

Financial Results for the Six Months of the Year 2025

(Six months ended on July 31, 2024)

Company: **FUJI ELECTRIC INDUSTRY CO., LTD.**

Code Number: 6654

Coordinator: Noriko Shimomura

Director and Executive Officer

Stock: Tokyo Stock Exchange

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Date of the board meeting for this period: September 3, 2024

1. Financial results for the six months ended July 31 (February 1, 2024 through July 31, 2024)

(1) Operating Results

(Unit: Millions of Yen)

Six months ended	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
July 31, 2024	1,990	9.1	219	9.8	236	11.0
July 31, 2023	1,824	(3.5)	200	5.1	213	2.7

Six months ended	Net income		Net income per share – basic	Net income per share – diluted
	Millions of yen	%	Yen	Yen
July 31, 2024	159	(27.0)	28.73	28.68
July 31, 2023	218	50.1	39.38	39.32

Note: Percentages for net sales, operating income etc. show increase (decrease) from the same period of the previous year.

(2) Financial Condition

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of July 31, 2024	11,578	10,672	92.1
As of January 31, 2024	11,279	10,446	92.5

Note: Equity capital

As of July 31, 2024 10,663 million yen
As of January 31, 2024 10,438 million yen

2. Dividends

	Dividend per share				
	First quarter	Second quarter	Third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY 2024	—	16.00	—	19.00	35.00
FY 2025	—	16.00			
FY 2025 (forecast)			—	16.00	32.00

Note1 : Revision of dividends forecast for this period : None

Note2 : Year-end dividend for FY 2024 includes a commemorative dividend of 3 yen for the 70th anniversary of the company's founding.

3. Forecast of operating results for Fiscal Year 2025 (February 1, 2024 through January 31, 2025)

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY 2025	3,785	1.7	282	(29.4)	300	(29.3)

	Net income		Net income per share
	Millions of yen	%	Yen
FY 2025	209	(40.2)	37.67

Note : Revision of operating results forecast for this period : None

4.Others

- (1) Application of special accounting policy for semi-annual financial statements : None
(2) Changes in the accounting policy : None
(3) Changes except (2) : None
(4) About number of shares

Number of shares issued	: As of July 31, 2024	6,669,000	FY 2024	6,669,000
Treasury stock at end of each period	: As of July 31, 2024	1,112,930	FY 2024	1,117,630
Average number of shares	: As of July 31, 2024	5,553,435	As of July 31, 2024	5,549,207

※ Note with respect to “Forecast of operating results for Fiscal Year 2025”

Forecasts announced by the company referred to above be prepared based on management’s assumptions with information available at this time and therefore involve known and unknown risks and uncertainties. Please note such risks and uncertainties may cause the actual results to be materially different from the forecasts (earnings forecast, dividend forecast, and other forecasts).

Qualitative information / Financial affairs

1. Description on business performance

(1) General situation

During the first six months of the fiscal year ending January 31, 2025, Japan's economy continued to recovering at a moderate pace with improvements in corporate earnings and situation of employment and income, although the recovery of consumer spending was pausing.

Under these circumstances, We focused our sales activity on the domestic market of electric power, public facilities, general industries, electric railway and overseas market of Asia and the Middle East. As a result of this performance, although the sales of Cam switch and Large current busbar connector decreased, the sales of I/O terminal and Terminal blocks increased.

The cumulative sales amount in the first six months of the fiscal year was 1,990 million yen (increased by 9.1% compared with the previous year).

Regarding the cumulative profit, the net sales exceeded last year's, manufacturing costs decreased, the operating income was 219 million yen (increased by 9.8% compared with the previous year). The ordinary income was 236 million yen (increased by 11.0% compared with the previous year), and the net income was 159 million yen (decreased by 27.0% compared with the previous year) due to absence of 102 million yen gain on sale of investment securities recorded in the previous year.

(2) Products sales

Control switches

Although the sales of Cam switch decreased, the sales of Auxiliary switch increased.

The sales amount was 490 million yen (increased by 7.6% compared with the previous year).

Connecting devices

The sales of Large current busbar connector and Test terminal block decreased. However, the sales of Terminal blocks and Connector terminal block increased. The sales amount was 799 million yen (increased by 8.0% compared with the previous year).

