

# Financial Results for the Third Quarter of the Year 2022

(Nine months ended on October 31, 2021)

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: December 2, 2021

## 1. Third quarter financial results for the nine months ended on October 31 (February 1, 2021 through October 31, 2021)

### (1) Operating Results

(Unit: Millions of Yen)

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
3rd Q.FY 2022	2,825	1.1	166	(38.4)	200	(28.4)
3rd Q.FY 2021	2,796	(3.6)	271	5.6	280	2.4

  

	Net income		Net income per share –basic	Net income per share –diluted
	Millions of yen	%	Yen	Yen
3rd Q.FY 2022	139	(29.1)	24.37	24.31
3rd Q.FY 2021	197	(4.3)	33.52	33.39

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

### (2) Financial Condition

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
3rd Q.FY 2022	11,033	10,221	92.5	1,778.16
FY 2021	10,901	10,228	93.6	1,783.74

Note: Equity capital

3rd Q.FY 2022 10,211 million yen  
FY 2021 10,204 million yen

## 2.Dividends

	Dividend per share				
	First quarter	Second quarter	Third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY 2021	—	16.00	—	16.00	32.00
FY 2022	—	16.00			
FY 2022 (forecast)			—	16.00	32.00

Note : Revision of dividends forecast for this period : No

## 3.Forecast of operating results for Fiscal Year 2022 (February 1, 2021 through January 31, 2022)

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY 2022	3,900	6.6	240	(16.5)	264	(13.8)

  

	Net income		Net income per share
	Millions of yen	%	Yen
FY 2022	183	(10.7)	32.06

Note 1: Percentages for net sales, operating income etc. for the FY 2022 show increase (decrease) from the previous year.

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 : No

(3) Changes except (2) : No

(4) About number of shares

Number of shares issued	:	3rd Q.FY 2022	6,669,000	FY 2021	6,669,000
Treasury stock at end of each period	:	3rd Q.FY 2022	926,530	FY 2021	947,930
Average number of shares	:	3rd Q.FY 2022	5,734,553	3rd Q.FY 2021	5,882,842

※ Note with respect to “Forecast of operating results for Fiscal Year 2022”

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 nine months of the fiscal year ending January 31, 2022, Japan's economy was in a difficult situation mainly in consumer spending because of the spread of COVID-19. However, capital investment and production activities were showing signs of recovery.

With regard to business prospects, we expect that consumer spending and corporate profits will recover gradually, whereas there are concerns about soaring raw material prices.

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 were sluggish, Terminal block and Auxiliary switch, our main products, were selling well.

The cumulative sales amount in the first nine months of the fiscal year was 2,825 million yen (increased by 1.1% compared with the previous year).

Regarding the cumulative profit, because labor and manufacturing costs increased, the operating income was 166 million yen (decreased by 38.4% compared with the previous year), the ordinary income was 200 million yen (decreased by 28.4% compared with the previous year), and the net income was 139 million yen (decreased by 29.1% compared with the previous year).

#### (2) Products sales

##### Control switches

Auxiliary switch was selling well. However, the sales of Switches for railway vehicles were sluggish.

The sales amount was 749 million yen (decreased by 7.9% compared with the previous year).

##### Connecting devices

The sales of Terminal block was in good shape. The sales of Test terminal block and Surge absorber terminal block also increased. The sales amount was 1,110 million yen (increased by 5.7% compared with the previous year).

##### Pilot lamps and Indicators

Although the sales of Indicator for railway vehicles decreased, the sales of LED Indicator and Multi-window Indicator increased. The sales amount was 367 million yen (increased by 2.7% compared with the previous year).

##### Electronic devices

Telephone relay was selling well. However, the sales of Annunciator relay decreased.

The sales amount was 412 million yen (decreased by 3.9% compared with the previous year).

##### Third party sales

By the sales of Equipments for photovoltaic generation, the sales amount was 172 million yen (increased by 25.9% compared with the previous year).

##### Others

The sales amount except for Electric control devices was 13 million yen.

### 2. Description on business performance forecast

As for the prospects of our business performances of January 2022, there have been no changes in the revised forecast that announced on March 9, 2021.

### 3.Non-consolidated quarterly balance sheets

Thousands of Yen

	As of January 31, 2021	As of October 31, 2021
	Amount	Amount
<b>(Assets)</b>		
<b>I Current assets</b>		
1.Cash and deposits	4,508,185	4,462,451
2.Notes and accounts receivable-trade	1,092,819	1,245,655
3.Electronically recorded monetary claims	318,522	331,509
4.Finished goods	183,125	216,312
5.Work in process	367,768	378,888
6.Raw materials	440,685	445,567
7.Others	32,779	45,488
<b>Total current assets</b>	<b>6,943,886</b>	<b>7,125,874</b>
<b>II Noncurrent assets</b>		
(1) Property, plant and equipment		
1.Buildings, net	1,709,030	1,642,253
2.Land	1,347,627	1,347,627
3.Others, net	310,854	280,250
Total property, plant and equipment	3,367,512	3,270,131
(2) Intangible assets	15,729	10,843
(3) Investments and other assets		
1.Investment securities	516,996	555,363
2.Others	57,197	71,228
Total investments and other assets	574,193	626,592
<b>Total noncurrent assets</b>	<b>3,957,435</b>	<b>3,907,568</b>
<b>Total assets</b>	<b>10,901,321</b>	<b>11,033,442</b>

