



# Industry Business Strategies for FY2025

Industry Business Group

May 27, 2025

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# 1 Business Overview

## Energy saving, automation, and electrification

Net sales (FY2024 results)

**¥400 billion**

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

### IT Solutions

(Domestic sales: 100%; Overseas sales: 0%)\*



MESS, EMSs,  
maintenance IoT, AI



Operational support  
systems

### ED&C Components

(Domestic sales: 73%; Overseas sales: 27%)\*

No. 1 domestic share\*



Magnetic switches

No. 2 domestic share\*



High-voltage vacuum  
circuit breakers

No. 2 domestic share\*



Molded-case  
circuit breakers

No. 2 domestic share\*



Push Buttons

### Social Solutions

(Domestic sales: 82%; Overseas sales: 18%)\*

Radiation-related  
equipment



Real-time dosimeters

### Mobility



Electrical equipment  
for railcars



Passenger door systems



Electric propulsion  
systems



Onshore harbor  
power supply  
systems

Rail cars

Ships, harbors



Passenger door systems

Electric propulsion  
systems

Onshore harbor  
power supply  
systems

Machinery  
equipment  
manufacturers

Mobility

Radiation-related  
equipment

Substation  
equipment

Low-voltage  
inverters

Industrial motors  
Small-capacity  
power supplies  
Measuring  
instruments and  
sensors  
Control equipment

IT Solutions

20%

ED&C

Components

22%

Social  
Solutions

8%

Factory automation  
components

30%

Automation  
Systems

20%

### Factory Automation Components

(Domestic sales: 54%; Overseas sales: 46%)\*

No. 2 domestic share\*



Low-voltage  
inverters



Servo systems



Miniature motors



Measuring  
instruments and  
sensors

No. 2 domestic share\*



Smart meters



Small-capacity  
power supplies

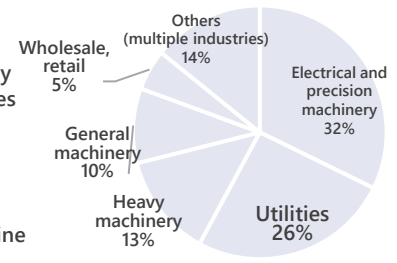


Controllers



Human machine  
interface

### Breakdown of Sales by Application



### Automation Systems

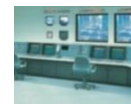
(Domestic sales: 82%; Overseas sales: 18%)\*



High-voltage  
industrial inverters



Testing / production  
line equipment

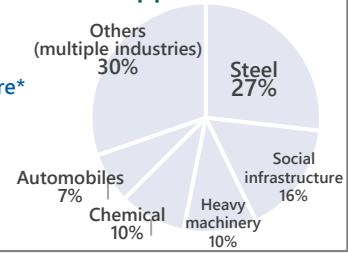


Drive control systems  
Measurement control  
systems



Induction  
furnaces

### Breakdown of Sales by Application

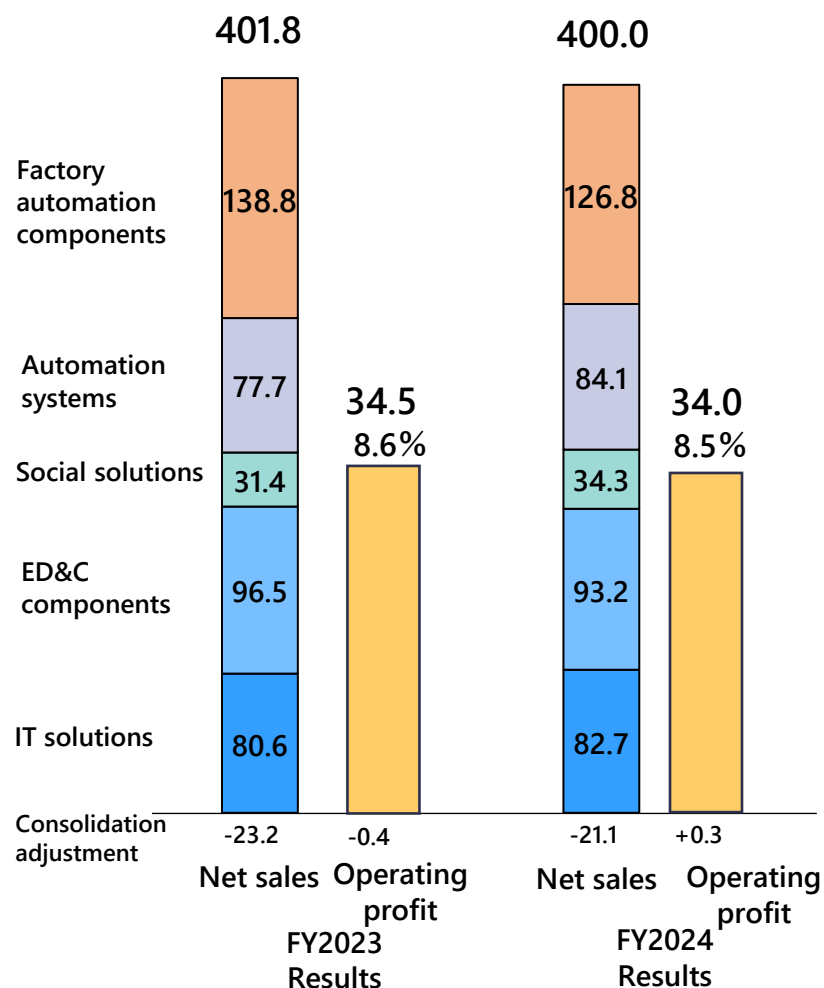


No. 1 domestic share\*

\* 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

## Net Sales and Operating Profit by Subsegment (billions of yen)



## Successes












- Increased plan and system sales and earnings
- Business Expansion in India  
(Net sales in FY2023: ¥21.0 billion → Net sales in FY2024: ¥24.4 billion)
- Development and deployment of global products

## Challenges

- Development of global supply chain operations
- Expansion of overseas and green transformation businesses
- Reinforcement of earnings structures