Pilot lamps and Indicators

Although the sales of Multi-window Indicator decreased, the sales of Indicator for railway vehicles and other Indicators increased. The sales amount was 240 million yen (increased by 12.4% compared with the previous year).

Electronic devices

Although the sales of Annunciator relay and Telephone relay decreased, the sales of I/O terminal increased. The sales amount was 388 million yen (increased by 3.9% compared with the previous year).

Third party sales

Despite withdrawal from Smart-Solution business (Purchase and Sales business), orders acquired before withdrawal were recorded as sales, the sales amount was 67 million yen (increased by 112.8% compared with the previous year).

Others

The sales amount except for Electric control devices was 3 million yen (decreased by 50.7% compared with the previous year).

2. Description on business performance forecast

As for the prospects of our business performances of January 2025, there have been no changes in the Notice of Earnings Forecast (disclosed in Japanese text only) announced by on June 4, 2024.

3.Semi-annual Non-consolidated Financial Statements
(1)Non-consolidated balance sheets

Thousands of Yen

	As of January 31, 2024	As of July 31, 2024
	Amount	Amount
(Assets)		
I Current assets		
1.Cash and deposits	4,635,420	4,274,477
2.Notes and accounts receivable-trade	1,141,675	1,219,655
3.Electronically recorded monetary claims	311,996	334,136
4. Finished goods	276,848	283,207
5. Work in process	480,790	415,586
6. Raw materials	557,728	545,709
7. Others	42,055	64,225
Total current assets	7,446,515	7,136,998
II Noncurrent assets		
(1) Property, plant and equipment		
1.Buildings, net	1,406,301	1,361,519
2.Land	1,347,627	1,347,479
3.Others, net	206,916	182,720
Total property, plant and equipment	2,960,845	2,891,720
(2) Intangible assets	7,529	5,702
(3) Investments and other assets		
1.Investment securities	844,360	1,228,376
2.Others	19,931	316,148
Total investments and other assets	864,292	1,544,524
Total noncurrent assets	3,832,666	4,441,947
Total assets	11,279,181	11,578,945

Thousands of Yen

	As of January 31, 2024	As of July 31, 2024
	Amount	Amount
(Liabilities)		
I Current liabilities		
1.Accounts payable-trade	126,894	152,474
2.Short-term loans payable	120,000	120,000
3.Income taxes payable	120,945	84,373
4.Provision for bonuses	58,244	52,806
5.Provision for directors' bonuses	6,100	5,380
6.Provision for product warranties	72,162	66,184
7.Others	168,976	186,034
Total current liabilities	673,322	667,253
II Noncurrent liabilities		
1.Provision for retirement benefits	123,290	124,760
2.Others	35,619	114,327
Total noncurrent liabilities	158,909	239,088
Total liabilities	832,232	906,342
(Net assets)		
I Shareholders' equity		
1.Capital stock	1,087,250	1,087,250
2.Capital surplus	1,712,257	1,712,233
3.Retained earnings	8,540,450	8,594,499
4.Treasury stock	(1,251,734)	(1,246,470)
Total shareholders' equity	10,088,223	10,147,513
II Valuation and translation adjustments		
Valuation difference on available-for-sale securities	350,069	516,433
Total valuation and translation adjustments	350,069	516,433
III Share option	8,656	8,656
Total net assets	10,446,949	10,672,603
Total liabilities and net assets	11,279,181	11,578,945

(2)Non-consolidated statements of income

Thousands of Yen

	Six months ended July 31, 2023	Six months ended July 31, 2024
	Amount	Amount
I Net sales	1,824,070	1,990,363
II Cost of sales	1,160,469	1,294,887
Gross profit	663,600	695,475
III Selling, general and administrative expenses	463,417	475,598
Operating income	200,183	219,876
IV Non-operating income		
1.Interest income	260	386
2.Interest on securities	33	211
3.Dividends income	7,613	10,658
4.Subsidy income	5,260	630
5.Foreign exchange gains	2,350	405
6.Gain on investments in partnership	—	2,245
7.Others	2,909	3,082
Total non-operating income	18,427	17,621
V Non-operating expenses		
1.Interest expenses	488	537
2.Loss on investments in partnership	4,679	—
3.Others	0	0
Total non-operating expenses	5,168	538
Ordinary income	213,442	236,960
VI Extraordinary income		
Gain on sales of noncurrent assets	—	27
Gain on sales of investment securities	102,310	—
Total extraordinary income	102,310	27
VII Extraordinary loss		
Loss on retirement of noncurrent assets	0	23
Total extraordinary losses	0	23
Income before income taxes	315,752	236,963
Income taxes	97,240	77,438
Net income	218,511	159,525

