

Financial Results

FY2020 (Ended March 2021)

Third Quarter

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.



January, 2021 | FUJITSU GENERAL LIMITED

Index

1.	Financial Results for FY2020 Nine-Months	
	Consolidated Financial Results	3
	Analysis of Financial Results	4
	Sales by Segment	5
	AC Sales by Geographic area	6
	Segment information	7
	Analysis of Consolidated Operating income (vs previous year)	8
	Consolidated Balance Sheets	9
	Main Financial Data	10
2.	Plan for the Full Year	
	Consolidated Financial Plan	11
	Analysis of Financial Plan	12
	Sales by Segment	13
	AC Sales by Geographic area	14
	Segment Information, R&D Expenses, Capital Expenditure, Depreciation Expenses	15
	Analysis of Consolidated Operating income [FY2020] (vs previous year)	16
	<Reference Information>	17



1. Financial Results for FY2020 Nine-Months



Consolidated Financial Results

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

	FY2019 9 Months	FY2020 9 Months	Change	
				%
Net sales	1,807	1,796	-11	-% -1%
Gross profit (Gross profit margin)	481 (26.6%)	524 (29.2%)	43 (2.6%)	9%
Operating income (Operating income margin)	53 (3.0%)	96 (5.3%)	43 (2.3%)	79%
Ordinary income (Ordinary income margin)	59 (3.3%)	102 (5.7%)	43 (2.4%)	70%
Net income * (Net income margin *)	30 (1.6%)	71 (3.9%)	41 (2.3%)	137%
Net income per share	¥28.40	¥67.42	¥39.02	

* Net income attributable to Owners of the Parent

Copper price	Average	Average	Average
USD/t	6,163	5,843	-320
Foreign Exchange rate	Average (Closing)	Average (Closing)	Average (Closing)
Yen/1USD	109 (110)	106 (104)	-3 (-6)
Yen/1AUD	75 (77)	75 (79)	- (2)
Yen/1EUR	121 (123)	122 (127)	1 (4)
BAHT/1USD	30.7 (30.0)	31.2 (29.9)	0.5 (-0.1)
RMB/1USD	6.89 (6.98)	6.97 (6.52)	0.08 (-0.46)

Analysis of Financial Results

<p>Air Conditioners</p>	<p><Sales></p> <ul style="list-style-type: none"> ▪ Air conditioners (Overseas) decreased by 4.4 Billion Yen (down by 4%, down by 2% based on local currency from previous year). <p>Despite sales decreased during the nine-month period, sales increased during the third quarter compared with previous year.</p> <ul style="list-style-type: none"> ▪ Air conditioners (Japan) increased by 4.1 Billion Yen (up by 9% from previous year). <p><Operating income></p> <ul style="list-style-type: none"> ▪ Increased by 5.1 Billion Yen (up by 170% from previous year). <p>Operating income increased due to sales increase in Japan, the effect of increased sales for overseas in the third quarter, cost reduction, the improvement of cost efficiencies and favorable foreign currency translation.</p>
<p>Info & Comm Syst. and Electronic Devices</p>	<p><Sales></p> <ul style="list-style-type: none"> ▪ Sales decreased by 0.9 Billion Yen (down by 5% from previous year). <p>Sales increased because of deliveries of disaster prevention systems that we got orders in previous year were progressed smoothly.</p> <p>Sales of car-mounted equipment decreased due to stagnant automobile markets in the first half.</p> <p><Operating income></p> <ul style="list-style-type: none"> ▪ decreased by 0.7 Billion Yen (down by 41% from previous year). <p>Sales decrease in Electronic Devices.</p>

1. Financial Results for FY2020 Nine-Months



Sales by Segment

(Hundred Million Yen)

	FY2019		FY2020		Change			
	9 Months		9 Months				%	
Air conditioners	89%	1,606	89%	1,603	-%	-3	1%	-%
(Japan)		(446)		(487)		(41)		(9%)
(Overseas)		(1,160)		(1,116)		(-44)	(-2%)	(-4%)
Info & Comm Syst.		103		105		2		2%
Electronic Devices		84		73		-11		-13%
Info & Comm Syst. and Electronic Devices	10%	187	10%	178	-%	-9		-5%
Others	1%	14	1%	15	-%	1		4%
Total	100%	1,807	100%	1,796	-%	-11	-%	-1%
Japan	35%	641	37%	672	2%	31		5%
Overseas	65%	1,166	63%	1,124	-2%	-42	-2%	-4%