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

Subsegment	Market Trends (FY2025)			
	Market	Outlook	FY2024 to FY2025	
Factory automation components	Japan	Market growth of 1% year on year in FY2025, despite flat growth in first half, due modest recovery centered on semiconductor production equipment projected in second half of the fiscal year		
	Overseas	Flat overall growth in first half of the fiscal year followed by growth of 1% in second half; outlook opaque due to impacts of policies in the United States Decrease in sales in China due to lower demand in industries affected by prolonged real estate market slump Slight growth in market growth in India and Asia, despite intensified competition sparked by influx of products from China		
ED&C components	Japan	Recovery in market for machine tool manufacturers in second half of the fiscal year, but flat growth in power distribution market		
	Overseas	Flat growth in market for machine tool manufacturers in China and declines in demand for elevator and other industries affected by sluggish construction market; gradual recovery anticipated in semiconductor markets of the United States, South Korea, and Southeast Asia		
Automation systems	Japan	Ongoing investment in digital transformation and green transformation and in BCP and other measures for conserving energy, addressing aging facilities, and maintaining facilities (steel, chemicals, electric furnaces) Accelerated electrification of furnaces and steelmaking facilities		
	Overseas	Steady demand in India, but reduced demand in Asia (steel) Prevention of Chinese imports into the United States, increased crane projects in Asia, Africa, and Latin America due to conflicts in the Middle East		
Social Solutions	Rail cars	Japan	Recovery in railcar production to pre-COVID-19 pandemic levels, demand for long-term use of railcars (equipment upgrades, maintenance reduction)	
		Overseas	Ongoing demand for upgrades to railcars used in major city subways (United States) Continuous development of new railways largely taking advantage of official development assistance programs (India, Southeast Asia)	
	Ships, harbors	Japan	Delays in development of markets for electric ship propulsion and shoreside power supply systems, but rising demand for shaft generation systems* due to CO <sub>2</sub> emissions regulations	
	Radiation-related equipment	Japan	Push to make full use of nuclear power in Japanese government’s Seventh Strategic Energy Plan accelerating restarting and decommissioning of reactors	
IT Solutions	Japan	Brisk IT investment among small and medium-sized enterprises and other entities; preparation of NEXT GIGA program for introducing IT equipment into schools in the academic sector		

\* Systems that use the rotation of propellor shafts to generate electricity



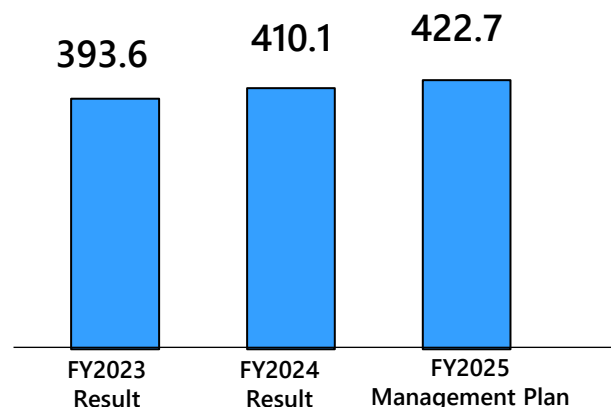
## Business Policies:

Creation of competitive components for use in strengthening systems offerings

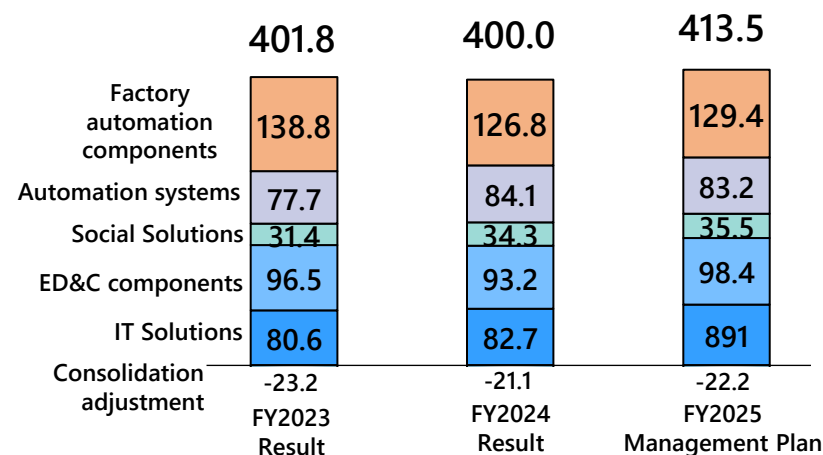
Utilization of systems to grow green transformation and overseas businesses

Enhancement of earnings structures in component businesses

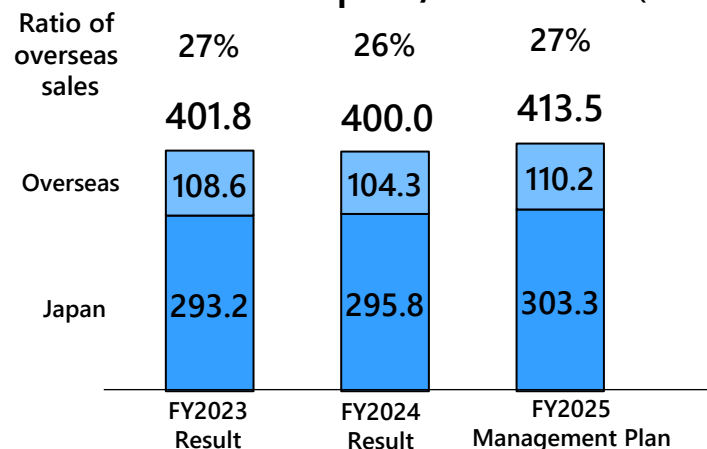
### Orders by Segment (Billions of yen)



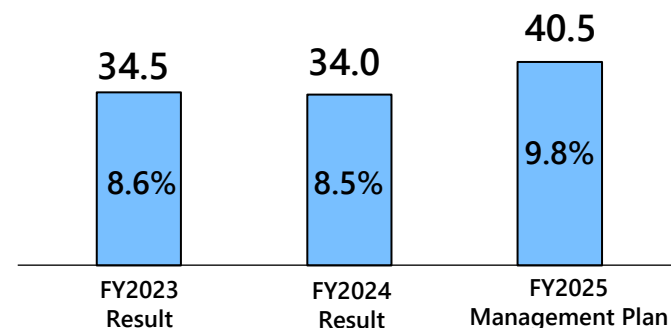
### Net Sales by Subsegment (Billions of yen)



