

Overview of Segments

Power Electronics Systems Energy

In addition to promoting systems-related business, mainly in Southeast Asia, we will develop global products and strengthen our engineering systems to expand our comprehensive electrical equipment business.

Masashi Kawano

Managing Executive Officer

Corporate General Manager, Power Electronics Systems Energy Business Group



Awareness of Market Needs and Business Opportunities

In Southeast Asia, India, and the Middle East, where steady economic growth is expected over a medium- to long-term, investments continued to be made in social and industrial infrastructure such as substation and data centers, as well as in semiconductor factories. We also benefitted from robust demand for substation equipment, switchgears and controlgears, and other equipment needed for the stable supply of electricity. The data center market is particularly strong, evidenced by an increase in construction of large-scale data centers as information systems move to the cloud and e-commerce systems progress. Meanwhile, there are calls for uninterruptible power systems (UPSs), which contribute to the stable supply of electric power, to have larger capacity and be made more compact and energy-efficient.

In Japan, we look forward to ongoing steady investments—to replace aging substation equipment, including transformers and switchgears delivered to steel, chemical, and other material plants and railway companies in the 1970s and 1980s—aimed at preventing accidents and improving efficiency of maintenance, including through remote operation.

Meanwhile, the need to save energy and reduce CO₂ emissions has led to increased demand for visualization and optimization of factory-wide energy usage, from the perspective of decarbonization and energy cost containment. In addition to introducing products with high power conversion efficiency, customers will have more opportunities to use energy management systems (EMSs) to achieve optimal energy supply and demand control.

Fiscal 2020 Results and Fiscal 2021 Business Plan

In fiscal 2020, sales in this segment amounted to ¥209.2 billion, down ¥8.8 billion from the previous year. This was due to the impact of large-scale projects for industrial power supply equipment in the previous year, as well as a decline in demand of smart meters, switchgears and controlgears, ED&C components, and the like. Operating income increased ¥1.7 billion year on year, to ¥14.0 billion, thanks to our emphasis on cost reductions, which compensated for a decrease in sales volume.

In fiscal 2021, we will work to expand our overseas

business, particularly in Southeast Asia, by launching global products and strengthening our engineering support system. At the same time, we will expand our comprehensive electrical equipment business for data centers and semiconductor factories and take advantage of growing demand for ED&C components, the market for which began to recover in the second half of the previous fiscal year. For the year, we forecast sales of ¥217.0 billion, up ¥7.8 billion year on year, and operating income of ¥15.2 billion, up ¥1.2 billion.

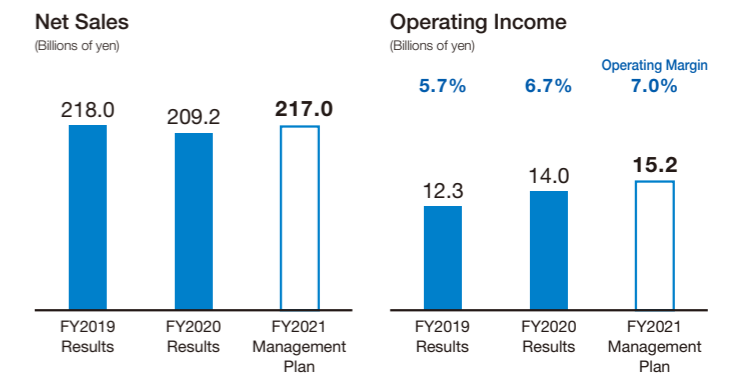
Priority Measures

Promoting systems-related business, mainly in Southeast Asia

Until fiscal 2020, we sought to strengthen our plant business by building a new switchgear and controlgear system factory and engineering center at Fuji Electric

Manufacturing (Thailand) Co., Ltd. (FMT). In fiscal 2021, we will develop new global products for the Southeast Asian and Indian markets and expand our lineup of products offering a wide range of voltages and capacities, including transformers, switchgears, and UPSs. We will

Business Areas	<p>[Energy management] Substation equipment, Energy management systems, Smart meters</p> <p>[Power supply and facility systems] Uninterruptible power systems (UPS), Switchgears and controlgears</p> <p>[ED&C components] Power distribution and control equipment</p>
Supplied to	Power companies, Material plants (steel, chemical, etc.), Data centers, Semiconductor factories, Machine manufacturers
Strengths	<ul style="list-style-type: none"> Package proposals from a wide range of products and systems to maintenance services, contributing to stable power supply and power optimization Extensive delivery record and engineering experience in stable power supply and power optimization Energy-saving expertise developed at Fuji Electric's factories in Japan and overseas



also strengthen our ability to propose systems for data centers and the power and materials sectors through collaboration between FMT's engineering center and local production bases (in Thailand, Singapore, and India). Meanwhile, the Kobe Plant and FMT will provide technical and production support to Fuji Electric Consul Neowatt Private Limited (FCN) for the launch of production of medium- and large-capacity UPSs in India.

