

**Consolidated Financial Results for third quarter of the fiscal year ending March 31, 2021
(April 1, 2020 – December 31, 2020)**

Summary of Consolidated Financial Results (Nine months ended December 31, 2020)

1. Summary of consolidated statements of operations

	Millions of yen			Millions of U.S. dollars	
	9 months FY2020 (Apr.-Dec.) (A)	9 months FY2019 (Apr.-Dec.) (B)	Change(%) (A)/(B)	9 months FY2020 (Apr.-Dec.)	
	Net sales	561,310	611,732	91.8%	5,450
	Operating income	14,073	16,836	83.6%	137
Ordinary income	13,956	17,713	78.8%	135	
Net income attributable to owners of parent	(4,033)	10,284	-	(39)	
	Yen			U.S. dollars	
Net income per share	(28.24)	72.00		(0.27)	

2. Summary of consolidated financial position

	Millions of yen		Millions of U.S. dollars
	12/31/2020	3/31/2020	12/31/2020
Total assets	1,078,999	996,827	10,476
Net assets	424,863	406,002	4,125
Equity ratio (%)	35.5%	36.7%	-

Note: U.S. dollar amounts in this financial report are translated, for convenience only, at the rate of ¥103=U.S.\$1

**3. Forecast of consolidated earnings for the fiscal year ending March 31, 2021
(April 1, 2020 - March 31, 2021)**

	Millions of yen
	FY2020
Net sales	860,000
Operating income	41,000
Ordinary income	42,500
Net income attributable to owners of parent	33,000
	Yen
Net income per share	231.03

< Cautionary Statements With Respect to Forward-Looking Statements >

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

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

Consolidated Balance Sheets

	Millions of yen		Millions of U.S. dollars
	12/31/2020	3/31/2020	12/31/2020
Assets			
Current assets:			
Cash and deposits	106,078	64,073	1,030
Notes and accounts receivable-trade	248,810	294,504	2,416
Merchandise and finished goods	87,685	66,866	851
Work in process	87,144	67,875	846
Raw materials and supplies	52,520	53,371	510
Other	65,637	51,599	637
Allowance for doubtful accounts	(3,031)	(2,597)	(29)
Total Current assets	644,845	595,692	6,261
Noncurrent assets:			
Net Property, plant and equipment	199,849	201,892	1,940
Intangible assets	22,093	24,606	214
Investments and other assets			
Investment securities	174,318	128,289	1,692
Net defined benefit asset	15,453	15,083	150
Other	22,770	31,566	221
Allowance for doubtful accounts	(428)	(422)	(4)
Total Investments and other assets	212,113	174,517	2,059
Total Noncurrent assets	434,056	401,016	4,214
Deferred assets	97	118	1
Total Assets	1,078,999	996,827	10,476

Consolidated Balance Sheets

	Millions of yen		<i>Millions of U.S. dollars</i>
	<u>12/31/2020</u>	<u>3/31/2020</u>	<u>12/31/2020</u>
Liabilities			
Current liabilities:			
Notes and accounts payable-trade	155,858	179,914	1,513
Short-term loans payable	23,413	21,342	227
Commercial papers	103,000	51,500	1,000
Current portion of bonds payable	-	15,000	-
Income taxes payable	2,848	6,625	28
Advances received	45,403	47,203	441
Provision for product warranties	7,049	219	68
Other	83,414	101,354	810
Total Current liabilities	<u>420,988</u>	<u>423,160</u>	<u>4,087</u>
Noncurrent liabilities:			
Bonds payable	35,000	35,000	340
Long-term loans payable	97,294	38,604	945
Provision for directors' retirement benefits	157	193	2
Net defined benefit liability	53,173	50,011	516
Other	47,521	43,855	461
Total Noncurrent liabilities	<u>233,147</u>	<u>167,664</u>	<u>2,264</u>
Total Liabilities	<u>654,135</u>	<u>590,825</u>	<u>6,351</u>
Net Assets			
Shareholders' equity:			
Capital stock	47,586	47,586	462
Capital surplus	46,003	45,949	447
Retained earnings	225,811	241,305	2,192
Treasury stock	(7,337)	(7,327)	(71)
Total Shareholders' equity	<u>312,063</u>	<u>327,513</u>	<u>3,030</u>
Accumulated other comprehensive income:			
Valuation difference on available-for-sale securities	76,978	44,606	747
Deferred gains or losses on hedges	223	(231)	2
Foreign currency translation adjustments	(4,164)	(3,545)	(40)
Remeasurements of defined benefit plans	(2,043)	(2,724)	(20)
Total Accumulated other comprehensive income	<u>70,992</u>	<u>38,105</u>	<u>689</u>
Non-controlling interests	<u>41,806</u>	<u>40,382</u>	<u>406</u>
Total Net assets	<u>424,863</u>	<u>406,002</u>	<u>4,125</u>
Total Liabilities and Net assets	<u>1,078,999</u>	<u>996,827</u>	<u>10,476</u>