### 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.

## Components

### 【Factory automation components】

- Enhancement of business constitution by integrating production and sales
- Expansion of overseas businesses
  - Growth of businesses in India (smart meters)
  - Introduction and enhancement of global products

### 【ED&C Components】

- Growth of sales through new products and sales promotion measures
- Reinforcement of business constitution using digital solutions

## Plants and Systems

### 【Automation Systems】

- Global product development and lineup expansion

- Development and expansion of heat product lineup

### 【Social Solutions】

#### < Mobility >

- Promotion of electrification in mobility field
  - Introduction of new ship and harbor products
  - Development of automotive power electronics operations

#### < Radiation-related equipment >

- Growth of share in existing fields and rising sales volumes for products related to reactor decommissioning
- Acceleration of initiatives for growing overseas operations

### 【IT Solutions】

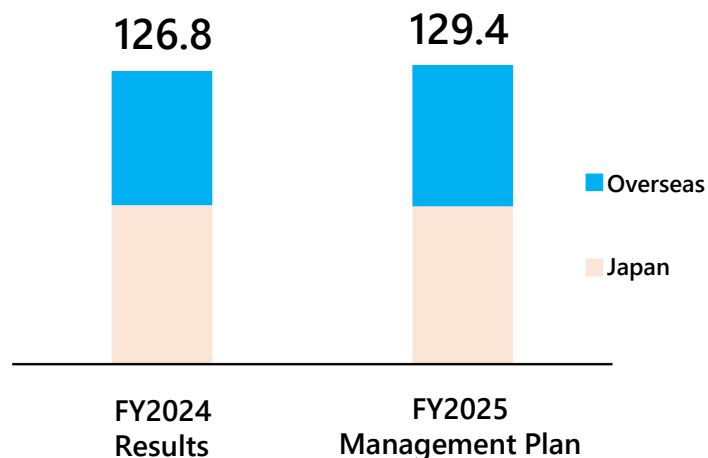
- Expansion of digital solutions (for manufacturing)
- Acquisition of orders related to nationwide NEXT GIGA program

Priority measures for the future

## Enhancement of business constitution by integrating production and sales to heighten earnings power

### Factory Automation Component Sales

(Billions of yen)



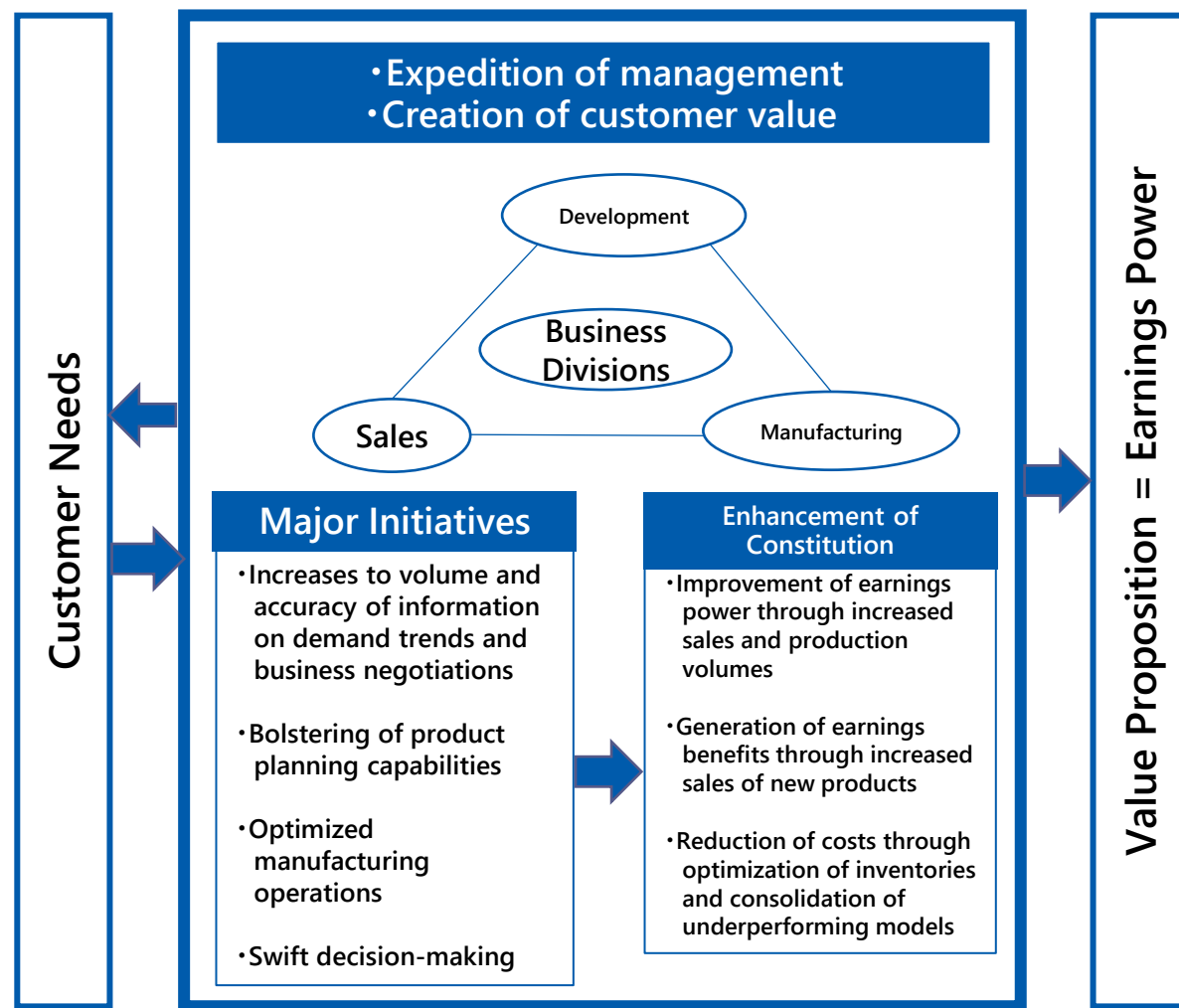
#### ■ Domestic Measures

- Exploration of new sectors of semiconductor production equipment and air-condition industries
- Development of next-generation products (integrated with inverters) through co-creation with customers
- Expansion of lineup of green transformation projects (next-generation electricity measuring equipment, compact ultrasonic flowmeters)

#### ■ Overseas Measures

- Promotion of sales of air-conditioning equipment for data centers (inverters for large-scale chillers)
- Introduction of new products for elevators (all-in-one products)
- Expansion of smart meter business in India
- Launch of competitive products for overseas markets (inverters, servo systems)

### Enhancement of Business Constitution by Integrating Production and Sales
















## Expansion of Overseas Businesses (Regional Strategies)

China

Southeast Asia, etc.

