

Management Plan for FY2026

Fuji Electric Co., Ltd.
April 28, 2026

Now, I'll explain management plan for fiscal year 2026.

As President Kondo mentioned in his opening remarks, we made this plan based on the policy of starting by achieving key Medium-Term Management Plan targets, taking the current social situation into account.

Overall, the Energy and the Industry segments will continue to drive performance following fiscal year 2025.

As for the situation in the Middle East, with its potential impact on the economy, we recognize direct impact anticipated at this point is minor although sales delay due to ocean logistics stagnation or the impact of soaring fuel and raw material prices are expected for example in the current first quarter.

However, if the situation prolongs, we will scrutinize and disclose the impact appropriately.

Key Points

■ Management Plan for FY2026

	Net Sales	Operating Profit	Operating Profit Ratio	Profit Attributable to Owners of Parent
	¥1,275.0 billion	¥142.5 billion	11.2%	¥105.0 billion
YoY	+¥47.4 billion	+¥5.9 billion	+0.0%	+¥7.0 billion
	<ul style="list-style-type: none"> • Striving to meet all major targets of the Medium-Term Management Plan • Target of record-breaking net sales, operating profit, ordinary profit, and profit attributable to owners of parent • Net sales and operating profit growth supported by Energy segment 			
※Impact of Middle East Situation: Direct impacts currently anticipated are reflected in the 1Q management plan; overall impact is minor.				
Shareholder Return	<ul style="list-style-type: none"> • Decided to pay an interim dividend forecast of ¥107 per share to pursue full-year dividend payout ratio target of 30% • Decided to implement the acquisition of treasury stock with an upper limit of ¥21.0 billion 			

- 1. FY2026 Management Plan (YoY Comparison) P. 4**
- 2. Shareholder Return P.15**

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Summary of Consolidated Management Plan for FY2026 (YoY Comparison)

Target of record-breaking net sales, operating profit, ordinary profit, and profit attributable to owners of parent

(Billion Yen)	FY2025 Results	FY2026 Management Plan	Change
Net Sales	1,227.6	1,275.0	-12.3* 47.4
Operating Profit (Operating Profit Ratio)	136.6 (11.1%)	142.5 (11.2%)	-1.8* 5.9 (0.0%)
Ordinary Profit	139.3	143.0	3.7
Profit Attributable to Owners of Parent (Ratio of Profit Attributable to Owners of Parent to Net Sales)	98.0 (8.0%)	105.0 (8.2%)	7.0 (0.2%)

	US\$	EURO	RMB
FY2026 Exchange Rate	¥150.00	¥175.00	¥21.90
Sensitivity of operating profit to foreign exchange influences	-160 Million Yen	90 Million Yen	250 Million Yen

※ US\$ and EURO: Impact of ¥1-fluctuation
RMB: Impact of 1% fluctuations

Financial Indicators		* Exchange rate effect
ROE	13.1%	12.8%
ROIC	12.6%	12.6%
Equity Ratio	56.9%	57.8%
Net D/E Ratio	0.0 times	0.0 times

※ Net D/E Ratio: Net interest-bearing dept ÷ Equity

I will talk about annual plan.

We revised assumed exchange rates to 150 yen to the US dollar, 175 yen to the Euro and 21.9 yen to the RMB.