Consolidated Statements of Income

	Millions of yen		Millions of U.S. dollars
	9 months FY2020 (Apr.-Dec.)	9 months FY2019 (Apr.-Dec.)	<i>9 months FY2020 (Apr.-Dec.)</i>
Net sales	561,310	611,732	5,450
Cost of sales	421,044	462,473	4,088
Gross profit	140,265	149,259	1,362
Selling, general and administrative expenses	126,192	132,422	1,225
Operating income	14,073	16,836	137
Non-operating income			
Interest income	232	202	2
Dividends income	2,467	2,403	24
Share of profit of entities accounted for using equity method	8	-	0
Other	922	949	9
Total Non-operating income	3,631	3,556	35
Non-operating expenses			
Interest expense	1,074	1,048	10
Equity in losses of affiliates	-	596	-
Foreign exchange losses	1,160	658	11
Other	1,513	376	15
Total Non-operating expenses	3,748	2,680	36
Ordinary income	13,956	17,713	135
Extraordinary income			
Gain on sales of noncurrent assets	269	233	3
Gain on sales of investment securities	248	2,321	2
Total Extraordinary income	517	2,554	5
Extraordinary loss			
Loss on disposal of noncurrent assets	390	848	4
Loss on valuation of investment securities	14	485	0
Cost of corrective measures for product defects	16,657	-	162
Loss on compensation for damage	-	425	-
Total Extraordinary loss	17,063	1,759	166
Income before income taxes	(2,589)	18,508	(25)
Income taxes	(297)	6,388	(3)
Net income	(2,291)	12,119	(22)
Net income attributable to non-controlling interests	1,742	1,835	17
Net income attributable to owners of parent	(4,033)	10,284	(39)

Consolidated Statements of Comprehensive Income

	Millions of yen		<i>Millions of U.S. dollars</i>
	9 months	9 months	<i>9 months</i>
	FY2020	FY2019	<i>FY2020</i>
	(Apr.-Dec.)	(Apr.-Dec.)	<i>(Apr.-Dec.)</i>
Net income	(2,291)	12,119	(22)
Other comprehensive income			
Valuation difference on available-for-sale securities	32,638	11,727	317
Deferred gains or losses on hedges	454	78	4
Foreign currency translation adjustments	(301)	(2,138)	(3)
Remeasurements of defined benefit plans	854	720	8
Share of other comprehensive income of associates accounted for using equity method	(313)	184	(3)
Total other comprehensive Income	33,333	10,572	324
Comprehensive income	31,041	22,692	301
Comprehensive income attributable to owners of parent	28,853	21,210	280
Comprehensive income attributable to non-controlling interests	2,188	1,481	21

Consolidated Segment Information

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

9 months FY2020 (Apr.-Dec.)

