

**Consolidated Financial Results for first half of the fiscal year ending March 31, 2023**  
**(April 1, 2022 – September 30, 2022)**

**Summary of Consolidated Financial Results (Six months ended September 30, 2022)**

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

	Millions of yen			Millions of U.S. dollars	
	6 months 1H FY2022 (Apr.-Sep.) (A)	6 months 1H FY2022 (Apr.-Sep.) (B)	Change(%) (A)/(B)	6 months 1H FY2022 (Apr.-Sep.)	
	Net sales	447,138	397,685	112.4%	3,105
	Operating income	26,719	16,291	164.0%	186
Ordinary income	28,879	16,892	171.0%	201	
Net income attributable to owners of parent	20,258	13,979	144.9%	141	
	Yen			U.S. dollars	
Net income per share	141.83	97.87		0.98	

**2. Summary of consolidated financial position**

	Millions of yen		Millions of U.S. dollars
	9/30/2022	3/31/2022	9/30/2022
Total assets	1,125,684	1,117,112	7,817
Net assets	540,677	523,729	3,755
Equity ratio (%)	43.5%	42.3%	-

Note: U.S. dollar amounts in this financial report are translated, for convenience only, at the rate of ¥144=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	985,000
Operating income	87,000
Ordinary income	88,000
Net income attributable to owners of parent	59,500
	Yen
	FY2022
Net income per share	416.56

< 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		<i>Millions of U.S. dollars</i>
	<b>9/30/2022</b>	3/31/2022	9/30/2022
<b>Assets</b>			
<b>Current assets:</b>			
Cash and deposits	111,488	92,966	774
Notes receivable-trade	67,740	75,521	470
Accounts receivable-trade	162,301	217,731	1,127
Contract assets	77,208	64,088	536
Merchandise and finished goods	67,206	55,051	467
Work in process	57,432	51,827	399
Raw materials and supplies	76,241	63,415	529
Other	79,781	66,499	554
Allowance for doubtful accounts	(4,797)	(5,121)	(33)
<b>Total Current assets</b>	<b>694,605</b>	<b>681,981</b>	<b>4,824</b>
<b>Noncurrent assets:</b>			
Net Property, plant and equipment	246,195	233,675	1,710
Intangible assets	24,002	22,504	167
Investments and other assets			
Investment securities	103,585	126,316	719
Net defined benefit asset	22,787	22,516	158
Other	34,908	30,514	242
Allowance for doubtful accounts	(459)	(468)	(3)
<b>Total Investments and other assets</b>	<b>160,820</b>	<b>178,878</b>	<b>1,117</b>
<b>Total Noncurrent assets</b>	<b>431,018</b>	<b>435,058</b>	<b>2,993</b>
<b>Deferred assets</b>	<b>61</b>	<b>71</b>	<b>0</b>
<b>Total Assets</b>	<b>1,125,684</b>	<b>1,117,112</b>	<b>7,817</b>

**Consolidated Balance Sheets**

	Millions of yen		<i>Millions of U.S. dollars</i>
	<b>9/30/2022</b>	3/31/2022	9/30/2022
<b>Liabilities</b>			
<b>Current liabilities:</b>			
Notes and accounts payable-trade	175,212	171,749	1,217
Short-term borrowings	67,716	44,984	470
Current portion of bonds payable	15,000	-	104
Income taxes payable	12,335	14,879	86
Contract liabilities	47,854	39,443	332
Provision for product warranties	4,459	7,280	31
Other	104,649	108,633	727
<b>Total Current liabilities</b>	<b>427,227</b>	<b>386,969</b>	<b>2,967</b>
<b>Noncurrent liabilities:</b>			
Bonds payable	20,000	35,000	139
Long-term borrowings	29,412	66,276	204
Provision for directors' retirement benefits	59	94	0
Net defined benefit liability	59,047	57,590	410
Other	49,259	47,450	342
<b>Total Noncurrent liabilities</b>	<b>157,779</b>	<b>206,413</b>	<b>1,096</b>
<b>Total Liabilities</b>	<b>585,007</b>	<b>593,382</b>	<b>4,063</b>
<b>Net Assets</b>			
<b>Shareholders' equity:</b>			
Capital stock	47,586	47,586	330
Capital surplus	45,953	45,955	319
Retained earnings	331,687	319,285	2,303
Treasury shares	(7,365)	(7,359)	(51)
<b>Total Shareholders' equity</b>	<b>417,862</b>	<b>405,467</b>	<b>2,902</b>
<b>Accumulated other comprehensive income:</b>			
Valuation difference on available-for-sale securities	40,409	51,649	281
Deferred gains or losses on hedges	218	507	2
Foreign currency translation adjustments	29,829	14,169	207
Remeasurements of defined benefit plans	835	1,107	6
<b>Total Accumulated other comprehensive income</b>	<b>71,292</b>	<b>67,433</b>	<b>495</b>
<b>Non-controlling interests</b>	<b>51,523</b>	<b>50,829</b>	<b>358</b>
<b>Total Net assets</b>	<b>540,677</b>	<b>523,729</b>	<b>3,755</b>
<b>Total Liabilities and Net assets</b>	<b>1,125,684</b>	<b>1,117,112</b>	<b>7,817</b>

