

## Consolidated Financial Results for first half of the fiscal year ending March 31, 2024 (April 1, 2023 – September 30, 2023)

### Summary of Consolidated Financial Results (Six months ended September 30, 2023)

#### 1. Summary of consolidated statements of operations

	Millions of yen			<i>Millions of U.S. dollars</i>
	6 months	6 months	Change(%)	<i>6 months</i>
	1H FY2023	1H FY2022		<i>1H FY2023</i>
	(Apr.-Sep.)	(Apr.-Sep.)	(A)/(B)	<i>(Apr.-Sep.)</i>
	(A)	(B)		
Net sales	491,692	447,138	110.0%	3,300
Operating profit	34,944	26,719	130.8%	235
Ordinary profit	34,619	28,879	119.9%	232
Profit attributable to owners of parent	24,343	20,258	-	163
	Yen			<i>U.S. dollars</i>
Profit per share	170.43	141.83		1.14

#### 2. Summary of consolidated financial position

	Millions of yen		<i>Millions of U.S. dollars</i>
	9/30/2023	3/31/2023	<i>9/30/2023</i>
Total assets	1,172,933	1,181,552	7,872
Net assets	595,759	572,068	3,998
Equity ratio (%)	46.1%	43.8%	-

Note: U.S. dollar amounts in this financial report are translated, for convenience only, at the rate of ¥149=U.S.\$1

#### 3. Forecast of consolidated earnings for the fiscal year ending March 31, 2024 (April 1, 2023 - March 31, 2024)

	Millions of yen
	FY2023
Net sales	1,060,000
Operating profit	96,000
Ordinary profit	94,500
Profit attributable to owners of parent	64,500
	Yen
	FY2023
Profit per share	451.58

#### < 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>9/30/2023</b>	3/31/2023	9/30/2023
<b>Assets</b>			
<b>Current assets:</b>			
Cash and deposits	60,144	84,700	404
Notes receivable-trade	68,250	76,013	458
Accounts receivable-trade	184,394	236,462	1,238
Contract assets	99,636	76,023	669
Merchandise and finished goods	81,555	64,500	547
Work in process	58,567	54,642	393
Raw materials and supplies	94,674	79,548	635
Other	62,754	49,235	421
Allowance for doubtful accounts	(7,925)	(7,573)	(53)
<b>Total Current assets</b>	<b>702,052</b>	<b>713,553</b>	<b>4,712</b>
<b>Non-current assets:</b>			
Net Property, plant and equipment	292,539	283,912	1,963
Intangible assets	25,819	24,032	173
Investments and other assets			
Investment securities	97,608	108,460	655
Retirement benefit asset	20,138	19,918	135
Other	35,493	32,111	238
Allowance for doubtful accounts	(761)	(488)	(5)
<b>Total Investments and other assets</b>	<b>152,478</b>	<b>160,001</b>	<b>1,023</b>
<b>Total Non-current assets</b>	<b>470,837</b>	<b>467,946</b>	<b>3,160</b>
<b>Deferred assets</b>	<b>43</b>	<b>51</b>	<b>0</b>
<b>Total Assets</b>	<b>1,172,933</b>	<b>1,181,552</b>	<b>7,872</b>

## Consolidated Balance Sheets

	Millions of yen		Millions of U.S. dollars
	9/30/2023	3/31/2023	9/30/2023
<b>Liabilities</b>			
<b>Current liabilities:</b>			
Notes and accounts payable-trade	189,569	201,593	1,272
Short-term borrowings	37,083	46,875	249
Commercial papers	22,000	-	148
Current portion of bonds payable	-	15,000	-
Income taxes payable	14,532	18,710	98
Contract liabilities	59,550	49,449	400
Provision for product warranties	3,297	3,775	22
Other	108,518	111,422	728
<b>Total Current liabilities</b>	<b>434,552</b>	<b>446,826</b>	<b>2,916</b>
<b>Non-current liabilities:</b>			
Bonds payable	20,000	20,000	134
Long-term borrowings	15,600	28,600	105
Provision for retirement benefits for directors (and other officers)	64	65	0
Retirement benefit liability	62,305	60,345	418
Other	44,651	53,646	300
<b>Total Non-current liabilities</b>	<b>142,621</b>	<b>162,657</b>	<b>957</b>
<b>Total Liabilities</b>	<b>577,174</b>	<b>609,483</b>	<b>3,874</b>
<b>Net Assets</b>			
<b>Shareholders' equity:</b>			
Share capital	47,586	47,586	319
Capital surplus	45,953	45,953	308
Retained earnings	380,695	364,922	2,555
Treasury shares	(7,381)	(7,370)	(50)
<b>Total Shareholders' equity</b>	<b>466,853</b>	<b>451,091</b>	<b>3,133</b>
<b>Accumulated other comprehensive income:</b>			
Valuation difference on available-for-sale securities	40,714	45,550	273
Deferred gains or losses on hedges	145	241	1
Foreign currency translation adjustment	35,337	22,222	237
Remeasurements of defined benefit plans	(1,948)	(2,013)	(13)
<b>Total Accumulated other comprehensive income</b>	<b>74,248</b>	<b>66,000</b>	<b>498</b>
<b>Non-controlling interests</b>	<b>54,656</b>	<b>54,976</b>	<b>367</b>
<b>Total Net assets</b>	<b>595,759</b>	<b>572,068</b>	<b>3,998</b>
<b>Total Liabilities and Net assets</b>	<b>1,172,933</b>	<b>1,181,552</b>	<b>7,872</b>

