

**Consolidated Financial Results for first quarter of the fiscal year
ending March 31, 2006**

Summary of Consolidated Financial Results

1. Summary of consolidated statements of income

	Millions of yen		Change(%)	Millions of U.S.dollars
	1Q FY2005 (A)	1Q FY2004 (B)	(A) / (B)	1Q FY2005
Net sales	167,630	158,134	106.0%	1,515
Operating income	-1,140	-6,762	-	-10
Ordinary income	-620	-6,587	-	-6
Net income	-1,047	-2,980	-	-9
	Yen			U.S.dollars
Net income per share	-1.46	-4.17	-	-0.01

2. Summary of consolidated financial position

	Millions of yen		Millions of U.S.dollars
	6/30/2005	6/30/2004	6/30/2005
Total assets	855,574	884,443	7,734
Shareholders' equity	190,912	193,411	1,726
Shareholders' equity ratio (%)	22.3%	21.9%	-
	Yen		U.S.dollars
Shareholders' equity per share	266.94	270.36	2.41

3. Summary of consolidated statements of cash flows

	Millions of yen		Millions of U.S.dollars
	1Q FY2005 (A)	1Q FY2004 (B)	1Q FY2005
Cash flows from operating activities	9,121	3,816	82
Cash flows from investing activities	-2,933	-813	-27
Cash flows from financing activities	-11,335	-13,669	-102
Cash and cash equivalents at end of year	11,666	16,674	105

Note: 1) U.S.dollar amounts in this financial report are translated, for convenience only, at the rate of ¥110.62=U.S.\$1
2) The company has 66 consolidated subsidiaries and 2 equity-method affiliates.

4. Forecast of consolidated earnings for the fiscal year ending March 31, 2006

(April 1, 2005 - March 31, 2006)

(Millions of yen)

	1H FY2005 Forecast			1H FY2005 Forecast		
	Revised (7/27/05)	Initial (4/27/05)	Difference	Revised (7/27/05)	Initial (4/27/05)	Difference
Net sales	368,000	360,000	+8,000	885,000	875,000	+10,000
Operating income	1,000	-4,000	+5,000	35,000	32,000	+3,000
Ordinary income	500	-5,000	+5,500	33,000	30,000	+3,000
Net income	-3,000	-6,000	+3,000	14,000	12,000	+2,000
	Yen					
	1H FY2005		FY2005			
Net income per share	4.19	19.37				

<<Forecast for 1H FY2005>>	Net sales			Operating income		
	Revised (7/27/05)	Initial (4/27/05)	Difference	Revised (7/27/05)	Initial (4/27/05)	Difference
Energy & Electric Systems	131,000	126,000	+5,000	-13,000	-14,000	+1,000
ED&C • Drive Systems	83,000	83,000	0	3,000	3,000	0
Electronic Devices	74,000	74,000	0	5,500	4,500	+1,000
Retail Systems	86,000	80,000	+6,000	5,000	3,000	+2,000
Others	24,000	24,000	0	500	500	0
Elimination/Corporate	-30,000	-27,000	-3,000	0	-1,000	+1,000
Total	368,000	360,000	+8,000	1,000	-4,000	+5,000

<<Forecast for FY2005>>	Net sales			Operating income		
	Revised (7/27/05)	Initial (4/27/05)	Difference	Revised (7/27/05)	Initial (4/27/05)	Difference
Energy & Electric Systems	395,000	390,000	+5,000	9,000	9,000	0
ED&C • Drive Systems	175,000	175,000	0	7,000	7,000	0
Electronic Devices	165,000	165,000	0	12,500	11,000	+1,500
Retail Systems	160,000	155,000	+5,000	6,000	4,500	+1,500
Others	50,000	50,000	0	2,000	2,000	0
Elimination/Corporate	-60,000	-60,000	0	-1,500	-1,500	0
Total	885,000	875,000	+10,000	35,000	32,000	+3,000

< 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	Millions of U.S.dollars
	1Q FY2005 (A)	1Q FY2004 (B)	(A) - (B)	1Q FY2005 (A)
Net sales	167,630	158,134	9,496	1,515
Cost of sales	131,324	127,032	4,292	1,187
Gross profit	36,306	31,101	5,205	328
Selling, general and administrative expenses	37,447	37,863	-416	339
Operating income	-1,140	-6,762	5,622	-10
Non-operating income	2,074	1,850	224	19
Interest and dividends received	1,468	1,211	257	13
Other	605	639	-34	5
Non-operating expenses	1,554	1,675	-121	14
Interest expense	671	724	-53	6
Other	883	950	-67	8
Ordinary income	-620	-6,587	5,967	-6
Extraordinary income	290	1,714	-1,424	3
Extraordinary loss	2,008	1,655	353	18
Income before income taxes	-2,338	-6,527	4,189	-21
Income taxes	-839	-3,102	2,263	-8
Minority interests in net income of consolidated subsidiaries	-452	-444	-8	-4
Net income	-1,047	-2,980	1,933	-9