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

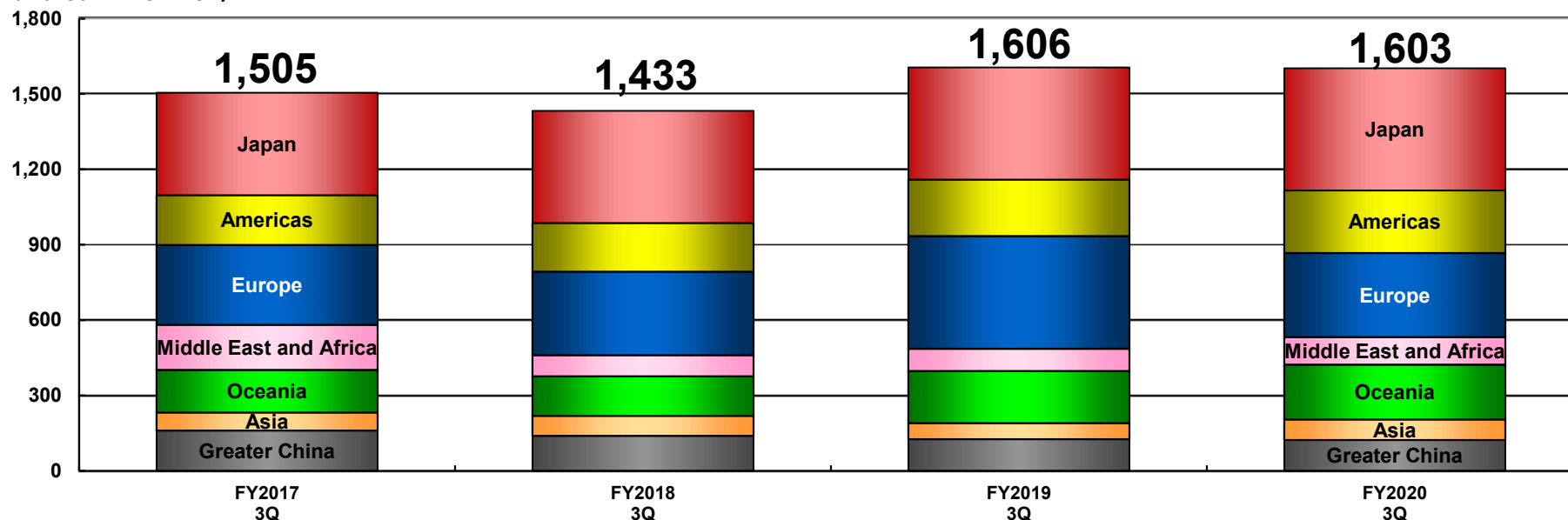
[Note2: subscripts(%) of change % is local currency base]

1. Financial Results for FY2020 Nine-Months



AC Sales by Geographic area

(Hundred Million Yen)



【Sales by Geographic area】

(Hundred Million Yen)

	FY2017 9 Months		FY2018 9 Months		FY2019 9 Months		FY2020 9 Months		Change			
	%	Value	%	Value	%	Value	%	Value	%	Value	Local currency base	
Japan	27%	407	31%	446	28%	446	30%	487	2%	41	9%	9%
Americas	13%	199	13%	194	14%	225	15%	249	1%	24	10%	15%
Europe	21%	318	23%	332	28%	449	21%	334	-7%	-115	-26%	-26%
Middle East and Africa	12%	179	6%	85	5%	88	7%	110	2%	22	25%	28%
Oceania	11%	170	11%	157	13%	208	14%	218	1%	10	5%	5%
Asia	5%	72	6%	79	4%	64	5%	82	1%	18	29%	33%
Greater China	11%	160	10%	140	8%	126	8%	123	-%	-3	-2%	-1%
Total	100%	1,505	100%	1,433	100%	1,606	100%	1,603	-%	-3	-%	1%
(Overseas Total)	(73%)	(1,098)	(69%)	(987)	(72%)	(1,160)	(70%)	(1,116)	(-2%)	(-44)	(-4%)	(-2%)

【Note1: sales to external customers】

【Note2: subscribers(%) is proportion to Total】

1. Financial Results for FY2020 Nine-Months



Segment Information

(Hundred Million Yen)

		FY2019	FY2020	Change		
		9 Months	9 Months		%	
Air conditioners	Net sales	1,606	1,603	-3	1%	-%
	Operating income	29	80	51		170%
	(Operating income margin)	(1.8%)	(5.0%)	(3.2%)		
Info & Comm Syst. and Electronic Devices	Net sales	187	178	-9		-5%
	Operating income	18	11	-7		-41%
	(Operating income margin)	(9.7%)	(6.0%)	(-3.7%)		
Others	Net sales	14	15	1		4%
	Operating income	6	5	-1		-11%
	(Operating income margin)	(40.2%)	(34.6%)	(-5.6%)		
Total	Net sales	1,807	1,796	-11	-%	-1%
	Operating income	53	96	43		79%
	(Operating income margin)	(3.0%)	(5.3%)	(2.3%)		

[Note1: sales to external customers]

