

Consolidated Financial Report for FY2000 Half-Year
(April 1, 2000 - September 30, 2000)

Summary of Consolidated Financial Results

1. Summary of consolidated statements of income

	Millions of yen			Change(%) (A)/(B)	Millions of yen	Millions of U.S.dollars
	1st half	1st half	Full year		Full year	1st half
	FY2000 (A)	FY1999 (B)				
Net sales	356,939	361,018	98.9%	851,830	3,305	
Operating income	9,360	5,240	-	4,143	87	
Ordinary income	10,233	8,573	-	948	95	
Net income	8,798	9,746	-	7,423	81	
	<u>Yen</u>			<u>Yen</u>	<u>U.S.dollars</u>	
Net income per share	12.30	13.63	-	10.38	0.11	

2. Summary of consolidated financial position

	Millions of yen			Millions of U.S.dollars
	9/30/2000	9/30/1999	3/31/2000	9/30/2000
	Total assets	915,457	910,736	937,233
Shareholders' equity	142,410	145,573	153,945	1,319
Shareholders' equity ratio (%)	15.6%	16.0%	16.4%	-
	<u>Yen</u>			<u>U.S.dollars</u>
Shareholders' equity per share	199.15	203.57	215.28	1.84

3. Summary of consolidated statements of cash flows

	Millions of yen			Millions of U.S.dollars
	1st half	1st half	Full year	1st half
	FY2000	FY1999	FY1999	FY2000
Cash flows from operating activities	13,069	-	1,175	121
Cash flows from investing activities	7,696	-	4,296	71
Cash flows from financing activities	9,748	-	22,899	90
Cash and cash equivalents at end of year	45,125	-	49,440	418

Note: 1) U.S.dollar amounts in this financial report are translated, for convenience only, at the rate of ¥108.00=U.S.\$1.
2) The company has 63 consolidated subsidiaries.

4. Forecast of consolidated earnings for FY2000 (April 1, 2000 - March 31, 2001)

	<u>Millions of yen</u>
Net sales	890,000
Ordinary income	20,000
Net income	9,000
	<u>Yen</u>
Net income per share	12.59

< Cautionary Statements With Respect to Forward-Looking Statements >

Statements made in this financial report with respect to Fuji Electric's future performance are forward-looking statements based on management's assumptions and beliefs in light of the information currently available to it. Accordingly, actual results could differ from those contained in any forward-looking statements. Potential risks and uncertainties include :

- Sudden changes in general economic conditions in Fuji Electric's markets and changes in its operating environment such as those resulting from changes in trade regulations
- Exchange rate, particularly between the yen and the U.S.dollar and Asian and European currencies
- The ability of Fuji Electric and its subsidiaries to develop and introduce products that incorporate new technology in a timely manner and to manufacture them in a cost-effective way
- The rapid pace of technological innovation, especially in the field of electronics
- Sudden changes in the supply and demand balance in the markets Fuji Electric serves
- Problems involving the intellectual property of Fuji Electric and other companies
- Stock market conditions in Japan

Consolidated Statements of Income

	Millions of yen		Change(%) (A)/(B)	Millions of yen	Millions of U.S.dollars
	1st half FY2000 (A)	1st half FY1999 (B)		Full year FY1999	1st half FY2000
Net sales	356,939	361,018	98.9%	851,830	3,305
Cost of sales	292,376	297,634	98.2%	692,131	2,707
Gross profit	64,562	63,384	101.9%	159,698	598
Selling, general and administrative expenses	73,923	68,625	107.7%	155,555	684
Operating income	9,360	5,240	-	4,143	87
Non-operating income	3,234	3,672	88.1%	8,822	30
Interest and dividends income	2,311	2,423		4,508	21
Other	923	1,248		4,313	9
Non-operating expenses	4,107	7,004	58.6%	13,913	38
Interest expense	2,899	3,363		6,733	27
Other	1,207	3,641		7,180	11
Ordinary income	10,233	8,573	-	948	95
Extraordinary income	107,137	19,274		50,830	992
Extraordinary loss	108,400	20,808		53,974	1,004
Income before income taxes	11,496	10,107	-	4,092	106
Income taxes and business tax	2,252	1,364		3,994	21
Deferred income taxes	4,959	1,838		1,246	46
Minority interests in net income (loss) of consolidated subsidiaries	8	112		582	0.1
Net income	8,798	9,746	-	7,423	81

