

**Consolidated Financial Report for the fiscal year ending March 31, 2022**  
**(April 1, 2021 — March 31, 2022)**

**Summary of Consolidated Financial Results**

**1. Summary of consolidated statements of operations**

	Millions of yen			Millions of U.S. dollars
	FY2021 (A)	FY2020 (B)	Change(%) (A)/(B)	FY2021
Net sales	910,226	875,927	103.9%	7,461
Operating income	74,835	48,595	154.0%	613
Ordinary income	79,297	50,401	157.3%	650
Net income attributable to owners of parent	58,660	41,926	-	481
	Yen			U.S. dollars
Net income per share	410.68	293.52		3.37

**2. Summary of consolidated financial position**

	Millions of yen		Millions of U.S. dollars
	3/31/2022	3/31/2021	3/31/2022
Total assets	1,117,112	1,051,952	9,157
Net assets	523,729	461,254	4,293
Equity ratio (%)	42.3%	39.6%	-

Note: U.S. dollar amounts in this financial report are translated, for convenience only, at the rate of ¥122=U.S.\$1

**3. Forecast of consolidated earnings for the fiscal year ending March 31, 2023**  
**(April 1, 2022 - March 31, 2023)**

	Millions of yen
	FY2022
Net sales	960,000
Operating income	82,000
Ordinary income	83,000
Net income attributable to owners of parent	59,000
	Yen
	FY2022
Net income per share	413.06

< Cautionary Statements With Respect to Forward-Looking Statements >

Statements made in this financial report with respect to Fuji Electric's future performance are forward-looking statements based on management's assumptions and beliefs in light of the information currently available to it. Accordingly, actual results could differ from those contained in any forward-looking statements. Potential risks and uncertainties include :

- Sudden changes in general economic conditions in Fuji Electric's markets and changes in its operating environment such as those resulting from changes in trade regulations
- Exchange rate, particularly between the yen and the U.S. dollar and Asian and European currencies
- The ability of Fuji Electric and its subsidiaries to develop and introduce products that incorporate new technology in a timely manner and to manufacture them in a cost-effective way
- The rapid pace of technological innovation, especially in the field of electronics
- Sudden changes in the supply and demand balance in the markets Fuji Electric serves
- Problems involving the intellectual property of Fuji Electric and other companies
- Stock market conditions in Japan

## Consolidated Balance Sheets

	Millions of yen		Millions of U.S. dollars
	3/31/2022	3/31/2021	3/31/2022
<b>Assets</b>			
<b>Current assets:</b>			
Cash and deposits	92,966	76,546	762
Notes and accounts receivable-trade	-	319,644	-
Notes receivable-trade	75,521	-	619
Accounts receivable-trade	217,731	-	1,785
Contract assets	64,088	-	525
Merchandise and finished goods	55,051	66,319	451
Work in process	51,827	65,023	425
Raw materials and supplies	63,415	51,847	520
Other	66,499	53,723	545
Allowance for doubtful accounts	(5,121)	(3,897)	(42)
<b>Total Current assets</b>	<b>681,981</b>	<b>629,207</b>	<b>5,590</b>
<b>Noncurrent assets:</b>			
Net Property, plant and equipment			
Buildings and structures, net	96,946	86,797	795
Machinery, equipment and vehicles, net	31,573	23,550	259
Tools, furniture and fixtures, net	7,494	6,376	61
Land	35,695	35,537	293
Lease assets, net	51,779	52,378	424
Construction in progress	8,632	3,930	71
Other	1,553	1,188	13
<b>Total Property, plant and equipment</b>	<b>233,675</b>	<b>209,758</b>	<b>1,915</b>
Intangible assets	22,504	23,426	184
Investments and other assets			
Investment securities	126,316	136,282	1,035
Long-term loans receivable	817	655	7
Deferred tax assets	13,286	14,682	109
Net defined benefit asset	22,516	21,043	185
Other	16,410	17,267	135
Allowance for doubtful accounts	(468)	(461)	(4)
<b>Total Investments and other assets</b>	<b>178,878</b>	<b>189,468</b>	<b>1,466</b>
<b>Total Noncurrent assets</b>	<b>435,058</b>	<b>422,652</b>	<b>3,566</b>
<b>Deferred assets</b>	<b>71</b>	<b>92</b>	<b>1</b>
<b>Total Assets</b>	<b>1,117,112</b>	<b>1,051,952</b>	<b>9,157</b>