India

Europe  
and Americas

Ratio of overseas sales		35% → 36% (FY2024) (FY2025)						
Distribution of overseas sales		25% → 24% (FY2024) (FY2025)	20% → 20%	33% → 35%	22% → 21%			
Net sales		¥18.1 billion → ¥18.7 billion (FY2024) (FY2025)	¥14.6 billion → ¥15.1 billion	¥24.4 billion → ¥27.4 billion	¥16.1 billion → ¥16.3 billion			
Target industries		<div> Steel</div> <div> Electricity</div> <div> Equipment manufacturing</div> <div> HVAC</div> <div> Elevators</div> <div> Steel</div> <div> Ports</div> <div> Chemical</div> <div> Equipment manufacturing</div> <div> Electricity</div> <div> Oil and gas</div> <div> Chillers</div> <div> Elevators</div>	Priority measures	Components	<ul style="list-style-type: none"><li>•Engagement in new systems business negotiations (Lithium-ion batteries, semiconductor production equipment)</li><li>•Increased local production and consumption of measuring instruments</li></ul>	<ul style="list-style-type: none"><li>•Growth of sales from air-conditioning equipment market</li><li>•Reorganization of distributor network (Philippines, Indonesia, Vietnam, etc.)</li></ul>	<ul style="list-style-type: none"><li>•Increased in-house production of existing component products</li><li>•Entry into smart meter business</li><li>•Promotion of sales of products for elevators</li></ul>	<ul style="list-style-type: none"><li>•Enhancement of coordination with OEMs to capitalize on North American data center investment</li><li>•Promotion of sales of products for elevators</li><li>•Bolstering of coordination with partners</li></ul>
Systems	•Promotion of high-voltage inverter sales (air storage, turbine electrification, electricity regeneration)							
•Proposal of steelmaking and harbor crane systems (low-voltage industrial inverters, automation, fuel cell cranes)								
		<ul style="list-style-type: none"><li>•Sales promotion through partnerships and joint venture in Shanghai (Drive control, industrial heating systems)</li></ul>	<ul style="list-style-type: none"><li>•Response to maintenance and service businesses of Japanese companies (Increased coordination between sales companies and Japanese headquarters)</li></ul>	<ul style="list-style-type: none"><li>•Solicitation of products for steel plants (Industrial inverters, EMS packages)</li></ul>				

## Development of local production and consumption systems in FY2025 to enter into Indian smart meter market

### Market Outlook

#### Indian Market

Overall demand of scale of 280 million units due to government policies requiring smart meter introduction

#### Competition

Issues with quality and production capacity among current four major local providers

### Fuji Electric's Strengths and Measures

**Strengths** Automated production, high product quality, product planning certification\* (only Japanese company with certification)

Automation: Ability to utilize engineering expertise backed by track record in Japan and to design structures allowing for automation → Reliable production capacity secured through full automation

Quality: Low costs and high quality required by the Indian market made possible by use of parts with quality verified in Japan and minimization of human variables through automation

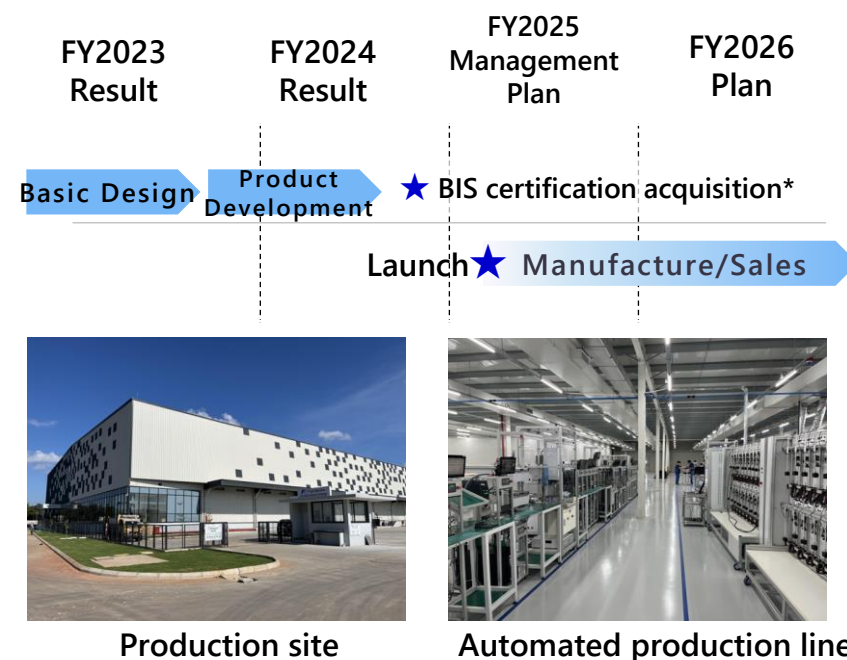
**Measures** Utilization of local parts manufacturers to reduce product costs  
Promotion of use of products of local parts manufacturers for three low-margin parts

### Net Sales Plan



Smart meters

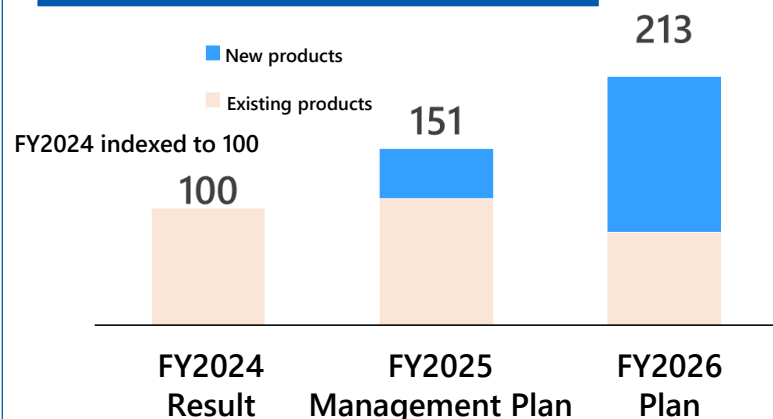
Approx. 4.6 times



\* BIS (Bureau of Indian Standards) certification

## Expansion of overseas businesses by launching next-generation low-voltage industrial inverters and high-voltage inverters and enhancing engineering capabilities

