

**Consolidated financial results for the third quarter of the Fiscal Year  
ending March 31, 2011  
(April 1, 2010 – December 31, 2010)**

**Summary of Consolidated Financial Results (Nine months ended December 31, 2010)**

**1. Summary of consolidated statements of operations**

	Millions of yen		Change(%) (A)/(B)	<i>Millions of U.S. dollars</i>
	3Q FY2010	3Q FY2009		3Q FY2010
	(A)	(B)		
Net sales	456,483	446,634	102.2%	5,500
Operating income	-9,277	-23,314	-	-112
Ordinary income	-16,314	-27,292	-	-197
Net income	2,034	-22,521	-	25
	Yen			<i>U.S. dollars</i>
Net income per share	2.85	-31.51	-	0.03

**2. Summary of consolidated financial position**

	Millions of yen		<i>Millions of U.S. dollars</i>
	12/31/2010	3/31/2010	12/31/2010
Total assets	783,528	908,938	9,440
Net assets	165,635	196,134	1,996
Shareholders' equity ratio (%)	18.9%	19.7%	-
	Yen		<i>U.S. dollars</i>
Net Assets per share	206.99	250.28	2.49

Note: 1) U.S. dollar amounts in this financial report are translated, for convenience only, at the rate of ¥83=U.S.\$1.  
2) The company has 49 consolidated subsidiaries and 4 affiliated companies by equity-method.

**3. Forecast of consolidated earnings for FY2010 (April 1, 2010 - March 31, 2011)**

	<u>Millions of yen</u>
Net sales	720,000
Operating income	16,000
Ordinary income	13,500
Net income	26,000
	Yen
Net income per share	36.38

<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		Millions of U.S. dollars
	<u>12/31/2010</u>	<u>3/31/2010</u>	<u>12/31/2010</u>
<b>Assets</b>			
<b>Current assets:</b>			
Cash and deposits	60,007	37,344	723
Notes and accounts receivable-trade	147,782	223,107	1,781
Merchandise and finished goods	39,220	36,633	473
Work in process	66,003	35,741	795
Raw materials and supplies	28,685	21,076	346
Other	68,887	62,387	830
Allowance for doubtful accounts	-422	-617	-5
<b>Total Current assets</b>	<u>410,163</u>	<u>415,673</u>	<u>4,942</u>
<b>Noncurrent assets:</b>			
Property, plant and equipment	169,238	176,193	2,039
Intangible assets	9,864	10,602	119
Investments and other assets			
Investment securities	136,512	250,374	1,645
Other	58,994	57,252	711
Allowance for doubtful accounts	-1,382	-1,375	-17
<b>Total Investments and other assets</b>	<u>194,125</u>	<u>306,251</u>	<u>2,339</u>
<b>Total Noncurrent assets</b>	<u>373,228</u>	<u>493,048</u>	<u>4,497</u>
<b>Deferred assets</b>	<u>136</u>	<u>217</u>	<u>2</u>
<b>Total assets</b>	<u><u>783,528</u></u>	<u><u>908,938</u></u>	<u><u>9,440</u></u>

**Consolidated Balance Sheets**

	Millions of yen		<i>Millions of U.S. dollars</i>
	<u>12/31/2010</u>	<u>3/31/2010</u>	<u>12/31/2010</u>
<b>Liabilities</b>			
<b>Current liabilities:</b>			
Notes and accounts payable-trade	122,124	131,746	1,471
Short-term loans payable	68,805	94,100	829
Commercial papers	-	18,000	-
Income taxes payable	10,470	3,686	126
Advances received	40,731	27,007	491
Other	119,280	106,442	1,437
<b>Total current liabilities</b>	<u>361,412</u>	<u>380,984</u>	<u>4,354</u>
<b>Noncurrent liabilities:</b>			
Bonds payable	71,010	111,010	856
Long-term loans payable	103,921	126,680	1,252
Provision for retirement benefits	12,802	11,152	154
Provision for directors' retirement benefits	345	373	4
Other	68,401	82,604	824
<b>Total Noncurrent liabilities</b>	<u>256,481</u>	<u>331,820</u>	<u>3,090</u>
<b>Total Liabilities</b>	<u>617,893</u>	<u>712,804</u>	<u>7,444</u>
<b>Net Assets</b>			
<b>Shareholders' equity:</b>			
Capital stock	47,586	47,586	573
Capital surplus	46,734	46,734	563
Retained earnings	41,308	42,010	498
Treasury stock	-7,103	-7,095	-86
<b>Total Shareholders' equity</b>	<u>128,525</u>	<u>129,235</u>	<u>1,548</u>
<b>Valuation and translation adjustments:</b>			
Valuation difference on available-for-sale securities	26,232	52,985	316
Deferred gains or losses on hedges	86	110	1
Foreign currency translation adjustments	-6,923	-3,464	-83
<b>Total Valuation and translation adjustments</b>	<u>19,396</u>	<u>49,631</u>	<u>234</u>
<b>Minority interests</b>	<u>17,714</u>	<u>17,267</u>	<u>213</u>
<b>Total Net assets</b>	<u>165,635</u>	<u>196,134</u>	<u>1,996</u>
<b>Total Liabilities and Net assets</b>	<u>783,528</u>	<u>908,938</u>	<u>9,440</u>

