

Consolidated Financial Results for first quarter of the fiscal year ending March 31, 2012

Summary of Consolidated Financial Results

1. Summary of consolidated statements of operations

	Millions of yen		Millions of U.S. dollars
	1Q FY2011	1Q FY2010	1Q FY2011
Net sales	140,066	142,401	1,729
Operating income	-5,457	-5,646	-67
Ordinary income	-7,125	-7,781	-88
Net income	-5,378	9,954	-66
	Yen		U.S. dollars
Net income per share	-7.53	13.93	-0.09

2. Summary of consolidated financial position

	Millions of yen		Millions of U.S. dollars
	6/30/2011	3/31/2011	6/30/2011
Total assets	755,311	805,797	9,325
Net assets	166,658	174,935	2,058
Net assets ratio (%)	19.4%	19.3%	-

Note: U.S. dollar amounts in this financial report are translated, for convenience only, at the rate of ¥81=U.S.\$1

3. Forecast of consolidated earnings for the fiscal year ending March 31, 2012 (April 1, 2011 - March 31, 2012)

	Millions of yen	
	1H FY2011	FY2011
Net sales	316,000	730,000
Operating income	-8,500	22,000
Ordinary income	-12,500	20,000
Net income	-7,000	12,000
	Yen	
	1H FY2011	FY2011
Net income per share	△ 9.80	16.79

<Cautionary Statements With Respect to Forward-Looking Statements>

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
	6/30/2011	3/31/2011	6/30/2011
Assets			
Current assets:			
Cash and deposits	67,728	81,883	836
Notes and accounts receivable-trade	147,554	197,350	1,822
Merchandise and finished goods	37,873	37,935	468
Work in process	57,418	41,132	709
Raw materials and supplies	32,594	30,383	402
Other	61,241	54,900	756
Allowance for doubtful accounts	-421	-561	-5
Total Current assets	403,989	443,024	4,988
Noncurrent assets:			
Property, plant and equipment	161,804	165,931	1,998
Intangible assets	10,247	10,146	127
Investments and other assets			
Investment securities	124,905	129,333	1,542
Other	55,654	58,672	687
Allowance for doubtful accounts	-1,377	-1,421	-17
Total Investments and other assets	179,181	186,584	2,212
Total Noncurrent assets	351,233	362,662	4,336
Deferred assets	87	109	1
Total assets	755,311	805,797	9,325

Consolidated Balance Sheets

	Millions of yen		Millions of U.S. dollars
	6/30/2011	3/31/2011	6/30/2011
Liabilities			
Current liabilities:			
Notes and accounts payable-trade	115,929	134,686	1,431
Short-term loans payable	95,039	87,850	1,173
Current portion of bonds	40,000	40,000	494
Income taxes payable	1,072	2,416	13
Advances received	41,861	37,539	517
Other	97,602	102,405	1,205
Total current liabilities	391,506	404,898	4,833
Noncurrent liabilities:			
Bonds payable	51,010	71,010	630
Long-term loans payable	72,966	75,158	901
Provision for retirement benefits	9,786	12,647	121
Provision for directors' retirement benefits	323	365	4
Other	63,060	66,782	779
Total Noncurrent liabilities	197,146	225,963	2,434
Total Liabilities	588,653	630,861	7,267
Net Assets			
Shareholders' equity:			
Capital stock	47,586	47,586	587
Capital surplus	46,734	46,734	577
Retained earnings	47,687	54,378	589
Treasury stock	-7,106	-7,106	-88
Total Shareholders' equity	134,901	141,592	1,665
Accumulated other comprehensive income:			
Valuation difference on available-for-sale securities	18,654	19,895	230
Deferred gains or losses on hedges	-12	4	0
Foreign currency translation adjustments	-6,642	-6,136	-82
Total Accumulated other comprehensive income	11,999	13,762	148
Minority interests	19,757	19,580	244
Total Net assets	166,658	174,935	2,058
Total Liabilities and Net assets	755,311	805,797	9,325