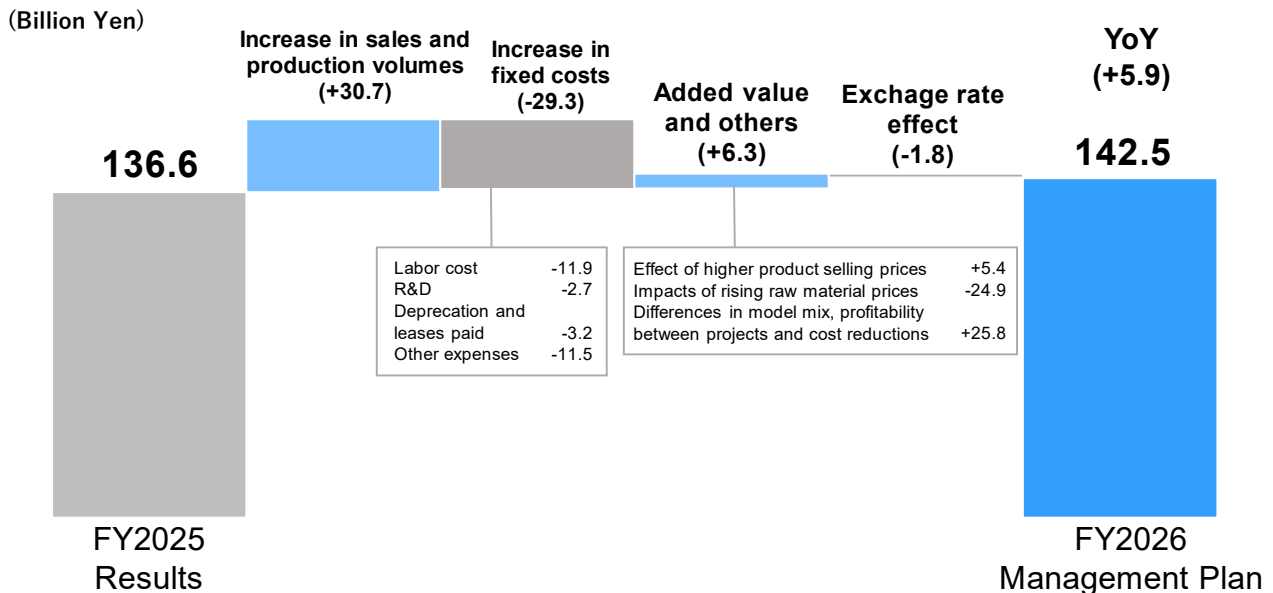
Based on this assumption, net sales are expected to be 1,275 billion yen, up 47.4 billion yen year on year. This includes the negative exchange rate effect of 12.3 billion yen. That means we plan to increase net sales by about 60 billion yen in real terms.

We plan to increase operating profit by 5.9 billion yen to 142.5 billion yen. Operating profit ratio will be 11.2%. Ordinary profit will be 143 billion yen. Profit attributable to owners of parent will be 105 billion yen, up 7 billion yen year on year. Ratio of profit attributable to owners of parent to net sales will be 8.2%.

The reason why profit attributable to owners of parent will increase more than operating profit is because gain on sales of investment securities is incorporated into the original plan.

Breakdown of Changes in Operating Profit for FY2026 (YoY Comparison)

Higher profit, despite adverse impacts fixed costs increases, rising material prices, and foreign exchange influences, due to benefits of sales and production volume increases, differences in profitability between models, and cost reductions



This slide shows a breakdown of year on year changes in operating profit. Increase in sales and production volumes will be significant. Much of this will be offset by increase in fixed costs.

As added value, we will book cost reductions and effect of higher product selling prices. Including exchange rate effect of minus 1.8 billion yen, operating profit will be 142.5 billion yen, up 5.9 billion yen year on year. About 60% of increase in sales and production volumes will be in the Energy segment.

We expect fixed costs will increase due to investments in people, R&D and capital expenditures. Other expenses include increases in outsourcing expenses and IT expenses.

In added value and others, we estimate impacts of rising raw material prices at minus 24.9 billion yen. More than about 10 billion yen of a negative impact is expected in ED&C components and a negative impact of the billions of yen in Semiconductors. These will be offset by cost reductions and price revisions.

