

**Consolidated Financial Report for the fiscal year ending March 31, 2024
(April 1, 2023 – March 31, 2024)**

Summary of Consolidated Financial Results

1. Summary of consolidated statements of operations

	Millions of yen		Change(%) (A)/(B)	Millions of U.S. dollars
	FY2023 (A)	FY2022 (B)		FY2023
Net sales	1,103,214	1,009,447	109.3%	7,306
Operating profit	106,066	88,882	119.3%	702
Ordinary profit	107,822	87,811	122.8%	714
Profit attributable to owners of parent	75,353	61,348	-	499
	Yen			U.S. dollars
Profit per share	527.57	429.50		3.49

2. Summary of consolidated financial position

	Millions of yen		Millions of U.S. dollars
	3/31/2024	3/31/2023	3/31/2024
Total assets	1,271,174	1,181,552	8,418
Net assets	661,472	572,068	4,381
Equity ratio (%)	47.4%	43.8%	-

Note: U.S. dollar amounts in this financial report are translated, for convenience only, at the rate of ¥151=U.S.\$1

**3. Forecast of consolidated earnings for the fiscal year ending March 31, 2025
(April 1, 2024 - March 31, 2025)**

	Millions of yen
	FY2024
Net sales	1,114,000
Operating profit	109,000
Ordinary profit	109,500
Profit attributable to owners of parent	76,500
	Yen
	FY2024
Profit per share	535.60

<Cautionary Statements With Respect to Forward-Looking Statements>

Statements made in this financial report with respect to Fuji Electric's future performance are forward-looking statements based on management's assumptions and beliefs in light of the information currently available to it. Accordingly, actual results could differ from those contained in any forward-looking statements. Potential risks and uncertainties include :

- Sudden changes in general economic conditions in Fuji Electric's markets and changes in its operating environment such as those resulting from changes in trade regulations
- Exchange rate, particularly between the yen and the U.S. dollar and Asian and European currencies
- The ability of Fuji Electric and its subsidiaries to develop and introduce products that incorporate new technology in a timely manner and to manufacture them in a cost-effective way
- The rapid pace of technological innovation, especially in the field of electronics
- Sudden changes in the supply and demand balance in the markets Fuji Electric serves
- Problems involving the intellectual property of Fuji Electric and other companies
- Stock market conditions in Japan

Consolidated Balance Sheets

	Millions of yen		Millions of U.S. dollars
	3/31/2024	3/31/2023	3/31/2024
Assets			
Current assets:			
Cash and deposits	66,186	84,700	438
Notes receivable-trade	77,134	76,013	511
Accounts receivable-trade	257,372	236,462	1,704
Contract assets	95,622	76,023	633
Merchandise and finished goods	77,539	64,500	514
Work in process	51,772	54,642	343
Raw materials and supplies	96,823	79,548	641
Other	50,958	49,235	337
Allowance for doubtful accounts	(10,337)	(7,573)	(68)
Total Current assets	763,072	713,553	5,053
Non-current assets:			
Net Property, plant and equipment			
Buildings and structures, net	103,829	99,434	688
Machinery, equipment and vehicles, net	73,555	37,913	487
Tools, furniture and fixtures, net	11,696	7,467	77
Land	35,870	35,604	238
Lease assets, net	41,552	60,086	275
Construction in progress	42,504	40,851	281
Other	2,446	2,555	16
Total Property, plant and equipment	311,456	283,912	2,063
Intangible assets	25,462	24,032	169
Investments and other assets			
Investment securities	118,427	108,460	784
Long-term loans receivable	4,521	811	30
Deferred tax assets	11,478	16,636	76
Retirement benefit asset	25,401	19,918	168
Other	13,745	14,663	91
Allowance for doubtful accounts	(2,429)	(488)	(16)
Total Investments and other assets	171,145	160,001	1,133
Total Non-current assets	508,064	467,946	3,365
Deferred assets	37	51	0
Total Assets	1,271,174	1,181,552	8,418

