

Financial Results

FY2021 (Ended March 2022)

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, 2022 | FUJITSU GENERAL LIMITED

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1. Financial Results for FY2021



Consolidated Financial Results

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

	FY2020 (Actual)			FY2021 (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	1,266	1,389	2,655	1,344	1,497	2,841	186	3% 7%	-259
Operating income	77	110	187	51	33	84	-103	-55%	-66
(Operating income margin)	(6.1%)	(7.9%)	(7.1%)	(3.8%)	(2.2%)	(3.0%)	(-4.1%)		(-1.8%)
Ordinary income	84	121	205	54	60	114	-91	-45%	-36
(Ordinary income margin)	(6.6%)	(8.7%)	(7.7%)	(4.0%)	(4.0%)	(4.0%)	(-3.7%)		(-0.8%)
Extraordinary loss	-	-20	-20	-	-8	-8	12	-%	-8
Net income *	62	68	130	32	5	37	-93	-71%	-58
(Net income margin *)	(4.9%)	(4.9%)	(4.9%)	(2.4%)	(0.4%)	(1.3%)	(-3.6%)		(-1.8%)

* Net income attributable to owners of the parent

Dividend per share (Yen)	15	15	^{24.1%} 30	16	16	^{90.0%} 32	2	-
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Copper price (Average) [Note2: subscripts(%) of dividend per share is dividend payout ratio]

USD/t	6,108	5,342	5,672	8,299	9,639	9,001	3,329	28
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Foreign Exchange Rate (Average)

Yen/1USD	107	106	106	110	115	113	7	-
Yen/1AUD	75	79	77	82	83	83	6	1
Yen/1EUR	121	127	124	131	130	131	7	1
BAHT/1USD	31.5	30.2	30.8	31.8	33.0	32.5	1.7	-0.3
RMB/1USD	7.06	6.57	6.83	6.48	6.38	6.43	-0.40	-

Analysis of Financial Results

Air Conditioners	<p><Sales> [Overseas] <u>199.2</u> Billion Yen (+28.1 Billion Yen; +16% from PY; +9% based on local currency from PY.)</p> <ul style="list-style-type: none"> • Sales increased mainly in our strategic markets of North America, Europe, and India. • North America: Demand has increased steadily due to favorable climate and other factors. • Europe: Sales of AC increased due to the recovery of market conditions in southern Europe and sales of ATW due to government subsidies. • India: Recorded good sales growth compared with market average and strong performance in the solution business. <p>[In Japan] <u>53.2</u> Billion Yen (-8.9 Billion Yen; -14% from PY)</p> <p>Although sales to the domestic housing industry channel remained firm, sales to domestic retailers decreased due to the unseasonable summer climate, price strategy with an emphasis on profitability, and a decrease in product caused by a shortage of some components.</p> <p><Operating income> <u>5.2</u> Billion Yen (-8.8 Billion Yen; -63% from PY)</p> <p>Despite the expansion of sales volume and price improvement, operating income decreased due to unfavorable foreign currency rates, ocean freight, and components costs.</p>
Info & Comm Syst. and Electronic Devices	<p><Sales> <u>29.3</u> Billion Yen (-1.0 Billion Yen; -4% from PY)</p> <p>Sales decreased due to a sales decrease in Info & Comm Syst.</p> <p><Operating income> <u>2.1</u> Billion Yen (-1.9 Billion Yen; -46% from PY)</p> <p>Operating income decreased due to the effects of a sales decrease in Info & Comm Syst.</p>

1. Financial Results for FY2021



Sales by Segment

(Hundred Million Yen)