## Consolidated Balance Sheets

	Millions of yen		Millions of U.S. dollars
	3/31/2022	3/31/2021	3/31/2022
<b>Liabilities</b>			
<b>Current liabilities:</b>			
Notes and accounts payable-trade	171,749	167,260	1,408
Short-term borrowings	44,984	21,744	369
Lease obligations	19,584	18,376	161
Accrued expenses	53,192	48,058	436
Income taxes payable	14,879	18,183	122
Advances received	-	35,239	-
Contract liabilities	39,443	-	323
Provision for product warranties	7,280	15,698	60
Other	35,856	31,854	294
<b>Total Current liabilities</b>	<b>386,969</b>	<b>356,416</b>	<b>3,172</b>
<b>Noncurrent liabilities:</b>			
Bonds payable	35,000	35,000	287
Long-term borrowings	66,276	96,686	543
Lease obligations	40,978	43,226	336
Deferred tax liabilities	1,580	1,678	13
Provision for directors' retirement benefits	94	150	1
Net defined benefit liability	57,590	53,322	472
Other	4,891	4,218	40
<b>Total Noncurrent liabilities</b>	<b>206,413</b>	<b>234,281</b>	<b>1,692</b>
<b>Total Liabilities</b>	<b>593,382</b>	<b>590,698</b>	<b>4,864</b>
<b>Net Assets</b>			
<b>Shareholders' equity:</b>			
Capital stock	47,586	47,586	390
Capital surplus	45,955	46,003	377
Retained earnings	319,285	271,772	2,617
Treasury shares	(7,359)	(7,340)	(60)
<b>Total Shareholders' equity</b>	<b>405,467</b>	<b>358,021</b>	<b>3,324</b>
<b>Accumulated other comprehensive income:</b>			
Valuation difference on available-for-sale securities	51,649	55,761	423
Deferred gains or losses on hedges	507	322	4
Foreign currency translation adjustments	14,169	1,539	116
Remeasurements of defined benefit plans	1,107	1,351	9
<b>Total Accumulated other comprehensive income</b>	<b>67,433</b>	<b>58,975</b>	<b>553</b>
<b>Non-controlling interests</b>	<b>50,829</b>	<b>44,257</b>	<b>417</b>
<b>Total Net assets</b>	<b>523,729</b>	<b>461,254</b>	<b>4,293</b>
<b>Total Liabilities and Net assets</b>	<b>1,117,112</b>	<b>1,051,952</b>	<b>9,157</b>

# Consolidated Statements of Income

	Millions of yen		Millions of U.S. dollars
	FY2021	FY2020	FY2021
<b>Net sales</b>	910,226	875,927	7,461
<b>Cost of sales</b>	657,789	654,661	5,392
<b>Gross profit</b>	252,436	221,266	2,069
<b>Selling, general and administrative expenses</b>	177,601	172,670	1,456
<b>Operating income</b>	74,835	48,595	613
<b>Non-operating income</b>			
Interest income	638	327	5
Dividends income	2,246	2,628	18
Share of profit of entities accounted for using equity method	1,647	1,678	14
Foreign exchange gains	1,288	-	11
Other	1,507	1,317	12
<b>Total Non-operating income</b>	7,329	5,951	60
<b>Non-operating expenses</b>			
Interest expense	1,744	1,441	14
Depreciation of inactive non-current assets	310	-	3
Provision of allowance for doubtful accounts for subsidiaries and associates	285	514	2
Provision of allowance for investment loss for subsidiaries and associates	-	442	-
Foreign exchange losses	-	379	-
Other	527	1,367	4
<b>Total Non-operating expenses</b>	2,867	4,146	24
<b>Ordinary income</b>	79,297	50,401	650
<b>Extraordinary income</b>			
Gain on sale of non-current assets	179	280	1
Gain on sale of investment securities	10,359	40,864	85
<b>Total Extraordinary income</b>	10,538	41,145	86
<b>Extraordinary loss</b>			
Loss on disposal of noncurrent assets	632	552	5
Loss on valuation of investment securities	239	1,018	2
Factory integration expenses	335	-	3
Loss on withdrawal from business	141	-	1
Impairment losses	-	963	-
Cost of corrective measures for product defects	-	(*1) 25,727	-
<b>Total Extraordinary loss</b>	1,349	28,262	11
<b>Income before income taxes</b>	88,487	63,284	725
<b>Income taxes-current</b>	21,846	21,423	179
<b>Income taxes-deferred</b>	2,085	(3,481)	17
<b>Income taxes</b>	23,931	17,941	196
<b>Net income</b>	64,555	45,342	529
<b>Net income attributable to non-controlling interests</b>	5,894	3,415	48
<b>Net income attributable to owners of parent</b>	58,660	41,926	481

(\*1) expenses for addressing defects in certain power semiconductors for use inspecific fields

# Consolidated Statements of Comprehensive Income

	Millions of yen		Millions of U.S. dollars
	FY2021	FY2020	FY2021
<b>Net income</b>	64,555	45,342	529
<b>Other comprehensive income</b>			
Valuation difference on available-for-sale securities	(4,222)	11,400	(35)
Deferred gains or losses on hedges	185	553	2
Foreign currency translation adjustments	13,985	5,935	115
Remeasurements of defined benefit plans	(37)	4,419	(0)
Share of other comprehensive income of associates accounted for using equity method	20	(215)	0
<b>Total other comprehensive Income</b>	9,930	22,094	81
<b>Comprehensive income</b>	74,485	67,437	611
Comprehensive income attributable to owners of parent	67,118	62,796	550
Comprehensive income attributable to non-controlling interests	7,367	4,640	60

