

Consolidated Financial Results for 1Q FY2021

July 29, 2021

Fuji Electric Co., Ltd.

Summary of Consolidated Financial Results for 1Q FY2021 (YoY Comparison)

Higher sales and income due to ongoing market recovery trend

(Billion yen)

	1Q FY2020 Results	1Q FY2021 Results	Change
Net Sales	168.8	190.0	21.1
Operating Income/Loss	2.4	5.3	2.9
Ordinary Income/Loss	2.6	5.9	3.3
Extraordinary Income/Loss	-0.0	2.2	2.2
Income/Loss before Income Taxes	2.6	8.1	5.5
Income Taxes	0.7	2.0	1.3
Net Income Attributable to Non-controlling Interests	0.6	1.1	0.5
Net Income Attributable to Owners of Parent	1.4	5.0	3.6

(Average Exchange Rate)

(Yen)

US\$	107.62	109.49	1.87
EURO	118.48	131.96	13.48
RMB	15.17	16.96	1.79

(End of Month Rate Difference: March 31, 2021 → June 30, 2021)

(Yen)

US\$	108.83→107.74	110.71→110.58	0.96
EURO	119.55→121.08	129.80→131.58	0.25
RMB	15.31→15.23	16.84→17.11	0.35

Net Sales

Gain on translation of earnings of overseas subsidiaries	+3.7
Demand increase	+17.5

Operating Income/Loss

Increase in sales and production volumes	+3.8
Increase in fixed costs	-1.8
Exchange rate effect	+1.3
Others*	-0.4
	+2.9

*cost reduction, price fluctuations, sales mix changes and others

Non-operating Income/Loss

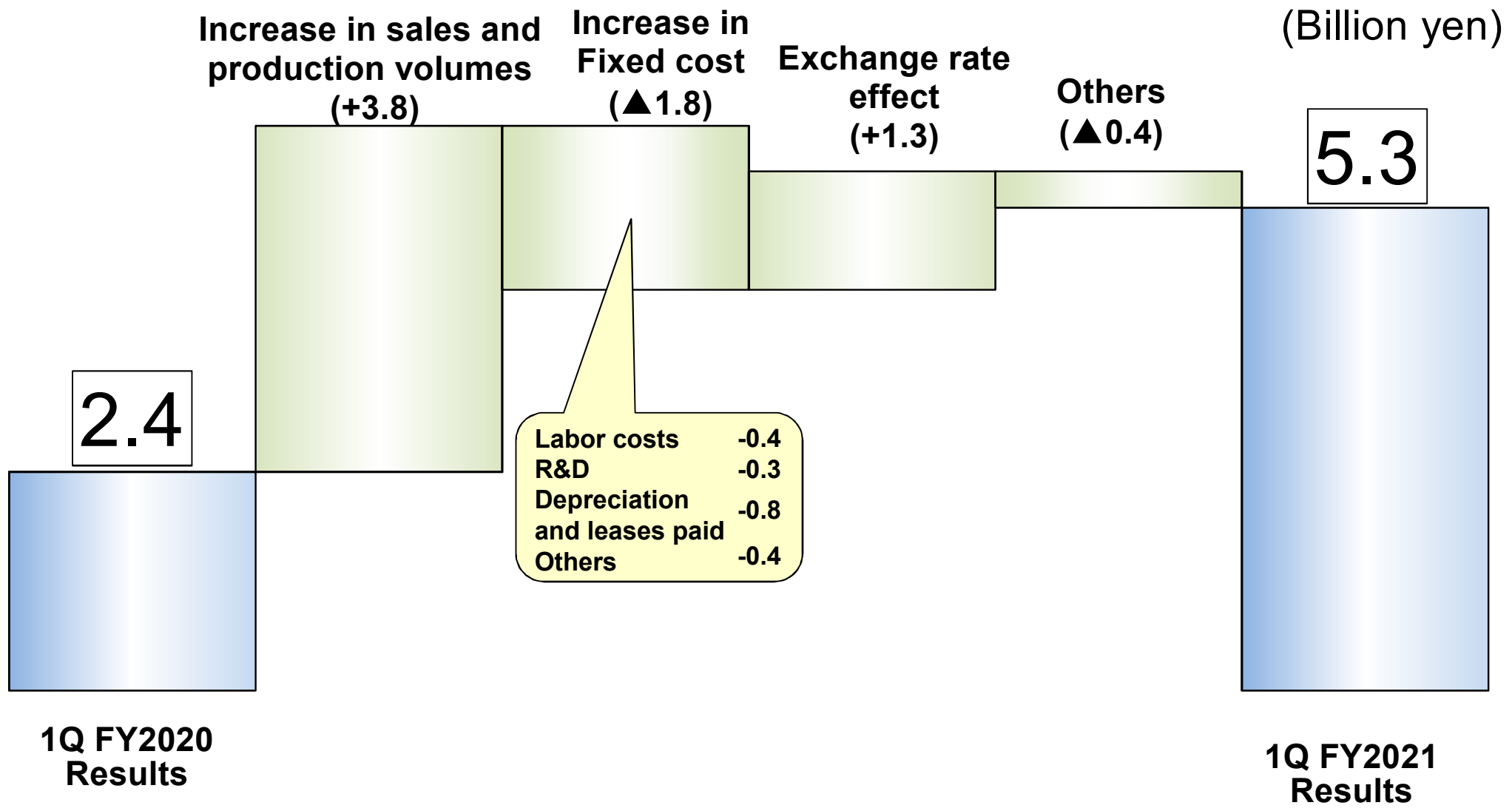
Net interest expense	-0.3 (1.2 → 0.9)
Foreign exchange gain	+0.5 (-0.4 → 0.1)
Others	+0.1 (-0.5 → -0.4)
	+0.4 (0.2 → 0.6)