Expanding our comprehensive electrical equipment business

In fiscal 2020, we focused on developing a large-capacity UPS (1,200 kVA) for large-scale data centers, while making proposals for comprehensive electrical equipment for Japanese and foreign-affiliated data centers and semiconductor factories. In fiscal 2021, we will accelerate development of an ultra-large-capacity UPS (2,400 kVA) in order to win business from data centers, which are becoming even larger in scale. We will also aim to expand orders for overseas projects by promoting vendor registration based on our track record in Japan with foreign-affiliated data centers. To strengthen development

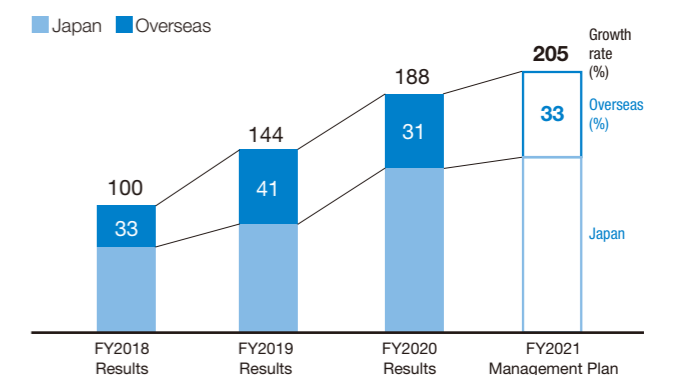
Large-Capacity UPS for Large Data Centers

7500WX Series (released in April 2021)

- Capacity: 1,200 kVA/1,200 kW
- Industry's highest power conversion efficiency: 96.6%
- World's smallest footprint (3,500 mm wide × 900 mm deep), allowing more servers to be installed



Sales to Data Centers



*FY2018 (benchmark year) Results is assigned 100 for comparison purposes

Power Electronics Systems Industry

We will accelerate overseas business expansion by promoting partnership strategies, mainly in Southeast Asia and India, to strengthen our local design local production for local consumption.

Hiroshi Tetsutani

Managing Executive Officer

Corporate General Manager, Power Electronics Systems Industry Business Group



Awareness of Market Needs and Business Opportunities

The Japanese industrial sector is facing rising demand for environmental measures to address decarbonization, as well as labor shortages and the need for work-style reforms. Accordingly, companies are expected to increasingly adopt automation, labor saving, and remote control technologies at their manufacturing sites. In the materials sector including steel and chemicals, one of our focus areas, we plan to continue building optimal production systems, upgrading facilities to strengthen competitiveness, renewing aging facilities, and investing in energy savings and CO₂ emission control technologies aimed at decarbonization. Due to the aging and shortage of maintenance personnel, meanwhile, passing on

know-how and reducing the burden of maintenance work have become challenges.

In Southeast Asia and India, where steady economic growth is expected over a medium- to long-term, facilities are being automated to save energy and improve production efficiency in the wake of power shortages. We also look forward to new capital investments and equipment renewal demand in various material-related sectors, including steel and cement.

In China, we anticipate investments in factory automation and labor saving, as well as environmental measures to save energy, under that government's New Infrastructure Project.

Fiscal 2020 Results and Fiscal 2021 Business Plan

In fiscal 2020, sales in this segment totaled ¥345.9 billion, up ¥28.4 billion year on year. Main factors included a large special order related to the GIGA School Concept in the academic sector, as well as increased demand for servo systems and other components in China and India, and higher demand for scrubbers and other systems for vessel transportation. Operating income increased ¥5.2 billion, to ¥21.8 billion, due to increased sales volumes and a less favorable sales mix.

In fiscal 2021, we look forward to an increase in demand

for low-voltage inverters and other components, as well as equipment construction projects in China, Japan and other overseas countries. However, we expect a decline in projects related to the GIGA School Concept, which generated special demand in fiscal 2020. For fiscal 2021, we forecast sales of ¥329.0 billion, down ¥16.9 billion year on year. Despite a decrease in sales volumes, we forecast sales income of ¥22.2 billion, up ¥0.4 billion, due to increased sales volumes of components and reinforcement of our business structure.