Net Sales and Operating Profit by Segment for FY2026 (YoY Comparison)

Business performance driven by Energy segment

(Billion Yen)

	FY2025 Results			FY2026 Management Plan			Change				
	Net Sales	Operating Profit	Operating Profit Ratio	Net Sales	Operating Profit	Operating Profit Ratio	Net Sales	Operating Profit	Operating Profit Ratio		
Energy	396.4	59.5	15.0%	455.0	71.0	15.6%	-1.6*	58.6	-0.1*	11.5	0.6%
Industry	465.0	44.4	9.5%	454.0	48.0	10.6%	-4.9*	-11.0	-0.6*	3.6	1.0%
Semiconductors	237.4	23.5	9.9%	225.0	13.0	5.8%	-5.5*	-12.4	-1.0*	-10.5	-4.1%
Food and Beverage Distribution	108.0	13.1	12.2%	115.0	14.0	12.2%		7.0		0.9	0.0%
Others	58.4	3.9	6.6%	60.0	3.9	6.5%		1.6		0.0	-0.1%
Elimination and Corporate	-37.5	-7.8	-	-34.0	-7.4	-		3.5		0.4	-
Total	1,227.6	136.6	11.1%	1,275.0	142.5	11.2%	-12.3*	47.4	-1.8*	5.9	0.0%

※Reflecting the figures of the business reorganization, where a portion of the automation systems business of Industry segment was transferred to the equipment construction business of Energy segment

*Exchange rate effect

This slide shows an overview by segment.

I said in the beginning that the Energy and the Industry segments would be drivers and we incorporated a significant improvement in the Energy segment.

I will give you details in the following pages.

Performance Outlook by Segment for FY2026 (YoY Comparison)

Energy

(Billion Yen)	FY2025 Results	FY2026 Management Plan	Change	Performance Outlook
Net Sales	396.4	455.0	58.6	Higher sales and profit in all subsegments Driven by increased demand in energy storage systems, industrial substation and power supply equipment of the energy management business, and increased demand in data centers of the power supply and facility systems business
Operating Profit (Operating Profit Ratio)	59.5 (15.0%)	71.0 (15.6%)	11.5 (0.6%)	

※Reflecting the figures of the business reorganization, where a portion of the automation systems business of Industry segment was transferred to the equipment construction business of Energy segment

Industry

(Billion Yen)	FY2025 Results	FY2026 Management Plan	Change	Performance Outlook
Net Sales	465.0	454.0	-11.0	Lower sales due to the absence of large-scale IT solutions projects recorded in the previous fiscal year, although increased demand in the factory automation components and the automation systems businesses Higher profit as benefits of sales volume accompanying with demand growth, price revisions and differences in model mix outweighed increases in fixed costs and impacts of rising raw material prices
Operating Profit (Operating Profit Ratio)	44.4 (9.5%)	48.0 (10.6%)	3.6 (1.0%)	

※Reflecting the figures of the business reorganization, where a portion of the automation systems business of Industry segment was transferred to the equipment construction business of Energy segment

In the Energy segment, net sales will be up 58.6 billion yen and operating profit will be up 11.5 billion yen. Higher sales and profit are expected in all subsegments mainly driven by increased demand in the energy management business and the power supply and facility systems business. We plan to achieve operating profit ratio of more than 10% in all subsegments.

In the Industry segment, net sales will be down 11 billion yen and operating profit will be up only 3.6 billion yen. For net sales, the impact of the absence of GIGA school related large-scale IT solutions projects recorded in the previous fiscal year exceeds 20 billion yen.

In the ED&C components and the factory automation components businesses, we need to offset impacts of rising raw material prices with price revisions and others and will make further efforts for improvement.

Performance Outlook by Segment for FY2026 (YoY Comparison)

Semiconductors

(Billion Yen)	FY2025 Results	FY2026 Management Plan	Change	Performance Outlook
Net Sales	237.4	225.0	-12.4	Higher sales of industrial semiconductors following growth in demand for data centers and semiconductor manufacturing equipment Lower sales of automotive semiconductors due to reductions in demand for electrified vehicles, although increased demand for SiC Decreased profit mainly due to the impact of rising raw material prices and lower sales of automotive semiconductors
Operating Profit (Operating Profit Ratio)	23.5 (9.9%)	13.0 (5.8%)	-10.5 (-4.1%)	

Food and Beverage Distribution

(Billion Yen)	FY2025 Results	FY2026 Management Plan	Change	Performance Outlook
Net Sales	108.0	115.0	7.0	Higher sales and profit in the vending machine business, despite decline in domestic beverage vending machine demand, due to increases attributable to market share growth Higher sales and profit in the store distribution business due to rises in large-scale counter fixture projects, and benefits of new product sales promotion measures targeting new fields
Operating Profit (Operating Profit Ratio)	13.1 (12.2%)	14.0 (12.2%)	0.9 (0.0%)	

In the Semiconductors segment, net sales will be down 12.4 billion yen and operating profit will be down 10.5 billion yen, which is a significant decrease.