Extraordinary Income/Loss

Gain on sales of investment securities	+2.3 (0.0 → 2.3)
Loss on valuation of investment securities	-0.1 (0.0 → -0.1)
Others	-0.0 (-0.1 → -0.1)
	+2.2 (-0.0 → 2.2)

Breakdown of Changes in Operating Results for 1Q FY2021 (YoY Comparison)

Higher profit due to increases in sales and production volumes



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

Higher sales in Power electronics systems business and in Semiconductor and Food and Beverage Distribution segments

(Billion yen)

	1Q FY2020 Results		1Q FY2021 Results		Change	
	Net Sales	Operating Income/Loss	Net Sales	Operating Income/Loss	Net Sales	Operating Income/Loss
Power Electronics Systems Energy	38.4	1.2	47.4	1.1	9.0	-0.1
Power Electronics Systems Industry	57.9	-1.4	62.6	0.2	4.6	1.6
Semiconductor	35.0	2.7	44.5	5.6	9.5	2.8
Power Generation	15.7	0.9	12.0	-0.7	-3.7	-1.6
Food and Beverage Distribution	19.0	-0.2	22.1	0.2	3.0	0.4
Others	12.2	0.3	12.3	0.5	0.2	0.2
Elimination and Corporate	-9.3	-1.2	-10.9	-1.6	-1.6	-0.4
Total	168.8	2.4	190.0	5.3	21.1	2.9

Business Results by Segment for 1Q FY2021 (YoY Comparison) ①

(Billion yen)

			1Q FY2020 Results	1Q FY2021 Results	Change	Overview
Power Electronics Systems	Energy	Net Sales	38.4	47.4	9.0	<p>Energy Management Net Sales Increased by 38% Increase in net sales as a result of large-scale projects for substation equipment for the power distribution and industrial fields, but decrease in operating results because of differences in profitability between projects</p> <p>Power Supply and Facility Systems Net Sales Increased by 8% Increase in net sales as a result of large-scale data center- and semiconductor-related projects, but decrease in operating results because of differences in profitability between projects</p>
		Operating Income/Loss	1.2	1.1	-0.1	<p>ED&C Components Net Sales Increased by 32% Increase in net sales and operating income due to higher demand from domestic and overseas manufacturers of machine tools and other finished equipment</p>
	Industry	Net Sales	57.9	62.6	4.6	<p>Automation Systems Net Sales Increased by 21% Increase in net sales and operating income due to the higher demand seen centered on low-voltage inverters and factory automation components in Japan and overseas</p> <p>Social Solutions Net Sales Increased by 21% Increase in net sales and operating results thanks to increases in demand for electrical equipment for railcars and radiation monitoring systems</p>
		Operating Income/Loss	-1.4	0.2	1.6	<p>Equipment Construction Net Sales Increased by 10% Increase in net sales due to higher demand for electrical equipment construction, but decrease in operating results because of differences in profitability between projects</p> <p>IT Solutions Net Sales Decreased by 30% Decrease in net sales due to the absence of the large-scale public-sector projects recorded in the previous equivalent period, but increase in operating results due to differences in profitability between projects</p>

