

Management Plan for FY2014

April 25, 2014

Fuji Electric Co., Ltd.

Expand energy-related businesses

Globalize

Realize concerted strength as a team

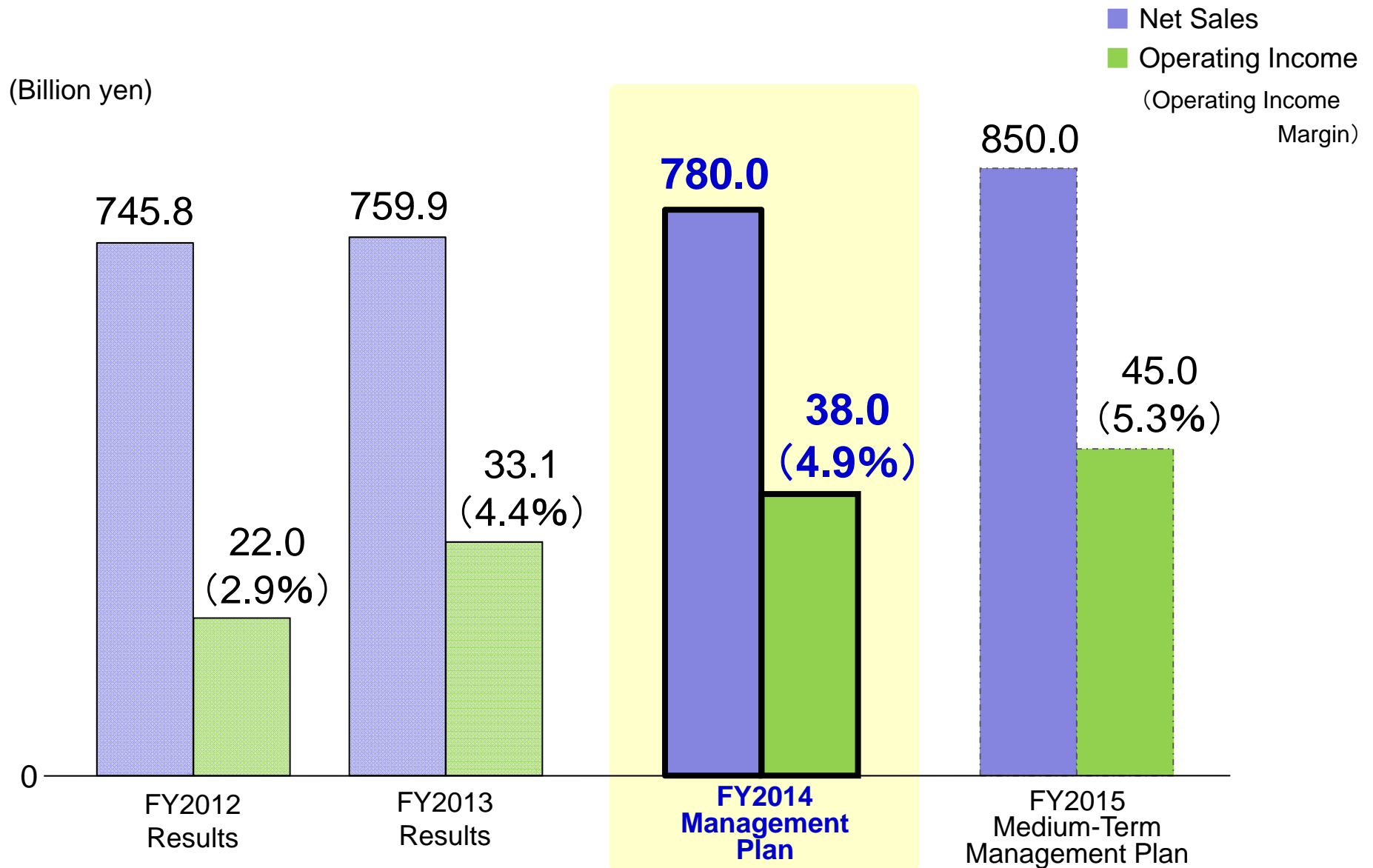
Initiatives for Accomplishing Goals of FY2015 Medium-Term Management Plan

Aggressive Management Expansion

- **Expand Industrial Infrastructure
and Power Electronics businesses**
- **Establish foundations for overseas operation**

Further Strengthen Profitability

Management Plan for FY2014



Management Plan for FY2014

(Billion yen)

	FY2013 Results	FY2014 Management Plan	Change
Net Sales	759.9	780.0	20.1
Operating Income	33.1	38.0	4.9
Ordinary Income	36.7	39.0	2.3
Net Income	19.6	23.0	3.4