Consolidated Balance Sheets

	Millions of yen		Change	Millions of U.S.dollars
	<u>6/30/2005(A)</u>	<u>3/31/2005(B)</u>	(A) - (B)	<u>6/30/2005</u>
Assets				
Current assets:				
Cash and time deposits	11,780	16,338	-4,558	106
Notes and accounts receivable, trade	190,008	241,820	-51,812	1,718
Inventories	161,084	135,076	26,008	1,456
Other current assets	50,662	44,414	6,248	458
Total current assets	<u>413,535</u>	<u>437,649</u>	-24,114	<u>3,738</u>
Long-term assets:				
Tangible fixed assets	149,311	150,903	-1,592	1,350
Intangible fixed assets	8,026	7,803	223	73
Investments and other assets	284,645	285,983	-1,338	2,573
Total long-term assets	<u>441,983</u>	<u>444,690</u>	-2,707	<u>3,996</u>
Deferred assets	<u>54</u>	<u>72</u>	-18	<u>0</u>
Total assets	<u><u>855,574</u></u>	<u><u>882,412</u></u>	-26,838	<u><u>7,734</u></u>
 Liabilities and shareholders' equity				
Current liabilities:				
Notes and accounts payable, trade	147,539	176,575	-29,036	1,334
Short-term loans	82,435	74,343	8,092	745
Other current liabilities	233,216	217,093	16,123	2,108
Total current liabilities	<u>463,191</u>	<u>468,012</u>	-4,821	<u>4,187</u>
Long-term liabilities	<u>193,153</u>	<u>210,572</u>	-17,419	<u>1,746</u>
Total liabilities	<u>656,344</u>	<u>678,584</u>	-22,240	<u>5,933</u>
Minority interests in consolidated subsidiaries	<u>8,316</u>	<u>8,086</u>	230	<u>75</u>
Shareholders' equity:				
Common stock	47,586	47,586	-	430
Capital surplus	46,711	46,711	0	422
Consolidated retained earnings	71,312	74,575	-3,263	645
Unrealized gain on other securities	35,301	36,957	-1,656	319
Foreign currency transaction adjustment	-3,195	-3,292	97	-29
Less shares of common stock held by the Company	-6,804	-6,797	-7	-62
Total shareholders' equity	<u>190,912</u>	<u>195,741</u>	-4,829	<u>1,726</u>
Total liabilities, minority interests and shareholders' equity	<u><u>855,574</u></u>	<u><u>882,412</u></u>	-26,838	<u><u>7,734</u></u>
Debt	<u>310,032</u>	<u>318,433</u>	-8,401	<u>2,803</u>

Consolidated Statements of Cash Flows

	Millions of yen	Millions of yen	Change	Millions of U.S.dollars
	1Q FY2005 (A)	1Q FY2004 (B)	(A) - (B)	1Q FY2005 (A)
Cash flows from operating activities:				
Net income before income taxes	-2,338	-6,527	4,189	-21
Depreciation and amortization	3,895	3,912	-17	35
Interest and dividends income	-1,468	-1,211	-257	-13
Interest expense	671	724	-53	6
Decrease(increase) in trade receivables	51,894	67,351	-15,457	469
Decrease(increase) in inventories	-24,827	-25,448	621	-224
Increase(decrease) in trade payables	-27,792	-25,882	-1,910	-251
Increase(decrease) in advances received	19,110	10,194	8,916	173
Other, net	-12,334	-18,649	6,315	-111
Subtotal	6,809	4,463	2,346	62
Interest and dividends received	1,466	1,229	237	13
Interest paid	-855	-672	-183	-8
Income taxes paid	1,701	-1,204	2,905	15
Net cash provided by operating activities	9,121	3,816	5,305	82
Cash flows from investing activities:				
Purchase of fixed assets and marketable and investment securities	-3,275	-4,342	1,067	-30
Proceeds from sale of fixed assets and marketable and investment securities	491	4,059	-3,568	4
Other, net	-150	-531	381	-1
Net cash provided by investing activities	-2,933	-813	-2,120	-27
Free cash flows (+)	6,187	3,002	3,185	56
Cash flows from financing activities:				
Increase (decrease) in short-term borrowings, net	8,912	10,424	-1,512	81
Increase (decrease) in commercial paper, net	-17,000	-19,500	2,500	-154
Proceeds from long-term debt	1,500	700	800	14
Repayments of long-term debt and redemption of bonds	-2,753	-3,408	655	-25
Other, net	-1,994	-1,886	-108	-18
Net cash provided by financing activities	-11,335	-13,669	2,334	-102
Effect of exchange rate changes on cash and cash equivalents	125	88	37	1
Net decrease in cash and cash equivalents (+ + +)	-5,023	-10,578	5,555	-45
Cash and cash equivalents at beginning of year	16,215	27,240	-11,025	147
Increase in cash and cash equivalents resulting from changes of consolidated subsidiaries	474	12	462	4
Cash and cash equivalents at end of year	11,666	16,674	-5,008	105