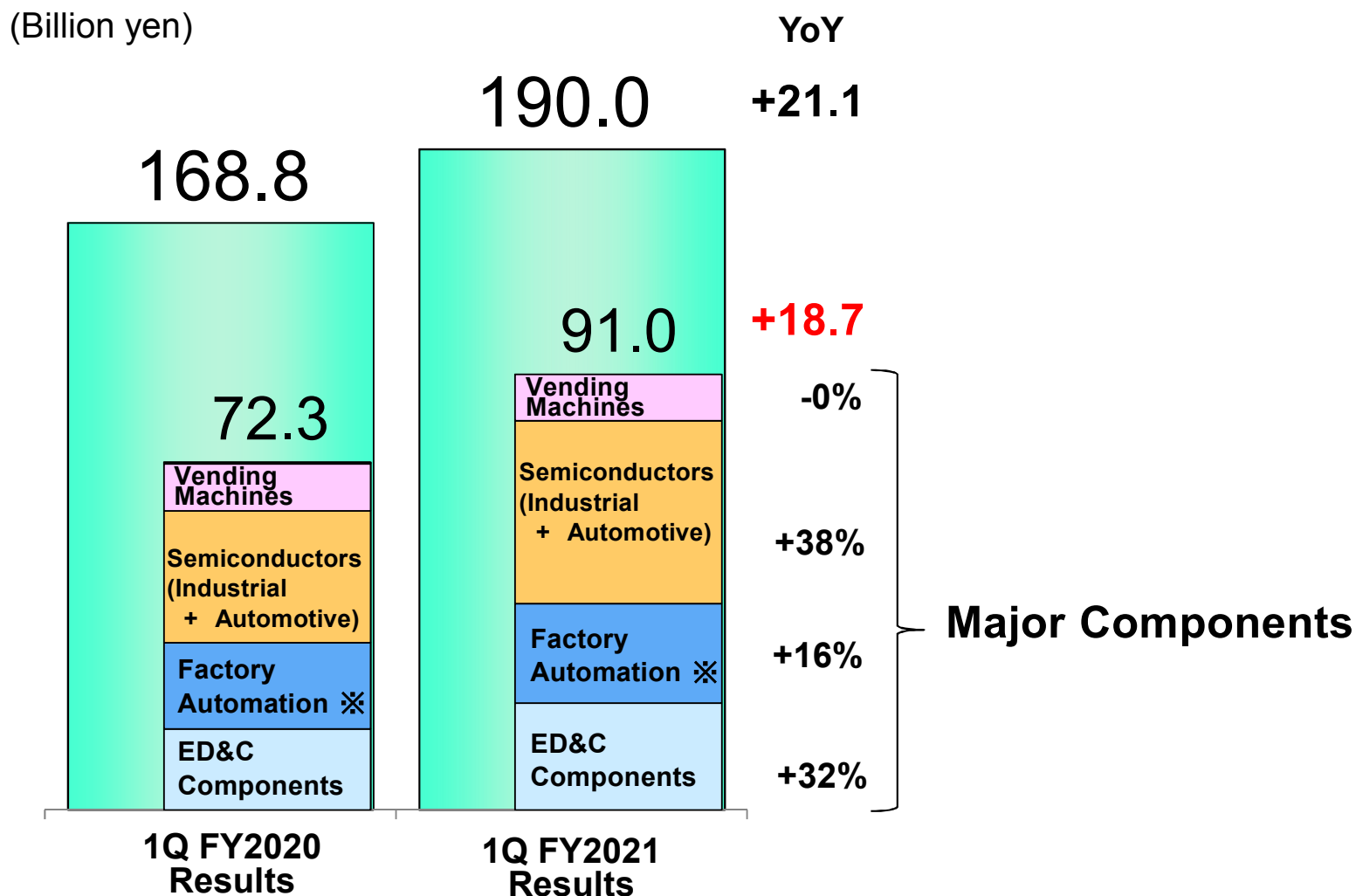
Business Results by Segment for 1Q FY2021 (YoY Comparison) ②