Consolidated Balance Sheets

	Millions of yen		Millions of U.S. dollars
	3/31/2024	3/31/2023	3/31/2024
Liabilities			
Current liabilities:			
Notes and accounts payable-trade	207,408	201,593	1,374
Short-term borrowings	40,259	46,875	267
Commercial papers	36,000	-	238
Current portion of bonds payable	-	15,000	-
Lease liabilities	20,283	23,261	134
Accrued expenses	55,859	52,757	370
Income taxes payable	19,676	18,710	130
Contract liabilities	55,007	49,449	364
Provision for product warranties	2,724	3,775	18
Other	38,122	35,403	252
Total Current liabilities	475,342	446,826	3,148
Non-current liabilities:			
Bonds payable	20,000	20,000	132
Long-term borrowings	15,100	28,600	100
Lease liabilities	28,711	46,895	190
Deferred tax liabilities	840	1,085	6
Provision for retirement benefits for directors (and other officers)	79	65	1
Retirement benefit liability	63,803	60,345	423
Other	5,824	5,665	39
Total Non-current liabilities	134,359	162,657	890
Total Liabilities	609,701	609,483	4,038
Net Assets			
Shareholders' equity:			
Share capital	47,586	47,586	315
Capital surplus	45,954	45,953	304
Retained earnings	423,135	364,922	2,802
Treasury shares	(7,397)	(7,370)	(49)
Total Shareholders' equity	509,278	451,091	3,373
Accumulated other comprehensive income:			
Valuation difference on available-for-sale securities	54,717	45,550	362
Deferred gains or losses on hedges	(35)	241	(0)
Foreign currency translation adjustment	37,772	22,222	250
Remeasurements of defined benefit plans	782	(2,013)	5
Total Accumulated other comprehensive income	93,237	66,000	617
Non-controlling interests	58,956	54,976	390
Total Net assets	661,472	572,068	4,381
Total Liabilities and Net assets	1,271,174	1,181,552	8,418

Consolidated Statements of Income

	Millions of yen		Millions of U.S. dollars
	FY2023	FY2022	<i>FY2023</i>
Net sales	1,103,214	1,009,447	7,306
Cost of sales	799,925	732,528	5,298
Gross profit	303,289	276,918	2,009
Selling, general and administrative expenses	197,222	188,036	1,306
Operating profit	106,066	88,882	702
Non-operating income			
Interest income	603	720	4
Dividend income	2,742	3,022	18
Share of profit of entities accounted for using equity method	1,076	878	7
Foreign exchange gains	2,419	-	16
Other	1,060	1,306	7
Total Non-operating income	7,903	5,927	52
Non-operating expenses			
Interest expenses	2,101	1,993	14
Depreciation of inactive non-current assets	397	468	3
Business conversion expenses	2,105	1,599	14
Loss on guarantees	660	-	4
Foreign exchange losses	-	1,148	-
Other	882	1,787	6
Total Non-operating expenses	6,147	6,997	41
Ordinary profit	107,822	87,811	714
Extraordinary income			
Gain on sale of non-current assets	966	939	6
Gain on sale of investment securities	7,587	10,215	50
Total Extraordinary income	8,554	11,154	57
Extraordinary losses			
Loss on disposal of non-current assets	1,441	569	10
Loss on valuation of investment securities	171	1,236	1
Loss on sale of investment securities	732	298	5
Provision for loss on liquidation of subsidiaries and associates	-	1,115	-
Total Extraordinary losses	2,344	3,220	16
Profit before income taxes	114,032	95,746	755
Income taxes-current	32,118	26,317	213
Income taxes-deferred	(156)	794	(1)
Income taxes	31,961	27,112	212
Profit	82,070	68,634	544
Profit attributable to non-controlling interests	6,717	7,285	44
Profit attributable to owners of parent	75,353	61,348	499

Consolidated Statements of Comprehensive Income

	Millions of yen		<i>Millions of U.S. dollars</i>
	FY2023	FY2022	<i>FY2023</i>
Profit	82,070	68,634	544
Other comprehensive income			
Valuation difference on available-for-sale securities	8,871	(6,202)	59
Deferred gains or losses on hedges	(277)	(265)	(2)
Foreign currency translation adjustment	16,456	8,176	109
Remeasurements of defined benefit plans, net of tax	2,804	(3,279)	19
Share of other comprehensive income of entities accounted for using equity method	432	54	3
Total other comprehensive Income	28,288	(1,516)	187
Comprehensive income	110,358	67,117	731
Comprehensive income attributable to owners of parent	102,590	59,915	679
Comprehensive income attributable to non-controlling interests	7,768	7,202	51

Consolidated Statements of Changes in Equity (FY2023)

