

Financial Results

FY2023 (Ended March 2024)

Any forward-looking statement in this report speaks only as of the date on which it is made; Forward-looking statements are based on the company's current assumptions regarding future business and financial performance; these statements by their nature address matters that are uncertain to different degrees.

Forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to be materially different.

Note: This report is a translation of Japanese version. In case of any difference between English version and Japanese version, Japanese version shall prevail.



April, 2024 | FUJITSU GENERAL LIMITED

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Consolidated Financial Results

Consolidated Statements of Income [Note1: subscripts(%) of change % is local currency base] (Hundred Million Yen)

	FY2022 (Actual)			FY2023 (Actual)			Change		Change vs disclosure in January Full Year
	1st Half	2nd Half	Full Year	1st Half	2nd Half	Full Year	Full Year	%	
Net sales	1,830	1,880	3,710	1,522	1,643	3,165	-545	-18% -15%	65
Operating income	25	126	151	13	44	57	-94	-62%	17
(Operating income margin)	(1.4%)	(6.7%)	(4.1%)	(0.8%)	(2.7%)	(1.8%)	(-2.3%)		(0.5%)
Ordinary income	78	96	174	74	70	144	-30	-18%	64
(Ordinary income margin)	(4.3%)	(5.1%)	(4.7%)	(4.9%)	(4.2%)	(4.5%)	(-0.2%)		(1.9%)
Extraordinary loss	-12	-18	-30	2	-62	-60	-30	-%	-62
Net income *	50	37	87	44	-13	31	-56	-65%	-19
(Net income margin *)	(2.7%)	(2.0%)	(2.3%)	(2.9%)	(-0.8%)	(1.0%)	(-1.3%)		(-0.6%)

* Net income attributable to owners of the parent

Dividend per share (Yen)	17	17	^{40.9%} 34	18	18	^{122.9%} 36	2	-
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[Note2: subscripts(%) of dividend per share is dividend payout ratio]

Material prices (Average)

Copper(USD/t)	9,671	9,047	9,361	8,200	7,853	8,034	-1,327	4
Aluminum(USD/t)	2,890	2,435	2,672	2,383	2,356	2,370	-302	-14

Foreign Exchange Rate (Average)

Yen/1USD	135	137	136	142	148	145	9	1
Yen/1EUR	139	143	141	153	161	156	15	-
BAHT/1USD	35.2	34.9	35.1	34.8	35.4	35.1	-	0.1
RMB/1USD	6.74	6.99	6.86	7.06	7.12	7.09	0.23	-0.01

Analysis of Financial Results

Air Conditioners	<p><Sales> [Overseas] <u>231.5</u> Billion Yen (-62.3 Billion Yen; -21% from PY; -26% based on local currency from PY.) Sales decreased due to the following factors.</p> <ul style="list-style-type: none"> • In North America and the Middle East, there was a reactionary downturn from the high level of shipments in the PY. • In Europe, ATW (Air to Water, heat pump water heaters) sales declined due to changes in the market conditions. <p>On the other hand, in India, sales of room AC recovered from 2Q, and sales of VRF business are solid.</p> <p>[In Japan] <u>49.1</u> Billion Yen (+4.5 Billion Yen; +10% from PY) Sales increased due to the normalization of shipments, compared to the PY's impact from the Shanghai lockdown.</p> <p><Operating income> <u>0.7</u> Billion Yen (-11.3 Billion Yen; -94% from PY) Operating income decreased due to lower overseas sales despite progress in cost reduction, decline in material prices, and so on.</p>
Info & Comm Syst. and Electronic Devices	<p><Sales> <u>33.2</u> Billion Yen (+3.2 Billion Yen; +11% from PY) Info & Comm Syst. : Sales increased due to higher sales of public systems and private sector systems. Electronic Devices: Sales decreased due to lower sales of electronic modules and unit products.</p> <p><Operating income> <u>4.4</u> Billion Yen (+2.6 Billion Yen; +145% from PY) Operating income increased due to higher sales of Info & Comm Syst.</p>

Sales by Segment

(Hundred Million Yen)