(Billion yen)

		1Q FY2020 Results	1Q FY2021 Results	Change	Overview												
Semiconductor	Net Sales	35.0	44.5	9.5	<p>Increase in net sales and operating results thanks to the increased demand for power semiconductors for electrified vehicles (xEVs) and for industrial applications. The higher demand compensated for the rise in expenses for bolstering power semiconductor production capacity and for conducting research and development.</p> <table border="1"> <thead> <tr> <th>Breakdown of sales</th> <th>FY2020</th> <th>FY2021</th> <th>Change</th> </tr> </thead> <tbody> <tr> <td>Industrial</td> <td>18.1</td> <td>21.8</td> <td>3.6</td> </tr> <tr> <td>Automotive</td> <td>9.5</td> <td>16.4</td> <td>6.9</td> </tr> </tbody> </table>	Breakdown of sales	FY2020	FY2021	Change	Industrial	18.1	21.8	3.6	Automotive	9.5	16.4	6.9
	Breakdown of sales	FY2020	FY2021	Change													
Industrial	18.1	21.8	3.6														
Automotive	9.5	16.4	6.9														
	Operating Income/Loss	2.7	5.6	2.8													
Power Generation	Net Sales	15.7	12.0	-3.7	<p>Decrease in net sales due to the rebound from a large-scale renewable energy project recorded in the previous equivalent period Decrease in operating results because of the lower net sales and differences in profitability between projects</p>												
	Operating Income/Loss	0.9	-0.7	-1.6													
Food and Beverage Distribution	Net Sales	19.0	22.1	3.0	<p>Vending Machine Net Sales Decreased by 0% Decrease in net sales and operating results due to the postponement of capital investment plans by Japanese beverage manufacturers, a factor that counteracted the benefits of cost reduction activities</p>												
	Operating Income/Loss	-0.2	0.2	0.4	<p>Store Distribution Net Sales Increased by 33% Increase in net sales and operating results because of an increase in demand for store equipment for convenience stores</p>												

Breakdown of Changes in Net Sales by Products for 1Q FY2021 (YoY Comparison)

Growth in demand for major components



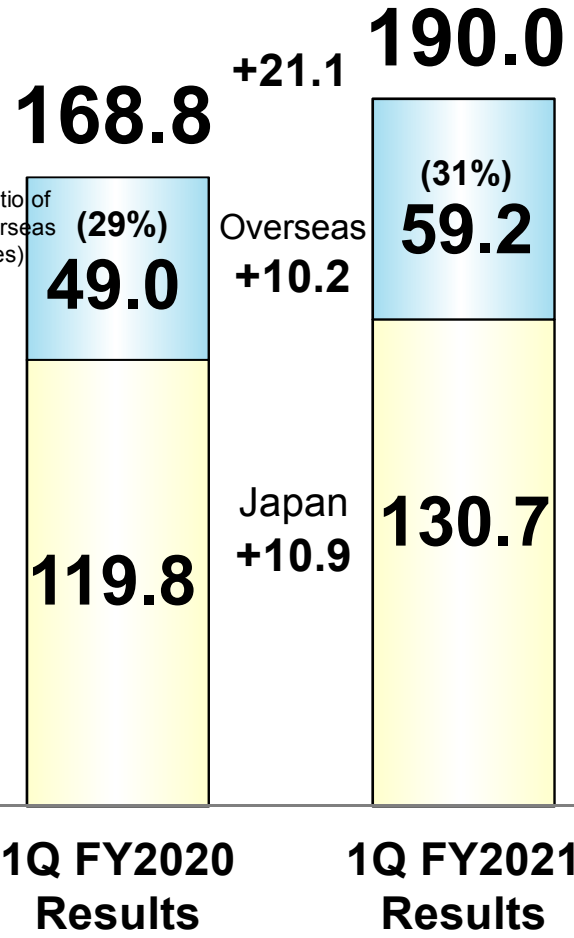
※Factory Automation : low-voltage inverters, motors, FA components and measuring instruments

