

Consolidated Financial Results for FY2007

April 25, 2008

Fuji Electric Holdings, Co., Ltd.

Number of Consolidated Subsidiaries: increased from 67 to 68 (YoY Comparison)

3 consolidated subsidiaries added:

- **Fuji Electric Water Environmental Systems Co., Ltd.**
(Newly consolidated to Energy & Electric Systems Group in April 2007)
- **Fuji Electric Thermo Systems Co., Ltd.**
(Newly consolidated to Energy & Electric Systems Group in April 2007)
- **Fuji Electric Semiconductor (Malaysia) Sdn. Bhd.**
(Newly consolidated to Electronic Devices Group in March 2008)

2 consolidated subsidiaries excluded:

- **Fuji Electric (Scotland) Ltd.**
(Excluded from Electronic Devices Group in April 2007)
- **Hong Kong Fujidenki Co., Ltd.**
(Excluded from Electronic Devices Group in April 2007)

Expansion of Scope

- **Fuji Electric Hi-Tech Corp. (nonconsolidated subsidiary)**
(Merged to Fuji Electric Corp. of America of Electronic Devices Group as of October 1, 2007)

Summary of Consolidated Financial Results for FY2007

(Forecast as of Jan. 29, 2008) (¥ billion)

	FY2006	FY2007	Changes
Net Sales	908.0	922.1	+14.1
OP Margin	5.1%	(36.5) 3.9%	
Operating Income	46.2	35.8	-10.3
Ordinary Income	48.7	35.8	-12.9
Extraordinary Income	-8.2	-5.2	+2.9
Net Income	23.1	16.7	-6.3
Sales Exchange Rate US\$	¥117.02	¥114.28	

Reduction in Costs	+12.6	} +20.9
Increase in Sales	+4.6	
Difference in Gross Profit Ratio	+2.4	
Decrease in R&D Cost	+1.3	
Increase in Depreciation and Lease Expense	-10.6	
Price Decline	-10.4	} -31.2
Increase in Costs	-2.7	
Increase in Personnel Cost	-2.6	
Exchange Rate Effect	-1.9	
Others	-3.0	

Exchange Rate effect	-1.8
Net Interest Expenses	-1.1
Others	+0.3

Extraordinary Income	-0.5
Extraordinary Loss	-3.5

Net Sales and Operating Income by Segment for FY2007

(Forecast as of Jan. 29, 2008) (¥ billion)

		FY2006	FY2007	Changes
Net Sales	Energy & Electric Systems	401.8	(417.0) 409.8	+8.0
	ED&C·Drive Systems	193.9	(197.0) 191.7	-2.1
	Electronic Devices	182.3	(193.0) 184.8	+2.4
	Retail Systems	152.5	(160.0) 158.7	+6.1
	Others	65.5	(64.0) 65.2	-0.2
	Eliminations	-88.1	(-86.0) -88.2	0
	Total	908.0	(945.0) 922.1	+14.1
Operating Income	Energy & Electric Systems	12.1	(12.5) 13.2	+1.0
	ED&C·Drive Systems	11.5	(11.0) 10.7	-0.8
	Electronic Devices	19.2	(9.5) 8.1	-11.0
	Retail Systems	2.5	(3.5) 2.8	+0.3
	Others	2.1	(2.0) 2.4	+0.3
	Eliminations/Corporate	-1.3	(-2.0) -1.5	-0.1
	Total	46.2	(36.5) 35.8	-10.3

Factors Impacting on Net Sales

Energy & Electric Systems

- Increase in automation & solutions business and electric machinery engineering
- Decrease in environmental systems and electric power systems

ED&C·Drive Systems

- Increase in drive systems
- Decrease in ED&C due to sluggish market conditions

Electronic Devices

- Increase in semiconductors due to demand rise in industrial field
- Sales in magnetic disks had declined in the first half of the year but recovered in the 2nd half to be on par with a year ago.

Retail Systems

- Increase in vending machine, food service equipment, currency handling systems, and cold-chain equipment

Factors Impacting on Operating Income

Energy & Electric Systems

- Decrease in automation & solutions business due to effect of increased investment for solar cells
- Significant increase in electric machinery engineering due to sales growth

ED&C·Drive Systems

- Increase in drive systems
- Decrease in ED&C due to drop in sales and rise in raw material prices, etc.