	Millions of yen								
	Power Electronics Systems Energy	Power Electronics Systems Industry	Electronic Devices	Food and Beverage Distribution	Power Generation	Others	Total	Adjustments	Consolidated
Net Sales									
Sales to third parties	134,649	192,762	109,898	53,919	50,667	19,412	561,310	-	561,310
Inter-segment sales and transfers	1,691	8,837	2,436	175	154	19,008	32,304	(32,304)	-
Total sales	136,340	201,600	112,335	54,094	50,821	38,421	593,614	(32,304)	561,310
Segment profits (losses)	4,978	2,300	11,427	(4,413)	1,753	1,175	17,221	(3,148)	14,073

9 months FY2019 (Apr.-Dec.)

	Millions of yen								
	Power Electronics Systems Energy	Power Electronics Systems Industry	Electronic Devices	Food and Beverage Distribution	Power Generation	Others	Total	Adjustments	Consolidated
Net Sales									
Sales to third parties	144,701	196,619	100,350	77,437	69,262	23,361	611,732	-	611,732
Inter-segment sales and transfers	1,559	7,754	2,281	237	305	22,342	34,481	(34,481)	-
Total sales	146,261	204,373	102,631	77,674	69,568	45,704	646,214	(34,481)	611,732
Segment profits (losses)	4,685	1,141	8,929	3,095	1,113	1,741	20,707	(3,871)	16,836

9 months FY2020 (Apr.-Dec.)

	Millions of U.S. dollars								
	Power Electronics Systems Energy	Power Electronics Systems Industry	Electronic Devices	Food and Beverage Distribution	Power Generation	Others	Total	Adjustments	Consolidated
Net Sales									
Sales to third parties	1,307	1,871	1,067	523	492	188	5,450	-	5,450
Inter-segment sales and transfers	16	86	24	2	1	185	314	(314)	-
Total sales	1,324	1,957	1,091	525	493	373	5,763	(314)	5,450
Segment profits (losses)	48	22	111	(43)	17	11	167	(31)	137

Supplemental Consolidated Financial Materials

1. Financial summary

	Billions of yen					
	3Q	9 months	[Forecast]	3Q	9 months	
	FY2020	FY2020	FY2020	FY2019	FY2019	FY2019
	(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)	(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)
Net sales	204.3	561.3	860.0	205.1	611.7	900.6
Operating income	8.8	14.1	41.0	5.7	16.8	42.5
Ordinary income	8.8	14.0	42.5	6.9	17.7	44.5
Net income attributable to owners of parent	(6.1)	(4.0)	33.0	4.3	10.3	28.8

2. Number of consolidated subsidiaries

	Yen					
	3Q	9 months	[Forecast]	3Q	9 months	
	FY2020	FY2020	FY2020	FY2019	FY2019	FY2019
	(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)	(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)
Number of consolidated subsidiaries	74	74	74	73	73	73
Japan	23	23	23	23	23	23
Overseas	51	51	51	50	50	50
Number of equity-method associates	4	4	4	4	4	4

3. Net income per share

	Yen					
	3Q	9 months	[Forecast]	3Q	9 months	
	FY2020	FY2020	FY2020	FY2019	FY2019	FY2019
	(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)	(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)
Net income per share(*)	(42.70)	(28.24)	231.03	30.15	72.00	201.57

4. Average exchange rates (Yen)

	Yen					
	3Q	9 months	[Forecast]	3Q	9 months	
	FY2020	FY2020	FY2020	FY2019	FY2019	FY2019
	(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)	(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)
US\$	104.51	106.11	105.09	108.76	108.67	108.74
EURO	124.54	122.38	121.78	120.32	121.05	120.82
RMB	15.81	15.44	15.33	15.45	15.60	15.60