(3)Non-consolidated statements of cash flows

Thousands of Yen

	Six months ended July 31, 2023	Six months ended July 31, 2024
Description	Amount	Amount
I. Net cash provided by (used in) operating activities		
Income before income taxes	315,752	236,963
Depreciation and amortization	98,385	94,238
Increase (decrease) in provision for directors' bonuses	2,025	(720)
Increase (decrease) in provision for retirement benefits	7,174	1,470
Interest and dividends income	(7,906)	(11,257)
Interest expenses	488	537
Increase(decrease) in provision for product warranties	(14,732)	(5,977)
Loss (gain) on sale of investment securities	(102,310)	—
Loss (gain) on investments in partnership	4,679	(2,245)
Subsidy income	(5,260)	(630)
Loss(gain) on sale of property, plant and equipment	—	(27)
Loss on retirement of property, plant and equipment	0	23
Decrease (increase) in notes and accounts receivable-trade	(26,306)	(100,119)
Decrease (increase) in inventories	(57,473)	70,864
Increase (decrease) in notes and accounts payable-trade	(8,703)	25,580
Others	16,864	(8,263)
Subtotal	222,675	300,438
Interest and dividends received	7,948	11,012
Interest expenses paid	(498)	(560)
Proceeds from subsidy income	5,260	630
Income taxes paid	(49,543)	(101,672)
Net cash provided by (used in) operating activities	185,841	209,848
II. Net cash provided by (used in) investing activities		
Payment for time deposits	(3,200,005)	(3,200,006)
Proceeds from time deposits	3,200,003	3,200,005
Purchase of tangible assets	(29,617)	(24,172)
Proceeds from sale of property, plant and equipment	—	27
Purchase of intangible assets	(165)	—
Purchase of investment securities	(9,893)	(150,000)
Proceeds from sales of investment securities	110,500	—
Proceeds from distribution investments in partnership	4,200	7,500
Net cash provided by (used in) investing activities	75,022	(166,646)
III. Net cash provided by (used in) financing activities		
Cash dividends paid	(88,440)	(104,884)
Net cash provided by (used in) financing activities	(88,440)	(104,884)
IV. Effect of exchange rate change on cash and cash equivalents	722	738
V. Net increase (decrease) in cash and cash equivalents	173,145	(60,944)
VI. Cash and cash equivalents-Beginning	1,166,971	1,335,415
VII. Cash and cash equivalents-Ending	1,340,116	1,274,470

4.Others

(1) Actual of orders

Thousands of Yen

	Six months ended July 31, 2024
Products category	Amount
Control switches	484,398
Connecting devices	774,810
Pilot lamps and Indicators	205,725
Electronic devices	255,415
Third party sales	(461)
Others	3,991
Total	1,723,880

(2) Backlog of orders

Thousands of Yen

	Six months ended July 31, 2024
Products category	Amount
Control switches	417,206
Connecting devices	295,146
Pilot lamps and Indicators	241,111
Electronic devices	298,307
Third party sales	2,860
Others	—
Total	1,254,632

(3) Sales

Thousands of Yen

	Six months ended July 31, 2024
Products category	Amount
Control switches	490,286
Connecting devices	799,387
Pilot lamps and Indicators	240,956
Electronic devices	388,327
Third party sales	67,415
Others	3,991
Total	1,990,363

① Sales form

Thousands of Yen

	Six months ended July 31, 2024
	Amount
Domestic sales	1,822,031
Overseas sales	168,332
Total	1,990,363

Note: The details of overseas sales are listed below.

② Foreign market for trading company (overseas sales)

Thousands of Yen

	Six months ended July 31, 2024
	Amount
Asia	107,320
Middle East	19,095
Others	41,915
Total	168,332