**Consolidated Statements of Income**

	Millions of yen		Millions of U.S. dollars
	<b>6 months 1H FY2023 (Apr.-Sep.)</b>	6 months 1H FY2022 (Apr.-Sep.)	<i>6 months 1H FY2023 (Apr.-Sep.)</i>
<b>Net sales</b>	491,692	447,138	3,300
<b>Cost of sales</b>	362,881	330,141	2,435
<b>Gross profit</b>	128,811	116,996	865
<b>Selling, general and administrative expenses</b>	93,816	90,277	630
<b>Operating profit</b>	34,994	26,719	235
<b>Non-operating income</b>			
Interest income	314	330	2
Dividend income	1,162	1,672	8
Foreign exchange gains	1,834	2,080	12
Other	471	755	3
<b>Total Non-operating income</b>	3,783	4,839	25
<b>Non-operating expenses</b>			
Interest expenses	972	915	7
Share of loss of entities accounted for using equity method	503	488	3
Business conversion expenses	1,322	640	9
Loss on guarantees	660	-	4
Other	698	634	5
<b>Total Non-operating expenses</b>	4,158	2,678	28
<b>Ordinary profit</b>	34,619	28,879	232
<b>Extraordinary income</b>			
Gain on sale of non-current assets	698	307	5
Gain on sale of investment securities	4,799	6,648	32
<b>Total Extraordinary income</b>	5,497	6,955	37
<b>Extraordinary loss</b>			
Loss on disposal of non-current assets	624	274	4
Loss on valuation of investment securities	-	409	-
Loss on sale of investment securities	-	298	-
Provision of allowance for investment loss for subsidiaries and associates	-	246	-
<b>Total Extraordinary loss</b>	624	1,230	4
<b>Profit before income taxes</b>	39,492	34,604	265
<b>Income taxes</b>	12,624	11,345	85
<b>Profit</b>	26,868	23,259	180
<b>Profit attributable to non-controlling interests</b>	2,525	3,001	17
<b>Profit attributable to owners of parent</b>	24,343	20,258	163

**Consolidated Statements of Comprehensive Income**

	Millions of yen		<i>Millions of U.S. dollars</i>
	<b>6 months 1H FY2023 (Apr.-Sep.)</b>	6 months 1H FY2022 (Apr.-Sep.)	<i>6 months 1H FY2023 (Apr.-Sep.)</i>
<b>Profit</b>	26,868	23,259	<i>180</i>
<b>Other comprehensive income</b>			
Valuation difference on available-for-sale securities	(4,701)	(11,329)	<i>(32)</i>
Deferred gains or losses on hedges	(96)	(289)	<i>(1)</i>
Foreign currency translation adjustment	13,791	16,380	<i>93</i>
Remeasurements of defined benefit plans, net of tax	(27)	(332)	<i>(0)</i>
Share of other comprehensive income of entities accounted for using equity method	207	159	<i>1</i>
<b>Total other comprehensive Income</b>	9,174	4,588	<i>62</i>
<b>Comprehensive income</b>	36,042	27,847	<i>242</i>
Comprehensive income attributable to owners of parent	32,591	24,117	<i>219</i>
Comprehensive income attributable to non-controlling interests	3,451	3,730	<i>23</i>

