



Energy Business Strategies for FY2025

Energy Business Group

May 27, 2025

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1 Business Overview

Contributions to stable, optimal, and reliable supplies of energy

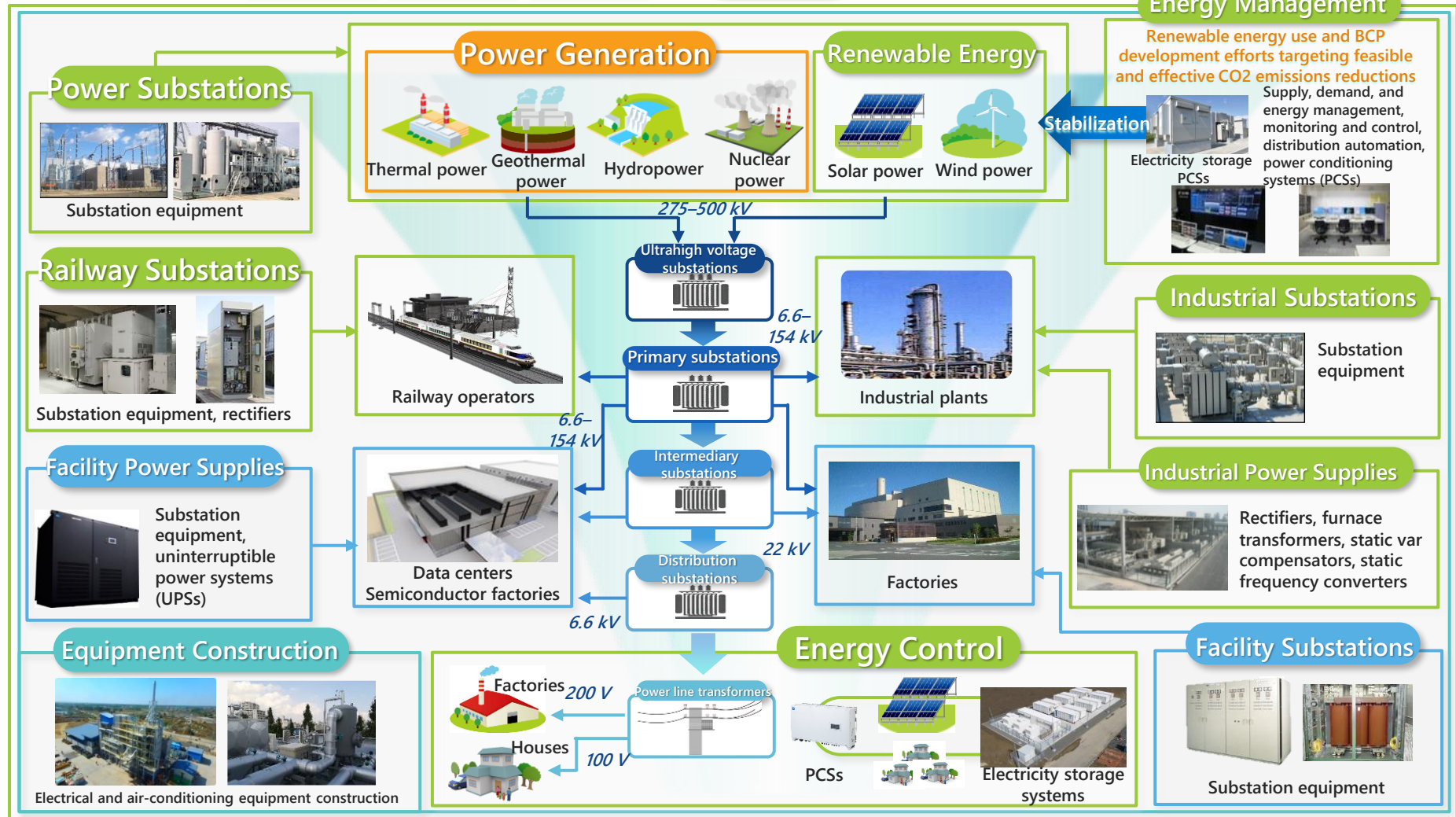
Energy Generation Transmission Storage + Control

Power Generation

Power Supply and
Facility Systems

Energy Management

Equipment Construction



Contributions to stabilization, optimization, and reliable supply of power

Equipment Construction

(Domestic sales: 99%: Overseas sales 1%)*

Plant construction
(electrical equipment)



Wiring and structure
construction (electrical
equipment)



Air-conditioning
equipment construction

Power Supply and Facility Systems

(Domestic sales: 62%: Overseas sales 38%)*

Leading domestic
share



Uninterruptible
power systems
(UPSs)

Leading domestic
share



Molded
transformer



Switchgears and
controlgears



Skid systems

(Transformers + Inputs + UPSs + Outputs)

FY2024 Net Sales **¥1,123.4 billion**

Energy
(32%)