Electronic Devices

- Significant decrease in magnetic disks due to lack of sales to offset an increase in fixed costs such as depreciation expense
- Increase in semiconductors and imaging devices

Retail Systems

- Increase in vending machine, food service equipment, and currency handling systems

Consolidated Balance Sheet for FY2007

(¥ billion)

Assets				Liabilities and Net Assets			
	07/03/31	08/03/31	Changes		07/03/31	08/03/31	Changes
Cash and time deposit	19.2	22.2	+2.9	Notes and account payables, trade payables	197.3	186.6	-10.6
Notes and account receivables, trade receivables	259.1	286.5	+27.4	Debts	299.9	356.2	+56.3
Inventories	149.7	166.7	+17.0	Other liabilities	243.0	229.8	-13.2
Other current assets	55.3	55.7	+0.4	(Deferred tax liabilities*)	(56.9)	(35.7)	(-21.2)
Total current assets	483.4	531.2	+47.8	Total liabilities	740.2	772.6	+32.4
Tangible fixed assets	169.5	183.2	+13.7	Common stock	47.5	47.5	0
Intangible fixed assets	8.7	10.8	+2.0	Capital surplus	46.7	46.7	0
Investments and other assets (Unrealized gain on investment securities)	362.9 (139.4)	310.1 (87.7)	-52.7 (-51.7)	Retained earnings	104.9	116.4	+11.5
Total long-term assets	541.1	504.2	-36.9	Treasury stock at cost	-6.9	-7.0	0
Deferred assets	0.2	0.4	+0.2	Shareholders' equity	192.2	203.7	+11.4
Total assets	1,024.8	1,035.9	+11.1	Valuation and transaction adjustments	82.6	50.7	-31.9
				(Unrealized gain on other securities)	(82.5)	(52.0)	(-305.0)
				Minority interests in consolidated subsidiaries	9.6	8.8	-0.8
				Total net assets	284.5	263.2	-21.2
				Total liabilities and net assets	1,024.8	1,035.9	+11.1

Changes in Tangible Fixed Assets

	FY2006	FY2007	Changes
Acquisition	34.6	37.7	+3.1
Depreciation	-14.4	-18.8	-4.4
Others	-1.0	-5.2	-4.2
Total	+19.2	+13.7	-5.5

*Deferred tax liabilities associated with unrealized gain on investment securities

◆ Number of Consolidated Subsidiaries: decreased from 68 to 66

2 consolidated subsidiaries added:

- **Fuji Electric Motor Service Co., Ltd.**
(Newly consolidated to Energy & Electric Systems Group in April 2008)
- **Hoei Hong Kong Co., Ltd.**
(Newly consolidated to Other Group in April 2008)

4 consolidated subsidiaries excluded:

- **Fuji Electric Water Environmental Systems Co., Ltd.**
(Merged with NGK Insulators, Ltd. as of April 1, 2008 and excluded from Energy & Electric Systems Group)
- **FFC Limited**
(Excluded from Energy & Electric Systems Group in April 2008)
- **FFC Systems Limited**
(This wholly owned subsidiary of FFC Limited was excluded from Energy & Electric Systems Group in April 2008)
- **Fuji Electric Power Engineering & Service Co., Ltd.**
(To be merged to Fuji Electric Systems Co., Ltd. in July 2008 and excluded from Energy & Electric Systems Group)

◆ Number of Equity-Method Affiliates: increased from 2 to 3

- **METAWATER Co., Ltd.**
(Established as of April 1, 2008 as a result of merger between Fuji Electric Water Environmental Systems Co., Ltd. of Energy & Electric Systems Group and NGK Water Environment Systems, Ltd.)

Consolidated Full-year Forecasts for FY2008

(¥ billion)

	<i>FY2007 Results</i>	<i>FY2008 Forecasts</i>	<i>Changes</i>
Net Sales	922.1	925.0	+2.9 (+0.3%)
OP Margin	3.9%	4.5%	
Operating Income	35.8	42.0	+6.2
Ordinary Income	35.8	42.0	+6.2
Net Income	16.7	20.0	+3.3
Sales Exchange Rate US\$	¥114.28	¥97.50	

Exchange Rate Effect	-15.2
Effect on Exclusion of Some Subsidiaries	-70.2
Effect on Consolidation of New Subsidiaries	+4.5
Total	-80.9
→Real change	+83.7

Increase in Sales	+37.0	}	+55.4
Reduction in Costs	+18.4		
Exchange Rate Effect	-10.9	}	-49.2
Price Decline	-8.7		
Increase in Depreciation and Lease Expense*	-7.8		
Increase in Personnel Cost*	-3.2		
Increase in Costs	-4.3		
Increase in R&D Cost*	-4.2		
Effect on Excluded Subsidiaries	-3.8		
Others	-6.3		

*Effect on exclusion of some subsidiaries is excluded.

