

Management Plan for FY2021

April 27, 2021

Fuji Electric Co., Ltd.

Management Plan for FY2021 (YoY Comparison)

Year-on-year increase in sales and income,
record-breaking net income attributable to owners of parent

(Billion yen)

	FY2020 Results	FY2021 Management Plan	Change
Net Sales	875.9	900.0	24.1
Operating Income	48.6	60.0	11.4
Operating Margin	5.5%	6.7%	1.2pt
Net Income Attributable to Owners of Parent	41.9	42.0	0.1

YoY exchange rate effect
Net sales:
-13.3 billion yen
Operating income:
-1.9 billion yen

【Financial Indicators】

Net D/E Ratio※	0.3 times	0.4 times	0.1 times
Equity Ratio	39.6 %	41.5 %	+1.9pt
ROA (Return on Assets)	4 %	4 %	—
ROE (Return on Equity)	11 %	10 %	-1pt

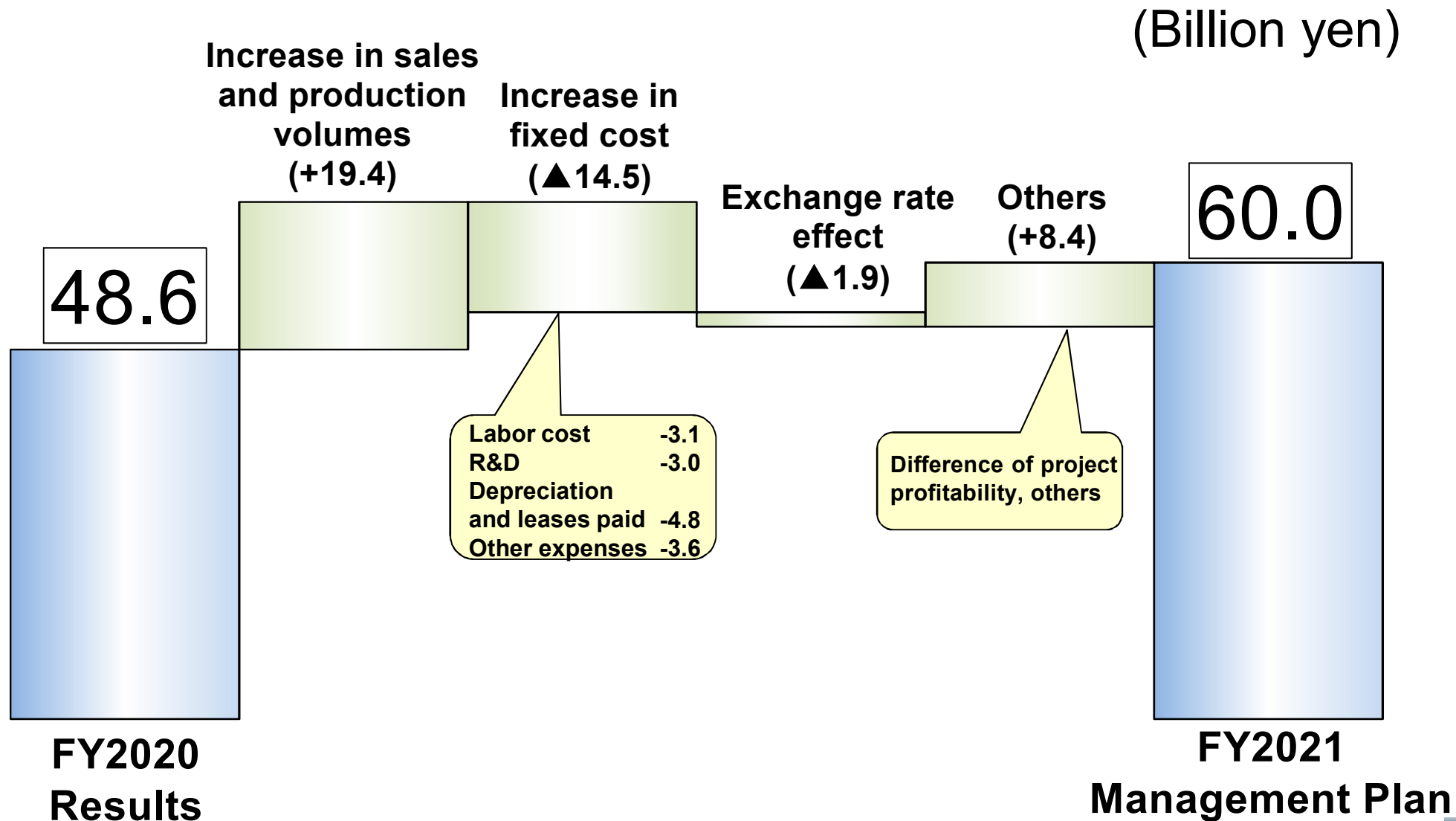
※ Net interest-bearing debt ÷ Equity

	US\$	EURO	RMB
FY2021 Exchange Rate	¥ 102.00	¥ 123.00	¥ 15.50
Foreign Exchange Sensitivity (million yen) ※	80	90	260

※ US\$ and EURO: Impact of ¥1-fluctuation / RMB: Impact of 1% fluctuations

Breakdown of Changes in Operating Results for FY2021 Management Plan (YoY Comparison)

Higher income due to increases in sales and production volumes and differences in profitability between projects



Net Sales and Operating Income by Segment for FY2021 Management Plan (YoY Comparison) ①

Higher income due to increased demand for xEV power semiconductors

(Billion yen)		FY2020 Results	FY2021 Management Plan	Change	Overview
※(): Ratio of Operating Income					