Priority Measures

Expand overseas business through partnership strategies

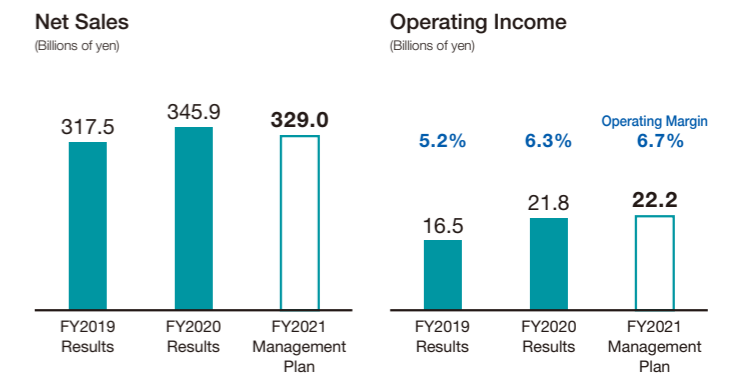
In China, we have enjoyed growth in sales of medium-voltage inverters used for pumps for public facilities and infrastructure, including electric power, gas, and water supply, by utilizing the sales channels of our partner, Shanghai Electric Group.

In fiscal 2021, we will expand our target markets to

include manufacturing facilities, mainly cement and chemical plants, and develop systems that combine our medium-voltage inverters with electric motors handled by Shanghai Electric Group.

In Southeast Asia, we are strengthening our partnership strategy with Fuji CAC Joint Stock Company (FCAC), which we acquired in 2016 with the aim of establishing a regional based type business system. In Vietnam, we will combine

Business Areas	<p>[Automation systems] Inverters, Motors, Servo systems, Controllers, Programmable operator interfaces, Measuring instruments, Sensors, FA systems, Drive control systems, Measuring and control systems</p> <p>[Social solutions] Drive systems and door systems for railcars, Exhaust gas cleaning systems for ships, Radiation monitoring systems</p> <p>[Equipment construction] Electrical equipment construction, Air conditioning equipment construction</p> <p>[IT Solutions] ICT-related equipment and software</p>
Supplied to	Air conditioning and water treatment facilities, Machine manufacturers, Material plants (steel, chemical, etc.), Railway companies, Shipbuilding companies, Public agencies and local government
Strengths	<ul style="list-style-type: none"> • Early development of power electronics equipped with power semiconductors • Extensive product lineup tailored to customer applications • Engineering capabilities built up over a substantial delivery track record



and leverage the sales power of Fuji Electric Vietnam Co., Ltd. and the engineering capabilities of FCAC to establish a framework for increasing sales in our plant business. We will use the framework to expand our systems business for harbor cranes and food and beverage plants, in addition to cement and waste treatment plants. In India, we have leveraged the sales channels of Electric Consul Neowatt Private Limited (FCN) that we acquired in 2019 to increase sales of inverters, servo systems, UPSs, and other products for spinning and other assembly machinery, as well as for hospitals and other healthcare applications. In fiscal 2021, we will fully integrate management and sales channels in India through the merger of FCN and Fuji Electric India Private Ltd. We will also enhance competitiveness by strengthening our local design capability and developing local procurement and manufacturing systems for power electronics including inverters. In addition, we will step up production and engineering of switchgears and controlgears at Fuji Gemco Private Limited and engage in business negotiations for systems in the steel and crane sectors.

In North America, we will collaborate with Fuji SEMEC Inc. to further strengthen our manufacturing and engineering systems for mass production of doors to expand our railcars business.

Reinforce the FA-related components business

Committed to creating robust systems, we are working to improve competitiveness and strengthen the constitution of our components with the aim of improving profitability. In fiscal 2020, we promoted the standardization of components (platform creation) in power electronics, centered on our N-MEGA Series of low-voltage inverters, in order to lower procurement and production costs by reducing the number of components, and to facilitate customized and knockdown production at overseas bases. In fiscal 2021, we will globally deploy and reap the benefits of the products that we created a platform while expanding platform development for servos, measuring instruments, and other power electronics.

Expand plant business and services using AI and IoT

To date, we have leveraged our products, technologies, and know-how related to drive control, measurement control, industrial heating, and the like to propose comprehensive solutions to customers in the steel, casting, waste treatment and ceramic sectors in Japan. However, our customers' production lines and systems were becoming increasingly complex, which presented a challenge. In fiscal 2021, therefore, we will build a plant system building at the Tokyo Factory to house facilities for verifying these increasingly complex customer systems and improve the quality of our engineering services.

The manufacturing industry plants and production facilities are facing numerous problems that include aging equipment, aging maintenance personnel, and a shortage of human resources. To address these problems, we will deploy AI and IoT technologies to provide our comprehensive smart service for equipment security and maintenance to optimize equipment maintenance—from maintenance planning to equipment monitoring and proposals for maintenance management measures—in order to expand our sales volume. We will also leverage our track records and know-how in Japan to expand our plant business overseas.

