

# Financial Results for the Third Quarter of the Year 2020

(Nine months ended on October 31, 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: December 4, 2019

## 1.Third quarter financial results for the nine months ended on October 31(February 1, 2019 through October 31, 2019)

### (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 2020	2,899	(0.5)	256	(9.6)	273	(8.2)
3rd Q.FY 2019	2,915	3.1	283	34.4	297	32.6

  

	Net income		Net income per share -basic	Net income per share -diluted
	Millions of yen	%	Yen	Yen
3rd Q.FY 2020	205	(0.3)	34.81	34.67
3rd Q.FY 2019	206	15.1	35.00	34.85

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 2020	11,146	10,401	93.1	1,752.27
FY 2019	11,097	10,346	93.0	1,746.60

Note: Equity capital

3rd Q.FY 2020 10,377 million yen  
 FY 2019 10,321 million yen

## 2.Dividends

	Dividend per share				
	1st Q.	2nd Q.	3rd Q.	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY 2019	—	16.00	—	16.00	32.00
FY 2020	—	16.00	—		
FY 2020 (forecast)				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	%
FY 2020	4,300	10.0	405	7.8	420	6.5

  

	Net income		Net income per share
	Millions of yen	%	Yen
FY 2020	265	(4.2)	45.01

Note : 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 2020	6,669,000	FY 2019	6,669,000
Treasury stock at end of each period	:	3rd Q.FY 2020	746,930	FY 2019	759,630
Average number of shares	:	3rd Q.FY 2020	5,917,471	3rd Q.FY 2019	5,905,314

※ 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 nine months of the fiscal year ending January 31, 2020, Japan's economy was on the track to recovery because of these factors like moderate improvements in capital investment and production activities.

Under these circumstances, we focused our sales activity on the domestic market of electric power, general industries, electric railway and overseas market of Southeast Asia and the Near and Middle East. As a result of this performance, the sales of Fault indicator and Cam switch for rolling stock car for overseas increased whereas the sales of some products including Terminal block for electric power decreased. The cumulative sales amount in the first nine months of the fiscal year was 2,899 million yen (decreased by 0.5% compared with the previous year).

Regarding the cumulative profit, the net sales was less than last year's, the operating income was 256 million yen (decreased by 9.6% compared with the previous year), the ordinary income was 273 million yen (decreased by 8.2% compared with the previous year), while Reversal of provision for loss on dissolution of the employees' pension fund of 12 million yen recorded as extraordinary profit, the net income was 205 million yen (decreased by 0.3% compared with the previous year).

#### (2) Products sales

##### Control switches

The sales of Cam switch and Conductor switch panel for rolling stock cars increased and also the sales of Breaker auxiliary switch were in good shape.

The sales amount was 802 million yen (increased by 3.5% 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 1,077 million yen (decreased by 8.7% compared with the previous year).

##### Pilot lamps and Indicators

The sales of Indicator for pedestrian-control signal was flat, however the sales of all kinds of Indicators for overseas including Fault indicator were selling well.

The sales amount was 460 million yen (increased by 4.4% compared with the previous year).

##### Electronic devices

Because of strong sales of I/O interface unit, Telltale module for slave stations automatic electricity distribution control system and Annunciator relay, the sales amount was 437 million yen (increased by 11.8% compared with the previous year).

##### Third party sales

Because of the decline in sale of Connection box for photovoltaic generation, the sales amount was 120 million yen (decreased by 5.1% 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 revised forecast that announced on March 7, 2019.

### 3.Non-consolidated quarterly balance sheets

Thousands of Yen

	As of January 31, 2019	As of October 31, 2019
	Amount	Amount
<b>(Assets)</b>		
<b>I Current assets</b>		
1.Cash and deposits	4,280,591	4,149,010
2.Notes and accounts receivable-trade	1,157,186	1,210,505
3.Electronically recorded monetary claims	316,874	303,320
4.Securities	—	200,400
5.Merchandise	500	—
6.Finished goods	135,712	182,030
7.Work in process	338,426	389,107
8.Raw materials	414,791	477,127
9.Others	37,701	53,549
<b>Total current assets</b>	<b>6,681,785</b>	<b>6,965,050</b>
<b>II Noncurrent assets</b>		
(1) Property, plant and equipment		
1.Buildings, net	1,913,842	1,837,484
2.Land	1,347,627	1,347,627
3.Others, net	368,693	358,853
Total property, plant and equipment	3,630,163	3,543,964
(2) Intangible assets	19,831	24,284
(3) Investments and other assets		
1.Investment securities	700,967	531,517
2.Others	64,755	82,010
Total investments and other assets	765,723	613,527
<b>Total noncurrent assets</b>	<b>4,415,718</b>	<b>4,181,777</b>
<b>Total assets</b>	<b>11,097,503</b>	<b>11,146,827</b>

