The internal auditing division audits the progress of risk management at the Company and its subsidiaries and reports the results to the President and COO.

(4) System for ensuring effective execution of business by Directors

- (i) The Company will adopt the executive officer structure to separate management and execution, and accelerate decision-making procedures. The division of duties of each executive officer will be clarified by a resolution of the Board of Directors.
In addition, the internal regulations that prescribe the duties and authority of the Chairman of the Board and CEO, the President and COO, executive officers and employees will be formulated to clarify decision-making authority and locus of responsibilities with regard to business execution.
- (ii) Executive Committee will be established as a permanent corporate body to advise the Chairman of the Board and CEO and the President and COO. It will comprise the Chairman of the Board and CEO, the President and COO, the Company's executive officers and other individuals, and will deliberate and formulate reports on important matters pertaining to the management. The Company's Representative Director will communicate the deliberations and reports of Executive Committee to the Company's Board of Directors as necessary.
- (iii) To formulate annual and medium-term management plans for the Company and its subsidiaries and to share information, Executive Committee and the Company's Board of Directors will confirm, evaluate, and review progress for each business division on a monthly basis.

(5) System to ensure reliable financial reporting

The Company will formulate internal regulations to ensure the appropriateness of documents and other information related to financial settlements as stipulated by the Financial Instruments and Exchange Act. Based on these regulations, the Company will build internal controls for financial reporting, appropriately conduct evaluations and reporting, and report the results of evaluations to the Board of Directors.

(6) System for ensuring the appropriate administration of the company group comprising the Company and its subsidiaries

- (i) The Company will formulate internal regulations that prescribe authority and responsibilities pertaining to business execution of the Company and its subsidiaries. Based on these regulations, the Company will ensure systematic and efficient management.
In addition, the Company will request subsidiaries to comply with these regulations and report to the Company or obtain approval from the Company regarding important matters pertaining to business execution of subsidiaries.
- (ii) The Company will enhance systems to ensure appropriate administration for the items discussed above, to maximize the corporate value of the entire company group comprising the Company and its subsidiaries.
In addition, the Company will request the formulation of a basic policy on the establishment of a system that ensures subsidiaries conduct appropriate business activities as stipulated by the Companies Act, and will ensure the effectiveness of such systems.

(7) Matters pertaining to employees assisting Audit & Supervisory Board Members, their independence from Directors, and ensuring the effectiveness of instructions to these employees

- (i) Employees assisting Audit & Supervisory Board Members shall be designated and the treatments for said employees shall respect opinions of Audit & Supervisory Board Members and require consents thereof.
- (ii) Audit & Supervisory Board Members may request the assistance of employees other than the designated employees in (i) above as necessary. Employees carrying out this

work may do so independently of instructions or orders from Directors and prioritizing the business over other businesses.

(8) System for reporting to Audit & Supervisory Board Members by Directors and employees, system for reporting to Audit & Supervisory Board Members by subsidiaries' Directors, Audit & Supervisory Board Members, and employees or those who have received report from these persons, and other matters pertaining to reporting to Audit & Supervisory Board Members

Internal regulations will be established to ensure Audit & Supervisory Board Members acquire sufficient information for them to fulfill their duties. The regulations establish specific methods for ensuring Audit & Supervisory Board Members have opportunities to attend important meetings where decisions are made on business execution of the company group comprising the Company and its subsidiaries, for distributing regular reports and important documents from executives and employees of the Company and its subsidiaries to Audit & Supervisory Board Members, and for making it possible for Audit & Supervisory Board Members to otherwise collect information on the performance of duties by executives and employees of the Company and its subsidiaries.

(9) System for ensuring that persons who report (8) above are not treated disadvantageously on the basis of making the report

The Company shall prohibit disadvantageous treatment of persons who report (8) above on the basis of making the report.

(10) Matters pertaining to procedures for advance payment or repayment of costs arising from the execution of duties by Audit & Supervisory Board Members and other matters pertaining to the policy for processing costs or liabilities arising from the execution of Audit & Supervisory Board Members' duties

When Audit & Supervisory Board Members request the Company to make advance payment of costs, etc. pertaining to the execution of their duties, the Company will promptly process the payment, etc. except when it is deemed unnecessary for the execution of duties by Audit & Supervisory Board Members.

