

# Financial Results for the First Quarter of the Year 2020

(Three months ended on April 30, 2019)

Company: **FUJI ELECTRIC INDUSTRY CO., LTD.** Stock: Tokyo Stock Exchange  
 Code Number: 6654 URL: <http://www.fujidk.co.jp/>  
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Date of the board meeting for this period: June 4, 2019

## 1. First quarter financial results for the three months ended on April 30 (February 1, 2019 through April 30, 2019)

### (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 2020	856	(14.5)	30	(74.6)	38	(68.3)
1st Q.FY 2019	1,001	5.3	118	74.0	120	62.5

  

	Net income		Net income per share -basic	Net income per share -diluted
	Millions of yen	%	Yen	Yen
1st Q.FY 2020	29	(64.6)	4.94	4.92
1st Q.FY 2019	82	5.9	13.97	13.91

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 2020	11,050	10,297	92.9	1,738.21
FY 2019	11,097	10,346	93.0	1,746.60

Note: Equity capital

1st Q.FY 2020 10,271 million yen  
 FY 2019 10,321 million yen

## 2. Dividends

	Dividend per share				
	1st Q.	2nd Q.	3rd Q.	Year-end	Annual
FY 2019	Yen —	Yen 16.00	Yen —	Yen 16.00	Yen 32.00
FY 2020	—				
FY 2020 (forecast)		16.00	—	16.00	32.00

Note : Revision of dividends forecast for this period : No

### 3.Forecast of operating results for Fiscal Year 2020(February 1,2019 through January 31,2020)

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
2nd Q.FY 2020	2,085	4.6	134	(35.9)	142	(35.3)
FY 2020	4,300	10.0	405	7.8	420	6.5

	Net income		Net income per share
	Millions of yen	%	Yen
2nd Q.FY 2020	98	(34.3)	16.76
FY 2020	265	(4.2)	45.01

Note 1: Percentages for net sales, operating income etc. for the 2nd Q.FY 2020 and the FY 2020 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 : No

(3) Changes except (2) : No

(4) About number of shares

Number of shares issued : 1st Q.FY 2020 6,669,000 FY 2019 6,669,000

Treasury stock at end of each period : 1st Q.FY 2020 759,630 FY 2019 759,630

Average number of shares : 1st Q.FY 2020 5,909,370 1st Q.FY 2019 5,898,071

※ Note with respect to “Forecast of operating results for Fiscal Year 2020”

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, 2020, Japan's economy slowly recovered because of these factors like improvements in consumer spending and increase in business investments.

We focused our sales activity on the domestic market of electric power, public facilities, general industries, electric railway and overseas market of Southeast Asia and countries of the Middle and Near East. As a result of this performance, the sales of Semaphore indicator for overseas, Flag drop type fault indicator for overseas and Interface unit for substation devices of railway increased whereas the sales of some products including Terminal block for electric power, Connection box for photovoltaic generation and Breaker auxiliary switch for overseas decreased.

The cumulative sales amount in the first three months of the fiscal year was 856 million yen (decreased by 14.5% compared with the previous year).

Regarding the cumulative profit, the net sales was less than last year's, the operating income was 30 million yen (decreased by 74.6% compared with the previous year), the ordinary income was 38 million yen (decreased by 68.3% compared with the previous year), and the net income was 29 million yen (decreased by 64.6% compared with the previous year).

#### (2) Products sales

##### Control switches

The sales of Conductor switch panel for rolling stock cars and Cam switch were in good shape, although the sales of Breaker auxiliary switch for overseas was sluggish.

The sales amount was 243 million yen (decreased by 8.3% compared with the previous year).

##### Connecting devices

The sales of Test terminal for domestic/overseas substation facilities were strong, but the sales of Surge absorber terminal block and Disconnecting terminal block were soft.

The sales amount was 336 million yen (decreased by 12.9% compared with the previous year).

##### Pilot lamps and Indicators

Because of strong sales of Semaphore indicator for overseas, Flag drop type fault indicator and LED indication lamps, the sales amount was 126 million yen (increased by 7.3% compared with the previous year).

##### Electronic devices

The sales of new model of Telltale module for slave stations of automatic electricity distribution control system, Interface unit for substation devices of railway and Annunciator relay for substation devices of railway were in good shape.

The sales amount of this category reached 143 million yen (increased by 13.7% compared with the previous year).

##### Third party sales

Because of the decline in sales of Connection box for photovoltaic generation, the sales amount was 5 million yen (decreased by 94.7% compared with the previous year).

### 2. Description on business performance forecast

As for the prospects of our business performances of January 2020, there have been no changes in the prospects announced by the brief note on March 7, 2019.

