

Financial Results for the First Quarter of the Year 2023

(Three months ended on April 30, 2022)

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

Code Number: 6654

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Director and Executive Officer

Stock: Tokyo Stock Exchange

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Date of the board meeting for this period: June 2, 2022

1.First quarter financial results for the three months ended on April 30(February 1,2022 through April 30,2022)

(1) Operating Results

(Unit: Millions of Yen)

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
1st Q.FY 2023	945	0.9	76	(11.4)	87	(15.5)
1st Q.FY 2022	937	1.3	86	1.4	103	12.5

	Net income		Net income per share –basic	Net income per share –diluted
	Millions of yen	%	Yen	Yen
1st Q.FY 2023	60	(16.6)	10.56	10.54
1st Q.FY 2022	72	11.4	12.70	12.65

Note: Percentages for net sales, operating income etc. show increase (decrease) from previous year's first quarter.

(2) Financial Condition

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
1st Q.FY 2023	11,113	10,259	92.2	1,784.81
FY 2022	11,004	10,286	93.4	1,789.50

Note: Equity capital

1st Q.FY 2023

10,250 million yen

FY 2022

10,277 million yen

2.Dividends

	Dividend per share				
	1st Q.	2nd Q.	3rd Q.	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY 2022	—	16.00	—	16.00	32.00
FY 2023	—				
FY 2023 (forecast)		16.00	—	16.00	32.00

Note : Revision of dividends forecast for this period : No

3.Forecast of operating results for Fiscal Year 2023(February 1,2022 through January 31,2023)

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
2nd Q.FY 2023	1,930	5.3	105	24.5	118	2.3
FY 2023	3,900	4.8	232	1.5	254	(7.2)

	Net income		Net income per share
	Millions of yen	%	Yen
2nd Q.FY 2023	82	1.2	14.31
FY 2023	176	(7.5)	30.83

Note 1: Percentages for net sales, operating income etc. for the 2nd Q.FY 2023 and the FY 2023 show increase (decrease) from interim period and year period, respectively.

2 : Revision of operating results forecast for this period : No

4.Others

- (1) Application of special accounting policy for quarterly financial reporting : No
(2) Changes in the accounting policy : Yes
(3) Changes except (2) : No
(4) About number of shares

Number of shares issued	:	1st Q.FY 2023	6,669,000	FY 2022	6,669,000
Treasury stock at end of each period	:	1st Q.FY 2023	925,730	FY 2022	925,730
Average number of shares	:	1st Q.FY 2023	5,743,270	1st Q.FY 2022	5,721,070

※ Note with respect to “Forecast of operating results for Fiscal Year 2023”

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 three months of the fiscal year ending January 31, 2023, Japan's economy was stagnant in consumer spending because of the spread of COVID-19. However, capital investment and production activities were showing signs of recovery.

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 Switches for railway vehicles decreased, the sales of Connector terminal block and Test terminal block increased.

The cumulative sales amount in the first three months of the fiscal year was 945 million yen (increased by 0.9% compared with the previous year).

Regarding the cumulative profit, the net sales exceeded last year's, however, material costs in manufacturing costs increased, the operating income was 76 million yen (decreased by 11.4% compared with the previous year), the ordinary income was 87 million yen (decreased by 15.5% compared with the previous year), and the net income was 60 million yen (decreased by 16.6% compared with the previous year).

(2) Products sales

Control switches

Because the sales of Switches for railway vehicles decreased, the sales amount was 240 million yen (decreased by 16.1% compared with the previous year).

Connecting devices

The sales of Connector terminal block and Test terminal block increased. The sales amount was 440 million yen (increased by 14.5% compared with the previous year).

Pilot lamps and Indicators

Although the sales of LED Indicator decreased, the sales of Multi-window Indicator increased.

The sales amount was 125 million yen (increased by 1.3% compared with the previous year).

Electronic devices

The sales of Annunciator relay was sluggish. However, the sales of I/O terminal and Telephone relay increased.

The sales amount was 131 million yen (increased by 3.1% compared with the previous year).

Third party sales

By the sales of parts for photovoltaic facilities and substations, the sales amount was 7 million yen (decreased by 48.1% compared with the previous year).

Others

The sales amount except for Electric control devices was 0 million yen.

2. Description on business performance forecast

As for the prospects of our business performances of January 2023, there have been no changes in the prospects announced by the brief note on March 10, 2022.