Industry
(36%)

Semi-
conductors
(21%)

Food &
beverage
Distribution
(10%)

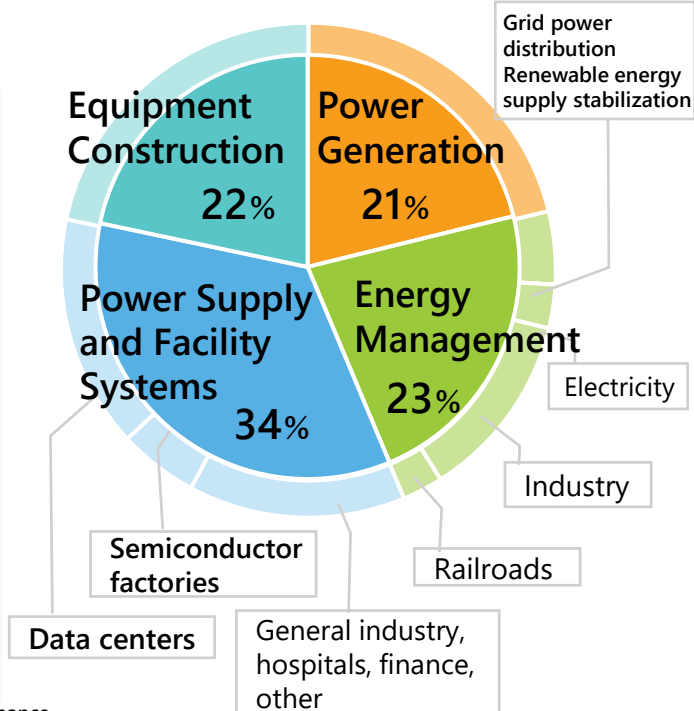
others

Net sales

FY2024
Results

¥354.3 billion

(Domestic sales: 74%: Overseas sales 26%)*



Power Generation

(Domestic sales: 71%: Overseas sales 29%)*

No. 1 global
share*



Geothermal power
generation facilities

Leading domestic
share



Hydropower
generation facilities



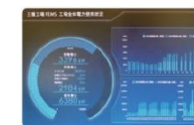
Nuclear power-related
equipment
Fuel handling equipment and
waste treatment equipment

Energy Management

(Domestic sales: 79%: Overseas sales 21%)*



Solar power
generation
systems



Energy
management
systems



Power
conditioning
systems (PCSs)



Large-capacity
rectifiers
(industrial power
supplies)



Large-capacity
transformers
(power
transformation)



Substation
equipment
(industrial power
transformation)

* Shares represent estimates by Fuji Electric based on FY2024 performance.

Note: Percentages of total net sales figures represent FY2024 results and are calculated before deduction and adjustment for inter-segment sales.