### Global Product Sales



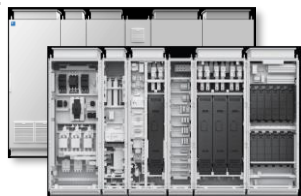
### Engineering Measures

- Development of engineering bases (China, Vietnam, and India)
- Streamlining of engineering functions through shared use of engineering assets
- Pre-engineering coordination with machinery manufacturers and sales and EPC\* partners

\* Engineering, procurement, and construction

### FRENIC-GS

Next-generation low-voltage industrial inverter



- Applications: Steelmaking, harbor cranes, etc.
- Value proposition: Lower space requirements, energy conservation (higher energy efficiency)
- Launch: FY2024 (currently on market)

### FRENIC4600FM7

Next-generation high-voltage inverter



- Applications: Compressors, conveyors, etc.
- Value proposition: Energy conservation, high reliability, preventative maintenance
- Launch: Second half of FY2025 (FY2026 in Japan)

### FRENIC-MV

Large-capacity, high-voltage, water-cooled inverter



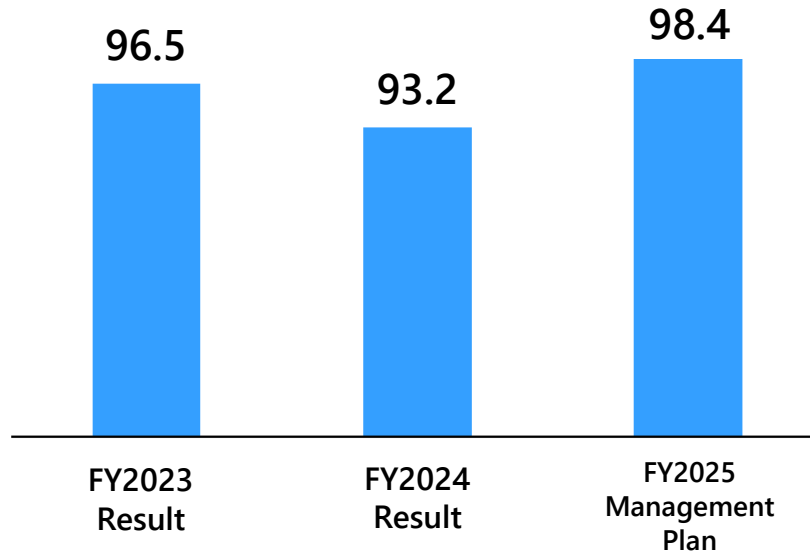
- Applications: Air storage, turbine electrification, etc.
- Value proposition: Lower space requirements, high reliability
- Launch: FY2025 (currently on market)



## Growth of Sales Using New Products and Sales Promotion Measures

### ED&C Components Sales

(Billions of yen)



### ■ Machinery Manufacturer Measures

- Transition to new products that are more compact and consume less electricity
- Expansion of semiconductor production equipment product sales through improved safety, productivity, and short-circuit current rating compatibility

### ■ Power Distribution Market Trends

- Pursuit of orders for internet data center and factory construction products
- Provision of simple small-scale power monitoring solutions to address demand for carbon footprint reduction
- Acquisition of orders for replacements of high-voltage vacuum circuit breakers currently installed in Japan and overseas

## Enhancement of Constitution with Digital Solutions

### New SC-NEXT Offerings for Development of Smart Production Lines

Utilization of new automated assembly technologies to develop high-quality, high-efficiency production lines  
 Development of MESs\* for creating smart factories with evolved autonomous control functions



Fully automated assembly lines

SC-NEXT



Quality trend management



Assembly line management



MES\*

### Reduction of Costs and Improvement of Productivity through Digital Transformation

Merging of work by people with sophisticated automation technologies using digital technologies

#### 2024: Visualization

Introduction of visualization solutions



#### 2025: Development of production line nonconformity analysis systems

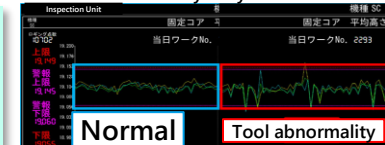
Automated acquisition of production floor data