**Consolidated Statements of Operations**

**Nine months ended December 31, 2010**

	Millions of yen	<i>Millions of U.S. dollars</i>
	<b>3Q FY2010</b>	3Q FY2010
<b>Net sales</b>	456,483	5,500
<b>Cost of sales</b>	366,498	4,416
<b>Gross profit</b>	89,984	1,084
<b>Selling, general and administrative expenses</b>	99,261	1,196
<b>Operating loss</b>	-9,277	-112
<b>Non-operating income</b>		
Interest income	211	3
Dividends income	2,453	30
Other	1,016	12
<b>Total Non-operating income</b>	3,681	44
<b>Non-operating expenses</b>		
Interest expense	4,227	51
Interest on commercial papers	2	0
Equity in losses of affiliates	1,093	13
Foreign exchange losses	4,597	55
Other	797	10
<b>Total Non-operating expenses</b>	10,718	129
<b>Ordinary loss</b>	-16,314	-197
<b>Extraordinary income</b>		
Gain on sales of noncurrent assets	36	0
Gain on sales of investment securities	30,742	370
<b>Total Extraordinary income</b>	30,778	371
<b>Extraordinary loss</b>		
Loss on disposal of noncurrent assets	161	2
Loss on valuation of investment securities	2,630	32
Loss on adjustment for changes of accounting standard for asset retirement	2,270	27
Other	1,915	23
<b>Total Extraordinary loss</b>	6,978	84
<b>Income before income taxes</b>	7,485	90
<b>Income taxes</b>	5,315	64
<b>Income before minority interests</b>	2,170	26
<b>Minority interests in income</b>	135	2
<b>Net Income</b>	2,034	25

**Consolidated Statements of Operations**

**Three months ended December 31, 2010**

	Millions of yen	<i>Millions of U.S. dollars</i>
	<b>3Q FY2010</b>	3Q FY2010
Net sales	158,993	1,916
Cost of sales	125,375	1,511
<b>Gross profit</b>	<b>33,617</b>	<b>405</b>
Selling, general and administrative expenses	31,890	384
<b>Operating Income</b>	<b>1,727</b>	<b>21</b>
<b>Non-operating income</b>		
Interest income	81	1
Dividends income	883	11
Other	229	3
<b>Total Non-operating income</b>	<b>1,194</b>	<b>14</b>
<b>Non-operating expenses</b>		
Interest expense	1,373	17
Equity in losses of affiliates	264	3
Foreign exchange losses	665	8
Other	247	3
<b>Total Non-operating expenses</b>	<b>2,550</b>	<b>31</b>
<b>Ordinary Income</b>	<b>371</b>	<b>4</b>
<b>Extraordinary income</b>		
Gain on sales of noncurrent assets	31	0
Gain on sales of investment securities	1	0
<b>Total Extraordinary income</b>	<b>33</b>	<b>0</b>
<b>Extraordinary loss</b>		
Loss on disposal of noncurrent assets	49	1
Loss on valuation of investment securities	5	0
Office integration cost	40	0
Other	48	1
<b>Total Extraordinary loss</b>	<b>144</b>	<b>2</b>
<b>Income before income taxes</b>	<b>259</b>	<b>3</b>
<b>Income taxes</b>	<b>-415</b>	<b>-5</b>
<b>Income before minority interests</b>	<b>675</b>	<b>8</b>
<b>Minority interests in income</b>	<b>296</b>	<b>4</b>
<b>Net Income</b>	<b>379</b>	<b>5</b>