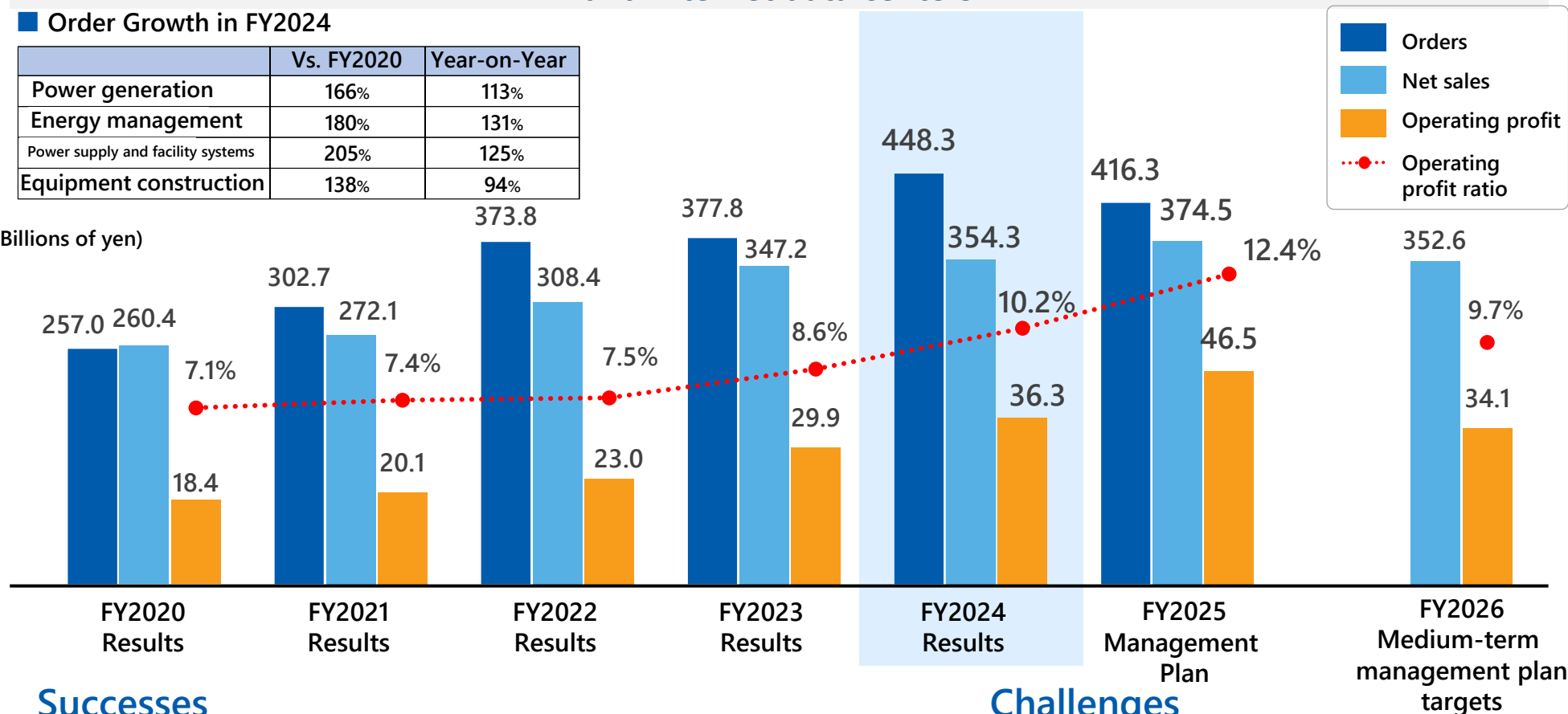
2 Review of FY2024

Massive growth in orders against backdrop of increased capital investment in renewable energy and internet data centers

Order Growth in FY2024

	Vs. FY2020	Year-on-Year
Power generation	166%	113%
Energy management	180%	131%
Power supply and facility systems	205%	125%
Equipment construction	138%	94%

(Billions of yen)



Successes

- Increases in orders for power generation, transformer, internet data center, and other equipment
- Net sales and operating profit surpassing targets of FY2026 medium-term management plan in FY2024






Challenges

- Enhancement of large-scale project management
- Augmentation of substation equipment production capacity

Note: Performance figures for FY2023 and before are produced through a simple conversion of past figures to reflect the business reorganization undertaken in FY2025 and thus should be used for reference purposes only.

3 Management Plan for FY2025

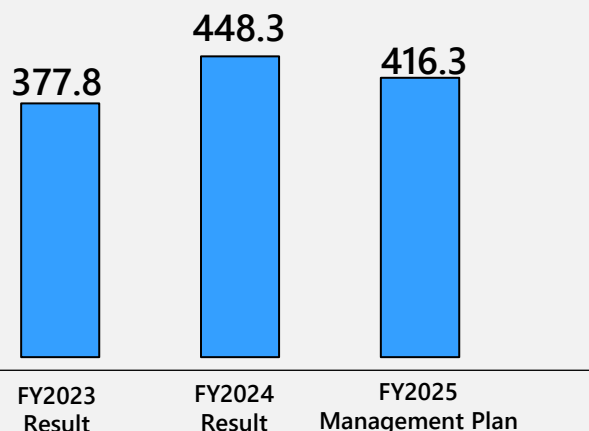
Ongoing growth in various subsegments projected as a result of accelerated decarbonization initiatives and rising electricity demand stimulated by digital transformation efforts

Subsegment	Market Trends (FY2025)		
Power generation	Renewable energy, decarbonization	<ul style="list-style-type: none"> Consistent demand among Pacific Rim and other countries developing geothermal power sources Ongoing demand for scrap and build projects targeting aged equipment and significant attention directed toward pumped-storage hydroelectric power generation Growing investment in decarbonization-related power generation equipment 	
Energy management	Energy management	<ul style="list-style-type: none"> Rising needs for grid stabilization systems due to spread of renewable energy use Rapid growth in grid storage battery sales as a result of adoption in various markets Declining sales of large-scale nuclear power generation systems 	
	Transmission & Distribution Systems	<ul style="list-style-type: none"> Continuous and growing demand for upgrades to equipment installed during time of Japanese economic miracle Rising demand for decarbonization of existing production processes (electrification, fuel conversion) 	
Power supply and facility systems	Data centers	<ul style="list-style-type: none"> Robust internet data center equipment demand driven by digital transformation and accelerated AI use Consistent needs for construction and expansion of small and large-scale data centers 	
	Semiconductor factories	<ul style="list-style-type: none"> Ongoing investment in constructing and expanding production facilities to bolster and decentralize production capacity 	