Production line nonconformity analysis system

Worker information

Object management information

Parts and product information



Control MES data acquisition

Operation monitoring

Equipment maintenance monitoring

Energy monitoring

Quality trend monitoring

### Production Floor Data



Real-time information on people, objects, and flows

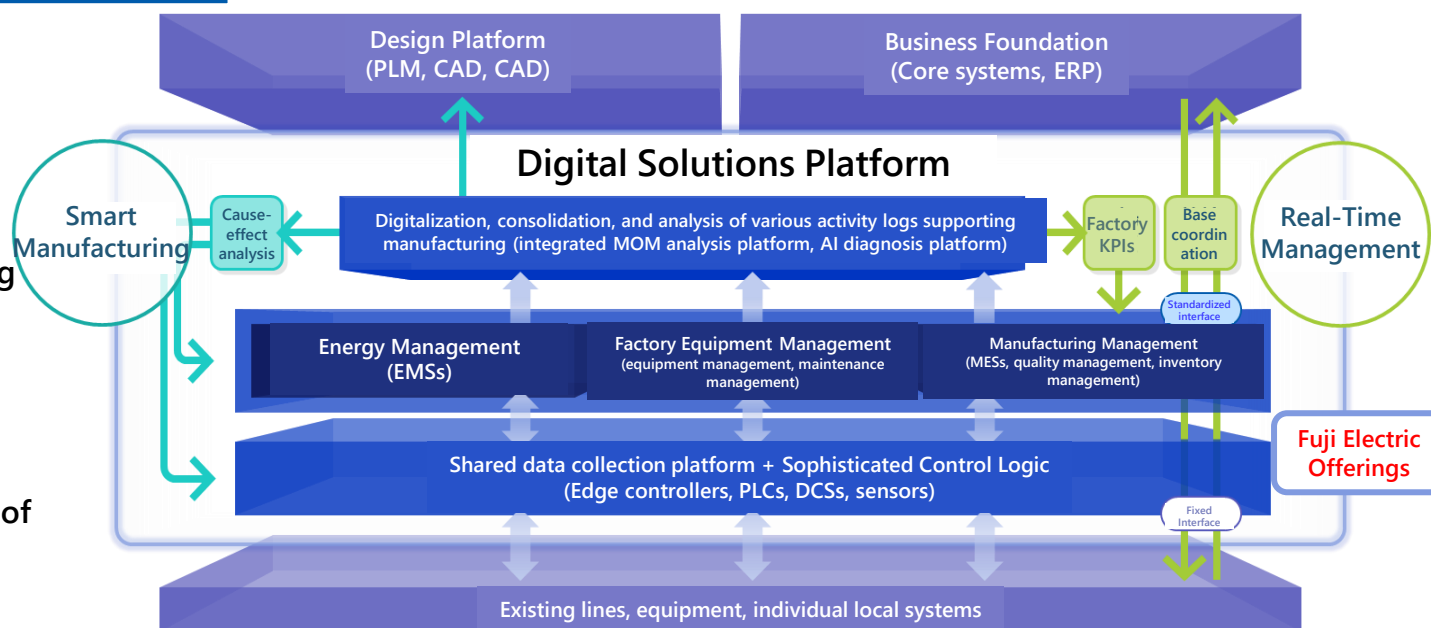
\* Manufacturing execution systems

Promotion of comprehensive solutions incorporating factory process systems, edge controllers, and AI diagnosis tools based on application examples from Fuji Electric factories

## Digital Solutions (for Manufacturing)

### Value Proposition

- Production management linking management to the production floor
- Sharing and analysis of manufacturing and carbon footprint information among production bases around the world
- Development of EMSs and reduction of CO<sub>2</sub> emissions in pursuit of carbon neutrality



## Fuji Electric's Strengths and Measures

### Strengths Proposal of comprehensive solutions using Fuji Electric offerings

Comprehensive solutions made possible by combining edge controllers and AI analysis tools with factory process support systems (MESs; EMSs; equipment maintenance, quality, and inventory management; etc.)

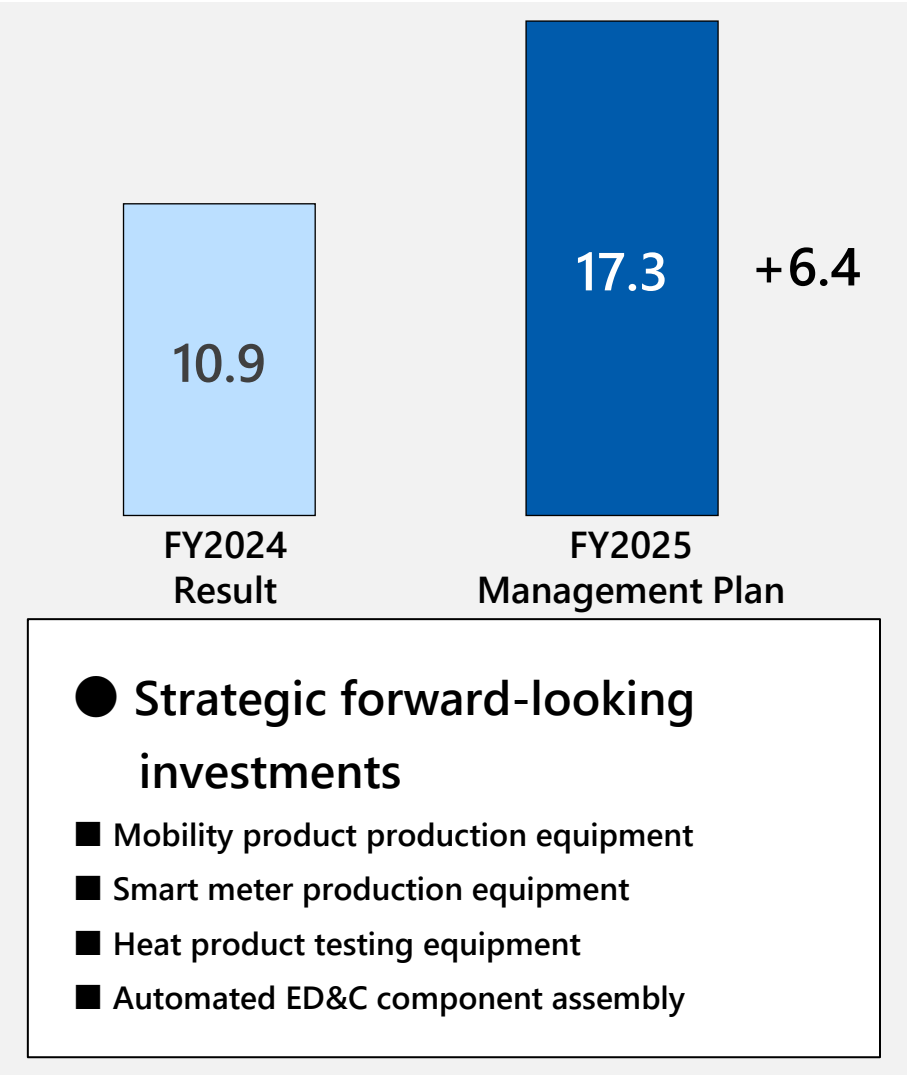
Target industries: Electrical, electronics, machinery, food, chemicals