	Millions of yen				
	Shareholders' Equity				
	Share Capital	Capital surplus	Retained earnings	Treasury shares	Total Shareholders' Equity
BALANCE AT APRIL 1, 2023	47,586	45,953	364,922	(7,370)	451,091
Changes during the period					
Dividends of surplus			(17,139)		(17,139)
Profit attributable to owners of parent			75,353		75,353
Purchase of treasury shares				(26)	(26)
Disposal of treasury shares		0		0	0
Change in ownership interest of parent due to transactions with non-controlling interests					-
Net changes in items other than shareholders' equity					
Total changes during the period	-	0	58,213	(26)	58,186
BALANCE AT MARCH 31, 2024	47,586	45,954	423,135	(7,397)	509,278

	Millions of yen						
	Accumulated other comprehensive income					Non- controlling interests	Net assets
	Valuation difference on available-for- sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total Accumulated other comprehensive income		
BALANCE AT APRIL 1, 2023	45,550	241	22,222	(2,013)	66,000	54,976	572,068
Changes during the period							
Dividends of surplus					-		(17,139)
Profit attributable to owners of parent					-		75,353
Purchase of treasury shares					-		(26)
Disposal of treasury shares					-		0
Change in ownership interest of parent due to transactions with non-controlling interests					-		-
Net changes in items other than shareholders' equity	9,167	(277)	15,500	2,796	27,236	3,979	31,216
Total changes during the period	9,167	(277)	15,550	2,796	27,236	3,979	89,403
BALANCE AT MARCH 31, 2024	54,717	(35)	37,772	782	93,237	58,956	661,472

Consolidated Statements of Changes in Equity (FY2022)

	Millions of yen				
	Shareholders' Equity				
	Share Capital	Capital surplus	Retained earnings	Treasury shares	Total Shareholders' Equity
BALANCE AT APRIL 1, 2022	47,586	45,955	319,285	(7,359)	405,467
Changes during the period					
Dividends of surplus			(15,711)		(15,711)
Profit attributable to owners of parent			61,348		61,348
Purchase of treasury shares				(10)	(10)
Disposal of treasury shares		0		0	0
Change in ownership interest of parent due to transactions with non-controlling interests		(1)			(1)
Net changes in items other than shareholders' equity					
Total changes during the period	-	(1)	45,636	(10)	45,624
BALANCE AT MARCH 31, 2023	47,586	45,953	364,922	(7,370)	451,091

	Millions of yen						
	Accumulated other comprehensive income					Non-controlling interests	Net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total Accumulated other comprehensive income		
BALANCE AT APRIL 1, 2022	51,649	507	14,169	1,107	67,433	50,829	523,729
Changes during the period							
Dividends of surplus					-		(15,711)
Profit attributable to owners of parent					-		61,348
Purchase of treasury shares					-		(10)
Disposal of treasury shares					-		0
Change in ownership interest of parent due to transactions with non-controlling interests					-		(1)
Net changes in items other than shareholders' equity	(6,099)	(265)	8,053	(3,121)	(1,433)	4,147	2,714
Total changes during the period	(6,099)	(265)	8,053	(3,121)	(1,433)	4,147	48,338
BALANCE AT MARCH 31, 2023	45,550	241	22,222	(2,013)	66,000	54,976	572,068