**Consolidated Statements of Shareholders' Equity (FY2021)**

	Millions of yen				
	Shareholders' Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total Shareholders' Equity
<b>BALANCE AT APRIL 1, 2021</b>	47,586	46,003	271,772	(7,340)	358,021
Cumulative effects of changes in accounting policies			1,708		1,708
Restated balance	47,586	46,003	273,480	(7,340)	359,729
Changes during the period					
Dividends from surplus			(12,855)		(12,855)
Net income attributable to owners of parent			58,660		58,660
Purchase of treasury stock				(19)	(19)
Disposal of treasury stock		0		0	0
Change of scope of consolidation					-
Change in treasury shares of parent arising from transactions with non-controlling shareholders		(49)			(49)
Net changes of items other than shareholders' equity					
Total changes during the period	-	(48)	45,804	(18)	45,737
<b>BALANCE AT MARCH 31, 2022</b>	47,586	45,955	319,285	(7,359)	405,467

	Millions of yen						
	Accumulated other comprehensive income					Non-controlling interests	Net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total Accumulated other comprehensive income		
BALANCE AT APRIL 1, 2021	55,761	322	1,539	1,351	58,975	44,257	461,254
Cumulative effects of changes in accounting policies							1,708
Restated balance	55,761	322	1,539	1,351	58,975	44,257	462,963
Changes during the period							
Dividends from surplus					-		(12,855)
Net income attributable to owners of parent					-		58,660
Purchase of treasury stock					-		(19)
Disposal of treasury stock					-		0
Change of scope of consolidation					-		-
Change in treasury shares of parent arising from transactions with non-controlling shareholders					-		(49)
Net changes of items other than shareholders' equity	(4,111)	185	12,629	(244)	8,457	6,571	15,029
Total changes during the period	(4,111)	185	12,629	(244)	8,457	6,571	60,766
BALANCE AT MARCH 31, 2022	51,649	507	14,169	1,107	67,433	50,829	523,729

**Consolidated Statements of Shareholders' Equity (FY2020)**

	Millions of yen				
	Shareholders' Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total Shareholders' Equity
<b>BALANCE AT APRIL 1, 2020</b>	47,586	45,949	241,305	(7,327)	327,513
Cumulative effects of changes in accounting policies					
Restated balance	47,586	45,949	241,305	(7,327)	327,513
Changes during the period					
Dividends from surplus			(11,427)		(11,427)
Net income attributable to owners of parent			41,926		41,926
Purchase of treasury stock				(13)	(13)
Disposal of treasury stock		1		0	1
Change of scope of consolidation			(33)		(33)
Change in treasury shares of parent arising from transactions with non-controlling shareholders		53			53
Net changes of items other than shareholders' equity					
Total changes during the period	-	54	30,466	(13)	30,507
<b>BALANCE AT MARCH 31, 2021</b>	47,586	46,003	271,772	(7,340)	358,021

	Millions of yen						
	Accumulated other comprehensive income					Non-controlling interests	Net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total Accumulated other comprehensive income		
<b>BALANCE AT APRIL 1, 2020</b>	44,606	(231)	(3,545)	(2,724)	38,105	40,382	406,002
Cumulative effects of changes in accounting policies							
Restated balance	44,606	(231)	(3,545)	(2,724)	38,105	40,382	406,002
Changes during the period							
Dividends from surplus					-		(11,427)
Net income attributable to owners of parent					-		41,926
Purchase of treasury stock					-		(13)
Disposal of treasury stock					-		1
Change of scope of consolidation					-		(33)
Change in treasury shares of parent arising from transactions with non -controlling shareholders					-		53
Net changes of items other than shareholders' equity	11,154	553	5,084	4,076	20,869	3,875	24,744
Total changes during the period	11,154	553	5,084	4,076	20,869	3,875	55,252
<b>BALANCE AT MARCH 31, 2021</b>	55,761	322	1,539	1,351	58,975	44,257	461,254

