

**Consolidated Financial Results for the First Half of the fiscal year
ending March 31, 2009**

Summary of Consolidated Financial Results

1. Summary of consolidated statements of income (April 1 - September 30, 2009)

	Millions of yen		Millions of U.S. dollars
	1H FY2009	1H FY2008	1H FY2009
Net sales	291,162	372,976	3,235
Operating income	-20,517	-6,707	-228
Ordinary income	-23,771	-7,450	-264
Net income	-16,253	-10,753	-181
	Yen		U.S. dollars
Net income per share	-22.74	-15.05	-0.25

2. Summary of consolidated financial position

	Millions of yen		Millions of U.S. dollars
	9/30/2009	3/31/2009	9/30/2009
Total assets	825,736	908,941	9,175
Net assets	153,982	146,113	1,711
Net assets ratio (%)	17.0%	14.3%	-
	Yen		U.S. dollars
Net Assets per share	196.20	182.37	2.18

Note: 1) U.S. dollar amounts in this financial report are translated, for convenience only, at the rate of ¥90=U.S.\$1

2) The company has 58 consolidated subsidiaries and 5 equity-method affiliates.

**3. Forecast of consolidated earnings for the fiscal year ending March 31, 2010
(April 1, 2009 - March 31, 2010)**

	Millions of yen
	FY2009
Net sales	690,000
Operating income	-12,000
Ordinary income	-17,000
Net income	-17,000
	Yen
	FY2009
Net income per share	△ 23.79

< Cautionary Statements With Respect to Forward-Looking Statement >

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 Balance Sheets

	Millions of yen		<i>Millions of U.S. dollars</i>
	<u>9/30/2009</u>	<u>3/31/2009</u>	<u>9/30/2009</u>
Assets			
Current assets:			
Cash and deposits	38,760	85,467	431
Notes and accounts receivable-trade	152,950	178,948	1,699
Merchandise and finished goods	40,295	53,601	448
Work in process	51,709	66,203	575
Raw materials and supplies	21,799	30,770	242
Other	49,017	49,332	545
Allowance for doubtful accounts	-494	-601	-5
Total Current assets	<u>354,039</u>	<u>463,721</u>	<u>3,934</u>
Noncurrent assets:			
Property, plant and equipment	177,738	194,552	1,975
Intangible assets	10,259	10,621	114
Investments and other assets			
Investment securities	222,608	178,221	2,473
Other	62,155	62,713	691
Allowance for doubtful accounts	-1,335	-1,259	-15
Total Investments and other assets	<u>283,428</u>	<u>239,676</u>	<u>3,149</u>
Total Noncurrent assets	<u>471,425</u>	<u>444,850</u>	<u>5,238</u>
Deferred assets	<u>271</u>	<u>369</u>	<u>3</u>
Total assets	<u><u>825,736</u></u>	<u><u>908,941</u></u>	<u><u>9,175</u></u>

Consolidated Balance Sheets

	Millions of yen		<i>Millions of U.S. dollars</i>
	<u>9/30/2009</u>	<u>3/31/2009</u>	<u>9/30/2009</u>
Liabilities			
Current liabilities:			
Notes and accounts payable-trade	99,327	121,115	1,104
Short-term loans payable	121,150	131,902	1,346
Commercial papers	39,000	53,000	433
Income taxes payable	2,702	2,691	30
Advances received	35,414	57,421	393
Other	99,535	107,471	1,106
Total current liabilities	<u>397,130</u>	<u>473,602</u>	<u>4,413</u>
Noncurrent liabilities:			
Bonds payable	111,010	146,980	1,233
Long-term loans payable	85,706	84,201	952
Provision for retirement benefits	8,344	8,715	93
Provision for directors' retirement benefits	371	862	4
Other	69,191	48,465	769
Total Noncurrent liabilities	<u>274,623</u>	<u>289,225</u>	<u>3,051</u>
Total Liabilities	<u>671,753</u>	<u>762,828</u>	<u>7,464</u>
Net Assets			
Shareholders' equity:			
Capital stock	47,586	47,586	529
Capital surplus	46,734	46,734	519
Retained earnings	18,949	34,850	211
Treasury stock	-7,092	-7,088	-79
Total Shareholders' equity	<u>106,177</u>	<u>122,083</u>	<u>1,180</u>
Valuation and translation adjustments:			
Valuation difference on available-for-sale securities	38,180	10,751	424
Deferred gains or losses on hedges	204	-60	2
Foreign currency translation adjustments	-4,346	-2,431	-48
Total Valuation and translation adjustments	<u>34,038</u>	<u>8,258</u>	<u>378</u>
Minority interests	<u>13,766</u>	<u>15,771</u>	<u>153</u>
Total Net assets	<u>153,982</u>	<u>146,113</u>	<u>1,711</u>
Total Liabilities and Net assets	<u>825,736</u>	<u>908,941</u>	<u>9,175</u>