Power Electronics Systems Energy	Net Sales	209.2	217.0	7.8	<ul style="list-style-type: none"> ●Energy management: <ul style="list-style-type: none"> ▪Lower sales and income primarily due to decreased demand for railway and industry substation equipment ●Power supply and facility systems: <ul style="list-style-type: none"> ▪Higher sales and income due to increased data center- and semiconductor-related demand ●ED&C components: Higher sales and income following recovery in demand from finished equipment manufacturers
	Operating Income/ Loss	14.0 (6.7%)	15.2 (7.0%)	1.2 (0.3pt)	
Power Electronics Systems Industry	Net Sales	345.9	329.0	-16.9	<ul style="list-style-type: none"> ●Automation systems: <ul style="list-style-type: none"> ▪Higher sales and income due to demand growth stemming from domestic and overseas factory automation market recovery ▪Higher sales and income because of system business growth in China and other parts of Asia ●Social solutions: <ul style="list-style-type: none"> ▪Higher sales and income due to railway field demand growth ●Equipment construction: Higher sales and income following recovery of demand in equipment construction business ●IT solutions: <ul style="list-style-type: none"> ▪Lower sales and income due to disappearance of GIGA School Concept-related demand rush
	Operating Income/ Loss	21.8 (6.3%)	22.2 (6.7%)	0.4 (0.4pt)	
Semiconductors	Net Sales	157.5	174.0	16.5	<ul style="list-style-type: none"> ▪Higher sales and income due to increased xEV power semiconductor demand stimulated by xEV popularization
	Operating Income/ Loss	17.7 (11.2%)	21.6 (12.4%)	3.9 (1.2pt)	

Net Sales and Operating Income by Segment for FY2021 Management Plan (YoY Comparison) ②

Massive increase in income due to benefits of Food and Beverage Distribution segment structural reforms and cost reduction activities