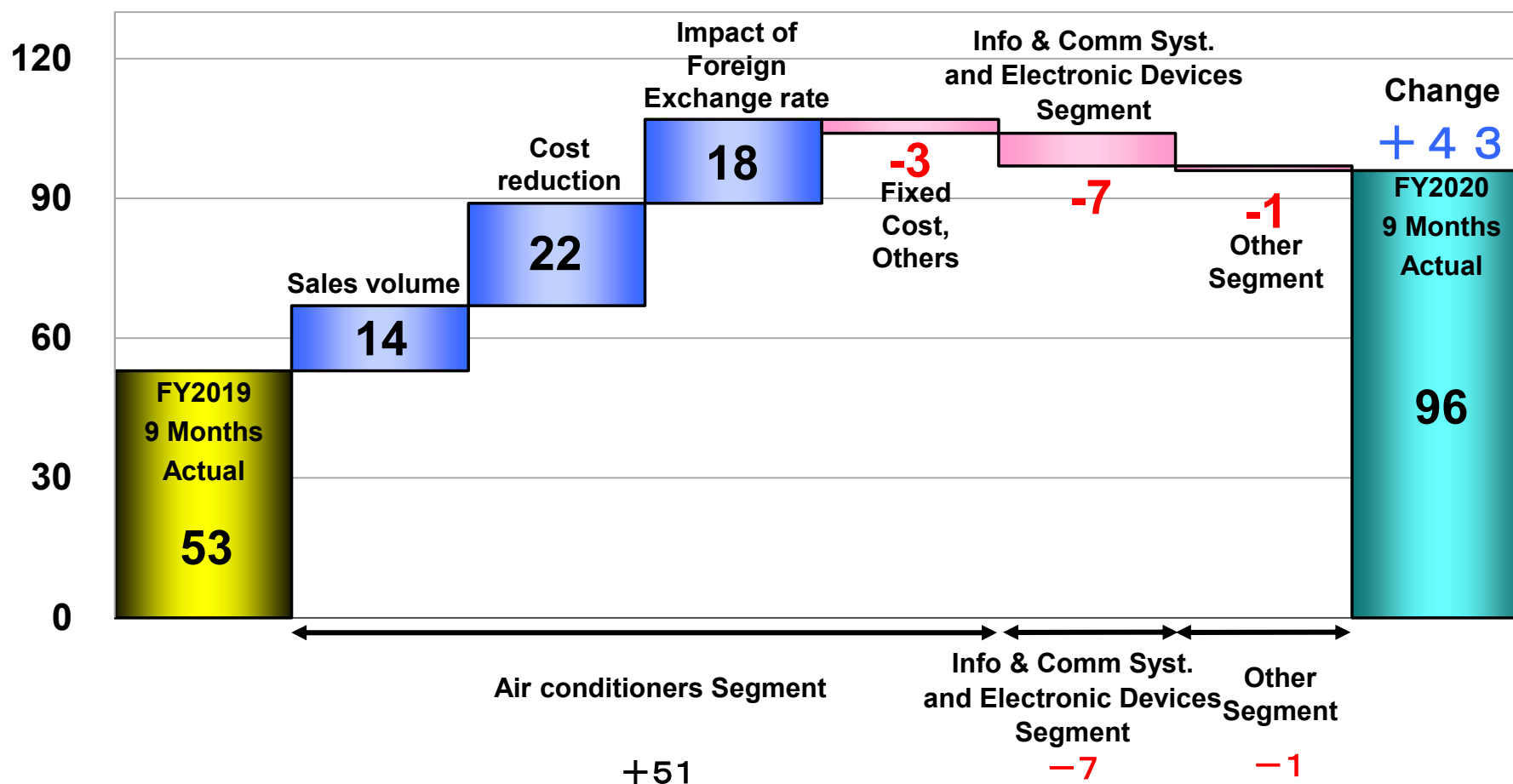
[Note2: subscribers(%) of change % is local currency base]

1. Financial Results for FY2020 Nine-Months



Analysis of Consolidated Operating income(vs previous year)

(Hundred Million Yen)



1. Financial Results for FY2020 Nine-Months



Consolidated Balance Sheets

(Hundred Million Yen)

	FY2019		FY2020 3Q		Change
	Actual	ratio	Actual	ratio	
Current assets	1,418	66%	1,567	68%	149
(Cash and deposits)	(276)		(470)		(194)
(Notes and accounts receivable)	(713)		(550)		(-163)
(Inventories)	(330)		(425)		(95)
(Others)	(99)		(122)		(23)
Noncurrent assets	715	34%	750	32%	35
Total assets	2,133	100%	2,317	100%	184
Current liabilities	821	38%	927	40%	106
(Notes and accounts payable)	(355)		(390)		(35)
(Short-term loans payable)	(54)		(79)		(25)
(Others)	(412)		(458)		(46)
Noncurrent liabilities	205	10%	210	9%	5
Total liabilities	1,026	48%	1,137	49%	111
Shareholders' equity	1,089	51%	1,118	48%	29
Accumulated other comprehensive income	-20	-1%	18	1%	38
Non-controlling interests	38	2%	44	2%	6
Total net assets	1,107	52%	1,180	51%	73
Total liabilities and net assets	2,133	100%	2,317	100%	184

1. Financial Results for FY2020 Nine-Months



Main Financial Data

(Hundred Million Yen)

	FY2019 9 Months	FY2020 9 Months	Change	(Reference) FY2019
Operating Cash Flow	90	284	194	97
Investing Cash Flow	-163	-68	95	-191
Free Cash Flow	-73	216	289	-94

R&D Expenses	5.6%	100	5.8%	104	0.2%	4	5.1%	134
Capital Expenditure		111		61		-50		139
Depreciation Expenses		43		46		3		58

