

# **Consolidated Financial Results for 3Q FY2011**

**January 26, 2012  
Fuji Electric Co., Ltd.**

# Consolidated Financial Results for 3Q FY2011

# Summary of Consolidated Financial Results for 9 months (Apr.-Dec.)

(Billion yen)

	9 months FY2010	9 months FY2011	Change
Net Sales	456.5	460.6	4.1
Operating Income/Loss	-9.3	-5.1	4.2
Ordinary Income/Loss	-16.3	-8.9	7.4
Extraordinary Income/Loss	23.8	-5.6	-29.4
Income Taxes	5.3	-9.2	-14.5
Minority Interest in income/loss	0.1	0.7	0.6
Net Income/Loss	2.0	-6.0	-8.0
Exchange Rate US\$	¥ 86.85	¥ 79.01	- ¥ 7.84
Exchange Rate EURO	¥ 113.31	¥ 110.64	- ¥ 2.67

## Operating Income/Loss

Cost Reduction	+11.9	Price Decline	-8.0
Reduction in Fixed Cost	+6.8	Exchange Rate Effect	-2.8
Increase in Sales Quantity and others	+0.9	Material Price Hikes	-4.2
		Effect of Earthquake	-0.4
	+19.6		-15.4

## Non-operating Income/Loss

Exchange Rate Effect	+2.9	(-4.6→-1.7)
Net Financial Revenue	+0.2	(-1.6→-1.4)
Income/Loss on Investment in Equity-method Affiliate	-0.2	(-1.1→-1.3)

## Extraordinary Income/Loss

Gain on Sales of an Investment Security	-30.7	(+30.7→+0.1)
Loss on Revaluation of Investment Securities	+2.1	(-2.6→-0.5)
Effect of Applying Asset Retirement Obligations	+2.3	(-2.3→0.0)
Production Plant Consolidation Expenses	-2.6	(0.0→-2.6)

(Billion yen)

	Net Sales			Operating Income/Loss		
	9 months FY2010	9 months FY2011	Change	9 months FY2010	9 months FY2011	Change
Energy	27.8	34.2	6.4	2.4	3.9	1.6
Industrial Systems	50.1	50.7	0.7	-2.0	-0.4	1.6
Social Systems	78.9	81.3	2.3	-4.3	-3.8	0.5
Power Electronics	61.0	62.6	1.6	0.4	-2.7	-3.1

### ➤ **Energy**

Net sales and operating results both improved year on year due to the recording of new projects in the electric power systems business and to higher demand for radiation dosimeters in the nuclear power-related equipment and radiation control systems business.

### ➤ **Industrial systems**

Net sales were up year on year due as a result of an increase in large-scale projects. Operating results increased year on year due to the higher sales and to lower costs and fixed costs.

### ➤ **Social systems**

Net sales were up year on year due to higher capital investment in substations and to increased convenience store refurbishment projects. Operating results increased year on year as a result of higher sales and lower costs and fixed expenses.

### ➤ **Power electronics equipment**

In the drive business, net sales were up year on year because of higher demand for products for China and other Asian markets. However, from the third quarter, overseas markets increasingly showed signs of slowing down. Operating results declined year on year as a consequence of the continued appreciation of the yen and production adjustments in China.

In the power supply business, net sales and operating results rose year on year due to an increase in demand for uninterruptible power supply systems (UPSs) for data centers and to an increase in exports to Asian markets.

(Billion yen)

	Net Sales			Operating Income/Loss		
	9 months FY2010	9 months FY2011	Change	9 months FY2010	9 months FY2011	Change
Electronic Devices	92.8	83.9	-8.9	-3.2	-0.6	2.6
Magnetic Disks	30.3	20.1	-10.2	-4.9	-1.2	3.7
ED&C Components	48.0	51.2	3.2	2.0	2.5	0.5
Vending Machines	60.4	59.1	-1.3	-1.9	-0.7	1.3
Others	78.4	76.2	-2.2	-0.1	0.6	0.7
Elimination and Corporate	-40.7	-38.5	2.2	-2.5	-4.0	-15
<b>Total (①+②)</b>	<b>456.5</b>	<b>460.6</b>	<b>4.1</b>	<b>-9.3</b>	<b>-5.1</b>	<b>4.2</b>

➤ **Electronic devices**

[Power semiconductors] Net sales rose year on year due to stronger demand in the industrial field and the automotive electronics business. However, from the third quarter, markets in the industrial field increasingly showed signs of slowing down. Operating results declined year on year as a consequence of the continued appreciation of the yen and an increase in fixed costs due to upfront investment.