**Consolidated Quarterly Statements of Cash Flows**  
**For the quarter of FY2010 (April 1 - December 31, 2010)**

	Millions of yen	Millions of U.S. dollars
	3Q FY2010	3Q FY2010
<b>I Net cash provided by (used in) operating activities</b>		
Income before income taxes and minority interests	7,485	90
Depreciation and amortization	20,729	250
Interest and dividends income	-2,664	-32
Interest expenses	4,227	51
Loss (gain) on sales of investment securities	-30,742	-370
Loss (gain) on sales of noncurrent assets	-36	0
Loss (gain) on disposal of noncurrent assets	161	2
Loss (gain) on valuation of investment securities	2,630	32
Decrease (increase) in notes and accounts receivable-trade	73,087	881
Decrease (increase) in inventories	-41,020	-494
Increase (decrease) in notes and accounts payable-trade	-6,452	-78
Increase (decrease) in advances received	13,718	165
Other, net	-16,730	-202
Subtotal	24,393	294
Interest and dividends income received	2,691	32
Interest expenses paid	-4,034	-49
Income taxes paid	-3,334	-40
Net cash provided by operating activities	19,716	238
<b>II Net cash provided by (used in) investment activities</b>		
Purchase of property, plant and equipment	-8,068	-97
Proceeds from sales of property, plant and equipment	406	5
Purchase of investment securities	-385	-5
Proceeds from sales of investment securities	94,129	1,134
Payments of loans receivable	-5,853	-71
Collection of loans receivable	5,125	62
Other, net	-1,232	-15
Net cash provided by investment activities	84,120	1,013
<b>III Net cash provided by (used in) financing activities</b>		
Net increase (decrease) in short-term loans payable	-36,476	-439
Increase (decrease) in commercial papers	-18,000	-217
Proceeds from long-term loans payable	1,643	20
Repayment of long-term loans payable	-9,515	-115
Redemption of bonds	-10,000	-120
Proceeds from sales of treasury stock	0	0
Purchase of treasury stock	-8	0
Cash dividends paid	-2,501	-30
Cash dividends paid to minority shareholders	-362	-4
Other, net	-5,564	-67
Net cash used in financing activities	-80,784	-973
<b>IV Effect of exchange rate change on cash and cash equivalents</b>	-1,404	-17
<b>V Net increase (decrease) in cash and cash equivalents ( I + II +III+IV)</b>	21,647	261
<b>VI Cash and cash equivalents at beginning of period</b>	37,283	449
<b>VII Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation</b>	990	12
<b>VIII Cash and cash equivalents at end of period</b>	59,921	722

**Consolidated Segment Information (3Q FY2009)**

**1. Net sales and operating income by business segment**

**Three months ended December 31, 2009**

	Millions of yen						Total
	Energy & Electric Systems	Electronic Devices	Retail Systems	Others	Sub total	Elimination and Corporate	
Sales							
Unaffiliated customers	94,124	34,839	24,649	1,857	155,471	-	155,471
Intersegment	569	648	62	7,008	8,290	-8,290	-
Total sales	94,693	35,488	24,712	8,866	163,761	-8,290	155,471
Operating income	-340	-1,112	-1,289	581	-2,160	-652	-2,813

**Nine months ended December 31, 2009**

	Millions of yen						Total
	Energy & Electric Systems	Electronic Devices	Retail Systems	Others	Sub total	Elimination and Corporate	
Sales							
Unaffiliated customers	271,307	87,685	81,512	6,129	446,634	-	446,634
Intersegment	2,825	1,121	167	23,401	27,515	-27,515	-
Total sales	274,132	88,806	81,679	29,530	474,149	-27,515	446,634
Operating income	-5,023	-14,565	-3,645	1,664	-21,569	-1,745	-23,314

**2. Consolidated geographic segment information**

**Three months ended December 31, 2009**

	Millions of yen							Total
	Japan	North America	Europe	Asia (except for China)	China	Sub total	Elimination and Corporate	
Sales								
Unaffiliated customers	137,507	2,288	2,153	3,263	10,258	155,471	-	155,471
Intersegment	12,515	180	73	11,620	2,407	26,497	-26,497	-
Total sales	149,723	2,468	2,226	14,883	12,666	181,969	-26,497	155,471
Operating income	-3,272	18	74	79	639	-2,460	-352	-2,813

**Nine months ended December 31, 2009**

	Millions of yen							Total
	Japan	North America	Europe	Asia (except for China)	China	Sub total	Elimination and Corporate	
Sales								
Unaffiliated customers	401,293	5,763	5,865	7,771	25,941	446,634	-	446,634
Intersegment	32,434	515	146	23,611	6,070	62,778	-62,778	-
Total sales	433,727	6,278	6,011	31,382	32,011	509,412	-62,778	446,634
Operating income	-22,292	-35	-23	-1,626	1,467	-22,509	-805	-22,314

**3. Net overseas sales**

**Three months ended December 31, 2009**

	Millions of U.S. yen					
	North America	Europe	Asia (except for China)	China	Other	Total
Overseas sales	1,586	3,866	22,188	11,052	6,171	44,865
Consolidated net sales						155,471
Overseas sales as a percentage of consolidated net sale:	1.0%	2.5%	14.3%	7.1%	4.0%	28.9%

**Nine months ended December 31, 2009**

	Millions of U.S. yen					
	North America	Europe	Asia (except for China)	China	Other	Total
Overseas sales	6,911	10,733	60,080	32,115	20,062	129,902
Consolidated net sales						446,634
Overseas sales as a percentage of consolidated net sale:	1.5%	2.4%	13.5%	7.2%	4.5%	29.1%

**Consolidated Segment Information (3Q FY2010)**

**Sales and income or loss information of consolidated segment**

**Three months ended December 31, 2010**

Millions of yen

	Energy Solutions	Environment Solutions	Semiconductors	ED&C Components	Vending Machines	Magnetic Disks	Others	Total	Adjustment	P/L
Sales										
Unaffiliated customer	16,218	59,454	20,233	15,440	20,501	10,482	16,662	158,993	-	158,993
Intersegment	175	1,857	349	1,023	132	-	9,789	13,327	-13,327	-
Total sales	16,394	61,311	20,583	16,463	20,634	10,482	26,452	172,321	-13,327	158,993
Segment income	1,224	392	1,942	900	453	-2,582	261	2,592	-865	1,727