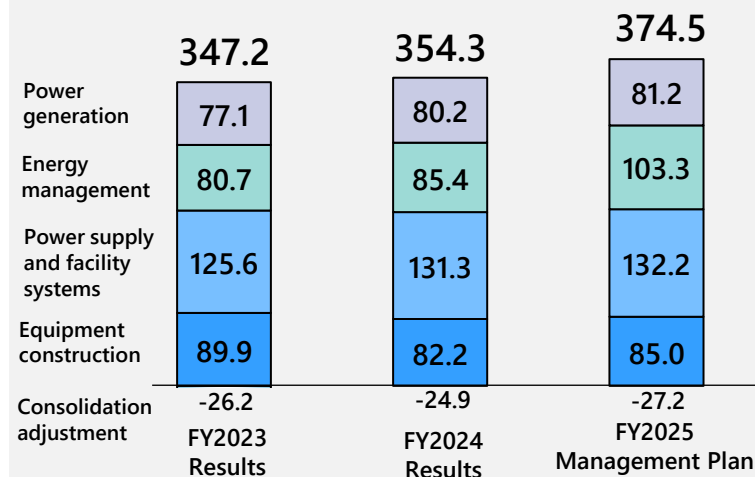
Note: Equipment construction market trends are described in the sections for the respective subsegments.

Business expansion using technologies for contributing to stable, optimal, and reliable supplies of energy

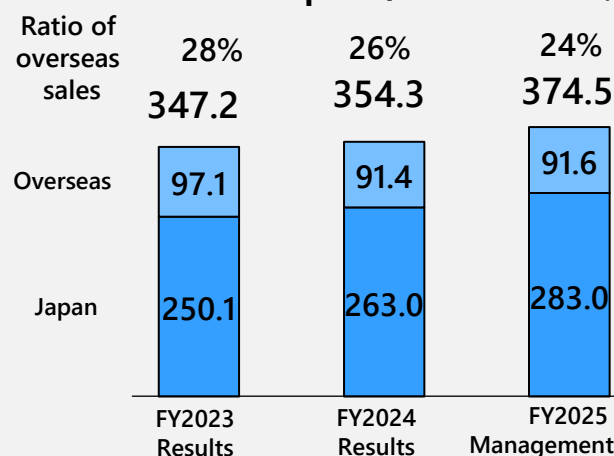
Orders by Segment (Billions of yen)



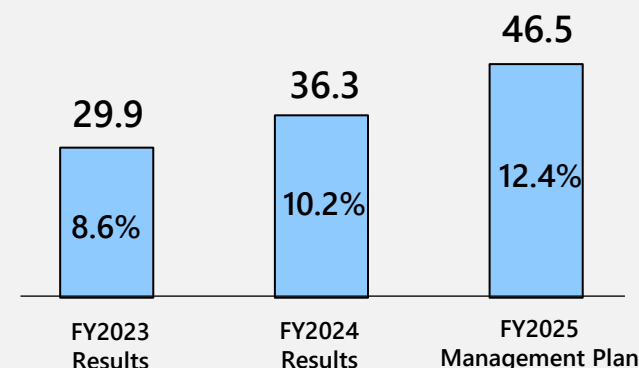
Orders by Subsegment (Billions of yen)



Net Sales in Japan / Overseas (Billions of yen)



Operating Profit / Operating Profit Ratio (Billions of yen)



Note: Figures for FY2024 have been restated to reflect the business reorganization undertaken in FY2025. Figures for FY2023 are produced through a simple conversion of past figures to reflect the business reorganization undertaken in FY2025 and thus should be used for reference purposes only.

Business Policies

- Pursuit of growth by targeting growing energy markets and rising green transformation and digital transformation demand
- Timely development of competitive products
- Ongoing enhancement of manufacturing systems and augmentation of production capacity (energy management, power supply and facility systems)

Priority Measures

Power generation

- Expansion of decarbonization, renewable energy, and after service businesses

Energy management

- Development of competitive products and utilization of engineering capabilities to grow system businesses

Power supply and facility systems

- Expansion of domestic and overseas internet data center and semiconductor businesses