[Magnetic disks] Net sales were down year on year due to a decrease in demand stemming from a slowdown in the PC market and from flooding in Thailand. Operating results improved year on year because of reductions in costs and fixed costs achieved through business restructuring.

➤ **ED&C components**

Net sales and operating results were both up year on year against a background of higher demand for products for China and other Asian markets.

➤ **Vending machines**

Net sales were down year on year due to lower market prices, which offset higher demand for energy-saving, environment-friendly vending machines. Operating results improved year on year because of reductions in costs and fixed costs achieved through business restructuring.

## Summary of Consolidated Financial Results for 3Q (Oct.-Dec.)

(Billion yen)

	3Q FY2010	3Q FY2011	Change
Net Sales	159.0	155.2	-3.8
Operating Income/Loss	1.7	0.5	-1.3
Ordinary Income/Loss	0.4	0.9	0.5
Extraordinary Income/Loss	-0.1	-0.9	-0.7
Income Taxes	-0.4	0.5	0.9
Minority Interest in income/loss	0.3	0.1	-0.2
Net Income/Loss	0.4	-0.6	-0.9

Exchange Rate US\$	¥ 82.64	¥ 77.41	- ¥ 5.23
Exchange Rate EURO	¥ 112.23	¥ 104.33	- ¥ 7.09

### Operating Income/Loss

Cost Reduction	+3.9	Price Decline	-3.0
Reduction in Fixed Cost	+2.0	Exchange Rate Effect	-0.3
Effect of Earthquake	+0.9	Material Price Hikes	-1.7
		Increase in Sales Quantity and others	-3.1
	+6.8		-8.1

### Non-operating Income/Loss

Exchange Rate Effect	+1.1	(-0.7→+0.4)
Income/Loss on Investment in Equity-method Affiliate	+0.3	(-0.3→+0.1)
Net Financial Revenue	+0.2	(-0.4→-0.2)

### Extraordinary Income/Loss

Loss on Disposal of Fixed Assets	-0.2	(-0.1→-0.2)
Loss on Revaluation of Investment Securities	-0.3	(0.0→-0.3)

## Net Sales and Operating Income by Segment for 3Q (Oct.-Dec.) ①

(Billion yen)

	Net Sales			Operating Income/Loss		
	3Q FY2010	3Q FY2011	Change	3Q FY2010	3Q FY2011	Change
Energy	10.9	13.9	3.0	2.1	1.9	-0.1
Industrial Systems	16.7	18.0	1.3	-0.7	0.1	0.8
Social Systems	28.9	28.4	-0.5	-0.1	-0.5	-0.4
Power Electronics	22.1	21.1	-1.0	1.1	-0.8	-1.9

### ➤ **Energy**

Net sales increased year on year due to the recording of new projects in the power supply business and to higher demand for radiation dosimeters in the nuclear power-related equipment and radiation control systems business. Operating results were unchanged year on year due to the appreciation of the yen, which offset the higher sales.

### ➤ **Industrial systems**

Net sales were up year on year as a result of an increase in large-scale projects. Operating results increased year on year due to higher sales and to lower costs and fixed costs.

### ➤ **Social systems**

Net sales and operating results were both down year on year, as customers restrained IT spending in the social information business, which offset an increase in convenience store refurbishment projects.

### ➤ **Power electronics equipment**

In the drive business, net sales were down year on year because of a slowdown in the China market. Operating results declined year on year as a consequence of the continued appreciation of the yen and production adjustments in China.