Consolidated Statements of Operations

	Millions of yen		Millions of U.S. dollars
	1Q FY2011	1Q FY2010	1Q FY2011
Net sales	140,066	142,401	1,729
Cost of sales	112,131	115,508	1,384
Gross profit	27,934	26,893	345
Selling, general and administrative expenses	33,391	32,539	412
Operating loss	-5,457	-5,646	-67
Non-operating income			
Interest income	63	71	1
Dividends income	1,089	1,495	13
Other	343	489	4
Total Non-operating income	1,496	2,056	18
Non-operating expenses			
Interest expense	1,291	1,447	16
Interest on commercial papers	-	2	-
Equity in losses of affiliates	941	290	12
Foreign exchange losses	714	2,183	9
Other	216	267	3
Total Non-operating expenses	3,164	4,191	39
Ordinary loss	-7,125	-7,781	-88
Extraordinary income			
Gain on sales of noncurrent assets	12	-	0
Gain on sales of investment securities	-	30,176	-
Total Extraordinary income	12	30,176	0
Extraordinary loss			
Loss on disposal of noncurrent assets	5	42	0
Loss on devaluation of investment securities	142	2,615	2
Office/Factory integration costs	2,368	-	29
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	2,270	-
Other	1,201	1,687	15
Total Extraordinary loss	3,718	6,615	46
Income (loss) before income taxes and minority interests	-10,830	15,778	-134
Income taxes	-5,864	6,143	-72
Income (loss) before minority interests	-4,966	9,635	-61
Minority interests in net loss (income) of consolidated subsidiaries	411	-318	5
Net income (loss)	-5,378	9,954	-66

Consolidated Statements of Comprehensive Income

	Millions of yen		Millions of U.S. dollars
	1Q FY2011	1Q FY2010	1Q FY2011
Income (loss) before minority interests	-4,966	9,635	-61
Other comprehensive income (loss)			
Valuation difference on available-for-sale securities	-1,253	-28,189	-15
Deferred gains or losses on hedges	-22	-124	0
Foreign currency translation adjustments	-573	-2,412	-7
Share of other comprehensive loss of associates accounted for using equity method	-8	-12	0
Total other comprehensive income (loss)	-1,857	-30,739	-23
Comprehensive income (loss)	-6,823	-21,103	-84
Comprehensive income (loss) attributable to:			
Shareholders of the Company	-7,141	-20,441	-88
Minority interests	317	-662	4

Consolidated Segment Information (1Q FY2011)

Information on net sales, and profit or loss by each reporting segment

1Q FY2010

Millions of yen

	Energy	Industrial Systems	Social Systems	Power Electronics	Electronic Devices	ED&C Components	Vending Machines	Others	Total	Adjustments	Consolidated
Net Sales											
Sales to third parties	9,051	14,881	21,654	16,897	32,690	13,899	17,880	15,445	142,401	-	142,401
Inter-segment sales and transfers	6	879	675	475	193	1,000	174	7,731	11,135	-11,135	-
Total sales	9,057	15,761	22,330	17,372	32,883	14,899	18,054	23,177	153,536	-11,135	142,401
Segment profits (losses)	865	-1,031	-2,380	-649	148	127	-1,541	-583	-5,044	-601	-5,646

1Q FY2011

Millions of yen

	Energy	Industrial Systems	Social Systems	Power Electronics	Electronic Devices	ED&C Components	Vending Machines	Others	Total	Adjustments	Consolidated
Net Sales											
Sales to third parties	8,569	13,329	19,742	19,777	28,728	16,939	18,992	13,986	140,066	-	140,066
Inter-segment sales and transfers	24	820	577	1,076	238	940	92	8,614	12,384	-12,384	-
Total sales	8,593	14,150	20,319	20,854	28,966	17,879	19,085	22,601	152,451	-12,384	140,066
Segment profits (losses)	1,170	-614	-2,585	-904	-1,467	1,365	-1,044	-241	-4,321	-1,135	-5,457

1Q FY2011

Millions of U.S. dollars

	Energy	Industrial Systems	Social Systems	Power Electronics	Electronic Devices	ED&C Components	Vending Machines	Others	Total	Adjustments	Consolidated
Net Sales											
Sales to third parties	106	165	244	244	355	209	234	173	1,729	-	1,729
transfers	0	10	7	13	3	12	1	106	153	-153	-
Total sales	106	175	251	257	358	221	236	279	1,882	-153	1,729
Segment profits (losses)	14	-8	-32	-11	-18	17	-13	-3	-53	-14	-67

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

	Billions of yen					
	1Q FY2010	1H FY2010	FY2010	1Q FY2011	1H FY2011 [Forecast]	FY2011 [Forecast]
Net sales	142.4	297.5	689.1	140.1	316.0	730.0
Operating income	-5.6	-11.0	11.9	-5.5	-8.5	22.0
Ordinary income	-7.8	-16.7	7.2	-7.1	-12.5	20.0
Net income	10.0	1.7	15.1	-5.4	-7.0	12.0