	FY2020 (Actual)			FY2021 (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	1,134	1,198	88% 2,332	1,215	1,309	89% 2,524	192	3%	8%	-276
(Japan)	(384)	(237)	(621)	(306)	(226)	(532)	(-89)		(-14%)	(-8)
(Overseas)	(750)	(961)	(1,711)	(909)	(1,083)	(1,992)	(281)	(9%)	(16%)	(-268)
Info & Comm Syst.	74	124	198	61	96	157	-41		-21%	-3
Electronic Devices	48	57	105	56	80	136	31		29%	16
Info & Comm Syst. and Electronic	122	181	11% 303	117	176	10% 293	-10		-4%	13
Others	10	10	1% 20	12	12	1% 24	4		23%	4
Total	1,266	1,389	100% 2,655	1,344	1,497	100% 2,841	186	3%	7%	-259
Japan	512	422	35% 934	428	403	29% 831	-103		-11%	4
Overseas	754	967	65% 1,721	916	1,094	71% 2,010	289	10%	17%	-263

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

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

1. Financial Results for FY2021



AC Sales by Geographic area

(Hundred Million Yen)

	FY2020 (Actual)			FY2021 (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	384	237	621	306	226	532	-89	-14%	-14%	-8
Americas	162	194	356	198	224	422	66	18%	11%	-99
Europe	244	312	556	289	403	692	136	25%	17%	-44
Middle East and Africa	76	103	179	114	81	195	16	9%	5%	-70
Oceania	129	183	312	126	170	296	-16	-5%	-13%	-30
Asia	50	97	147	101	136	237	90	62%	55%	-6
Greater China	89	72	161	81	69	150	-11	-7%	-16%	-19
Total	1,134	1,198	2,332	1,215	1,309	2,524	192	8%	3%	-276
(Overseas Total)	(750)	(961)	(1,711)	(909)	(1,083)	(1,992)	(281)	(16%)	(9%)	(-268)

[Note: sales to external customers]

1. Financial Results for FY2021

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



(Hundred Million Yen)

		FY2020 (Actual)			FY2021 (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	1,134	1,198	2,332	1,215	1,309	2,524	192	3%	8%	-276
	Operating income	68	72	140	42	10	52	-88	-63%		-78
	(Operating income margin)	(6.0%)	(6.1%)	(6.0%)	(3.4%)	(0.8%)	(2.0%)	(-4.0%)			(-2.6%)
Info & Comm Syst. and Electronic Devices	Net sales	122	181	303	117	176	293	-10	-4%		13
	Operating income	6	34	40	4	17	21	-19	-46%		1
	(Operating income margin)	(5.3%)	(18.7%)	(13.3%)	(3.8%)	(9.8%)	(7.4%)	(-5.9%)			(0.3%)
Others	Net sales	10	10	20	12	12	24	4	23%		4
	Operating income	3	4	7	5	6	11	4	65%		11
	(Operating income margin)	(32.9%)	(34.8%)	(33.9%)	(44.6%)	(46.5%)	(45.6%)	(11.7%)			(45.6%)
Total	Net sales	1,266	1,389	2,655	1,344	1,497	2,841	186	3%	7%	-259
	Operating income	77	110	187	51	33	84	-103	-55%		-66
	(Operating income margin)	(6.1%)	(7.9%)	(7.1%)	(3.8%)	(2.2%)	(3.0%)	(-4.1%)			(-1.8%)

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

R&D Expenses	5.4%	69	5.2%	72	5.3%	141	5.3%	71	5.0%	75	5.1%	146	-0.2%	5	3%	0.3%	-4
Capital Expenditure		45		42		87		37		45		82		-5	-6%		-28
Depreciation Expenses		30		31		61		33		35		68		7	12%		-2