### 3.Non-consolidated quarterly balance sheets

Thousands of Yen

	As of January 31, 2019	As of October 31, 2019
	Amount	Amount
<b>(Liabilities)</b>		
<b>I Current liabilities</b>		
1.Accounts payable-trade	118,971	156,941
2.Short-term loans payable	120,000	120,000
3.Income taxes payable	68,894	45,746
4.Provision for bonuses	63,560	108,244
5.Provision for directors' bonuses	3,860	—
6.Provision for product warranties	25,562	51,252
7.Others	218,923	164,277
<b>Total current liabilities</b>	<b>619,771</b>	<b>646,462</b>
<b>II Noncurrent liabilities</b>		
1.Provision for retirement benefits	48,563	63,060
2.Provision for loss on dissolution of the employees' pension fund	48,140	—
3.Others	34,287	35,494
<b>Total noncurrent liabilities</b>	<b>130,990</b>	<b>98,555</b>
<b>Total liabilities</b>	<b>750,762</b>	<b>745,017</b>
<b>(Net assets)</b>		
<b>I Shareholders' equity</b>		
1.Capital stock	1,087,250	1,087,250
2.Capital surplus	1,707,822	1,710,519
3.Retained earnings	8,171,479	8,188,145
4.Treasury stock	(804,521)	(791,071)
<b>Total shareholders' equity</b>	<b>10,162,030</b>	<b>10,194,842</b>
<b>II Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	159,283	182,250
<b>Total valuation and translation adjustments</b>	<b>159,283</b>	<b>182,250</b>
<b>III Share option</b>	<b>25,427</b>	<b>24,716</b>
<b>Total net assets</b>	<b>10,346,741</b>	<b>10,401,809</b>
<b>Total liabilities and net assets</b>	<b>11,097,503</b>	<b>11,146,827</b>

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

Thousands of Yen

	Nine months ended October 31, 2018	Nine months ended October 31, 2019
	Amount	Amount
I Net sales	2,915,572	2,899,603
II Cost of sales	1,819,836	1,841,522
<b>Gross profit</b>	<b>1,095,736</b>	<b>1,058,080</b>
III Selling, general and administrative expenses	811,792	801,273
<b>Operating income</b>	<b>283,944</b>	<b>256,806</b>
IV Non-operating income		
1. Interest income	1,834	1,582
2. Dividends income	5,785	6,783
3. Subsidy income	—	6,417
4. Others	10,054	4,759
Total non-operating income	17,674	19,542
V Non-operating expenses		
1. Interest expenses	820	820
2. Commission fee	0	1
3. Loss on investments in partnership	2,861	2,084
Total non-operating expenses	3,682	2,906
<b>Ordinary income</b>	<b>297,936</b>	<b>273,443</b>
VI Extraordinary income		
Reversal of provision for loss on dissolution of the employees' pension fund	—	12,028
Total extraordinary incomes	—	12,028
VII Extraordinary loss		
Loss on retirement of noncurrent assets	1,464	1,235
Total extraordinary losses	1,464	1,235
<b>Income before income taxes</b>	<b>296,471</b>	<b>284,236</b>
Income taxes	89,807	78,267
<b>Net income</b>	<b>206,663</b>	<b>205,968</b>

## 5.Others

### (1) Actual of orders

Thousands of Yen

	Nine months ended October 31, 2019
Products category	Amount
Control switches	832,025
Connecting devices	1,105,762
Pilot lamps and Indicators	555,673
Electronic devices	433,864
Third party sales	147,347
Total	3,074,674

### (2) Backlog of orders

Thousands of Yen

	Nine months ended October 31, 2019
Products category	Amount
Control switches	224,484
Connecting devices	165,030
Pilot lamps and Indicators	173,704
Electronic devices	143,186
Third party sales	31,327
Total	737,732

### (3) Sales

Thousands of Yen

	Nine months ended October 31, 2019
Products category	Amount
Control switches	802,856
Connecting devices	1,077,957
Pilot lamps and Indicators	460,788
Electronic devices	437,375
Third party sales	120,624
Total	2,899,603

#### ① Sales form

Thousands of Yen

	Nine months ended October 31, 2019
Market	Amount
Domestic sales	2,606,971
Overseas sales	292,631
Total	2,899,603

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

Thousands of Yen

	Nine months ended October 31, 2019
Market	Amount
Southeast Asia	166,418
Middle East	91,115
China	33,068
Others	2,028
Total	292,631