System solutions

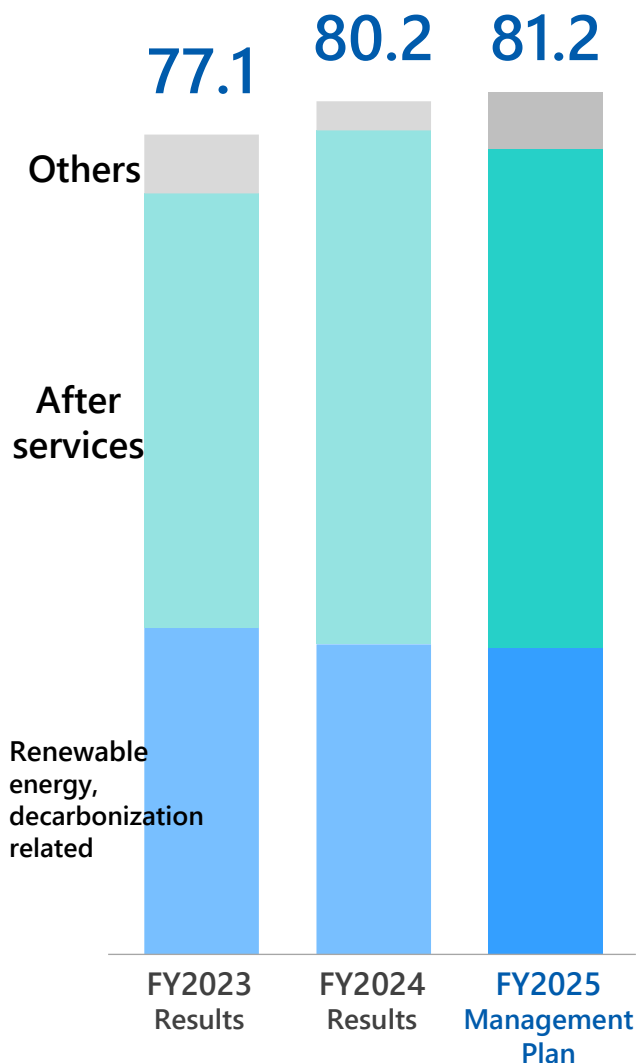
- Expansion of system businesses through integrated operation with equipment construction business

Production capacity augmentations

- Augmentation of production capacity in conjunction with growth in substation equipment demand

Power Generation Business Sales

(Billions of yen)



Growth of decarbonization and renewable energy businesses including long-term decarbonization power source auction projects

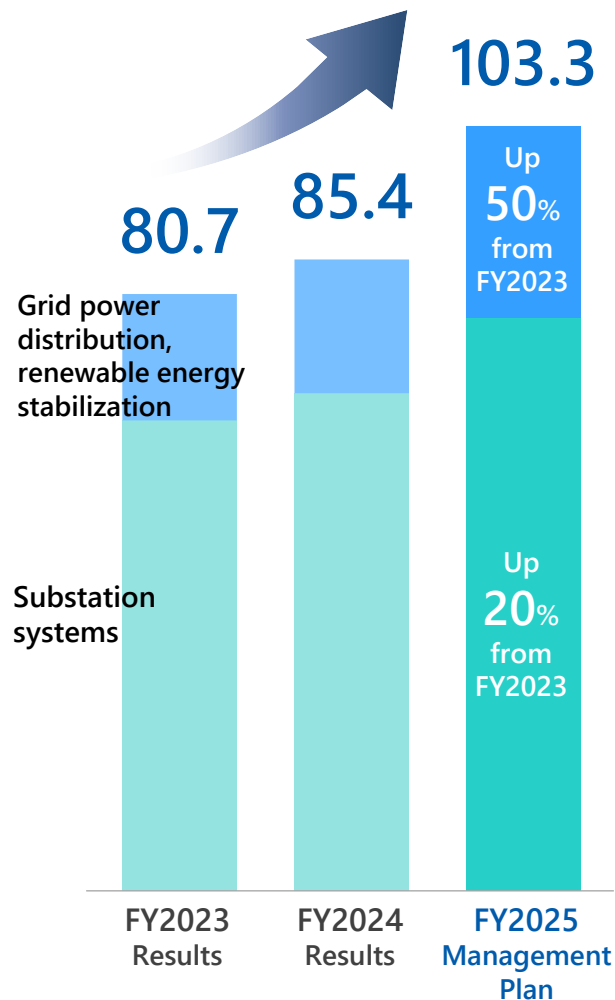
- **Expansion of scope of operations in geothermal field**
 - Promotion of sales through offerings with wider range of capacities
 - Development of new products and functions
- **Steady advancement of thermal and geothermal power plant, nuclear fuel cycle, and other large-scale projects**
- **Fuel conversion (ammonia, hydrogen), hydrogen fuel cells, energy storage systems, innovative next-generation reactors**

Enhancement of products and proposals to drive growth in after service sales

- **Enhancement of proposals involving diagnosis technologies, peripheral equipment, expanded maintenance plans, etc.**
 - Response to needs for increased facility reliability amid tight supply-demand balance
 - Promotion of aging and lifespan diagnosis for improving operating efficiency of equipment
- **Expansion of pumped-storage hydropower generation and other hydropower generation scrap and build projects**

Energy Management Business Sales

(Billions of yen)

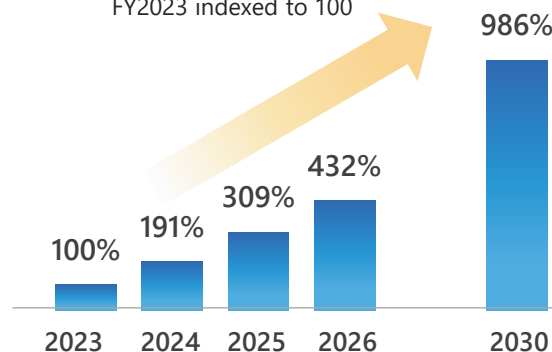


Enhancement of comprehensive renewable energy proposals centered on storage battery systems