[Note: subscripts(%) is proportion to Net sales]

Shareholders' equity ratio	51.8%	49.0%	-2.8%	50.1%
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Inventories	386	425	39	330
Days Inventory Outstanding	44.7days	51.5days	6.8days	45.9days
CCC*	84.9days	89.6days	4.7days	91.9days

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

2. Plan for the Full Year

Consolidated Financial Plan



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

	FY2019 (Actual)			FY2020 (Plan)			Change		Change vs disclosure in October Full Year	
	1st Half	2nd Half	Full Year	1st Half (Actual)	2nd Half (Plan)	Full Year	Full Year	%		
Net sales	1,329	1,292	2,621	1,266	1,534	2,800	179	7%	7%	-
Operating income	62	87	149	77	113	190	41		27%	-
(Operating income margin)	(4.7%)	(6.7%)	(5.7%)	(6.1%)	(7.3%)	(6.8%)	(1.1%)			(-%)
Ordinary income	59	78	137	84	106	190	53		39%	-
(Ordinary income margin)	(4.5%)	(6.0%)	(5.2%)	(6.6%)	(6.9%)	(6.8%)	(1.6%)			(-%)
Extraordinary income or loss	-	-35	-35	-	-	-	35		-%	-
Net income *	37	21	58	62	58	120	62		108%	-
(Net income margin *)	(2.8%)	(1.6%)	(2.2%)	(4.9%)	(3.8%)	(4.3%)	(2.1%)			(-%)

* Net income attributable to Owners of the Parent

Dividend per share (Yen)	14	14	50.8% 28	15	15	26.2% 30	-24.6%	2	-%	-
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[Note2: subscribers(%) of dividend per share is dividend payout ratio]

Copper price(Average)

USD/t	6,274	6,045	6,162	6,108	5,301	5,643	-519	85
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Foreign Exchange rate (Average)

Yen/1USD	109	109	109	107	106	106	-3	-3
Yen/1AUD	75	74	75	75	76	75	-	-
Yen/1EUR	122	120	121	121	121	121	-	1
BAHT/1USD	31.0	30.9	30.9	31.5	30.1	30.6	-0.3	-0.5
RMB/1USD	6.84	7.00	6.90	7.06	6.58	6.83	-0.07	-0.07

< Premise of financial plan >

Current business outlook is uncertain due to “tight supply-demand balances of semiconductors and shipping services” and “cost increases in manufacturing and logistics”. Thus we keep forecasts for plan the same as announced on October 23, 2020.

Air Conditioners	<p><Sales></p> <ul style="list-style-type: none"> • We expect sales increase by 19.9 Billion Yen. (up by 9% from previous year, up by 9% based on local currency from previous year). <p>We expect sales increase in all regions except Europe, where we received benefit in previous year from extremely hot weather and government subsidies for ATW (Air To Water).</p> <p>Without the impact of COVID-19 in FY2019, we expect full-year sales increase by 2% based on local currency from previous year.</p> <p><Operating income></p> <ul style="list-style-type: none"> • We expect operating income increase by 5.1 Billion Yen (up by 49% from previous year). <p>Despite of increasing expense for growth investment and sales promotion cost and unfavorable foreign currency exchange rate, we plan to increase the profit of full year with sales increase, progress in total cost reduction and cost-effectiveness.</p>
Info & Comm Syst. and Electronic Devices	<p><Sales></p> <ul style="list-style-type: none"> • We expect sales decrease by 2.1 Billion Yen (down by 7% from previous year). <p>We expect sales of information & communication systems to remain at about same level as the previous year. We expect sales of electronic devices decrease due to stagnant automobile markets.</p> <p><Operating income></p> <ul style="list-style-type: none"> • We expect operating income decrease by 0.3 Billion Yen (down by 8% from previous year).

2. Plan for the Full Year

Sales by Segment



(Hundred Million Yen)

	FY2019(Actual)			FY2020(Plan)			Change		Change vs disclosure in October Full Year
	1st Half	2nd Half	Full Year	1st Half (Actual)	2nd Half (Plan)	Full Year	Full Year	%	
Air Conditioners	1,199	1,102	89% 2,301	1,134	1,366	89% 2,500	199	9% 9%	-
(Japan)	(364)	(209)	(573)	(384)	(256)	(640)	(67)	(12%)	(-)
(Overseas)	(835)	(893)	(1,728)	(750)	(1,110)	(1,860)	(132)	(8%) (8%)	(-)
Info & Comm Syst.	65	123	188	74	116	190	2	1%	-
Electronic Devices	56	57	113	48	42	90	-23	-21%	-
Info & Comm Syst. and Electronic Devices	121	180	11% 301	122	158	10% 280	-21	-7%	-
Others	9	10	1% 19	10	10	1% 20	1	7%	-
Total	1,329	1,292	100% 2,621	1,266	1,534	100% 2,800	179	7% 7%	-
Japan	491	394	34% 885	512	419	33% 931	46	5%	-
Overseas	838	898	66% 1,736	754	1,115	67% 1,869	133	8% 8%	-

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

2. Plan for the Full Year

AC Sales by Geographic area



(Hundred Million Yen)