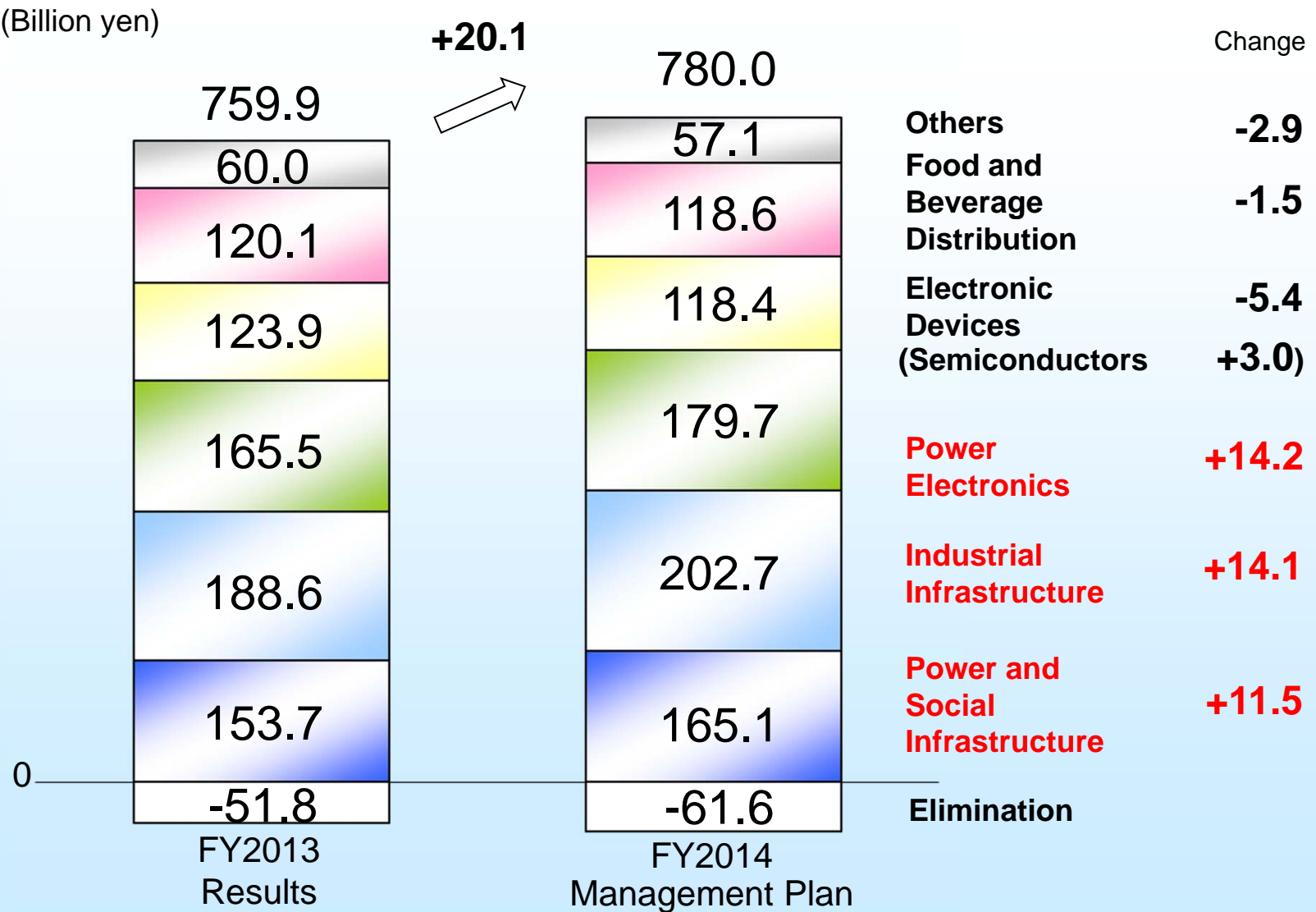
	FY2013 Results	FY2014 Management Plan
Net debt-equity ratio	0.73 time	0.66 time
Total net assets ratio	28.0%	28.1%
ROA	2.5%	2.8%
ROE	9.3%	10.0%

	US\$	EURO
Assumed Exchange Rate	¥100.00	¥135.00
One Yen Effect* (Million yen)	0.3	0.6