### Measures Enhancement of products and functions based on application examples from Fuji Electric factories

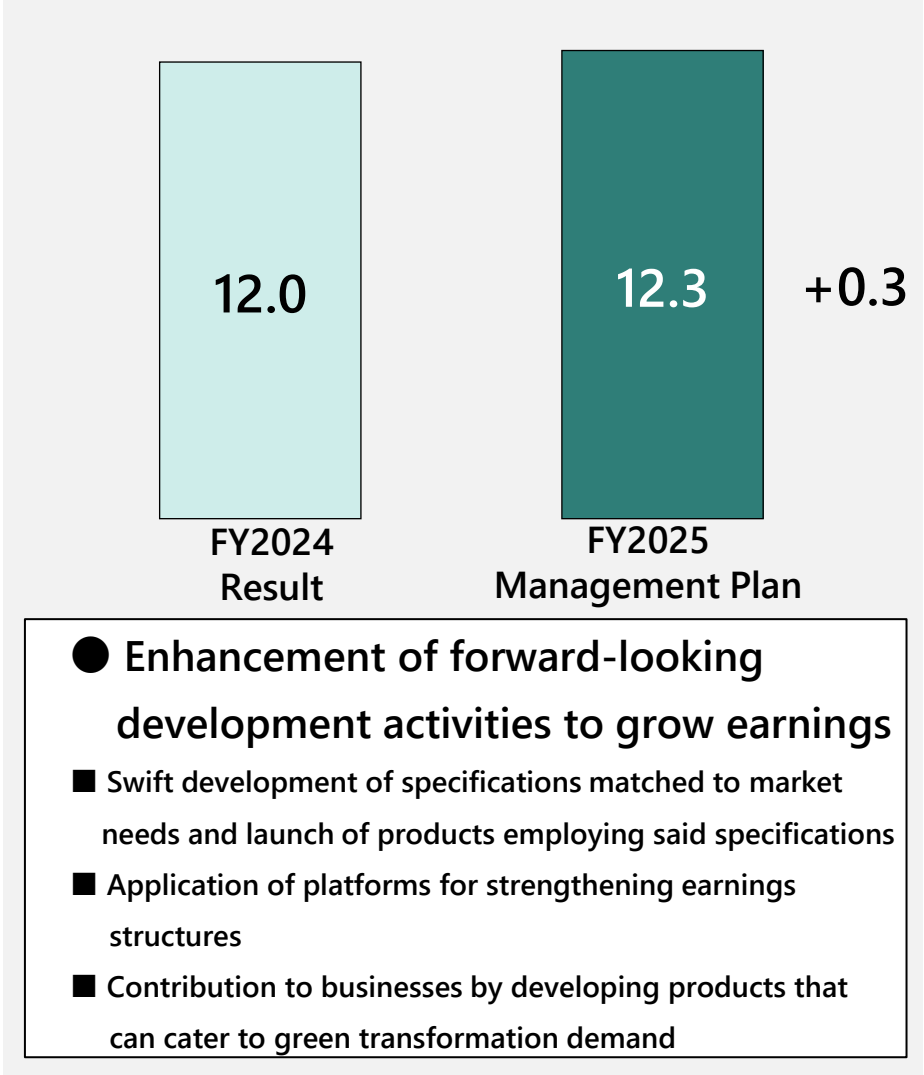
Enhancement of solutions by applying advanced AI technologies used at Fuji Electric factories and embedding accumulated factory KPI expertise into products and functions for external sales



## Capital Investment (Billions of yen)














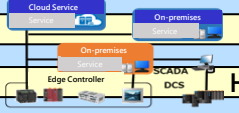











## Research and Development (Billions of yen)



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.

# Development Schedule (Product Strategy)

Improvement of development efficiency, swift introduction of new products, and expansion of range of platform utilizing models

	Major Development Themes	Market	FY2023	FY2024	FY2025	FY2026	FY2027
Factory Automation Components	<b>Low-voltage inverters</b> <ul style="list-style-type: none"><li>• All-in-one elevator solutions</li><li>• Mini series compact platforms</li><li>• Global compact platform for economic type</li></ul> <b>Servos</b> <ul style="list-style-type: none"><li>• Global servo systems</li></ul> <b>Next-generation electricity measuring instruments</b> <ul style="list-style-type: none"><li>• Power quality instruments / dual power instruments</li></ul> <b>Measuring instruments</b> <ul style="list-style-type: none"><li>• Compact ultrasonic flowmeters (S-Flow)</li></ul>	Japan Europe and Americas China Asia China (Asia) Japan South Korea and Taiwan North America Japan Asia and Europe	7th platform 	Elevator-use inverters 	All-in-one elevator solutions Mini-C3 development 	Development of 8th platform  Deployment of products for 8th platform	
			ALPHA7S 	Global servos 		Global compact 	
			Platform development	Carbon footprint-compatible electricity instruments	Highly function models 		
			S-Flow	Expanded caliber range	Wireless capabilities and expanded functions 		
Automation Systems	<b>Systems</b> <ul style="list-style-type: none"><li>• Bolstering of industrial inverter functions</li><li>• Large-capacity water-cooled inverters</li><li>• Global medium-voltage inverters</li><li>• Medium-sized industrial motor model updates and lineup expansion</li></ul> <b>Plant control systems</b> <ul style="list-style-type: none"><li>• Global control systems</li></ul>	Japan China Asia	Industrial inverters	Series expansion 			Expansion of series 
			Large-capacity water-cooled inverters	Global medium-voltage inverters			Medium-sized industrial motor lineup expansion
			Medium-sized industrial motor model updates	Medium-sized industrial motor			
IT Solutions	<b>Digital transformation product lineup expansion</b> <ul style="list-style-type: none"><li>• Development of platforms for factory digital transformation and expansion of employing systems</li></ul> <b>Heat products</b>	Japan China Asia	Digital transformation solutions 				Heat products 
Mobility	<b>Electrical mobility equipment and systems</b> <ul style="list-style-type: none"><li>• Electrical equipment for shinkansen trains</li><li>• Next-generation door platforms and condition-based management systems</li><li>• Automotive power electronics</li><li>• Electric propulsion, shaft generators</li><li>• CO<sub>2</sub>/ammonia capture systems for ships</li></ul>	Japan North America Asia India	Smaller, lighter, and all-SiC electrical equipment for shinkansen trains 				Standardized door development and lineup expansion 
			Automotive power electronics 				Electric propulsion, shaft generators 
			Ammonia leak decision, measurement, and recovery system 				
Radiation-Related equipment	<b>Personal exposure management, components for overseas markets</b> <ul style="list-style-type: none"><li>• Next-generation dosimeters</li><li>• New survey meters</li></ul>	Japan China and other parts of Asia Europe and Americas	Next-generation dosimeter development 				Next-generation survey meters 
ED&C Components	<b>Enhancement of competitiveness of core products</b> <ul style="list-style-type: none"><li>• SC-NEXT series magnetic switches</li><li>• Next-generation breakers and measuring units</li></ul>	Japan China and other parts of Asia North America	SC-NEXT 	Large MAG development 			Next-generation breaker and measuring unit development 

Growth of sales with new waste heat utilization products that contribute to decarbonization, electrification, and energy conservation

## 150 °C / 100 kW Steam-Generation Heat Pump



- Applications:  
Sterilization, drying, humidification, dehumidification, condensation, distillation
- Advantages:  
Energy conservation (up to 3.2 COP\*), water intake reduction through wastewater reuse