	FY2022 (Actual)			FY2023 (Actual)			Change		Change vs disclosure in January Full Year
	1st Half	2nd Half	Full Year	1st Half	2nd Half	Full Year	Full Year	%	
Air conditioners	1,685	1,699	91% 3,384	1,373	1,433	89% 2,806	-578	-21%	56
(Japan)	(221)	(225)	(446)	(275)	(216)	(491)	(45)	(10%)	(-9)
(Overseas)	(1,464)	(1,474)	(2,938)	(1,098)	(1,217)	(2,315)	(-623)	(-26%) (-21%)	(65)
Info & Comm Syst.	51	84	135	67	142	209	74	55%	-1
Electronic Devices	81	84	165	68	55	123	-42	-25%	3
Info & Comm Syst. and Electronic	132	168	8% 300	135	197	10% 332	32	11%	2
Others	13	13	1% 26	14	13	1% 27	1	3%	7
Total	1,830	1,880	100% 3,710	1,522	1,643	100% 3,165	-545	-18%	65
Japan	352	391	20% 743	417	420	26% 837	94	13%	-3
Overseas	1,478	1,489	80% 2,967	1,105	1,223	74% 2,328	-639	-26%	68

[Note1: subscrip(t%) of sales is proportion to Total]

[Note2: subscrip(t%) of change % is local currency base]

AC Sales by Geographic area

(Hundred Million Yen)

	FY2022 (Actual)			FY2023 (Actual)			Change			Change vs disclosure in January Full Year
	1st Half	2nd Half	Full Year	1st Half	2nd Half	Full Year	Full Year	%	Local currency base	
Japan	221	225	446	275	216	491	45	10%	10%	-9
Americas	382	293	675	164	238	402	-273	-40%	-45%	18
Europe	392	509	901	380	318	698	-203	-23%	-29%	23
Middle East and Africa	259	194	453	120	116	236	-217	-48%	-51%	-
Oceania	150	202	352	159	207	366	14	4%	1%	16
Asia	182	181	363	197	271	468	105	29%	25%	13
Greater China	99	95	194	78	67	145	-49	-26%	-28%	-5
Total	1,685	1,699	3,384	1,373	1,433	2,806	-578	-17%	-21%	56
(Overseas Total)	(1,464)	(1,474)	(2,938)	(1,098)	(1,217)	(2,315)	(-623)	(-21%)	(-26%)	(65)

[Note: sales to external customers]

1. Financial Results for FY2023



Segment Information, R&D Expenses, Capital Expenditure, Depreciation Expenses

(Hundred Million Yen)