	FY2019(Actual)			FY2020(Plan)			Change			Change vs disclosure in October Full Year
	1st Half	2nd Half	Full Year	1st Half (Actual)	2nd Half (Plan)	Full Year	Full Year	%	Local currency base	
Japan	364	209	573	384	256	640	67	12%	12%	-
Americas	162	203	365	162	240	402	37	10%	13%	5
Europe	334	287	621	244	328	572	-49	-8%	-8%	11
Middle East and Africa	61	140	201	76	164	240	39	20%	20%	-
Oceania	133	157	290	129	187	316	26	9%	7%	-
Asia	51	45	96	50	125	175	79	83%	86%	-6
Greater China	94	61	155	89	66	155	-	-%	-%	-10
Total	1,199	1,102	2,301	1,134	1,366	2,500	199	9%	9%	-
(Overseas Total)	(835)	(893)	(1,728)	(750)	(1,110)	(1,860)	(132)	(8%)	(8%)	(-)

<Reference Information> Historical Information

	FY2016 (Actual)		FY2017 (Actual)		FY2018 (Actual)		FY2019 (Actual)		FY2020 (Plan)	
Japan	24%	555	23%	552	26%	593	25%	573	26%	640
Americas	14%	329	15%	349	16%	363	16%	365	16%	402
Europe	19%	449	21%	494	23%	516	27%	621	22%	572
Middle East and Africa	17%	396	14%	337	8%	170	9%	201	10%	240
Oceania	10%	220	11%	252	11%	253	12%	290	13%	316
Asia	9%	202	7%	156	7%	162	4%	96	7%	175
Greater China	7%	173	9%	209	9%	192	7%	155	6%	155
Total	100%	2,324	100%	2,349	100%	2,249	100%	2,301	100%	2,500
(Overseas Total)	(76%)	(1,769)	(77%)	(1,797)	(74%)	(1,656)	(75%)	(1,728)	(74%)	(1,860)

[Note1: sales to external customers]

[Note2: subscripts(%) is proportion to Total]

2. Plan for the Full Year

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



(Hundred Million Yen)

		FY2019 (Actual)			FY2020 (Plan)			Change		Change vs disclosure in October	
		1st Half	2nd Half	Full Year	1st Half (Actual)	2nd Half (Plan)	Full Year	Full Year	%		
Air Conditioners	Net sales	1,199	1,102	2,301	1,134	1,366	2,500	199	9%	9%	-
	Operating income (Operating income margin)	47 (3.9%)	58 (5.3%)	105 (4.6%)	68 (6.0%)	88 (6.5%)	156 (6.2%)	51 (1.6%)		49%	-1 (-0.1%)
Info & Comm Syst. and Electronic Devices	Net sales	121	180	301	122	158	280	-21		-7%	-
	Operating income (Operating income margin)	12 (9.9%)	27 (15.1%)	39 (13.0%)	6 (5.3%)	30 (18.6%)	36 (12.9%)	-3 (-0.1%)		-8%	2 (0.8%)
Others	Net sales	9	10	19	10	10	20	1		7%	-
	Operating income (Operating income margin)	3 (38.5%)	2 (20.2%)	5 (29.0%)	3 (32.9%)	-5 (-49.5%)	-2 (-10.0%)	-7 (-39.0%)		-%	-1 (-5.0%)
Total	Net sales	1,329	1,292	2,621	1,266	1,534	2,800	179	7%	7%	-
	Operating income (Operating income margin)	62 (4.7%)	87 (6.7%)	149 (5.7%)	77 (6.1%)	113 (7.3%)	190 (6.8%)	41 (1.1%)		27%	- (-%)

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

R&D Expenses	5.0%	67	5.2%	67	5.1%	134	5.4%	69	5.0%	76	5.2%	145	0.1%	11	8%	-9%	-
Capital Expenditure		80		59		139		45		55		100		-39	-28%		-
Depreciation Expenses		28		30		58		30		35		65		7	11%		-