Consolidated Statements of Operations

For the first Half of FY2009 (April 1 - September 30, 2009)

	Millions of yen		<i>Millions of U.S. dollars</i>
	1H FY2009	1H FY2008	<i>1H FY2009</i>
Net sales	291,162	372,976	3,235
Cost of sales	250,952	306,978	2,788
Gross profit	40,209	65,997	447
Selling, general and administrative expenses	60,726	72,705	675
Operating loss	-20,517	-6,707	-228
Non-operating income			
Interest income	81	133	1
Dividends income	1,455	2,490	16
Other	1,118	917	12
Total Non-operating income	2,655	3,541	30
Non-operating expenses			
Interest expense	3,467	2,820	39
Interest on commercial papers	213	152	2
Equity in losses of affiliates	704	702	8
Other	1,523	607	17
Total Non-operating expenses	5,909	4,283	66
Operating loss	-23,771	-7,450	-264
Extraordinary income			
Gain on sales of noncurrent assets	3,854	-	43
Gain on sales of investment securities	20	-	0
Gain on adjustment for changes of accounting standard for construct contracts	5,854	-	65
Other	10	-	0
Total Extraordinary income	9,739	-	108
Extraordinary loss			
Loss on disposal of noncurrent assets	604	1,379	7
Loss on valuation of investment securities	175	183	2
Business restructuring costs	2,540	-	28
Loss on valuation of inventories	-	1,635	-
Special retirement expenses	-	1,516	-
Other	469	1,416	5
Total Extraordinary loss	3,789	6,132	42
Loss before income taxes	-17,820	-13,583	-198
Income taxes	-2	-2,920	-0
Minority interests in income (loss)	-1,564	90	-17
Net loss	-16,253	-10,753	-181

Consolidated Statements of Operations

For the second quarter of FY2009 (July 1 - September 30, 2009)

	Millions of yen		Millions of U.S. dollars
	2Q FY2009	2Q FY2008	2Q FY2009
Net sales	158,876	201,384	1,765
Cost of sales	133,396	165,401	1,482
Gross profit	25,480	35,983	283
Selling, general and administrative expenses	31,374	37,058	349
Operating loss	-5,894	-1,075	-65
Non-operating income			
Interest income	53	74	1
Dividends income	66	105	1
Subsidies for employment adjustment	390	-	4
Other	254	422	3
Total Non-operating income	765	601	9
Non-operating expenses			
Interest expense	1,815	1,499	20
Interest on commercial papers	99	75	1
Equity in losses of affiliates	120	144	1
Foreign exchange losses	662	-	7
Other	477	307	5
Total Non-operating expenses	3,174	2,027	35
Operating loss	-8,303	-2,500	-92
Extraordinary income			
Gain on sales of noncurrent assets	3,812	-	42
Gain on sales of investment securities	20	-	0
Other	10	-	0
Total Extraordinary income	3,843	-	43
Extraordinary loss			
Loss on disposal of noncurrent assets	472	1,288	5
Loss on valuation of investment securities	21	77	0
Business restructuring costs	2,156	-	24
Special retirement expenses	-	321	-
Other	314	724	3
Total Extraordinary loss	2,965	2,412	33
Loss before income taxes	-7,425	-4,912	-83
Income taxes	1,275	-778	14
Minority interests in income (loss)	-762	2	-8
Net loss	-7,938	-4,137	-88

Consolidated quarterly statements of cash flows
For the first Half of FY2009 (April 1 - September 30, 2009)