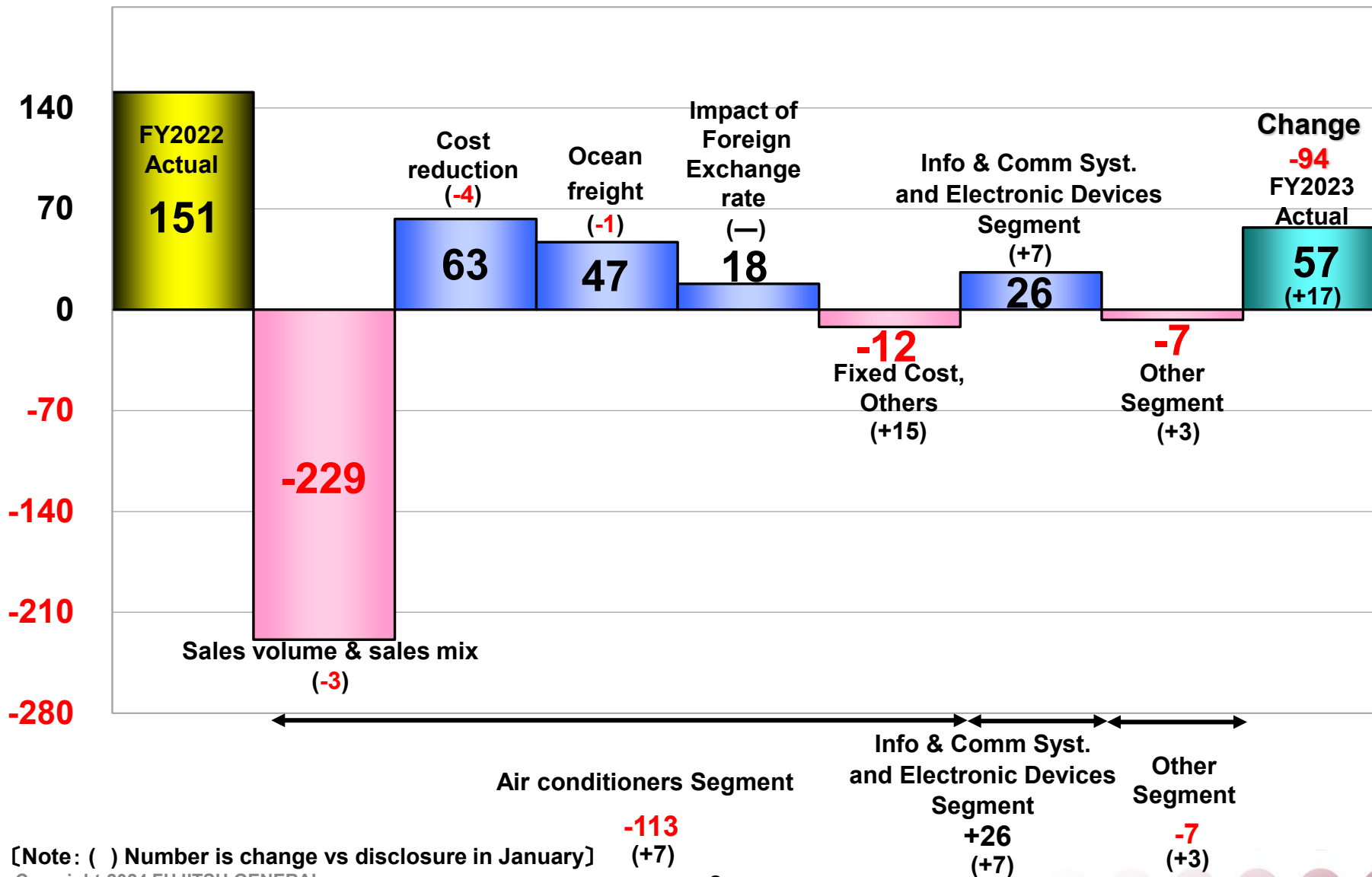
		FY2022 (Actual)			FY2023 (Actual)			Change		Change vs disclosure in January Full Year	
		1st Half	2nd Half	Full Year	1st Half	2nd Half	Full Year	Full Year	%		
Air Conditioners	Net sales	1,685	1,699	3,384	1,373	1,433	2,806	-578	-21%	-17%	56
	Operating income	15	105	120	2	5	7	-113		-94%	7
	(Operating income margin)	(0.9%)	(6.1%)	(3.5%)	(0.1%)	(0.4%)	(0.3%)	(-3.2%)			(0.3%)
Info & Comm Syst. and Electronic Devices	Net sales	132	168	300	135	197	332	32		11%	2
	Operating income	3	15	18	6	38	44	26		145%	7
	(Operating income margin)	(2.2%)	(9.1%)	(6.0%)	(4.0%)	(19.8%)	(13.4%)	(7.4%)			(2.2%)
Others	Net sales	13	13	26	14	13	27	1		3%	7
	Operating income	7	6	13	5	1	6	-7		-57%	3
	(Operating income margin)	(53.6%)	(48.0%)	(50.8%)	(42.0%)	(0.8%)	(21.3%)	(-29.5%)			(6.3%)
Total	Net sales	1,830	1,880	3,710	1,522	1,643	3,165	-545	-18%	-15%	65
	Operating income	25	126	151	13	44	57	-94		-62%	17
	(Operating income margin)	(1.4%)	(6.7%)	(4.1%)	(0.8%)	(2.7%)	(1.8%)	(-2.3%)			(0.5%)

[Note1: sales to external customers] [Note2: subscrips(%) of change % is local currency base]

R&D Expenses	4.2%	77	4.2%	80	4.2%	157	5.2%	78	4.5%	75	4.8%	153	0.6%	-4	-3%	-0.2%	-2
Capital Expenditure		41		41		82		48		70		118		36	44%		8
Depreciation Expenses		37		39		76		40		45		85		9	12%		-

[Note3: subscrips(%) of R&D Expenses is proportion to Total Net sales]

(Hundred Million Yen)