N-MEGA Series, Our First Line of Low-Voltage Inverters Based on Platform Creation (Standardization of Components)

(Released in March 2021)



Applications:
General industry (conveyance machinery, etc.)
End-user fields (steel, cranes, etc.)

Semiconductors

We will continue increasing our power semiconductor production capacity to expand our business in the markets for electrified vehicles and renewable energy.

Toru Housen

Managing Executive Officer
Corporate General Manager, Semiconductors Business Group



Awareness of Market Needs and Business Opportunities

Power semiconductors help save energy thanks to their high levels of conversion efficiency and power control. Demand for these devices is rising globally due to various factors. These include increases in energy consumption due to economic growth and technological progress, environmental regulations, and growing investments in automation in the manufacturing sector.

In the automotive field, the shift from gasoline-powered vehicles to electrified vehicles (xEVs) is gaining momentum in various countries around the world, and demand for

power semiconductors is expected to grow, including for inverters used to drive xEV motors.

In the industrial field, we look forward to growth in demand for these devices used in multiple applications. In addition to the high-speed communication standard (5G) and semiconductor manufacturing equipment, these include renewable energy fields, such as solar and wind power, bolstered by rising demand for clean energy, as well as energy-efficient air conditioners, mainly in China.

Fiscal 2020 Results and Fiscal 2021 Business Plan

In fiscal 2020, the rapidly expanding market for automobile electrification led to an increase in the number of manufacturers and vehicle models using power semiconductors for xEVs, resulting in a significant jump in sales of these devices used in automobiles. We also posted increased sales of power semiconductors for use in renewable energy fields, such as solar and wind power generation, as well as in factory automation and air conditioners, mainly in the Chinese market. As a result, sales in this segment climbed ¥20.1 billion year on year, to ¥157.5 billion. Despite an increase in expenses related to investments to increase our power

semiconductor production capacity, operating income rose ¥7.9 billion, to ¥17.7 billion, due to increases in sales and production volumes.

In fiscal 2021, we will work to increase orders for power semiconductors—targeting the markets for xEVs, renewable energy, factory automation, and air conditioners, mainly in China, where demand remains strong—while continuing to increase our production capacity. For the year, we forecast sales of ¥174.0 billion, up ¥16.5 billion year on year, and operating income of ¥21.6 billion, up ¥3.9 billion.

Priority Measures

Accelerating use of power semiconductors for xEVs

In fiscal 2020, sales of automotive products increased significantly over the previous year thanks to our full-scale manufacturing of the 4th-generation direct liquid cooling modules, whose mass production began in fiscal 2019, as well as an increase in the number of vehicle models using those modules.

Our 4th-generation direct liquid cooling module is a power semiconductor for xEV motor drive inverters

with 36% higher power density than conventional devices. It incorporates RC-IGBT*, which we developed independently ahead of our competitors, and uses a direct liquid cooling structure with higher heat dissipation performance than previous products. It contributes to higher efficiency, smaller size, and lighter weight of equipment on which it is installed.

Anticipating further growth in the xEV market, in fiscal 2021 we will continue working to broaden the adoption of our products, with the aim of generating sales growth

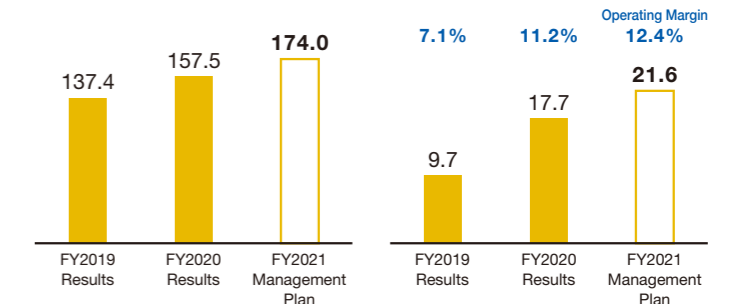
Business Areas Industrial field, Automotive field, Information field

Supplied to **[Industry]** Inverters, Machine tools, Air conditioners, Solar and wind power, Electric railways
[Automobile] Motor drives for electrified vehicles (EVs, HEVs, etc.), Engine control, Brake control
[Information] [Media] Hard disks (data centers, PCs)
[Photoconductors] Copiers, printers

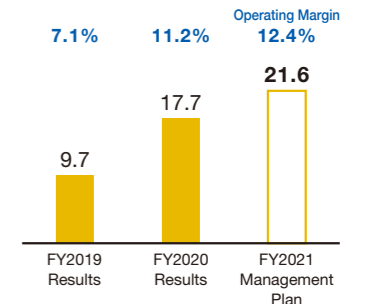
Strengths **[Power semiconductors]**

- Proprietary devices that greatly improve power conversion efficiency
- Packaging technologies that achieve high levels of heat dissipation and reliability
- Product development capabilities of IGBT modules that contribute to increasing the efficiency, compactness, and reliability of power electronics

Net Sales
(Billions of yen)



Operating Income
(Billions of yen)



exceeding that of the market.

