

Management Plan for FY2022

April 27, 2022

Fuji Electric Co., Ltd.

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1. FY2022 Management Plan (YoY Comparison)

Summary of Consolidated Financial Results for FY2022 (YoY Comparison)

Record highs to be set for operating income, operating margin, and net income attributable to owners of parent for second consecutive year

(Billion yen)

	FY2021 Results	FY2022 Management Plan	Change
Net Sales	910.2	960.0	49.8
Operating Income	74.8	82.0	7.2
Operating Margin	8.2%	8.5%	0.3%
Net Income Attributable to Owners of Parent	58.7	59.0	0.3

【Financial Indicators】

Net D/E Ratio※	0.2 times	0.2 times	—
Equity Ratio	42.3 %	44.0 %	1.7 %
ROA (Return on Assets)	5 %	5 %	—
ROE (Return on Equity)	13 %	12%	- 1 %

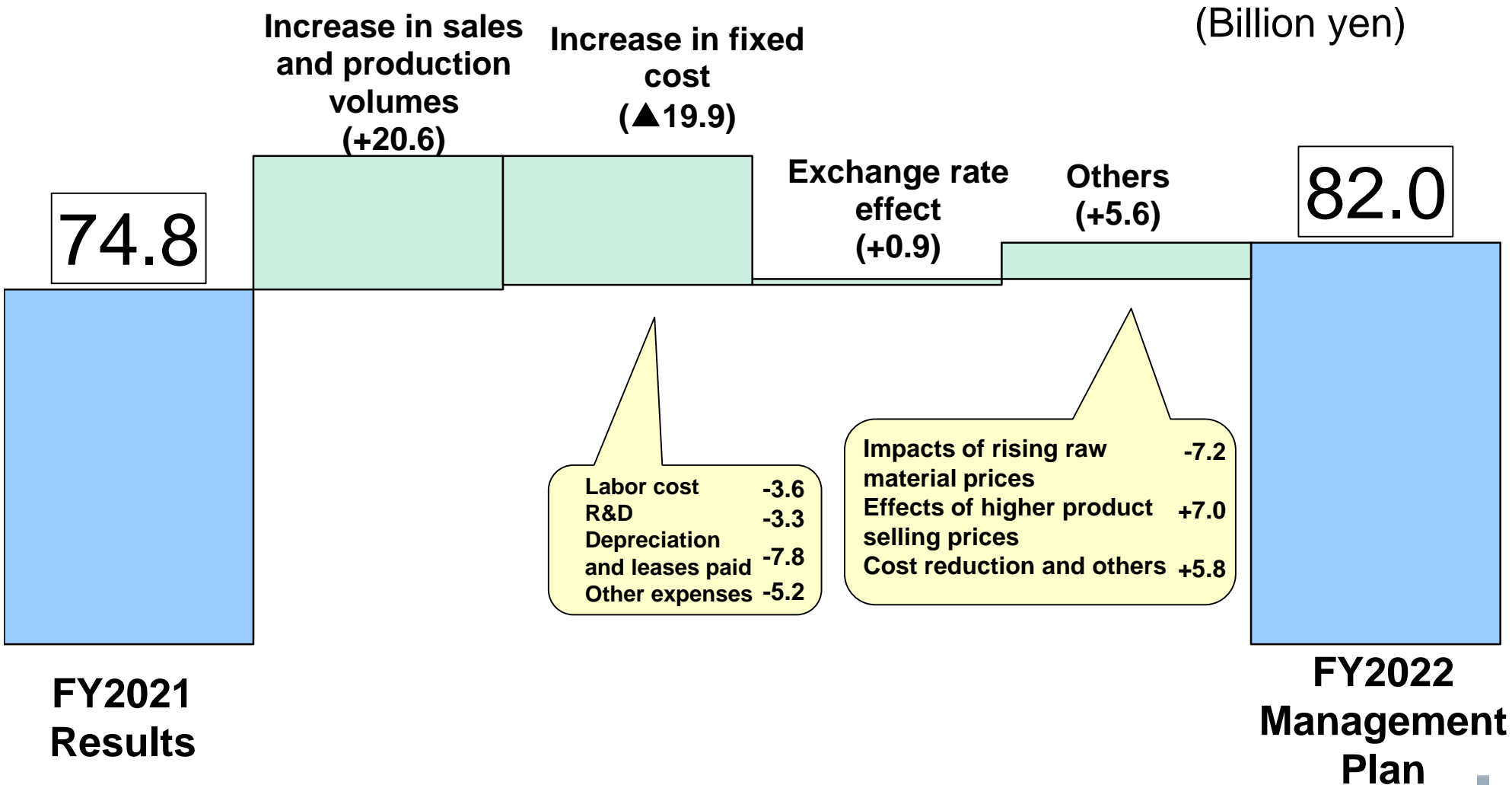
※ Net interest-bearing debt ÷ Equity

	US\$	EURO	RMB
FY2022 Exchange Rate	¥120.00	¥133.00	¥19.00
Foreign Exchange Sensitivity (million yen) ※	10	100	260

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

Breakdown of Changes in Operating Results for FY2022 (YoY Comparison)

Higher income primarily as a result of increase in sales and production volumes



Net Sales and Operating Income by Segment for FY2022 (YoY Comparison) ①

Higher sales and income due to increased demand for power electronics and semiconductor amid decarbonization trend

(Billion yen)		FY2021 Results	FY2022 Management Plan	Change	Overview
※(): Ratio of Operating Margin					
Power Electronics Energy	Net Sales	231.0	236.0	5.0	Higher sales and demand following increased demand for comprehensive orders from data centers and semiconductor manufacturers
	Operating Income/ Loss	21.2 (9.2%)	22.1 (9.4%)	0.9 (0.2%)	
Power Electronics Industry	Net Sales	324.1	349.0	24.9	Higher sales and income primarily due to growth in demand for automation and IT solutions in response to rising energy conservation, automation, and digital transformation needs
	Operating Income/ Loss	23.8 (7.3%)	26.8 (7.7%)	3.0 (0.3%)	
Semiconductor	Net Sales	178.8	200.0	21.2	Higher sales and income largely driven by demand growth for xEV power semiconductors amid automobile electrification trend
	Operating Income/ Loss	27.1 (15.2%)	30.5 (15.3%)	3.4 (0.1%)	

Net Sales and Operating Income by Segment for FY2022 (YoY Comparison) ②

Emphasis on profitability improvement in Power Generation and Food and Beverage Distribution segments

(Billion yen)