Consolidated Balance Sheet

(Hundred Million Yen)

	FY2022		FY2023		Change
	Actual	ratio	Actual	ratio	
Current assets	2,160	72%	1,863	68%	-297
(Cash and deposits)	(174)		(197)		(23)
(Notes and accounts receivable)	(1,071)		(994)		(-77)
(Inventories)	(728)		(559)		(-169)
(Others)	(187)		(113)		(-74)
Noncurrent assets	824	28%	893	32%	69
Total assets	2,984	100%	2,756	100%	-228
Current liabilities	1,392	47%	1,101	40%	-291
(Notes and accounts payables)	(538)		(464)		(-74)
(Short-term loans payable)	(327)		(134)		(-193)
(Others)	(527)		(503)		(-24)
Noncurrent liabilities	196	6%	189	7%	-7
Total liabilities	1,588	53%	1,290	47%	-298
Shareholders' equity	1,231	41%	1,226	44%	-5
Accumulated other comprehensive income	102	4%	161	6%	59
Non-controlling interests	63	2%	79	3%	16
Total net assets	1,396	47%	1,466	53%	70
Total liabilities and net assets	2,984	100%	2,756	100%	-228

Main Financial Data

(Hundred Million Yen)

	FY2022 Actual	FY2023 Actual	Change
Operating Cash Flow	-80	426	506
Investing Cash Flow	-84	-164	-80
Free Cash Flow	-164	262	426

ROE	6.7%	2.3%	-4.4%
Shareholders' equity ratio	44.7%	50.3%	5.6%

Inventories	728	559	-169
Days Inventory Outstanding	73.5days	82.9days	9.4days
CCC*	108.8days	136.9days	28.1days
Net D/E ratio (times)	0.12	-0.04	-0.16

*CCC (Cash Conversion Cycle): Days Sales Outstanding + Days Inventory Outstanding – Days Payable Outstanding

Consolidated Financial Plan

[Note1: subscripts(%) of change % is local currency base] (Hundred Million Yen)

	FY2023 (Actual)	FY2024 (Plan)	Change	
				%
Net sales	3,165	3,400	235	11% 7%
Operating income (Operating income margin)	57 (1.8%)	120 (3.5%)	63 (1.7%)	109%
Ordinary income (Ordinary income margin)	144 (4.5%)	110 (3.2%)	-34 (-1.3%)	-24%
Extraordinary loss	-60	-	60	-%
Net income * (Net income margin *)	31 (1.0%)	60 (1.8%)	29 (0.8%)	96%

* Net income attributable to owners of the parent

Dividend per share (Yen)	122.9%	36	66.3%	38	2
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[Note2: subscripts(%) of dividend per share is dividend payout ratio]

Material prices (Average)

Copper(USD/t)	8,034	9,000	966
Aluminum(USD/t)	2,370	2,700	330

Foreign Exchange Rate (Average)

Yen/1USD	145	140	-5
Yen/1EUR	156	150	-6
BAHT/1USD	35.1	34.8	-0.3
RMB/1USD	7.09	7.10	0.01

Analysis of Financial Plan

<p>Air Conditioners</p>	<p><Sales plan> <u>300.0</u> Billion Yen (+19.4 Billion Yen; +11% based on local currency from PY.) Despite a few challenges such as inventory adjustments for ATW(Air to Water, heat pump water heaters) in Europe, we expect sales growth in North America who had high level of inventory in the field in the PY, Asia, and Japan.</p> <p>North America: We plan to increase sales due to an increase in sales of RAC that we had to reduce and adjust our deliverly to our customers in the PY, expanding sales channels and strengthening the sales structure.</p> <p>Europe : We plan to increase sales due to the recovery sales of ATW(Air to Water, heat pump water heaters) that we had to reduce and adjust our deliverly to our customers in the PY.</p> <p>India : We plan to increase sales by expanding the RAC line-up and expanding our commercial business, such as by launching tropical cooling only VRF system.</p> <p>Japan : We plan to increase sales, particularly in the steady business of the housing industry channels.</p> <p><Operating income plan> <u>8.5</u> Billion Yen (+7.8 Billion Yen; 10.6 times from PY) Despite uncertainties in materials and foreign currency rates and increased expenses for business enhancement, we expect an increase in operating income due to sales expansion and cost reduction.</p>
<p>Info & Comm Syst. and Electronic Devices</p>	<p><Sales plan> <u>37.0</u> Billion Yen (+3.8 Billion Yen; +11% PY)</p> <p>[Info & Comm Syst.] We plan to increase sales with numbers of projects for Public Systems.</p> <p>[Electronic Devices] We plan to maintain sales at the same level as the PY due to lower sales of car-mounted cameras as sales of power modules increase.</p> <p><Operating income plan> <u>5.0</u> Billion Yen (+0.6 Billion Yen; +13% from PY)</p>