2. Number of consolidated subsidiaries

	1Q FY2010	1H FY2010	FY2010	1Q FY2011	1H FY2011 [Forecast]	FY2011 [Forecast]
Number of consolidated subsidiaries	50	51	49	49	48	48
Japan	28	28	27	26	25	25
Overseas	22	23	22	23	23	23
Number of equity-method associates	5	4	4	4	4	4

3. Net income per share

	Yen					
	1Q FY2010	1H FY2010	FY2010	1Q FY2011	1H FY2011 [Forecast]	FY2011 [Forecast]
Net income per share	13.93	2.31	21.14	-7.53	-9.80	16.79

4. Sales exchange rate (Yen)

	Yen					
	1Q FY2010	1H FY2010	FY2010	1Q FY2011	1H FY2011 [Forecast]	FY2011 [Forecast]
US\$	92.01	88.95	85.72	81.74	80.87	80.44
EURO	116.99	113.85	113.12	117.40	111.20	108.10

5. Net sales by reporting segment

	Billions of yen					
	1Q FY2010	1H FY2010	FY2010	1Q FY2011	1H FY2011 [Forecast]	FY2011 [Forecast]
Energy	9.1	16.9	49.5	8.6	22.0	63.0
Industrial Systems	15.8	33.3	81.6	14.2	34.5	82.0
Social Systems	22.3	50.0	134.2	20.3	53.0	140.0
Power Electronics	17.4	38.8	88.1	20.9	45.0	100.0
Electronic Devices	32.9	61.8	125.9	29.0	61.5	131.8
ED&C Components	14.9	31.5	65.5	17.9	35.5	70.0
Vending Machines	18.1	39.8	85.8	19.1	39.0	79.0
Others	23.2	51.4	115.9	22.6	49.0	117.5
Subtotal	153.5	323.5	746.4	152.5	339.5	783.3
Elimination	-11.1	-26.0	-57.4	-12.4	-23.5	-53.3
Total	142.4	297.5	689.1	140.1	316.0	730.0

Note : Net sales include inter-segment transactions.

6. Operating income by reporting segment

	Billions of yen					
	1Q FY2010	1H FY2010	FY2010	1Q FY2011	1H FY2011 [Forecast]	FY2011 [Forecast]
Energy	0.9	0.3	5.6	1.2	1.4	6.3
Industrial Systems	-1.0	-1.3	1.6	-0.6	-1.0	2.2
Social Systems	-2.4	-4.2	2.8	-2.6	-3.4	5.1
Power Electronics	-0.6	-0.7	2.2	-0.9	-1.5	4.1
Electronic Devices	0.1	-1.9	-2.0	-1.5	-1.7	3.3
ED&C Components	0.1	1.0	2.9	1.4	2.4	4.0
Vending Machines	-1.5	-2.4	0.4	-1.0	-1.1	1.4
Others	-0.6	-0.4	2.1	-0.2	-0.3	1.7
Subtotal	-5.0	-9.5	15.4	-4.3	-5.2	28.1
Elimination	-0.6	-1.5	-3.4	-1.1	-3.3	-6.1
Total	-5.6	-11.0	11.9	-5.5	-8.5	22.0

7. Net overseas sales

	Billions of yen					
	1Q FY2010	1H FY2010	FY2010	1Q FY2011	1H FY2011 [Forecast]	FY2011 [Forecast]
North America	3.2	4.5	12.7	2.2	-	-
Europe	2.5	6.8	15.1	4.4	-	-
Asia (except for China)	22.0	41.2	91.4	21.8	-	-
China	11.8	24.1	49.0	13.5	-	-
Other	2.6	3.7	10.0	1.2	-	-
Total	42.2	80.3	178.2	43.1	-	-

8. R&D expenditures

	Billions of yen		
	1Q FY2010	1H FY2010	FY2010
Energy Solutions	0.7	1.9	4.8
Environment Solutions	2.0	5.3	10.4
Semiconductors	1.5	3.3	7.0
ED&C Components	0.6	1.2	2.5
Vending Machines	0.7	1.7	3.3
Magnetic Disks	1.4	2.5	4.5
Others	0.0	0.0	0.0
Corporate (basic research)	0.0	0.0	0.0
Total	6.9	15.8	32.6
Ratio to net sales (%)	4.8%	5.3%	4.7%