	Millions of yen		<i>Millions of U.S. dollars</i>
	1H FY2009	1H FY2008	1H FY2009
I Cash flows from operating activities			
Loss before income taxes	-17,820	-13,583	-198
Depreciation and amortization	11,976	11,921	133
Interest and dividends income	-1,537	-2,623	-17
Interest expenses	3,467	2,820	39
Loss (gain) on sales of noncurrent assets	-3,854	-	-43
Loss (gain) on disposal of noncurrent assets	604	1,379	7
Loss (gain) on valuation of investment securities	175	183	2
Decrease (increase) in notes and accounts receivable-trade	25,903	57,354	288
Decrease (increase) in inventories	35,887	-33,848	399
Increase (decrease) in notes and accounts payable-trade	-21,079	-28,735	-234
Increase (decrease) in advances received	-22,005	19,172	-245
Other, net	-10,376	781	-115
Subtotal	1,340	14,823	15
Interest and dividends income received	1,510	2,660	17
Interest expenses paid	-3,561	-2,823	-40
Income taxes paid	-2,138	-3,854	-24
Net cash provided by (used in) operating activities	-2,848	10,805	-32
II Cash flows from investment activities			
Purchase of property, plant and equipment	-5,889	-16,883	-65
Proceeds from sales of property, plant and equipment	12,354	181	137
Purchase of investment securities	-260	-315	-3
Proceeds from sales of investment securities	58	2,101	1
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	-	4,309	-
Payments of loans receivable	-5,248	-5,368	-58
Collection of loans receivable	4,733	6,391	53
Other, net	-2,177	-1,370	-24
Net cash provided by (used in) investment activities	3,570	-10,954	40
III Cash flows from financing activities			
Net increase (decrease) in short-term loans payable	-7,957	9,432	-88
Increase (decrease) in commercial papers	-14,000	-15,500	-156
Proceeds from long-term loans payable	11,292	7,945	125
Repayment of long-term loans payable	-8,591	-6,131	-95
Proceeds from issuance of bonds	-	10,000	-
Redemption of bonds	-25,970	-10,000	-289
Proceeds from sales of treasury stock	0	-	0
Purchase of treasury stock	-4	-17	-0
Cash dividends paid	-	-2,858	-
Cash dividends paid to minority shareholders	-59	-66	-1
Other, net	-1,855	-277	-21
Net cash used in financing activities	-47,145	-7,472	-524
IV Effect of exchange rate change on cash and cash equivalents	-432	-497	-5
V Net increase (decrease) in cash and cash equivalents (I + II + III + IV)	-46,855	-8,119	-521
VI Cash and cash equivalents at beginning of period	85,365	22,092	949
VII Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	150	355	2
VIII Cash and cash equivalents at end of period	38,659	14,328	430

Consolidated Segment Information

1. Net sales and operating income by business segment

For the second quarter of FY2008 (July 1 - September 30, 2008)

	Millions of yen						
	Energy & Electric Systems	Electronic Devices	Retail Systems	Others	Sub total	Elimination and Corporate	Total
Sales							
Unaffiliated customers	118,308	46,088	34,530	2,456	201,384	-	201,384
Intersegment	2,076	1,247	274	10,299	13,898	-13,898	-
Total sales	120,385	47,335	34,805	12,756	215,283	-13,898	201,384
Operating income	1,485	-2,186	-562	772	-492	-582	-1,075

For the first Half of FY2008 (April 1 - September 30, 2008)

	Millions of yen						
	Energy & Electric Systems	Electronic Devices	Retail Systems	Others	Sub total	Elimination and Corporate	Total
Sales							
Unaffiliated customers	209,834	86,255	71,825	5,060	372,976	-	372,976
Intersegment	3,854	2,470	372	18,078	24,775	-24,775	-
Total sales	213,688	88,725	72,198	23,139	397,751	-24,775	372,976
Operating income	-1,256	-6,500	504	1,201	-6,051	-656	-6,707

For the second quarter of FY2009 (July 1 - September 30, 2009)

	Millions of yen						
	Energy & Electric Systems	Electronic Devices	Retail Systems	Others	Sub total	Elimination and Corporate	Total
Sales							
Unaffiliated customers	98,824	28,907	28,778	2,367	158,876	-	158,876
Intersegment	1,404	120	64	10,113	11,702	-11,702	-
Total sales	100,228	29,028	28,842	12,480	170,579	-11,702	158,876
Operating income	150	-4,260	-1,874	807	-5,176	-717	-5,894

For the first Half of FY2009 (April 1 - September 30, 2009)

	Millions of yen						
	Energy & Electric Systems	Electronic Devices	Retail Systems	Others	Sub total	Elimination and Corporate	Total
Sales							
Unaffiliated customers	177,183	52,845	56,862	4,271	291,162	-	291,162
Intersegment	2,255	472	104	16,392	19,225	-19,225	-
Total sales	179,439	53,317	56,966	20,664	310,387	-19,225	291,162
Operating income	-4,679	-13,462	-2,355	1,072	-19,424	-1,092	-20,517

For the second quarter of FY2009 (July 1 - September 30, 2009)

	Millions of U.S. dollars						
	Energy & Electric Systems	Electronic Devices	Retail Systems	Others	Sub total	Elimination and Corporate	Total
Sales							
Unaffiliated customers	1,098	321	320	26	1,765	-	1,765
Intersegment	16	1	1	112	130	-130	-
Total sales	1,114	323	320	139	1,895	-130	1,765
Operating income	2	-47	-21	9	-58	-8	-65