# Consolidated Statements of Cash Flows

	Millions of yen		Millions of U.S. dollars
	FY2021	FY2020	FY2021
<b>I Cash flows from operating activities</b>			
Income before income taxes	88,487	63,284	725
Depreciation and amortization	39,969	36,194	328
Increase (decrease) in allowance for doubtful accounts	1,006	1,268	8
Increase (decrease) in provision for product warranties	(8,711)	15,478	(71)
Interest and dividends income	(2,885)	(2,955)	(24)
Interest expenses	1,744	1,441	14
Foreign exchange losses (gains)	(226)	204	(2)
Loss (gain) on sale of non-current assets	(179)	(280)	(1)
Loss (gain) on sale of investment securities	(10,359)	(40,864)	(85)
Loss (gain) on disposal of non-current assets	632	552	5
Loss (gain) on devaluation of investment securities	239	1,018	2
Factory integration expenses	335	-	3
Loss on withdrawal from business	141	-	1
Impairment losses	-	963	-
Decrease (increase) in trade receivables	-	(20,852)	-
Decrease (increase) in trade receivables, and contract assets	(749)	-	(6)
Decrease (increase) in inventories	(5,707)	7,513	(47)
Increase (decrease) in notes and accounts payable-trade	(2,623)	(15,881)	(22)
Increase (decrease) in advances received	-	(12,185)	-
Increase (decrease) in contract liabilities	9,339	-	77
Other, net	(9,623)	862	(79)
Subtotal	100,829	35,762	826
Interest and dividends income received	2,847	2,959	23
Interest expenses paid	(1,738)	(1,416)	(14)
Income taxes paid	(25,129)	(10,374)	(206)
Net cash provided by (used in) operating activities	76,809	26,931	630
<b>II Cash flows from investing activities</b>			
Purchase of property, plant and equipment	(33,047)	(20,578)	(271)
Proceeds from sales of property, plant and equipment	3,762	622	31
Purchase of investment securities	(1,909)	(28)	(16)
Proceeds from sales of investment securities	17,408	49,230	143
Loan advances	(11,146)	(3,418)	(91)
Proceeds from collection of loans receivable	7,324	2,802	60
Other, net	(4,742)	(5,151)	(39)
Net cash provided by (used in) investing activities	(22,350)	23,477	(183)
<b>III Cash flows from financing activities</b>			
Net increase (decrease) in short-term borrowings	(3,592)	(2,678)	(29)
Increase (decrease) in commercial papers	-	(51,500)	-
Proceeds from long-term borrowings	-	62,165	-
Repayments of long-term borrowings	(4,405)	(2,156)	(36)
Redemption of bonds	-	(15,000)	-
Repayments of lease obligations	(20,551)	(17,882)	(168)
Proceeds from sales of treasury stock	0	1	0
Purchase of treasury shares	(19)	(13)	(0)
Dividends paid	(12,855)	(11,427)	(105)
Dividends paid to non-controlling interests	(1,308)	(1,134)	(11)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(163)	-	(1)
Proceeds from share issuance to non-controlling shareholders	-	105	-
Net cash provided by (used in) financing activities	(42,894)	(39,520)	(352)
<b>IV Effect of exchange rate change on cash and cash equivalents</b>	4,453	680	37
<b>V Net increase (decrease) in cash and cash equivalents (I + II + III + IV)</b>	16,017	11,569	131
<b>VI Cash and cash equivalents at beginning of period</b>	75,332	63,746	617
<b>VII Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation</b>	-	16	-
<b>VIII Cash and cash equivalents at end of period</b>	91,350	75,332	749



## Consolidated Segment Information

### Information on net sales, and profit or loss by each reporting segment

As of April 1, 2021, the name of reporting segment was changed from "Electronic Devices" to "Semiconductors".  
And, as of September 1, 2021, the names of reporting segment were changed from "Power Electronics System Energy" and "Power Electronics System Industry" to "Power Electronics Energy" and "Power Electronics Industry".  
These name changes of reporting segment do not effect the contents of information.

#### FY2021

Millions of yen									
	Power Electronics Energy	Power Electronics Industry	Semiconductors	Power Generation	Food and Beverage Distribution	Others	Total	Adjustments	Consolidated
Net Sales									
Sales to third parties	237,773	298,267	174,249	78,487	90,191	31,256	910,226	-	910,226
Inter-segment sales and transfers	2,786	16,042	4,557	75	591	23,453	47,507	(47,507)	-
Total sales	240,559	314,310	178,807	78,563	90,783	54,710	957,733	(47,507)	910,226
Segment profits (losses)	21,365	23,676	27,136	3,124	3,007	2,837	81,146	(6,311)	74,835

#### FY2020

Millions of yen									
	Power Electronics Energy	Power Electronics Industry	Semiconductors	Power Generation	Food and Beverage Distribution	Others	Total	Adjustments	Consolidated
Net Sales									
Sales to third parties	206,559	332,294	154,033	80,114	76,300	26,624	875,927	-	875,927
Inter-segment sales and transfers	2,669	13,589	3,451	238	255	26,069	46,273	(46,273)	-
Total sales	209,229	345,884	157,484	80,352	76,556	52,694	922,201	(46,273)	875,927
Segment profits (losses)	14,018	21,781	17,652	2,517	(5,280)	2,216	52,903	(4,308)	48,595

#### FY2021

Millions of U.S. dollars									
	Power Electronics Energy	Power Electronics Industry	Semiconductors	Power Generation	Food and Beverage Distribution	Others	Total	Adjustments	Consolidated
Net Sales									
Sales to third parties	1,949	2,445	1,428	643	739	256	7,461	-	7,461
Inter-segment sales and transfers	23	131	37	1	5	192	389	(389)	-
Total sales	1,972	2,576	1,466	644	744	448	7,850	(389)	7,461
Segment profits (losses)	175	194	222	26	25	23	665	(52)	613

## Supplemental Consolidated Financial Materials

### 1. Financial summary

	Billions of yen		
	<b>FY2021</b>	<b>FY2022</b> [Forecast]	<b>FY2020</b>
Net sales	910.2	960.0	875.9
Operating income	74.8	82.0	48.6
Ordinary income	79.3	83.0	50.4
Net income attributable to owners of parent	58.7	59.0	41.9