Exchange Rate Effect	+0.8
Net Interest Expenses	-0.9
Income on Investment in Equity-method Affiliates	+1.8
Amortization of Consolidation Adjustment	-1.3
Others	-0.4

Exchange rate effect of one yen based on operating income/loss:

- ¥600 million/US\$
- ¥100 million/Euro

Net Sales and Operating Income Full-year Forecasts by Segment for FY2008

(¥ billion)

		FY2007 Results	FY2008 Forecasts	Changes
Net Sales	Energy & Electric Systems	409.8	355.0	-54.8
	ED&C・Drive Systems	191.7	205.0	+13.3
	Electronic Devices	184.8	235.0	+50.2
	Retail Systems	158.7	148.0	-10.7
	Others	65.2	62.0	-3.2
	Eliminations	-88.2	-80.0	+8.2
	Total	922.1	925.0	+2.9
Operating Income	Energy & Electric Systems	13.2	11.0	-2.2
	ED&C・Drive Systems	10.7	11.0	+0.3
	Electronic Devices	8.1	16.0	+7.9
	Retails Systems	2.8	4.0	+1.2
	Others	2.4	2.0	-0.4
	Eliminations/Corporate	-1.5	-2.0	-0.5
	Total	35.8	42.0	+6.2

Factors Impacting on Net Sales

Energy & Electric Systems

- Significant decrease in environmental systems and automation & solutions business due to effect on exclusion of some subsidiaries
- Increase in electric power systems

ED&C・Drive Systems

- Increase in drive systems
- Increase in ED&C

Electronic Devices

- Increase in semiconductors centered on industrial field
- Significant increase in magnetic disks

Retail Systems

- Significant decrease as a result of completion of remodeling of cigarette vending machines
- Increase in currency handling systems

Factors Impacting on Operating Income

Energy & Electric Systems

- Decrease in environmental systems due to effect on exclusion of a subsidiary
- Increase in electric power systems

ED&C・Drive Systems

- Slight increase both in ED&C and drive systems due to rise in raw material prices and exchange rate effect

Electronic Devices

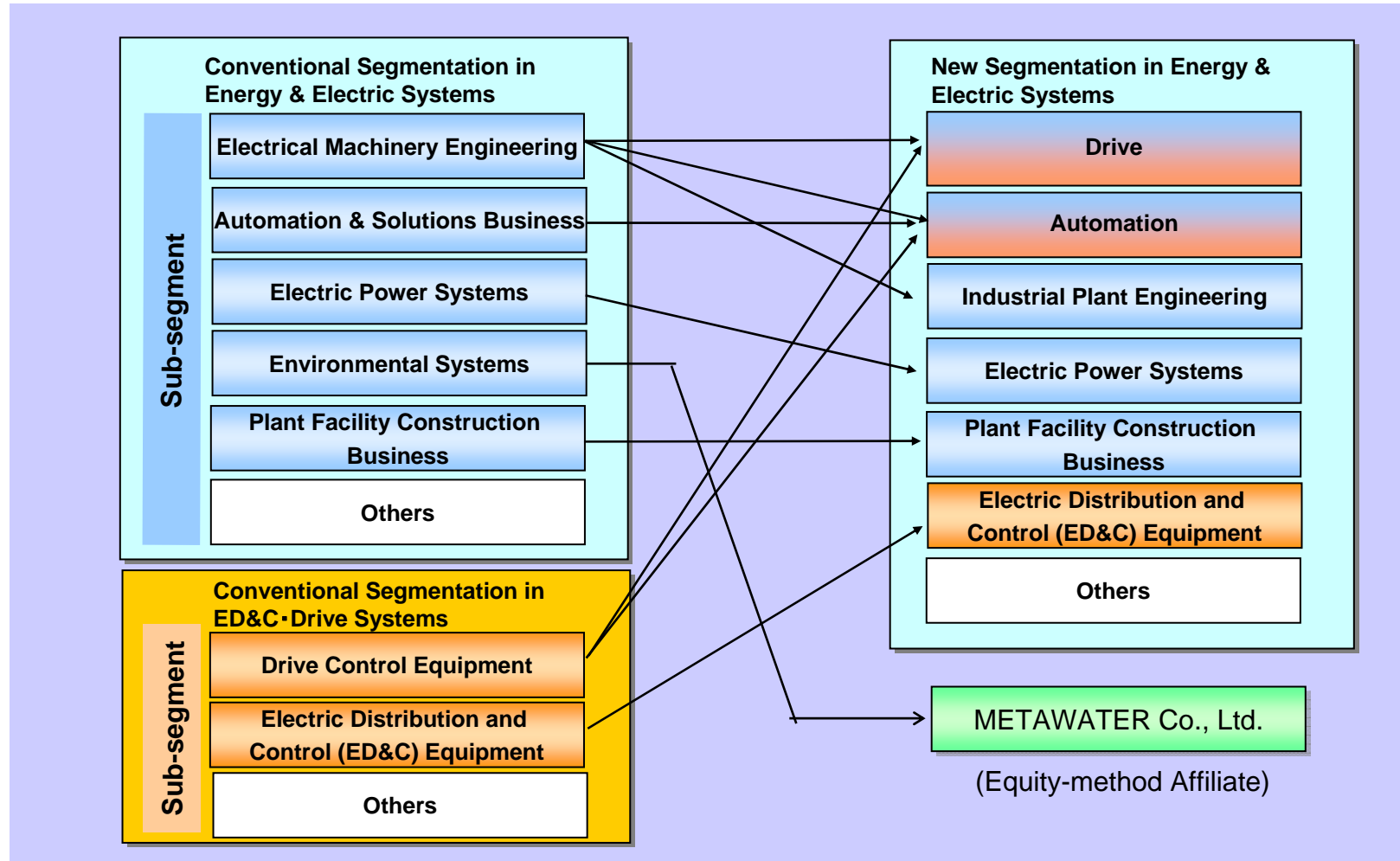
- Increase in semiconductors
- Significant increase in magnetic disks