5. Net sales by reporting segment

	Billions of yen					
	3Q	9 months	[Forecast]	3Q	9 months	
	FY2020	FY2020	FY2020	FY2019	FY2019	FY2019
	(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)	(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)
Power Electronics Systems Energy	54.6	136.3	202.0	48.2	146.3	218.0
Power Electronics Systems Industry	73.4	201.6	336.0	65.7	204.4	317.5
Electronic Devices	39.9	112.3	149.0	36.8	102.6	137.4
Food and Beverage Distribution	16.4	54.1	80.0	23.0	77.7	104.4
Power Generation	18.2	50.8	87.0	27.7	69.6	109.9
Others	13.4	38.4	53.0	15.0	45.7	60.8
Subtotal	215.8	593.6	907.0	216.4	646.2	948.1
Elimination	(11.5)	(32.3)	(47.0)	(11.3)	(34.5)	(47.5)
Total	204.3	561.3	860.0	205.1	611.7	900.6

6. Operating income by reporting segment

	Billions of yen					
	3Q	9 months	[Forecast]	3Q	9 months	
	FY2020	FY2020	FY2020	FY2019	FY2019	FY2019
	(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)	(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)
Power Electronics Systems Energy	3.4	5.0	9.6	1.1	4.7	12.3
Power Electronics Systems Industry	2.1	2.3	18.5	1.8	1.1	16.5
Electronic Devices	5.1	11.4	16.4	2.9	8.9	9.7
Food and Beverage Distribution	(1.8)	(4.4)	(4.4)	0.2	3.1	3.8
Power Generation	0.7	1.8	3.9	0.3	1.1	2.3
Others	0.4	1.2	1.6	0.6	1.7	2.7
Subtotal	9.8	17.2	45.6	6.9	20.7	47.4
Elimination	(1.1)	(3.1)	(4.6)	(1.2)	(3.9)	(4.9)
Total	8.8	14.1	41.0	5.7	16.8	42.5

7. Net overseas sales

	Billions of yen					
	3Q	9 months	[Forecast]	3Q	9 months	
	FY2020	FY2020	FY2020	FY2019	FY2019	FY2019
(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)	(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)	
Asia (except for China)	26.7	72.6	-	33.7	89.5	124.6
China	21.9	60.0	-	17.8	50.5	62.6
Europe	3.8	11.5	-	5.4	14.2	19.0
America	3.8	9.7	-	3.6	9.9	14.7
Total	56.2	153.8	-	60.5	164.0	220.9

8. R&D expenditures

	Billions of yen					
	3Q	9 months	[Forecast]	3Q	9 months	
	FY2020	FY2020	FY2020	FY2019	FY2019	FY2019
(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)	(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)	
Power Electronics Systems Energy	1.6	4.6	-	1.8	5.1	7.1
Power Electronics Systems Industry	2.5	7.1	-	2.3	6.6	8.7
Electronic Devices	2.6	7.7	-	2.8	8.2	10.9
Food and Beverage Distribution	1.0	3.1	-	1.0	3.2	4.4
Power Generation	0.8	2.0	-	0.7	2.1	3.3
Others	0.0	0.0	-	0.0	0.1	0.1
Total	8.5	24.5	-	8.6	25.3	34.5
Ratio to net sales (%)	4.2%	4.4%	-	4.2%	4.1%	3.8%

9. Plant and equipment investment (including leases)

	Billions of yen					
	3Q	9 months	[Forecast]	3Q	9 months	
	FY2020	FY2020	FY2020	FY2019	FY2019	FY2019
(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)	(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)	
Power Electronics Systems Energy	1.4	4.7	-	2.0	5.0	8.5
Power Electronics Systems Industry	0.9	2.2	-	1.1	2.9	4.3
Electronic Devices	4.8	14.6	-	10.7	25.4	31.3
Food and Beverage Distribution	0.6	1.1	-	0.5	1.2	2.3
Power Generation	0.2	0.7	-	0.2	0.5	1.0
Others	0.3	0.8	-	0.1	0.5	0.8
Total	8.2	24.2	-	14.6	35.5	48.2
(Leases)	4.7	12.7	-	9.9	23.2	29.1