Comprehensive proposals encompassing renewable energy, storage battery systems, and EMSs

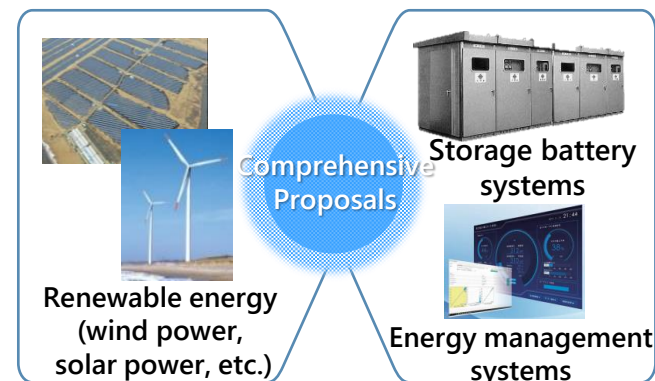
- Growth of orders by supporting customers in shortening construction periods and achieving decarbonization

Grid Storage Battery System Market Served by Fuji Electric (※)
FY2023 indexed to 100



※ Handout materials for the 3rd Expert Working Group on GX Implementation
Assumed based on the Cabinet Secretariat (November 8, 2023)

Comprehensive renewable energy system proposals

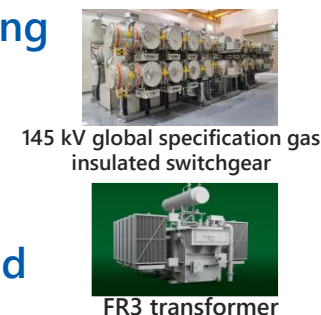


Reinforcement of substation system operations experiencing growing demand

Expansion of operations by quickly introducing new products

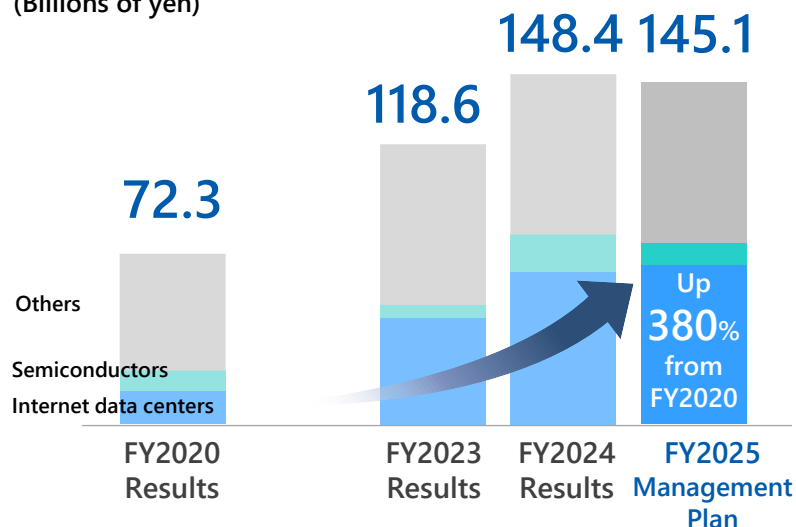
- Green transformation, eco-friendly, and global-specification products

Growth taking advantage of upgrade demand



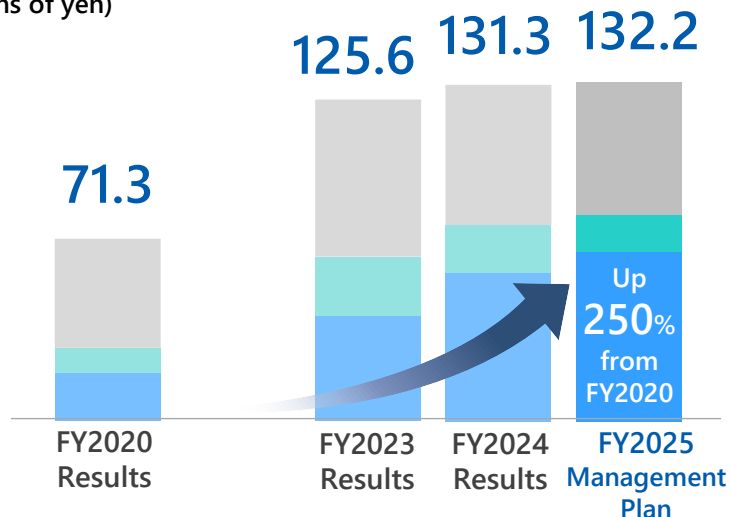
Power Supply and Facility Systems Orders

(Billions of yen)



Power Supply and Facility Systems Sales

(Billions of yen)



Growth in Internet Data Center-Related Orders

Enhancement of capacity to obtain orders by combining product development and new technologies from the customer's perspective