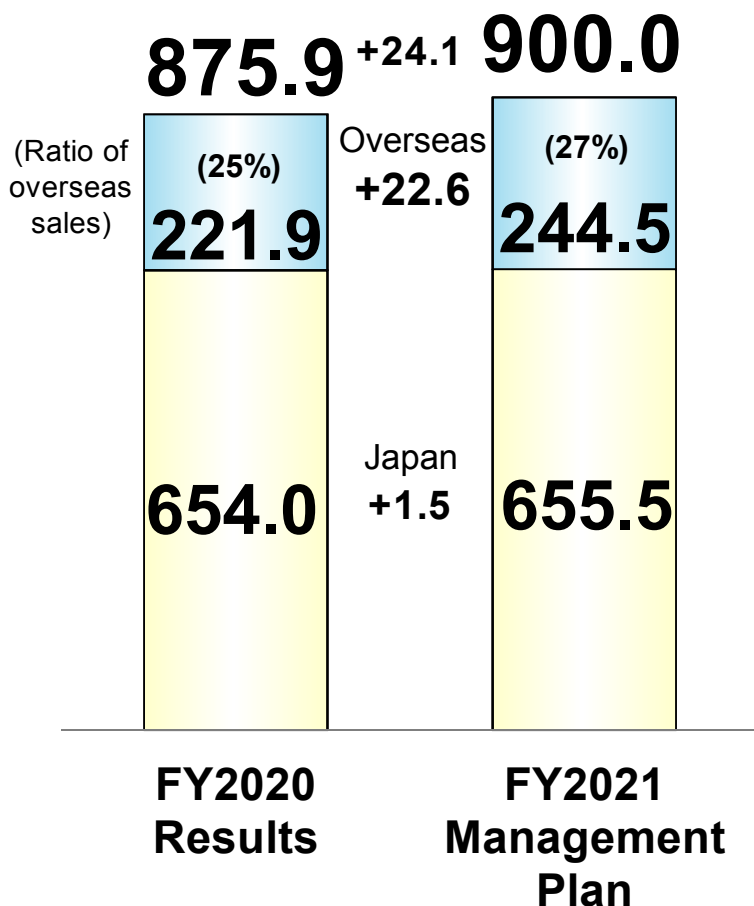
(Billion yen)		FY2020 Results	FY2021 Management Plan	Change	Overview
※(): Ratio of Operating Income					
Power Generation	Net Sales	80.4	84.0	3.6	<ul style="list-style-type: none"> Higher sales and income because of increases in renewable energy projects and services amid accelerated decarbonization trend
	Operating Income/ Loss	2.5 (3.1%)	3.3 (3.9%)	0.8 (0.8pt)	
Food and Beverage Distribution	Net Sales	76.6	87.5	10.9	<ul style="list-style-type: none"> ●Vending machines: <ul style="list-style-type: none"> Higher sales and income following rise in domestic vending machine market share despite projection for levels unchanged from FY2020 ●Store distribution: <ul style="list-style-type: none"> Higher sales and income due to increased demand for convenience store equipment → Massive improvement in Food and Beverage Distribution segment earnings due to higher demand and benefits of structural reforms and cost reduction activities
	Operating Income/ Loss	-5.3 (-6.9%)	2.7 (3.1%)	8.0 (10.0pt)	
Others	Net Sales	52.7	50.0	-2.7	
	Operating Income/ Loss	2.2 (4.2%)	1.8 (3.6%)	-0.4 (-0.6pt)	
Elimination and Corporate	Net Sales	-46.3	-41.5	4.8	
	Operating Income/ Loss	-4.3	-6.8	-2.5	

Net Sales by Japan and Overseas Area for FY2021 Management Plan (YoY Comparison)

Large increase in sales to Asia

(Billion yen)

(Billion yen)