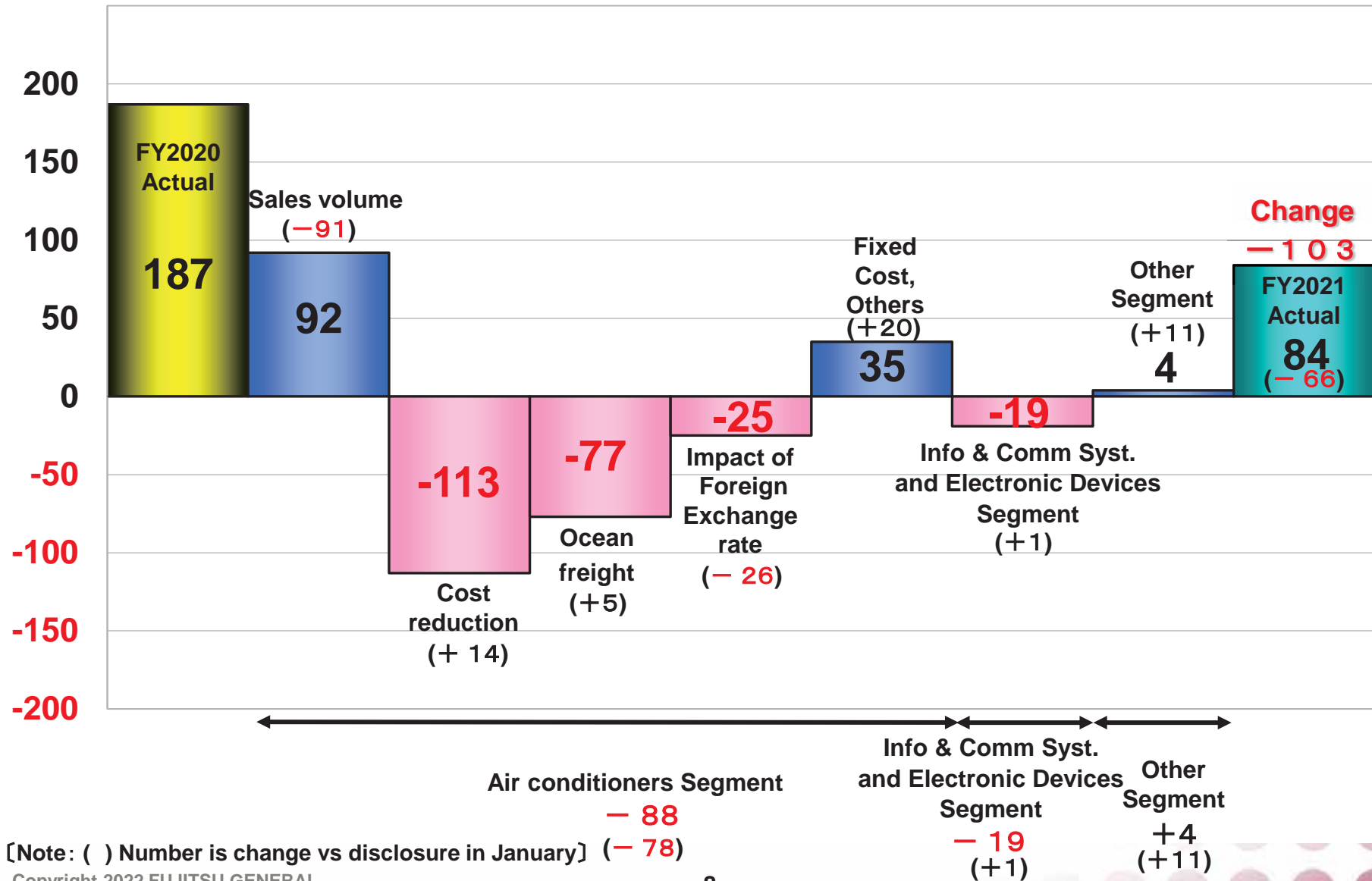
[Note3: subscribers(%) of R&D Expenses is proportion to Total Net sales]

1. Financial Results for FY2021

Analysis of Consolidated Operating income [FY2021] (vs previous year)



(Hundred Million Yen)



[Note: () Number is change vs disclosure in January]

1. Financial Results for FY2021



Consolidated Balance Sheet

(Hundred Million Yen)