**Consolidated Statements of Cash Flows**

	Millions of yen		<i>Millions of U.S. dollars</i>
	<b>6 months 1H FY2023 (Apr.-Sep.)</b>	6 months 1H FY2022 (Apr.-Sep.)	<i>6 months 1H FY2023 (Apr.-Sep.)</i>
<b>I Cash flows from operating activities</b>			
Profit before income taxes	39,492	34,604	265
Depreciation and amortization	24,529	21,831	165
Increase (decrease) in allowance for doubtful accounts	233	(546)	2
Increase (decrease) in provision for product warranties	(495)	(2,830)	(3)
Interest and dividends income	(1,476)	(2,002)	(10)
Interest expenses	972	915	7
Foreign exchange losses (gains)	(384)	(679)	(3)
Loss (gain) on sale of non-current assets	(698)	(307)	(5)
Loss (gain) on sale of investment securities	(4,799)	(6,349)	(32)
Provision of allowance for investment loss for subsidiaries and associates	-	246	-
Loss (gain) on disposal of non-current assets	624	274	4
Loss (gain) on valuation of investment securities	-	409	-
Decrease (increase) in trade receivables, and contract assets	41,106	55,476	276
Decrease (increase) in inventories	(31,085)	(25,655)	(209)
Increase (decrease) in notes and accounts payable-trade	(13,995)	1,231	(94)
Increase (decrease) in contract liabilities	8,989	7,917	60
Other, net	(13,594)	(13,765)	(91)
Subtotal	49,418	70,770	332
Interest and dividends income received	1,462	1,981	10
Interest expenses paid	(1,022)	(931)	(7)
Income taxes paid	(15,030)	(11,948)	(101)
Net cash provided by operating activities	34,828	59,871	234
<b>II Cash flows from investing activities</b>			
Purchase of property, plant and equipment	(26,026)	(21,102)	(175)
Proceeds from sales of property, plant and equipment	779	929	5
Purchase of investment securities	(118)	(6)	(1)
Proceeds from sales of investment securities	8,354	11,613	56
Loan advances	(8,455)	(3,774)	(57)
Proceeds from collection of loans receivable	6,997	3,645	47
Other, net	(3,115)	(1,957)	(21)
Net cash used in investing activities	(21,585)	(10,653)	(145)
<b>III Cash flows from financing activities</b>			
Net increase (decrease) in short-term borrowings	(641)	1,124	(4)
Increase (decrease) in commercial papers	22,000	-	148
Proceeds from long-term borrowings	15,000	-	101
Repayments of long-term borrowings	(37,755)	(16,074)	(253)
Redemption of bonds	(15,000)	-	(101)
Repayments of lease liabilities	(12,545)	(11,082)	(84)
Purchase of treasury shares	(10)	(5)	(0)
Dividends paid	(8,570)	(7,855)	(58)
Dividends paid to non-controlling interests	(4,340)	(3,487)	(29)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-	(2)	-
Proceeds from sale and leaseback transactions	-	1,670	-
Net cash used in financing activities	(41,863)	(35,713)	(281)
<b>IV Effect of exchange rate change on cash and cash equivalents</b>	4,037	5,929	27
<b>V Net increase (decrease) in cash and cash equivalents (I + II + III + IV)</b>	(24,583)	19,434	(165)
<b>VI Cash and cash equivalents at beginning of period</b>	84,165	91,350	565
<b>VII Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries</b>	-	132	-
<b>VIII Cash and cash equivalents at end of period</b>	59,582	110,918	400

## Consolidated Segment Information

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

(Changes in depreciation method for tangible fixed assets)

As of April 1, 2023, the Company and its domestic consolidated subsidiaries have changed the depreciation method for tangible fixed assets (excluding lease assets) to the straight-line method. Previously, we mainly applied the declining balance method.

As a result of this change, compared with the previous method, the segment profit or loss in the "Power Electronics Energy" increased by 243 millions of yen, "Power Electronics Industry" increased by 216 millions of yen, "Semiconductors" increased by 1,272 millions of yen, "Power Generation" increased by 61 millions of yen, "Food and Beverage Distribution" increased by 72 millions of yen and "Others" increased by 67 millions of yen for the first half in FY2023.

#### 6 months 1H FY2023 (Apr.-Sep.)

	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	121,083	162,997	105,746	32,391	52,468	17,005	491,692	-	491,692
Inter-segment sales and transfers	1,711	8,249	2,792	136	713	14,260	27,864	(27,864)	-
Total sales	122,794	171,247	108,539	32,527	53,181	31,265	519,557	27,864	491,692
Segment profit (loss)	8,699	5,022	16,797	101	5,417	2,051	38,090	(3,095)	34,994

#### 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
Net Sales									
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)	-
Total sales	115,642	150,154	97,021	34,787	44,795	28,605	471,007	(23,869)	447,138
Segment profit (loss)	9,576	1,124	14,948	(489)	3,229	1,534	29,924	(3,205)	26,719

#### 6 months 1H FY2023 (Apr.-Sep.)

	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	813	1,094	710	217	352	114	3,300	-	3,300
Inter-segment sales and transfers	11	55	19	1	5	96	187	(187)	-
Total sales	824	1,149	728	218	357	210	3,487	187	3,300
Segment profit (loss)	58	34	113	1	36	14	256	(21)	235

## Supplemental Consolidated Financial Materials

### Information on Supplemental Consolidated Financial Materials by each reporting segment

As of October 1, 2023, reflecting change of organization structure, the reporting segments were reclassified from "Power Electronics Energy", "Power Electronics Industry" and "Power Generation" to "Energy" and "Industry". Accordingly, the reporting segment information is presented both before and after of this change.

#### 1. Financial summary

	Billions of yen					
	3 months 2Q FY2023 (Jul.-Sep.)	6 months 1H FY2023 (Apr.-Sep.)	[Forecast] FY2023 (Apr.-Mar.)	3 months 2Q FY2022 (Jul.-Sep.)	6 months 1H FY2022 (Apr.-Sep.)	FY2022 (Apr.-Mar.)
Net sales	257.5	491.7	1,060.0	243.2	447.1	1,009.4
Operating profit	20.3	35.0	96.0	16.8	26.7	88.9
Ordinary profit	19.5	34.6	94.5	16.6	28.9	87.8
Profit attributable to owners of parent	12.0	24.3	64.5	10.3	20.3	61.3