Sales by Segment

(Hundred Million Yen)

	FY2023		FY2024		Change			
	(Actual)		(Plan)				%	
Air conditioners	89%	2,806	88%	3,000	-1%	194	11%	7%
(Japan)		(491)		(500)		(9)		(2%)
(Overseas)		(2,315)		(2,500)		(185)	(13%)	(8%)
Info & Comm Syst.		209		250		41		19%
Electronic Devices		123		120		-3		-2%
Info & Comm Syst. and Electronic Devices	10%	332	11%	370	1%	38		11%
Others	1%	27	1%	30	-%	3		10%
Total	100%	3,165	100%	3,400	-%	235	11%	7%
Japan	26%	837	26%	880	-%	43		5%
Overseas	74%	2,328	74%	2,520	-%	192	13%	8%

[Note1: subscripts(%) of sales is proportion to Total] [Note2: subscripts(%) of change % is local currency base]

AC Sales by Geographic area

(Hundred Million Yen)

	FY2023 (Actual)	FY2024 (Plan)	Change		
				%	Local currency base
Japan	491	500	9	2%	2%
Americas	402	470	68	17%	23%
Europe	698	710	12	2%	6%
Middle East and Africa	236	260	24	10%	16%
Oceania	366	400	34	9%	15%
Asia	468	540	72	15%	18%
Greater China	145	120	-25	-17%	-14%
Total	2,806	3,000	194	7%	11%
(Overseas Total)	(2,315)	(2,500)	(185)	(8%)	(13%)

<Reference Information> Historical Information

	FY2020 (Actual)		FY2021 (Actual)		FY2022 (Actual)		FY2023 (Actual)		FY2024 (Plan)	
Japan	27%	621	21%	532	13%	446	18%	491	17%	500
Americas	15%	356	17%	422	20%	675	14%	402	15%	470
Europe	24%	556	27%	692	27%	901	25%	698	24%	710
Middle East and Africa	8%	179	8%	195	13%	453	8%	236	9%	260
Oceania	13%	312	12%	296	10%	352	13%	366	13%	400
Asia	6%	147	9%	237	11%	363	17%	468	18%	540
Greater China	7%	161	6%	150	6%	194	5%	145	4%	120
Total	100%	2,332	100%	2,524	100%	3,384	100%	2,806	100%	3,000
(Overseas Total)	(73%)	(1,711)	(79%)	(1,992)	(87%)	(2,938)	(82%)	(2,315)	(83%)	(2,500)

[Note1: sales to external customers] [Note2: subscripts(%) is proportion to Total]

2. Consolidated Financial Forecast



Segment Information, R&D Expenses, Capital Expenditure, Depreciation Expenses

(Hundred Million Yen)