**Consolidated Statements of Income**

	Millions of yen		Millions of U.S. dollars
	<b>6 months 1H FY2022 (Apr.-Sep.)</b>	6 months 1H FY2021 (Apr.-Sep.)	<i>6 months 1H FY2022 (Apr.-Sep.)</i>
<b>Net sales</b>	447,138	397,685	3,105
<b>Cost of sales</b>	330,141	295,778	2,293
<b>Gross profit</b>	116,996	101,906	812
<b>Selling, general and administrative expenses</b>	90,277	85,614	627
<b>Operating income</b>	26,719	16,291	186
<b>Non-operating income</b>			
Interest income	330	290	2
Dividends income	1,672	1,263	12
Foreign exchange gains	2,080	222	14
Other	755	678	5
<b>Total Non-operating income</b>	4,839	2,454	34
<b>Non-operating expenses</b>			
Interest expense	915	794	6
Share of loss of entities accounted for using equity method	488	697	3
Business conversion expenses	640	-	4
Other	634	362	4
<b>Total Non-operating expenses</b>	2,678	1,854	19
<b>Ordinary income</b>	28,879	16,892	201
<b>Extraordinary income</b>			
Gain on sale of non-current assets	307	62	2
Gain on sale of investment securities	6,648	8,219	46
<b>Total Extraordinary income</b>	6,955	8,282	48
<b>Extraordinary loss</b>			
Loss on disposal of noncurrent assets	274	342	2
Loss on valuation of investment securities	409	99	3
Loss on sales of investment securities	298	-	2
Provision of allowance for investment loss of subsidiaries and associates	246	-	2
Loss on withdrawal from business	-	1,205	-
Factory integration expenses	-	335	-
<b>Total Extraordinary loss</b>	1,230	1,982	9
<b>Income before income taxes</b>	34,604	23,191	240
<b>Income taxes</b>	11,345	7,034	79
<b>Net income</b>	23,259	16,156	162
<b>Net income attributable to non-controlling interests</b>	3,001	2,177	21
<b>Net income attributable to owners of parent</b>	20,258	13,979	141

**Consolidated Statements of Comprehensive Income**

	Millions of yen		<i>Millions of U.S. dollars</i>
	<b>6 months 1H FY2022 (Apr.-Sep.)</b>	6 months 1H FY2021 (Apr.-Sep.)	<i>6 months 1H FY2022 (Apr.-Sep.)</i>
<b>Net income</b>	23,259	16,156	162
<b>Other comprehensive income</b>			
Valuation difference on available-for-sale securities	(11,329)	3,347	(79)
Deferred gains or losses on hedges	(289)	(57)	(2)
Foreign currency translation adjustments	16,380	1,690	114
Remeasurements of defined benefit plans	(332)	(911)	(2)
Share of other comprehensive income of associates accounted for using equity method	159	58	1
<b>Total other comprehensive Income</b>	4,588	4,127	32
<b>Comprehensive income</b>	27,847	20,284	193
Comprehensive income attributable to owners of parent	24,117	17,996	167
Comprehensive income attributable to non-controlling interests	3,730	2,287	26