#### 2. Number of consolidated subsidiaries

	Billions of yen					
	3 months 2Q FY2023 (Jul.-Sep.)	6 months 1H FY2023 (Apr.-Sep.)	[Forecast] FY2023 (Apr.-Mar.)	3 months 2Q FY2022 (Jul.-Sep.)	6 months 1H FY2022 (Apr.-Sep.)	FY2022 (Apr.-Mar.)
Number of consolidated subsidiaries	70	70	69	71	71	70
Japan	21	21	20	21	21	21
Overseas	49	49	49	50	50	49
Number of equity-method associates	4	4	4	4	4	4

#### 3. Profit per share

	Yen					
	3 months 2Q FY2023 (Jul.-Sep.)	6 months 1H FY2023 (Apr.-Sep.)	[Forecast] FY2023 (Apr.-Mar.)	3 months 2Q FY2022 (Jul.-Sep.)	6 months 1H FY2022 (Apr.-Sep.)	FY2022 (Apr.-Mar.)
Profit per share	84.29	170.43	451.58	72.30	141.83	429.50

#### 4. Average exchange rates (Yen)

	Yen					
	3 months 2Q FY2023 (Jul.-Sep.)	6 months 1H FY2023 (Apr.-Sep.)	[Forecast] FY2023 (Apr.-Mar.)	3 months 2Q FY2022 (Jul.-Sep.)	6 months 1H FY2022 (Apr.-Sep.)	FY2022 (Apr.-Mar.)
US\$	144.62	141.00	140.50	138.37	133.97	135.47
EURO	157.30	153.39	151.69	139.34	138.73	140.97
RMB	19.94	19.75	19.62	20.19	19.88	19.75

#### 5. Net sales by reporting segment

	Billions of yen					
	3 months 2Q FY2023 (Apr.-Sep.)	6 months 1H FY2023 (Apr.-Sep.)	[Forecast] FY2023 (Apr.-Mar.)	3 months 2Q FY2022 (Jul.-Sep.)	6 months 1H FY2022 (Apr.-Sep.)	FY2022 (Apr.-Mar.)
<b>Before the segment change</b>						
Power Electronics Energy	64.8	122.8		64.4	115.6	264.1
Power Electronics Industry	95.0	171.2		85.0	150.2	353.4
Semiconductors	57.5	108.5		50.8	97.0	206.2
Power Generation	14.2	32.5		18.0	34.8	87.3
Food and Beverage Distribution	25.4	53.2		23.1	44.8	95.3
Others	15.4	31.3		14.3	28.6	59.8
Subtotal	272.3	519.6		255.5	471.0	1,066.1
Elimination	(14.7)	(27.9)		(12.3)	(23.9)	(56.7)
<b>Total</b>	<b>257.5</b>	<b>491.7</b>		<b>243.2</b>	<b>447.1</b>	<b>1,009.4</b>

	Billions of yen					
	3 months 2Q FY2023 (Apr.-Sep.)	6 months 1H FY2023 (Apr.-Sep.)	[Forecast] FY2023 (Apr.-Mar.)	3 months 2Q FY2022 (Jul.-Sep.)	6 months 1H FY2022 (Apr.-Sep.)	FY2022 (Apr.-Mar.)
<b>After the segment change</b>						
Energy	73.6	146.3	332.0	79.4	144.6	333.3
Industry	100.0	179.7	406.0	87.7	155.5	369.8
Semiconductors	57.5	108.5	223.0	50.8	97.0	206.2
Food and Beverage Distribution	25.4	53.2	99.0	23.1	44.8	95.3
Others	15.4	31.3	60.0	14.3	28.6	59.8
Subtotal	271.9	518.9	1,120.0	255.2	470.5	1,064.4
Elimination	(14.4)	(27.2)	(60.0)	(12.0)	(23.3)	(54.9)
<b>Total</b>	<b>257.5</b>	<b>491.7</b>	<b>1,060.0</b>	<b>243.2</b>	<b>447.1</b>	<b>1,009.4</b>



## 6. Operating profit(loss) by reporting segment

Before the segment change	Billions of yen				
	3 months	6 months	3 months	6 months	FY2022
	2Q FY2023 (Jul.-Sep.)	1H FY2023 (Apr.-Sep.)	2Q FY2022 (Jul.-Sep.)	1H FY2022 (Apr.-Sep.)	FY2022 (Apr.-Mar.)
Power Electronics Energy	4.3	8.7	5.7	9.6	26.9
Power Electronics Industry	5.3	5.0	3.0	1.1	24.9
Semiconductors	9.7	16.8	7.8	14.9	32.2
Power Generation	(0.8)	0.1	(0.6)	(0.5)	3.6
Food and Beverage Distribution	2.2	5.4	1.6	3.2	4.4
Others	1.0	2.1	0.8	1.5	3.7
Subtotal	21.7	38.1	18.3	29.9	95.6
Elimination	(1.4)	(3.1)	(1.4)	(3.2)	(6.7)
<b>Total</b>	<b>20.3</b>	<b>35.0</b>	<b>16.8</b>	<b>26.7</b>	<b>88.9</b>