Consolidated Statements of Cash Flows

	Millions of yen		<i>Millions of U.S. dollars</i>
	FY2023	FY2022	FY2023
I Cash flows from operating activities			
Profit before income taxes	114,032	95,746	755
Depreciation and amortization	51,875	45,938	344
Increase (decrease) in allowance for doubtful accounts	4,241	2,347	28
Increase (decrease) in provision for product warranties	(1,071)	(3,506)	(7)
Interest and dividends income	(3,346)	(3,742)	(22)
Interest expenses	2,101	1,993	14
Foreign exchange losses (gains)	(428)	(474)	(3)
Loss (gain) on sale of non-current assets	(966)	(939)	(6)
Loss (gain) on sale of investment securities	(6,855)	(9,917)	(45)
Provision for loss on liquidation of subsidiaries and associates	-	1,115	-
Loss (gain) on disposal of non-current assets	1,441	569	10
Loss (gain) on valuation of investment securities	171	1,236	1
Decrease (increase) in accounts receivable - trade, and contract assets	(35,699)	(28,444)	(236)
Decrease (increase) in inventories	(21,360)	(25,709)	(141)
Increase (decrease) in trade payables	3,516	28,711	23
Increase (decrease) in contract liabilities	4,357	9,748	29
Other, net	3,060	22,933	20
Subtotal	<u>115,068</u>	<u>137,607</u>	<u>762</u>
Interest and dividends received	3,438	3,679	23
Interest paid	(2,166)	(1,996)	(14)
Income taxes paid	(31,481)	(23,126)	(208)
Net cash provided by (used in) operating activities	<u>84,858</u>	<u>116,163</u>	<u>562</u>
II Cash flows from investing activities			
Purchase of property, plant and equipment	(66,960)	(61,080)	(443)
Proceeds from sales of property, plant and equipment	1,182	2,698	8
Purchase of investment securities	(318)	(212)	(2)
Proceeds from sales of investment securities	11,626	17,842	77
Loan advances	(18,313)	(14,123)	(121)
Proceeds from collection of loans receivable	17,277	11,306	114
Other, net	(6,912)	(5,929)	(46)
Net cash provided by (used in) investing activities	<u>(62,418)</u>	<u>(49,498)</u>	<u>(413)</u>
III Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	2,023	(6,002)	13
Increase (decrease) in commercial papers	36,000	-	238
Proceeds from long-term borrowings	15,000	-	99
Repayments of long-term borrowings	(37,885)	(30,330)	(251)
Redemption of bonds	(15,000)	-	(99)
Repayments of lease liabilities	(24,468)	(23,580)	(162)
Proceeds from sales of treasury shares	0	0	0
Purchase of treasury shares	(26)	(10)	(0)
Dividends paid	(17,139)	(15,711)	(114)
Dividends paid to non-controlling interests	(4,370)	(3,508)	(29)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-	(2)	-
Proceeds from sale and leaseback transactions	-	1,955	-
Net cash provided by (used in) financing activities	<u>(45,867)</u>	<u>(77,193)</u>	<u>(304)</u>
IV Effect of exchange rate change on cash and cash equivalents	4,806	3,210	32
V Net increase (decrease) in cash and cash equivalents (I + II + III + IV)	<u>(18,621)</u>	<u>(7,318)</u>	<u>(123)</u>
VI Cash and cash equivalents at beginning of period	84,165	91,350	557
VII Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	-	132	-
VIII Cash and cash equivalents at end of period	<u>65,543</u>	<u>84,165</u>	<u>434</u>

Consolidated Segment Information

Information on net sales, and profit or loss by each reporting segment

(Changes in reporting segment)

As of October 1, 2023, reflecting change of organization structure, the reporting segments were reclassified from "Power Electronics Energy", "Power Electronics Industry", "Semiconductors", "Power Generation" and "Food and Beverage Distribution" to "Energy", "Industry", "Semiconductors" and "Food and Beverage Distribution".

The reporting segment information for the year ended March 31, 2023 has been reclassified to reflect this change.

(Changes in depreciation method for tangible fixed assets)

As of April 1, 2023, the Company and its domestic consolidated subsidiaries have changed the depreciation method for tangible fixed assets (excluding lease assets) to the straight-line method. Previously, we mainly applied the declining balance method.

As a result of this change, compared with the previous method, the segment profit or loss in the "Energy" increased by 862 millions of yen, "Industry" increased by 579 millions of yen, "Semiconductors" increased by 3,009 millions of yen,

"Food and Beverage Distribution" increased by 272 millions of yen and "Others" increased by 148 millions of yen for FY2023.

FY2023

	Millions of yen							
	Energy	Industry	Semiconductors	Food and Beverage Distribution	Others	Total	Adjustments	Consolidated
Net Sales								
Sales to third parties	338,932	400,999	222,659	105,536	35,085	1,103,214	-	1,103,214
Inter-segment sales and transfers	3,827	18,911	5,378	1,750	28,068	57,936	(57,936)	-
Total sales	342,760	419,911	228,037	107,287	63,154	1,161,151	(57,936)	1,103,214
Segment profit (loss)	30,146	34,264	36,164	8,803	4,311	113,690	(7,623)	106,066