**Nine months ended December 31, 2010**

Millions of yen

	Energy Solutions	Environment Solutions	Semiconductors	ED&C Components	Vending Machines	Magnetic Disks	Others	Total	Adjustment	P/L
Sales										
Unaffiliated customer	39,331	169,372	61,500	44,770	59,980	30,325	51,203	456,483	-	456,483
Intersegment	731	6,955	1,056	3,202	445	0	26,602	38,994	-38,994	-
Total sales	40,063	176,328	62,556	47,972	60,425	30,325	77,805	495,478	-38,994	456,483
Segment income	-1,507	-4,069	3,776	1,865	-1,943	-4,886	-94	-6,859	-2,417	-9,277

**Three months ended December 31, 2010**

Millions of U.S. dollars

	Energy Solutions	Environment Solutions	Semiconductors	ED&C Components	Vending Machines	Magnetic Disks	Others	Total	Adjustment	P/L
Sales										
Unaffiliated customer	195	716	244	186	247	126	201	1,916	-	1,916
Intersegment	2	22	4	12	2	-	118	161	-161	-
Total sales	198	739	248	198	249	126	319	2,076	-161	1,916
Segment income	15	5	23	11	5	-31	3	31	-10	21

**Nine months ended December 31, 2010**

Millions of U.S. dollars

	Energy Solutions	Environment Solutions	Semiconductors	ED&C Components	Vending Machines	Magnetic Disks	Others	Total	Adjustment	P/L
Sales										
Unaffiliated customer	474	2,041	741	539	723	365	617	5,500	-	5,500
Intersegment	9	84	13	39	5	0	321	470	-470	-
Total sales	483	2,124	754	578	728	365	937	5,970	-470	5,500
Segment income	-18	-49	45	22	-23	-59	-1	-83	-29	-112



**Supplemental Consolidated Financial Materials****1. Financial summary**

	Billions of yen							
	3Q FY2009		FY2009		3Q FY2010		FY2010 [Forecast]	
	change(%)		change(%)	change(%)		change(%)		
Net sales	446.6	82.7%	691.2	90.2%	456.5	102.2%	720.0	104.2%
Operating income	-23.3	-	0.9	-	-9.3	-	16.0	1731.6%
Ordinary income	-27.3	-	-0.5	-	-16.3	-	13.5	-
Net income	-22.5	-	6.8	-	2.0	-	26.0	384.8%

**2. Number of consolidated subsidiaries**

	3Q FY2009	FY2009	3Q FY2010	FY2010 [Forecast]
Number of consolidated subsidiaries	56	53	49	50
Japan	37	34	27	28
Overseas	19	19	22	22
Number of equity-method affiliates	5	5	4	4

**3. Net income per share**

	Yen			
	3Q FY2009	FY2009	3Q FY2010	FY2010 [Forecast]
Net income per share	-31.51	9.46	2.85	36.38

**4. Sales exchange rate (US\$)**

	Yen			
	3Q FY2009	FY2009	3Q FY2010	FY2010 [Forecast]
US\$	93.56	92.85	86.85	86.39
EURO	133.00	131.15	113.31	111.23

**5. Net sales by business segment**

	Billions of yen							
	3Q FY2009		FY2009		3Q FY2010		FY2010 [Forecast]	
	change(%)		change(%)	change(%)		change(%)		change(%)
Energy Solutions	48.1	-	80.2	-	40.1	83.4%	71.5	89.2%
Environment Solutions	182.9	-	288.8	-	176.3	96.4%	302.0	104.6%
Semiconductors	49.6	-	70.7	-	62.6	126.1%	86.5	122.3%
ED&C Components	31.0	-	44.9	-	48.0	154.8%	62.5	139.2%
Vending Machines	63.5	-	91.4	-	60.4	95.2%	88.0	96.3%
Magnetic Disks	28.2	-	44.4	-	30.3	107.5%	44.5	100.1%
Others	77.5	-	119.5	-	77.8	100.4%	117.0	97.9%
Subtotal	480.7	-	739.9	-	495.5	103.1%	772.0	104.3%
Elimination	-34.1	-	-48.7	-	-39.0	-	-52.0	-
<b>Total</b>	<b>446.6</b>	<b>-</b>	<b>691.2</b>	<b>-</b>	<b>456.5</b>	<b>102.2%</b>	<b>720.0</b>	<b>104.2%</b>

Note : Net sales include inter-segment transactions.