For the first Half of FY2009 (April 1 - September 30, 2009)

	Millions of U.S. dollars						
	Energy & Electric Systems	Electronic Devices	Retail Systems	Others	Sub total	Elimination and Corporate	Total
Sales							
Unaffiliated customers	1,969	587	632	47	3,235	-	3,235
Intersegment	25	5	1	182	214	-214	-
Total sales	1,994	592	633	230	3,449	-214	3,235
Operating income	-52	-150	-26	12	-216	-12	-228

2. Consolidated Geographic Segment information

For the second quarter of FY2008 (July 1 - September 30, 2008)

	Millions of yen							
	Japan	North America	Europe	Asia (except for China)	China	Sub total	Elimination and Corporate	Total
Sales								
Unaffiliated customers	181,951	2,401	2,773	3,384	10,872	201,384	-	201,384
Intersegment	18,668	119	23	8,680	3,045	30,537	-30,537	-
Total sales	200,619	2,521	2,797	12,065	13,918	231,921	-30,537	201,384
Operating income	-557	8	-9	-1,116	974	-700	-375	-1,075

For the first Half of FY2008 (April 1 - September 30, 2008)

	Millions of yen							
	Japan	North America	Europe	Asia (except for China)	China	Sub total	Elimination and Corporate	Total
Sales								
Unaffiliated customers	331,789	4,975	6,751	7,052	22,407	372,976	-	372,976
Intersegment	34,205	227	61	17,476	6,232	58,204	-58,204	-
Total sales	365,994	5,203	6,813	24,529	28,639	431,180	-58,204	372,976
Operating income	-7,485	34	-2	-1,600	2,059	-6,994	286	-6,707

For the second quarter of FY2009 (July 1 - September 30, 2009)

	Millions of yen							
	Japan	North America	Europe	Asia (except for China)	China	Sub total	Elimination and Corporate	Total
Sales								
Unaffiliated customers	144,691	1,674	1,806	2,413	8,291	158,876	-	158,876
Intersegment	12,226	149	35	6,806	1,895	21,114	-21,114	-
Total sales	156,918	1,824	1,841	9,220	10,186	179,991	-21,114	158,876
Operating income	-4,618	-13	-59	-1,169	457	-5,403	-491	-5,894

For the first Half of FY2009 (April 1 - September 30, 2009)

	Millions of yen							
	Japan	North America	Europe	Asia (except for China)	China	Sub total	Elimination and Corporate	Total
Sales								
Unaffiliated customers	263,785	3,474	3,711	4,507	15,683	291,162	-	291,162
Intersegment	20,219	335	73	11,991	3,662	36,280	-36,280	-
Total sales	284,004	3,809	3,784	16,499	19,345	327,443	-36,280	291,162
Operating income	-19,041	-54	-97	-1,706	835	-20,064	-452	-20,517

For the first two quarters of FY2009 (April 1 - September 30, 2009)

	Millions of U.S. dollars							
	Japan	North America	Europe	Asia (except for China)	China	Sub total	Elimination and Corporate	Total
Sales								
Unaffiliated customers	1,608	19	20	27	92	1,765	-	1,765
Intersegment	136	2	0	76	21	235	-235	-
Total sales	1,744	20	20	102	113	2,000	-235	1,765
Operating income	-51	-0	-1	-13	5	-60	-5	-65

For the first Half of FY2009 (April 1 - September 30, 2009)

	Millions of U.S. dollars							
	Japan	North America	Europe	Asia (except for China)	China	Sub total	Elimination and Corporate	Total
Sales								
Unaffiliated customers	2,931	39	41	50	174	3,235	-	3,235
Intersegment	225	4	1	133	41	403	-403	-
Total sales	3,156	42	42	183	215	3,638	-403	3,235
Operating income	-212	-1	-1	-19	9	-223	-5	-228

3. Net overseas sales

For the second quarter of FY2008 (July 1 - September 30, 2008)

	Millions of yen					Total
	North America	Europe	Asia (except for China)	China	Other	
Overseas sales	2,796	4,525	32,828	12,013	2,220	54,384
Consolidated net sales						201,384
Overseas sales as a percentage of consolidated net sales	1.4%	2.3%	16.3%	6.0%	1.1%	27.0%

For the first two quarters of FY2008 (April 1 - September 30, 2008)