※Figures for FY2020 reflect the organizational restructuring conducted in FY2021.

Net Sales by Japan and Overseas Area for 1Q FY2021 (YoY Comparison)

Higher sales of products for Chinese and Asian markets

(Billion yen)



(Billion yen)

	1Q FY2020 Results	1Q FY2021 Results	Change
Overseas	49.0	59.2	10.2
Asia and Others	23.2	27.5	4.3
China	19.2	24.0	4.8
Europe	3.9	4.4	0.5
Americas	2.7	3.3	0.6

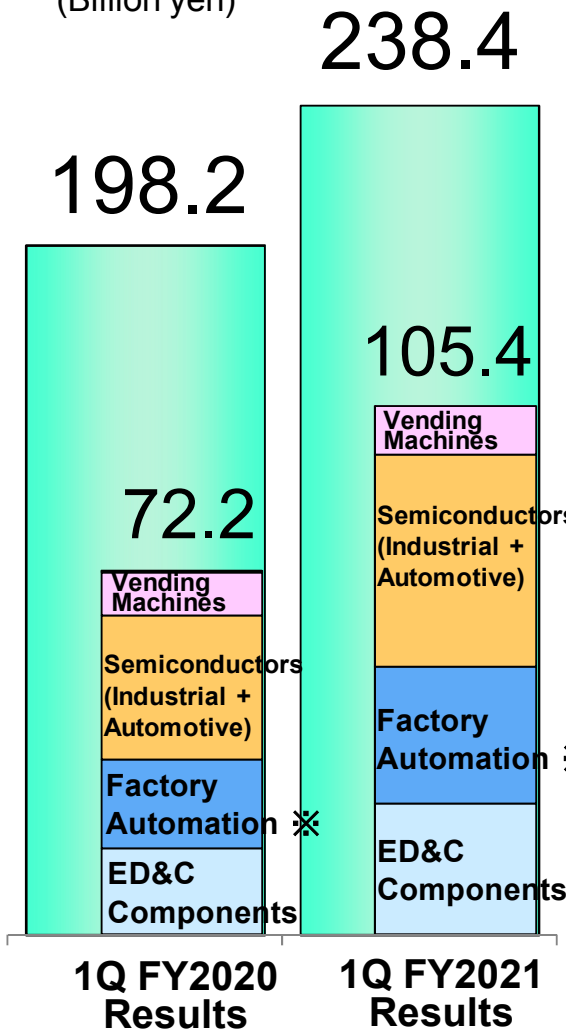
Power Supply and Facility Systems +0.7
ED&C Components +0.7
Automation Systems +1.5
Semiconductors +0.6