Consolidated Balance Sheets

	Millions of yen		Change (A)-(B)	Millions of U.S.dollars
	9/30/2000 (A)	3/31/2000 (B)		9/30/2000
Assets				
Current assets:				
Cash and time deposits	42,272	43,349	1,077	391
Notes and accounts receivable, trade	238,884	288,943	50,059	2,212
Marketable securities	3,315	119,378	116,063	31
Inventories	188,089	147,607	40,482	1,742
Other current assets	43,777	38,800	4,977	405
Total current assets	<u>516,339</u>	<u>638,080</u>	121,741	<u>4,781</u>
Long-term assets:				
Tangible fixed assets	214,457	220,273	5,816	1,986
Intangible fixed assets	5,507	5,642	135	51
Investments and other assets	179,152	70,405	108,747	1,659
Total long-term assets	<u>399,117</u>	<u>296,321</u>	102,796	<u>3,696</u>
Exchange conversion adjustments	-	2,831	2,831	-
Total assets	<u>915,457</u>	<u>937,233</u>	21,776	<u>8,476</u>
Liabilities and shareholders' equity				
Current liabilities:				
Notes and accounts payable, trade	155,440	173,902	18,462	1,439
Short-term loans	204,644	188,891	15,753	1,895
Other current liabilities	210,775	189,128	21,647	1,952
Total current liabilities	<u>570,861</u>	<u>551,922</u>	18,939	<u>5,286</u>
Long-term liabilities	169,073	198,130	29,057	1,565
Total liabilities	<u>739,935</u>	<u>750,053</u>	10,118	<u>6,851</u>
Minority interests in consolidated subsidiaries	33,111	33,234	123	307
Shareholders' equity:				
Common stock, ¥50 par value	47,586	47,586	0	441
Capital surplus	38,397	38,397	0	356
Consolidated retained earnings	59,098	67,961	8,863	547
Valuation account of other marketable securities, net	299	-	299	3
Exchange conversion adjustments	2,970	-	2,970	28
Less shares of common stock held by the Company	0	0	0	0
Total shareholders' equity	<u>142,410</u>	<u>153,945</u>	11,535	<u>1,319</u>
Total liabilities, minority interests and shareholders' equity	<u>915,457</u>	<u>937,233</u>	21,776	<u>8,476</u>

Consolidated Statements of Cash Flows

	Millions of yen	<i>Millions of U.S.dollars</i>
	1st half FY2000	<i>1st half FY2000</i>
1. Cash flows from operating activities:		
Net loss before income taxes	11,496	106
Depreciation and amortization	15,313	142
Interest and dividends income	2,311	21
Interest expense	2,899	27
Decrease in trade receivables	49,906	462
Increase in inventories	40,621	376
Decrease in trade payables	18,177	168
Increase in advances received	23,747	220
Other, net	2,977	28
Subtotal	16,282	151
Interest and dividends received	2,255	21
Interest paid	3,088	29
Income taxes paid	2,380	22
Net cash provided by operating activities	13,069	121
2. Cash flows from investing activities:		
Purchase of fixed assets and investment securities	18,195	168
Proceeds from sale of fixed assets and investment securities	7,897	73
Other, net	2,601	24
Net cash provided by investing activities	7,696	71
3. Cash flows from financing activities:		
Increase in short-term borrowings, net	10,396	96
Increase in commercial paper, net	1,000	9
Proceeds from long-term debt	3,601	33
Repayments of long-term debt and redemption of bonds	24,477	227
Other, net	269	2
Net cash provided by financing activities	9,748	90
4. Effect of exchange rate changes on cash and cash equivalents	61	1
5. Net decrease in cash and cash equivalents	4,314	40
6. Cash and cash equivalents at beginning of year	49,440	458
7. Cash and cash equivalents at end of year	45,125	418

Consolidated Segment Information

1. Net sales by business segment

	Millions of yen			Millions of U.S.dollars
	1st half	1st half	Change(%) (A)/(B)	1st half
	FY2000 (A)	FY1999 (B)		FY2000
Energy & Electric Systems	126,321	127,295	99.2%	1,170
ED&C • Drive Systems	88,361	73,443	120.3%	818
Electronics	64,060	58,287	109.9%	593
Retail Support Equipment & Systems	74,414	76,035	97.9%	689
Others	34,282	53,523	64.1%	317
Subtotal	387,440	388,586	99.7%	3,587
Elimination	30,500	27,567	-	282
Total	356,939	361,018	98.9%	3,305

2. Operating income by business segment

	Millions of yen			Millions of U.S.dollars
	1st half	1st half	Change(%) (A)/(B)	1st half
	FY2000 (A)	FY1999 (B)		FY2000
Energy & Electric Systems	13,437	8,416	-	124
ED&C • Drive Systems	774	1,232	-	7
Electronics	1,225	1,874	-	11
Retail Support Equipment & Systems	2,573	6,254	41.1%	24
Others	1,083	33	3281.8%	10
Subtotal	9,329	5,235	-	86
Elimination	31	4	-	0.3
Total	9,360	5,240	-	87