### 2. Number of consolidated subsidiaries

	<b>FY2021</b>	<b>FY2022</b> [Forecast]	<b>FY2020</b>
Number of consolidated subsidiaries	71	71	74
Japan	21	21	23
Overseas	50	50	51
Number of equity-method associates	4	4	4

### 3. Net income per share

	Yen		
	<b>FY2021</b>	<b>FY2022</b> [Forecast]	<b>FY2020</b>
Net income per share	410.68	413.06	293.52

### 4. Average exchange rates (Yen)

	Yen		
	<b>FY2021</b>	<b>FY2022</b> [Forecast]	<b>FY2020</b>
US\$	112.38	120.00	106.06
EURO	130.56	133.00	123.70
RMB	17.51	19.00	15.67

### 5. Net sales by reporting segment

	Billions of yen	
	<b>FY2021</b>	<b>FY2020</b>
Power Electronics Energy	240.6	209.2
Power Electronics Industry	314.3	345.9
Semiconductors	178.8	157.5
Power Generation	78.6	80.4
Food and Beverage Distribution	90.8	76.6
Others	54.7	52.7
Subtotal	957.7	922.2
Elimination	(47.5)	(46.3)
<b>Total</b>	<b>910.2</b>	<b>875.9</b>

  

	Billions of yen		
	<b>FY2021</b>	<b>FY2022</b> [Forecast]	<b>FY2020</b>
Power Electronics Energy	231.0	236.0	-
Power Electronics Industry	324.1	349.0	-
Semiconductors	178.8	200.0	-
Power Generation	78.6	82.0	-
Food and Beverage Distribution	90.8	92.0	-
Others	54.7	54.0	-
Subtotal	958.0	1,013.0	-
Elimination	(47.8)	(53.0)	-
<b>Total</b>	<b>910.2</b>	<b>960.0</b>	<b>-</b>

## 6. Operating income by reporting segment

	Billions of yen	
	<b>FY2021</b>	<b>FY2020</b>
Power Electronics Energy	21.4	14.0
Power Electronics Industry	23.7	21.8
Semiconductors	27.1	17.7
Power Generation	3.1	2.5
Food and Beverage Distribution	3.0	(5.3)
Others	2.8	2.2
Subtotal	81.1	52.9
Elimination	(6.3)	(4.3)
<b>Total</b>	<b>74.8</b>	<b>48.6</b>

	Billions of yen		
	<b>FY2021</b>	<b>FY2022</b> [Forecast]	<b>FY2020</b>
Power Electronics Energy	21.2	22.1	-
Power Electronics Industry	23.8	26.8	-
Semiconductors	27.1	30.5	-
Power Generation	3.1	4.1	-
Food and Beverage Distribution	3.0	5.1	-
Others	2.8	2.6	-
Subtotal	81.1	91.2	-
Elimination	(6.3)	(9.2)	-
<b>Total</b>	<b>74.8</b>	<b>82.0</b>	<b>-</b>

## 7. Net overseas sales

	Billions of yen		
	<b>FY2021</b>	<b>FY2022</b> [Forecast]	<b>FY2020</b>
Asia (except for China)	116.8	127.6	108.2
China	100.5	86.6	83.9
Europe	20.0	27.9	16.5
America	17.0	16.8	13.3
<b>Total</b>	<b>254.4</b>	<b>258.9</b>	<b>221.9</b>

## 8. R&D expenditures

	Billions of yen	
	<b>FY2021</b>	<b>FY2020</b>
Power Electronics Energy	7.2	6.8
Power Electronics Industry	9.4	8.9
Semiconductors	11.0	10.6
Power Generation	2.9	3.0
Food and Beverage Distribution	3.3	4.2
Others	0.1	0.0
<b>Total</b>	<b>33.8</b>	<b>33.6</b>
Ratio to net sales (%)	3.7%	3.8%

	Billions of yen		
	<b>FY2021</b>	<b>FY2022</b> [Forecast]	<b>FY2020</b>
Power Electronics Energy	6.6	7.2	-
Power Electronics Industry	10.0	11.3	-
Semiconductors	11.0	12.1	-
Power Generation	2.9	3.0	-
Food and Beverage Distribution	3.3	3.3	-
Others	0.1	0.1	-
<b>Total</b>	<b>33.8</b>	<b>37.0</b>	<b>-</b>
Ratio to net sales (%)	3.7%	3.9%	-

## 9. Plant and equipment investment (including leases)

Billions of yen	
<b>FY2021</b>	<b>FY2020</b>
Power Electronics Energy	5.9
Power Electronics Industry	8.2
Semiconductors	41.9
Power Generation	1.0
Food and Beverage Distribution	0.8
Others	1.5
<b>Total</b>	<b>59.3</b>
(Leases)	19.1

Billions of yen		
<b>FY2021</b>	<b>FY2022 [Forecast]</b>	<b>FY2020</b>
Power Electronics Energy	5.8	9.5
Power Electronics Industry	8.3	6.9
Semiconductors	41.9	71.7
Power Generation	1.0	1.0
Food and Beverage Distribution	0.8	2.2
Others	1.5	0.7
<b>Total</b>	<b>59.3</b>	<b>92.0</b>
(Leases)	19.1	38.1

Note: Leases are included in total plant and equipment investment.