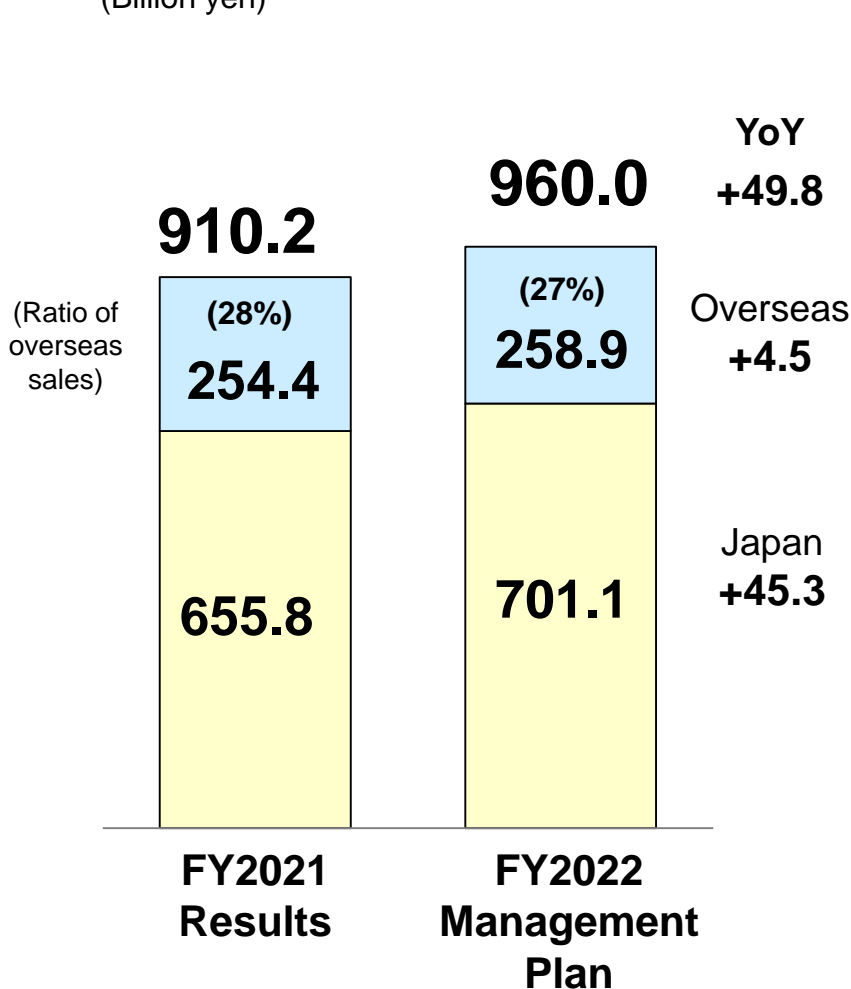
※(): Ratio of Operating Margin

		FY2021 Results	FY2022 Management Plan	Change	Overview
Power Generation	Net Sales	78.6	82.0	3.4	Higher sales and income largely due to renewable energy and service projects
	Operating Income/ Loss	3.1 (4.0%)	4.1 (5.0%)	1.0 (1.0%)	
Food and Beverage Distribution	Net Sales	90.8	92.0	1.2	Higher sales and income as a result of deployment of new, high-value-added products and benefits of cost reduction activities
	Operating Income/ Loss	3.0 (3.3%)	5.1 (5.5%)	2.1 (2.2%)	
Others	Net Sales	54.7	54.0	-0.7	
	Operating Income/ Loss	2.8 (5.2%)	2.6 (4.8%)	-0.2 (-0.4%)	
Elimination and Corporate	Net Sales	-47.8	-53.0	-5.2	
	Operating Income/ Loss	-6.3	-9.2	-2.9	

Net Sales by Japan and Overseas Area for FY2022 (YoY Comparison)

Higher sales to Asia and Europe
Lower sales in China mainly as a result of lockdowns

(Billion yen)



(Billion yen)