Customer Needs

- Larger capacities, less space requirement
- Shortened construction periods
- Improved ease of maintenance and operation

New Product Development and New Technology Adoption

Unit-Type Large-Capacity UPSs



- Compact design achieved through high density
- Improved ease of maintenance made possible by unit design

Container-Type Skid Systems



Skid systems

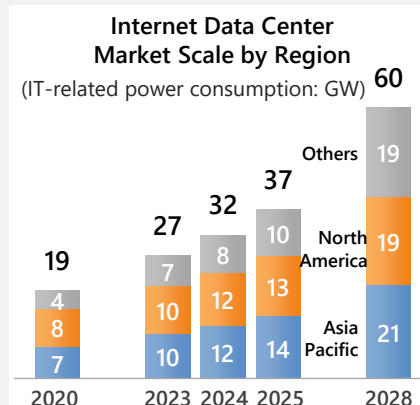
(Transformers + Inputs + UPSs + Outputs)

- Shortening of on-site construction period by handling certain processes in factories (assembly, testing)
- Improvement of equipment reliability

Expansion of coverage in North American market

Market Trends

- Ongoing growth in internet data center-related investment

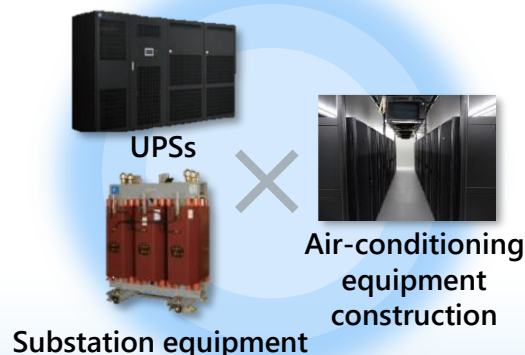


* Source: Global Data Centre Colocation & Interconnection, Structure Research Ltd., 2024

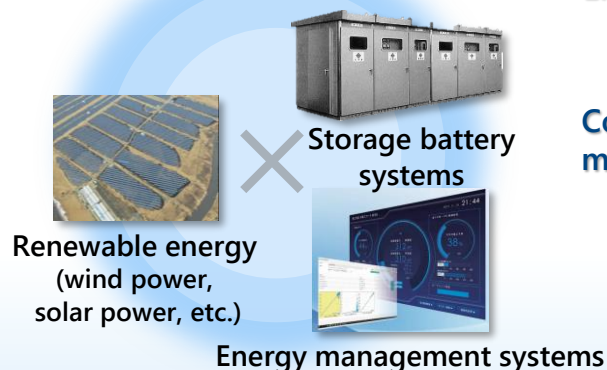
Expansion of system businesses through integrated operation with equipment construction business

Fuji Electric's System Solutions

Internet Data Center Systems



Comprehensive Renewable Energy Systems



Priority Measures

Enhancement of one-stop solutions

- Supply of solutions integrating processes including product development, manufacturing, construction, and maintenance

Coordination with growth fields and maximization of sales volumes

- Reciprocal utilization of sales channels and customer networks established in growth markets and focus industries
- Differentiation through solicitation of competitive edge and integrated negotiations for taking part in larger projects

Equipment Construction

(Fuji Electric Engineering & Construction)

- Electrical and air-conditioning equipment construction



Major Products

Clean Electricity

- Thermal power
- Wind power
- Hydropower
- Fuel cells
- Solar power



Electricity Transmission

- Transformers
- Circuit breakers
- Switchboards
- PCSs



Equipment Support

- Uninterruptible power systems (UPSs)
- Monitoring and control systems



Energy Efficiency

- Energy management systems
- Electricity storage systems



Priority Measures—Production Capacity Augmentation

Augmentation of production capacity in conjunction with growth in substation equipment demand

Growing Power Equipment Demand

Chiba Factory



Priority measures

- Expansion of range of products manufactured
- Quality improvement and rationalization

(Dry air switchgears, power supplies for hydrogen production equipment, top runner transformers)

- Hydraulic transformers • Molded-case transformers
- Electricity conversion equipment
- Switchgears (production scheduled to be transferred to Kawasaki Factory)

Kawasaki Factory



Priority measures

- Expansion of in-house production

(In-house production of product distributed within the Group through full utilization of production technologies, equipment, and facilities (scrubbers, conductor, plating, etc.))