(11) Other systems to ensure audits are conducted effectively by Audit & Supervisory Board Members

A committee comprising Audit & Supervisory Board Members from the Company and subsidiaries, which are large companies as defined by the Companies Act, and a committee comprising Audit & Supervisory Board Members, members of internal audit divisions, and accounting auditors work to strengthen communication among all auditing bodies and ensure the effectiveness of auditing practices for the entire company group comprising the Company and its subsidiaries.

2. Overview of operation of the internal controls system

An overview of the operation of the internal controls system for the Company in the current fiscal year is as provided below.

(1) System for ensuring that Directors and employees carry out their duties in accordance with laws, regulations, and the Articles of Incorporation

Regarding a compliance system, the Company holds the Compliance Promotion Committee chaired by the Representative Director twice a year. It deliberates on the operation of an internal reporting system as well as the implementation and implementation plan of a compliance program to make sure that there is no compliance violation that would have a material impact on the management of the Company and its subsidiaries.

In addition, the annual results and plans for the details deliberated at the Compliance Promotion Committee above are reported to the Board of Directors meeting once a year.

The Company conducts internal audits on organizational management, risk management, compliance management, business execution, and accounting of the entire company group comprising the Company and its subsidiaries. This is done based on an internal audit plan and from the perspectives of compliance with laws and regulations related to business activities, reliability of financial reporting, protection of assets, and effectiveness and efficiency of business.

(2) System for retaining and managing information pertaining to the performance of Directors

The Company appropriately retains and manages documents pertaining to the performance of Directors including minutes of the Board of Directors meetings and other related documents pursuant to the related laws and regulations as well as internal regulations.

(3) Regulations for managing loss-related risk and other systems

The Company systematically manages risks based on Fuji Electric Risk Management Rules. The Company strives to maximize the corporate value of the Company and its subsidiaries while minimizing the impact on management when risks materialize. It does so by fully and appropriately managing and addressing risks that may impact the management of the Company and its subsidiaries while preventing the materialization of risks (occurrence of critical situations) or reducing losses.

In preparation for the occurrence of major accidents, disasters, and other situations, the Company has established a business continuity plan (BCP), implemented drills based on the assumption of earthquakes and other disasters, and facilitated the dissemination, full enforcement, and increased efficiency of a BCP.

(4) System for ensuring effective execution of business by Directors

Matters deliberated on by the Board of Directors are deliberated on and reported at the Executive Committee comprising the Chairman of the Board and CEO, the President and COO and the Company's executive officers and other individuals prior to the Board of Directors meetings. In the current fiscal year, the Executive Committee met 24 times and business plans and important matters pertaining to the management of the Company and its subsidiaries were deliberated on and reported there appropriately based on the internal regulations that prescribe the duties and authority of the Chairman of the Board and CEO, the President and COO and executive officers and employees.

(5) System to ensure reliable financial reporting

Regarding the internal control evaluation pertaining to financial reporting, the Company evaluates the effectiveness of internal controls for financial reporting of the company group comprising the Company and its subsidiaries. It does so upon selecting the scope of evaluation pursuant to evaluation criteria generally deemed fair and appropriate. The results of the evaluation are reported to the Board of Directors meeting once a year.

(6) System for ensuring the appropriate administration of the company group comprising the Company and its subsidiaries

Based on internal regulations that prescribe authority and responsibilities pertaining to business execution of the Company and its subsidiaries, systematic and efficient management is ensured and important matters pertaining to business execution of subsidiaries are reported to the Company appropriately. Also, when needed, they are deliberated on and reported to Executive Committee or the Board of Directors meetings of the Company.

(7) Matters pertaining to employees assisting Audit & Supervisory Board Members, their independence from Directors, and ensuring the effectiveness of instructions to these employees

- (i) Employees assisting Audit & Supervisory Board Members shall be designated and the treatments for said employees shall respect opinions of Audit & Supervisory Board Members and require consents thereof.
- (ii) Employees carrying out assistance business based on requests from Audit & Supervisory Board Members are doing so independently of instructions or orders from Directors and prioritizing the business over other businesses.

