

December 26, 2007

Company Name: Fuji Electric Holdings Co., Ltd.

Representative: Haruo Ito, President and Representative Director

(Code Number: 6504, listed in 1st section of TSE, OSE and NSE; and FSE)

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Establishment of New Sub-subsidiary

Fuji Electric Holdings Co., Ltd. (FHC) announced today that its board of directors had passed a resolution on December 21, 2007 on the establishment of its new sub-subsidiary, a subsidiary of its subsidiary Fuji Electric Device Technology Co., Ltd. (FDT).

1. Purpose of Establishment

The market of the insulated gate bipolar transistor (IGBT), a switching element for electric power, is expected to expand in the future. To keep up with the expected growing demand, FHC decided to set up its new sub-subsidiary in the premises of Fuji Electric (Malaysia) Sdn. Bhd., one of its group company in Kulim district, Kedah, Malaysia which produces magnetic disks (hard disks), to reinforce production capacity for wafer processes and assembly processes of IGBT modules.

2. Outline of subsidiary (FDT)

- 1) Name of company: Fuji Electric Device Technology Co., Ltd.
- 2) Representative: Akira Takai, President and Representative Director
- 3) Location: 1-11-2 Osaki, Shinagawa-ku, Tokyo, Japan

3. Outline of sub-subsidiary

- 1) Name of company: Fuji Electric Semiconductor (Malaysia) Sdn. Bhd.
- 2) Representative: To be determined
- 3) Location: Lot No.5 Industrial Zone Phase I, Kulim Hi-Tech Industrial Park

09000,Kulim,Kedah Darul Aman, Malaysia (in the premises of Fuji Electric (Malaysia) Sdn. Bhd.)

- 4) Establishment: March 1, 2008
- 5) Main business: Manufacture and assembly of power semiconductors
- 6) Fiscal year-end: March 3
- 7) Scheduled number of employees: 79 (as of March, 2008)
- 8) Capital: ¥9 billion (RM 281,250,000 1RM = ¥32)
- 9) Capital investor: Fuji Electric Device Technology Co., Ltd. (100%)

4. Future outlook

Fuji Electric Semiconductor (Malaysia) Sdn. Bhd. is scheduled to be established in March 2008 and start operation in April 2008. This establishment does not affect FHC's consolidated financial result for the fiscal year ending March 31, 2008. The planned sales of the sub-subsidiary for the fiscal year ending March 31, 2009 is ¥3.6 billion.