After the segment change	Billions of yen					
	3 months	6 months	[Forecast]	3 months	6 months	FY2022
	2Q FY2023 (Jul.-Sep.)	1H FY2023 (Apr.-Sep.)	FY2023 (Apr.-Mar.)	2Q FY2022 (Jul.-Sep.)	1H FY2022 (Apr.-Sep.)	FY2022 (Apr.-Mar.)
Energy	3.7	8.7	27.0	5.0	8.9	28.6
Industry	5.2	5.2	32.6	3.0	1.3	26.8
Semiconductors	9.7	16.8	34.3	7.8	14.9	32.2
Food and Beverage Distribution	2.2	5.4	6.5	1.6	3.2	4.4
Others	1.0	2.1	3.8	0.8	1.5	3.7
Subtotal	21.7	38.1	104.2	18.3	29.9	95.6
Elimination	(1.4)	(3.1)	(8.2)	(1.4)	(3.2)	(6.7)
<b>Total</b>	<b>20.3</b>	<b>35.0</b>	<b>96.0</b>	<b>16.8</b>	<b>26.7</b>	<b>88.9</b>

## 7. Net overseas sales

	Billions of yen					
	3 months	6 months	[Forecast]	3 months	6 months	FY2022
	2Q FY2023 (Jul.-Sep.)	1H FY2023 (Apr.-Sep.)	FY2023 (Apr.-Mar.)	2Q FY2022 (Jul.-Sep.)	1H FY2022 (Apr.-Sep.)	FY2022 (Apr.-Mar.)
Asia (except for China)	42.3	78.4	-	36.6	66.4	145.2
China	23.0	43.0	-	26.3	47.9	89.4
Europe	9.4	18.3	-	6.6	13.0	33.1
America	6.1	12.4	-	6.5	11.6	24.3
<b>Total</b>	<b>80.8</b>	<b>152.0</b>	<b>-</b>	<b>76.1</b>	<b>139.0</b>	<b>292.1</b>

## 8. R&D expenditures

Before the segment change	Billions of yen				
	3 months	6 months	3 months	6 months	FY2022
	2Q FY2023 (Jul.-Sep.)	1H FY2023 (Apr.-Sep.)	2Q FY2022 (Jul.-Sep.)	1H FY2022 (Apr.-Sep.)	FY2022 (Apr.-Mar.)
Power Electronics Energy	1.7	3.4	1.8	3.3	7.5
Power Electronics Industry	2.3	4.6	2.9	5.0	10.6
Semiconductors	3.1	6.1	3.0	5.6	11.8
Power Generation	0.5	1.0	0.7	1.2	2.8
Food and Beverage Distribution	0.9	1.8	0.9	1.6	3.4
Others	0.0	0.0	0.0	0.0	0.1
<b>Total</b>	<b>8.6</b>	<b>16.9</b>	<b>9.2</b>	<b>16.7</b>	<b>36.2</b>
Ratio to net sales (%)	3.3%	3.4%	3.8%	3.7%	3.6%

After the segment change	Billions of yen					
	3 months	6 months	[Forecast]	3 months	6 months	FY2022
	2Q FY2023 (Jul.-Sep.)	1H FY2023 (Apr.-Sep.)	FY2023 (Apr.-Mar.)	2Q FY2022 (Jul.-Sep.)	1H FY2022 (Apr.-Sep.)	FY2022 (Apr.-Mar.)
Energy	2.1	4.2	9.4	2.4	4.3	9.8
Industry	2.4	4.9	11.1	3.0	5.2	11.1
Semiconductors	3.1	6.1	12.9	3.0	5.6	11.8
Food and Beverage Distribution	0.9	1.8	3.8	0.9	1.6	3.4
Others	0.0	0.0	0.0	0.0	0.0	0.1
<b>Total</b>	<b>8.6</b>	<b>16.9</b>	<b>37.1</b>	<b>9.2</b>	<b>16.7</b>	<b>36.2</b>
Ratio to net sales (%)	3.3%	3.4%	3.5%	3.8%	3.7%	3.6%

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

		Billions of yen				
<b>Before the segment change</b>		<b>3 months</b>	<b>6 months</b>	3 months	6 months	FY2022
		<b>2Q FY2023</b>	<b>1H FY2023</b>	2Q FY2022	1H FY2022	(Apr.-Mar.)
		<b>(Jul.-Sep.)</b>	<b>(Apr.-Sep.)</b>	<b>(Jul.-Sep.)</b>	<b>(Apr.-Sep.)</b>	<b>(Apr.-Mar.)</b>
Power Electronics Energy		2.0	3.6	1.4	2.6	6.9
Power Electronics Industry		1.1	1.8	1.4	3.2	6.5
Semiconductors		10.6	18.6	15.6	30.9	66.6
Power Generation		0.1	0.2	0.2	0.5	1.1
Food and Beverage Distribution		0.4	0.6	0.3	0.5	1.8
Others		0.7	1.2	0.0	0.3	1.1
<b>Total</b>		<b>15.0</b>	<b>26.0</b>	<b>19.0</b>	<b>37.9</b>	<b>84.1</b>
(Leases)		0.4	0.9	8.9	19.6	21.9