## 10. Depreciation, Leases paid

Billions of yen	
<b>FY2021</b>	<b>FY2020</b>
Power Electronics Energy	5.4
Power Electronics Industry	5.1
Semiconductors	21.0
Power Generation	1.2
Food and Beverage Distribution	2.2
Others	1.0
<b>Total</b>	<b>36.0</b>
(Leases)	1.0

Billions of yen		
<b>FY2021</b>	<b>FY2022 [Forecast]</b>	<b>FY2020</b>
Power Electronics Energy	5.0	5.5
Power Electronics Industry	5.5	6.0
Semiconductors	21.0	27.6
Power Generation	1.2	1.2
Food and Beverage Distribution	2.2	2.0
Others	1.0	0.9
<b>Total</b>	<b>36.0</b>	<b>43.2</b>
(Leases)	1.0	1.3

## 11. Number of employees

	<b>FY2021</b>	<b>FY2020</b>
Power Electronics Energy	6,587	6,604
Power Electronics Industry	9,329	9,135
Semiconductors	5,808	6,514
Power Generation	1,170	1,198
Food and Beverage Distribution	1,932	2,170
Others	1,931	1,972
<b>Total</b>	<b>26,757</b>	<b>27,593</b>
Japan	17,493	17,647
Overseas	9,264	9,946

	<b>FY2021</b>	<b>FY2022 [Forecast]</b>	<b>FY2020</b>
Power Electronics Systems Energy	6,456	6,787	-
Power Electronics Systems Industry	9,461	9,762	-
Semiconductors	5,808	6,055	-
Power Generation	1,169	1,112	-
Food and Beverage Distribution	1,931	1,961	-
Others	1,932	1,943	-
<b>Total</b>	<b>26,757</b>	<b>27,620</b>	<b>-</b>
Japan	17,493	17,723	-
Overseas	9,264	9,897	-

## Financial Performance

### (1) Qualitative Information regarding Consolidated Results of Operations

#### 1. Results of Operations in the Fiscal Year Ended March 31, 2022

In the fiscal year ended March 31, 2020, Fuji Electric launched Reiwa Prosperity 2023, a new five-year medium-term management plan slated to conclude with the fiscal year ending March 31, 2024, the year in which we will celebrate the centennial anniversary of Fuji Electric's founding. Under this plan, the Company is implementing growth strategies prescribing the concentration of resources on growth fields, namely the power electronics and power semiconductor businesses, and the expansion of overseas businesses.

In the fiscal year ended March 31, 2022, an ongoing recovery trend was seen in capital investment in the manufacturing industry that was stimulated by the global decarbonization movement and the resumption of economic activities. Against this backdrop, a consistently high level of demand was seen for machine tools while demand for other articles rose rapidly in response to the growing needs for automobile electrification and energy saving. Nevertheless, the outlook for the operating environment remains opaque due to rising material prices and shortages as well as other global supply chain issues resulted from the COVID-19 pandemic and changes in the international political climate.

In this environment, production capacity increases for power semiconductors were instituted ahead of schedule in response to robust demand while steps were taken to optimize supply chains, including forming relationships with multiple suppliers and altering designs to use alternative parts in order to address the difficulties in procuring certain parts. Due to these factors, large increases were seen in the sales of the Power Electronics Energy, Semiconductor, and Food and Beverage Distribution segments, resulting in consolidated net sales in the fiscal year ended March 31, 2022, rising ¥34.3 billion year on year, to ¥910.2 billion.

Although high material prices impacted income, overall income benefited from sales volume growth coupled with the benefits of increases to product sales prices and cost reduction activities centered on augmentations to factories. As a result, consolidated operating income rose ¥26.2 billion year on year, to ¥74.8 billion; ordinary income was up ¥28.9 billion, to ¥79.3 billion; and net income attributable to owners of parent increased ¥16.7 billion, to ¥58.7 billion. All three figures represented record highs.

In addition, an operating margin of 8.2% was posted, accomplishing the target of 8% or more put forth in the medium-term management plan two years ahead of schedule.

Consolidated results of operations for the fiscal year ended March 31, 2022, were as follows.

(¥ billion)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Change
Net sales	875.9	910.2	34.3
Operating income	48.6	74.8	26.2
Ordinary income	50.4	79.3	28.9
Net income attributable to owners of parent	41.9	58.7	16.7

## 2. Results by Segment

### Power Electronics Energy

**Net sales: ¥240.6 billion (up 15% year on year)**

**Operating income: ¥21.4 billion (up ¥7.3 billion year on year)**

In the Power Electronics Energy segment, net sales and operating income were up year on year primarily as a result of higher demand in the ED&C components business and the power supply and facility systems business.