**Consolidated Statements of Cash Flows**

	Millions of yen		Millions of U.S. dollars
	6 months	6 months	6 months
	1H FY2022 (Apr.-Sep.)	1H FY2021 (Apr.-Sep.)	1H FY2022 (Apr.-Sep.)
<b>I Cash flows from operating activities</b>			
Income before income taxes	34,604	23,191	240
Depreciation and amortization	21,831	18,995	152
Increase (decrease) in allowance for doubtful accounts	(546)	59	(4)
Increase (decrease) in provision for product warranties	(2,830)	(6,028)	(20)
Interest and dividends income	(2,002)	(1,553)	(14)
Interest expenses	915	794	6
Foreign exchange losses (gains)	(679)	(106)	(5)
Loss (gain) on sale of non-current assets	(307)	(62)	(2)
Loss (gain) on sale of investment securities	(6,349)	(8,219)	(44)
Provision of allowance for investment loss of subsidiaries and associates	246	-	2
Loss (gain) on disposal of non-current assets	274	342	2
Loss (gain) on devaluation of investment securities	409	99	3
Loss on withdrawal from business	-	1,205	-
Factory integration expenses	-	335	-
Decrease (increase) in trade receivables, and contract assets	55,476	64,941	385
Decrease (increase) in inventories	(25,655)	(69)	(178)
Increase (decrease) in notes and accounts payable-trade	1,231	(36,269)	9
Increase (decrease) in contract liabilities	7,917	7,803	55
Other, net	(13,765)	(10,184)	(96)
Subtotal	70,770	55,275	491
Interest and dividends income received	1,981	1,567	14
Interest expenses paid	(931)	(793)	(6)
Income taxes paid	(11,948)	(16,216)	(83)
Net cash provided by (used in) operating activities	59,871	39,833	416
<b>II Cash flows from investing activities</b>			
Purchase of property, plant and equipment	(21,102)	(10,245)	(147)
Proceeds from sales of property, plant and equipment	929	128	6
Purchase of investment securities	(6)	(1,258)	(0)
Proceeds from sales of investment securities	11,613	14,412	81
Loan advances	(3,774)	(1,966)	(26)
Proceeds from collection of loans receivable	3,645	1,553	25
Other, net	(1,957)	(2,462)	(14)
Net cash provided by (used in) investing activities	(10,653)	160	(74)
<b>III Cash flows from financing activities</b>			
Net increase (decrease) in short-term borrowings	1,124	2,184	8
Repayments of long-term borrowings	(16,074)	(3,566)	(112)
Repayments of lease obligations	(11,082)	(10,208)	(77)
Purchase of treasury shares	(5)	(8)	(0)
Dividends paid	(7,855)	(6,427)	(55)
Dividends paid to non-controlling interests	(3,487)	(1,015)	(24)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(2)	(163)	(0)
Proceeds from sale and leaseback transactions	1,670	-	12
Net cash provided by (used in) financing activities	(35,713)	(19,204)	(248)
<b>IV Effect of exchange rate change on cash and cash equivalents</b>	5,929	973	41
<b>V Net increase (decrease) in cash and cash equivalents ( I + II +III+IV)</b>	19,434	21,763	135
<b>VI Cash and cash equivalents at beginning of period</b>	91,350	75,332	634
<b>VII Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries</b>	132	-	1
<b>VIII Cash and cash equivalents at end of period</b>	110,918	97,096	770

## Consolidated Segment Information

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

As of April 1, 2022, reflecting change of organization structure, business segments in the reporting segments of "Power Electronics Energy" and "Power Electronics Industry" were reclassified.

The reporting segment information for the year ended March 31, 2022 has been reclassified to reflect this change.

#### 6 months 1H FY2022 (Apr.-Sep.)

	Millions of yen								
	Power Electronics Energy	Power Electronics Industry	Semiconductors	Power Generation	Food and Beverage Distribution	Others	Total	Adjustments	Consolidated
<b>Net Sales</b>									
Sales to third parties	114,263	142,840	94,710	34,747	44,292	16,284	447,138	-	447,138
Inter-segment sales and transfers	1,378	7,314	2,311	40	503	12,320	23,869	(23,869)	-
<b>Total sales</b>	<b>115,642</b>	<b>150,154</b>	<b>97,021</b>	<b>34,787</b>	<b>44,795</b>	<b>28,605</b>	<b>471,007</b>	<b>(23,869)</b>	<b>447,138</b>
<b>Segment profits (losses)</b>	<b>9,576</b>	<b>1,124</b>	<b>14,948</b>	<b>(489)</b>	<b>3,229</b>	<b>1,534</b>	<b>29,924</b>	<b>(3,205)</b>	<b>26,719</b>

#### 6 months 1H FY2021 (Apr.-Sep.)

	Millions of yen								
	Power Electronics Energy	Power Electronics Industry	Semiconductors	Power Generation	Food and Beverage Distribution	Others	Total	Adjustments	Consolidated
<b>Net Sales</b>									
Sales to third parties	97,377	132,294	82,885	26,622	44,155	14,350	397,685	-	397,685
Inter-segment sales and transfers	1,369	7,464	2,130	2	145	11,159	22,272	(22,272)	-
<b>Total sales</b>	<b>98,747</b>	<b>139,758</b>	<b>85,016</b>	<b>26,625</b>	<b>44,300</b>	<b>25,509</b>	<b>419,957</b>	<b>(22,272)</b>	<b>397,685</b>
<b>Segment profits (losses)</b>	<b>4,205</b>	<b>2,375</b>	<b>11,812</b>	<b>(1,133)</b>	<b>852</b>	<b>1,021</b>	<b>19,133</b>	<b>(2,842)</b>	<b>16,291</b>