	Millions of yen					Total
	North America	Europe	Asia (except for China)	China	Other	
Overseas sales	5,263	9,127	53,848	24,666	3,191	96,097
Consolidated net sales						372,976
Overseas sales as a percentage of consolidated net sales	1.4%	2.5%	14.4%	6.6%	0.9%	25.8%

For the second quarter of FY2009 (July 1 - September 30, 2009)

	Millions of yen					Total
	North America	Europe	Asia (except for China)	China	Other	
Overseas sales	3,213	4,054	20,233	12,726	6,895	47,124
Consolidated net sales						158,876
Overseas sales as a percentage of consolidated net sales	2.0%	2.6%	12.7%	8.0%	4.3%	29.7%

For the first two quarters of FY2009 (April 1 - September 30, 2009)

	Millions of yen					Total
	North America	Europe	Asia (except for China)	China	Other	
Overseas sales	5,324	6,866	37,892	21,063	13,891	85,037
Consolidated net sales						291,162
Overseas sales as a percentage of consolidated net sales	1.8%	2.4%	13.0%	7.2%	4.8%	29.2%

For the second quarter of FY2009 (July 1 - September 30, 2009)

	Millions of U.S. dollars					Total
	North America	Europe	Asia (except for China)	China	Other	
Overseas sales	36	45	225	141	77	524
Consolidated net sales						1,765
Overseas sales as a percentage of consolidated net sales	2.0%	2.6%	12.7%	8.0%	4.3%	29.7%

For the first two quarters of FY2009 (April 1 - September 30, 2009)

	Millions of U.S. dollars					Total
	North America	Europe	Asia (except for China)	China	Other	
Overseas sales	59	76	421	234	154	945
Consolidated net sales						3,235
Overseas sales as a percentage of consolidated net sales	1.8%	2.4%	13.0%	7.2%	4.8%	29.2%

Supplemental Consolidated Financial Materials

1. Financial summary

	Billions of yen					
	1H FY2008		FY2008		1H FY2009	
		change(%)		change(%)		change(%)
Net sales	373.0	93.3%	766.6	83.1%	291.2	78.1%
Operating income	-6.7	-	-18.9	-	-20.5	-
Ordinary income	-7.5	-	-20.8	-	-23.8	-
Net income	-10.8	-	-73.3	-	-16.3	-

2. Number of consolidated subsidiaries

	1H FY2008	FY2008	1H FY2009
Number of consolidated subsidiaries	66	66	58
Japan	45	45	39
Overseas	21	21	19
Number of equity-method affiliates	3	3	5

3. Net income per share

	Yen		
	1H FY2008	FY2008	1H FY2009
Net income per share	-15.05	-102.57	-22.74

4. Sales exchange rate (US\$)

	Yen		
	1H FY2008	FY2008	1H FY2009
US\$	106.11	100.54	95.49
EURO	162.68	143.48	133.16

5. Net sales by business segment

	Billions of yen					
	1H FY2008		FY2008		1H FY2009	
		change(%)		change(%)		change(%)
Energy & Electric Systems	213.7	90.5%	490.4	83.4%	179.4	84.0%
Electronic Devices	88.7	102.2%	141.6	76.6%	53.3	60.1%
Retail Systems	72.2	90.0%	136.4	86.0%	57.0	78.9%
Others	23.1	99.7%	48.9	94.6%	20.7	89.3%
Subtotal	397.8	93.3%	817.3	83.2%	310.4	78.0%
Elimination	-24.8	-	-50.7	-	-19.2	-
Total	373.0	93.3%	766.6	83.1%	291.2	78.1%

Note : Net sales include inter-segment transactions.

6. Operating income by business segment

	Billions of yen					
	1H FY2008		FY2008		1H FY2009	
		change(%)		change(%)		change(%)
Energy & Electric Systems	-1.3	-	10.7	44.9%	-4.7	-
Electronic Devices	-6.5	-	-31.0	-	-13.5	-
Retail Systems	0.5	56.7%	-0.5	-	-2.4	-
Others	1.2	116.6%	2.8	113.1%	1.1	89.3%
Subtotal	-6.1	-	-18.0	-	-19.4	-
Elimination/Corporate	-0.7	-	-0.8	-	-1.1	-
Total	-6.7	-	-18.9	-	-20.5	-

7. Net overseas sales

	Billions of yen					
	1H FY2008		FY2008		1H FY2009	
	change(%)		change(%)		change(%)	
North America	5.3	85.0%	10.1	63.6%	5.3	101.2%
Europe	9.1	110.0%	14.1	79.4%	6.9	75.2%
Asia (except for China)	53.8	111.9%	101.3	97.1%	37.9	70.4%
China	24.7	103.3%	39.6	85.8%	21.1	85.4%
Other	3.2	150.2%	16.0	241.0%	13.9	435.3%
Total	96.1	108.5%	181.0	94.9%	85.0	88.5%

