

**Consolidated Financial Report for the First Half  
of the Fiscal Year ending March 31, 2007  
(April 1, 2006 - September 30, 2006)**

**Summary of Consolidated Financial Results**

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

	Millions of yen		Change(%) (A) / (B)	Millions of yen	<i>Millions of U.S. dollars</i>
	1H FY2006 (A)	1H FY2005 (B)		Full year FY2005	<i>1H FY2006</i>
Net sales	400,964	369,328	108.6%	897,277	3,427
Operating income	6,772	3,331	203.3%	41,012	58
Ordinary income	7,644	3,719	205.5%	41,831	65
Net income	3,659	-744	-	18,603	31
	Yen			Yen	<i>U.S. dollars</i>
Net income per share	5.12	-1.04	-	25.70	0.04

**2. Summary of consolidated financial position**

	Millions of yen			<i>Millions of U.S. dollars</i>
	9/30/2006	9/30/2005	3/31/2006	<i>9/30/2006</i>
Total assets	952,926	899,572	990,054	8,145
Net assets	267,130	218,895	275,072	2,283
Shareholders' equity ratio (%)	27.0%	24.3%	27.8%	-
	Yen			<i>U.S. dollars</i>
Net Assets per share	360.33	306.09	384.38	3.08

**3. Summary of consolidated statements of cash flows**

	Millions of yen			<i>Millions of U.S. dollars</i>
	1H FY2006 (A)	1H FY2005 (B)	Full year FY2005	<i>1H FY2006</i>
Net cash provided by (used in) operating activities	-1,665	17,560	60,200	-14
Net cash provided by (used in) investing activities	-10,627	2,312	-6,597	-91
Net cash provided by (used in) financing activities	9,022	-18,991	-49,470	77
Cash and cash equivalents at end of period	18,485	17,866	21,413	158

Note: 1) U.S. dollar amounts in this financial report are translated, for convenience only, at the rate of ¥117=U.S.\$1.  
2) The company has 67 consolidated subsidiaries and 2 equity-method affiliates.

#### 4. Forecast of consolidated earnings for FY2006 (April 1, 2006 - March 31, 2007)

	<u>Millions of yen</u>
Net sales	920,000
Operating income	47,000
Ordinary income	47,000
Net income	22,500
	<u>Yen</u>
Net income per share	31.47

#### < 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