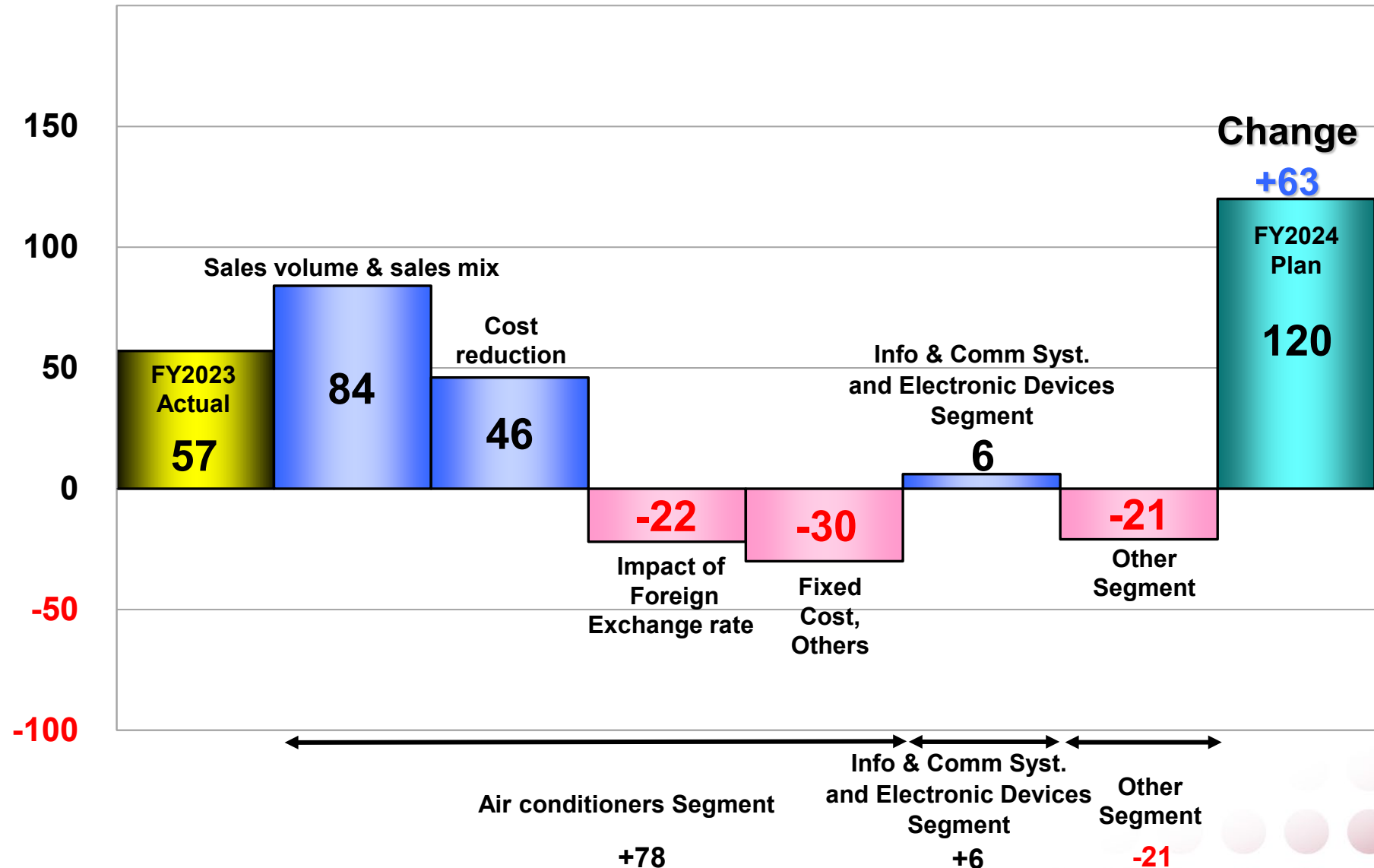
		FY2023 (Actual)	FY2024 (Plan)	Change	
					%
Air conditioners	Net sales	2,806	3,000	194	11% 7%
	Operating income	7	85	78	1,063%
	(Operating income margin)	(0.3%)	(2.8%)	(2.5%)	
Info & Comm Syst. and Electronic Devices	Net sales	332	370	38	11%
	Operating income	44	50	6	13%
	(Operating income margin)	(13.4%)	(13.5%)	(0.1%)	
Others	Net sales	27	30	3	10%
	Operating income	6	-15	-21	-%
	(Operating income margin)	(21.3%)	(-50.0%)	(-71.3%)	
Total	Net sales	3,165	3,400	235	11% 7%
	Operating income	57	120	63	109%
	(Operating income margin)	(1.8%)	(3.5%)	(1.7%)	

[Note1: sales to external customers] [Note2: subscribers(%) of change % is local currency base]

R&D Expenses	4.8%	153	4.9%	165	0.1%	12	8%
Capital Expenditure		118		120		2	2%
Depreciation Expenses		85		90		5	6%

[Note3: subscribers(%) of R&D Expenses is proportion to Total Net sales]

(Hundred Million Yen)



Sales by Segment (Quarter Information)