#### 6 months 1H FY2022 (Apr.-Sep.)

	Millions of U.S. dollars								
	Power Electronics Energy	Power Electronics Industry	Semiconductors	Power Generation	Food and Beverage Distribution	Others	Total	Adjustments	Consolidated
<b>Net Sales</b>									
Sales to third parties	793	992	658	241	308	113	3,105	-	3,105
Inter-segment sales and transfers	10	51	16	0	3	86	166	(166)	-
<b>Total sales</b>	<b>803</b>	<b>1,043</b>	<b>674</b>	<b>242</b>	<b>311</b>	<b>199</b>	<b>3,271</b>	<b>(166)</b>	<b>3,105</b>
<b>Segment profits (losses)</b>	<b>67</b>	<b>8</b>	<b>104</b>	<b>(3)</b>	<b>22</b>	<b>11</b>	<b>208</b>	<b>(22)</b>	<b>186</b>

## Supplemental Consolidated Financial Materials

### 1. Financial summary

	Billions of yen					
	3 months 2Q FY2022 (Jul.-Sep.)	6 months 1H FY2022 (Apr.-Sep.)	[Forecast] FY2022 (Apr.-Mar.)	3 months 2Q FY2021 (Jul.-Sep.)	6 months 1H FY2021 (Apr.-Sep.)	FY2021 (Apr.- Mar.)
Net sales	243.2	447.1	985.0	207.7	397.7	910.2
Operating income	16.8	26.7	87.0	11.0	16.3	74.8
Ordinary income	16.6	28.9	88.0	11.0	16.9	79.3
Net income attributable to owners of parent	10.3	20.3	59.5	9.0	14.0	58.7

### 2. Number of consolidated subsidiaries

	Yen					
	3 months 2Q FY2022 (Jul.-Sep.)	6 months 1H FY2022 (Apr.-Sep.)	[Forecast] FY2022 (Apr.-Mar.)	3 months 2Q FY2021 (Jul.-Sep.)	6 months 1H FY2021 (Apr.-Sep.)	FY2021 (Apr.- Mar.)
Number of consolidated subsidiaries	71	71	71	73	73	71
Japan	21	21	21	22	22	21
Overseas	50	50	50	51	51	50
Number of equity-method associates	4	4	4	4	4	4

### 3. Net income per share

	Yen					
	3 months 2Q FY2022 (Jul.-Sep.)	6 months 1H FY2022 (Apr.-Sep.)	[Forecast] FY2022 (Apr.-Mar.)	3 months 2Q FY2021 (Jul.-Sep.)	6 months 1H FY2021 (Apr.-Sep.)	FY2021 (Apr.- Mar.)
Net income per share	72.30	141.83	416.56	63.05	97.87	410.68

### 4. Average exchange rates (Yen)

	Yen					
	3 months 2Q FY2022 (Jul.-Sep.)	6 months 1H FY2022 (Apr.-Sep.)	[Forecast] FY2022 (Apr.-Mar.)	3 months 2Q FY2021 (Jul.-Sep.)	6 months 1H FY2021 (Apr.-Sep.)	FY2021 (Apr.- Mar.)
US\$	138.37	133.97	134.49	110.11	109.80	112.38
EURO	139.34	138.73	136.86	129.84	130.90	130.56
RMB	20.19	19.88	19.69	17.02	16.99	17.51

### 5. Net sales by reporting segment

	Billions of yen					
	3 months 2Q FY2022 (Jul.-Sep.)	6 months 1H FY2022 (Apr.-Sep.)	[Forecast] FY2022 (Apr.-Mar.)	3 months 2Q FY2021 (Jul.-Sep.)	6 months 1H FY2021 (Apr.-Sep.)	FY2021 (Apr.- Mar.)
Power Electronics Energy	64.4	115.6	252.0	54.0	98.7	231.0
Power Electronics Industry	85.0	150.2	355.0	74.5	139.8	324.1
Semiconductors	50.8	97.0	204.0	40.5	85.0	178.8
Power Generation	18.0	34.8	82.0	14.7	26.6	78.6
Food and Beverage Distribution	23.1	44.8	93.0	22.2	44.3	90.8
Others	14.3	28.6	55.0	13.2	25.5	54.7
Subtotal	255.5	471.0	1,041.0	219.0	420.0	958.0
Elimination	(12.3)	(23.9)	(56.0)	(11.3)	(22.3)	(47.8)
<b>Total</b>	<b>243.2</b>	<b>447.1</b>	<b>985.0</b>	<b>207.7</b>	<b>397.7</b>	<b>910.2</b>