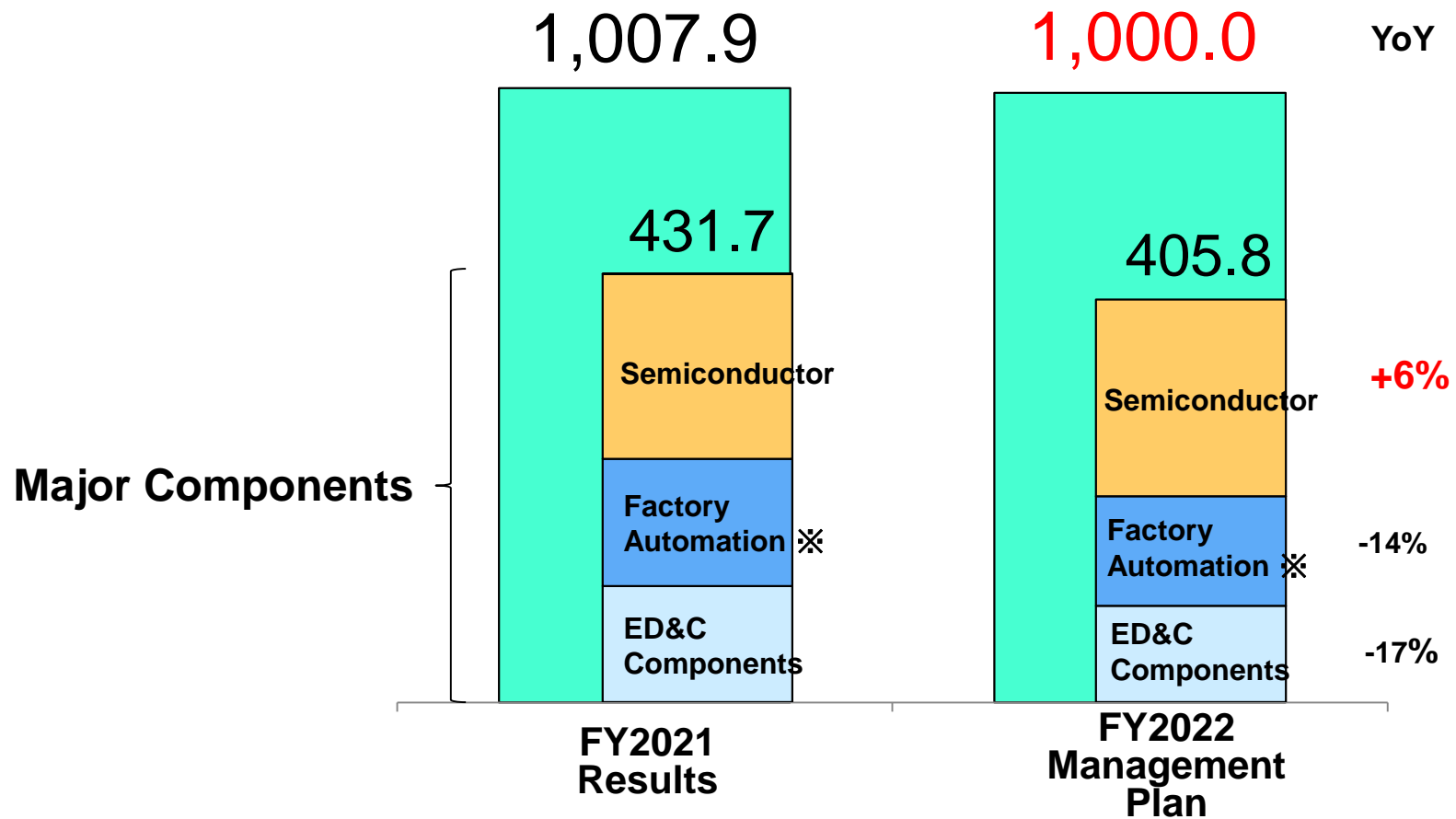
	FY2021 Results	FY2022 Management Plan	Change
Overseas	254.4	258.9	-6.4* 4.5
Asia and Others	116.8	127.6	-1.8* 10.8
China	100.5	86.6	-3.0* -13.9
Europe	20.0	27.9	7.9
Americas	17.0	16.8	-0.3

* Exchange rate effect

Breakdown of Changes in Amount of Orders Received by Products for FY2022 (YoY Comparison)

Order target of ¥1 trillion
Massive increase in demand for automotive power semiconductors

(Billion yen)