Consolidated Segment Information

1. Net sales by business segment

	Millions of yen		Change(%)	Millions of U.S.dollars
	1Q FY2005 (A)	1Q FY2004 (B)	(A) / (B)	1Q FY2005
Energy & Electric Systems	46,866	46,117	101.6%	424
ED&C • Drive Systems	39,018	41,655	93.7%	353
Electronic Devices	36,474	33,690	108.3%	330
Retail Systems	48,100	41,698	115.4%	435
Others	10,170	8,489	119.8%	92
Subtotal	180,629	171,651	105.2%	1,633
Elimination	-12,999	-13,517	-	-118
Total	167,630	158,134	106.0%	1,515

2. Operating income by business segment

	Millions of yen		Change(%)	Millions of U.S.dollars
	1Q FY2005 (A)	1Q FY2004 (B)	(A) / (B)	1Q FY2005
Energy & Electric Systems	-9,754	-12,167	-	-88
ED&C • Drive Systems	1,171	1,123	104.3%	11
Electronic Devices	1,706	1,142	149.4%	15
Retail Systems	5,463	2,848	191.8%	49
Others	214	35	611.4%	2
Subtotal	-1,197	-7,017	-	-11
Elimination/Corporate	57	255	-	1
Total	-1,140	-6,762	-	-10

Supplemental Consolidated Financial Materials

1. Financial summary

	Billions of yen			
	1Q FY2005	1H FY2005 [Forecast]	1Q FY2004	1H FY2004
Net sales	167.6	368.0	158.1	364.2
Operating income	-1.1	1.0	-6.7	-5.9
Ordinary income	-0.6	0.5	-6.5	-7.7
Net income	-1.0	-3.0	-2.9	-5.2

2. Number of consolidated subsidiaries

	1Q FY2005	1H FY2005 [Forecast]	1Q FY2004	1H FY2004
Number of consolidated subsidiaries	66	66	61	61
Number of equity-method affiliates	2	2	1	2

3. Net income per share

	Yen			
	1Q FY2005	1H FY2005 [Forecast]	1Q FY2004	1H FY2004
Net income per share	-1.46	-4.19	-4.17	-7.28

4. Sales exchange rate(US\$)

	Yen			
	1Q FY2005	1H FY2005 [Forecast]	1Q FY2004	1H FY2004
Sales exchange rate	107.69	106.35	109.77	109.86

5. Net sales by business segment

	Billions of yen			
	1Q FY2005	1H FY2005 [Forecast]	1Q FY2004	1H FY2004
Energy & Electric Systems	46.8	131.0	46.1	133.8
ED&C · Drive Systems	39.0	83.0	41.6	88.6
Electronic Devices	36.4	74.0	33.6	70.6
Retail Systems	48.1	86.0	41.6	82.0
Others	10.1	24.0	8.4	19.7
Subtotal	180.6	398.0	171.6	394.9
Elimination	-12.9	-30.0	-13.5	-30.7
Total	167.6	368.0	158.1	364.2

Note : Net sales include inter-segment transactions.