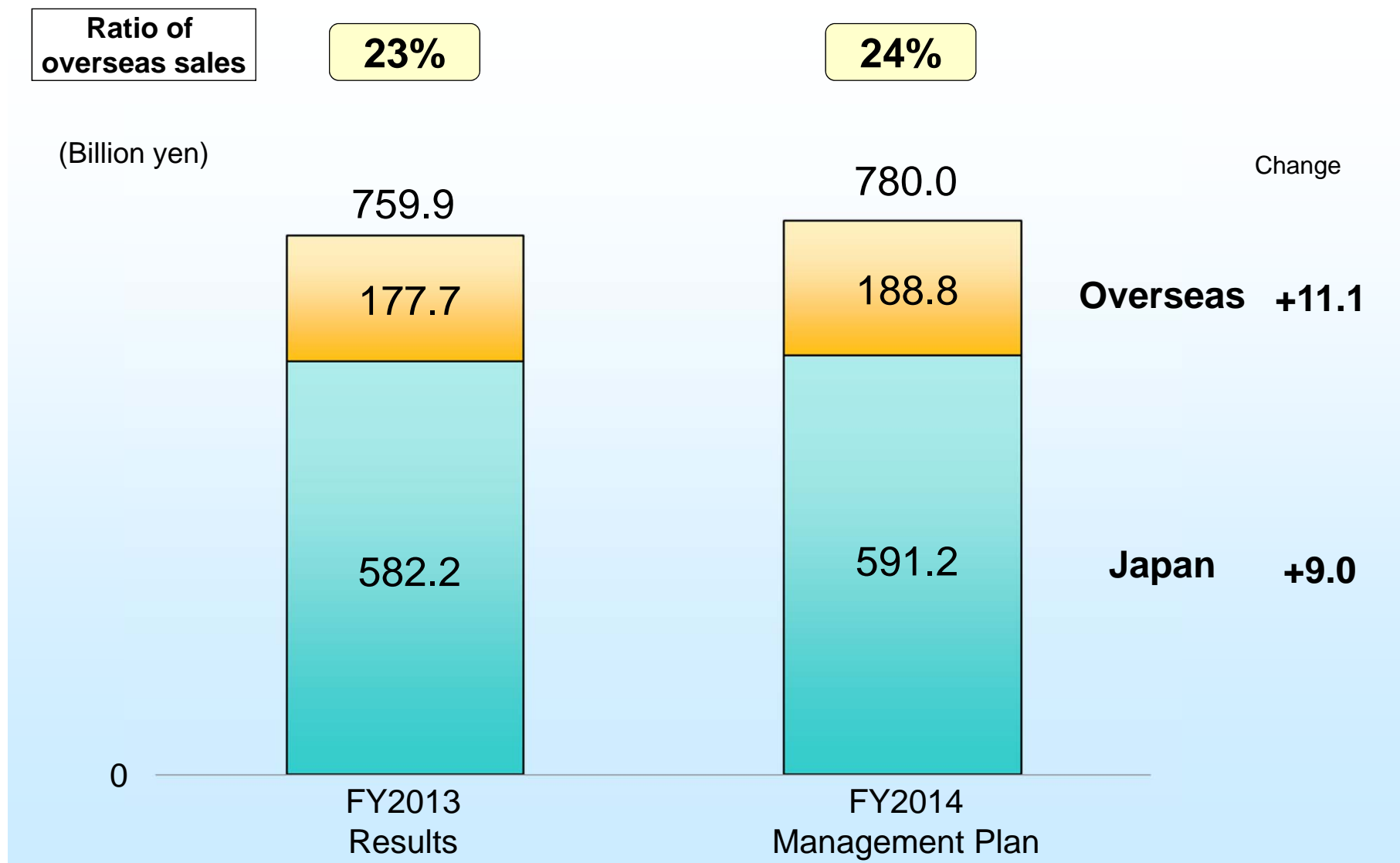
*Operating Income bases

Net Sales (by segment)

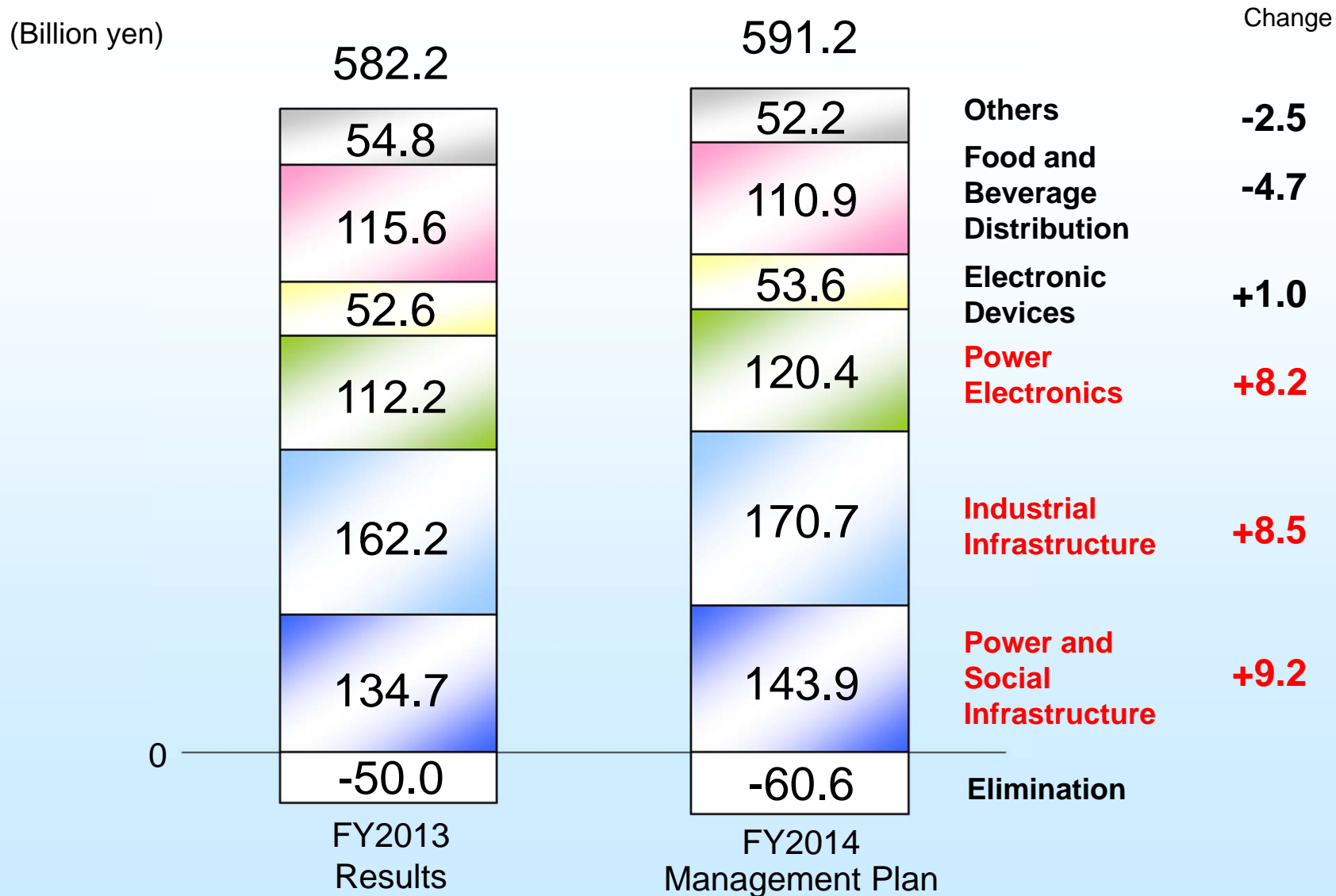
(Billion yen)