Retail Systems

- Downturn in vending machines and food service equipment
- Improvement in currency handling systems and cold-chain equipment

Business Structure Realignment

Business structural reform has been promoted to enhance innovative change for further growth



Net Sales and Operating Income Full-year Forecasts by New Segment for FY2008

(¥ billion)

		<i>FY2007 Results</i>	<i>FY2008 Forecasts</i>	<i>Changes</i>
Net Sales	Energy & Electric Systems	595.0	550.0	-45.0
	Electronic Devices	184.8	235.0	+50.2
	Retail Systems	158.7	148.0	-10.7
	Others	51.5	49.0	-2.5
	Eliminations	-67.8	-57.0	+10.8
	Total	922.1	925.0	+2.9
Operating Income	Energy & Electric Systems	24.1	22.5	-1.6
	Electronic Devices	8.1	16.0	+7.9
	Retail Systems	2.7	4.0	+1.3
	Others	2.5	1.5	-1.0
	Eliminations/ Corporate	-1.5	-2.0	-0.5
	Total	35.8	42.0	+6.2

Consolidated Forecasts for 1Q FY2008

(¥ billion)

	1Q FY2007 Results	1Q FY2008 Forecasts	Changes
Net Sales	182.9	180.0	(-1.6%) -2.9
Operating Income	-3.0	-4.5	-1.5
Ordinary Income	-1.8	-4.0	-2.2
Net Income	-0.4	-8.5	-8.1
Sales Exchange Rate US\$	¥120.79	¥100.00	

(¥ billion)

		1Q FY2007 Results	1Q FY2008 Forecasts	Changes
Net Sales	Energy & Electric Systems	54.9	53.0	-1.9
	ED&C·Drive Systems	45.1	46.0	+0.9
	Electronic Devices	45.7	47.0	+1.3
	Retail Systems	41.1	37.0	-4.1
	Others	13.4	13.0	-0.4
	Eliminations	-17.4	-16.0	+1.4
	Total	182.9	180.0	-2.9
Operating Income	Energy & Electric Systems	-8.1	-4.5	+3.6
	ED&C·Drive Systems	1.5	0.5	-1.0
	Electronic Devices	2.3	-1.0	-3.3
	Retail Systems	1.2	1.5	+0.3
	Others	0.2	-0.5	-0.7
	Eliminations/Corporate	-0.1	-0.5	-0.4
	Total	-3.0	-4.5	-1.5

Consolidated Forecasts for the 1st Half of FY2008

(¥ billion)