**6. Operating income by business segment**

	Billions of yen							
	3Q FY2009		FY2009		3Q FY2010		FY2010 [Forecast]	
	change(%)		change(%)	change(%)		change(%)		change(%)
Energy Solutions	0.7	-	6.6	-	-1.5	-	2.0	30.1%
Environment Solutions	-1.0	-	10.1	-	-4.1	-	10.5	104.0%
Semiconductors	-5.9	-	-3.7	-	3.8	-	6.5	-
ED&C Components	-4.3	-	-4.7	-	1.9	-	2.5	-
Vending Machines	-3.2	-	-0.8	-	-1.9	-	1.5	-
Magnetic Disks	-8.8	-	-7.4	-	-4.9	-	-4.5	-
Others	1.0	-	3.1	-	-0.1	-	1.5	47.8%
Subtotal	-21.5	-	3.2	-	-6.9	-	20.0	629.7%
Elimination	-1.8	-	-2.3	-	-2.4	-	-4.0	-
<b>Total</b>	<b>-23.3</b>	<b>-</b>	<b>0.9</b>	<b>-</b>	<b>-9.3</b>	<b>-</b>	<b>16.0</b>	<b>1731.6%</b>

**7. Net overseas sales**

	Billions of yen							
	3Q FY2009		FY2009		3Q FY2010		FY2010 [Forecast]	
	change(%)		change(%)	change(%)		change(%)		change(%)
North America	6.9	101.8%	9.9	98.0%	7.5	108.0%	-	-
Europe	10.7	94.7%	14.3	101.8%	10.1	94.0%	-	-
Asia (except for China)	60.1	77.5%	87.0	85.9%	65.5	109.0%	-	-
China	32.1	103.9%	43.2	109.0%	35.8	111.4%	-	-
Other	20.1	180.7%	23.2	145.0%	5.1	25.4%	-	-
<b>Total</b>	<b>129.9</b>	<b>94.4%</b>	<b>177.6</b>	<b>98.1%</b>	<b>123.9</b>	<b>95.4%</b>	<b>-</b>	<b>-</b>

### 8. R&D expenditures (FY2009)

	Billions of yen			
	3Q FY2009		FY2009	
		change(%)		change(%)
Energy & Electric Systems	7.7	79.2%	11.4	80.4%
Electronic Devices	7.8	73.5%	10.5	78.8%
Retail Systems	1.6	75.7%	2.4	82.9%
Others	0.0	-	0.0	-
Corporate (basic research)	0.0	-	0.0	-
<b>Total</b>	<b>17.1</b>	<b>76.1%</b>	<b>24.3</b>	<b>79.9%</b>
Ratio to net sales (%)	3.8%	-	3.5%	-

### 9. Plant and equipment investment (including leases) (FY2009)

	Billions of yen			
	3Q FY2009		FY2009	
		change(%)		change(%)
Energy & Electric Systems	5.3	111.7%	7.8	77.7%
Electronic Devices	6.3	37.7%	8.8	45.6%
Retail Systems	1.1	61.0%	1.6	66.2%
Others	0.4	50.7%	0.5	28.4%
Corporate	0.2	-	0.5	-
<b>Total</b>	<b>13.2</b>	<b>54.7%</b>	<b>19.1</b>	<b>57.2%</b>
(Leases)	(8.4)	101.9%	(11.3)	87.6%

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

### 10. Depreciation, Leases paid (FY2009)

	Billions of yen			
	3Q FY2009		FY2009	
		change(%)		change(%)
Energy & Electric Systems	8.7	98.7%	11.3	98.7%
Electronic Devices	21.2	80.5%	28.9	84.4%
Retail Systems	2.6	83.5%	3.4	82.1%
Others	0.7	67.2%	0.9	48.6%
Corporate	0.2	-	0.4	-
<b>Total</b>	<b>33.5</b>	<b>84.7%</b>	<b>44.9</b>	<b>86.6%</b>
(Leases paid)	(16.6)	70.2%	(21.3)	70.4%

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

### 11. Number of employees (FY2009)

	12/31/2009	3/31/2010
Energy & Electric Systems	13,208	12,989
Electronic Devices	5,653	6,137
Retail Systems	2,674	2,644
Others	1,146	1,115
Corporate	603	639
<b>Total</b>	<b>23,284</b>	<b>23,524</b>
Japan	18,758	18,692
Overseas	4,526	4,832

## 12. R&D expenditures (FY2010)

	Billions of yen			
	3Q FY2010		FY2010[Forecast]	
		change(%)		change(%)
Energy Solutions	2.8	-	4.5	-
Environment Solutions	7.1	-	11.0	-
Semiconductors	4.8	-	7.5	-
ED&C Components	1.8	-	2.5	-
Vending Machines	2.3	-	3.5	-
Magnetic Disks	3.6	-	5.0	-
Others	0.0	-	0.0	-
Corporate (basic research)	0.0	-	0.0	-
<b>Total</b>	<b>22.5</b>	<b>131.4%</b>	<b>34.0</b>	<b>139.9%</b>
Ratio to net sales (%)	4.9%	-	4.7%	-