FY2022

	Millions of yen							
	Energy	Industry	Semiconductors	Food and Beverage Distribution	Others	Total	Adjustments	Consolidated
Net Sales								
Sales to third parties	329,542	350,268	201,581	94,274	33,780	1,009,447	-	1,009,447
Inter-segment sales and transfers	3,730	19,556	4,647	982	26,008	54,926	(54,926)	-
Total sales	333,272	369,825	206,228	95,257	59,789	1,064,373	(54,926)	1,009,447
Segment profit (loss)	28,561	26,755	32,186	4,350	3,749	95,604	(6,722)	88,882

FY2023

	Millions of U.S. dollars							
	Energy	Industry	Semiconductors	Food and Beverage Distribution	Others	Total	Adjustments	Consolidated
Net Sales								
Sales to third parties	2,245	2,656	1,475	699	232	7,306	-	7,306
Inter-segment sales and transfers	25	125	36	12	186	384	(384)	-
Total sales	2,270	2,781	1,510	711	418	7,690	(384)	7,306
Segment profit (loss)	200	227	239	58	29	753	(50)	702

Supplemental Consolidated Financial Materials

1. Financial summary

	Billions of yen		
	FY2023	FY2024 [Forecast]	FY2022
Net sales	1,103.2	1,114.0	1,009.4
Operating profit	106.1	109.0	88.9
Ordinary profit	107.8	109.5	87.8
Profit attributable to owners of parent	75.4	76.5	61.3

2. Number of consolidated subsidiaries

	FY2023	FY2024 [Forecast]	FY2022
	Number of consolidated subsidiaries	68	68
Japan	20	19	21
Overseas	48	49	49
Number of equity-method associates	4	4	4

3. Profit per share

	Yen		
	FY2023	FY2024 [Forecast]	FY2022
Profit per share	527.57	535.60	429.50

4. Average exchange rates (Yen)

	Yen		
	FY2023	FY2024 [Forecast]	FY2022
US\$	144.62	140.00	135.47
EURO	156.80	150.00	140.97
RMB	20.14	19.50	19.75

5. Net sales by reporting segment

	Billions of yen		
	FY2023	FY2024 [Forecast]	FY2022
Energy	342.8	348.0	333.3
Industry	419.9	414.0	369.8
Semiconductors	228.0	245.0	206.2
Food and Beverage Distribution	107.3	102.0	95.3
Others	63.2	55.0	59.8
Subtotal	1,161.2	1,164.0	1,064.4
Elimination	(57.9)	(50.0)	(54.9)
Total	1,103.2	1,114.0	1,009.4

6. Operating profit(loss) by reporting segment

	Billions of yen		
	FY2023	FY2024 [Forecast]	FY2022
Energy	30.1	31.0	28.6
Industry	34.3	36.0	26.8
Semiconductors	36.2	37.0	32.2
Food and Beverage Distribution	8.8	9.2	4.4
Others	4.3	3.7	3.7
Subtotal	113.7	116.9	95.6
Elimination	(7.6)	(7.9)	(6.7)
Total	106.1	109.0	88.9

7. Net overseas sales

	Billions of yen		
	FY2023	FY2024 [Forecast]	FY2022
Asia (except for China)	163.4	-	145.2
China	96.3	-	89.4
Europe	39.2	-	33.1
America	33.4	-	24.3
Total	332.4	-	292.1

8. R&D expenditures

	Billions of yen		
	FY2023	FY2024 [Forecast]	FY2022
Energy	9.1	10.0	9.8
Industry	10.8	11.2	11.1
Semiconductors	12.5	14.3	11.8
Food and Beverage Distribution	3.7	4.1	3.4
Others	0.0	0.0	0.1
Total	36.1	39.6	36.2
Ratio to net sales (%)	3.3%	3.6%	3.6%

9. Plant and equipment investment (including leases)

	Billions of yen		
	FY2023	FY2024 [Forecast]	FY2022
Energy	10.6	13.3	8.1
Industry	5.5	10.7	6.5
Semiconductors	48.1	78.4	66.6
Food and Beverage Distribution	2.0	2.2	1.8
Others	2.2	1.6	1.1
Total	68.3	106.2	84.1
(Leases)	1.5	0.8	21.9

Note: Leases are included in total plant and equipment investment.