(Hundred Million Yen)

	FY2022 (Actual)					FY2023 (Actual)				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Air conditioners	769	916	663	1,036	3,384	620	753	549	884	2,806
(Japan)	(47)	(174)	(91)	(134)	(446)	(130)	(145)	(86)	(130)	(491)
(Overseas)	(722)	(742)	(572)	(902)	(2,938)	(490)	(608)	(463)	(754)	(2,315)
Info & Comm Syst.	21	30	28	56	135	25	42	43	99	209
Electronic Devices	32	49	40	44	165	29	39	25	30	123
Info & Comm Syst. and Electronic Devices	53	79	68	100	300	54	81	68	129	332
Others	7	6	7	6	26	6	8	6	7	27
Total	829	1,001	738	1,142	3,710	680	842	623	1,020	3,165
Japan	105	247	155	236	743	188	229	157	263	837
Overseas	724	754	583	906	2,967	492	613	466	757	2,328

<Reference Information>



Consolidated Statements of Income(Quarter Information)

(Hundred Million Yen)

	FY2022 (Actual)					FY2023 (Actual)				
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q	3 Q	4 Q	Total
Net sales	829	1,001	738	1,142	3,710	680	842	623	1,020	3,165
Operating income (Operating income margin)	16 (1.9%)	9 (0.9%)	12 (1.6%)	114 (10.0%)	151 (4.1%)	-7 (-1.0%)	20 (2.3%)	-18 (-2.9%)	62 (6.1%)	57 (1.8%)
Ordinary income (Ordinary income margin)	58 (7.0%)	20 (2.0%)	-33 (-4.4%)	129 (11.3%)	174 (4.7%)	58 (8.5%)	16 (1.9%)	-26 (-4.2%)	96 (9.4%)	144 (4.5%)
Net income * (Net income margin *)	33 (4.0%)	17 (1.7%)	-28 (-3.7%)	65 (5.7%)	87 (2.3%)	36 (5.3%)	8 (0.9%)	-22 (-3.5%)	9 (0.8%)	31 (1.0%)

* Net income attributable to owners of the parent

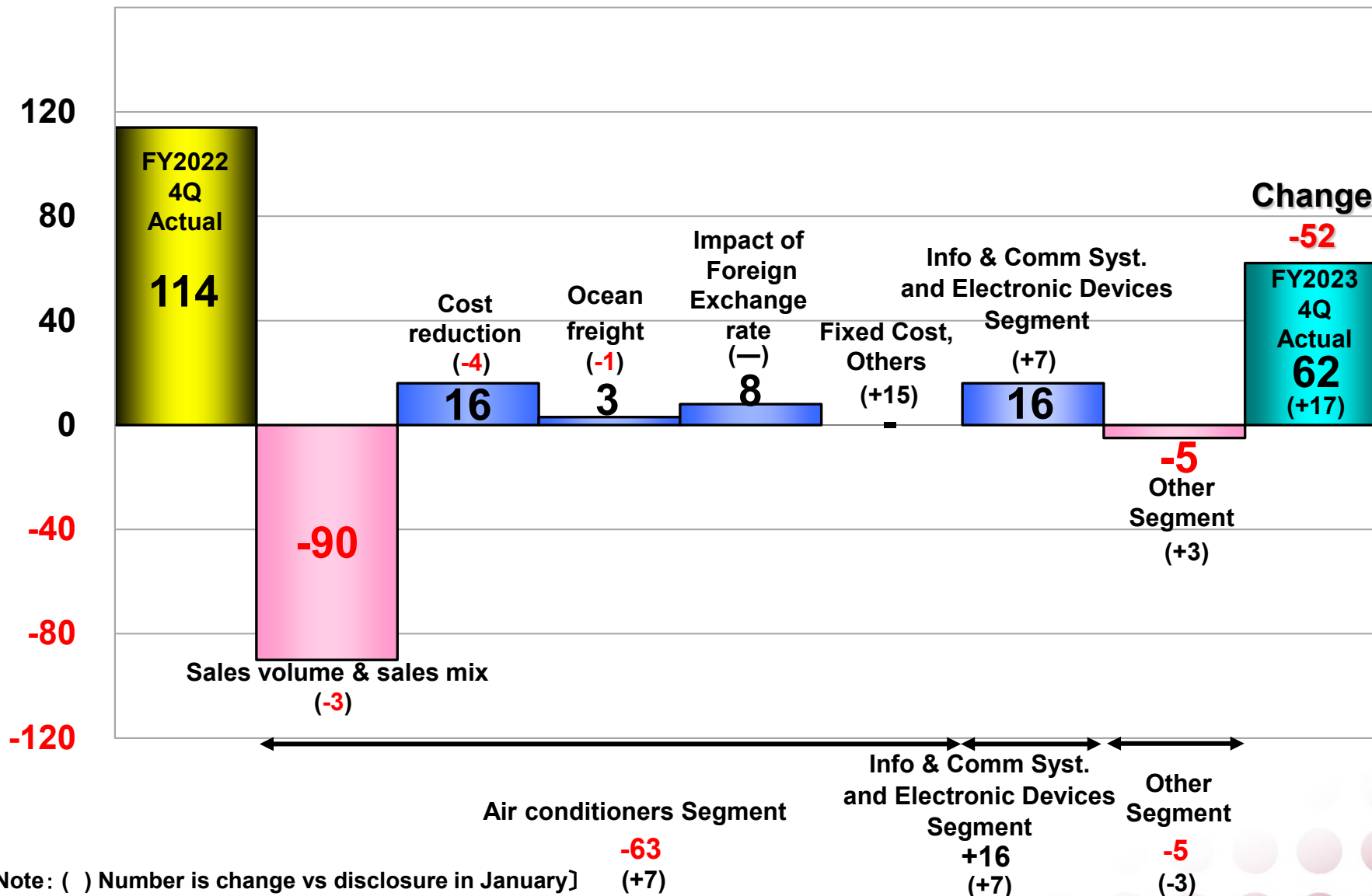
<Supplementary Information> AC Sales by Geographic area (Quarter Information)