*RC-IGBT: Acronym for reverse conducting insulated gate bipolar transistor. An RC-IGBT arranges two types of semiconductors with differing functions—IGBTs and freewheeling diodes (FWDs)—alternately in a straight line on a single chip. This permits much greater miniaturization compared with arranging the IGBTs and FWDs on two separate chips.

Industrial power semiconductors: Expanding sales of 7th-generation IGBT modules

In fiscal 2020, we posted a year-on-year increase in sales, boosted by higher demand for 7th-generation IGBT modules—which reduce losses by around 30% compared with existing chips and feature high heat dissipation and high reliability—mainly in the markets for renewable energy, factory automation, and air conditioners, centered on China. We also expanded our product lineup and started mass production of the X Series IGBT-IPM*. This module contributes to energy savings in equipment on which it is installed thanks to its industry-leading low-loss performance.

In fiscal 2021, we will strive to increase sales of 7th-generation IGBT modules mainly in the Chinese renewable energy, factory automation, and air conditioner markets, where demand remains strong.

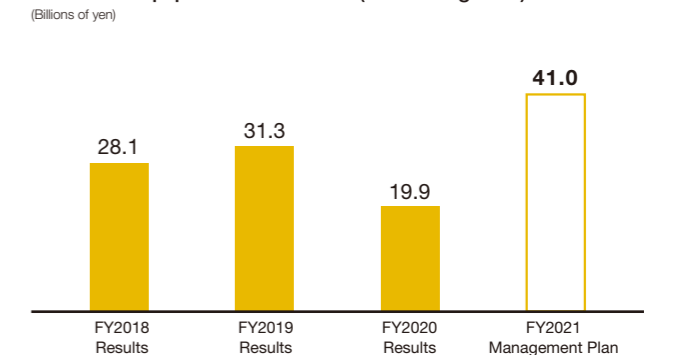
*7th-generation IGBT module equipped with IGBT driving circuits and a self-protection function to prevent failures due to overcurrent, overheating, etc.

Accelerating increase in production capacity and promoting development of next-generation products

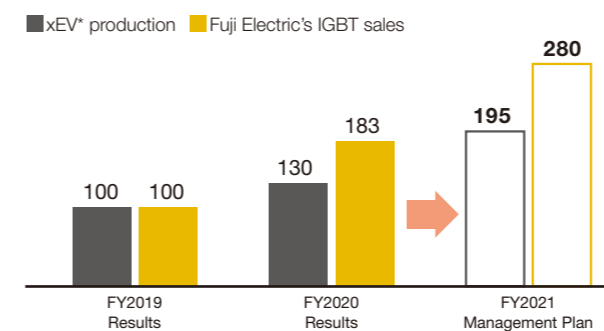
For the manufacturing process of power semiconductor chips, we are making continuous investments to increase the production capacity for 8-inch wafers. For the assembly process, we are investing to increase the production capacity for automotive and industrial products.

We are also emphasizing technological and product development of next-generation IGBT modules and SiC modules in order to strengthen the competitiveness of our power semiconductors.

Plant and Equipment Investment (Whole Segment)

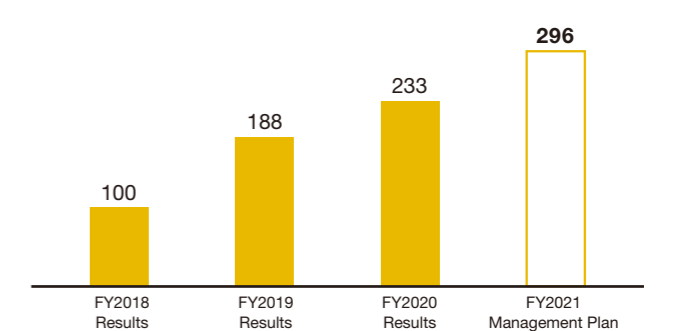


xEV Production Trend & Fuji Electric's IGBT Sales Plan



For both production and sales, FY2019 (benchmark year) is assigned 100 for comparison purposes
Figures for xEV production reflect our predictions based on research company forecasts
*xEV: Sum of full-hybrid vehicles and electric vehicles (EVs)

8-Inch Wafer Production Capacity (Front-End Process)