10. Depreciation, Leases paid

	Billions of yen		
	FY2023	FY2024 [Forecast]	FY2022
Energy	6.3	7.7	6.3
Industry	5.8	6.5	5.5
Semiconductors	32.7	38.0	26.7
Food and Beverage Distribution	1.7	2.0	1.9
Others	0.7	0.9	0.8
Total	47.2	55.1	41.2
(Leases)	0.9	0.8	0.9

11. Number of employees

	Billions of yen		
	FY2023	FY2024 [Forecast]	FY2022
Energy	7,871	7,956	7,632
Industry	9,892	10,338	9,816
Semiconductors	6,032	6,291	5,914
Food and Beverage Distribution	1,891	1,916	1,901
Others	1,639	1,548	1,860
Total	27,325	28,049	27,123
Japan	17,340	17,614	17,392
Overseas	9,985	10,435	9,731

Financial Performance

(1) Qualitative Information regarding Consolidated Results of Operations

Results of Operations in the Fiscal Year Ended March 31, 2024

The targets of Fuji Electric's Reiwa Prosperity 2023 medium-term management plan, which concluded with the fiscal year ended March 31, 2024, were accomplished a year ahead of schedule in the fiscal year ended March 31, 2023. Specifically, these targets were net sales of ¥1 trillion and an operating profit ratio of more than 8.0%. To achieve further growth in the fiscal year ending March 31, 2024, the year of the centennial anniversary of Fuji Electric's founding, the Company will move forward with the promotion of growth strategies centered on expanding its power electronics and power semiconductor businesses, the further improvement of profitability through the strengthening of global manufacturing capabilities, and the ongoing reinforcement of operating foundations focused on environmental, social, and governance (ESG) factors. In addition, adaptiveness toward operating environment changes will be heightened with the goal of growing sales and profit.

In the fiscal year ended March 31, 2024, brisk capital investment by manufacturers and data center business operators was seen amid constantly growing needs related to vehicle electrification, energy saving, and digital infrastructure. These needs were sparked by the growth in investments for achieving decarbonization and promoting digitalization. Meanwhile, the demand for machine tools was weak amid ongoing economic stagnancy in China.

In this environment, ongoing steps were taken to improve profitability through production capacity increases for power semiconductors carried out in response to growing demand, efforts to optimize production systems to accommodate demand, and promotion of local production and consumption.

Due to these factors, increases were seen in the sales of all segments, resulting in consolidated net sales in the fiscal year ended March 31, 2024, rising ¥93.8 billion, or 9%, year on year, to ¥1,103.2 billion.

Although profit was impacted by high material and energy prices as well as by rising expenses for production capacity augmentations, overall profit was buoyed by sales volume growth coupled with the benefits of increases to product selling prices, cost reduction activities, and foreign exchange influences. As a result, consolidated operating profit rose ¥17.2 billion year on year, to ¥106.1 billion; ordinary profit was up ¥20.0 billion, to 107.8 billion; and profit attributable to owners of parent increased 14.0 billion, to ¥75.4 billion. New record highs were posted for net sales, operating profit, ordinary profit, and profit attributable to owners of parent.

Consolidated results of operations for the fiscal year ended March 31, 2024, were as follows.

(¥ billion)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Change
Net sales	1,009.4	1,103.2	93.8
Operating profit	88.9	106.1	17.2
Ordinary profit	87.8	107.8	20.0
Profit attributable to owners of parent	61.3	75.4	14.0

Results by Segment

Energy

Net sales: ¥342.8 billion (up 3% year on year)

Operating profit: ¥30.1 billion (up ¥1.6 billion year on year)

In the Energy segment, net sales and operating profit were up year on year, despite declines in demand in the power generation business and the ED&C components business, due to higher demand in the power supply and facility systems business and increases in large-scale orders in the energy management business.

- In the power generation business, net sales were down year on year due to the absence of large-scale renewable energy projects recorded in the previous fiscal year. Operating results were also down year on year as a result of the lower net sales and the increases in expenses associated with large-scale projects.
- In the energy management business, net sales and operating results were up year on year as a result of increases in large-scale orders for substation equipment for industrial applications and for power supply equipment. These increases outweighed the impacts of a decline in large-scale orders from solar power generation facilities.
- In the power supply and facility systems business, net sales and operating results improved year on year as a result of increases in projects from data centers and semiconductor manufacturers.
- In the ED&C components business, net sales and operating results were down year on year due to reductions in demand from finished machinery manufacturers and for semiconductor production equipment.