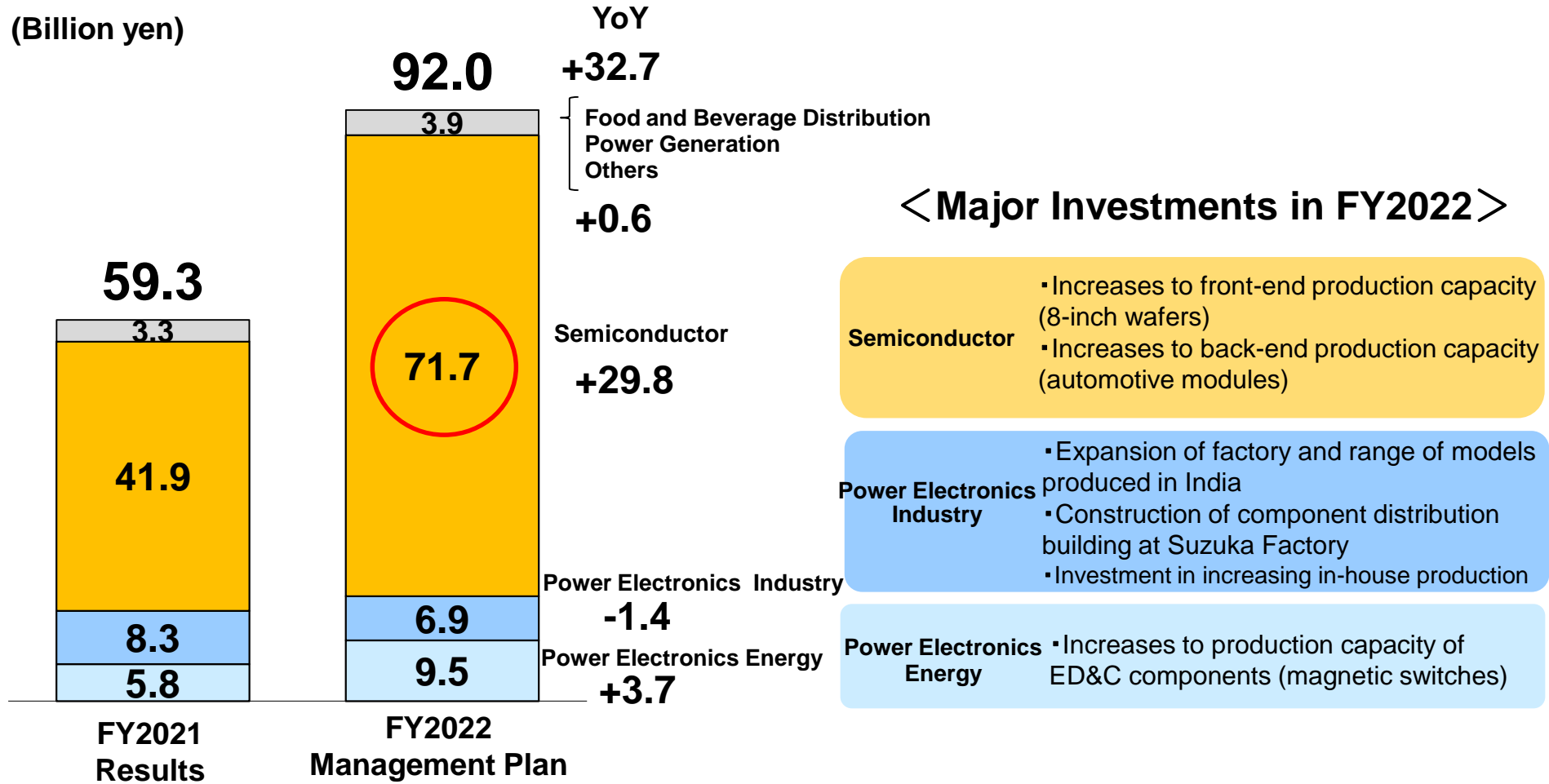
Major Components

※Factory Automation : low-voltage inverters, motors, FA components and measuring instruments

※Figures for FY2021 reflect the organizational restructuring conducted in FY2022.

Capital Investment for FY2022 (YoY Comparison)