3. Net overseas sales

	Millions of yen		Change(%) (A)/(B)	Millions of U.S.dollars
	1st half FY2000 (A)	1st half FY1999 (B)		1st half FY2000
North America	7,792	5,300	147.0%	72
Europe	4,794	3,967	120.8%	44
Asia	34,543	44,628	77.4%	320
Other	1,174	6,658	17.6%	11
Total	48,305	60,554	79.8%	447
 < Ratio to net sales >				
North America	2.2%	1.5%		
Europe	1.3%	1.1%		
Asia	9.7%	12.4%		
Other	0.3%	1.8%		
Total	13.5%	16.8%		

Supplemental Consolidated Financial Materials for FY2000 Half-Year

1. Financial summary

	Billions of yen			
	1st half FY2000	Full year forecast FY2000	1st half FY1999	Full year FY1999
Net sales	356.9	890.0	361.0	851.8
Operating income	9.3	25.0	5.2	4.1
Ordinary income	10.2	20.0	8.5	0.9
Net income	8.7	9.0	9.7	7.4

2. Ratio of consolidated to non-consolidated

	Times			
	1st half FY2000	Full year forecast FY2000	1st half FY1999	Full year FY1999
Net sales	1.89	1.71	1.75	1.65
Net income	-	0.95	-	-

3. Number of consolidated subsidiaries

	1st half FY2000	Full year forecast FY2000	1st half FY1999	Full year FY1999
	Number of consolidated subsidiaries	63	63	64

4. Net income per share

	Yen			
	1st half FY2000	Full year forecast FY2000	1st half FY1999	Full year FY1999
Net income per share	12.30	12.59	13.63	10.38

5. Number of employees

	1st half FY2000	Full year forecast FY2000	1st half FY1999	Full year FY1999
	Number of employees	27,459	27,395	28,652

6. Net sales by business segment

	Billions of yen			
	1st half FY2000	Full year forecast FY2000	1st half FY1999	Full year FY1999
Energy & Electric Systems	126.3	411.0	127.2	381.6
ED&C · Drive Systems	88.3	191.0	73.4	156.0
Electronics	64.0	140.0	58.2	116.5
Retail Support Equipment & Systems	74.4	143.0	76.0	140.2
Others	34.2	79.0	53.5	128.0
Subtotal	387.4	964.0	388.5	922.5
Elimination	30.5	74.0	27.5	70.7
Total	356.9	890.0	361.0	851.8

Note : Net sales include inter-segment transactions.

7. Operating income by business segment

	Billions of yen			
	1st half FY2000	Full year forecast FY2000	1st half FY1999	Full year FY1999
Energy & Electric Systems	13.4	8.5	8.4	6.1
ED&C • Drive Systems	0.7	5.0	1.2	2.4
Electronics	1.2	6.5	1.8	7.5
Retail Support Equipment & Systems	2.5	4.0	6.2	6.2
Others	1.0	2.0	0.0	2.0
Subtotal	9.3	26.0	5.2	4.3
Elimination	0.0	1.0	0.0	0.1
Total	9.3	25.0	5.2	4.1

8. R&D expenditures

	Billions of yen			
	1st half FY2000	Full year forecast FY2000	1st half FY1999	Full year FY1999
Energy & Electric Systems	4.7	9.4	2.5	11.6
ED&C • Drive Systems	1.3	3.1	0.3	2.8
Electronics	3.0	8.1	0.6	7.0
Retail Support Equipment & Systems	1.2	2.6	0.2	2.7
Others	2.3	3.8	1.0	3.9
Total	12.8	27.1	4.8	28.2
Ratio to net sales (%)	3.6%	3.1%	1.3%	3.3%

9. Plant and equipment investment (including leases)

	Billions of yen			
	1st half FY2000	Full year forecast FY2000	1st half FY1999	Full year FY1999
Energy & Electric Systems	2.9	7.5	6.8	10.2
ED&C • Drive Systems	2.4	6.8	4.3	6.3
Electronics	5.2	15.7	5.0	10.6
Retail Support Equipment & Systems	2.5	6.2	1.3	2.9
Others	0.7	2.5	0.9	5.7
Total	13.9	39.0	18.4	35.8
(Leases)	(4.0)	(11.4)	(2.4)	(4.8)

Note: Leases are included in total plant and equipment investment.

10. Depreciation

	Billions of yen			
	1st half FY2000	Full year forecast FY2000	1st half FY1999	Full year FY1999
Depreciation	14.5	31.3	16.7	34.3