

**Non-Consolidated Financial Report for the First Half  
of the Fiscal Year ending March 31, 2003  
(April 1, 2002 - September 30, 2002)**

**Summary of Non-consolidated Financial Results**

**1. Summary of non-consolidated statements of income**

	Millions of yen		Change(%) (A)/(B)	Millions of yen	Millions of U.S.dollars
	1st half	1st half		Full year	1st half
	FY2002 (A)	FY2001 (B)		FY2001	FY2002
Net sales	192,398	189,845	101.3%	469,338	1,569
Operating income	2,396	1,777	-	6,104	20
Ordinary income	3,480	1,630	-	6,297	28
Net income	4,232	774	-	3,651	35
	<u>Yen</u>			<u>Yen</u>	<u>U.S.dollars</u>
Net income per share	5.93	1.08	-	5.11	0.05

**2. Summary of non-consolidated financial position**

	Millions of yen			Millions of U.S.dollars
	9/30/2002	9/30/2001	3/31/2002	9/30/2002
Total assets	629,138	741,298	783,689	5,132
Shareholders' equity	158,812	231,610	230,611	1,295
Shareholders' equity ratio (%)	25.2%	31.2%	29.4%	-
	<u>Yen</u>			<u>U.S.dollars</u>
Shareholders' equity per share	223.49	323.89	322.52	1.82

Note: U.S.dollar amounts in this financial report are translated, for convenience only, at the rate of ¥122.60=U.S.\$1.

### 3. Forecast of non-consolidated earnings for FY2002 (April 1, 2002 - March 31, 2003)

	<u>Millions of yen</u>
Net sales	450,000
Ordinary income	7,000
Net income	4,000
	<u>Yen</u>
Net income per share	5.60

#### < 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

## Orders by Business Segment

	Millions of yen			Change(%) (A)/(B)	Millions of yen		Millions of
	1st half	1st half	Full year		U.S.dollars		
	FY2002 (A)	FY2001 (B)			FY2001	1st half	FY2002
Energy & Electric Systems	69,817	88,177	79.2%	197,917	569		
ED&C • Drive Systems	39,925	45,724	87.3%	88,004	326		
Electronics	42,271	38,321	110.3%	77,650	345		
Retail Support Equipment & Systems	52,811	37,027	142.6%	68,822	431		
<b>Total</b>	<b>204,826</b>	<b>209,250</b>	<b>97.9%</b>	<b>432,394</b>	<b>1,671</b>		
(Exports)	(35,189)	(40,818)	86.2%	(79,108)	(287)		
<b>Outstanding Orders</b>	<b>236,417</b>	<b>276,385</b>	<b>85.5%</b>	<b>221,029</b>	<b>1,928</b>		

Note: Total orders include exports.

## Net Sales by Business Segment

	Millions of yen			Change(%) (A)/(B)	Millions of yen		Millions of
	1st half	1st half	Full year		U.S.dollars		
	FY2002 (A)	FY2001 (B)			FY2001	1st half	FY2002
Energy & Electric Systems	61,505	63,923	96.2%	228,961	502		
ED&C • Drive Systems	37,621	47,289	79.6%	90,819	307		
Electronics	40,617	41,805	97.2%	80,783	331		
Retail Support Equipment & Systems	52,654	36,826	143.0%	68,774	429		
<b>Total</b>	<b>192,398</b>	<b>189,845</b>	<b>101.3%</b>	<b>469,338</b>	<b>1,569</b>		
(Exports)	(39,567)	(33,234)	119.1%	(73,490)	(323)		