6. Operating income by business segment

	Billions of yen			
	1Q FY2005	1H FY2005 [Forecast]	1Q FY2004	1H FY2004
Energy & Electric Systems	-9.7	-13.0	-12.1	-16.4
ED&C · Drive Systems	1.1	3.0	1.1	2.9
Electronic Devices	1.7	5.5	1.1	5.1
Retail Systems	5.4	5.0	2.8	2.8
Others	0.2	0.5	0.0	0.6
Subtotal	-1.1	1.0	-7.0	-4.8
Elimination/Corporate	0.0	0.0	0.2	-1.1
Total	-1.1	1.0	-6.7	-5.9

7. R&D expenditures

	Billions of yen			
	1Q FY2005	1H FY2005 [Forecast]	1Q FY2004	1H FY2004
Energy & Electric Systems	1.7	4.3	1.5	4.4
ED&C · Drive Systems	0.9	1.8	0.9	1.9
Electronic Devices	3.0	5.8	2.6	4.6
Retail Systems	0.8	1.8	0.7	1.7
Others	0.0	0.0	0.0	0.0
Corporate (basic reserch)	0.2	0.4	0.5	0.8
Total	6.9	14.4	6.5	13.6
Ratio to net sales (%)	4.1%	3.9%	4.1%	3.7%

8. Plant and equipment investment (including leases)

	Billions of yen			
	1Q FY2005	1H FY2005 [Forecast]	1Q FY2004	1H FY2004
Energy & Electric Systems	0.4	1.7	0.2	1.3
ED&C · Drive Systems	0.4	2.0	0.4	1.4
Electronic Devices	3.7	14.2	4.6	12.7
Retail Systems	0.3	1.5	0.3	0.8
Others	0.2	0.8	0.2	0.6
Corporate	0.0	0.0	0.1	0.1
Total	5.2	20.4	5.9	17.3
(Leases)	(2.9)	(12.7)	(3.1)	10.9

Note: Leases included in total plant and equipment investment

9. Depreciation, Leases paid

	Billions of yen			
	1Q FY2005	1H FY2005 [Forecast]	1Q FY2004	1H FY2004
Energy & Electric Systems	1.0	2.2	1.0	2.3
ED&C · Drive Systems	1.0	2.1	1.0	2.1
Electronic Devices	4.2	8.1	4.0	7.9
Retail Systems	0.8	1.7	0.9	1.8
Others	0.4	1.0	0.6	1.0
Corporate	0.0	0.1	0.0	0.1
Total	7.8	15.4	7.7	15.4
(Leases paid)	(4.4)	(9.2)	(4.3)	(8.6)

Note: Leases paid for plant and equipment investment

10. Number of employees

	6/30/2005	9/30/2005 [Forecast]	6/30/2004	9/30/2004
	Energy & Electric Systems	10,399	10,332	10,537
ED&C · Drive Systems	4,960	4,979	5,225	4,979
Electronic Devices	4,795	4,998	4,518	4,595
Retail Systems	3,044	3,027	3,037	3,011
Others	1,807	1,785	1,690	1,671
Corporate	132	129	136	132
Total	25,137	25,250	25,143	25,028

FY2005 First-Quarter Consolidated Financial Results

[Operating Results]

In the first quarter of fiscal 2005, the three-month period from April 1 to June 30, 2005, the Group's operating environment was generally healthy, characterized by progress made with inventory cutbacks in the digital consumer electronics industry and continued moderate growth in private-sector capital investment, despite slower exports in some sectors.

In this climate, the Fuji Electric Group posted an increase in consolidated net sales of 6.0%, to ¥167.6 billion. Three business segments recorded higher sales year on year: Energy & Electric Systems, due to strong sales in industrial and transportation systems on the back of higher private-sector capital investment; Electronic Devices, reflecting significant sales growth in disk media; and Retail Systems, which maintained recent strong sales in vending machines and currency handling systems. ED&C • Drive Systems posted a year-on-year decline, however, due to a drop in sales overseas.

Operating income improved in all business segments due to manufacturing site realignments and Groupwide manufacturing reforms that resulted in cost reductions and lower management expenses. Higher sales also supported this improvement. For the first quarter, the Group recorded an operating loss of ¥1,140 million, ¥5,622 million less than a year earlier, an ordinary loss of ¥620 million, an improvement of ¥5,967 million, and a net loss of ¥1,047 million, ¥1,933 million less than the same period a year earlier.

[Performance by Business Segment]

Energy & Electric Systems

This segment reported an operating loss of ¥9,754 million, an improvement of ¥2,413 million year on year, on net sales of ¥46,866 million, up 1.6%.

The e-solutions strategic business unit (SBU) won major orders for information systems from central and local government customers, but due to a decline in orders for radiation monitoring facilities and other factors sales declined year on year. Operating income improved thanks to specific measures to boost profitability, including cost-cutting initiatives.