In industrial semiconductors, higher sales are expected following growth in demand for data centers and others. However, in automotive semiconductors, sales are expected to be down due to significant reductions in demand from Western silicon customers although demand for SiC is increasing and on the upward trend.

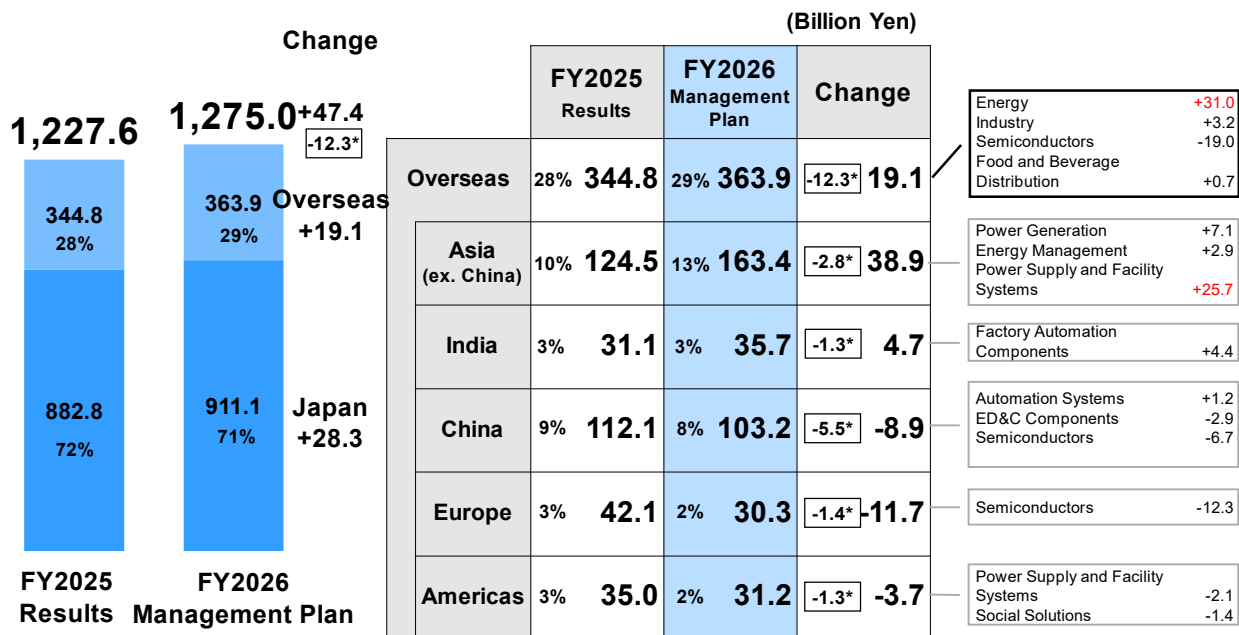
Operating profit will decrease significantly also mainly due to the impact of rising raw material prices and lower sales of automotive semiconductors. We are not satisfied with the current situation in the Semiconductors segment and will make efforts for further improvement.

In the Food and Beverage Distribution segment, net sales will be up 7 billion yen and operating profit will be up 900 million yen. Higher sales and profit are expected in the vending machine business due to increases attributable to market share growth.

In the store distribution business, we are making efforts to increase large-scale counter fixture projects and expand sales of new products for new fields. This business contributes greatly to higher sales and profit in the Food and Beverage Distribution segment.