- Steam turbines • Turbine generators • large-scale industrial motors
- Hydropower-/nuclear power-related equipment
- switchgears (production scheduled to be transferred from Chiba Factory)

Production capacity augmentations

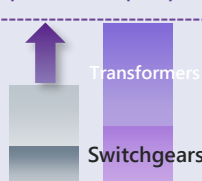
- Applicable products
- Schedule

Reorganization of domestic production system

Transformers, switchgears

- Transformers
Production augmentation to be completed in October 2026
- Switchgears
Production augmentation to be completed in April 2026

50%
increase in
production capacity



Growing internet data center- and semiconductor-related demand

Kobe Factory



Priority measures

- Expansion of range of products manufactured

(Next-generation UPSs, ultralarge-capacity UPSs, solar PCSs, new JIS/IEC-compliant switchboards)

- Uninterruptible power systems (UPSs)
- Switchboards
- Power conditioning systems (PCSs)

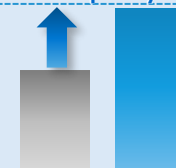
Production capacity augmentations

- Applicable products
- Schedule

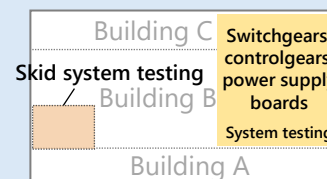
Expansion of Kobe Factory production facilities

Switchgears, controlgears, power supply boards
Production augmentation to be completed in October 2026

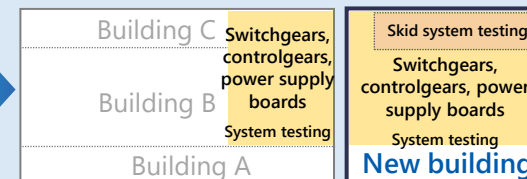
50%
increase in
production capacity



Production Facilities (Current)



Production Facilities (Post Augmentation)



Tsukuba Factory

- Mini, small, and medium-sized UPSs
- Switchboards

Fuji SMBE (Singapore, etc.)

- Low-voltage switchgears
- PDUs

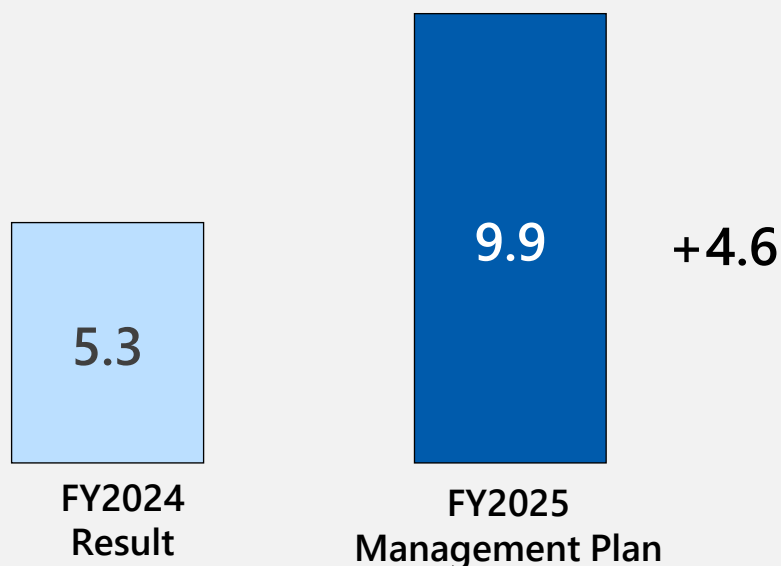
Fuji Electric Manufacturing (Thailand)

- molded-case transformers
- UPSs • GISs
- Switchboards

Fuji Tusco (Thailand)

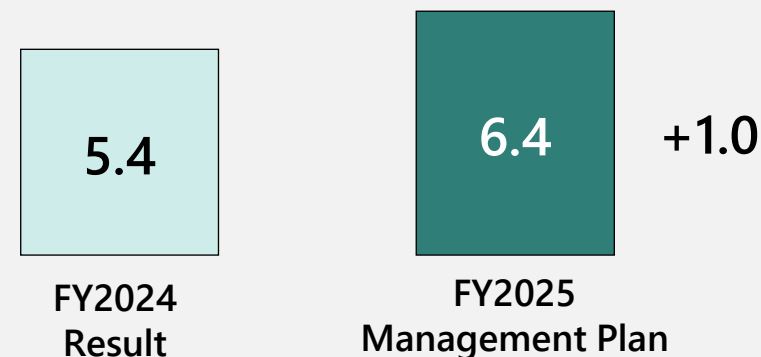
- Transformer

Capital Investment (Billions of yen)



- Energy Management
Augmentation of substation equipment production facilities
- Energy Management and Power Supply and Facility Systems
Upgrades to development and testing equipment

Research and Development (Billions of yen)



- Power Generation / Energy Management
 - Carbon neutrality and eco-friendly products (Electricity storage systems, energy management systems, dry air switchgears, hydrogen fuel cells, power supplies for hydrogen production equipment)
 - Global products (Transformers, molded-case transformers, GISs, solar PCSs, switchgears and control gears)
- Power Supply and Facility Systems
 - Expansion of series long lifespan and next-generation UPSs

Note: The R&D expenditure figures above represent expenditures that have been allocated to segments based on theme and may therefore differ from figures contained in consolidated financial reports.

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