	FY2020		FY2021		Change
	Actual	ratio	Actual	ratio	
Current assets	1,701	68%	1,859	69%	158
(Cash and deposits)	(367)		(142)		(-225)
(Notes and accounts receivable)	(759)		(832)		(73)
(Inventories)	(445)		(730)		(285)
(Others)	(130)		(155)		(25)
Noncurrent assets	813	32%	827	31%	14
Total assets	2,514	100%	2,686	100%	172
Current liabilities	1,033	41%	1,161	43%	128
(Notes and accounts payables)	(466)		(581)		(115)
(Short-term loans payable)	(50)		(85)		(35)
(Others)	(517)		(495)		(-22)
Noncurrent liabilities	220	9%	211	8%	-9
Total liabilities	1,253	50%	1,372	51%	119
Shareholders' equity	1,177	47%	1,178	44%	1
Accumulated other comprehensive income	38	1%	83	3%	45
Non-controlling interests	46	2%	53	2%	7
Total net assets	1,261	50%	1,314	49%	53
Total liabilities and net assets	2,514	100%	2,686	100%	172

1. Financial Results for FY2021



Main Financial Data

(Hundred Million Yen)

	FY2020 Actual	FY2021 Actual	Change	
				%
Operating Cash Flow	250	-149	-399	-%
Investing Cash Flow	-113	-79	34	-30%
Free Cash Flow	137	-228	-365	-%

ROE	11.4%	3.0%	-8.4%
Shareholders' equity ratio	48.4%	47.0%	-1.4%

Inventories	445	730	285
Days Inventory Outstanding	52.2days	70.6days	18.4days
CCC*	91.3days	99.3days	8.0days
Net D/E ratio (times)	-0.26	-0.04	0.22

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

2. Financial Plan for FY2022



Consolidated Financial Plan

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

	FY2021 (Actual)	FY2022 (Plan)	Change	
			Full Year	%
Net sales	2,841	3,500	659	23% 23%
Operating income (Operating income margin)	84 (3.0%)	170 (4.9%)	876 (1.9%)	101%
Ordinary income (Ordinary income margin)	114 (4.0%)	170 (4.9%)	56 (0.9%)	49%
Extraordinary loss	-8	-	8	-%
Net income * (Net income margin *)	37 (1.3%)	120 (3.4%)	83 (2.1%)	222%

* Net income attributable to owners of the parent

Dividend per share (Yen)	90.0%	32	29.7%	34	2
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[Note2: subscripts(%) of dividend per share is dividend payout ratio]

Copper price (Average)

USD/t	9,001	10,500	1,499
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Foreign Exchange Rate (Average)

Yen/1USD	113	128	15
Yen/1AUD	83	95	12
Yen/1EUR	131	138	7
BAHT/1USD	32.5	33.8	1.3
RMB/1USD	6.43	6.40	-0.03

Analysis of Financial Plan

<p>Air Conditioners</p>	<p><Sales plan> <u>318.0</u> Billion Yen (+65.6 Billion Yen; +26% based on local currency from PY.)</p> <ul style="list-style-type: none"> ▪ Plan to increase revenues due to the following factors. <ul style="list-style-type: none"> ▪ Expect solid demands, especially overseas. ▪ Proceed to normalize our supply chain by improving development, procurement, production, and logistics operations. ▪ Delay some shipments from the previous fiscal year to the current year for logistics stagnation. <p>[North America] Expect to expand the demand of heat pump equipment for decarbonization and all-electric (e.g., heating) in each state.</p> <p>[Europe] Expect to increase demands for heat pump equipment due to energy conservation regularions, etc in France.</p> <p>[India] Strengthen the sales structure and expand the sales network.</p> <p><Operating income plan> <u>15.9</u> Billion Yen (+10.7 Billion Yen; +209% from PY)</p> <ul style="list-style-type: none"> ▪ Plan to increase profits <p>We are facing severe business environments such as persistently high costs for ocean freight and components, a weaker Yen, price increases for materials costs due to the Ukrainian crisis.</p> <p>We will promote sales expansion, price improvement, cost reduction, and cost efficiencies</p>
<p>Info & Comm Syst. and Electronic Devices</p>	<p><Sales plan> <u>30.0</u> Billion Yen (+0.7 Billion Yen; +3% PY)</p> <p>[Info & Comm Syst.] Plan to decrease sales due to a decrease in public system renewal projects.</p> <p>[Electronic Devices] Plan to increase sales due to steady demand mainly in electronic modules / unit products.</p> <p><Operating income plan> <u>2.8</u> Billion Yen (+0.7 Billion Yen; +29% from PY)</p>