(8) System for reporting to Audit & Supervisory Board Members by Directors and employees, system for reporting to Audit & Supervisory Board Members by subsidiaries' Directors, Audit & Supervisory Board Members, and employees or those who have received report from these persons, and other matters pertaining to reporting to Audit & Supervisory Board Members

Each Audit & Supervisory Board Member conducts audits by attending the Board of Directors and other important meetings, collecting information on the performance of duties by Directors, internal auditing divisions and others, viewing important approval forms and other documents, investigating the situation of business and assets at major offices, and if needed, requesting subsidiaries to report on their business.

(9) System for ensuring that persons who report (8) above are not treated disadvantageously on the basis of making the report

The Company makes executives and employees well aware of the fact that it is prohibited to treat persons who report to Audit & Supervisory Board Members disadvantageously.

(10) Matters pertaining to procedures for advance payment or repayment of costs arising from the execution of duties by Audit & Supervisory Board Members and other matters pertaining to the policy for processing costs or liabilities arising from the execution of Audit & Supervisory Board Members' duties

The Company promptly processes costs arising from the execution of duties by Audit & Supervisory Board Members based on requests from Audit & Supervisory Board Members.

(11) Other systems to ensure audits are conducted effectively by Audit & Supervisory Board Members

The Audit & Supervisory Board meetings of the Company were held eight times in the current fiscal year. The Audit & Supervisory Board receives reports, deliberates on, and resolves important matters pertaining to auditing.

A committee comprising Audit & Supervisory Board Members from the Company and subsidiaries, which are large companies as defined by the Companies Act, and a committee comprising Audit & Supervisory Board Members, members of internal audit divisions, and accounting auditors are working to strengthen communication among all auditing bodies thereby ensuring the effectiveness of auditing practices for the entire company group comprising the Company and its subsidiaries.

Basic Policy on Control of the Company

1. Details of the basic policy

In implementing the Corporate philosophy and continuing to improve corporate value, Fuji Electric amasses unique technologies, experience and know-how, and strives to develop and maintain good relations with various stakeholders, including customers, partners, communities, and employees.

These are the Fuji Electric's precious tangible and intangible assets, the Fuji Electric's DNA, and resources that support the creation of corporate value for Fuji Electric.

Based on that philosophy, the Company strives to manage in line with changes in the environment. The Company recognizes that the most effective countermeasures against share purchases that could damage the corporate value of Fuji Electric are increasing corporate value in the medium- to long-term vision and further raising the share of profits to shareholders, and strives to realize those aims.

Furthermore, the Company is actively engaging in a range of IR activities to ensure that the Fuji Electric's share value is properly understood. The Company will strive to further deepen understanding of Fuji Electric by issuing reports on its performance including quarterly financial reports and holding plant tour programs for the shareholders.

The Board of Directors recognizes that the free trade of shares by shareholders is a reality as a listed company, and believes that the question of whether or not large-scale purchases of shares in the Company by specific individuals should be permitted is a matter that should ultimately be delegated to the shareholders.

However, corporate acquisitions undertaken to profit unduly from selling a company's shares at the highest price do occur. The Board of Directors does not believe that any parties who engage in any such large-scale share purchases of the Company's shares or table proposals which do not contribute to the corporate value of Fuji Electric or the mutual benefit of the shareholders are suitable parties to control the Company's finances and the determination of its business policy.

At this point in time, no specific threat related to large-scale purchases of the Company's shares has emerged. Moreover, the Company has not yet put in place any specific preventative measures (so-called "poison pill") against the emergence of a takeover threat.

However, the Board of Directors will, as a managerial duty to the shareholders, establish an internal system to install measures against any large-scale purchases of the Company's shares that threaten the corporate value of Fuji Electric or the mutual benefit of the shareholders.

2. The Fuji Electric's measures to realize the basic policy

(1) Initiatives to improve corporate value of Fuji Electric

As our basic strategy for sustainable growth, Fuji Electric aims to create growth on the global market based on our power electronics technologies cultivated over many years, which handle electrical energy universally, backed by energy and environmental investments projected to take place in many countries.

To realize this, we will rapidly shift our managerial resources to the field of "energy and the environment," aiming to maximize our corporate value and contribute to the resolution of social and environmental issues as a "company that contributes to the global society through business."