For production capacity (year-end), FY2018 (benchmark year) is assigned 100 for comparison purposes

Power Generation

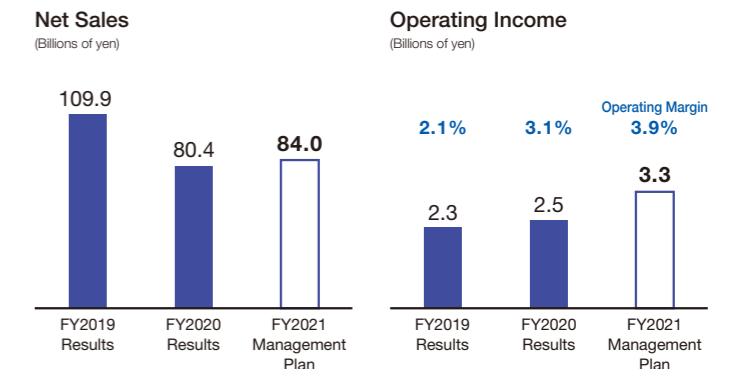
We will expedite the transformation of our business portfolio to increase orders in renewable energy and distributed power sources.

Tadao Horie

Executive Officer
Corporate General Manager, Power Generation Business Group



Business Areas	[Renewable and new energy] Geothermal power, Hydro power, Solar power, Wind power, Fuel cells [Thermal power] [Nuclear power-related equipment]
Supplied to	Japanese and overseas power generation companies
Strengths	<ul style="list-style-type: none"> • Engineering capabilities across the whole plant • One-stop proposal capabilities in geothermal power • Industry leading delivery track record • Extensive delivery track record in hydro power • Power storage control technologies and economic efficiency in solar and wind power



Awareness of Market Needs and Business Opportunities

The market for renewable energy sources that do not emit greenhouse gases is growing as decarbonization becomes a global trend. In solar power generation, this has helped revitalize projects that have been certified under Japan's Feed-In Tariff (FIT) Scheme but are not yet operational. In wind power generation, meanwhile, more and more companies are participating in both onshore and offshore projects in Japan, stimulating new project concepts. In geothermal power generation, projects are under development in Southeast Asia, which has abundant geothermal resources, and plans to utilize

small-scale heat sources are earmarked for Japan. Meanwhile, there is growing demand for hydro power, which is a stable source of electricity. In Japan, the volume of hydro power generated is increasing as aging power generation facilities get replaced and output rises. And in nuclear power generation, there is increasing demand for decommissioning of facilities and treatment of waste.

In the after-sales business, there is a growing need to enhance operability and capacity utilization ratio to cope with changes in the electricity supply-demand balance.

In fiscal 2020, we received an order for a complete set of power generation equipment for the Tauhara Geothermal Power Station in New Zealand. With an output of 152 MW, it will be the world's largest single -geothermal power unit.

In fiscal 2021, we will expand sales of power generation equipment for small-scale heat sources of 5 MW or less in Japan, while overseas we will improve our market presence and expedite activities to win orders by strengthening relationships with local companies and reinforcing our supply chain.

► Hydro power

Deploying our strength in design technology for producing highly efficient turbines according to installation location, we provide hydro power generation systems that combine generators, control devices, and auxiliary equipment.

In fiscal 2020, we continued attracting high-level orders, as we did in the previous fiscal year. Our order backlog at the beginning of fiscal 2021 had grown around 2.7-fold for the past 3 years.

In fiscal 2021, to address strong demand, we will reinforce our response capability at customer sites and work to expand applications of our differentiated products, including hybrid servo systems that reduce risks to the water environment.

promoting onshore and onsite projects that bring together all functions in each customer's region, from sales to procurement, installation, and after-sales service.

In fiscal 2020, we rolled out technical services that utilize both remote and real (on-site) responses, resulting in higher sales in our after-sales business even during the COVID-19 pandemic.

In fiscal 2021, we will strive to expand our after-sales business while building a foundation to develop higher-value-added solutions, including changing fuel mixes and operational procedures to reduce greenhouse gas emissions.

Contributing to nuclear decommissioning and waste treatment

Since participating in the construction of Japan's first commercial nuclear power plant, we have been involved in the entire lifecycle of nuclear facilities, from design and production of fuel fabrication facilities to decommissioning. In the process, we have accumulated significant technologies and experience.

Amid progressive efforts to improve the safety of nuclear-related facilities, we will contribute to safe and secure decommissioning and waste treatment by utilizing our strengths in remote handling (including nuclear fuel removal and storage), radiation measurement, radioactive waste cutting and solidification, and other technologies.