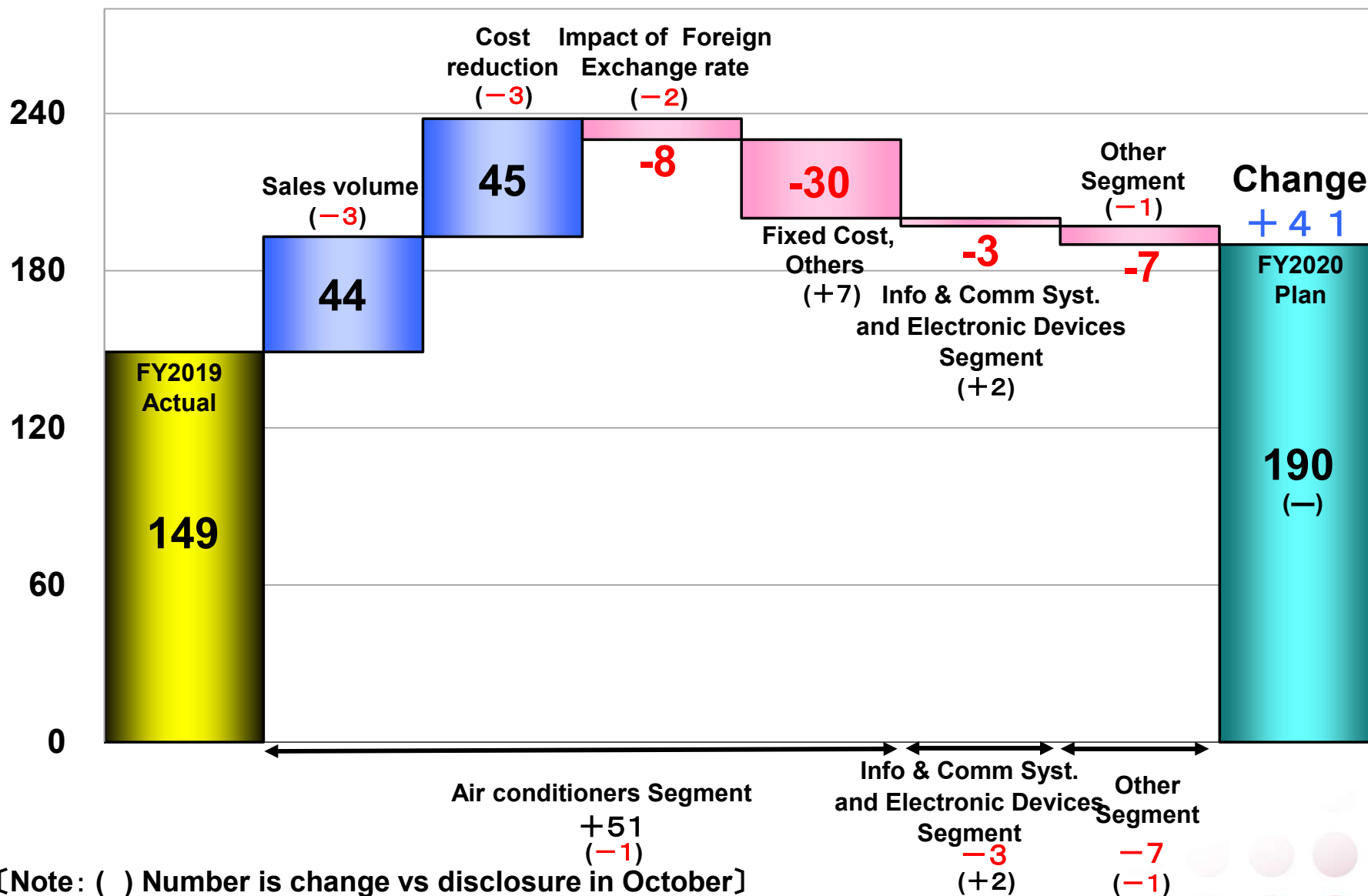
[Note3: subscribers(%) of R&D Expenses is proportion to Total Net Sales]

2. Plan for the Full Year

Analysis of Consolidated Operating income [FY2020] (vs previous year)



(Hundred Million Yen)



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

Sales by Segment (Quarter Information)

(Hundred Million Yen)

	FY2019 (Actual)					FY2020 (Actual)			Change		
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	3Q	%	
Air conditioners	584	615	407	695	2,301	530	604	469	62	17%	15%
(Japan)	(182)	(182)	(82)	(127)	(573)	(183)	(201)	(103)	(21)		(26%)
(Overseas)	(402)	(433)	(325)	(568)	(1,728)	(347)	(403)	(366)	(41)	(15%)	(12%)
Info & Comm Syst.	14	51	38	85	188	23	51	31	-7		-17%
Electronic Devices	22	34	28	29	113	23	25	25	-3		-11%
Info & Comm Syst. and Electronic Devices	36	85	66	114	301	46	76	56	-10		-15%
Others	4	5	5	5	19	4	6	5	-		-3%
Total	624	705	478	814	2,621	580	686	530	52	12%	11%
Japan	220	271	150	244	885	231	281	160	10		7%
Overseas	404	434	328	570	1,736	349	405	370	42	15%	13%

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

Consolidated Statements of Income(Quarter Information)

(Hundred Million Yen)

	FY2019(Actual)					FY2020(Actual)			Change		
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	3Q	%	
Net sales	624	705	478	814	2,621	580	686	530	52	12%	11%
Operating income	25	37	-9	96	149	39	38	19	28		-%
(Operating income margin)	(4.1%)	(5.2%)	(-1.9%)	(11.8%)	(5.7%)	(6.8%)	(5.5%)	(3.5%)	(5.4%)		
Ordinary income	29	30	-	78	137	46	38	18	18		☆
(Ordinary income margin)	(4.6%)	(4.3%)	(-%)	(9.5%)	(5.2%)	(8.0%)	(5.5%)	(3.3%)	(3.3%)		
Net income *	19	18	-7	28	58	34	28	9	16		-%
(Net income margin *)	(3.1%)	(2.5%)	(-1.6%)	(3.4%)	(2.2%)	(5.9%)	(4.1%)	(1.6%)	(3.2%)		