## Net Sales and Operating Income by Segment for 3Q (Oct.-Dec.) ②

(Billion yen)

	Net Sales			Operating Income/Loss		
	3Q FY2010	3Q FY2011	Change	3Q FY2010	3Q FY2011	Change
Electronic Devices	31.0	25.7	-5.3	-1.3	0.1	1.4
Magnetic Disks	10.5	5.8	-4.7	-2.6	0.1	2.7
ED&C Components	16.5	16.6	0.1	1.0	0.5	-0.6
Vending Machines	20.6	19.2	-1.5	0.5	0.2	-0.2
Others	27.0	25.8	-1.2	0.3	0.3	0.1
Elimination and Corporate	-14.7	-13.4	1.3	-1.1	-1.4	-0.4
<b>Total (①+②)</b>	<b>159.0</b>	<b>155.2</b>	<b>-3.8</b>	<b>1.7</b>	<b>0.5</b>	<b>-1.3</b>

### ➤ **Electronic devices**

[Power semiconductors] Net sales were down year on year, as strong sales in the automotive electronics business were not sufficient to offset sluggish sales in the industrial and power supply fields. Operating results declined year on year as a consequence of the continued appreciation of the yen and an increase in fixed costs due to upfront investment.

[Magnetic disks] Net sales were down year on year due to a decrease in demand stemming from a slowdown in the PC market and from flooding in Thailand. Operating results improved year on year because of reductions in costs and fixed costs achieved through business restructuring.

### ➤ **ED&C components**

Net sales were unchanged year on year, while operating results were down year on year due to higher prices for materials.

### ➤ **Vending machines**

Net sales and operating results were both down year on year due to lower market prices, which offset strong demand for energy-saving, environment-friendly vending machines.

# Consolidated Balance Sheet at the end of 3Q FY2011

(Billion yen)

Assets	3/31/11	12/31/11	Change
Cash and time deposit	81.9	31.2	-50.7
Notes and account receivables, trade receivables	197.4	155.6	-41.8
Inventories	109.5	164.4	55.0
Other current assets	54.3	59.5	5.2
<b>Total current assets</b>	<b>443.0</b>	<b>410.8</b>	<b>-32.3</b>
Tangible fixed assets	165.9	155.4	-10.5
Intangible fixed assets	10.1	9.7	-0.4
Investments and other assets	186.6	163.6	-23.0
<b>Total long-term assets</b>	<b>362.7</b>	<b>328.7</b>	<b>-34.0</b>
Deferred assets	0.1	0.1	0.0
<b>Total assets</b>	<b>805.8</b>	<b>739.6</b>	<b>-66.2</b>

Liabilities and Net Assets	3/31/11	12/31/11	Change
Notes and account payables, trade payables	134.7	118.1	-16.6
Interest-bearing Debts	274.0	248.5	-25.5
Other liabilities	222.2	216.4	-5.7
<b>Total liabilities</b>	<b>630.9</b>	<b>583.0</b>	<b>-47.8</b>
Common stock	47.6	47.6	-
Capital surplus	46.7	46.7	-0.0
Retained earnings	54.4	45.7	-8.7
Treasury stock at cost	-7.1	-7.1	-0.0
<b>Shareholders' equity</b>	<b>141.6</b>	<b>132.9</b>	<b>-8.7</b>
Accumulated other comprehensive income	13.8	3.8	-10.0
Minority interests in consolidated subsidiaries	19.6	19.9	0.3
<b>Total net assets</b>	<b>174.9</b>	<b>156.6</b>	<b>-18.4</b>
<b>Total liabilities and net assets</b>	<b>805.8</b>	<b>739.6</b>	<b>-66.2</b>
<b>Total Net Assets Ratio (%)*</b>	<b>19.3</b>	<b>18.5</b>	<b>-0.8</b>
<b>Net Debt-Equity Ratio (times)</b>	<b>1.2</b>	<b>1.6</b>	<b>+0.4</b>

\*Minority interests in consolidated subsidiaries is not included.