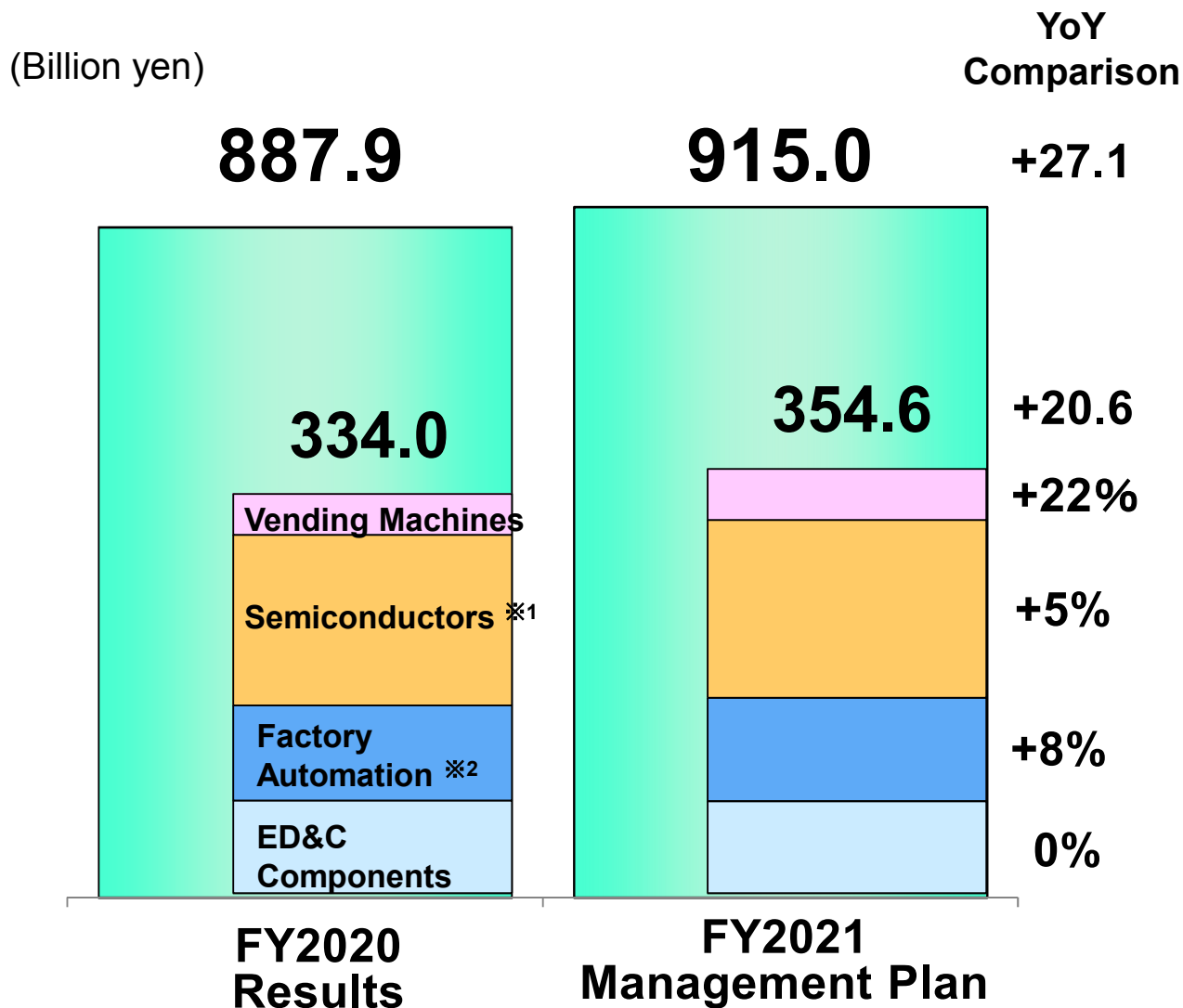
	FY2020 Results	FY2021 Management Plan	Change
Overseas	221.9	244.5	22.6
Asia and Others	108.2	132.4	24.2
China	83.9	79.6	-4.2
Europe	16.5	17.8	1.3
Americas	13.3	14.6	1.3

Power Supply and Facility Systems +5.7
Automation Systems +2.6
Semiconductors +6.8
Power Generation +4.9

Power Supply and Facility Systems -1.5
Semiconductors -3.1

Breakdown of Changes in Amount of Orders Received by Products for FY2021 Management Plan (YoY Comparison)