ED&C Components +1.6
Automation Systems +1.0
Semiconductors +2.2

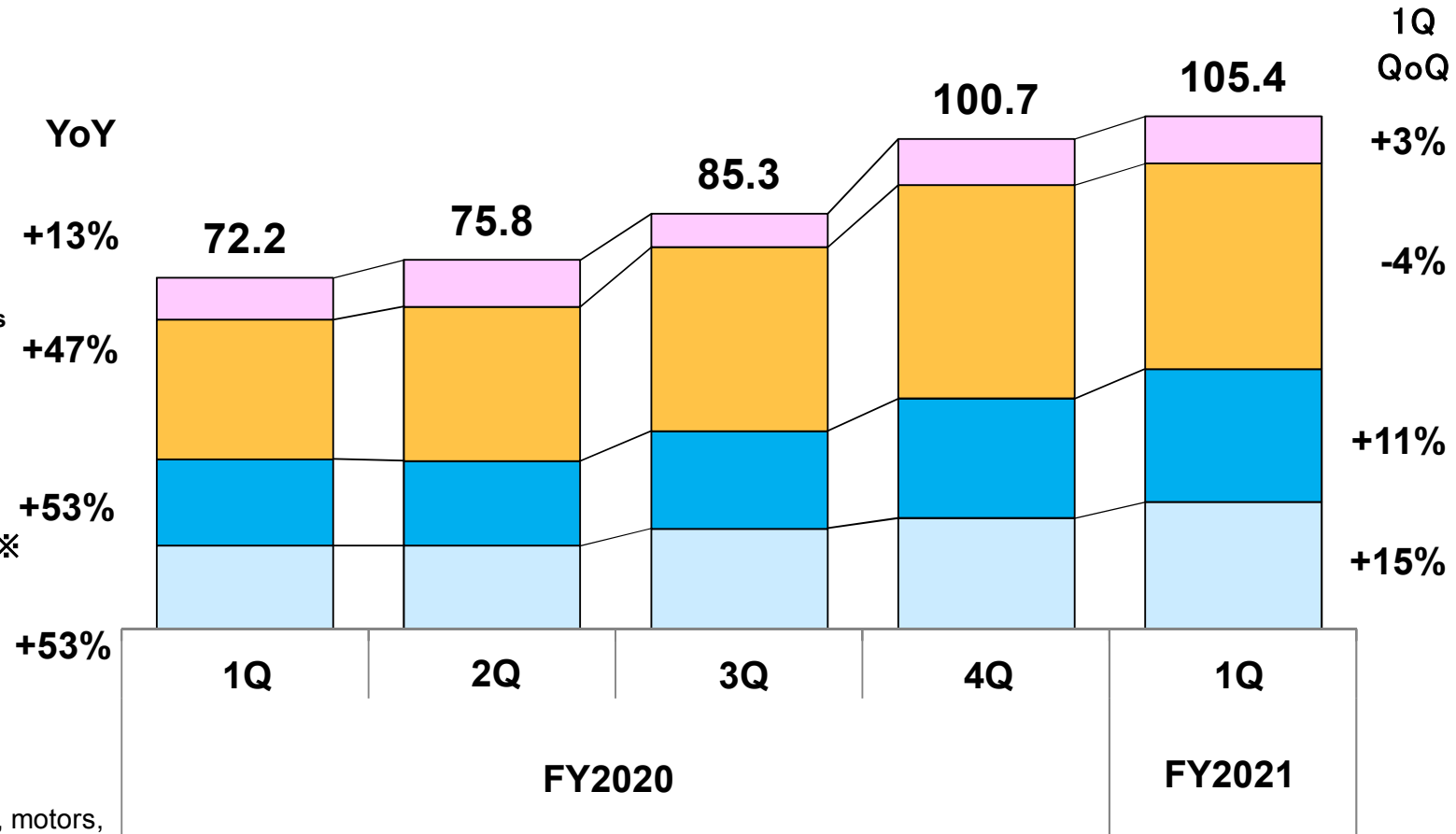
Breakdown of Changes in Amount of Orders Received by Products for 1Q FY2021 (YoY Comparison)

Ongoing recovery of orders for major components

(Billion yen)



Major Components Orders Received Trend



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

※Figures for FY2020 reflect the organizational restructuring conducted in FY2021.