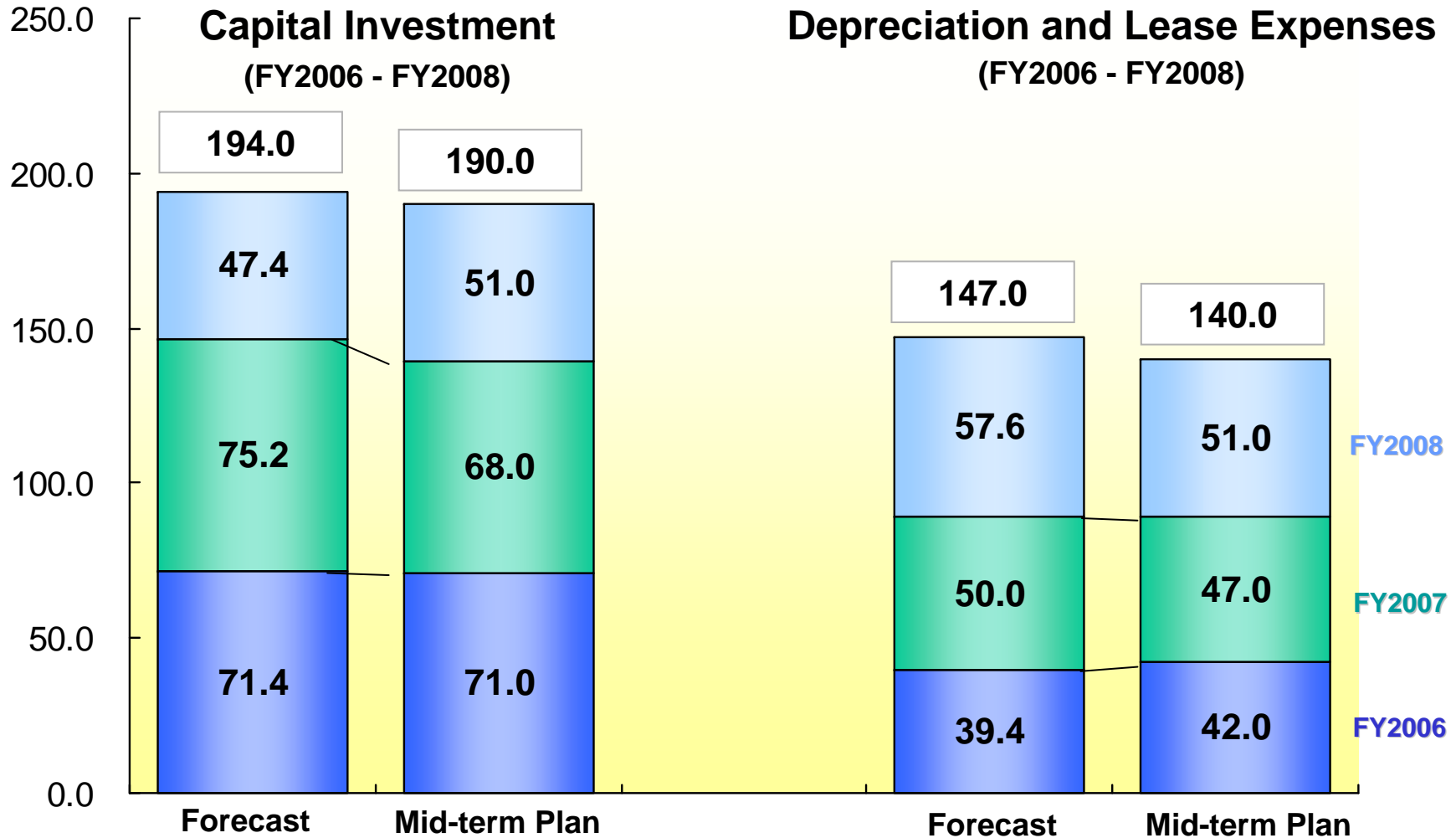
	1st Half of FY2007 Results	1st Half of FY2008 Forecasts	Changes
Net Sales	399.6	400.0	(+0.1%) +0.4
Operating Income	0.5	0.5	+0.0
Ordinary Income	1.4	0.5	-0.9
Net Income	-0.9	-7.0	-6.1
Sales Exchange Rate US\$	¥119.33	¥100.00	

(¥ billion)