Sales by Segment

(Hundred Million Yen)

	FY2021		FY2022		Change			
	(Actual)		(Plan)		Full Year		%	
Air conditioners	89%	2,524	91%	3,180	2%	656	26%	26%
(Japan)		(532)		(565)		(33)		(6%)
(Overseas)		(1,992)		(2,615)		(623)	(32%)	(31%)
Info & Comm Syst.		157		150		-7		-4%
Electronic Devices		136		150		14		11%
Info & Comm Syst. and Electronic Devices	10%	293	8%	300	-2%	7		3%
Others	1%	24	1%	20	-%	-4		-19%
Total	100%	2,841	100%	3,500	-%	659	23%	23%
Japan	29%	831	25%	863	-4%	32		4%
Overseas	71%	2,010	75%	2,637	4%	627	31%	31%

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

2. Financial Plan for FY2022



AC Sales by Geographic area

(Hundred Million Yen)

	FY2021 (Actual)	FY2022 (Plan)	Change		
				%	Local currency base
Japan	532	565	33	6%	6%
Americas	422	662	240	57%	55%
Europe	692	773	81	12%	12%
Middle East and Africa	195	346	151	77%	73%
Oceania	296	358	62	21%	27%
Asia	237	306	69	29%	30%
Greater China	150	170	20	14%	10%
Total	2,524	3,180	656	26%	26%
(Overseas Total)	(1,992)	(2,615)	(623)	(31%)	(32%)

<Reference Information> Historical Information

	FY2018 (Actual)		FY2019 (Actual)		FY2020 (Actual)		FY2021 (Actual)		FY2022 (Plan)	
Japan	26%	593	25%	573	27%	621	21%	532	18%	565
Americas	16%	363	16%	365	15%	356	17%	422	21%	662
Europe	23%	516	27%	621	24%	556	27%	692	24%	773
Middle East and Africa	8%	170	9%	201	8%	179	8%	195	11%	346
Oceania	11%	253	12%	290	13%	312	12%	296	11%	358
Asia	7%	162	4%	96	6%	147	9%	237	10%	306
Greater China	9%	192	7%	155	7%	161	6%	150	5%	170
Total	100%	2,249	100%	2,301	100%	2,332	100%	2,524	100%	3,180
(Overseas Total)	(74%)	(1,656)	(75%)	(1,728)	(73%)	(1,711)	(79%)	(1,992)	(82%)	(2,615)

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

2. Financial Plan for FY2022

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



(Hundred Million Yen)