(2) Measures to prevent control of the Company by undesirable parties as described in the basic policy

The Company will, based on 1. Details of the basic policy above, strive to establish an internal system in view of any potential or actual purchases of the Company's shares that threaten the corporate value of Fuji Electric or the mutual benefit of the shareholders.

Specifically, the Company will very carefully monitor daily trading movements and shareholder changes and at the same time put in place a first-response manual for contingencies, and establish a framework for collaboration with external experts. The Company will determine

specific preventative measures in a timely and appropriate manner, and strive towards the enhancement of internal systems.

Furthermore, the Company will continue to consider the introduction of a “poison pill,” from the viewpoints of ensuring and increasing the corporate value of Fuji Electric or the mutual benefit of the shareholders, based on the opinions and judgments of the legal system and the relevant authorities, social trends, and the opinions of our stakeholders.

3. The decisions and rationale of the Board of Directors regarding the measures above

Because the measures referred to in 2. (1) above mean: to maintain and enhance the corporate value of the Company over the medium-term, and ensure that the measures in 2. (2) establish internal systems to respond to large-scale purchases of the Company’s shares that threaten the corporate value of Fuji Electric or mutual benefits of shareholders, the Board of Directors confirmed and resolved at its meeting that these measures comply with the basic policy in 1. above, and neither measure represents a threat to the mutual benefits of the shareholders or is a means to maintain the members of the current top management team in their positions.

Further, the resolution was unanimously agreed upon at an Audit & Supervisory Board meeting, provided that the specific operations of the measures described in 2. above are conducted properly.

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- (Notes)
1. Amounts less than a unit are rounded to the nearest yen in the Business Report.
 2. The number of shares shown in the Business Report are rounded down to the nearest whole unit.
 3. As used in this Business Report, the expression “Fuji Electric” refers to the company group comprising the Company, its subsidiaries, and affiliates.
 4. The business object in the future, stated in the Business Report is calculated based on given assumptions that we assess to be reasonable at the time of writing the Business Report. The description may differ from the actual results, and we cannot guarantee the accuracy of the content.
 5. Photographs, etc., are for reference only.

Consolidated Balance Sheets

(as of March 31, 2025)

(Millions of Yen)

[Assets]		[Liabilities]	
Current assets	766,672	Current liabilities	431,466
Cash and deposits	63,542	Notes and accounts payable - trade	192,834
Notes receivable - trade	74,613	Short-term borrowings	10,716
Accounts receivable - trade	249,353	Lease obligations	14,292
Contract assets	93,830	Accrued expenses	58,809
Merchandise and finished goods	84,472	Income taxes payable	28,121
Work in process	55,156	Contract liabilities	67,129
Raw materials and supplies	99,021	Provision for product warranties	3,706
Other	57,083	Other	55,857
Allowance for doubtful accounts	-10,401		
Non-current assets	545,435	Non-current liabilities	150,050
Property, plant and equipment	347,074	Bonds payable	30,000
Buildings and structures	113,893	Long-term borrowings	30,073
Machinery, equipment and vehicles	105,853	Lease obligations	16,212
Tools, furniture and fixtures	13,420	Deferred tax liabilities	916
Land	36,019	Provision for retirement benefits for directors (and other officers)	95
Leased assets	25,367	Retirement benefit liability	66,797
Construction in progress	49,089	Other	5,955
Other	3,430		
		Total liabilities	581,517
Intangible assets	30,318	[Net assets]	
Software	9,865	Shareholders' equity	601,771
Other	20,452	Share capital	47,586
		Capital surplus	64,573
Investments and other assets	168,042	Retained earnings	493,885
Investment securities	108,713	Treasury shares	-4,273
Long-term loans receivable	3,948		
Deferred tax assets	18,275	Accumulated other comprehensive income	89,995
Net defined benefit asset	26,052	Valuation difference on available-for-sale securities	49,318
Other	14,679	Deferred gains or losses on hedges	-2
Allowance for doubtful accounts	-3,627	Foreign currency translation adjustment	40,046
		Remeasurements of defined benefit plans	633
Deferred assets	67	Non-controlling interests	38,891
Bond issuance costs	67		
		Total net assets	730,658
Total assets	1,312,175	Total liabilities and net assets	1,312,175