Consolidated Balance Sheet at the End of 1Q FY2021

(Billion yen)

Assets		3/31/21* ₁	6/30/21	Change
Cash and time deposits		76.5	87.1	10.5
Notes and account receivables, trade receivables		350.5	289.5	-61.0
Inventories		159.7	159.7	0.0
Other current assets		49.8	53.2	3.4
Total current assets		636.5	589.5	-47.1
Tangible fixed assets		209.8	212.7	3.0
Intangible fixed assets		23.4	22.7	-0.7
Investments and other assets		188.8	194.0	5.2
Total long-term assets		422.0	429.5	7.5
Deferred assets		0.1	0.1	-0.0
Total assets		1,058.6	1,019.0	-39.5
Net interest-bearing debt* ₂		140.9	129.4	-11.5
Net D/E ratio (times)* ₃		0.3	0.3	-0.0
Equity ratio		39.6%	41.8%	2.2%

Liabilities and Net Assets		3/31/21* ₁	6/30/21	Change
Notes and account payables, trade payables		172.0	136.8	-35.3
Interest-bearing debts		216.2	214.7	-1.5
Other liabilities		207.2	196.5	-10.7
Total liabilities		595.4	548.0	-47.5
Capital stock		47.6	47.6	-
Capital surplus		46.0	46.0	-
Retained earnings		273.5	272.0	-1.5
Treasury stock at cost		-7.3	-7.3	-0.0
Shareholders' equity		359.7	358.3	-1.5
Other accumulated comprehensive income		59.0	68.1	9.1
Non-controlling interests		44.4	44.7	0.3
Total net assets		463.1	471.1	7.9
Total liabilities and net assets		1,058.6	1,019.0	-39.5

*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 Financial Results Forecasts for FY2021 (YoY Comparison)

No change to six-month or full-year forecasts announced on April 27, 2021

(Billion yen)	1st Half		Full-year	
	FY2020 Results	FY2021 Forecasts (Jul. 29, 2021)	FY2020 Results	FY2021 Forecasts (Jul. 29, 2021)
Net Sales	357.0	410.0	875.9	900.0
Operating Income/Loss	5.3	11.5	48.6	60.0
Ordinary Income/Loss	5.2	11.0	50.4	61.0
Net Income Attributable to Owners of Parent	2.1	8.0	41.9	42.0

Assumed Exchange Rate from 2Q to 4Q

	US\$	EURO	RMB
Exchange Rate (Yen)	102.0	123.0	15.5
Foreign Exchange Rate Sensitivity (Million yen)	70	70	210

* Impact on operating income/loss
 US\$ and EURO: Impact of ¥ 1-fluctuations
 RMB: Impact of 1% fluctuations

(Billion yen)	1st Half				Full-year			
	Net Sales		Operating Income/ Loss		Net Sales		Operating Income/ Loss	
	FY2020 Results	FY2021 Forecasts (Jul. 29, 2021)	FY2020 Results	FY2021 Forecasts (Jul. 29, 2021)	FY2020 Results	FY2021 Forecasts (Jul. 29, 2021)	FY2020 Results	FY2021 Forecasts (Jul. 29, 2021)
Power Electronics Systems Energy	81.8	102.0	1.6	3.7	209.2	217.0	14.0	15.2
Power Electronics Systems Industry	128.2	148.0	0.2	1.8	345.9	329.0	21.8	22.2
Semiconductor	72.4	84.0	6.3	8.7	157.5	174.0	17.7	21.6
Power Generation	32.7	27.0	1.1	-1.1	80.4	84.0	2.5	3.3
Food and Beverage Distribution	37.7	44.0	-2.6	0.5	76.6	87.5	-5.3	2.7
Others	25.1	24.0	0.8	0.7	52.7	50.0	2.2	1.8
Elimination and Corporate	-20.8	-19.0	-2.1	-2.8	-46.3	-41.5	-4.3	-6.8
Total	357.0	410.0	5.3	11.5	875.9	900.0	48.6	60.0

■ Low-voltage inverters amount of orders received

	1Q QoQ	1Q YoY
All	+16%	+81%
Japan	+27%	+64%
Overseas	+10%	+94%

■ Semiconductors amount of orders received

	1Q QoQ	1Q YoY
Industrial + Automotive	-4%	+47%
Industrial	-8%	+35%
Automotive	+3%	+72%

■ Vending machines amount of orders received

	1Q QoQ	1Q YoY
All	+3%	+13%
Japan	-8%	+10%
Overseas	+235%	+29%
China	+464%	+10%
Southeast Asia, others	+88%	+95%

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