Environmental systems secured major orders for electrical equipment used in water

treatment facilities. However, because sales recorded by a subsidiary manufacturing power distribution panels and other products, previously classified under this SBU, are now treated on a groupwide basis, net sales declined slightly compared to a year earlier. Operating income improved marginally.

In industrial and transportation systems, small and medium-sized orders rose on buoyant private-sector capital investment. Together with the boost given by the transfer of the ED&C • Drive Systems Group's power supply business, this supported a significant increase in net sales year on year. Operating income also improved.

Electric power systems recorded a large drop in net sales as major overseas orders for steam turbine power generation equipment declined. Efforts to reduce costs and other factors, however, led to improved operating income.

The plant facility construction business, in a difficult trading environment characterized by further declines in public-sector capital investment, posted a drop in net sales due to a decline in major orders. Initiatives to reduce management expenses and other steps paid off with improved operating income.

ED&C • Drive Systems

This segment posted an increase in operating income of 4.3%, to ¥1,171 million, on net sales of ¥39,018 million, a drop of 6.3% year on year.

In electric distribution & control (ED&C) components in Japan, the group focused on boosting sales to the machine tools sector and other industries that continue to perform well, resulting in higher sales of core products such as magnetic contactors and low-voltage circuit breakers. The group also worked to expand its lineup of new products, particularly the AS-i (actuator-sensor-interface) series of devices used in systems to reduce wiring in networks, and energy monitoring equipment. However, the impact of transferring the power supply business to the Energy & Electric Systems Group was significant, resulting in lower sales in Japan year on year. Overseas, steps were taken to increase sales of manual motor starters and other products to international customers, but sales fell, mainly in China and Taiwan. As a result, overall sales in ED&C components dropped compared to the same period a year earlier, although operating income rose thanks to efforts to reduce total costs, including management expenses.

In control & drive systems, sales in Japan fell due to the impact of postponements for

some scheduled orders and other factors. This decrease was despite the launch of the new FRENIC-Multi Series of inverters and efforts to boost sales by reinforcing marketing functions and proposal-based sales capabilities. Sales also dropped overseas, reflecting a fall in orders in China in the previous fiscal year. As a result, sales and operating income were both down on the first quarter of fiscal 2004.

Electronic Devices

This segment posted an increase in operating income of 49.4%, to ¥1,706 million, on net sales of ¥36,474 million, up 8.3% year on year.

In semiconductors, strong demand from the automotive components sector drove sales of automotive MOSFETs and hybrid ICs for igniters higher. However, sales to customers in the industrial sector declined as buoyant capital investment by NC and machine tool makers in the previous fiscal year appeared to run its course. In the IT and power supply field, demand rose for ICs and MOSFETs used in flat-panel displays (FDPs), but at the same time, sales of diode products for CRT TVs and monitors declined. As a result, net sales and operating income in semiconductors both dropped year on year.

In storage devices, the hard disk drive (HDDs) market was buoyant on strong demand from the consumer electronics and other sectors. In this market environment, the group steadily boosted output of 2.5-inch glass disks, in addition to its mainstay 3.5-inch aluminum (80GB) disks, helping it to win new orders. These efforts were supported by steps to increase productivity and pare back costs. As a result, storage devices posted a substantial increase in sales compared to a year earlier and a significant improvement in operating income.

In imaging devices, sales fell year on year due to intense price competition with Korean and Taiwanese manufacturers in Europe and the U.S. However, operating income rose thanks to improved cost competitiveness resulting from the ongoing shift of manufacturing operations to Shenzhen, China.

Retail Systems

This segment posted an increase in operating income of 91.8%, to ¥5,463 million, on net sales of ¥48,100 million, up 15.4% year on year.

In the vending machine, food equipment and currency handling system field, industry shipments rose year on year, despite a continued drop in prices for mainstay beverage and food vending machines. In this climate, the group achieved an increase in sales that

exceeded the rate of growth in the industry as a whole thanks to the launch of new can vending machines that offer improved durability and energy efficiency, and higher demand for beer vending machines that can detect underage drinkers. A sustained run of major orders for cigarette vending machines since last year helped to boost sales of these products, while there was a marked increase in sales of bill validators in currency handling systems due to continued demand generated by the introduction of new bill designs in Japan. As a result, the group posted a substantial increase in net sales in this field. These higher sales, together with efforts to cut costs and pare back fixed expenses, led to a marked year-on-year increase in operating income.