Consolidated Statements of Income

(from April 1, 2024 to March 31, 2025)

(Millions of Yen)

Net sales		1,123,407
Cost of sales		805,505
Gross profit		317,901
Selling, general and administrative expenses		200,254
Operating profit		117,646
Non-operating income		
Interest and dividend income	3,475	
Miscellaneous income	3,793	7,269
Non-operating expenses		
Interest expenses	3,335	
Miscellaneous expenses	2,821	6,156
Ordinary profit		118,759
Extraordinary income		
Gain on sales of non-current assets	132	
Gain on sales of investment securities	16,644	
Settlement income	3,000	19,777
Extraordinary losses		
Loss on disposal of non-current assets	987	
Loss on valuation of investment securities	107	
Settlement payments	3,780	4,874
Profit before income taxes		133,661
Income taxes - current	41,750	
Income taxes - deferred	-4,770	36,980
Profit		96,681
Profit attributable to non-controlling interests		4,441
Profit attributable to owners of parent		92,239

Consolidated Statement of Changes in Equity

(from April 1, 2024 to March 31, 2025)

(Millions of Yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at April 1, 2024	47,586	45,954	423,135	-7,397	509,278
Changes of items during the period					
Dividends of surplus			-21,424		-21,424
Profit attributable to owners of parent			92,239		92,239
Purchase of treasury shares				-2,340	-2,340
Disposal of treasury shares		2,077		262	2,340
Change by share exchanges		33,168		5,201	38,370
Change in scope of consolidation			-64		-64
Change in ownership interest of parent due to transactions with non-controlling interests		-16,627			-16,627
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	18,619	70,750	3,123	92,492
Balance at March 31, 2025	47,586	64,573	493,885	-4,273	601,771

(Millions of Yen)

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at April 1, 2024	54,717	-35	37,772	782	93,237	58,956	661,472
Changes of items during the period							
Dividends of surplus					-		-21,424
Profit attributable to owners of parent					-		92,239
Purchase of treasury shares					-		-2,340
Disposal of treasury shares					-		2,340
Change by share exchanges					-		38,370
Change in scope of consolidation					-		-64
Change in ownership interest of parent due to transactions with non-controlling interests					-		-16,627
Net changes of items other than shareholders' equity	-5,398	32	2,273	-148	-3,241	-20,065	-23,306
Total changes of items during the period	-5,398	32	2,273	-148	-3,241	-20,065	69,186
Balance at March 31, 2025	49,318	-2	40,046	633	89,995	38,891	730,658

Non-Consolidated Balance Sheet

(as of March 31, 2025)

(Millions of Yen)

[Assets]		[Liabilities]	
Current assets		Current liabilities	
	453,331		298,529
Cash and deposits	1,421	Accounts payable - trade	128,873
Notes receivable - trade	44,662	Short-term borrowings	20,236
Accounts receivable - trade	171,935	Current portion of long-term borrowings	100
Contract assets	67,840	Lease obligations	11,153
Merchandise and finished goods	28,291	Accounts payable - other	21,052
Work in process	38,024	Accrued expenses	36,414
Raw materials and supplies	54,745	Income taxes payable	17,664
Advance payments - trade	22,634	Contract liabilities	44,375
Accounts receivable - other	15,818	Deposits received	8,665
Other	8,537	Provision for product warranties	3,547
Allowance for doubtful accounts	-578	Other	6,446
Non-current assets		Non-current liabilities	
	454,197		135,766
Property, plant and equipment	179,547	Bonds payable	30,000
Buildings	66,967	Long-term borrowings	30,000
Structures	2,462	Lease obligations	12,177
Machinery and equipment	25,127	Provision for retirement benefits	51,967
Vehicles	97	Asset retirement obligations	2,003
Tools, furniture and fixtures	6,775	Other	9,617
Land	24,196		
Leased assets	19,265		
Construction in progress	34,655		
Intangible assets		Total liabilities	434,296
	14,345		
Software	6,086	[Net assets]	
Other	8,258	Shareholders' equity	
Investments and other assets			424,083
	260,303	Share capital	47,586
Investment securities	87,858	Capital surplus	91,943
Shares of subsidiaries and associates	135,715	Legal capital surplus	56,777
Investments in capital	383	Other capital surplus	35,166
Long-term loans receivable	3,623	Retained earnings	288,854
Prepaid pension costs	16,476	Legal retained earnings	11,515
Deferred tax assets	14,301	Other retained earnings	277,338
Other	3,849	Reserve for promotion of open innovation	17
Allowance for doubtful accounts	-1,905	Retained earnings brought forward	277,321
Deferred assets		Treasury shares	-4,300
	67		
Bond issuance costs	67	Valuation and translation adjustments	49,216
Total assets		Valuation difference on available-for-sale securities	49,219
	907,595	Deferred gains or losses on hedges	-2
		Total net assets	473,299
		Total liabilities and net assets	907,595