- In the energy management business, net sales and operating results were down year on year as a result of the absence of large-scale orders for substation equipment for industrial and railway applications recorded in the previous fiscal year.
- In the power supply and facility systems business, net sales and operating results improved year on year as a result of increased demand for projects from data centers and semiconductor manufacturers.
- In the ED&C components business, net sales and operating results improved year on year due to significantly higher demand from domestic and overseas manufacturers of machine tools and other finished equipment.

### Power Electronics Industry

**Net sales: ¥314.3 billion (down 9% year on year)**

**Operating income: ¥23.7 billion (up ¥1.9 billion year on year)**

In the Power Electronics Industry segment, net sales were down year on year, despite demand growth in the automation systems business and other areas, due to the absence of large-scale orders recorded in the IT solutions business in the previous fiscal year. Conversely, operating income was up year on year as the reduction to the income of the IT solutions business was outweighed by the benefits of cost reduction activities and alterations to designs to use alternative parts in order to address the difficulties in procuring certain parts.

- In the automation systems business, net sales and operating results improved year on year due to the higher demand seen centered on low-voltage inverters and factory automation components.
- In the social solutions business, net sales were down year on year, despite an increase in large-scale projects for electrical equipment for railcars, because of a reduction in orders for exhaust gas cleaning systems for ships. Operating results, meanwhile, improved year on year due to differences in profitability between projects.
- In the equipment construction business, net sales and operating results improved year on year due to higher demand for electrical and air-conditioning equipment construction.
- In the IT solutions business, net sales and operating results decreased year on year due to the absence of the large-scale public- and academic-sector projects recorded in the previous fiscal year.

### Semiconductor

**Net sales: ¥178.8 billion (up 14% year on year)**

**Operating income: ¥27.1 billion (up ¥9.5 billion year on year)**

- In the semiconductor business, net sales increased year on year, despite the repercussions of withdrawing from magnetic disk operations, due to production capacity increases undertaken in response to substantial growth in demand for power semiconductors for electrified vehicles (xEVs) and for industrial applications. As a result, high operating ratios were able to be maintained leading to

massive increases in sales volumes and subsequently improvements in operating results, regardless of the rise in expenses for bolstering power semiconductor production capacity and for conducting research and development.

#### **Power Generation**

**Net sales: ¥78.6 billion (down 2% year on year)**

**Operating income: ¥3.1 billion (up ¥0.6 billion year on year)**

• In the power generation business, net sales were down year on year due to the rebound from a large-scale renewable energy project recorded in the previous fiscal year. Operating results were up year on year because of differences in profitability between projects and the benefits of cost reductions activities.

#### **Food and Beverage Distribution**

**Net sales: ¥90.8 billion (up 19% year on year)**

**Operating income: ¥3.0 billion (compared with operating loss of ¥5.3 billion in the previous equivalent period )**

• In the vending machine business, net sales were up year on year following growth in demand in Japan and overseas while operating results improved due to the higher sales and the benefits of cost reduction activities.

• In the store distribution business, net sales and operating results were up year on year because of an increase in demand for store equipment for convenience stores.

#### **Others**

**Net sales: ¥54.7 billion (up 4% year on year)**

**Operating income: ¥2.8 billion (up ¥0.6 billion year on year)**

Notes:

1. Effective April 1, 2021, the Electronic Devices segment was renamed the Semiconductor segment.
2. Effective July 1, 2021, the Power Electronics Systems Energy segment was renamed the Power Electronics Energy segment and the Power Electronics Systems Industry segment was renamed the Power Electronics Industry segment.



### 3. Forecasts for the Fiscal Year Ending March 31, 2023

Forecasts for consolidated business results in the fiscal year ending March 31, 2023, are as follows.

Furthermore, forecasts for the fiscal year ending March 31, 2023, assume exchange rates of US\$1 = ¥120, €1 = ¥133, RMB1 = ¥19.

#### Consolidated Business Results Forecasts (¥ billion)

	Fiscal year ended March 31, 2022 Results	Fiscal year ending March 31, 2023 Forecasts	Change
Net sales	910.2	960.0	49.8
Operating income	74.8	82.0	7.2
Ordinary income	79.3	83.0	3.7
Net income attributable to owners of parent	58.7	59.0	0.3

#### Forecasts by Segment (¥ billion)

	Fiscal year ended March 31, 2022 Results		Fiscal year ending March 31, 2023 Forecasts		Change	
	Net sales	Operating income (loss)	Net sales	Operating income (loss)	Net sales	Operating income (loss)
Power Electronics Energy	231.0	21.2	236.0	22.1	5.0	0.9
Power Electronics Industry	324.1	23.8	349.0	26.8	24.9	3.0
Semiconductor	178.8	27.1	200.0	30.5	21.2	3.4
Power Generation	78.6	3.1	82.0	4.1	3.4	1.0
Food and Beverage Distribution	90.8	3.0	92.0	5.1	1.2	2.1
Others	54.7	2.8	54.0	2.6	(0.7)	(0.2)
Elimination and Corporate	(47.8)	(6.3)	(53.0)	(9.2)	(5.2)	(2.9)
Total	910.2	74.8	960.0	82.0	49.8	7.2

Effective April 1, 2022, the smart meter operations previous contained within the Power Electronics Energy segment were transferred to the Power Electronics Industry segment while the power conditioning system operations contained within the Power Electronics Industry segment were transferred to the Power Electronics Energy segment. Figures for the fiscal year ended March 31, 2022, have been restated to reflect this change.