# Consolidated Financial Forecasts for FY2011

# Consolidated Forecasts for FY2011

(Billion yen)

	FY2010	FY2011		Change	
	Results	Forecasts (October 27)	Forecasts (January 25)	vs. Forecasts	YoY
Net Sales	689.1	720.0	700.0	-20.0	10.9
Operating Income/Loss	11.9	22.0	15.0	-7.0	3.1
Ordinary Income/Loss	7.2	20.0	13.0	-7.0	5.8
Net Income/Loss	15.1	12.0	7.0	-5.0	-8.1
Exchange Rate US\$	¥ 85.72	¥ 78.41	¥ 78.51	¥ 0.1	- ¥ 7.21
Exchange Rate EURO	¥ 113.12	¥ 109.40	¥ 107.98	- ¥ 1.42	- ¥ 5.14

Assumed exchange rate in 4Q

	US\$	EURO
Sales Exchange Rate (Yen)	¥ 77.00	¥ 100.00
One Yen Effect (Million yen)	90	20

【Reference】

\*Operating income basis

Previous assumed exchange rate (Yen)	¥ 77.00	¥ 105.00
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# Net Sales and Operating Income by Segment for FY2011 (vs. Forecasts)

(Billion yen)

	Net Sales			Operating Income		
	Forecasts (October 27)	Forecasts (January 25)	Change	Forecasts (October 27)	Forecasts (January 25)	Change
Energy	65.6	65.6	0.0	8.1	8.1	0.0
Industrial Systems	82.5	82.5	0.0	3.0	3.0	0.0
Social Systems	141.7	140.0	-1.7	5.4	4.5	-0.9
Power Electronics	96.2	89.5	-6.7	3.3	-1.0	-4.3
Electronic Devices	118.1	112.0	-6.1	0.7	-1.0	-1.7
Magnetic Disks	28.0	27.4	-0.7	-0.3	-0.2	0.1
ED&C Components	68.6	68.6	0.0	3.4	3.4	0.0
Vending Machines	81.5	81.5	0.0	1.9	1.9	0.0
Others	115.9	114.0	-1.9	2.3	2.2	-0.1
Elimination and Corporate	-50.1	-53.7	-3.6	-6.1	-6.1	0.0
<b>Total</b>	<b>720.0</b>	<b>700.0</b>	<b>-20.0</b>	<b>22.0</b>	<b>15.0</b>	<b>-7.0</b>

## ➤ **Social systems**

The current forecasts for net sales and operating income are lower than the previous forecasts due to delays in reconstruction demand.

## ➤ **Power electronics equipment**

The current forecasts for net sales and operating results are lower than the previous forecasts as a result of lower sales to China in the drive field and of declines in production on account of inventory adjustments.

## ➤ **Electronic devices**

The current forecasts for net sales and operating results are lower than the previous forecasts as a result of lower sales of industrial and other products in the semiconductor business and of declines in production on account of inventory adjustments.

## Net Sales and Operating Income by Segment for FY2011 (yoy)

(Billion yen)

	Net Sales			Operating Income		
	Results FY2010	Forecasts FY2011 (January 25)	Change	Results FY2010	Forecasts FY2011 (January 25)	Change
Energy	49.5	65.6	16.1	5.6	8.1	2.6
Industrial Systems	81.6	82.5	0.9	1.6	3.0	1.4
Social Systems	134.2	140.0	5.8	2.8	4.5	1.7
Power Electronics	88.1	89.5	1.4	2.2	-1.0	-3.2
Electronic Devices	125.9	112.0	-13.9	-2.0	-1.0	1.0
Magnetic Disks	40.4	27.4	-13.0	-5.2	-0.2	4.9
ED&C Components	65.5	68.6	3.2	2.9	3.4	0.5
Vending Machines	85.8	81.5	-4.2	0.4	1.9	1.5
Others	115.9	114.0	-1.9	2.1	2.2	0.1
Elimination and Corporate	-57.4	-53.7	3.7	-3.4	-6.1	-2.6
<b>Total</b>	<b>689.1</b>	<b>700.0</b>	<b>10.9</b>	<b>11.9</b>	<b>15.0</b>	<b>3.1</b>

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