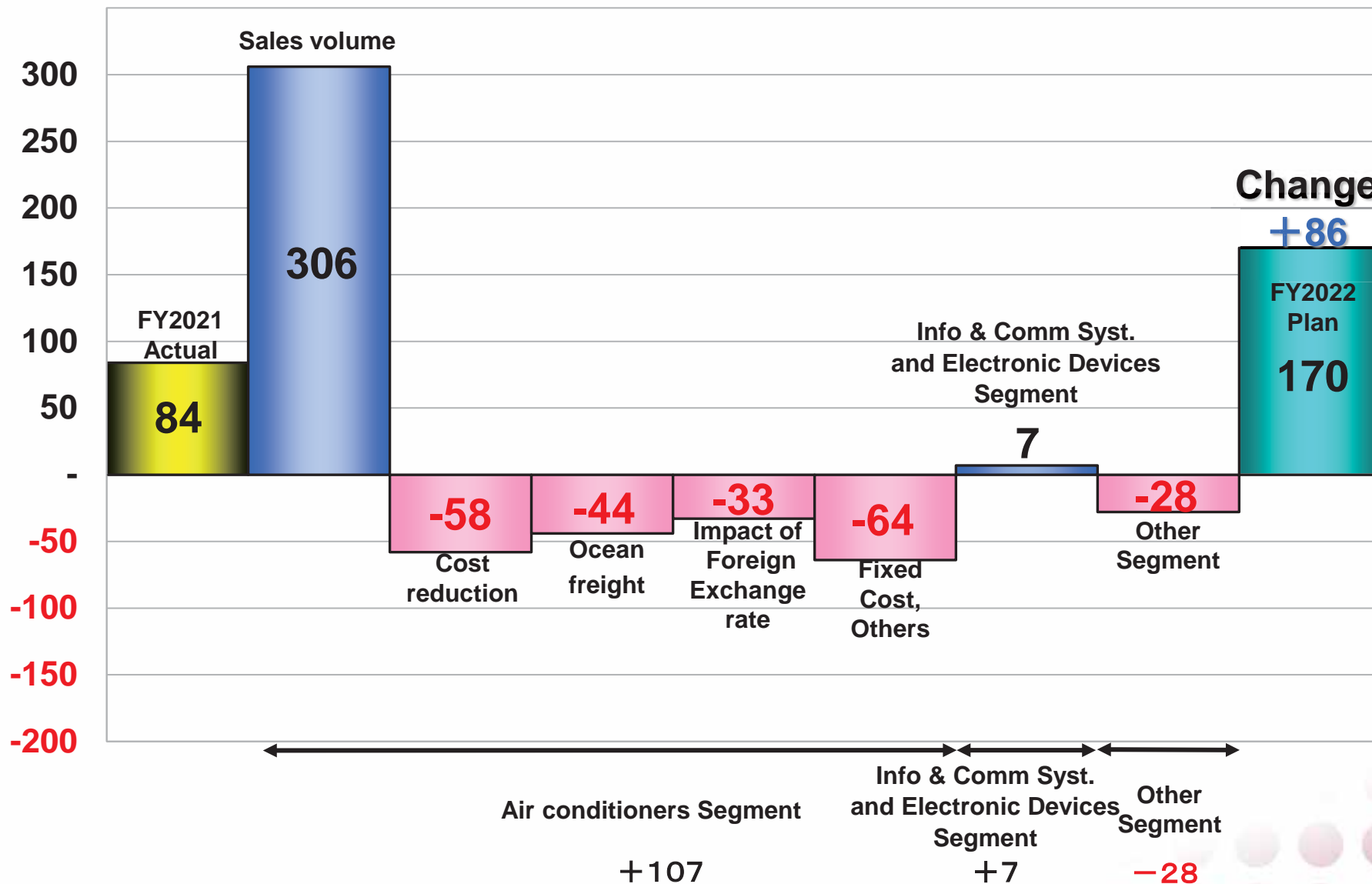
		FY2021 (Actual)	FY2022 (Plan)	Change	
					%
Air conditioners	Net sales	2,524	3,180	656	26%
	Operating income	52	159	107	209%
	(Operating income margin)	(2.0%)	(5.0%)	(3.0%)	
Info & Comm Syst. and Electronic Devices	Net sales	293	300	7	3%
	Operating income	21	28	7	29%
	(Operating income margin)	(7.4%)	(9.3%)	(1.9%)	
Others	Net sales	24	20	-4	-19%
	Operating income	11	-17	-28	-%
	(Operating income margin)	(45.6%)	(-85.0%)	(-130.6%)	
Total	Net sales	2,841	3,500	659	23%
	Operating income	84	170	86	101%
	(Operating income margin)	(3.0%)	(4.9%)	(1.9%)	

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

R&D Expenses	5.1%	146	4.6%	160	-0.5%	14	10%
Capital Expenditure		84		130		48	59%
Depreciation Expenses		68		80		12	17%

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

(Hundred Million Yen)



Sales by Segment (Quarter Information)

(Hundred Million Yen)