		Billions of yen					
<b>After the segment change</b>		<b>3 months</b>	<b>6 months</b>	[Forecast]	3 months	6 months	FY2022
		<b>2Q FY2023</b>	<b>1H FY2023</b>	FY2023	2Q FY2022	1H FY2022	(Apr.-Mar.)
		<b>(Jul.-Sep.)</b>	<b>(Apr.-Sep.)</b>	<b>(Apr.-Mar.)</b>	<b>(Jul.-Sep.)</b>	<b>(Apr.-Sep.)</b>	<b>(Apr.-Mar.)</b>
Energy		2.3	3.8	12.8	1.7	3.0	8.1
Industry		1.1	1.8	8.7	1.4	3.2	6.5
Semiconductors		10.6	18.6	45.7	15.6	30.9	66.6
Food and Beverage Distribution		0.4	0.6	2.8	0.3	0.5	1.8
Others		0.7	1.2	1.7	0.0	0.3	1.1
<b>Total</b>		<b>15.0</b>	<b>26.0</b>	<b>71.8</b>	<b>19.0</b>	<b>37.9</b>	<b>84.1</b>
(Leases)		0.4	0.9	1.8	8.9	19.6	21.9

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

**10. Depreciation, Leases paid**

		Billions of yen				
<b>Before the segment change</b>		<b>3 months</b>	<b>6 months</b>	3 months	6 months	FY2022
		<b>2Q FY2023</b>	<b>1H FY2023</b>	2Q FY2022	1H FY2022	(Apr.-Mar.)
		<b>(Jul.-Sep.)</b>	<b>(Apr.-Sep.)</b>	<b>(Jul.-Sep.)</b>	<b>(Apr.-Sep.)</b>	<b>(Apr.-Mar.)</b>
Power Electronics Energy		1.3	2.5	1.3	2.5	5.3
Power Electronics Industry		1.4	2.7	1.3	2.6	5.3
Semiconductors		8.2	15.4	6.3	12.3	26.7
Power Generation		0.3	0.5	0.3	0.6	1.2
Food and Beverage Distribution		0.4	0.8	0.5	0.9	1.9
Others		0.2	0.4	0.2	0.4	0.8
<b>Total</b>		<b>11.7</b>	<b>22.3</b>	<b>9.9</b>	<b>19.4</b>	<b>41.2</b>
(Leases)		0.2	0.5	0.2	0.4	0.9

		Billions of yen					
<b>After the segment change</b>		<b>3 months</b>	<b>6 months</b>	[Forecast]	3 months	6 months	FY2022
		<b>2Q FY2023</b>	<b>1H FY2023</b>	FY2023	2Q FY2022	1H FY2022	(Apr.-Mar.)
		<b>(Jul.-Sep.)</b>	<b>(Apr.-Sep.)</b>	<b>(Apr.-Mar.)</b>	<b>(Jul.-Sep.)</b>	<b>(Apr.-Sep.)</b>	<b>(Apr.-Mar.)</b>
Energy		1.5	2.9	6.2	1.6	3.0	6.3
Industry		1.4	2.8	5.9	1.3	2.7	5.5
Semiconductors		8.2	15.4	32.6	6.3	12.3	26.7
Food and Beverage Distribution		0.4	0.8	1.7	0.5	0.9	1.9
Others		0.2	0.4	0.7	0.2	0.4	0.8
<b>Total</b>		<b>11.7</b>	<b>22.3</b>	<b>47.1</b>	<b>9.9</b>	<b>19.4</b>	<b>41.2</b>
(Leases)		0.2	0.5	0.9	0.2	0.4	0.9

## 11. Number of employees

	<b>Before the segment change</b>					
	<b>3 months 2Q FY2023 (Jul.-Sep.)</b>	<b>6 months 1H FY2023 (Apr.-Sep.)</b>	3 months 2Q FY2022 (Jul.-Sep.)	6 months 1H FY2022 (Apr.-Sep.)	FY2022 (Apr.-Mar.)	
Power Electronics Energy	6,848	6,848	6,596	6,596	6,691	
Power Electronics Industry	9,764	9,764	9,645	9,645	9,647	
Semiconductors	6,027	6,027	5,896	5,896	5,914	
Power Generation	1,136	1,136	1,148	1,148	1,110	
Food and Beverage Distribution	1,909	1,909	1,933	1,933	1,901	
Others	1,825	1,825	1,885	1,885	1,860	
<b>Total</b>	<b>27,509</b>	<b>27,509</b>	<b>27,103</b>	<b>27,103</b>	<b>27,123</b>	
Japan	17,602	17,602	17,681	17,681	17,392	
Overseas	9,907	9,907	9,422	9,422	9,731	
	<b>After the segment change</b>		[Forecast]	3 months	6 months	
	<b>2Q FY2023 (Jul.-Sep.)</b>	<b>1H FY2023 (Apr.-Sep.)</b>	FY2023 (Apr.-Mar.)	2Q FY2022 (Jul.-Sep.)	1H FY2022 (Apr.-Sep.)	FY2022 (Apr.-Mar.)
Energy	7,807	7,807	8,039	7,584	7,584	7,632
Industry	9,941	9,941	10,085	9,805	9,805	9,816
Semiconductors	6,027	6,027	6,123	5,896	5,896	5,914
Food and Beverage Distribution	1,909	1,909	1,902	1,933	1,933	1,901
Others	1,825	1,825	1,647	1,885	1,885	1,860
<b>Total</b>	<b>27,509</b>	<b>27,509</b>	<b>27,796</b>	<b>27,103</b>	<b>27,103</b>	<b>27,123</b>
Japan	17,602	17,602	17,533	17,681	17,681	17,392
Overseas	9,907	9,907	10,263	9,422	9,422	9,731