Net Sales by Japan and Overseas Area for FY2026 (YoY Comparison)

Higher sales in Asia due to strong demand seen in Energy segment



※Reflecting the figures of the business reorganization, where a portion of the automation systems business of Industry segment was transferred to the equipment construction business of Energy segment

* Exchange rate effect

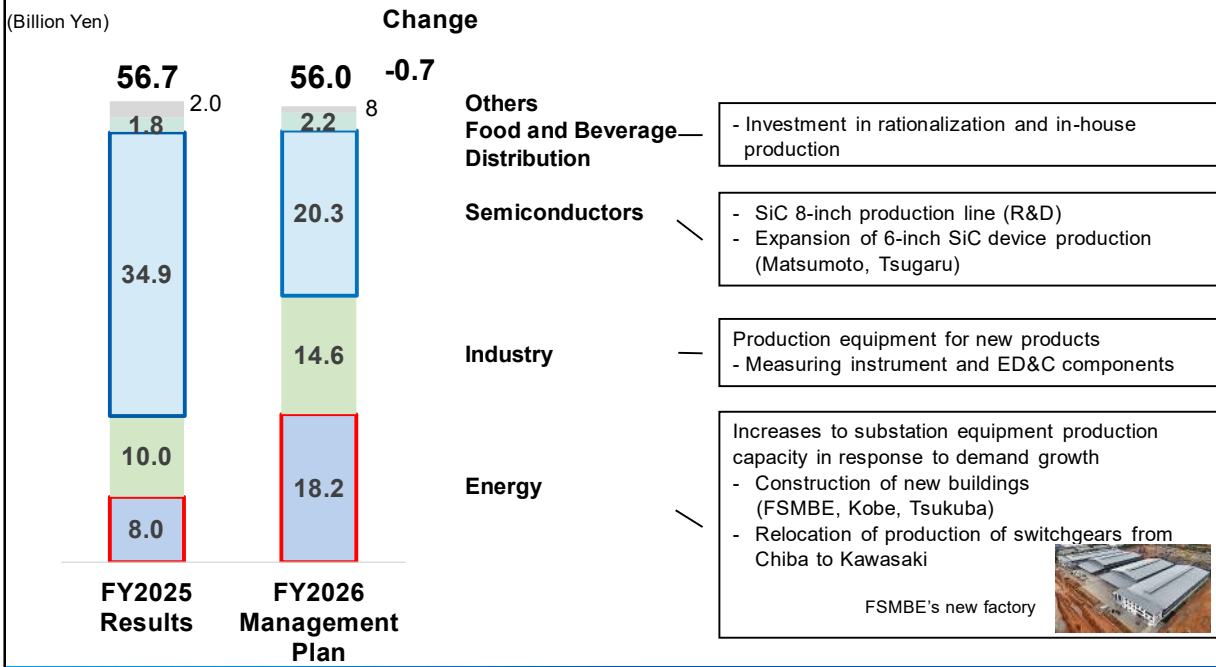
This slide shows net sales by Japan and overseas area.

While sales in Japan will be up only 28.3 billion yen year on year, overseas sales will be up 19.1 billion yen and be up more than 30 billion yen excluding exchange rate effect.

In overseas markets, sales in Asia will grow substantially. In particular, sales in power supply and facility systems will be up 25.7 billion yen. The Energy segment as a whole will drive overseas sales.

Capital Investment for FY2026 (YoY Comparison)

Continuation of investment for augmenting Energy segment production capacity
Coordinate the execution of Semiconductor segment investment in light of customer's demand