## (2) Quantitative Information regarding Consolidated Financial Position

(¥ billion)

	March 31, 2021	Breakdown (%)	March 31, 2021	Breakdown (%)	Change
Total assets	1,052.0	100.0	1,117.1	100.0	+65.2
Interest-bearing debt	216.2	20.6	208.4	18.7	(7.8)
Equity*1	417.0	39.6	472.9	42.3	+55.9
Debt-to-equity ratio*2 (times)	0.5		0.4		(0.1)

\*1 Equity = Total net assets — Non-controlling interests

\*2 Debt-to-equity ratio = Interest-bearing debt/ Equity

Total assets on March 31, 2022, stood at ¥1,117.1 billion, an increase of ¥65.2 billion from the end of the previous fiscal year. Total current assets were up ¥52.8 billion primarily as a result of increases in cash and deposits and notes and accounts receivable-trade, and contract assets, which offset a decrease in inventories. Total noncurrent assets were up ¥12.4 billion due to an increase in property, plant and equipment.

Interest-bearing debt as of March 31, 2022, amounted to ¥208.4 billion, down ¥7.8 billion from the previous fiscal year-end, as the decrease in long-term loans payable outweighed the increase in short-term loans payable. Further, net interest-bearing debt—interest-bearing debt net of cash and cash equivalents—decreased ¥23.8 billion from the previous fiscal year-end, amounting to ¥117.0 billion on March 31, 2022.

Net assets on March 31, 2022, were ¥523.7 billion, up ¥62.5 billion from the previous fiscal year-end. This outcome was because of higher retained earnings and an increase associated with foreign currency translation adjustments. In addition, equity—total net assets net of non-controlling interests—was up ¥55.9 billion from the previous fiscal year-end, standing at ¥472.9 billion on March 31, 2022. The debt-to-equity ratio (interest-bearing debt ÷ equity) was 0.4 times, down 0.1 times from the previous fiscal year-end. Also, the net debt-to-equity ratio (net interest-bearing debt ÷ equity) was 0.2 times, down 0.1 times from the previous fiscal year-end.

(¥ billion)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Change
Net cash provided by (used in) operating activities	26.9	76.8	49.9
Net cash provided by (used in) investing activities	23.5	(22.4)	(45.8)
Free cash flow	50.4	54.5	4.1
Net cash provided by (used in) financing activities	(39.5)	(42.9)	(3.4)
Cash and cash equivalents at the end of period	75.3	91.4	16.0

In the fiscal year ended March 31, 2022, consolidated free cash flow (net cash from operating activities + net cash from investing activities) was a positive ¥4.1 billion, an increase of ¥54.5 billion compared with positive free cash flow of ¥50.4 billion in the previous fiscal year.

### Cash flows from operating activities

Net cash provided by operating activities was ¥76.8 billion, compared with ¥26.9 billion in the previous fiscal year. Major factors increasing cash included income before income taxes and a decrease in contract liabilities. Major factors decreasing cash included an increase in inventories and a decrease in notes and accounts payable-trade.

This was an increase of ¥49.9 billion year on year.

Cash flows from investing activities

Net cash used in investing activities was ¥22.4 billion, compared with net cash provided by investing activities of ¥23.5 billion in the previous fiscal year. This outcome was primarily a result of the purchase of property, plant and equipment, which offset proceeds from sales of investment securities.

This was a deterioration of ¥45.8 billion year on year.

Cash flows from financing activities

Net cash used in financing activities was ¥42.9 billion, compared with net cash used in financing activities of ¥39.5 billion in the previous fiscal year. This result was principally due to repayments of lease obligations and cash dividends paid.

As a result, consolidated cash and cash equivalents on March 31, 2022, amounted to ¥91.4 billion, up ¥16.0 billion from the previous fiscal year-end.

**(3) Basic Policy Regarding Distribution of Earnings and Dividends for the Fiscal Year Ended March 31, 2022, and the Fiscal Year Ending March 31, 2023**

We intend to return profit gained through business activities to shareholders. At the same time—while 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, development of human resources, and other uses 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 a comprehensive evaluation of the business results from the relevant fiscal year, research and development and capital investment plans for future growth, and the operating environment.

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

Based on a rigorous evaluation of performance during the fiscal year ended March 31, 2022, forecasted performance for the fiscal year ending March 31, 2023, and our financial position, we plan to pay a year-end dividend of ¥55 per share for the fiscal year ended March 31, 2022, which will make for an annual dividend of ¥100 per share when including the interim dividend.

We have not yet decided the dividend to be paid for the fiscal year ending March 31, 2023.