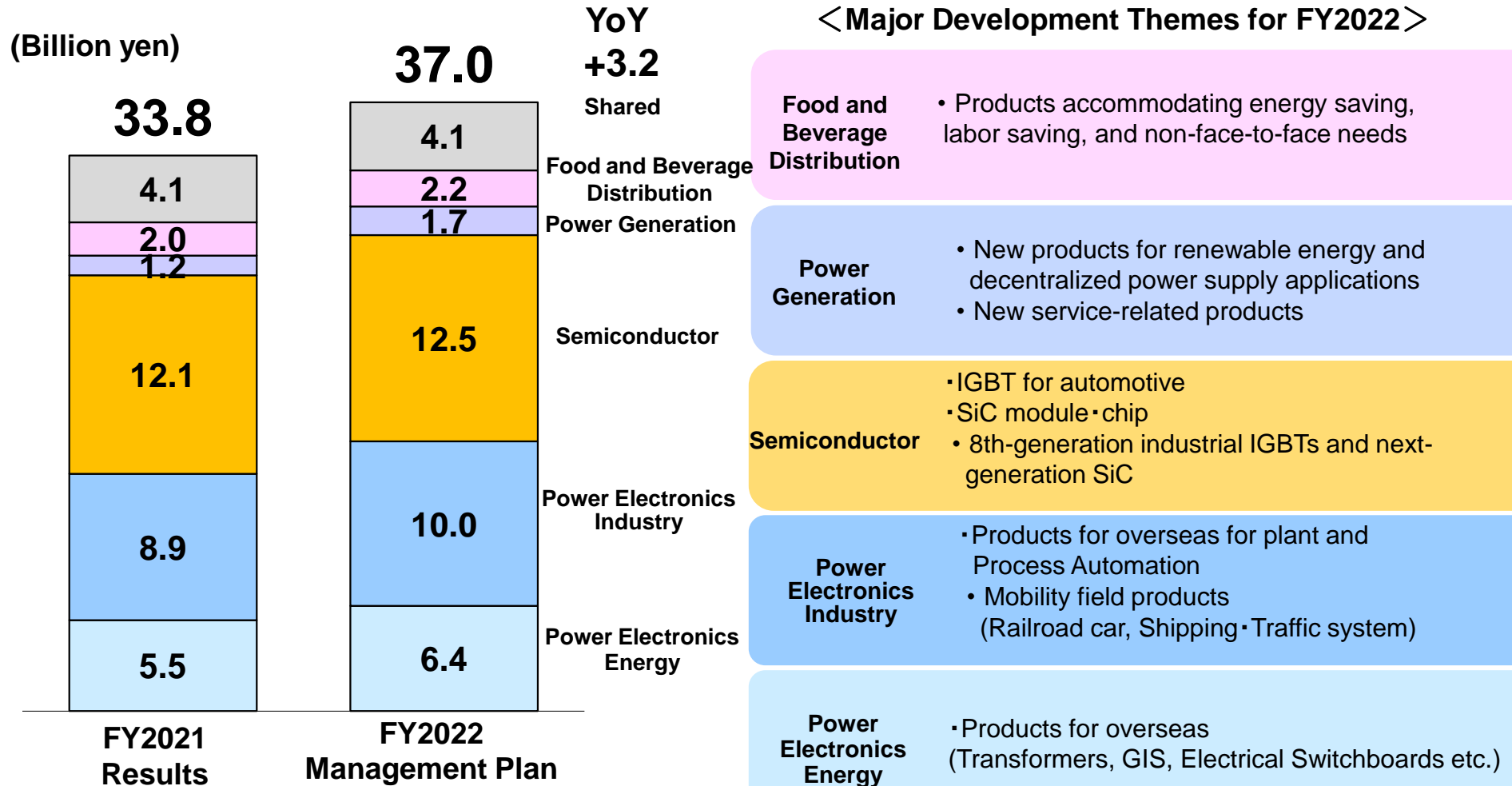
Rises in investment for boosting power semiconductor production capacity in response to robust demand



※Figures for FY2021 reflect the organizational restructuring conducted in FY2022.

Research and Development for FY2022 Management Plan (YoY Comparison)

Ongoing aggressive investment in development of power electronics and power semiconductor



※ Figures 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.

※ Figures for FY2021 reflect the organizational restructuring conducted in FY2022.