Net Sales (Japan and Overseas)

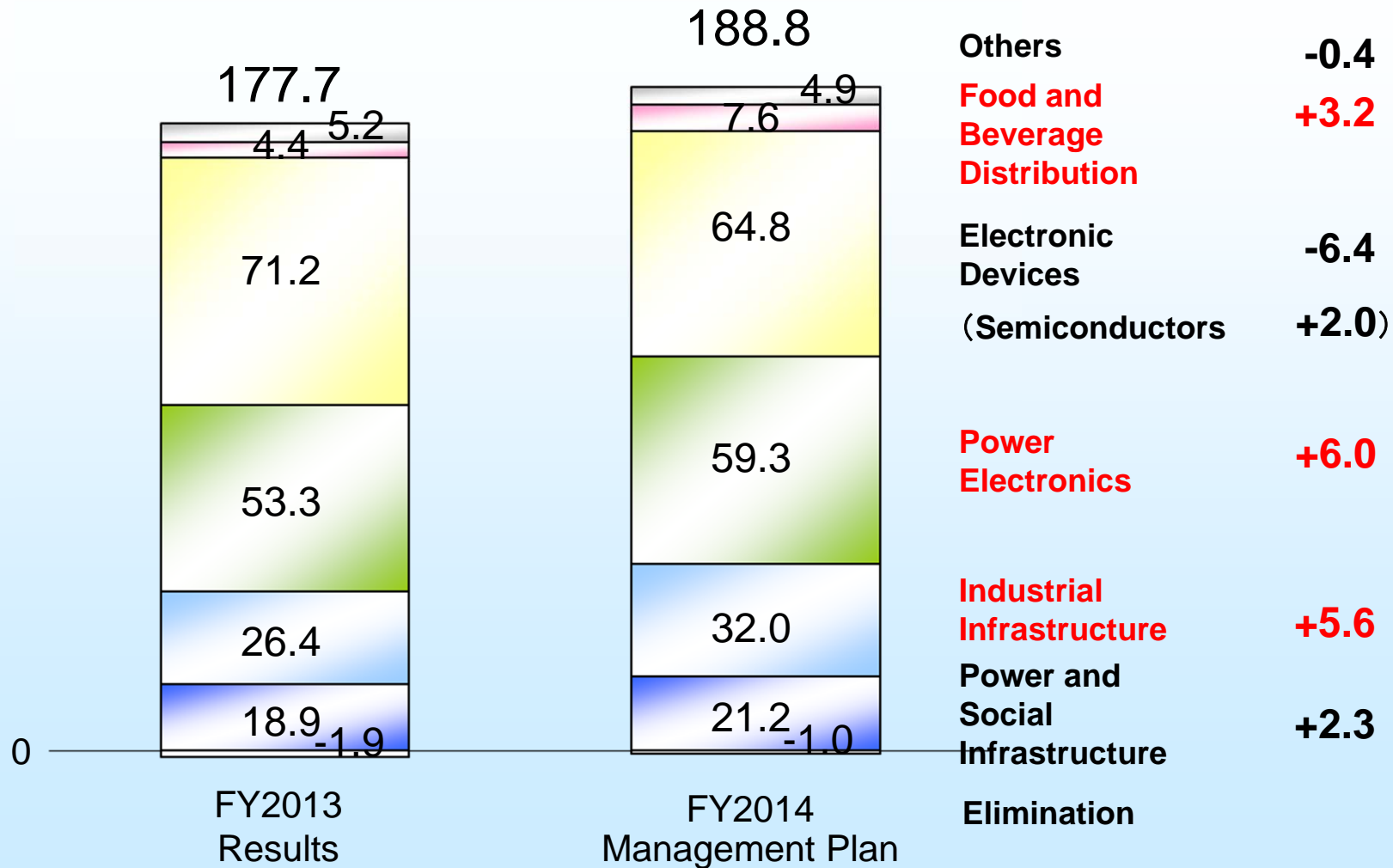


Net Sales in Japan (by segment)



Overseas Net Sales (by segment)

(Billion yen)