## 13. Plant and equipment investment (including leases) (FY2010)

	Billions of yen			
	3Q FY2010		FY2010[Forecast]	
		change(%)		change(%)
Energy Solutions	0.7	-	1.0	-
Environment Solutions	1.5	-	3.5	-
Semiconductors	6.6	-	12.5	-
ED&C Components	0.8	-	2.0	-
Vending Machines	2.7	-	4.0	-
Magnetic Disks	7.5	-	9.0	-
Others	0.3	-	0.3	-
Corporate	0.2	-	0.2	-
<b>Total</b>	<b>20.1</b>	<b>152.2%</b>	<b>32.5</b>	<b>169.9%</b>
(Leases)	7.5	89.8%	14.0	123.7%

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

## 14. Depreciation, Leases paid (FY2010)

	Billions of yen			
	3Q FY2010		FY2010[Forecast]	
		change(%)		change(%)
Energy Solutions	2.7	-	4.0	-
Environment Solutions	3.2	-	4.5	-
Semiconductors	9.7	-	13.0	-
ED&C Components	1.9	-	2.5	-
Vending Machines	2.1	-	3.0	-
Magnetic Disks	10.8	-	15.0	-
Others	0.7	-	0.7	-
Corporate	0.4	-	0.4	-
<b>Total</b>	<b>31.5</b>	<b>93.9%</b>	<b>43.0</b>	<b>95.7%</b>
(Leases)	(12.5)	75.3%	(16.0)	75.1%

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

## 15. Number of employees (FY2010)

	12/31/2010	3/31/2011 [Forecast]
	Energy Solutions	2,348
Environment Solutions	8,134	8,378
Semiconductors	4,927	5,456
ED&C Components	2,599	2,613
Vending Machines	1,938	1,952
Magnetic Disks	1,443	1,351
Others	1,997	2,024
Corporate	815	815
<b>Total</b>	<b>24,201</b>	<b>24,944</b>
Japan	18,128	18,151
Overseas	6,073	6,793

## Qualitative Information Regarding Consolidated Results in the First Half under Review

### (1) Qualitative Information Regarding Consolidated Results of Operations

In the nine-month period ended December 31, 2010, the Fuji Electric Holdings Group's operating environment was characterized by appreciation of the yen as well as by recovery in businesses targeting domestic and overseas markets, which were supported by expansion in Asian markets, centered on China. Looking ahead, a sense of uncertainty is likely to persist due to such factors as concerns about slowdowns in overseas markets, particularly the United States and Europe, and further appreciation of the yen.

In this environment, the Group has positioned fiscal 2010, which is an intermediate year in the medium-term management plan that went into effect in fiscal 2009, as a year for "Building a Base for Sustained Growth." Targeting future growth, the Group plans to concentrate its management resources on businesses in the fields of "energy and the environment." At the same time, in product fields the Group plans to secure stable earnings while limiting investment. In addition, the Group is working to strengthen its overseas business.

Consolidated business results under review were as follows.

In the three-month period (October to December), net sales increased year on year in the Energy Solutions, Semiconductors, ED&C Components, and Vending Machines segments. In earnings, due to increases in sales volumes and to the effects of restructuring measures, the Group recorded improvement in operating, ordinary, and net results, enabling the Group to return to the black.

In the nine-month period (April to December), net sales rose ¥9.8 billion year on year, to ¥456.5 billion. Due to growth in Asian markets, the Semiconductors and ED&C Components segments, centered on component products, recorded favorable performances. However, performance was down in the Energy Solutions and Environmental Solutions segments as a result of a decline in orders in the previous fiscal year. The Vending Machines segment registered a sluggish performance due to capital investment cutbacks by domestic retailers.

In earnings, sales volumes for component parts increased and the restructuring measures implemented in the previous fiscal year took effect. As a result, the Group recorded significant year-on-year improvements in both operating loss and ordinary loss. The Group also generated extraordinary income through the sale of investment securities, which led to a significant improvement in net income, bringing the Group back into the black.

#### (Three months)

(¥ billion)

	3Q Fiscal 2009 consolidated	3Q Fiscal 2010 consolidated	Change
Net sales	155.5	159.0	3.5
Operating income/loss	-2.8	1.7	4.5
Ordinary income/loss	-3.5	0.4	3.9
Net income/loss	-6.3	0.4	6.6

#### (Nine months cumulative)

(¥ billion)

	3Q Fiscal 2009 cumulative period, consolidated	3Q Fiscal 2010 cumulative period, consolidated	Change
Net sales	446.6	456.5	9.8
Operating income/loss	-23.3	-9.3	14.0
Ordinary income/loss	-27.3	-16.3	11.0
Net income/loss	-22.5	2.0	24.6

## Results by Segment

### [ Energy Solutions ]

**Three-month period: Net sales up year on year, earnings improve**

**Nine-month period: Net sales down year on year, earnings worsen**

For the three-month period (October to December), the segment recorded a 22.2% year-on-year increase in net sales, to ¥16.4 billion, and operating results improved ¥1.4 billion, to operating income of ¥1.2 billion.