In cold-chain equipment, sales to the convenience store sector rose. This was attributable to higher demand from leading operators of convenience store chains as they opened new stores and refurbished existing ones, higher investment in the industry as clients moved into ¥100-format stores, and growth in new areas such as Ecolo Unit, a unitized store construction system. However, sales to the supermarket sector dropped year on year as the group felt the impact of an industry-wide slump in capital investment. As a result, net sales and operating income in Retail Systems were both lower than a year earlier.

Others

Net sales in this segment increased 19.8%, to ¥10,170 million, mainly due to the consolidation of a company providing shared personnel, back-office and temporary staffing services. Operating income was ¥214 million, reflecting improved profitability at a company offering shared IT, office and document services.

[Financial Position]

Total assets as of June 30, 2005 stood at ¥855.5 billion, a decrease of ¥26.8 billion compared to the end of fiscal 2004. In assets, inventories rose ¥26.0 billion in preparation for second-quarter sales, while notes and accounts receivable, trade declined ¥51.8 billion. In liabilities, notes and accounts payable, trade fell ¥29.0 billion, while advances from customers increased ¥19.1 billion. As a result, debt declined ¥8.4 billion, to ¥310.0 billion.

Total shareholders' equity as of June 30, 2005 stood at ¥190.9 billion, ¥4.8 billion less than at March 31, 2005, reflecting declines in consolidated retained earnings of ¥3.2 billion and in unrealized gain on other securities of ¥1.6 billion. However, because total assets also declined, the shareholders' equity ratio increased 0.1 of a percentage point, to 22.3%.

Free cash flow in the first quarter totaled ¥6.1 billion, compared to ¥3.0 billion in the same period a year earlier.

Consolidated Interim and Full-year Forecasts for FY2005

In light of recent business performance and other factors, the Company has revised its consolidated interim forecasts for the fiscal year ending March 31, 2006, announced together with results for fiscal 2004 on April 27, 2005. Details are as follows. For further information, please refer to the separate announcement of July 27, 2005, “Fuji Electric Revises FY2005 Interim Earnings Forecasts.”

These forecasts assume an exchange rate of ¥105/\$1.00 for the second quarter of fiscal 2005.

Consolidated interim forecasts for FY2005

(¥ billion)

	Initial	Revised	Change
Net Sales	360.0	368.0	+8.0
Operating Income	-4.0	1.0	+5.0
Ordinary Income	-5.0	0.5	+5.5
Net Income	-6.0	-3.0	+3.0

Consolidated net sales and operating income by segment for 1H FY2005 [forecast]

(¥ billion)

	Net Sales			Operating Income		
	Initial	Revised	Change	Initial	Revised	Change
Energy & Electric Systems	126.0	131.0	+5.0	-14.0	-13.0	+1.0
ED&C • Drive Systems	83.0	83.0	0	3.0	3.0	0
Electronic Devices	74.0	74.0	0	4.5	5.5	+1.0
Retail Systems	80.0	86.0	+6.0	3.0	5.0	+2.0
Others	24.0	24.0	0	0.5	0.5	0
Eliminations/Corporate	-27.0	-30.0	-3.0	-1.0	0	+1.0
Total	360.0	368.0	+8.0	-4.0	1.0	+5.0

Although there are currently still some uncertainties regarding full-year forecasts for fiscal 2005, the Company has revised its projections as follows to reflect the upward revisions to its interim forecasts.

Consolidated full-year forecasts for FY2005

(¥ billion)

	Initial	Revised	Change
Net Sales	875.0	885.0	+10.0
Operating Income	32.0	35.0	+3.0
Ordinary Income	30.0	33.0	+3.0
Net Income	12.0	14.0	+2.0

Consolidated net sales and operating income by segment for FY2005 [forecast]

(¥ billion)

	Net Sales			Operating Income		
	Initial	Revised	Change	Initial	Revised	Change
Energy & Electric Systems	390.0	395.0	+5.0	9.0	9.0	0
ED&C • Drive Systems	175.0	175.0	0	7.0	7.0	0
Electronic Devices	165.0	165.0	0	11.0	12.5	+1.5
Retail Systems	155.0	160.0	+5.0	4.5	6.0	+1.5
Others	50.0	50.0	0	2.0	2.0	0
Eliminations/Corporate	-60.0	-60.0	0	-1.5	-1.5	0
Total	875.0	885.0	+10.0	32.0	35.0	+3.0

[Cautionary Statement]

Investors are warned that actual results may differ from the above forecasts due to a range of factors, including, but not limited to, sudden changes in the supply-and-demand balance in the markets the Group serves, fluctuations in exchange rates, particularly between the yen and the U.S. dollar, and fluctuations in Japanese stock markets.