* Net income attributable to Owners of the Parent [Note1: subscripts(%) of change % is local currency base][Note2: ☆ shows over 1,000%]

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

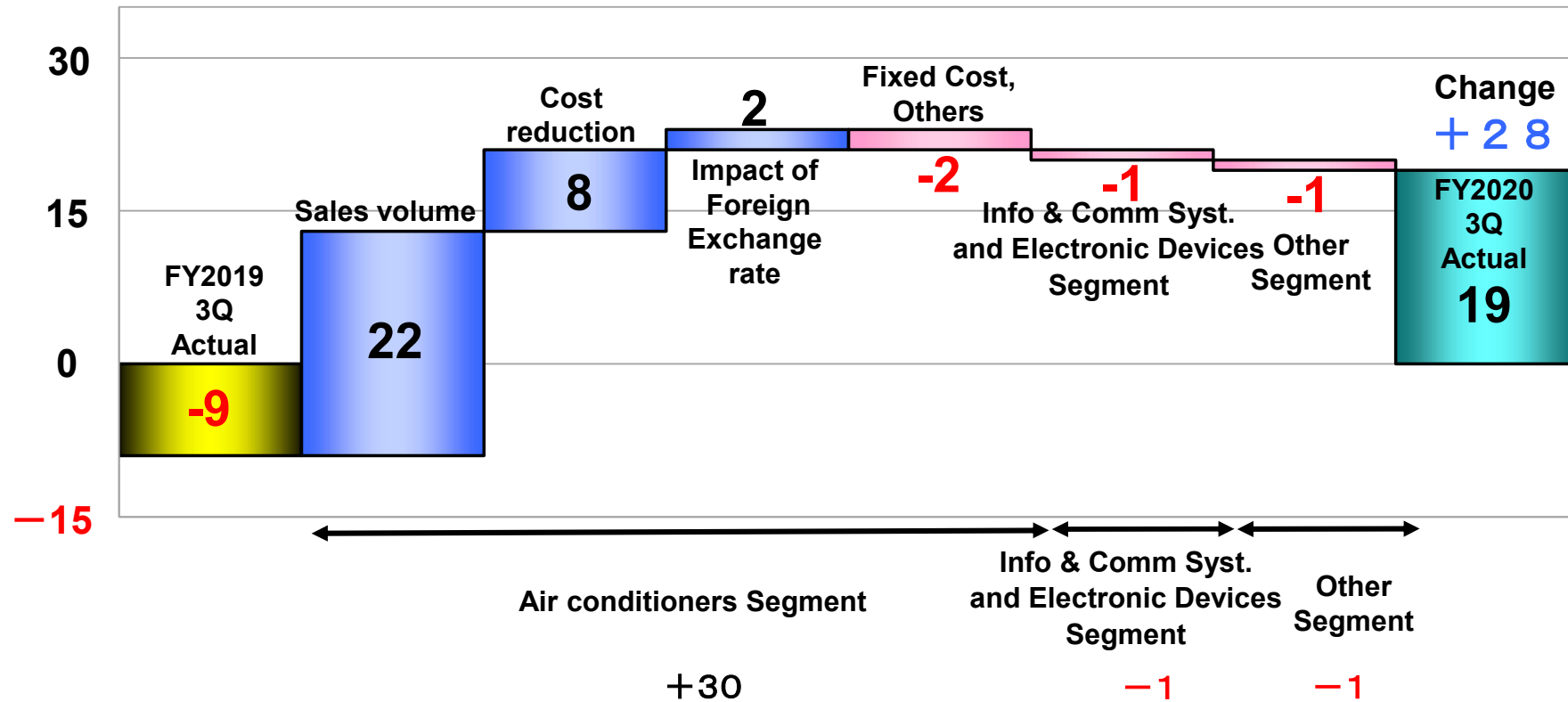
	FY2019(Actual)					FY2020(Actual)			Change		
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	3Q	%	Local currency base
Japan	182	182	82	127	573	183	201	103	21	26%	26%
Americas	64	98	63	140	365	59	103	87	24	38%	51%
Europe	185	149	115	172	621	128	116	90	-25	-22%	-24%
Middle East and Africa	21	40	27	113	201	38	38	34	7	22%	28%
Oceania	53	80	75	82	290	50	79	89	14	19%	16%
Asia	26	25	13	32	96	21	29	32	19	153%	171%
Greater China	53	41	32	29	155	51	38	34	2	6%	4%
Total	584	615	407	695	2,301	530	604	469	62	15%	17%
(Overseas Total)	(402)	(433)	(325)	(568)	(1,728)	(347)	(403)	(366)	(41)	(12%)	(15%)

[Note3: sales to external customers]

<Reference Information> Analysis of consolidated Operating income [FY2020 Third Quarter] (vs previous year)