3.Non-consolidated quarterly balance sheets

Thousands of Yen

	As of January 31, 2022	As of April 30, 2022
	Amount	Amount
Assets		
Current assets		
Cash and deposits	4,552,192	4,532,548
Notes and accounts receivable-trade	1,197,161	1,263,778
Electronically recorded monetary claims	311,988	331,993
Finished goods	163,762	190,925
Work in process	397,250	421,242
Raw materials	498,818	509,269
Others	39,880	41,070
Total current assets	7,161,055	7,290,828
Noncurrent assets		
Property, plant and equipment		
Buildings, net	1,615,507	1,589,046
Land	1,347,627	1,347,627
Others, net	244,574	229,085
Total property, plant and equipment	3,207,709	3,165,759
Intangible assets	9,510	8,494
Investments and other assets		
Investment securities	577,579	581,305
Others	48,336	66,794
Total investments and other assets	625,915	648,100
Total noncurrent assets	3,843,136	3,822,353
Total assets	11,004,191	11,113,182

3.Non-consolidated quarterly balance sheets

Thousands of Yen

	As of January 31, 2022	As of April 30, 2022
	Amount	Amount
Liabilities		
Current liabilities		
Accounts payable-trade	138,762	181,173
Short-term loans payable	120,000	120,000
Income taxes payable	54,359	44,833
Provision for bonuses	58,533	98,916
Provision for product warranties	114,019	103,433
Others	117,489	166,371
Total current liabilities	603,164	714,727
Noncurrent liabilities		
Provision for retirement benefits	100,732	123,748
Others	13,553	14,886
Total noncurrent liabilities	114,285	138,635
Total liabilities	717,449	853,363
Net assets		
Shareholders' equity		
Capital stock	1,087,250	1,087,250
Capital surplus	1,712,365	1,712,365
Retained earnings	8,286,226	8,254,973
Treasury stock	(1,027,968)	(1,027,968)
Total shareholders' equity	10,057,873	10,026,621
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	219,680	224,010
Total valuation and translation adjustments	219,680	224,010
Share option	9,187	9,187
Total net assets	10,286,741	10,259,819
Total liabilities and net assets	11,004,191	11,113,182

4.Non-consolidated quarterly statements of income

Thousands of Yen

	Three months ended April 30, 2021	Three months ended April 30, 2022
	Amount	Amount
Net sales	937,549	945,587
Cost of sales	600,381	619,586
Gross profit	337,168	326,001
Selling, general and administrative expenses	250,340	249,068
Operating income	86,828	76,933
Non-operating income		
Interest income	188	73
Subsidy income	15,370	5,217
Foreign exchange gains	684	3,799
Others	955	1,845
Total non-operating income	17,199	10,935
Non-operating expenses		
Interest expenses	269	238
Total non-operating expenses	269	238
Ordinary income	103,758	87,630
Extraordinary loss		
Loss on retirement of noncurrent assets	0	0
Total extraordinary losses	0	0
Income before income taxes	103,758	87,630
Income taxes	31,078	26,990
Net income	72,680	60,639

5.Others

(1) Actual of orders

Thousands of Yen

	Three months ended April 30, 2022
Products category	Amount
Control switches	274,858
Connecting devices	479,326
Pilot lamps and Indicators	130,827
Electronic devices	250,340
Third party sales	37,261
Others	5
Total	1,172,621

(2) Backlog of orders

Thousands of Yen

	Three months ended April 30, 2022
Products category	Amount
Control switches	352,339
Connecting devices	403,728
Pilot lamps and Indicators	181,052
Electronic devices	478,902
Third party sales	47,227
Others	—
Total	1,463,250

(3) Sales

Thousands of Yen	
	Three months ended April 30, 2022
Products category	Amount
Control switches	240,248
Connecting devices	440,792
Pilot lamps and Indicators	125,267
Electronic devices	131,686
Third party sales	7,586
Others	5
Total	945,587

① Distribution channel

Thousands of Yen	
	Three months ended April 30, 2022
	Amount
Domestic sales	865,692
Overseas sales	79,895
Total	945,587

② Foreign market for trading company (overseas sales)

Thousands of Yen	
	Three months ended April 30, 2022
	Amount
Asia	59,548
Middle East	11,191
Others	9,155
Total	79,895