### 3.Non-consolidated quarterly balance sheets

Thousands of Yen

	As of January 31, 2019	As of April 30, 2019
	Amount	Amount
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	4,280,591	4,121,003
Notes and accounts receivable-trade	1,157,186	1,153,452
Electronically recorded monetary claims	316,874	320,692
Merchandise	500	—
Finished goods	135,712	159,834
Work in process	338,426	392,196
Raw materials	414,791	449,937
Others	37,701	46,902
<b>Total current assets</b>	<b>6,681,785</b>	<b>6,644,019</b>
<b>Noncurrent assets</b>		
Property, plant and equipment		
Buildings, net	1,913,842	1,886,039
Land	1,347,627	1,347,627
Others, net	368,693	356,195
Total property, plant and equipment	3,630,163	3,589,862
Intangible assets	19,831	17,592
Investments and other assets		
Investment securities	700,967	723,603
Others	64,755	75,799
Total investments and other assets	765,723	799,403
<b>Total noncurrent assets</b>	<b>4,415,718</b>	<b>4,406,858</b>
<b>Total assets</b>	<b>11,097,503</b>	<b>11,050,877</b>

### 3.Non-consolidated quarterly balance sheets

Thousands of Yen

	As of January 31, 2019	As of April 30, 2019
	Amount	Amount
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	118,971	158,449
Short-term loans payable	120,000	120,000
Income taxes payable	68,894	34,659
Provision for bonuses	63,560	106,290
Provision for directors' bonuses	3,860	—
Provision for product warranties	25,562	25,562
Others	218,923	159,721
<b>Total current liabilities</b>	<b>619,771</b>	<b>604,682</b>
<b>Noncurrent liabilities</b>		
Provision for retirement benefits	48,563	65,929
Provision for loss on dissolution of the employees' pension fund	48,140	48,140
Others	34,287	35,000
<b>Total noncurrent liabilities</b>	<b>130,990</b>	<b>149,070</b>
<b>Total liabilities</b>	<b>750,762</b>	<b>753,752</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	1,087,250	1,087,250
Capital surplus	1,707,822	1,707,822
Retained earnings	8,171,479	8,106,123
Treasury stock	(804,521)	(804,521)
<b>Total shareholders' equity</b>	<b>10,162,030</b>	<b>10,096,674</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	159,283	175,022
<b>Total valuation and translation adjustments</b>	<b>159,283</b>	<b>175,022</b>
<b>Share option</b>	<b>25,427</b>	<b>25,427</b>
<b>Total net assets</b>	<b>10,346,741</b>	<b>10,297,124</b>
<b>Total liabilities and net assets</b>	<b>11,097,503</b>	<b>11,050,877</b>

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

Thousands of Yen

	Three months ended April 30, 2018	Three months ended April 30, 2019
	Amount	Amount
Net sales	1,001,907	856,477
Cost of sales	620,527	552,223
<b>Gross profit</b>	<b>381,379</b>	<b>304,253</b>
Selling, general and administrative expenses	262,932	274,110
<b>Operating income</b>	<b>118,447</b>	<b>30,142</b>
Non-operating income		
Interest income	632	587
Subsidy income	—	6,417
Commission income	1,554	—
Others	1,501	1,300
Total non-operating income	3,688	8,304
Non-operating expenses		
Interest expenses	267	276
Loss on investments in partnership	1,383	—
Others	0	—
Total non-operating expenses	1,651	276
<b>Ordinary income</b>	<b>120,484</b>	<b>38,171</b>
<b>Income before income taxes</b>	<b>120,484</b>	<b>38,171</b>
Income taxes	38,116	8,977
<b>Net income</b>	<b>82,367</b>	<b>29,193</b>

## 5.Others

### (1) Actual of orders

Thousands of Yen	
	Three months ended April 30, 2019
Products category	Amount
Control switches	265,117
Connecting devices	345,112
Pilot lamps and Indicators	156,962
Electronic devices	142,808
Third party sales	110,534
Total	1,020,535

### (2) Backlog of orders

Thousands of Yen	
	Three months ended April 30, 2019
Products category	Amount
Control switches	216,550
Connecting devices	145,770
Pilot lamps and Indicators	109,101
Electronic devices	145,691
Third party sales	109,605
Total	726,719

### (3) Sales

Thousands of Yen

Products category	Three months ended April 30, 2019
	Amount
Control switches	243,881
Connecting devices	336,568
Pilot lamps and Indicators	126,680
Electronic devices	143,813
Third party sales	5,532
Total	856,477

#### ① Distribution channel

Thousands of Yen

	Three months ended April 30, 2019
	Amount
Domestic sales	779,633
Overseas sales	76,843
Total	856,477

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

Thousands of Yen

	Three months ended April 30, 2019
	Amount
Southeast Asia	59,815
Middle East	8,922
China	7,698
Europe	407
Total	76,843