## Non-consolidated Statements of Income

	Millions of yen		Change(%) (A)/(B)	Millions of yen	Millions of U.S.dollars
	1st half FY2002 (A)	1st half FY2001 (B)		Full year FY2001	1st half FY2002
<b>Net sales</b>	192,398	189,845	101.3%	469,338	1,569
<b>Cost of sales</b>	161,629	157,037	102.9%	384,778	1,318
<b>Selling, general and administrative expenses</b>	33,165	34,584	95.9%	78,455	271
<b>Operating income</b>	2,396	1,777	-	6,104	20
<b>Non-operating income</b>	2,588	3,699	70.0%	5,895	21
Interest and dividends income	1,793	2,602	68.9%	4,020	15
Other	794	1,096	72.4%	1,875	6
<b>Non-operating expenses</b>	3,672	3,553	103.3%	5,702	30
Interest expenses	1,451	1,621	89.5%	3,137	12
Other	2,220	1,932	114.9%	2,565	18
<b>Ordinary income</b>	3,480	1,630	-	6,297	28
<b>Extraordinary income</b>	16,107	13,271	121.4%	42,796	131
<b>Extraordinary loss</b>	20,866	13,126	159.0%	42,573	170
<b>Income before income taxes</b>	8,238	1,485	-	6,520	67
<b>Income taxes and business tax</b>	-	-		420	-
<b>Deferred income taxes</b>	4,006	711		2,449	33
<b>Net income</b>	4,232	774	-	3,651	35

## Non-Consolidated Balance Sheets

	Millions of yen			Millions of
	9/30/2002	3/31/2002	Change	U.S.dollars
	(A)	(B)	(A)-(B)	9/30/2002
<b>Assets</b>				
<b>Current assets:</b>				
Cash and time deposits	136	11,711	11,575	1
Notes and accounts receivable, trade	69,706	129,709	60,003	569
Inventories	86,831	78,504	8,327	708
Other current assets	60,639	45,001	15,638	495
<b>Total current assets</b>	<b>217,313</b>	<b>264,927</b>	<b>47,614</b>	<b>1,773</b>
<b>Long-term assets:</b>				
Tangible fixed assets	115,055	120,346	5,291	938
Buildings and structures	48,038	49,214	1,176	392
Machinery and equipment	45,630	48,479	2,849	372
Land	15,566	15,578	12	127
Construction in progress	5,820	7,073	1,253	47
Intangible fixed assets	1,496	1,401	95	12
Investments and other assets	295,068	396,873	101,805	2,407
Investment securities	255,916	365,570	109,654	2,087
Prepaid pension expenses	30,823	23,298	7,525	251
Other assets	8,327	8,004	323	68
<b>Total long-term assets</b>	<b>411,620</b>	<b>518,620</b>	<b>107,000</b>	<b>3,357</b>
<b>Deferred assets</b>	<b>204</b>	<b>140</b>	<b>64</b>	<b>2</b>
<b>Total assets</b>	<b>629,138</b>	<b>783,689</b>	<b>154,551</b>	<b>5,132</b>
<b>Liabilities and shareholders' equity</b>				
<b>Current liabilities:</b>				
Accounts payable, trade	116,285	141,468	25,183	948
Short-term loans and commercial paper	103,390	109,744	6,354	843
Current portion of debentures	40,000	40,000	0	326
Advance payments received	53,965	44,003	9,962	440
Other current liabilities	31,808	54,277	22,469	259
<b>Total current liabilities</b>	<b>345,449</b>	<b>389,493</b>	<b>44,044</b>	<b>2,818</b>
<b>Long-term liabilities:</b>				
Long-term debt	95,452	91,907	3,545	779
Deferred income taxes	29,424	71,677	42,253	240
<b>Total long-term liabilities</b>	<b>124,876</b>	<b>163,584</b>	<b>38,708</b>	<b>1,019</b>
<b>Total liabilities</b>	<b>470,325</b>	<b>553,077</b>	<b>82,752</b>	<b>3,836</b>
<b>Shareholders' equity:</b>				
Common stock, ¥50 par value	47,586	47,586	0	388
Capital surplus	38,397	38,397	0	313
Retained earnings	44,865	50,945	6,080	366
Unrealized gain on other securities	29,230	93,695	64,465	238
Less shares of common stock held by the Company	1,266	12	1,254	10
<b>Total shareholders' equity</b>	<b>158,812</b>	<b>230,611</b>	<b>71,799</b>	<b>1,295</b>
<b>Total liabilities and shareholders' equity</b>	<b>629,138</b>	<b>783,689</b>	<b>154,551</b>	<b>5,132</b>
<b>Debt</b>	<b>238,842</b>	<b>241,651</b>	<b>2,809</b>	<b>1,948</b>