Fiscal 2020 Results and Fiscal 2021 Business Plan

In fiscal 2020, sales in this segment declined ¥29.5 billion year on year, to ¥80.4 billion, due to rebound from large-scale thermal power and solar power projects recorded in the previous fiscal year. Operating income edged up ¥0.2 billion, to ¥2.5 billion, reflecting discrepancies between projects.

In fiscal 2021, we look forward to increased sales of renewable energy, including geothermal power, as well as nuclear power-related equipment and after-sales business.

For the year, we forecast sales of ¥84.0 billion, up ¥3.6 billion year on year, and operating income of ¥3.3 billion, up ¥0.8 billion.

Going forward, we will focus on expanding sales in the renewable energy field and after-sales business. Our aim is to continue pursuing year-on-year increases in the ratio of sales in the carbon-free field and after-sales business to net sales.

Priority Measures

In addition to increasing orders for renewable energy and expanding our after-sales business, we are promoting safe decommissioning and waste treatment initiatives for nuclear-related equipment.

Expanding orders for renewable energy

► Solar and wind power

Our strengths lie in our high-efficiency power conditioning systems equipped with our own power semiconductors, as well as solutions that use storage batteries to contribute to power system stabilization and peak shifts. Leveraging these strengths, we are promoting increased orders.

We are engaged in a large-scale self-consumption wind power generation facility under an EPC contract in

Japan, which made good progress in fiscal 2020. We also received new orders for electrical equipment for mega solar and offshore wind power generation facilities.

In fiscal 2021, we will continue striving to increase orders for solar and wind power generation, demand for which is growing in Japan and overseas, by leveraging our electric power stabilization solutions and other differentiated products.

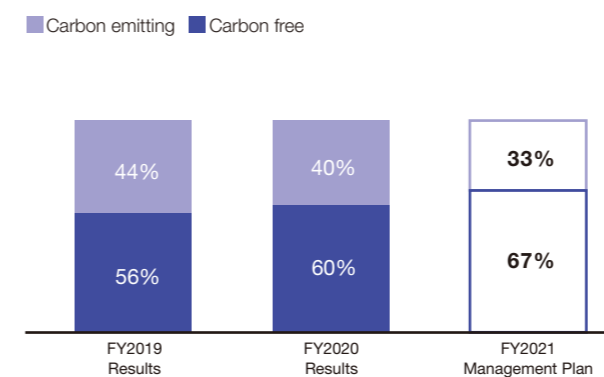
► Geothermal power

In geothermal power, where we have the largest market share in the industry, we are expanding sales in Japan, Asia, Africa and other regions with geothermal resources, taking advantage of our one-stop proposal capabilities backed by our extensive track record.

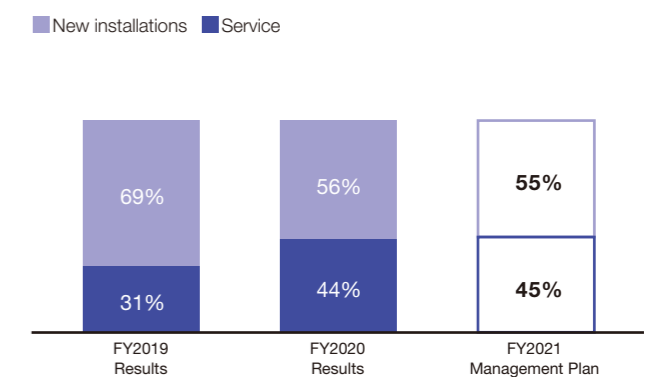
Expanding our after-sales business

In maintenance and replacement services, we will continue

Sales Ratio by Carbon Free / Carbon Emitting



Sales Ratio by Service / New Installations



Food and Beverage Distribution

We will promote our growth strategy by grasping changes in the market and accelerating efforts to introduce new products and develop new customers.

Keiichi Asano

Executive Officer
Corporate General Manager, Food and Beverage Distribution Business Group



Awareness of Market Needs and Business Opportunities

The vending machine market in Japan continued to contract slightly due to increasing competition from convenience stores and other sales channels and saturation of locations where vending machines are installed. In fiscal 2021, we expect demand to remain on a par with fiscal 2020 amid ongoing investment curtailments among beverage manufacturers (our customers) stemming from the spread of COVID-19. On the other hand, there is a growing need for more efficient operation of vending machines, contact-free, non-face-to-face machines to avoid infectious diseases, and eco-friendliness to help realize a decarbonized society.

In store distribution, where our main customers are convenience stores and supermarkets, demand is increasing for renovations to accommodate changes in lifestyles resulting from the COVID-19 pandemic. Moreover, business opportunities are increasing to address the growing need for food loss reduction.