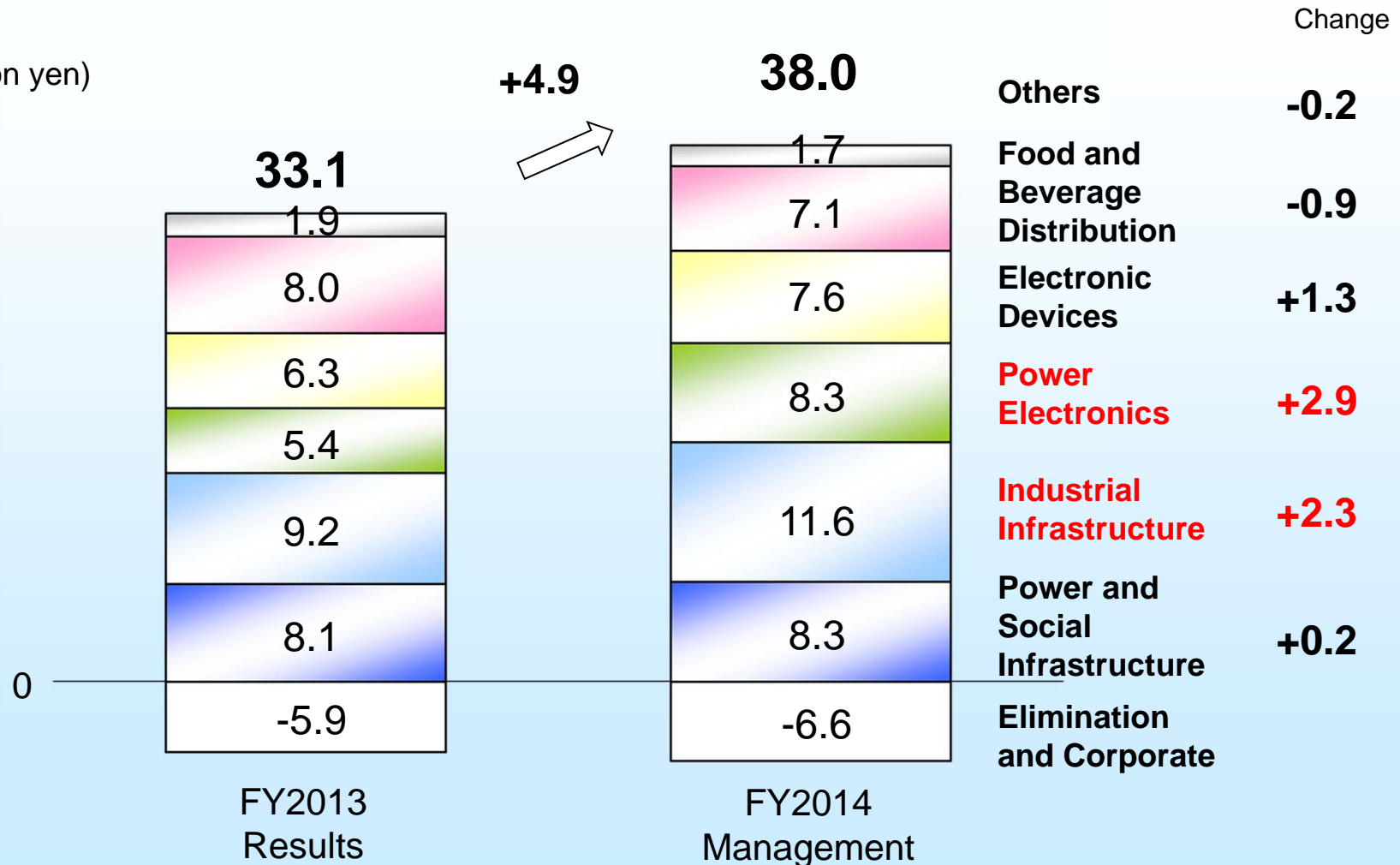
Operating Income (by segment)

Operating
income margin

4.4%

4.9%

(Billion yen)



Priority Measures by Segment

■ Power Plant

- Expand orders of thermal and geothermal power generation systems [More than 70.0 billion yen]
(Overseas and Japan IPP/PPS)
- Expand sales of solar power generation systems [More than 50.0 billion yen]
(EPC / PCS system)
- Expand orders of fuel cells (30 units)

■ Social engineering systems

- Expand orders of smart meters [More than 10.0 billion yen]
Establish mass-production system

■ Expand orders in Japan [175.0 billion yen]

- Expand automotive and IDC businesses
- Capture replacement demand related to steel plants, etc.

■ Overseas orders expansion [35.0 billion yen]

- Expand businesses in Asia centered on Fuji Tusco
- **Establish operating foundation through new M&A activities**

■ Expand orders in Japan [120.0 billion yen]

- Strengthen motors and automotive power electronics businesses
- Accelerate development and introduce new products
(Inverters / UPSs / PCSs)

■ Overseas orders expansion [60.0 billion yen]

- Commence full-fledged operation of the new Thai Factory
- Expand orders in China by utilizing joint-ventures with
Shanghai Electric Group
- Accelerate development and introduce new products
- **Establish operating foundation through M&A activities**

■ Expand orders of power semiconductors [95.0 billion yen]