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

10. Depreciation, Leases paid

	Billions of yen					
	3Q	9 months	[Forecast]	3Q	9 months	
	FY2020	FY2020	FY2020	FY2019	FY2019	FY2019
(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)	(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)	
Power Electronics Systems Energy	1.3	3.8	-	1.3	3.8	5.1
Power Electronics Systems Industry	1.1	3.2	-	1.1	3.1	4.2
Electronic Devices	4.5	13.3	-	4.1	11.0	15.4
Food and Beverage Distribution	0.6	1.6	-	0.6	1.6	2.2
Power Generation	0.3	0.9	-	0.3	0.9	1.2
Others	0.2	0.7	-	0.3	0.8	1.1
Total	8.1	23.5	-	7.7	21.1	29.1
(Leases)	0.3	0.8	-	0.3	0.8	1.0

11. Number of employees

	Billions of yen					
	3Q	9 months	[Forecast]	3Q	9 months	
	FY2020	FY2020	FY2020	FY2019	FY2019	FY2019
(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)	(Oct.-Dec.)	(Apr.-Dec.)	(Apr.-Mar.)	
Power Electronics Systems Energy	6,683	6,683	-	6,671	6,671	6,676
Power Electronics Systems Industry	9,177	9,177	-	9,212	9,212	9,129
Electronic Devices	6,550	6,550	-	6,667	6,667	6,621
Food and Beverage Distribution	2,276	2,276	-	2,380	2,380	2,346
Power Generation	1,197	1,197	-	1,230	1,230	1,224
Others	1,969	1,969	-	1,982	1,982	1,964
Total	27,852	27,852	-	28,142	28,142	27,960
Japan	17,812	17,812	-	17,754	17,754	17,681
Overseas	10,040	10,040	-	10,388	10,388	10,279

Financial Performance

(1) Qualitative Information regarding Consolidated Results of Operations

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

The operating environment for the nine-month period ended December 31, 2020, saw the ongoing curtailment of investments in Japan and overseas due to the global COVID-19 pandemic, resulting in the prolongation of difficult conditions. In China, meanwhile, economic activities were quickly resumed during the first half of the fiscal year, and there were indications of recovery in capital investment in the manufacturing industry.

Consolidated net sales in the nine-month period ended December 31, 2020, decreased ¥50.4 billion year on year, to ¥561.3 billion. Factors behind this decrease included reductions in demand in the Power Electronics Systems Energy, Power Electronics Systems Industry, Food and Beverage Distribution, and Power Generation segments. These reductions in demand were a result of the capital investment curtailments and delivery delays stemming from the global COVID-19 pandemic. Another factor was the rebound from large-scale orders recorded in the previous equivalent period.

As a result of large decreases in net sales and in production volumes, which offset the benefits of fixed cost and other cost reduction efforts, consolidated operating income decreased ¥2.8 billion year on year, to ¥14.1 billion, and ordinary income was down ¥3.8 billion, to ¥14.0 billion. In addition, net loss attributable to owners of parent of ¥4.0 billion was recorded, compared with net income attributable to owners of parent of ¥10.3 billion in the previous equivalent period, as a result of ¥16.7 billion in expenses for addressing defects in power semiconductor products for specific fields recorded as extraordinary losses.

Consolidated net sales in the third quarter of the fiscal year ending March 31, 2021, were in line with the previous equivalent period as the ongoing curtailment of investment by customers seen in the Food and Beverage Distribution segment and the rebound from large-scale projects recorded in the previous equivalent period in the Power Generation segment were counteracted by the strong demand in the Power Electronics Systems Energy, Power Electronics Systems Industry, and Electronic Devices segments. Third-quarter operating income increased substantially year on year due to increased demand for power semiconductors coupled with the benefits of fixed cost reduction efforts.

Consolidated results of operations for the nine-month period ended December 31, 2020, were as follows.