8. R&D expenditures

	Billions of yen					
	1H FY2008		FY2008		1H FY2009	
	change(%)		change(%)		change(%)	
Energy & Electric Systems	6.7	94.7%	14.1	94.9%	5.4	80.6%
Electronic Devices	7.4	111.0%	13.4	106.5%	5.0	67.3%
Retail Systems	1.5	77.4%	2.9	76.7%	1.2	77.8%
Others	0.0	-	0.0	-	0.0	-
Corporate (basic research)	0.0	-	0.0	-	0.0	-
Total	15.6	99.4%	30.4	97.2%	11.5	74.0%
Ratio to net sales (%)	4.2%	-	4.0%	-	4.0%	-

9. Plant and equipment investment (including leases)

	Billions of yen					
	1H FY2008		FY2008		1H FY2009	
	change(%)		change(%)		change(%)	
Energy & Electric Systems	3.1	87.9%	10.1	120.6%	4.0	128.0%
Electronic Devices	14.0	45.3%	19.2	31.2%	4.2	29.8%
Retail Systems	0.9	54.6%	2.4	69.5%	0.5	49.4%
Others	0.5	70.2%	1.6	101.9%	0.4	74.4%
Corporate	0.2	-	0.2	-	0.1	-
Total	18.7	50.5%	33.5	44.5%	9.1	48.5%
(Leases)	(5.4)	27.3%	(12.9)	34.4%	(5.6)	105.3%

Note: Leases are included in total plant and equipment investment.

10. Depreciation, Leases paid

	Billions of yen					
	1H FY2008		FY2008		1H FY2009	
	change(%)		change(%)		change(%)	
Energy & Electric Systems	5.9	106.7%	11.5	100.6%	5.9	99.9%
Electronic Devices	18.1	119.8%	34.2	105.3%	14.0	77.5%
Retail Systems	2.1	103.3%	4.2	98.4%	1.8	84.0%
Others	0.7	83.7%	1.8	107.7%	0.6	80.3%
Corporate	0.1	-	0.2	-	0.1	-
Total	26.9	114.1%	51.9	103.8%	22.3	83.0%
(Leases paid)	(16.1)	106.9%	(30.3)	96.9%	11.6	72.2%

Note: Leases paid for plant and equipment investment and begun to pay before the end of March, 2008.

11. Number of employees

	9/30/2008	3/31/2009	9/30/2009
Energy & Electric Systems	13,071	13,238	12,940
Electronic Devices	6,047	5,108	5,311
Retail Systems	2,705	2,694	2,694
Others	1,797	1,613	1,542
Corporate	143	146	212
Total	23,763	22,799	22,699
Japan	19,312	19,008	18,634
Overseas	4,451	3,791	4,065

Financial Performance

* Figures for year-on-year changes are provided for reference.

1. Qualitative Information Regarding Consolidated Results

In the first half of fiscal 2009, the six-month period from April 1 to September 30, 2009, the Fuji Electric Group's operating environment saw a trend toward recovery in Asian markets, centered on China, and signs that the economic recession, which started from the second half of the previous year, was bottoming out. Nonetheless, the future course of business conditions remains difficult to forecast, and moving forward, the operating environment is expected to remain challenging.

Against this backdrop, the Group has positioned fiscal 2009 as a year for the completion of business restructuring, targeting a return to profitability in fiscal 2010. Specifically, to rebuild its earnings base the Group is working to lower the break-even levels at several businesses, while at the same time strengthening solutions businesses, with a focus on the fields of "energy and the environment."

Consolidated results for the first six months of fiscal 2009 were as follows.

Net sales were down ¥81.8 billion year on year, to ¥291.2 billion. By segment, the Energy & Electric Systems Group had solid plant-related sales, primarily from large overseas projects, but overall sales declined year on year due to lower demand for component products.

In the Electronic Devices Group, despite signs of recovery in certain sectors, a full-scale recovery did not develop and sales were down substantially year on year. In the Retail Systems Group, sales declined year on year as a result of lower demand for vending machines.

Despite a reduction in total expenses achieved through business restructuring measures, all groups recorded year-on-year declines in operating income, ordinary income, and net income due to such factors as lower demand stemming from deteriorating market conditions and exchange rate fluctuations.

Operating results for the first six months of fiscal 2009 were as follows.