		1st Half of FY2007 Results	1st Half of FY2008 Forecasts	Changes
Net Sales	Energy & Electric Systems	147.9	133.0	-14.9
	ED&C·Drive Systems	93.6	98.0	+4.4
	Electronic Devices	86.7	104.0	+17.3
	Retail Systems	80.2	73.0	-7.2
	Others	29.9	28.0	-1.9
	Eliminations	-39.0	-36.0	+3.0
	Total	399.6	400.0	+0.4
Operating Income	Energy & Electric Systems	-7.5	-4.5	+3.0
	ED&C·Drive Systems	4.4	2.5	-1.9
	Electronic Devices	2.5	2.0	-0.5
	Retail Systems	0.9	1.0	+0.1
	Others	1.0	0.5	-0.5
	Eliminations/ Corporate	-0.8	-1.0	-0.2
	Total	0.5	0.5	+0.0

Capital Investment and Cost

(¥ billion)

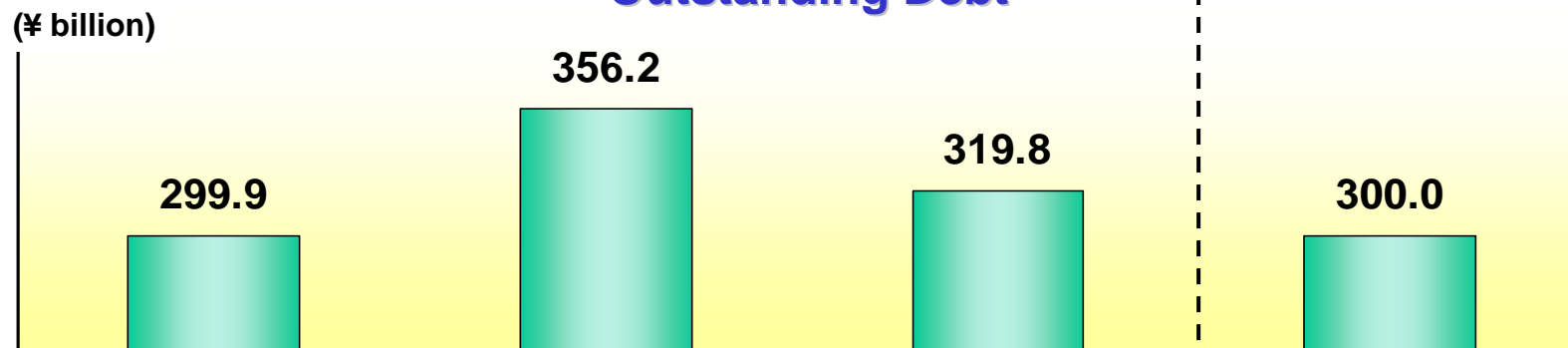


D/E Ratio

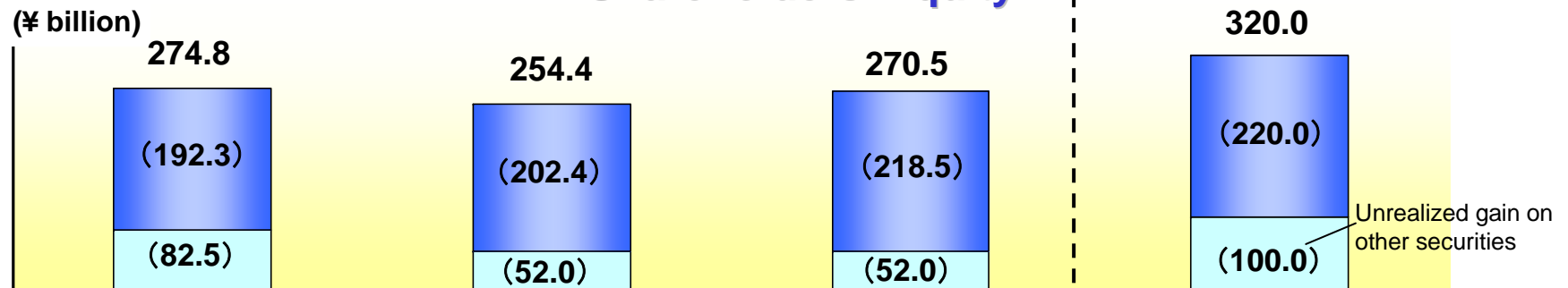
D/E Ratio



Outstanding Debt



Shareholders' Equity



End of FY2006 Result

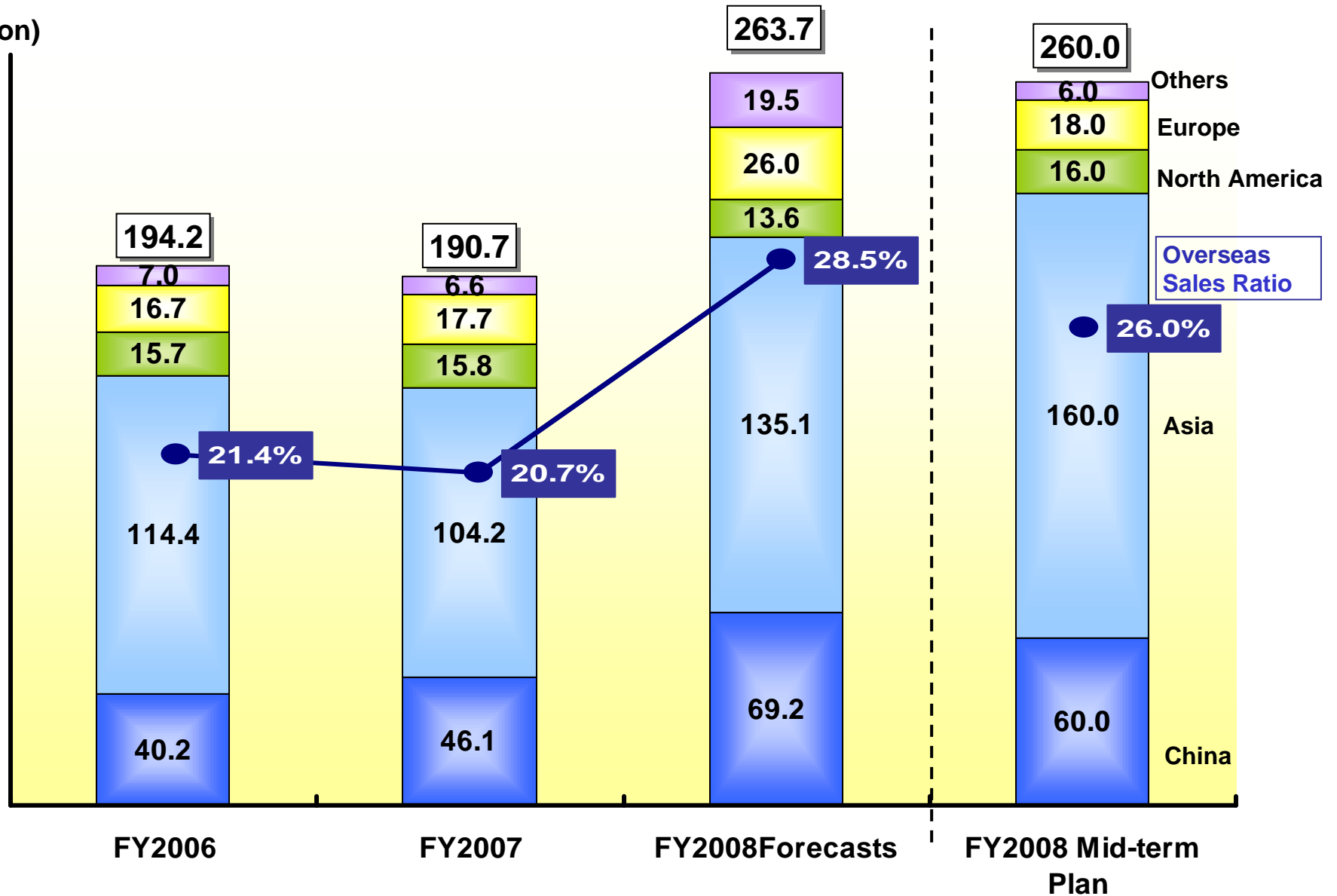
End of FY2007

End of FY2008 Forecast

End of FY2008 Mid-term Plan

Overseas Sales

(¥ billion)