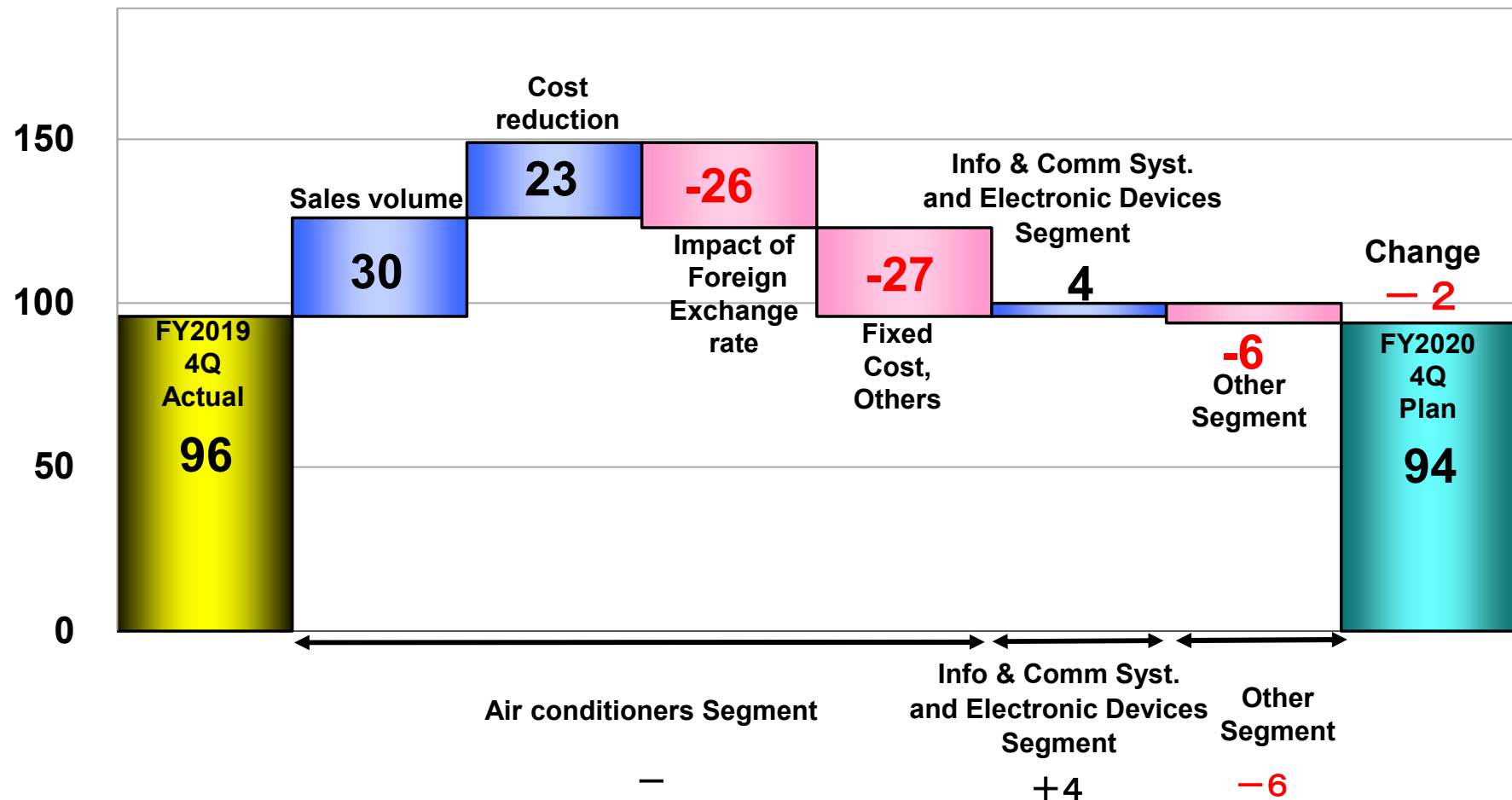


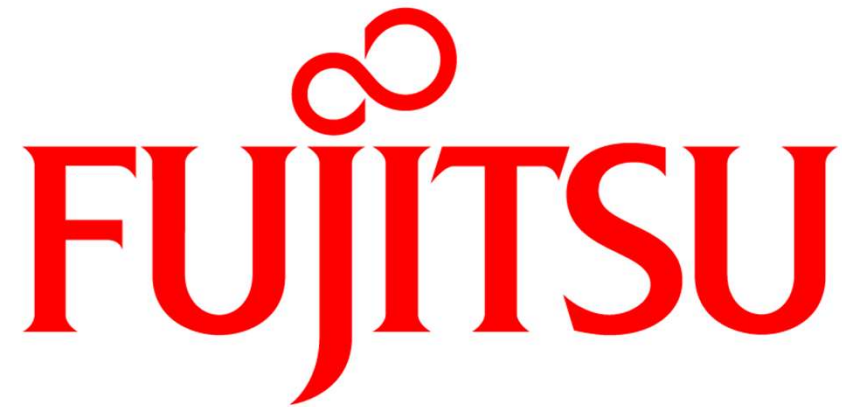
(Hundred Million Yen)



<Reference Information> Analysis of consolidated Operating income [FY2020 Fourth Quarter] (vs previous year)

(Hundred Million Yen)



The logo features a red infinity symbol positioned above the word "FUJITSU". The word "FUJITSU" is rendered in a bold, red, serif typeface. The infinity symbol is a simple, continuous loop.

FUJITSU GENERAL

– Living together for our future –