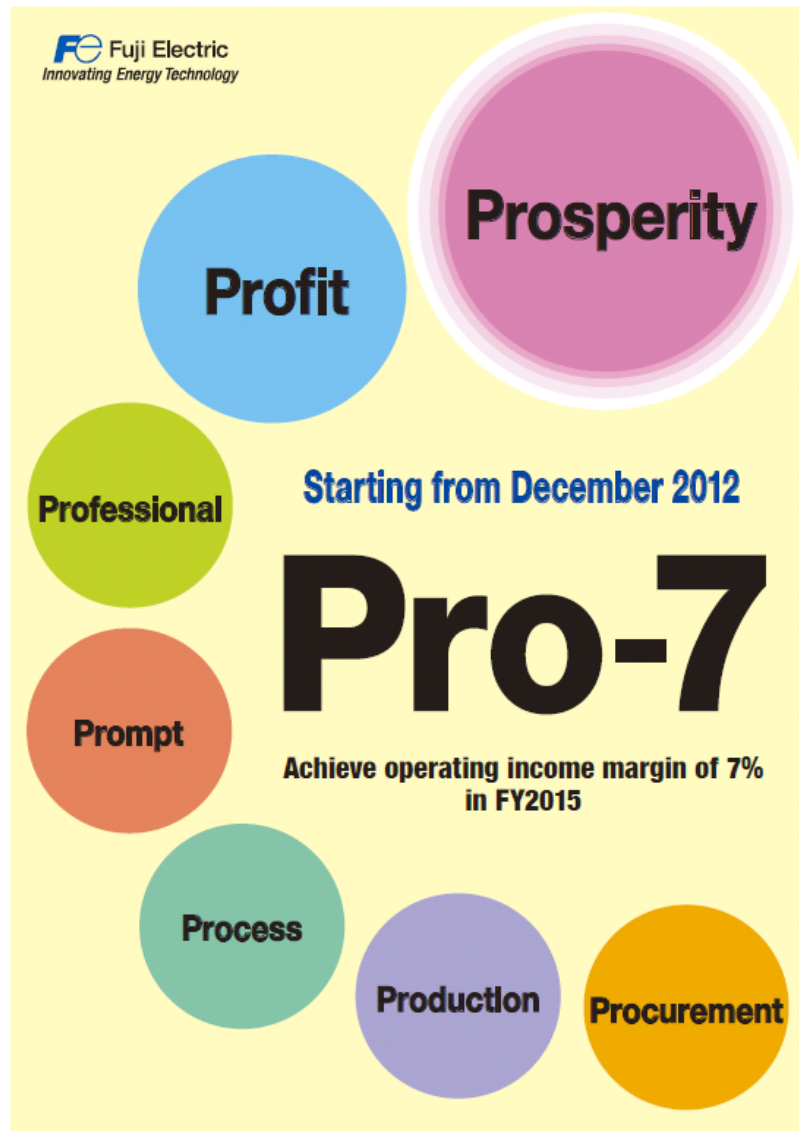
- Expand overseas production on back-end process
[overseas production ratio 39%⇒47%]
- Strengthen R&D systems
(construct Semiconductor Development Center)
- Accelerate development of next-generation power semiconductors

■ Secure Vending Machines orders [70.0 billion yen]

- Expand orders in China and other parts of Asia [7.0 billion yen]
- Establish local sales company in China and other parts of Asia

■ Expand order of Store Distribution [52.0billion yen]

- Expand new businesses for convenience store industry
- Expand refrigerated distribution system business
(D-BOX / Crop production facilities, etc.)



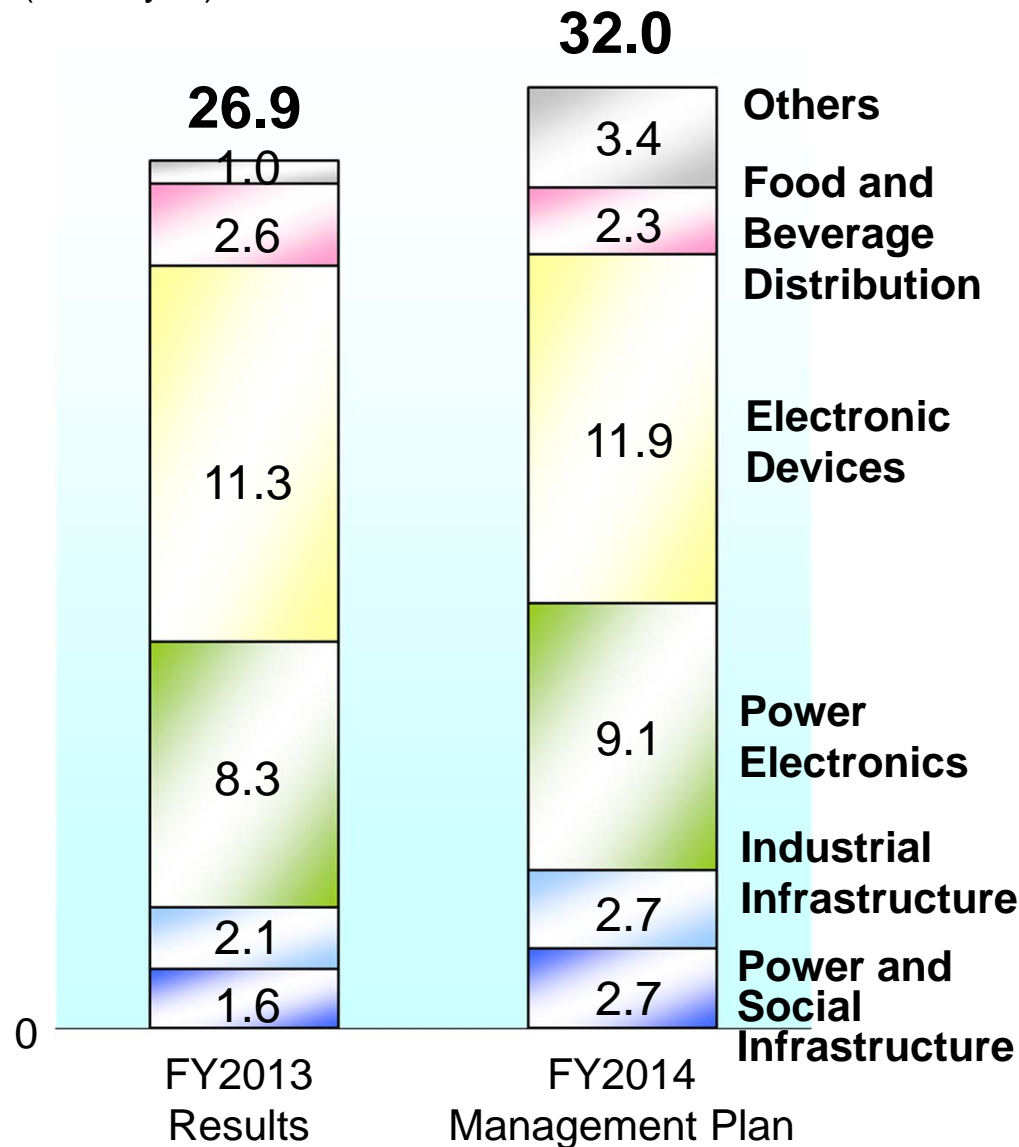
Companywide activity for pursuing specific benefits by formulating targets and measures at each operating site