Industry

Net sales: ¥419.9 billion (up 14% year on year)

Operating profit: ¥34.3 billion (up ¥7.5 billion year on year)

In the Industry segment, net sales and operating profit were up year on year as a result of higher demand in the automation systems business, the social solutions business and the equipment construction business.

- In the automation systems business, net sales and operating results were up year on year largely as a result of increased production of factory automation components.
- In the social solutions business, net sales and operating results were up year on year due to increases in orders for nuclear power- and radiation-related equipment.
- In the equipment construction business, net sales and operating results were up year on year as a result of the recording of large-scale orders for air-conditioning equipment construction.
- In the IT solutions business, net sales were up year on year due to increases in large-scale projects while operating results were relatively unchanged year on year because of differences in profitability between projects.

Semiconductor

Net sales: ¥228.0 billion (up 11% year on year)

Operating profit: ¥36.2 billion (up ¥4.0 billion year on year)

• In the semiconductor business, net sales increased year on year due to growth in demand for power semiconductors for electrified vehicles (xEVs), the benefits of which offset the impacts of declines in production and sales seen in the fourth quarter as a result of factors affecting component procurement. The growth in sales led to operating results improving year on year, despite the rise in expenses for bolstering power semiconductor production capacity and the increases in material costs.

Food and Beverage Distribution

Net sales: ¥107.3 billion (up 13% year on year)

Operating profit: ¥8.8 billion (up ¥4.5 billion year on year)

- In the vending machine business, net sales and operating results improved year on year because of growth in demand in Japan and the benefits of cost reduction activities.
- In the store distribution business, net sales and operating results were up year on year due to higher large-scale orders for counter fixtures combined with growth in demand for convenience store equipment renovations.

Others

Net sales: ¥63.2 billion (up 6% year on year)

Operating profit: ¥4.3 billion (up ¥0.6 billion year on year)

Note:

Following organizational reforms conducted in the fiscal year ended March 31, 2024, the Company's prior reportable segments—Power Electronics Energy, Power Electronics Industry, Semiconductor, Power Generation, and Food and Beverage Distribution—were reorganized to form the Energy, Industry, Semiconductor, and Food and Beverage Distribution segments. Previously announced figures have been restated to reflect this change in reportable segments.

Forecasts for the Fiscal Year Ending March 31, 2025

Forecasts for consolidated business results in the fiscal year ending March 31, 2025, are as follows.

Furthermore, forecasts for the fiscal year ending March 31, 2025, assume exchange rates of US\$1 = ¥140, €1 = ¥150, RMB1 = ¥19.5.

Consolidated Business Results Forecasts (¥ billion)

	Fiscal year ended March 31, 2024 Results	Fiscal year ending March 31, 2025 Forecasts	Change
Net sales	1,103.2	1,114.0	10.8
Operating profit	106.1	109.0	2.9
Ordinary profit	107.8	109.5	1.7
Profit attributable to owners of parent	75.4	76.5	1.1

Forecasts by Segment (¥ billion)

	Fiscal year ended March 31, 2024 Results		Fiscal year ending March 31, 2025 Forecasts		Change	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Energy	342.8	30.1	348.0	31.0	5.2	0.9
Industry	419.9	34.3	414.0	36.0	(5.9)	1.7
Semiconductor	228.0	36.2	245.0	37.0	17.0	0.8
Food and Beverage Distribution	107.3	8.8	102.0	9.2	(5.3)	0.4
Others	63.2	4.3	55.0	3.7	(8.2)	(0.6)
Elimination and Corporate	(57.9)	(7.6)	(50.0)	(7.9)	7.9	(0.3)
Total	1,103.2	106.1	1,114.0	109.0	10.8	2.9

(2) Quantitative Information regarding Consolidated Financial Position

(¥ billion)

	March 31, 2023	Breakdown (%)	March 31, 2024	Breakdown (%)	Change
Total assets	1,181.6	100.0	1,271.2	100.0	+89.6
Interest-bearing debt	183.3	15.5	162.9	12.8	(20.4)
Equity* ¹	517.1	43.8	602.5	47.4	+85.4
Debt-to-equity ratio* ² (times)	0.4		0.3		(0.1)

*1 Equity = Total net assets – Non-controlling interests

*2 Debt-to-equity ratio = Interest-bearing debt/ Equity

Total assets on March 31, 2024, stood at ¥1,271.2 billion, an increase of ¥89.6 billion from the end of the previous fiscal year. Total current assets were up ¥49.5 billion primarily as a result of increases in notes and accounts receivable-trade, contract assets, and inventories. Total noncurrent assets were up ¥40.1 billion due to an increase in property, plant and equipment.