Non-Consolidated Statements of Income

(from April 1, 2024 to March 31, 2025)

(Millions of Yen)

Net sales		714,271
Cost of sales		538,717
Gross profit		175,553
Selling, general and administrative expenses		121,541
Operating profit		54,012
Non-operating income		
Interest and dividend income	37,270	
Other	1,855	39,125
Non-operating expenses		
Interest expenses	1,070	
Other	886	1,957
Ordinary profit		91,180
Extraordinary income		
Gain on sales of non-current assets	18	
Gain on sales of investment securities	16,581	
Settlement income	3,000	
Other	1,389	20,989
Extraordinary losses		
Loss on disposal of non-current assets	728	
Loss on valuation of investment securities	86	
Loss on valuation of shares of subsidiaries and associates	21	
Settlement payments	3,780	4,615
Profit before income taxes		107,555
Income taxes - current	23,759	
Income taxes - deferred	-4,237	19,522
Profit		88,032

Non-Consolidated Statement of Changes in Equity

(from April 1, 2024 to March 31, 2025)

(Millions of Yen)

Shareholders' equity										
	Share capital	Capital surplus			Retained earnings				Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings		
						Reserve for promotion of open innovation	Retained earnings brought forward			
Balance at April 1, 2024	47,586	56,777	47	56,825	11,515	17	210,713	222,245	-7,590	319,066
Changes of items during the period										
Dividends of surplus				-			-21,424	-21,424		-21,424
Profit for the year				-			88,032	88,032		88,032
Purchase of treasury shares				-				-	-2,340	-2,340
Disposal of treasury shares			1,979	1,979				-	342	2,321
Change by share exchanges			33,139	33,139				-	5,287	38,427
Net changes of items other than shareholders' equity										
Total changes of items during the period	-	-	35,118	35,118	-	-	66,608	66,608	3,290	105,016
Balance at March 31, 2025	47,586	56,777	35,166	91,943	11,515	17	277,321	288,854	-4,300	424,083

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at April 1, 2024	54,607	-35	54,571	373,638
Changes of items during the period				
Dividends of surplus			-	-21,424
Profit for the year			-	88,032
Purchase of treasury shares			-	-2,340
Disposal of treasury shares			-	2,321
Change by share exchanges			-	38,427
Net changes of items other than shareholders' equity	-5,387	32	-5,355	-5,355
Total changes of items during the period	-5,387	32	-5,355	99,661
Balance at March 31, 2025	49,219	-2	49,216	473,299

Access to the Venue

Place: Galaxy Room, 2nd Basement, Westin Hotel Tokyo
4-1 Mita 1-chome, Meguro-ku, Tokyo
(within Yebisu Garden Place)
TEL: +81-3-5423-7000 (main number)

Access by Train (JR)

Take the train to JR Ebisu Station (East Exit). The venue is about twelve minutes from the station via the “Yebisu Skywalk” moving walkway.

Access by Subway

Take the Hibiya Line to Ebisu Station (Exit No. 1 in the JR direction). The venue is about fifteen minutes from the station via the “Yebisu Skywalk” moving walkway.

In the case of rain, note that you can reach the venue without having to use an umbrella by using the underground passageway that extends from the end of the “Yebisu Skywalk” moving walkway to the venue.

Access by Car

Please note that heavy traffic is expected near the venue on the day. Where possible, other forms of transport are recommended.