- Expand sales
- Improve profit margins
- Reduce expenses
- Cut SG&A expenses
- **Improve workflow quality**

Capital Investment / R&D

Capital Investment

(Billion yen)

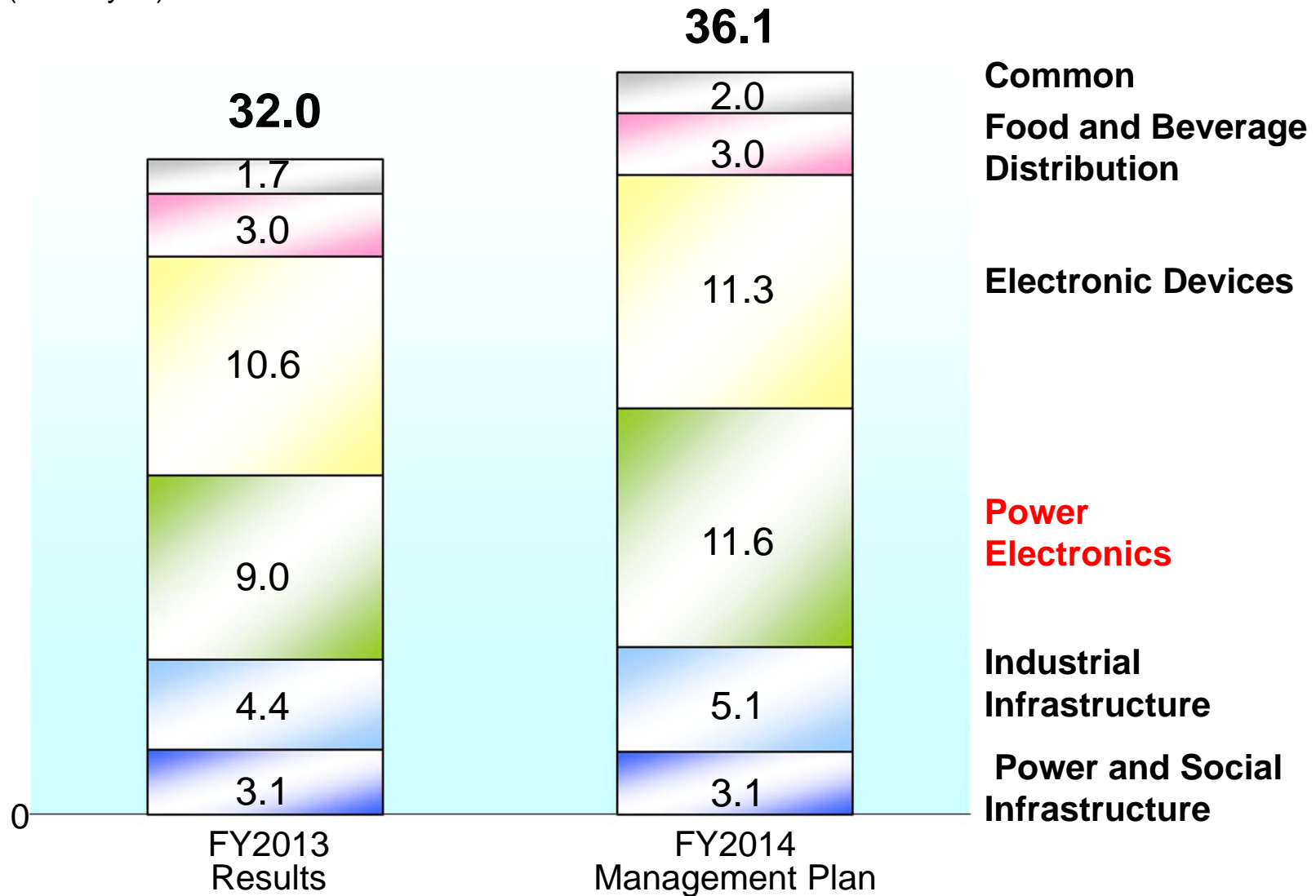


【Details of capital investment】

- **Electronic Devices**
 - Semiconductor Development Center (Matsumoto Factory)
 - next-generation power semiconductors development facilities
 - back-end process facility in Shenzhen, China
- **Power Electronics**
 - New factory and facility in Thailand
 - E&C Development Center (Fukiage Factory)
- **Industrial Infrastructure**
 - Construct Substation equipment test facility
- **Power and Social Infrastructure**
 - Smart meter's mass-production facility
- **Others**
 - Core R&D Center (Tokyo factory)