For the nine-month period (April to December), net sales decreased 16.6% year-on-year, to ¥40.1 billion. Operating results fell ¥2.2 billion, resulting in operating loss of ¥1.5 billion. In this segment, sales and operating results—particularly in the plant business—are generally concentrated in the fourth quarter.

Sales in this segment were down year on year, owing to a substantial decline in orders due to the delay or suspension of new projects in the previous term. The Group worked to reduce material costs and other expenses, but the lower sales led to a decline in operating results.

Further, there was a substantial year-on-year increase in orders during the nine-month period, centered on overseas projects for the thermal power facilities market.

### [ Environmental Solutions ]

**Three-month period: Net sales down year on year, earnings worsen**

**Nine-month period: Net sales down year on year, earnings worsen**

For the three-month period (October to December), the segment recorded a 3.9% year-on-year decline in net sales, to ¥61.3 billion. Operating results worsen ¥0.3 billion, to operating income of ¥0.4 billion.

For the nine-month period (April to December), net sales decreased 3.6% year-on-year, to ¥176.3 billion. Operating results fell ¥3.0 billion, resulting in operating loss of ¥4.1 billion. In this segment, sales and operating results—particularly in the plant business—are generally concentrated in the fourth quarter.

In the Industrial Solutions subsegment, orders increased year on year due to the recovery in market conditions. However, the between-season timing of large orders caused net sales to fall year on year. The Group worked to reduce costs, but due to the influence of the lower sales and the appreciation of the yen, operating results declined year on year.

In the Social Solutions subsegment, investment in the retail/distribution fields remained limited, but nonetheless sales increased as a result of the effects of an acquisition in the power supply business. Operating results were down year on year due to the lower sales in the retail/distribution field.

In the Transportation Solutions subsegment, vigorous industrial demand from China and other Asian markets bolstered sales of transportation systems—primarily inverter-based systems. As a result, net sales and operating performance rose year on year.

## [ Semiconductors ]

**Three-month period: Net sales up year on year, earnings improve**

**Nine-month period: Net sales up year on year, earnings improve**

For the three-month period (October to December), net sales in this segment increased 8.5% year-on-year, to ¥20.6 billion, and operating results improved ¥1.3 billion, to operating income of ¥1.9 billion.

For the nine-month period (April to December), net sales increased 26.1% year on year, to ¥62.6 billion, while operating results improved ¥9.7 billion year on year, resulting in operating income of ¥3.8 billion.

In power supplies, there were signs of weakening demand for LCD TVs and PCs from the third quarter, but for the nine-month period, demand was about level year on year. In industrial products, results remained favorable due to strong performances in inverters and machine tool products. In automotive electronics, demand in Japan slowed for certain products but remained strong overall. Consequently, net sales and operating results were both up substantially year on year.

In photoconductive drums, sales volume increased, but the Group faced falling product prices and the effects of ongoing yen appreciation. As a result, net sales and operating results were down slightly year on year.

## [ ED&C Components ]

**Three-month period: Net sales up year on year, earnings improve**

**Nine-month period: Net sales up year on year, earnings improve**

For the three-month period (October to December), net sales in this segment increased 32.1% year-on-year, to ¥16.5 billion, and operating results improved ¥1.5 billion, to operating income of ¥0.9 billion.

For the three-month period (October to December), net sales increased 54.8% year on year, to ¥48.0 billion, while operating results improved ¥6.2 billion year on year, resulting in operating income of ¥1.9 billion.

In this segment, the Japanese market benefited from Asia-bound external demand, with demand from equipment manufacturers expanding substantially. Overseas, Asian markets, centered on China, demonstrated the ability to sustain high levels of growth, with demand recording substantial gains. Segment sales consequently increased substantially year on year. Operating results improved significantly, bolstered by the rise in net sales and by the effects of the restructuring measures implemented during the previous year, which resulted in reductions in fixed costs.

## [ Vending Machines ]

**Three-month period: Net sales up year on year, earnings improve**

**Nine-month period: Net sales down year on year, earnings improve**

For the three-month period (October to December), net sales in this segment increased 6.4% year-on-year, to ¥20.6 billion, and operating results improved ¥1.5 billion, to operating income of ¥0.5 billion.

For the nine-month period (April to December), net sales declined 4.8% year on year, to ¥60.4 billion. Operating results improved ¥1.3 billion, to operating loss of ¥1.9 billion.

Unusually warm summer weather led some customers to increase investment in vending machines, but this gain was not enough to offset the decline in sales volume in the first six months of the fiscal year, and sales were down year on year. Operating results improved year on year due to cuts in fixed costs.

In currency handling systems, sales and operating results improved year on year due to an increase in the installation of automatic change dispensers by retail companies, centered on chain stores.

## [ Magnetic Disks ]

**Three-month period: Net sales down year on year, earnings worsen**

**Nine-month period: Net sales up year on year, earnings improve**

For the three-month period (October to December), net sales in this segment declined 14.0% year-on-year, to ¥10.5 billion, and operating results worsened ¥0.6 billion, to operating loss of ¥2.6 billion.