## 6. Operating income by reporting segment

	Billions of yen					
	3 months	6 months	[Forecast]	3 months	6 months	
	2Q FY2022	1H FY2022	FY2022	2Q FY2021	1H FY2021	FY2021
	(Jul.-Sep.)	(Apr.-Sep.)	(Apr.-Mar.)	(Jul.-Sep.)	(Apr.-Sep.)	(Apr.- Mar.)
Power Electronics Energy	5.7	9.6	26.6	3.2	4.2	21.2
Power Electronics Industry	3.0	1.1	25.6	2.0	2.4	23.8
Semiconductors	7.8	14.9	31.3	6.3	11.8	27.1
Power Generation	(0.6)	(0.5)	4.1	(0.5)	(1.1)	3.1
Food and Beverage Distribution	1.6	3.2	4.2	0.6	0.9	3.0
Others	0.8	1.5	3.3	0.6	1.0	2.8
Subtotal	18.3	29.9	95.1	12.3	19.1	81.1
Elimination	(1.4)	(3.2)	(8.1)	(1.3)	(2.8)	(6.3)
<b>Total</b>	<b>16.8</b>	<b>26.7</b>	<b>87.0</b>	<b>11.0</b>	<b>16.3</b>	<b>74.8</b>

## 7. Net overseas sales

	Billions of yen					
	3 months	6 months	[Forecast]	3 months	6 months	
	2Q FY2022	1H FY2022	FY2022	2Q FY2021	1H FY2021	FY2021
	(Jul.-Sep.)	(Apr.-Sep.)	(Apr.-Mar.)	(Jul.-Sep.)	(Apr.-Sep.)	(Apr.- Mar.)
Asia (except for China)	36.6	66.4	-	26.2	53.7	116.8
China	26.3	47.9	-	24.4	48.5	100.5
Europe	6.6	13.0	-	4.2	8.6	20.0
America	6.5	11.6	-	4.1	7.5	17.0
<b>Total</b>	<b>76.1</b>	<b>139.0</b>	<b>-</b>	<b>59.0</b>	<b>118.3</b>	<b>254.4</b>

## 8. R&D expenditures

	Billions of yen					
	3 months	6 months	[Forecast]	3 months	6 months	
	2Q FY2022	1H FY2022	FY2022	2Q FY2021	1H FY2021	FY2021
	(Jul.-Sep.)	(Apr.-Sep.)	(Apr.-Mar.)	(Jul.-Sep.)	(Apr.-Sep.)	(Apr.- Mar.)
Power Electronics Energy	1.8	3.3	7.7	1.7	3.0	6.6
Power Electronics Industry	2.9	5.0	11.1	2.7	5.0	10.0
Semiconductors	3.0	5.6	11.9	2.6	5.4	11.0
Power Generation	0.7	1.2	2.9	0.7	1.2	2.9
Food and Beverage Distribution	0.9	1.6	3.4	0.8	1.5	3.3
Others	0.0	0.0	0.1	0.0	0.0	0.1
<b>Total</b>	<b>9.2</b>	<b>16.7</b>	<b>37.1</b>	<b>8.5</b>	<b>16.2</b>	<b>33.8</b>
Ratio to net sales (%)	3.8%	3.7%	3.8%	4.1%	4.1%	3.7%

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

	Billions of yen					
	3 months	6 months	[Forecast]	3 months	6 months	
	2Q FY2022	1H FY2022	FY2022	2Q FY2021	1H FY2021	FY2021
	(Jul.-Sep.)	(Apr.-Sep.)	(Apr.-Mar.)	(Jul.-Sep.)	(Apr.-Sep.)	(Apr.- Mar.)
Power Electronics Energy	1.4	2.6	8.6	1.4	2.0	5.8
Power Electronics Industry	1.4	3.2	7.9	3.0	4.8	8.3
Semiconductors	15.6	30.9	69.7	12.7	21.7	41.9
Power Generation	0.2	0.5	1.1	0.2	0.3	1.0
Food and Beverage Distribution	0.3	0.5	2.3	0.1	0.2	0.8
Others	0.0	0.3	0.7	0.3	0.6	1.5
<b>Total</b>	<b>19.0</b>	<b>37.9</b>	<b>90.2</b>	<b>17.7</b>	<b>29.6</b>	<b>59.3</b>
(Leases)	8.9	19.6	34.9	4.7	10.2	19.1