### 3.Non-consolidated quarterly balance sheets

Thousands of Yen

	As of January 31, 2021	As of October 31, 2021
	Amount	Amount
<b>(Liabilities)</b>		
<b>I Current liabilities</b>		
1.Accounts payable-trade	97,652	153,246
2.Short-term loans payable	120,000	120,000
3.Income taxes payable	51,213	46,635
4.Provision for bonuses	58,082	106,460
5.Provision for product warranties	91,829	126,216
6.Others	160,149	144,393
<b>Total current liabilities</b>	<b>578,928</b>	<b>696,953</b>
<b>II Noncurrent liabilities</b>		
1.Provision for retirement benefits	81,730	102,091
2.Others	11,689	13,220
<b>Total noncurrent liabilities</b>	<b>93,420</b>	<b>115,311</b>
<b>Total liabilities</b>	<b>672,349</b>	<b>812,264</b>
<b>(Net assets)</b>		
<b>I Shareholders' equity</b>		
1.Capital stock	1,087,250	1,087,250
2.Capital surplus	1,711,639	1,712,278
3.Retained earnings	8,278,399	8,234,755
4.Treasury stock	(1,052,610)	(1,028,856)
<b>Total shareholders' equity</b>	<b>10,024,678</b>	<b>10,005,427</b>
<b>II Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	180,240	205,587
<b>Total valuation and translation adjustments</b>	<b>180,240</b>	<b>205,587</b>
<b>III Share option</b>	<b>24,053</b>	<b>10,162</b>
<b>Total net assets</b>	<b>10,228,972</b>	<b>10,221,177</b>
<b>Total liabilities and net assets</b>	<b>10,901,321</b>	<b>11,033,442</b>

#### 4.Non-consolidated quarterly statements of income

Thousands of Yen

	Nine months ended October 31, 2020	Nine months ended October 31, 2021
	Amount	Amount
I Net sales	2,796,317	2,825,739
II Cost of sales	1,774,473	1,945,973
<b>Gross profit</b>	<b>1,021,844</b>	<b>879,766</b>
III Selling, general and administrative expenses	750,534	712,774
<b>Operating income</b>	<b>271,309</b>	<b>166,991</b>
IV Non-operating income		
1.Interest income	969	447
2.Dividends income	6,055	6,269
3.Subsidy income	5,947	16,420
4.Gain on investments in investment partnerships	—	5,917
5.Others	4,853	5,222
Total non-operating income	17,825	34,277
V Non-operating expenses		
1.Interest expenses	823	771
2.Loss on investments in investment partnerships	7,183	—
3.Others	1,055	1
Total non-operating expenses	9,062	772
<b>Ordinary income</b>	<b>280,072</b>	<b>200,496</b>
VI Extraordinary loss		
Loss on retirement of noncurrent assets	0	0
Total extraordinary losses	0	0
<b>Income before income taxes</b>	<b>280,072</b>	<b>200,496</b>
Income taxes	82,879	60,722
<b>Net income</b>	<b>197,193</b>	<b>139,773</b>

## 5.Others

### (1) Actual of orders

Thousands of Yen

	Nine months ended October 31, 2021
Products category	Amount
Control switches	733,126
Connecting devices	1,233,795
Pilot lamps and Indicators	396,932
Electronic devices	530,917
Third party sales	34,784
Others	6,612
Total	2,936,168

### (2) Backlog of orders

Thousands of Yen

	Nine months ended October 31, 2021
Products category	Amount
Control switches	253,487
Connecting devices	274,378
Pilot lamps and Indicators	135,813
Electronic devices	237,451
Third party sales	10,069
Others	—
Total	911,200

### (3) Sales

Thousands of Yen	
	Nine months ended October 31, 2021
Products category	Amount
Control switches	749,612
Connecting devices	1,110,599
Pilot lamps and Indicators	367,052
Electronic devices	412,510
Third party sales	172,102
Others	13,862
Total	2,825,739

#### ① Sales form

Thousands of Yen	
	Nine months ended October 31, 2021
	Amount
Domestic sales	2,644,451
Overseas sales	181,288
Total	2,825,739

Note: The details of overseas sales are listed below.

#### ② Foreign market for trading company (overseas sales)

Thousands of Yen	
	Nine months ended October 31, 2021
	Amount
Asia	148,161
Middle East	24,471
Others	8,654
Total	181,288