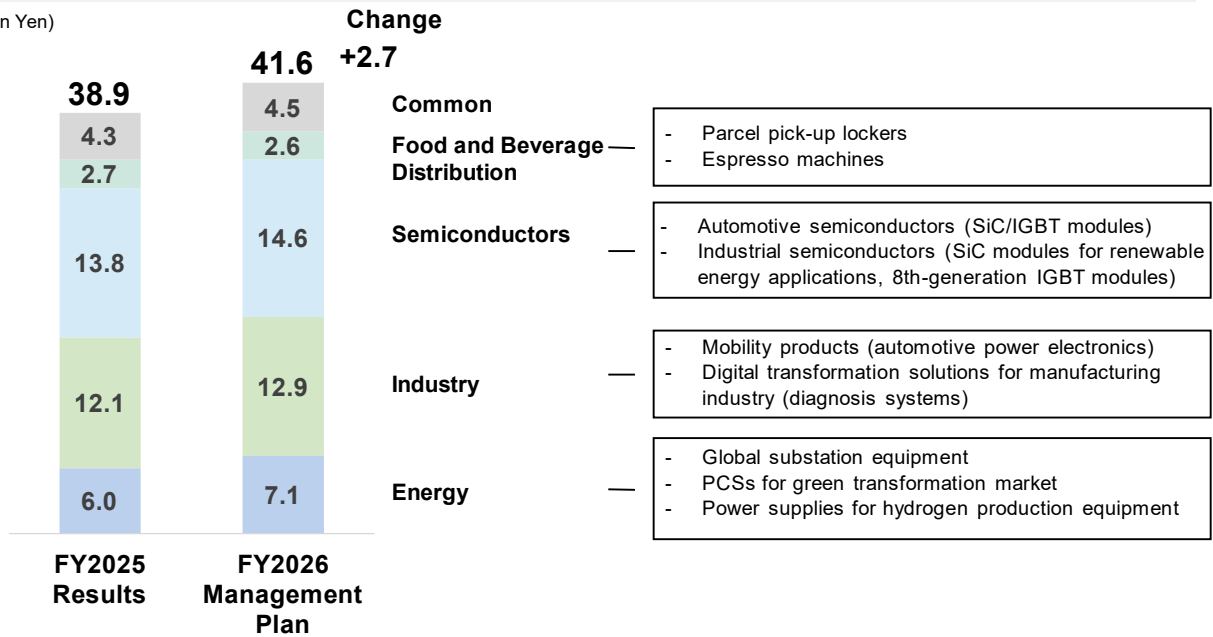
Capital investment will be almost flat year on year but the breakdown is different.

In the Energy segment, we are continuing investment for augmenting production capacity and capital investment will be up more than 10 billion yen year on year. On the other hand, in the Semiconductors segment, we are coordinating the execution of investment in light of customers' demand trends and launching timing of new models. In this fiscal year, we will continue to make capacity expansion investment mainly in SiC following the previous fiscal year.

Research and Development for FY2026 (YoY Comparison)

Continuation of aggressive R&D investment in Energy and Industry segments and power semiconductor operations

(Billion Yen)



※The amount for R&D expenditures above have been divided by segment based on theme and may therefore, differ from the figures contained in the consolidated financial report.

We have an ambitious plan to increase R&D expenditures by 2.7 billion yen year on year. We will make next generation power semiconductor investments, GX related investments in the Industry and the Energy segments and work on new product development in the Food and Beverage Distribution segment.

Balance Sheet at the End of FY2026 (YoY Comparison)

Increase total assets primarily due to increased notes receivables

Planning to acquire treasury stock

Assets				Liabilities and Net Sales (Billion Yen)			
	3/31/26	3/31/27	Change		3/31/26	3/31/27	Change
Cash and deposit	70.9	69.2	-1.7	Notes and account payables-trade	190.9	197.3	6.4
Notes and account receivables-trade, contract assets	444.7	485.7	41.0	Interest-bearing debts	89.1	79.6	-9.5
Inventories	257.1	249.2	-7.8	Other liabilities	283.8	290.0	6.3
Other current assets	59.2	68.0	8.8	Total liabilities	563.7	566.9	3.2
Total current assets	831.8	872.2	40.3	Share capital	47.6	47.6	-0.0
Property, plant and equipment	348.9	343.2	-5.6	Capital surplus	63.8	63.8	-
Intangible assets	37.7	46.9	9.2	Retained earnings	565.9	639.1	73.1
Investments and other assets	188.2	183.0	-5.2	Treasury shares	-3.7	-24.7	-21.0
Total long-term assets	574.8	573.1	-1.6	Shareholder's equity	673.6	725.7	52.1
Deferred assets	0.0	0.0	-0.0	Accumulated other comprehensive income	126.6	110.2	-16.4
Total assets	1,406.7	1,445.3	38.7	Non-controlling interests	42.8	42.5	-0.3
ROE	13.1%	12.8%	-0.3%	Total nets assets	842.9	878.4	35.5
ROIC	12.6%	12.6%	-0.0%	Total liabilities and net assets	1,406.7	1,445.3	38.7
Equity ratio	56.9%	57.8%	1.0%				
Net interest-bearing debt ¹	19.2	11.5	-7.7				
Net D/E ratio (times) ²	0.0	0.0	-0.0				