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

**10. Depreciation, Leases paid**

	Billions of yen					
	3 months	6 months	[Forecast]	3 months	6 months	
	2Q FY2022	1H FY2022	FY2022	2Q FY2021	1H FY2021	FY2021
	(Jul.-Sep.)	(Apr.-Sep.)	(Apr.-Mar.)	(Jul.-Sep.)	(Apr.-Sep.)	(Apr.- Mar.)
Power Electronics Energy	1.3	2.5	5.4	1.2	2.3	5.0
Power Electronics Industry	1.3	2.6	5.4	1.3	2.6	5.5
Semiconductors	6.3	12.3	27.3	5.0	9.9	21.0
Power Generation	0.3	0.6	1.2	0.3	0.6	1.2
Food and Beverage Distribution	0.5	0.9	2.0	0.5	1.1	2.2
Others	0.2	0.4	0.9	0.2	0.5	1.0
<b>Total</b>	<b>9.9</b>	<b>19.4</b>	<b>42.2</b>	<b>8.6</b>	<b>17.0</b>	<b>36.0</b>
(Leases)	0.2	0.4	1.1	0.2	0.5	1.0

**11. Number of employees**

	Billions of yen					
	3 months	6 months	[Forecast]	3 months	6 months	
	2Q FY2022	1H FY2022	FY2022	2Q FY2021	1H FY2021	FY2021
	(Jul.-Sep.)	(Apr.-Sep.)	(Apr.-Mar.)	(Jul.-Sep.)	(Apr.-Sep.)	(Apr.- Mar.)
Power Electronics Energy	6,596	6,596	6,735	6,569	6,569	6,456
Power Electronics Industry	9,645	9,645	9,805	9,429	9,429	9,461
Semiconductors	5,896	5,896	6,073	5,816	5,816	5,808
Power Generation	1,148	1,148	1,136	1,195	1,195	1,169
Food and Beverage Distribution	1,933	1,933	1,920	2,055	2,055	1,931
Others	1,885	1,885	1,889	1,976	1,976	1,932
<b>Total</b>	<b>27,103</b>	<b>27,103</b>	<b>27,558</b>	<b>27,040</b>	<b>27,040</b>	<b>26,757</b>
Japan	17,681	17,681	17,603	17,862	17,862	17,493
Overseas	9,422	9,422	9,955	9,178	9,178	9,264

## Financial Performance

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

The fiscal year ending March 31, 2023, will be an important year for working toward the targets of the Reiwa Prosperity 2023, the five-year medium-term management plan slated to conclude with the fiscal year ending March 31, 2024. In the fiscal year ended March 31, 2022, an operating margin of 8.2% was achieved. In pursuit of greater improvements with this regard, the Company is moving forward with the promotion of growth strategies centered on expanding its power electronics and power semiconductor businesses, the further improvement of profitability through the strengthening of global manufacturing capabilities, and the ongoing reinforcement of operating foundations focused on environmental, social, and governance (ESG) factors, with a particular focus on human resources in regard to social factors. These efforts are aimed at accomplishing our target of net sales of ¥1 trillion in the fiscal year ending March 31, 2024.

In the six-month period ended September 30, 2022, high levels of capital investment by manufacturers and data center business operators were seen amid growing needs related to vehicle electrification, energy saving, and digital infrastructure. These needs were sparked by the global movement toward decarbonization and the accelerated digitalization trend. Meanwhile, China failed to see a full recovery, despite the improvements witnessed with regard to the impacts of supply chain disruptions on shipments of products to customers following the cancellation of lockdowns implemented in Shanghai in response to the COVID-19 pandemic. The outlook remains opaque as a result of the impacts on global supply chains of factors such as rising energy costs, high material prices, and material shortages due to the rapid depreciation of the Japanese yen.

In this environment, production capacity increases for power semiconductors were carried out in response to robust demand while ongoing 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, increases were seen in the sales of all segments, despite the limitation on production from parts shortages, resulting in consolidated net sales in the six-month period ended September 30, 2022, rising ¥49.5 billion year on year, to ¥447.1 billion.

Although high material prices impacted income, overall income was buoyed by sales volume growth coupled with the benefits of increases to product selling prices, cost reduction activities centered on augmentations to factories, and foreign exchange influences. As a result, consolidated operating income rose ¥10.4 billion year on year, to ¥26.7 billion; ordinary income was up ¥12.0 billion, to ¥28.9 billion; and net income attributable to owners of parent increased ¥6.3 billion, to ¥20.3 billion. New record highs were posted for operating income, ordinary income, and net income attributable to owners of parent.