Higher orders centered on major components



※1: Exclude photoconductors

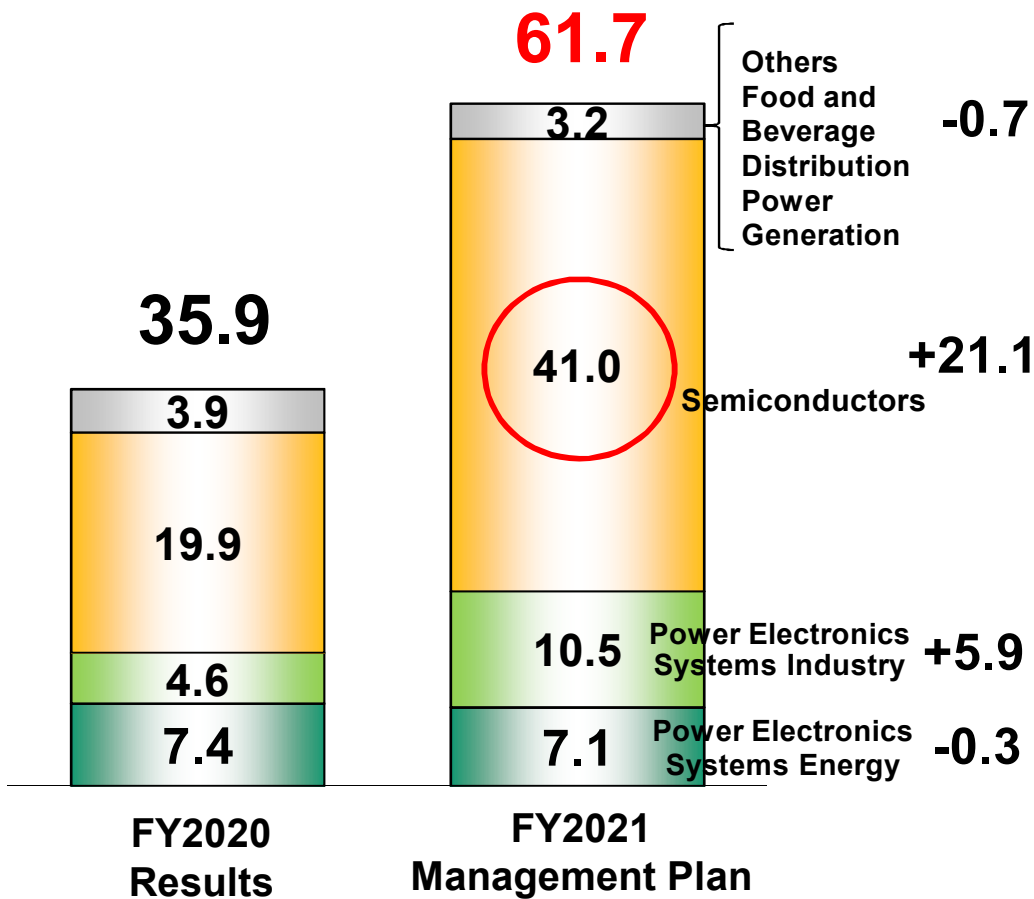
※2: Factory Automation: low-voltage inverters, motors, FA components and measuring instruments

Capital Investment for FY2021 Management Plan

Ahead-of-schedule investment for boosting power semiconductor production capacity

(Billion yen)