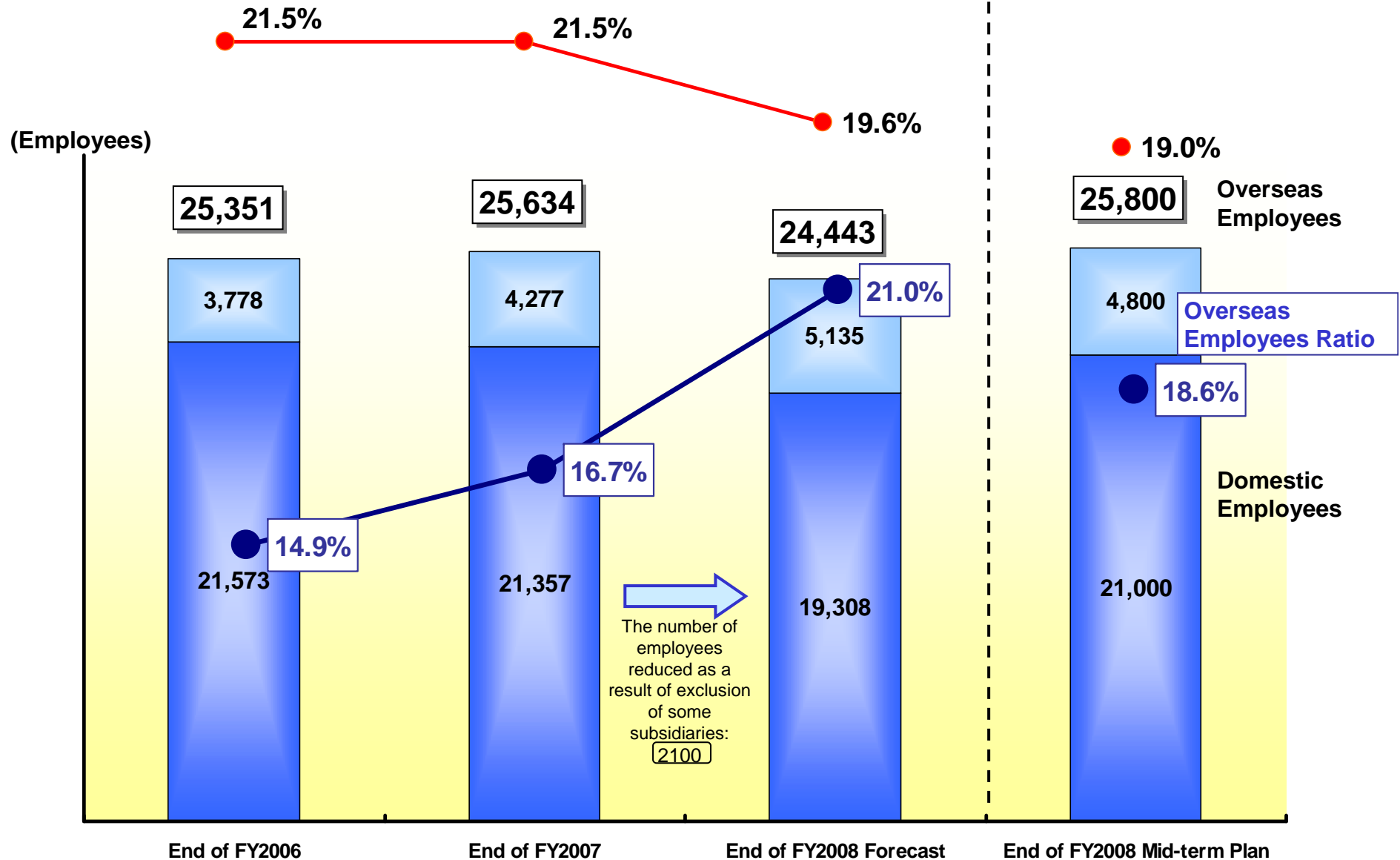


Note: These are based on consolidated figure

Domestic and Overseas Employees

Ratio of Personnel Cost to Sales

Note: These are based on consolidated figure



Mid-term Management Plan		
	<u>Target for FY2008</u>	<u>Forecast for FY2008</u>
Sales	¥1 trillion or greater	¥925 billion*
Operating Income Margin	7% or greater	4.5%
D/E Ratio	1.0 time or lower	1.2 times
Overseas Sales Ratio	26% or greater	28.5%
<hr/>		
Exchange Rate Applied	¥105/US\$	¥97.5/US\$

*Effect on exclusion of some subsidiaries: ¥70.2 billion

Disclaimer

1. Statements made in this documents or in the presentation to which they pertain regarding estimates or projections are forward-looking statements based on the company's judgments and assumptions in light of information currently available. Actual results may differ materially from those projected as a result of uncertainties inherent in such judgments and assumptions, as well as changes in business operations or other internal or external conditions. Accordingly, the company gives no guarantee regarding the reliability of any information contained in these forward-looking statements.
2. These documents are for information purpose only, and do not constitute an inducement by the company to make investments.
3. Unauthorized reproduction of these documents, in part or in whole, is prohibited.