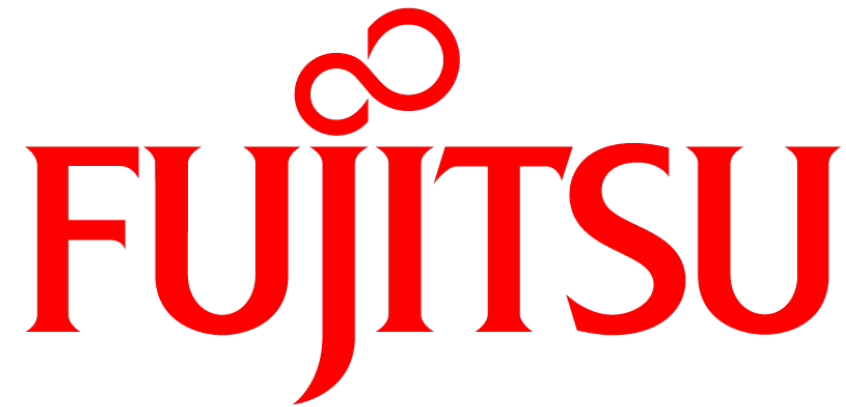
	FY2022 (Actual)					FY2023 (Actual)				
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q	3 Q	4 Q	Total
Japan	47	174	91	134	446	130	145	86	130	491
Americas	220	162	116	177	675	71	93	80	158	402
Europe	134	258	206	303	901	171	209	111	207	698
Middle East and Africa	136	123	52	142	453	39	81	46	70	236
Oceania	72	78	93	109	352	70	89	95	112	366
Asia	110	72	67	114	363	102	95	103	168	468
Greater China	50	49	38	57	194	37	41	28	39	145
Total (Overseas Total)	769 (722)	916 (742)	663 (572)	1,036 (902)	3,384 (2,938)	620 (490)	753 (608)	549 (463)	884 (754)	2,806 (2,315)

[Note: sales to external customers]

<Reference Information> Analysis of Consolidated Operating income [FY2023 4th Quarter] (vs previous year) FUJITSU

(Hundred Million Yen)



The Fujitsu logo consists of a red infinity symbol positioned above the word "FUJITSU" in a red, serif typeface. The infinity symbol is centered over the 'J' and 'I' of "FUJITSU".

FUJITSU

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– Living together for our future –