※1 Net interest-bearing debt: Interest-bearing debt — Cash and cash equivalents
 ※2 Net D/E ratio: Net interest-bearing debt ÷ Equity

This slide shows balance sheet.

Total assets will increase by 38.7 billion yen versus the end of fiscal year 2025 to 1,445.3 billion yen primarily due to increased accounts receivable. Net interest-bearing debt will decrease by 7.7 billion yen versus the end of fiscal year 2025 to 11.5 billion yen. Net D/E ratio will be 0.01 times.

ROE of 12.8% and ROIC of 12.6% are incorporated into the plan as of now. For your information, we plan to buy back our own shares in this fiscal year and record 21 billion yen as year on year change in treasury shares.

Statement of Cash Flows (YoY Comparison)

		(Billion Yen)	
		FY2025 Results	FY2026 Management Plan
I	Cash flows from operating activities	123.6	126.7
II	Cash flows from investing activities	-72.6	-61.7
I + II	Free cash flow	51.0	65.0
III	Cash flows from financing activities	-48.2	-64.5
IV	Cash and cash equivalent at the end period	69.9	68.1

This slide shows a statement of cash flows.

We are planning for 126.7 billion yen in cash flows from operating activities due to an increase in internal reserves despite an increase in accounts receivable.

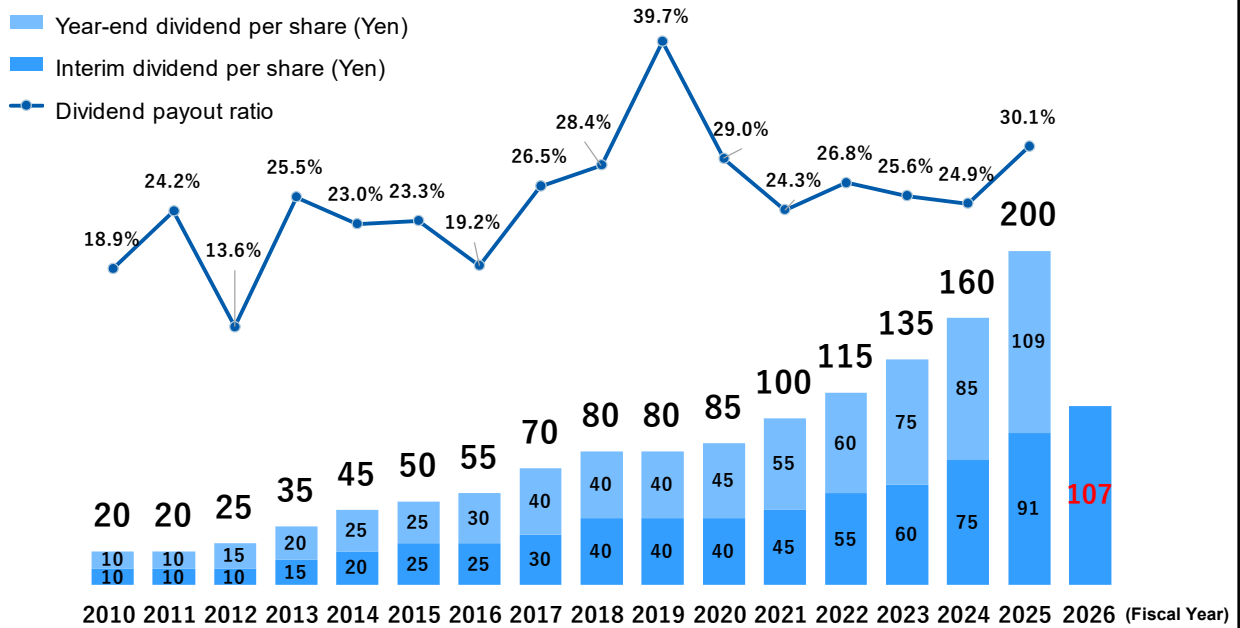
Cash flows from investing activities will be minus 61.7 billion yen mainly due to capital investment. Free cash flow will be 65 billion yen.