## Financial Performance

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

The targets of Fuji Electric's Reiwa Prosperity 2023 medium-term management plan, which concludes with the fiscal year ending March 31, 2024, were accomplished a year ahead of schedule in the fiscal year ended March 31, 2023. Specifically, these targets were net sales of ¥1 trillion and an operating profit ratio of more than 8.0%. To achieve further growth in the fiscal year ending March 31, 2024, the year of the centennial anniversary of Fuji Electric's founding, the Company will move 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 emphasis on human resources in regard to social factors. In addition, adaptiveness toward operating environment changes will be heightened with the goal of growing sales and profit.

In the six-month period ended September 30, 2023, brisk capital investment by manufacturers and data center business operators was seen amid constantly growing needs related to vehicle electrification, energy saving, and digital infrastructure. These needs were sparked by the growth in investments for achieving carbon neutrality and promoting digitalization. Meanwhile, the outlook remains opaque as a result of the continuation of sluggish capital investment trends in China as well as global monetary tightening.

In this environment, production capacity increases for power semiconductors were carried out in response to growing demand while ongoing steps were taken to optimize production systems to accommodate demand and to minimize the impacts on part procurement from geopolitical risks and supply chain disruptions.

Due to these factors, increases were seen in the sales of all segments, with the exception of the Power Generation segment, resulting in consolidated net sales in the six-month period ended September 30, 2023, rising ¥44.6 billion, or 10%, year on year, to ¥491.7 billion.

Although profit was impacted by high material and energy prices as well as by rising expenses for research and development and production capacity augmentations, overall profit was buoyed by sales volume growth coupled with the benefits of increases to product selling prices, cost reduction activities, and foreign exchange influences. As a result, consolidated operating profit rose ¥8.3 billion year on year, to ¥35.0 billion; ordinary profit was up ¥5.7 billion, to ¥34.6 billion; and profit attributable to owners of parent increased ¥4.1 billion, to ¥24.3 billion. New record highs were posted for net sales, operating profit, ordinary profit, and profit attributable to owners of parent.

Consolidated results of operations for the six-month period ended September 30, 2023, were as follows.

	(¥ billion)		
	Six-month period ended September 30, 2022	Six-month period ended September 30, 2023	Change
Net sales	447.1	491.7	44.6
Operating profit	26.7	35.0	8.3
Ordinary profit	28.9	34.6	5.7
Profit attributable to owners of parent	20.3	24.3	4.1

## Results by Segment

### Power Electronics Energy

**Net sales: ¥122.8 billion (up 6% year on year)**

**Operating profit: ¥8.7 billion (down ¥0.9 billion year on year)**

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

- In the energy management business, net sales were up year on year as a result of increases in large-scale orders for substation equipment for industrial applications and for power supply equipment. However, operating results were down year on year due to differences in profitability between projects.
- In the power supply and facility systems business, net sales and operating results improved year on year as a result of increases in projects from data centers and semiconductor manufacturers overseas.
- In the ED&C components business, net sales and operating results were down year on year due to reductions in demand from finished equipment manufacturers and for semiconductor production equipment.

### Power Electronics Industry

**Net sales: ¥171.2 billion (up 14% year on year)**

**Operating profit: ¥5.0 billion (up ¥3.9 billion year on year)**

In the Power Electronics Industry segment, net sales and operating profit were up year on year as a result of higher demand in the automation systems business, the equipment construction business, and the IT solutions business.

- In the automation systems business, net sales and operating results were up year on year largely as a result of increased production of factory automation components.
- In the social solutions business, net sales and operating results were up year on year due to increases in orders for radiation-related equipment.
- In the equipment construction business, net sales and operating results were up year on year as a result of the recording of large-scale orders for air-conditioning equipment construction.
- In the IT solutions business, net sales and operating results were up year on year due to higher demand for large-scale public- and academic-sector projects.

### Semiconductor

**Net sales: ¥108.5 billion (up 12% year on year)**

**Operating profit: ¥16.8 billion (up ¥1.8 billion year on year)**

- In the semiconductor business, net sales increased year on year due to growth in demand for power semiconductors for electrified vehicles (xEVs). The growth in sales led to operating results improving year on year, despite the rise in expenses for bolstering power semiconductor production capacity and the increases in material costs.

#### **Power Generation**

**Net sales: ¥32.5 billion (down 6% year on year)**

**Operating profit: ¥0.1 billion (compared with operating loss of ¥0.5 billion in the previous equivalent period)**

· In the power generation business, net sales were down year on year due to the absence of large-scale renewable energy projects recorded in the previous equivalent period while operating results were up as a result of differences in profitability between projects and the benefits of cost reduction activities.