	(¥ billion)		
	Nine-month period ended December 31, 2019	Nine-month period ended December 31, 2020	Change
Net sales	611.7	561.3	(50.4)
Operating income	16.8	14.1	(2.8)
Ordinary income	17.7	14.0	(3.8)
Net income attributable to owners of parent	10.3	(4.0)	(14.3)

Results by Segment

Power Electronics Systems Energy

Net sales: ¥136.3 billion (down 7% year on year)

Operating income: ¥5.0 billion (up ¥0.3 billion year on year)

In the Power Electronics Systems Energy segment, net sales were down year on year in all businesses, but operating income was up year on year due to the benefits of fixed cost reduction activities and differences in profitability between projects.

- In the energy management business, net sales were down year on year as a result of a decline in demand for smart meters and the absence of large-scale projects for industrial power supply equipment recorded in the previous equivalent period, but operating results were up year on year due to the differences in profitability between projects.
- In the power supply and facility systems business, net sales were down year on year as a result of the rebound from large-scale projects recorded in switchgear and controlgear operations in the previous equivalent period, but operating results were up year on year due to the benefits of cost reduction activities.
- In the ED&C components business, net sales and operating results were down year on year due to the reduced demand from Japanese manufacturers of machine tools and other finished equipment and switchboard manufacturers.

Power Electronics Systems Industry

Net sales: ¥201.6 billion (down 1% year on year)

Operating income: ¥2.3 billion (up ¥1.2 billion year on year)

In the Power Electronics Systems Industry segment, net sales were down year on year due to reduced domestic demand in the automation systems business and the rebound from large-scale orders recorded in the equipment construction and IT solutions businesses in the previous equivalent period, which offset the increase in demand in the social solutions business. Conversely, operating income was up year on year due to the benefits of fixed cost and other cost reduction activities.

- In the automation systems business, net sales and operating results were down year on year, despite the higher demand for low-voltage inverters and factory automation components seen in China, as a result of sluggish demand in Japan.
- In the social solutions business, net sales and operating results improved year on year thanks to increases in demand for electrical equipment for railcars and in demand for ship exhaust gas cleaning systems.
- In the equipment construction business, net sales decreased year on year due to delays in capital investment plans and the rebound from large-scale electrical equipment construction projects recorded in the previous equivalent period, but operating results improved year on year due to the benefits of cost reduction efforts.
- In the IT solutions business, net sales were down year on year due to the rebound from large-scale projects recorded in the previous equivalent period, but operating results were up year on year because of differences in profitability between projects.

Note: Effective October 1, 2020, ship exhaust gas cleaning system operations were transferred from the automation systems business to the social solutions business. Figures for the previous equivalent period have been restated to reflect this change.

Electronic Devices

Net sales: ¥112.3 billion (up 9% year on year)

Operating income: ¥11.4 billion (up ¥2.5 billion year on year)

· In the electronic devices business, net sales and operating results improved year on year thanks to the increased demand for power semiconductors for machine tools manufacturers, for the new energy market, and for electrified vehicles (xEVs).

Food and Beverage Distribution

Net sales: ¥54.1 billion (down 30% year on year)

Operating loss: ¥4.4 billion (compared with operating income of ¥3.1 billion in the previous equivalent period)

In the Food and Beverage Distribution segment, net sales decreased and operating loss was posted due to reduced demand in the vending machine and store distribution businesses as a result of the capital investment curtailments and delivery delays stemming from the prolongation of the global COVID-19 pandemic.

· In the vending machine business, net sales and operating results were down year on year due to the curtailment of capital investment by Japanese beverage manufacturers as well as lower demand in the Chinese market.

· In the store distribution business, net sales and operating results were down year on year because of a decline in demand for store equipment for convenience stores.

Power Generation

Net sales: ¥50.8 billion (down 27% year on year)

Operating income: ¥1.8 billion (up ¥0.6 billion year on year)

· In the power generation business, net sales were down year on year due to the rebound from a large-scale thermal power system project and from renewable energy projects recorded in the previous equivalent period, but operating results improved year on year because of differences in profitability between projects.