R&D

(Billion yen)

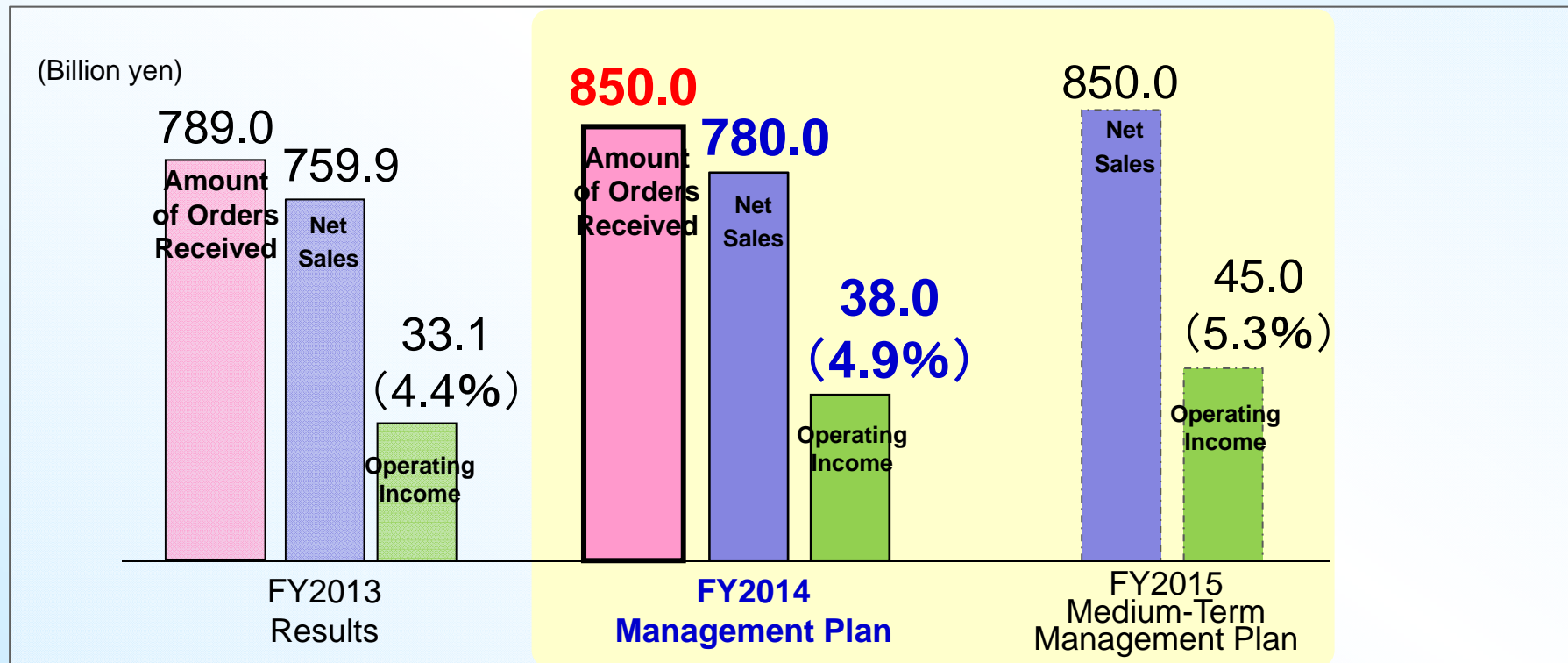


* These R&D expenses are classified into each segment depending on its theme.
It varies from the numerical values described in Consolidated Financial Report for the fiscal year ended March 31, 2014.

Initiatives for Accomplishing Goals of FY2015 Medium-Term Management Plan

Aggressive Management Expansion

Further Strengthen Profitability



Management Plan for 1H FY2014

(Billion yen)

	1H FY2013 Results	1H FY2014 Management Plan	Change
Net Sales	328.5	329.5	1.0
Operating Income	3.0	2.5	-0.5
Ordinary Income	2.5	0.4	-2.1
Net Income/Loss	0.3	-2.0	-2.3

(Yen)

Average Exchange Rate US\$	98.85	100.00	1.15
Average Exchange Rate EURO	130.00	135.00	5.00

(Billion yen)

	Net Sales			Operating Income		
	1H FY2013 Results	1H FY2014 Management Plan	Change	1H FY2013 Results	1H FY2014 Management Plan	Change
Power and Social Infrastructure	57.3	58.2	0.8	-1.0	-0.8	0.2
Industrial Infrastructure	69.5	73.0	3.5	-1.5	-1.5	0.0
Power Electronics	75.7	80.0	4.3	0.9	1.1	0.2
Electronic Devices	59.1	59.5	0.4	1.7	2.4	0.6
Food and Beverage Distribution	62.3	59.2	-3.1	4.7	3.5	-1.2
Others	28.7	27.2	-1.6	1.0	0.6	-0.5
Elimination and Corporate	-24.2	-27.5	-3.3	-2.8	-2.7	0.1
Total	328.5	329.5	1.0	3.0	2.5	-0.5

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