1. FY2026 Management Plan (YoY Comparison) P. 4
2. Shareholder Return P.15

Shareholder Return

Decided to pay an interim dividend forecast of ¥107 per share

Decided to implement the acquisition of treasury stock with an upper limit of ¥21.0 billion



※ Calculated considering the stock consideration on October 1, 2018

I'll move on to shareholder return and dividend.

As President Kondo explained in his opening remarks, an interim dividend forecast was calculated backward from payout ratio of 30% based on annual net profit. And we decided to pay 107 yen per share and disclosed it. In addition to that, we incorporated share buyback of up to a maximum of 21 billion yen in our plan.

Lastly, let me answer questions frequently asked by investors beforehand.

As for exchange rate effects, based on the current exchange rates, we think net sales will exceed the plan by mid-14 billion yen range and operating profit by over 2 billion yen.

As for fixed costs, as we explained in our quarterly earnings presentation so far, we think we need to make efforts to achieve improvement of 1 billion yen as a benchmark on a quarterly basis.

On the other hand, regarding the situation in the Middle East, there are still many uncertain factors. We aim to complete fiscal year 2026 by responding flexibly to mitigate the impact on our performance.

That concludes my presentation.

Reference: Forecasts for 1H FY2026 (YoY Comparison)

(Billion Yen)

	FY2025 Results		FY2026 Management Plan		Change	
Net Sales	543.2		569.0		+3.8*	25.8
Operating Profit (Operating Profit Ratio)	42.8 (7.9%)		44.0 (7.7%)		+0.6*	1.2 (-0.1%)
Ordinary Profit	41.7		43.0			1.3
Profit Attributable to Owners of Parent (Ratio of Profit Attributable to Owners of Parent to Net Sales)	26.6 (4.9%)		33.5 (5.9%)			6.9 (1.0%)

	FY2025 Results		FY2026 Management Plan		Change	
	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit
Energy	166.1	18.9	191.0	27.0	+2.3* 24.9	+0.6* 8.1
Industry	205.4	11.1	209.0	12.0	+0.4* 3.6	-0.2* 0.9
Semiconductors	108.7	9.0	103.0	2.5	+1.2* -5.7	+0.2* -6.5
Food and Beverage Distribution	52.4	5.8	52.5	5.0		0.1 -0.8
Others	27.8	1.6	29.0	1.5		1.2 -0.1
Elimination and Corporate	-17.4	-3.6	-15.5	-4.0		1.9 -0.4
Total	543.2	42.8	569.0	44.0	25.8	1.2

※Reflecting the figures of the business reorganization, where a portion of the automation systems business of Industry segment was transferred to the equipment construction business of Energy segment

* Exchange rate effect

Appendix

Please refer to the following.

https://www.fujielectric.com/common-resource-gl/ir/data/Appendix_E.xlsx



1. Statements made in this documents or in the presentation to which they pertain regarding estimates or projections are forward-looking statements based on the company's judgments and assumptions in light of information currently available. Actual results may differ materially from those projected as a result of uncertainties inherent in such judgments and assumptions, as well as changes in business operations or other internal or external conditions. Accordingly, the company gives no guarantee regarding the reliability of any information contained in these forward-looking statements.
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