2. Balance Sheet Cash Flow Statement

Consolidated Balance Sheet at the End of FY2022 (YoY Comparison)

Assets

	3/31/22	3/31/23	Change
Cash and time deposit	93.0	75.4	-17.5
Notes and account receivables, trade receivables	357.3	376.3	18.9
Inventories	170.3	159.0	-11.3
Other current assets	61.4	54.8	-6.6
Total current assets	682.0	665.5	-16.5
Tangible fixed assets	233.7	274.8	41.2
Intangible fixed assets	22.5	18.7	-3.8
Investments and other assets	178.9	168.3	-10.6
Total long-term assets	435.1	461.9	26.8
Deferred assets	0.1	0.1	-0.0
Total assets	1,117.1	1,127.4	10.3
Net interest-bearing debt※1	117.0	117.3	0.3
Net D/E ratio※2 (times)	0.2	0.2	—
Equity ratio	42.3%	44.0%	1.7%

Liabilities and Net Assets

	3/31/22	3/31/23	Change
Notes and account payables, trade payables	171.7	174.0	2.2
Interest-bearing debts	208.4	192.5	-15.9
Other liabilities	213.2	211.1	-2.2
Total liabilities	593.4	577.5	-15.9
Capital stock	47.6	47.6	—
Capital surplus	46.0	46.0	—
Retained earnings	319.3	362.5	43.3
Treasury stock at cost	-7.4	-7.4	—
Shareholders' equity	405.5	448.7	43.3
Accumulated other comprehensive income	67.4	47.5	-19.9
Non-controlling interests	50.8	53.7	2.8
Total net assets	523.7	549.9	26.2
Total liabilities and net assets	1,117.1	1,127.4	10.3

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

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

Consolidated Cash Flows for FY2022 (YoY Comparison)

(Billion yen)

		FY2021 Results	FY2022 Management Plan
I	Cash Flows from Operating Activities	76.8	110.0
II	Cash Flows from Investing Activities	-22.4	-50.0
I + II	Free Cash Flow	54.5	60.0
III	Cash Flows from Financing Activities	-42.9	-76.1
IV	Cash and Cash Equivalents at End of Period	91.4	75.2

3. Reference

Change of Segments

Accelerated response to carbon neutrality projects

→ **Concentration of renewable energy products and staff on energy management**

Before Change (FY2021)

Segment	Sub-Segment
Power Electronics Energy	Energy Management
	Power Supply and Facility Systems
	ED&C Components
Power Electronics Industry	Automation Systems
	Social Solutions
	Equipment Construction
	IT Solutions
Semiconductor	Industrial
	Automotive
	Information <small>(End of magnetic disk production in July 2021)</small>

Watt-hour meters (Smart Meter)

※Incorporation into FA product lineup (measuring instruments)

Power Conditioning Systems

Photoconductors

After Change (FY2022)

Sub-Segment
Energy Management
Power Supply and Facility Systems
ED&C Components
Automation Systems
Social Solutions
Equipment Construction
IT Solutions
Industrial
Automotive

Management Plan for 1H FY2022 (YoY Comparison)

(Billion yen)

	1H FY2021 Results	1H FY2022 Management Plan	Change
Net sales	397.7	424.0	26.3
Operating Income	16.3	22.0	5.7
Ordinary Income	16.9	22.0	5.1
Net Income Attributable to Owners of Parent	14.0	15.5	1.5

(Billion yen)

	1H FY2021 Results		1H FY2022 Management Plan		Change	
	Net Sales	Operating Income/Loss	Net Sales	Operating Income/Loss	Net Sales	Operating Income/Loss
Power Electronics Energy	98.7	4.2	109.0	7.2	10.3	3.0
Power Electronics Industry	139.8	2.4	144.0	1.7	4.2	-0.7
Semiconductor	85.0	11.8	93.0	13.4	8.0	1.6
Power Generation	26.6	-1.1	32.0	0.0	5.4	1.1
Food and Beverage Distribution	44.3	0.9	44.0	2.2	-0.3	1.3
Others	25.5	1.0	26.0	1.1	0.5	0.1
Elimination and Corporate	-22.3	-2.8	-24.0	-3.6	-1.7	-0.8
Total	397.7	16.3	424.0	22.0	26.3	5.7

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