For the nine-month period (April to December), net sales rose 7.5% year on year, to ¥30.3 billion, operating results improved ¥3.9 billion, to operating loss of ¥4.9 billion.

On a year-on-year basis, the HDD market recovered significantly in the first quarter, but from the second quarter the market was flat year on year. Key products for the segment were the 500GB and 667GB 3.5-inch aluminum media and the 320GB 2.5-inch aluminum/glass media, and sales were up year on year. As a result of the increased sales and the effects of restructuring initiatives, such as cost-cutting measures, operating results improved year on year.

## [ Others ]

**Three-month period: Net sales down year on year, earnings worsen**

**Nine-month period: Net sales up year on year, earnings worsen**

For the three-month period (October to December), in this segment, net sales were down 0.3% year on year, to ¥26.5 billion. Operating results worsened ¥0.2 billion, to operating income of ¥0.3 billion. For the nine-month period (April to December), net sales increased 0.4% year-on-year, to ¥77.8 billion, and operating results worsen ¥1.1 billion, to operating loss of ¥0.1 billion.

## (2) Quantitative Information regarding Consolidated Financial Position

(¥ billion)

	March 31, 2010	Breakdown (%)	December 31, 2010	Breakdown (%)	Change
Total assets	908.9	100.0	783.5	100.0	-125.4
Interest-bearing debt	359.8	39.6	283.7	36.2	-76.1
Shareholder's equity*1	178.9	19.7	147.9	18.9	-30.9
Debt-equity ratio*2 (times)	2.0		1.9		-0.1

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

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

Total assets stood at ¥783.5 billion as of December 31, 2010, down ¥125.4 billion from March 31, 2010. Although inventories were up, notes and accounts receivable-trade fell, and as a result current assets were down ¥5.5 billion. Total noncurrent assets were down ¥119.8 billion during the period, due principally to the sale of investment securities.

Interest-bearing debt stood at ¥283.7 billion on December 31, 2010, down ¥76.1 billion from the previous fiscal year-end. This drop was primarily attributable to reductions in short-term loans payable and commercial paper and the redemption of bonds. Further, net interest-bearing debt—interest-bearing debt net of cash and cash equivalents—declined ¥98.7 billion from the previous fiscal year-end, to ¥223.8 billion at the end of the period.

Net assets were ¥165.6 billion at the end of the period under review, down ¥30.5 billion compared with March 31, 2010. This decline was primarily attributable to a drop in the valuation difference on available-for-sale securities. In addition, shareholders' equity, which is calculated by subtracting minority interests in consolidated subsidiaries from total net assets, amounted to ¥147.9 billion, down ¥30.9 billion from fiscal year-end. The debt-equity ratio at the end of the period was 1.9 times, down 0.1 compared with March 31, 2010. The net debt-equity ratio (net financial obligations ÷ shareholders' equity) was 1.5 times, down 0.3.

(¥ billion)

	3Q FY2009	3Q FY2010	YoY Change
Cash flow from operating activities	4.4	19.7	15.3
Cash flow from investing activities	1.6	84.1	82.5
Free cash flow	6.0	103.8	97.8
Cash flow from financing activities	-49.7	-80.8	-31.0
Cash and cash equivalents	44.0	59.9	15.9

On a consolidated basis, in the nine-month period, free cash flow (cash flows from operating activities + cash flows from investing activities) amounted to ¥103.8 billion, compared with free cash flow of ¥6.0 billion in the same period of the previous fiscal year. This represented a ¥97.8 billion improvement year on year.



### **Cash flows from operating activities**

Net cash provided by operating activities during the period under review was ¥19.7 billion, compared with ¥4.4 billion in the same period of the previous fiscal year. Although inventories increased, accelerated collection of notes and accounts receivable—trade resulted in an increase in cash provided.

This represented a ¥15.3 billion improvement from the same period of the previous fiscal year.

### **Cash flows from investing activities**

Net cash provided by investing activities came to ¥84.1 billion, compared with ¥1.6 billion in the same period of the previous fiscal year. The sale of investment securities was the principal reason for the change.

This represented an ¥82.5 billion improvement from the same period of the previous fiscal year.

### **Cash flows from financing activities**

Net cash used in financing activities amounted to ¥80.8 billion, compared with ¥49.7 billion in the same period of previous year. This change was due primarily to decreases in short-term loans payable and commercial paper as well as the redemption of bonds.

As a result, on a consolidated basis, cash and cash equivalents at the end of the period under review amounted to ¥59.9 billion, up ¥22.6 billion from the end of the previous fiscal year.

## **(3) Qualitative Information Regarding Consolidated Forecasts**

The Group has not revised the consolidated results forecast for the full fiscal year that was announced on October 29, 2010, when the results were released.

The forecasts for the fourth quarter assume exchange rates of US\$1 = ¥85 and €1 = ¥105.