Change
+25.8



< Major Investments in FY2021 >

Semiconductors

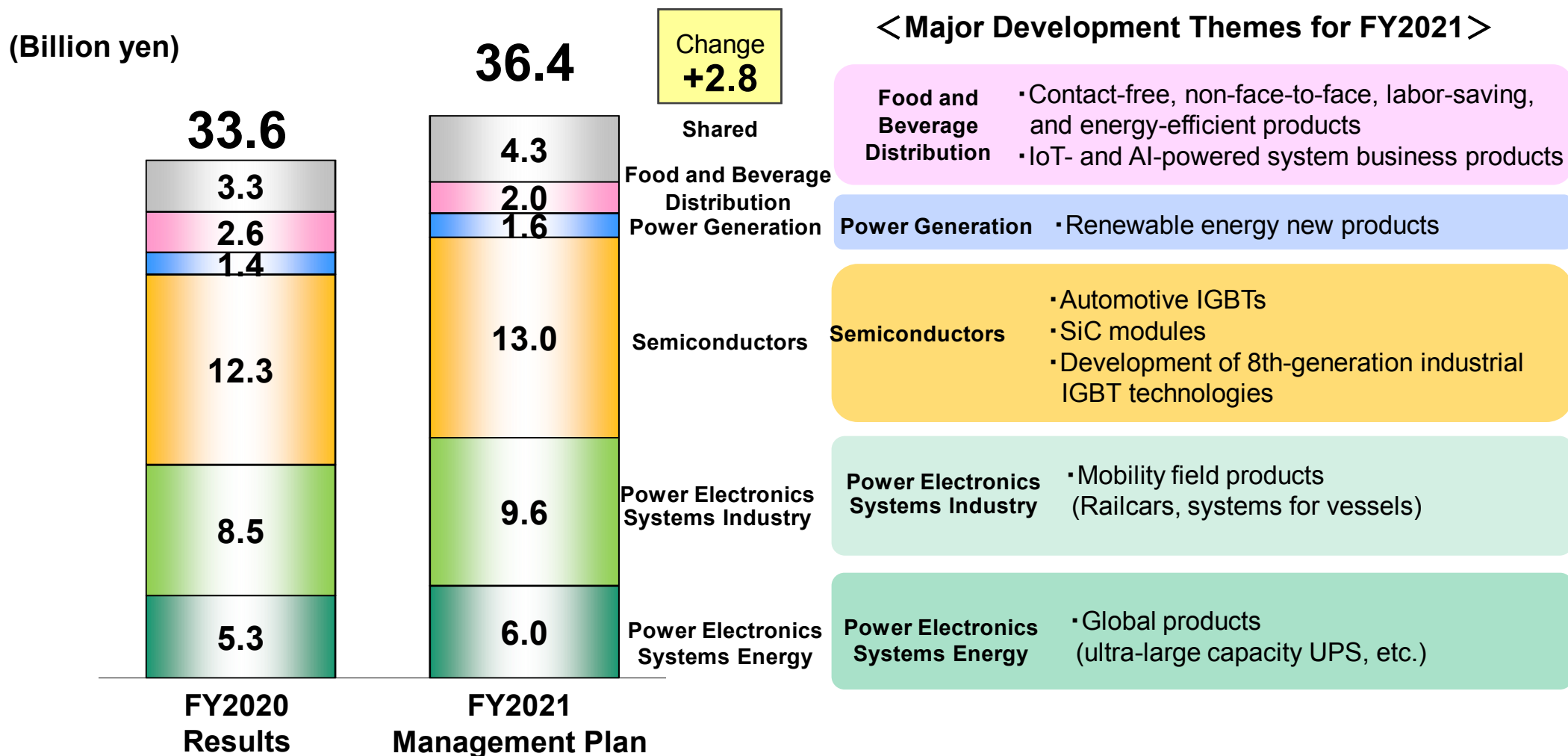
- Augmentation of front-end (8-inch) production capacity
- Augmentation of back-end (modules for automobile) production capacity

Power Electronics Systems Industry

- Construction of plant system building at Tokyo Factory
- Expansion of factories and range of products manufactured in India
- Increased in-house production

Research and Development for FY2021 Management Plan

Ongoing aggressive development investments in growth fields
(power electronics systems, power semiconductors)



Note: Figures for R&D expenditures above have been divided by segment based on theme and may therefore differ from the figures contained in the consolidated financial report.