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

**Net sales: ¥53.2 billion (up 19% year on year)**

**Operating profit: ¥5.4 billion (up ¥2.2 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 and operating results were up year on year due to higher orders for counter fixtures combined with growth in demand for convenience store equipment renovations.

#### **Others**

**Net sales: ¥31.3 billion (up 9% year on year)**

**Operating profit: ¥2.1 billion (up ¥0.5 billion year on year)**

(2) Quantitative Information regarding Consolidated Financial Position

(¥ billion)

	March 31, 2023	Breakdown (%)	September 30, 2023	Breakdown (%)	Change
Total assets	1,181.6	100.0	1,172.9	100.0	(8.6)
Interest-bearing debt	183.3	15.5	157.0	13.4	(26.3)
Equity*1	517.1	43.8	541.1	46.1	+24.0
Debt-to-equity ratio*2 (times)	0.4		0.3		(0.1)

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

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

Total assets on September 30, 2023, stood at ¥1,172.9 billion, a decrease of ¥8.6 billion from the end of the previous fiscal year. Total current assets were down ¥11.5 billion primarily as a result of decreases in cash and deposits and notes and accounts receivable-trade, which offset the increases in contract assets and inventories. Total noncurrent assets were up ¥2.9 billion due to an increase in property, plant and equipment, which outweighed the impacts of sales of investment securities and a decrease resulted from valuation difference on available-for-sale securities.

Interest-bearing debt as of September 30, 2023, amounted to ¥157.0 billion, down ¥26.3 billion from the previous fiscal year-end. Furthermore, net interest-bearing debt—interest-bearing debt net of cash and cash equivalents—decreased ¥1.7 billion from the previous fiscal year-end, amounting to ¥97.4 billion on September 30, 2023.

Net assets on September 30, 2023, were ¥595.8 billion, up ¥23.7 billion from the previous fiscal year-end. This outcome was because of higher retained earnings and an increase attributable to foreign currency translation adjustments. In addition, equity—total net assets net of non-controlling interests—was up ¥24.0 billion from the previous fiscal year-end, standing at ¥541.1 billion on September 30, 2023. The debt-to-equity ratio (interest-bearing debt ÷ equity) was 0.3 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, unchanged from the previous fiscal year-end.

In the six-month period ended September 30, 2023, consolidated free cash flow (net cash from operating activities + net cash from investing activities) was a positive ¥13.2 billion, a decrease of ¥36.0 billion compared with a positive free cash flow of ¥49.2 billion in the previous equivalent period.

**Cash flows from operating activities**

Net cash provided by operating activities was ¥34.8 billion, compared with net cash provided by operating activities of ¥59.9 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 a decrease in cash generated of ¥25.0 billion year on year.

**Cash flows from investing activities**

Net cash used in investing activities was ¥21.6 billion, compared with net cash used in investing activities of ¥10.7 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 an increase in cash outflow of ¥10.9 billion year on year.

**Cash flows from financing activities**

Net cash used in financing activities was ¥41.9 billion, compared with net cash used in financing activities of ¥35.7 billion in the previous equivalent period. This was principally due to repayments of long-term borrowings and the redemption of bonds.

As a result, consolidated cash and cash equivalents on September 30, 2023, amounted to ¥59.6 billion, down ¥24.6 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, 2023, Fuji Electric has chosen not to revise the consolidated forecast for business results for the fiscal year ending March 31, 2024, that was announced together with financial results for three-month period ended June 30, 2023, on July 27, 2023. This decision was made despite the following disparities between the performance and forecasts for individual segments.

The forecast assumes exchange rates of US\$1 = ¥140, €1 = ¥150, and RMB1 = ¥19.5 for the period from October 1, 2023, onward.

(Consolidated Forecasts for the Fiscal Year Ending March 31, 2024)

(¥ billion)

	Previous announcement	Today's announcement	Change
Net sales	1,060.0	1,060.0	0.0
Operating profit	96.0	96.0	0.0
Ordinary profit	94.5	94.5	0.0
Profit attributable to owners of parent	64.5	64.5	0.0

(Reference: Consolidated Forecasts for the Fiscal Year Ending March 31, 2024, by Segment)

(¥billion)

	Previous announcement		Today's announcement		Change	
	Sales	Operating profit	Sales	Operating profit	Sales	Operating profit
Energy	337.0	29.2	332.0	27.0	(5.0)	(2.2)
Industry	403.0	32.5	406.0	32.6	3.0	0.1
Semiconductor	225.0	33.8	223.0	34.3	(2.0)	0.5
Food and Beverage Distribution	96.0	5.0	99.0	6.5	3.0	1.5
Others	60.0	3.4	60.0	3.8	0.0	0.4
Elimination and Corporate	(61.0)	(7.9)	(60.0)	(8.2)	1.0	(0.3)
Total	1,060.0	96.0	1,060.0	96.0	0.0	0.0

Effective October 1, 2023, the Power Electronics Energy, Power Electronics Industry, and Power Generation segments were reorganized to form the Energy and Industry segments. Accordingly, the Company now has five reportable segments—Energy, Industry, Semiconductor, Food and Beverage Distribution, and Others. Previously announced figures have been restated to reflect this change in reportable segments.