Interest-bearing debt as of March 31, 2024, amounted to ¥162.9 billion, down ¥20.4 billion from the previous fiscal year-end following a decrease in lease obligations. Furthermore, net interest-bearing debt—interest-bearing debt net of cash and cash equivalents—decreased ¥1.7 billion from the previous fiscal year-end, amounting to ¥97.4 billion on March 31, 2024.

Net assets on March 31, 2024, were ¥661.5 billion, up ¥89.4 billion from the previous fiscal year-end. This outcome was because of higher retained earnings. In addition, equity—total net assets net of non-controlling interests—was up ¥85.4 billion from the previous fiscal year-end, standing at ¥602.5 billion on March 31, 2024. The debt-to-equity ratio (interest-bearing debt ÷ equity) was 0.3 times, down 0.1 times from the previous fiscal year-end. Also, the net debt-to-equity ratio (net interest-bearing debt ÷ equity) was 0.2 times, unchanged from the previous fiscal year-end.

(¥ billion)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Change
Net cash provided by (used in) operating activities	116.2	84.9	(31.3)
Net cash provided by (used in) investing activities	(49.5)	(62.4)	(12.9)
Free cash flow	66.7	22.4	(44.2)
Net cash provided by (used in) financing activities	(77.2)	(45.9)	31.3
Cash and cash equivalents at end of period	84.2	65.5	(18.6)

In the fiscal year ended March 31, 2024, consolidated free cash flow (net cash from operating activities + net cash from investing activities) was a positive ¥22.4 billion, a decrease of ¥44.2 billion compared with positive free cash flow of ¥66.7 billion in the previous fiscal year.

Cash flows from operating activities

Net cash provided by operating activities was ¥84.9 billion, compared with net cash provided by operating activities of ¥116.2 billion in the previous fiscal year. Major factors increasing cash included the recording of income before income taxes. Major factors decreasing cash included increase in notes and accounts receivable-trade, increase in contract assets, and increase in inventories.

This was a decrease cash provided of ¥31.3 billion year on year.

Cash flows from investing activities

Net cash used in investing activities was ¥62.4 billion, compared with net cash used in investing activities of ¥45.9 billion in the previous fiscal year. This outcome was primarily a result of the purchase of property, plant and equipment, which offset proceeds from sales of investment securities.

This was an increase in cash used of ¥12.9 billion year on year.

Cash flows from financing activities

Net cash used in financing activities was ¥45.9 billion, compared with net cash used in financing activities of ¥77.2 billion in the previous fiscal year. This was principally due to repayments of long-term borrowings and repayments of lease obligations.

As a result, consolidated cash and cash equivalents on March 31, 2024, amounted to ¥65.5 billion, down ¥18.6 billion from the previous fiscal year-end.

(3) Basic Policy Regarding Distribution of Earnings and Dividends for the Fiscal Year Ended March 31, 2024, and the Fiscal Year Ending March 31, 2025

We intend to return profit gained through business activities to shareholders. At the same time—while strengthening our management foundation—we intend to appropriate profit for consolidated shareholders' equity in order to secure internal reserves for research and development, capital investment, development of human resources, and other uses reflecting a medium- to long-term viewpoint.

We will determine the amount of dividends to be paid from retained earnings in light of the above medium-to-long term business cycle; our policy of paying stable and continuous dividends; and a comprehensive evaluation of the business results from the relevant fiscal year, research and development and capital investment plans for future growth, and the operating environment.

We regard the acquisition of treasury stock as a flexible mechanism to supplement dividends from retained earnings when warranted by the cash flow position.

Based on a rigorous evaluation of performance during the fiscal year ended March 31, 2024, forecasted performance for the fiscal year ending March 31, 2025, and our financial position, we plan to pay a year-end dividend of ¥75 per share for the fiscal year ended March 31, 2024, which will make for an annual dividend of ¥135 per share, when including the interim dividend.

We have not yet decided the dividend to be paid for the fiscal year ending March 31, 2025.