Consolidated results of operations for the six-month period ended September 30, 2022, were as follows. (¥ billion)

	Six-month period ended September 30, 2021	Six-month period ended September 30, 2022	Change
Net sales	397.7	447.1	49.5
Operating income	16.3	26.7	10.4
Ordinary income	16.9	28.9	12.0
Net income attributable to owners of parent	14.0	20.3	6.3

## Results by Segment

### Power Electronics Energy

**Net sales: ¥115.6 billion (up 17% year on year)**

**Operating income: ¥9.6 billion (up ¥5.4 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 power supply and facility systems business and the ED&C components business.

- In the energy management business, net sales were down year on year as a result of the absence of large-scale orders for substation equipment for industrial applications recorded in the previous equivalent period. Meanwhile, operating results improved year on year due to the benefits of cost reduction activities.

- In the power supply and facility systems business, net sales and operating results improved year on year as a result of substantially higher demand for projects from data centers and semiconductor manufacturers in Japan and overseas.

- In the ED&C components business, net sales and operating results improved year on year due to higher demand from domestic manufacturers of machine tools and other finished equipment.

### Power Electronics Industry

**Net sales: ¥150.2 billion (up 7% year on year)**

**Operating income: ¥1.1 billion (down ¥1.3 billion year on year)**

In the Power Electronics Industry segment, net sales were up year on year as a result of higher demand in the IT solutions business coupled with the benefits of foreign exchange influences. Meanwhile, operating results were down year on year due to high material prices and reductions in production following difficulties in procuring parts.

- In the automation systems business, net sales were up year on year as the benefits of foreign exchange influences outweighed the impacts of lockdowns in China. Operating results, however, were down year on year due to the high prices for materials and the effects on production from difficulties in procuring parts felt centered on low-voltage inverters.

- In the social solutions business, net sales were down year on year due to a decrease in ship-related orders while operating results improved following the benefits of cost reduction activities.

- In the equipment construction business, net sales and operating results were down year on year due to the absence of large-scale orders for air-conditioning equipment recorded in the previous fiscal year.

- In the IT solutions business, net sales and operating results were up year on year due to large-scale academic- and private-sector projects.

### Semiconductor

**Net sales: ¥97.0 billion (up 14% year on year)**

**Operating income: ¥14.9 billion (up ¥3.1 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 growth in demand for power semiconductors for electrified vehicles (xEVs) and for industrial applications as well as to the benefits of foreign exchange influences. As a result, high operating ratios were able to be maintained, leading to improvements in operating results, regardless of the rise in expenses for bolstering power semiconductor production capacity and the increases in material and energy costs.

### **Power Generation**

**Net sales: ¥34.8 billion (up 31% year on year)**

**Operating loss: ¥0.5 billion (up ¥0.6 billion year on year)**

· In the power generation business, net sales and operating results were up year on year due to the benefits of large-scale renewable energy projects.

### **Food and Beverage Distribution**

**Net sales: ¥44.8 billion (up 1% year on year)**

**Operating income: ¥3.2 billion (up ¥2.4 billion year on year)**

· In the vending machine business, net sales and operating results improved year on year because of growth in demand in Japan and the benefits of cost reduction activities.

· In the store distribution business, net sales were down year on year due to the absence of large-scale orders for automatic change dispensers recorded in the previous equivalent period, but operating results were relatively unchanged year on year because of the benefits of cost reduction activities.

### **Others**

**Net sales: ¥28.6 billion (up 12% year on year)**

**Operating income: ¥1.5 billion (up ¥0.5 billion year on year)**

Note: Effective April 1, 2022, the businesses included in the Power Electronics Energy segment and the Power Electronics Industry segment were reorganized in conjunction with changes to organizational structures.

Figures for the six-month period ended September 30, 2021, have been restated to reflect this change.

## (2) Quantitative Information regarding Consolidated Financial Position

(¥ billion)

	March 31, 2022	Breakdown (%)	September 30, 2022	Breakdown (%)	Change
Total assets	1,117.1	100.0	1,125.7	100.0	+8.6
Interest-bearing debt	208.4	18.7	197.2	17.5	(11.2)
Equity*1	472.9	42.3	489.2	43.5	+16.3
Debt-to-equity ratio*2 (times)	0.4		0.4		0.0

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

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

Total assets on September 30, 2022, stood at ¥1,125.7 billion, an increase of ¥8.6 billion from the end of the previous fiscal year. Total current assets were up ¥12.6 billion primarily as a result of increases in cash and deposits and inventories, which offset the decrease notes and accounts receivable-trade. Total noncurrent assets were down ¥4.0 billion due to sales of investment securities and a decrease resulted from valuation difference on available-for-sale securities, which outweighed the increase in property, plant and equipment.