Others

Net sales: ¥38.4 billion (down 16% year on year)

Operating income: ¥1.2 billion (down ¥0.6 billion year on year)

(2) Quantitative Information regarding Consolidated Financial Position

(¥ billion)

	March 31, 2020	Breakdown (%)	December 31, 2020	Breakdown (%)	Change
Total assets	996.8	100.0	1,079.0	100.0	+82.2
Interest-bearing debt	217.4	21.8	312.9	29.0	+95.5
Shareholder's equity*1	365.6	36.7	383.1	35.5	+17.4
Debt-to-equity ratio*2 (times)	0.6		0.8		+0.2

*1 Shareholders' equity = Total net assets – Non-controlling interests

*2 Debt-to-equity ratio = Interest-bearing debt / Shareholders' equity

Total assets on December 31, 2020, stood at ¥1,079.0 billion, an increase of ¥82.2 billion from the end of the previous fiscal year. Total current assets increased ¥49.2 billion primarily as a result of rises in cash and deposits and inventories, which offset a decline in notes and accounts receivable-trade. Total noncurrent assets were up ¥33.0 billion thanks to an increase stemming from valuation difference on available-for-sale securities.

Interest-bearing debt as of December 31, 2020, amounted to ¥312.9 billion, up ¥95.5 billion from the previous fiscal year-end. Further, net interest-bearing debt—interest-bearing debt net of cash and cash equivalents—increased ¥54.6 billion from the previous fiscal year-end, amounting to ¥208.2 billion on December 31, 2020.

Net assets on December 31, 2020, was ¥424.9 billion, up ¥18.9 billion from the previous fiscal year-end. This outcome was because of an increase associated with valuation difference on available-for-sale securities, which outweighed a decrease in retained earnings. In addition, shareholders' equity—total net assets net of non-controlling interests—was up ¥17.4 billion from the previous fiscal year-end, standing at ¥383.1 billion on December 31, 2020. The debt-to-equity ratio (interest-bearing debt ÷ shareholders' equity) was 0.8 times, up 0.2 times from the previous fiscal year. Also, the net debt-to-equity ratio (net interest-bearing debt ÷ shareholders' equity) was 0.5 times, up 0.1 times 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 nine-month period ended December 31, 2020, Fuji Electric has chosen to revise the consolidated forecast for business results for the fiscal year ending March 31, 2021, that was announced together with financial results for the six-month period ended September 30, 2020, on October 29, 2020.

The forecast assumes exchange rates of US\$1 = ¥102, €1 = ¥120, and RMB1 = ¥15 for the period from January 1, 2021, onward.

(Consolidated Forecasts for the Fiscal Year Ending March 31, 2021) (¥ billion)

	Previous announcement	Today's announcement	Change
Net sales	870.0	860.0	(10.0)
Operating income	41.0	41.0	0.0
Ordinary income	42.5	42.5	0.0
Net income attributable to owners of parent	27.5	33.0	5.5

(Reference: Consolidated Forecasts for the Fiscal Year Ending March 31, 2021, by Segment)

(¥billion)

	Net sales			Operating income (loss)		
	Previous announcement	Today's announcement	Change	Previous announcement	Today's announcement	Change
Power Electronics Systems Energy	202.0	202.0	0.0	9.6	9.6	0.0
Power Electronics Systems Industry	336.0	336.0	0.0	18.5	18.5	0.0
Electronic Devices	142.0	149.0	7.0	12.9	16.4	3.5
Food and Beverage Distribution	94.0	80.0	(14.0)	0.6	(4.4)	(5.0)
Power Generation	87.0	87.0	0.0	3.9	3.9	0.0
Others	53.0	53.0	0.0	1.6	1.6	0.0
Elimination and Corporate	(44.0)	(47.0)	(3.0)	(6.1)	(4.6)	1.5
Total	870.0	860.0	(10.0)	41.0	41.0	0.0