Consolidated Balance Sheet at the End of FY2021 (Comparison with the End of FY2020)

(Billion yen)

Assets		3/31/21※1	3/31/22	Change
Cash and time deposit		76.5	45.8	-30.7
Notes and account receivables, trade receivables		349.2	345.4	-3.8
Inventories		160.7	167.7	7.0
Other current assets		48.9	55.6	6.7
Total current assets		635.3	614.5	-20.8
Tangible fixed assets		209.8	237.0	27.2
Intangible fixed assets		23.4	22.3	-1.1
Investments and other assets		189.1	182.0	-7.1
Total long-term assets		422.3	441.3	19.0
Deferred assets		0.1	0.1	-
Total assets		1,057.7	1,055.8	-1.9
Net interest-bearing debt※2		140.9	162.3	21.4
Net D/E ratio※3 (times)		0.3	0.4	0.1
Equity ratio		39.6%	41.5%	1.9%

Liabilities and Net Assets		3/31/21※1	3/31/22	Change
Notes and account payables, trade payables		172.0	160.0	-12.0
Interest-bearing debts		216.2	207.6	-8.6
Other liabilities		207.1	203.3	-3.8
Total liabilities		595.4	571.0	-24.4
Capital stock		47.6	47.6	-
Capital surplus		46.0	46.0	-
Retained earnings		272.9	302.0	29.1
Treasury stock at cost		-7.3	-7.3	-
Shareholders' equity		359.1	388.2	29.1
Accumulated other comprehensive income		59.0	49.5	-9.5
Non-controlling interests		44.3	47.1	2.8
Total net assets		462.3	484.9	22.6
Total liabilities and net assets		1,057.7	1,055.8	-1.9

※1 Figures for March 31, 2021, have been restated to reflect application of Accounting Standard for Revenue Recognition (ASBJ Statement No.29).

※2 Net interest-bearing debt: Interest-bearing debt – Cash and cash equivalents

※3 Net D/E ratio: Net interest-bearing debt ÷ Equity

Consolidated Cash Flow for FY2021 (YoY Comparison)

(Billion yen)

		FY2020 Results	FY2021 Management Plan
I	Cash Flows from Operating Activities	26.9	50.2
II	Cash Flows from Investing Activities	23.5	-30.2
I + II	Free Cash Flow	50.4	20.0
III	Cash Flows from Financing Activities	-39.5	-50.0
IV	Cash and Cash Equivalents at End of Period	75.3	45.3

Management Plan for 1H FY2021 (YoY Comparison)

(Billion yen)

	1H FY2020 (Results)	1H FY2021 (Management Plan)	Change
Net sales	357.0	410.0	53.0
Operating Income	5.3	11.5	6.2
Ordinary Income	5.2	11.0	5.8
Net Income Attributable to Owners of Parent	2.1	8.0	5.9

(Billion yen)

	1H FY2020 (Results)		1H FY2021 (Management Plan)		Change	
	Net Sales	Operating Income/Loss	Net Sales	Operating Income/Loss	Net Sales	Operating Income/Loss
Power Electronics Systems Energy	81.8	1.6	102.0	3.7	20.2	2.1
Power Electronics Systems Industry	128.2	0.2	148.0	1.8	19.8	1.6
Semiconductors	72.4	6.3	84.0	8.7	11.6	2.4
Power Generation	32.7	1.1	27.0	-1.1	-5.7	-2.2
Food and Beverage Distribution	37.7	-2.6	44.0	0.5	6.3	3.1
Others	25.1	0.8	24.0	0.7	-1.1	-0.1
Elimination and Corporate	-20.8	-2.1	-19.0	-2.8	1.8	-0.7
Total	357.0	5.3	410.0	11.5	53.0	6.2

1. These materials are outside the scope of auditing procedures required by law, and as of the date of this results presentation, financial statement auditing procedures required by law have not yet been completed.
2. Statements made in this documents or in the presentation to which they pertain regarding estimates or projections are forward-looking statements based on the company's judgments and assumptions in light of information currently available. Actual results may differ materially from those projected as a result of uncertainties inherent in such judgments and assumptions, as well as changes in business operations or other internal or external conditions. Accordingly, the company gives no guarantee regarding the reliability of any information contained in these forward-looking statements.
3. These documents are for information purpose only, and do not constitute an inducement by the company to make investments.
4. Unauthorized reproduction of these documents, in part or in whole, is prohibited.