Interest-bearing debt as of September 30, 2022, amounted to ¥197.2 billion, down ¥11.2 billion from the previous fiscal year-end. Further, net interest-bearing debt—interest-bearing debt net of cash and cash equivalents—decreased ¥30.8 billion from the previous fiscal year-end, amounting to ¥86.2 billion on September 30, 2022.

Net assets on September 30, 2022, were ¥540.7 billion, up ¥16.9 billion from the previous fiscal year-end. This outcome was because of higher retained earnings and an increase associated with foreign currency translation adjustments, which offset a decrease resulted from valuation difference on available-for-sale securities. In addition, equity—total net assets net of non-controlling interests—was up ¥16.3 billion from the previous fiscal year-end, standing at ¥489.2 billion on September 30, 2022. The debt-to-equity ratio (interest-bearing debt ÷ equity) was 0.4 times, unchanged from the previous fiscal year-end. Also, the net debt-to-equity ratio (net interest-bearing debt ÷ equity) was 0.2 times, unchanged from the previous fiscal year-end.

In the six-month period ended September 30, 2022, consolidated free cash flow (net cash from operating activities + net cash from investing activities) was a positive ¥49.2 billion, an improvement of ¥9.2 billion compared with a positive free cash flow of ¥40.0 billion in the previous equivalent period.

### Cash flows from operating activities

Net cash provided by operating activities was ¥59.9 billion, compared with net cash provided by operating activities of ¥39.8 billion in the previous equivalent period. Major factors increasing cash included the recording of income before income taxes, a decrease in notes and accounts receivable-trade, and a decrease in contract assets. Major factors decreasing cash included an increase in inventories.

This was an improvement of ¥20.0 billion year on year.

### Cash flows from investing activities

Net cash used in investing activities was ¥10.7 billion, compared with net cash used in investing activities of ¥0.2 billion in the previous equivalent period. This outcome was primarily a result of outflows for the purchase of property, plant and equipment, which offset proceeds from sales of investment securities.

This was a deterioration of ¥10.8 billion year on year.

**Cash flows from financing activities**

Net cash used in financing activities was ¥35.7 billion, compared with net cash used in financing activities of ¥19.2 billion in the previous equivalent period. This was principally due to repayments of long-term borrowings and repayments of lease obligations and cash dividends paid.

As a result, consolidated cash and cash equivalents on September 30, 2022, amounted to ¥110.9 billion, up ¥19.6 billion from the previous fiscal year-end.

### (3) Qualitative Information regarding Consolidated Forecasts and Forecast Information

In light of the business result trends seen in the six-month period ended September 30, 2022, Fuji Electric has chosen to revise the consolidated forecast for business results for the fiscal year ending March 31, 2023, that was announced together with financial results for three-month period ended June 30, 2022, on July 28, 2022.

The forecast assumes exchange rates of US\$1 = ¥135, €1 = ¥135, and RMB1 = ¥19.5 for the period from October 1, 2022, onward.

(Consolidated Forecasts for the Fiscal Year Ending March 31, 2023) (¥ billion)

	Previous announcement	New announcement	Change
Net sales	960.0	985.0	25.0
Operating income	82.0	87.0	5.0
Ordinary income	83.0	88.0	5.0
Net income attributable to owners of parent	59.0	59.5	0.5

(Reference: Consolidated Forecasts for the Fiscal Year Ending March 31, 2023, by Segment)

(¥billion)

	Previous announcement		New announcement		Change	
	Net sales	Operating income (loss)	Net sales	Operating income (loss)	Net sales	Operating income (loss)
Power Electronics Energy	236.0	22.1	252.0	26.6	16.0	4.5
Power Electronics Industry	349.0	26.8	355.0	25.6	6.0	(1.2)
Semiconductor	200.0	30.5	204.0	31.3	4.0	0.8
Power Generation	82.0	4.1	82.0	4.1	0.0	0.0
Food and Beverage Distribution	92.0	5.1	93.0	4.2	1.0	(0.9)
Others	54.0	2.6	55.0	3.3	1.0	0.7
Elimination and Corporate	(53.0)	(9.2)	(56.0)	(8.1)	(3.0)	1.1
Total	960.0	82.0	985.0	87.0	25.0	5.0