(¥ billion)

	1H Fiscal 2008	1H Fiscal 2009	Change
Net sales	373.0	291.2	-81.8
Operating income/loss	-6.7	-20.5	-13.8
Ordinary income/loss	-7.5	-23.8	-16.3
Net income/loss	-10.8	-16.3	-5.5

Results by Segment

[Energy & Electric Systems Group]

YoY: Net sales declined 16.0%; operating results worsened ¥3.4 billion

Net sales declined 16.0% year on year, to ¥179.4 billion, and operating results worsened ¥3.4 billion year on year, for an operating loss of ¥4.7 billion.

In this segment, sales and earnings are impacted by seasonal demand concentrated in the fourth quarter of the fiscal year, particularly in the plant-related business.

The drive business experienced lower demand year on year for general-purpose inverters, small motors, and other component products, and sales and operating results both declined year on year.

In the automation business, demand for measuring instruments and other component products decreased, and sales and operating income both declined year on year.

In the industrial plant engineering business, orders were received for major projects, such as large-scale rectifier facilities overseas, but sales decreased year on year. Operating results improved year on year due to the effects of cost reductions and other measures.

In the electric power systems business, there was an increase in large thermal power plant projects overseas, resulting in year-on-year growth in both sales and operating income.

In the plant facility construction business, there was an increase in projects, resulting in year-on-year growth in both sales and operating income.

In the Electric Distribution & Control (ED&C) components business, due to such factors as the restriction or postponement of capital investment and a fall in demand from manufacturers of machinery, a key field for the Company, sales and operating results both declined substantially year on year.

[Electronic Devices Group]

YoY: Net sales declined 39.9%; operating results worsened ¥7.0 billion

Net sales declined 39.9% year on year, to ¥53.3 billion, and operating results worsened ¥7.0 billion year on year, for an operating loss of ¥13.5 billion.

In the semiconductor business, there were increases in demand, principally for environmentally friendly vehicles, and a trend toward recovery in demand in Asian markets. However, the recovery in Japan, Europe, and the United States was extremely slow. A full-fledged recovery was not reached, and consequently, sales and operating results were both down substantially year on year.

In the magnetic disk business, we shipped models to meet the need for higher capacities in the HDD market, but shipment volumes did not recover to the previous year's level, and sales and operating results were both down year on year.

The photoconductor business recorded growth in sales volume, but with product price declines and a stronger yen, sales were down from the previous year. Operating results were about the same as in the previous year.

[Retail Systems Group]

YoY: Net sales declined 21.1%; operating results worsened ¥2.9 billion

Net sales declined 21.1% year on year, to ¥57.0 billion, and operating results worsened ¥2.9 billion year on year, for an operating loss of ¥2.4 billion.

In the vending machine and food equipment business, we worked to increase sales, centered on environmentally friendly vending machines, but due to limited investment in vending machines from the second half of the previous fiscal year, sales declined substantially year on year. Operating results were down year on year due to a slight decline in sales volume.

In the currency-handling equipment business, due to the influence of sluggish retail market conditions, there were declines in automated change dispensers and electronic money-related equipment, and sales and operating results were both down year on year.

In the cold-chain equipment business, solid results were recorded in products for convenience stores, but due to intensified price competition in products for supermarkets, sales were down year on year. However, due to strengthened project management and fixed cost reduction initiatives, operating results improved year on year.

[Others]

YoY: Net sales declined 10.7%; operating results worsened ¥0.1 billion

Net sales declined 10.7% year on year, to ¥20.7 billion, and operating results worsened ¥0.1 billion year on year, for an operating loss of ¥1.1 billion.

Quantitative Information Regarding Consolidated Financial Position

(¥ billion)

	March 31, 2009	Breakdown (%)	September 30, 2009	Breakdown (%)	Change
Total assets	908.9	100.0	825.7	100.0	-83.2
Interest-bearing debt	416.1	45.8	366.9	44.4	-49.2
Shareholder's equity ^{*1}	130.3	14.3	140.2	17.0	+9.9
Debt-equity ratio ^{*2} (times)	3.2		2.6		-0.6

*1 Shareholders' equity = Total net assets - Minority interests

*2 D/E ratio = Interest-bearing debt / Shareholders' equity

As of September 30, 2009, total assets were ¥825.7 billion, a decline of ¥83.2 billion from March 31, 2009, the end of the previous fiscal year. Current assets were down ¥109.7 billion, primarily because of declines in cash and deposits, inventories, and trade receivables. Although tangible fixed assets declined, long-term assets rose ¥26.6 billion due to such factors as an increase in the market value of other marketable securities.