	FY2020 (Actual)					FY2021 (Actual)				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Air conditioners	530	604	469	729	2,332	690	525	560	749	2,524
(Japan)	(183)	(201)	(103)	(134)	(621)	(160)	(146)	(81)	(145)	(532)
(Overseas)	(347)	(403)	(366)	(595)	(1,711)	(530)	(379)	(479)	(604)	(1,992)
Info & Comm Syst.	23	51	31	93	198	26	35	34	62	157
Electronic Devices	23	25	25	32	105	25	31	36	44	136
Info & Comm Syst. and Electronic Devices	46	76	56	125	303	51	66	70	106	293
Others	4	6	5	5	20	6	6	7	5	24
Total	580	686	530	859	2,655	747	597	637	860	2,841
Japan	231	281	160	262	934	215	213	153	250	831
Overseas	349	405	370	597	1,721	532	384	484	610	2,010

<Reference Information>



Consolidated Statements of Income(Quarter Information)

(Hundred Million Yen)

	FY2020 (Actual)					FY2021 (Actual)				
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q	3 Q	4 Q	Total
Net sales	580	686	530	859	2,655	747	597	637	860	2,841
Operating income	39	38	19	91	187	55	-4	1	32	84
(Operating income margin)	(6.8%)	(5.5%)	(3.5%)	(10.7%)	(7.1%)	(7.3%)	(-0.6%)	(0.1%)	(3.8%)	(3.0%)
Ordinary income	46	38	18	103	205	58	-4	3	57	114
(Ordinary income margin)	(8.0%)	(5.5%)	(3.3%)	(12.1%)	(7.7%)	(7.7%)	(-0.6%)	(0.4%)	(6.6%)	(4.0%)
Net income *	34	28	9	59	130	37	-5	-1	6	37
(Net income margin *)	(5.9%)	(4.1%)	(1.6%)	(6.9%)	(4.9%)	(4.9%)	(-0.8%)	(-0.2%)	(0.8%)	(1.3%)