In China and other overseas vending machine markets, responding to diversifying customer needs has become an issue. In addition to demand among major beverage manufacturers for energy saving and eco-friendliness, our store-based customers are increasingly looking to vending machines as a way to expand their satellite locations.

Fiscal 2020 Results and Fiscal 2021 Business Plan

In fiscal 2020, sales declined ¥27.9 billion year on year, to ¥76.6 billion, due to curtail investment in vending machines and postponement of projects for convenience stores. Despite efforts to reduce fixed costs, the segment posted an operating loss of ¥5.3 billion, decrease of ¥9.1 billion from the previous fiscal year.

Although we expect market conditions to remain severe in fiscal 2021, we anticipate an increase in our share of the domestic vending machine market, higher sales mainly of

new products, a greater share of the convenience store facilities market, and an increase in renovation projects. For the year, we forecast sales of ¥87.5 billion, up ¥10.9 billion year on year. We also project operating income of ¥2.7 billion, increase of ¥8.0 billion from fiscal 2020, thanks to increased sales volume, business restructuring in the previous fiscal year, further cost reductions, and price revisions for some unprofitable models.

Priority Measures

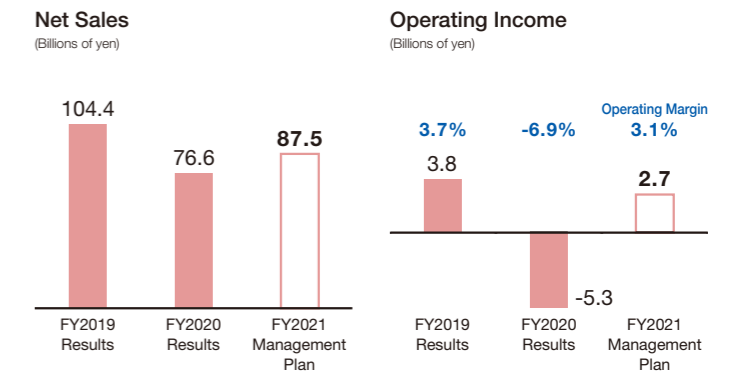
Reinforcing our constitution through business restructuring

In fiscal 2020, we undertook business restructuring in response to significant declines in demand both in Japan and overseas. We also strengthened our business constitution by significantly reducing fixed costs through a review of our product development system. In addition,

we reassigned personnel to growth areas in the Group and reassessed our plant and equipment investment plan.

In fiscal 2021, we will reap the maximum benefits of our business restructuring and improve profitability through further cost reductions in manufacturing and the introduction of high-value-added products.

Business Areas	[Vending machines] Beverage vending machines, Vending machines for food and other goods [Store distribution] Store facilities and equipment, Automatic change dispensers
Supplied to	Beverage manufacturers, Vending machine operators, Convenience stores, Supermarkets, POS manufacturers
Strengths	<ul style="list-style-type: none"> • Top share of the vending machine market in Japan, China (beverage) and Thailand * Our estimate • Heating and cooling technologies that efficiently heat and cool products • Automation technologies built up through vending machines that contribute to labor saving



Offering high-value-added vending machines that meet social needs

In March 2021, we developed a completely contact-free vending machine that enables customers to purchase products without touching the machine, thus responding to social needs for contact-free, non-face-to-face and cashless solutions. The machine is equipped with a two-way telecommunication device that we developed in-house. It allows users to complete the entire process, from product selection to payment via smartphone. Also, the delivery port opens and closes automatically.

Meanwhile, domestic beverage manufacturers and vending machine operators urgently need to improve the efficiency of product replenishment and other operations. In response, we are planning a new service-based business that will use AI to support product demand forecasting and sales planning, which are necessary for efficient vending machine operations. This service and our high-value-added vending machines will enable us to capture new demand.

Expanding our vending machine business in China and the rest of Asia

In China, where environmental awareness is increasing, we will offer energy-saving and eco-friendly vending machines

to major beverage manufacturers who are seeking Japanese-level quality. We will also provide food vending machines and coffee vending machines for convenience stores and store-based customers.

Elsewhere in Asia, the vending machine market is expanding, especially in Thailand. In response, we will provide new beverage manufacturers and store-based customers with cashless vending machines, food vending machines, vending machine convenience stores, and other offerings that meet local needs.

Proposing solutions that meet the diverse needs of stores

In store distribution, we will provide comprehensive solutions for convenience stores by combining our core showcases with counter fixtures, automatic change dispensers, vending machine convenience stores, and store operation management systems.

For showcases, we will deploy our heating and cooling technology and airflow control technology to develop freshness maintaining showcases that help reduce food loss and fluorocarbon-free (CO₂) showcases that help realize a decarbonized society.