**Supplemental Non-Consolidated Financial Materials for FY2002 Half-Year**  
(April 1, 2002 - September 30, 2002)

**1. Financial summary**

	Billions of yen			
	1st half FY2002	Full year forecast FY2002	1st half FY2001	Full year FY2001
Orders	204.8	455.0	209.2	432.3
Net sales	192.3	450.0	189.8	469.3
Operating income	2.3	9.0	1.7	6.1
Ordinary income	3.4	7.0	1.6	6.2
Net income	4.2	4.0	0.7	3.6

**2. Financial revenue and expense, Sales exchange rate, Net income per share**

	Billions of yen			
	1st half FY2002	Full year forecast FY2002	1st half FY2001	Full year FY2001
Financial revenue and expense	0.34	0.13	0.98	0.88

  

	Yen			
	1st half FY2002	Full year forecast FY2002	1st half FY2001	Full year FY2001
Sales exchange rate	123.14	119.07	122.21	125.14
Net income per share	5.93	5.60	1.08	5.11

**3. Net sales by business segment**

	Billions of yen			
	1st half FY2002	Full year forecast FY2002	1st half FY2001	Full year FY2001
Energy & Electric Systems	61.5	195.0	63.9	228.9
(Exports)	(13.5)	(22.0)	(7.5)	(22.0)
ED&C • Drive Systems	37.6	80.0	47.2	90.8
(Exports)	(7.2)	(15.5)	(6.9)	(12.4)
Electronics	40.6	85.0	41.8	80.7
(Exports)	(18.5)	(41.0)	(18.7)	(38.9)
Retail Support Equipment & Systems	52.6	90.0	36.8	68.7
(Exports)	(0.1)	(0.5)	0.0	(0.1)
<b>Total net sales</b>	<b>192.3</b>	<b>450.0</b>	<b>189.8</b>	<b>469.3</b>
<b>(Total exports)</b>	<b>(39.5)</b>	<b>(79.0)</b>	<b>(33.2)</b>	<b>(73.4)</b>

Note: Net sales by each segment include exports.

**4. Orders by market**

	Billions of yen			
	1st half FY2002	Full year forecast FY2002	1st half FY2001	Full year FY2001
Electric power industry	15.1	32.0	15.1	34.9
Public sector	30.8	98.0	33.0	86.1
Private sector	78.3	145.0	72.5	142.6
Consumer-related industry	45.2	100.0	47.7	89.5
Exports	35.1	80.0	40.8	79.1
<b>Total</b>	<b>204.8</b>	<b>455.0</b>	<b>209.2</b>	<b>432.3</b>

## 5. R&D expenditures

	Billions of yen			
	1st half FY2002	Full year forecast FY2002	1st half FY2001	Full year FY2001
Energy & Electric Systems	2.6	6.5	2.9	9.2
ED&C • Drive Systems	0.9	2.5	1.1	2.9
Electronics	2.5	7.8	2.1	7.2
Retail Support Equipment & Systems	1.0	2.4	1.0	3.0
Corporate (basic research)	1.1	4.7	0.9	3.5
<b>Total</b>	<b>8.2</b>	<b>24.2</b>	<b>8.2</b>	<b>26.0</b>
Ratio to net sales (%)	4.3%	5.4%	4.3%	5.5%

## 6. Plant and equipment investment (including leases)

	Billions of yen			
	1st half FY2002	Full year forecast FY2002	1st half FY2001	Full year FY2001
Energy & Electric Systems	1.1	2.9	1.4	5.0
ED&C • Drive Systems	0.9	3.5	1.7	4.2
Electronics	1.9	14.1	5.3	10.7
Retail Support Equipment & Systems	1.0	4.2	1.8	4.7
Corporate	0.0	0.0	0.0	0.0
<b>Total</b>	<b>5.0</b>	<b>24.8</b>	<b>10.3</b>	<b>24.7</b>
(Leases)	(1.7)	(14.4)	(2.3)	(6.0)

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

## 7. Depreciation

	Billions of yen			
	1st half FY2002	Full year forecast FY2002	1st half FY2001	Full year FY2001
Depreciation	8.1	17.0	8.9	18.9

## 8. Number of employees

	1st half FY2002	Full year forecast FY2002	1st half FY2001	Full year FY2001
Number of employees	8,368	8,227	9,309	8,576