* Net income attributable to owners of the parent

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

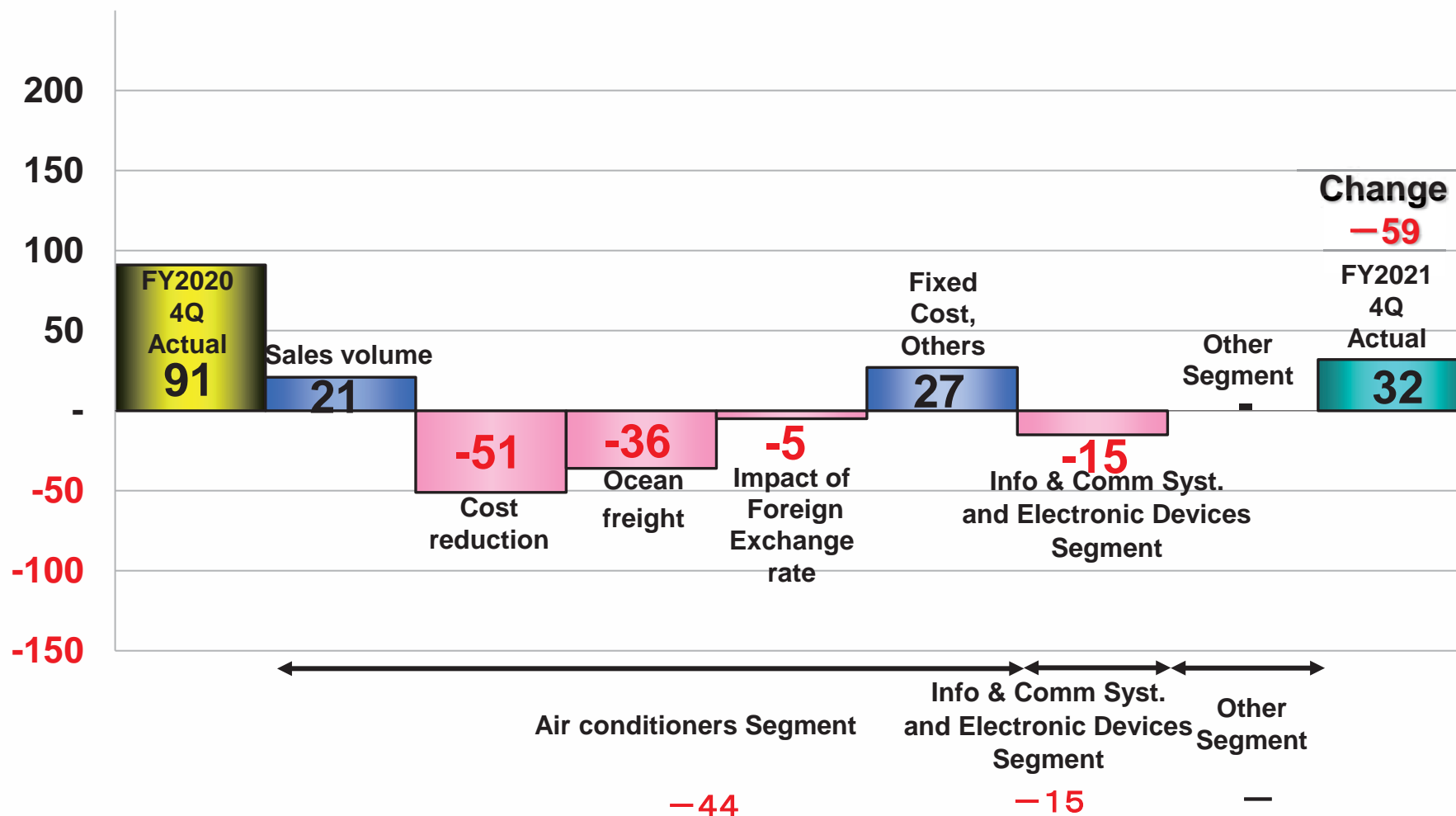
	FY2020 (Actual)					FY2021 (Actual)				
	1 Q	2 Q	3 Q	4 Q	Total	1 Q	2 Q	3 Q	4 Q	Total
Japan	183	201	103	134	621	160	146	81	145	532
Americas	59	103	87	107	356	124	74	102	122	422
Europe	128	116	90	222	556	168	121	190	213	692
Middle East and Africa	38	38	34	69	179	69	45	34	47	195
Oceania	50	79	89	94	312	69	57	76	94	296
Asia	21	29	32	65	147	50	51	45	91	237
Greater China	51	38	34	38	161	50	31	32	37	150
Total	530	604	469	729	2,332	690	525	560	749	2,524
(Overseas Total)	(347)	(403)	(366)	(595)	(1,711)	(530)	(379)	(479)	(604)	(1,992)

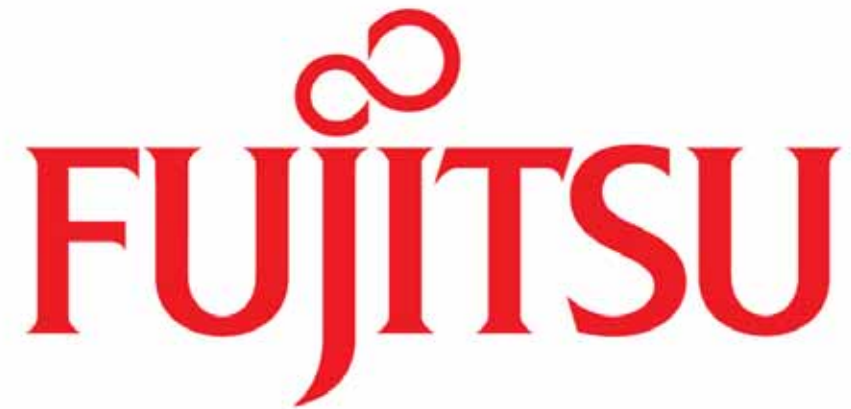
[Note: sales to external customers]

<Reference Information> Analysis of Consolidated Operating income [FY2021 4th Quarter] (vs previous year)



(Hundred Million Yen)





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– Living together for our future –