Due primarily to the redemption of bonds, interest-bearing debt declined ¥49.2 billion, to ¥366.9 billion as of the end of the six-month period. Net financial obligations, which are calculated by subtracting cash and cash equivalents from interest-bearing debt, declined ¥2.5 billion, to ¥328.2 billion.

Net assets increased ¥7.9 billion, to ¥154.0 billion as of the end of the six-month period, as a result of an increase in the valuation difference on other marketable securities, which offset a decline in retained earnings. Shareholders' equity (total net assets less minority interests) was up ¥9.9 billion from the end of the previous fiscal year, to ¥140.2 billion. The debt-equity ratio was 2.6 times, compared with 3.2 times at the end of the previous fiscal year. The net debt-equity ratio (net financial obligations / shareholders' equity) was 2.3 times, compared with 2.5 times at the end of the previous fiscal year.

(¥ billion)

	1H Fiscal 2008	1H Fiscal 2009	YoY Change
Cash flow from operating activities	10.8	-2.8	-13.7
Cash flow from investing activities	-11.0	3.6	14.5
Free cash flow	-0.1	0.7	0.9
Cash flow from financing activities	-7.5	-47.1	-39.7
Cash and cash equivalents	14.3	38.7	24.3

Free cash flow (cash flow from operating activities + cash flow from investing activities) was a positive ¥0.7 billion on a consolidated basis for the six-month period under review (compared with a negative ¥0.1 billion in the same period of the previous fiscal year), a year-on-year improvement of ¥0.9 billion.

Cash flow from operating activities

Net cash used in operating activities was ¥2.8 billion, compared with net cash provided by operating activities of ¥10.8 billion in the same period of the previous fiscal year. Although inventories were reduced and collections of trade receivables were accelerated, the recording of a loss before income taxes and declines in trade payables were the principal factors leading to this result. This represented a year-on-year decline of ¥13.7 billion.

Cash flow from investing activities

Net cash provided by investing activities was ¥3.6 billion, compared with net cash used in investing activities of ¥11.0 billion a year earlier. Proceeds from sales of fixed assets was a key factor behind this result, which constituted a year-on-year improvement of ¥14.5 billion.

Cash flow from financing activities

Net cash used in financing activities was ¥47.1 billion, compared with ¥7.5 billion in the same period of the previous fiscal year. This result was primarily attributable to the redemption of bonds.

As a result, cash and cash equivalents at the end of the six-month period stood at ¥38.7 billion on a consolidated basis, marking a decline of ¥46.7 billion from the end of March 2009.

3. Qualitative Information Regarding Consolidated Forecasts

Consolidated results in the first six months of the fiscal year exceeded forecasts, but the future course of business conditions remains extremely difficult to predict, and accordingly Fuji Electric Holdings has not revised its consolidated forecasts for the fiscal year ending March 2010 that were released on May 15, 2009.

4. Other Items

(1) Changes in significant subsidiaries associated with changes in the scope of consolidation during the period under review.

None

(2) Adoption of simplified accounting methods or special accounting methods for the preparation of consolidated quarterly statements

(a) Simplified accounting methods

Depreciation of property, plant and equipment is calculated on a pro-rata basis for the period based on expected depreciation for the year according to the budget for the fiscal year.

(b) Special accounting methods for the preparation of consolidated quarterly statements

Tax expenses have been calculated by rationally estimating the effective tax rate after applying tax effect accounting to consolidated net income before taxes for the current fiscal year, and multiplying this estimated effective tax rate by net income before taxes for the three quarters. For certain consolidated subsidiaries where the estimated effective tax rate could not be used, tax expenses have been calculated using the statutory effective tax rate. Income taxes include the value of deferred income taxes.

(3) Changes in accounting principles, methods or presentation related to the preparation of consolidated quarterly statements

• Changes in accounting standards

In regard to accounting standards for the recognition of revenues from construction contracts, in the past the Company used the completed-contract method, but from the first quarter under review, the Company has applied Accounting Standard for Construction Contracts (ASBJ Statement No. 15, December 27, 2007) and Guidance on Accounting Standard for Construction Contracts (ASBJ Guidance No. 18, December 27, 2007). For all construction contracts, including those construction contracts existing at the beginning of the first quarter under review, the percent-of-completion method has been applied to those projects for which the degree of completion as of the end of the second quarter could be reasonably estimated (the percentage of completion shall be estimated based on the cost method). The completed-contract method has been applied to other construction contracts.

This change had the effect of increasing sales by ¥15,043 million, reducing operating loss and ordinary loss by ¥2,968 million each, and reducing loss before income taxes and minority interests by ¥8,822 million.