■ Launch: 1H of FY2026

## 200 kW Ejector Cooling System



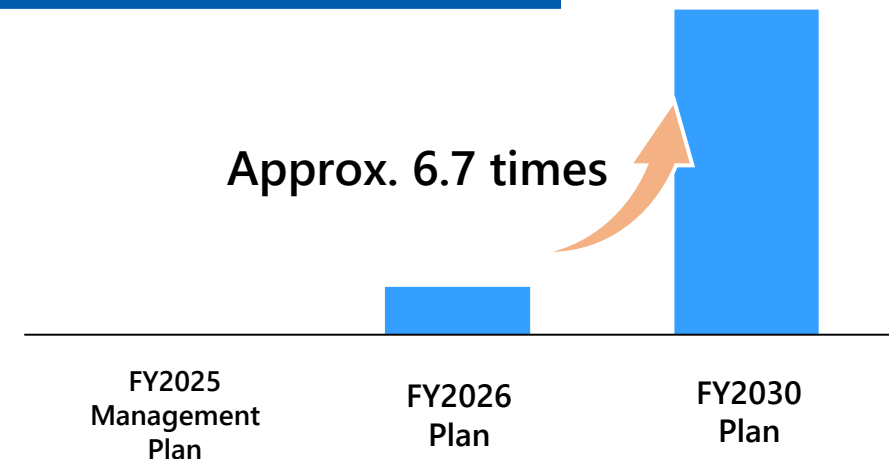
- Applications:  
AI server cooling, gigacasting mold cooling
- Advantages:  
Energy conservation (up to 200.0 COP\*), low maintenance (pump replacement only once every 10 years)

■ Launch: 1H of FY2026

## Sales Strategies

- Coordination with specialized partners and engineering companies to explore new sales channels  
Target industries: Food, beverages
- Provision of higher value through coordination with equipment manufacturers  
Target industries: Chemicals
- Proposal of solutions integrating electrical machinery, heat, and digital transformation  
Target industries: Data centers, semiconductors

## Net Sales Plan



\* Coefficient of performance, an indicator of energy efficiency

# Business Expansion in Mobility Field

Expansion of new fields business (ships, harbors, electrified vehicles) and improvement of earnings in existing fields (railcars)

## Rail Cars

### Platform products



Auxiliary power supplies



Door systems

### Enhancement of diagnosis functions

(Condition-based maintenance functions for doors)



## Ships, Harbors

### Electric propulsion



Water-cooled permanent magnet traction motors



Cool water conversion systems

### Shaft generators



Permanent magnet shaft generators

### Products for ammonia vessels



Measuring instruments

## Priority Measures

### <Rail Cars>

- Increased adoption of platform products
- Focus on global customers to grow orders (global products)
- Enhancement of self-diagnosis functions for reducing labor requirements and supporting long-term railcar use

### <Ships, Harbors>

- Introduction of new global products to acquire new orders; acceleration of partnership strategies

### <Electrified Vehicles>

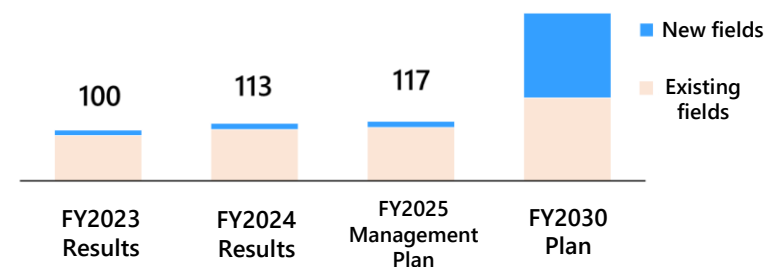
- Entry into automotive power electronics market and development of related production systems

## Medium- to Long-Term Outlook for Target Markets

		2024	2025	2026	-2030
Existing Field	Railcar systems	Railcar upgrade demand in North America			
		Low maintenance and automated operation needs			
New Fields	Ships (electrification)	Introduction of hybrid ships			
		Full-electric ships			
	Ships (shaft generation)	Increased introduction of shaft generation systems in response to CO <sub>2</sub> emissions regulations			
	Harbors (shoreside power)	Introduction			
		Popularization			
	Automobiles (electrification)	Popularization			

## Net Sales Plan

FY2023 indexed to 100



# Initiatives for Growing Sales Volumes

Response to market growth stimulated by green transformation trend by enhancing core products and technologies and strengthening manufacturing platforms

## Development of Products for Overseas Markets

### Neutron Survey Meters



Neutron survey meters

Lightweight and durable survey meters compatible with latest domestic and international standards

- Compliant with latest domestic standards (JIS) and international standards (IEC61005, Ed.3)

### Dosimeters



Dosimeters

Full utilization of domestic share-leading core technologies

- Compliant with international standards (IEC61526, Ed.4)

### Priority Measures

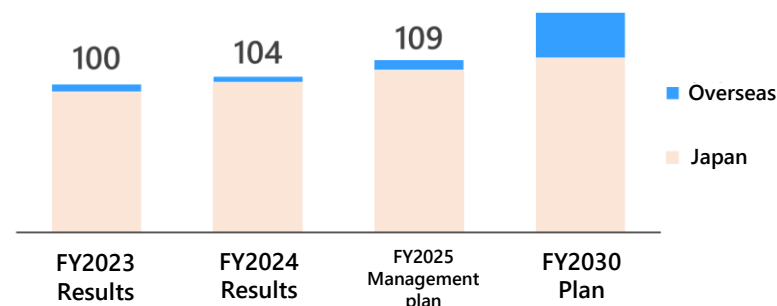
- Growth of market share by strengthening existing businesses
- Expansion of sales volumes by entering into decommissioning equipment market
- Acceleration of initiatives to expand overseas operations

### Medium- to Long-Term Outlook for Target Markets

		2024	2025	2026	-2030
Japan	Nuclear fuel cycle	Completion of new factories and start of operation			
	Resumption of nuclear power plant operation	Growth in conjunction with implementation of Japanese government's Seventh Strategic Energy Plan			
	Decommissioning	Rise in sales volumes due to aging and decommissioning of facilities			
Overseas markets		Construction of new nuclear power plants			

### Net Sales Plan

FY2023 indexed to 100



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