9. Plant and equipment investment (including leases)

	Billions of yen		
	1Q FY2010	1H FY2010	FY2010
Energy Solutions	0.1	0.5	1.1
Environment Solutions	0.4	0.9	2.8
Semiconductors	1.6	4.0	8.9
ED&C Components	0.1	0.4	1.5
Vending Machines	0.1	1.0	4.0
Magnetic Disks	2.3	6.7	8.1
Others	0.0	0.2	0.4
Corporate	0.0	0.1	0.4
Total	4.7	13.9	27.2
(Leases)	(1.6)	(4.5)	(10.5)

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

10. Depreciation, Leases paid

	Billions of yen		
	1Q FY2010	1H FY2010	FY2010
Energy Solutions	0.9	1.8	3.6
Environment Solutions	1.0	2.1	4.4
Semiconductors	3.2	6.4	12.9
ED&C Components	0.7	1.3	2.5
Vending Machines	0.7	1.3	2.8
Magnetic Disks	3.9	7.4	13.9
Others	0.2	0.4	0.9
Corporate	0.2	0.3	0.5
Total	10.7	21.0	41.5
(Leases)	(4.3)	(8.5)	(15.8)

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

11. Number of employees

	1Q FY2010	1H FY2010	FY2010
Energy Solutions	2,271	2,361	2,347
Environment Solutions	8,182	8,209	8,197
Semiconductors	4,644	4,832	5,158
ED&C Components	2,587	2,570	2,626
Vending Machines	2,159	1,948	1,903
Magnetic Disks	1,496	1,477	1,539
Others	2,033	2,011	1,973
Corporate	785	818	819
Total	24,157	24,226	24,562
Japan	18,566	18,262	18,002
Overseas	5,591	5,964	6,560

12. R&D expenditures

	Billions of yen		
	1Q FY2011	1H FY2011 [Forecast]	FY2011 [Forecast]
Energy	0.5	1.5	3.1
Industrial Systems	0.6	1.6	3.1
Social Systems	0.8	2.2	4.6
Power Electronics	1.2	3.1	5.7
Electronic Devices	2.5	5.8	11.6
ED&C Components	0.7	1.5	3.0
Vending Machines	0.4	1.1	2.3
Others	0.0	0.0	0.0
Total	6.8	16.7	33.4
Ratio to net sales (%)	4.9%	5.3%	4.6%

13. Plant and equipment investment (including leases)

	Billions of yen		
	1Q FY2011	1H FY2011 [Forecast]	FY2011 [Forecast]
Energy	0.0	0.4	1.2
Industrial Systems	0.2	0.5	1.3
Social Systems	0.1	0.3	0.7
Power Electronics	0.1	0.9	3.7
Electronic Devices	2.7	8.4	21.1
ED&C Components	0.3	1.6	2.9
Vending Machines	0.6	1.5	2.7
Others	0.6	1.3	1.4
Total	4.7	14.8	35.0
(Leases)	(2.4)	(7.1)	(15.3)

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

14. Depreciation, Leases paid

	Billions of yen		
	1Q FY2011	1H FY2011 [Forecast]	FY2011 [Forecast]
Energy	0.4	0.9	1.9
Industrial Systems	0.3	0.6	1.5
Social Systems	0.3	0.6	1.2
Power Electronics	0.5	1.1	2.4
Electronic Devices	6.3	12.2	24.0
ED&C Components	0.5	1.1	2.3
Vending Machines	0.7	1.4	3.0
Others	0.3	0.7	1.4
Total	9.5	18.7	37.7
(Leases)	(2.7)	(4.7)	(8.4)

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

15. Number of employees

	Billions of yen		
	1Q FY2011	1H FY2011 [Forecast]	FY2011 [Forecast]
Energy	1,761	1,802	1,784
Industrial Systems	2,012	2,065	2,058
Social Systems	3,899	3,943	3,920
Power Electronics	2,858	3,167	3,190
Electronic Devices	6,967	7,169	7,333
ED&C Components	2,661	2,759	2,778
Vending Machines	1,905	1,684	1,662
Others	3,556	3,423	3,389
Total	25,619	26,012	26,114
Japan	18,530	18,213	18,108
Overseas	7,089	7,799	8,006

1. Financial Performance

(1) Qualitative Information Regarding Consolidated Results of Operations in the First Quarter under Review

The economic climate in which the Fuji Electric Holdings Group operated in during the first quarter ended June 30, 2011, was harsh domestically due to the effects of the Great East Japan Earthquake, which occurred on March 11, 2011, including the disruption of supply chains and restriction of electricity supplies. These factors subsequently resulted in declines in the capital investment in Japan. The overseas market trended toward recovery supported by the economic growth of markets in China and other parts of Asia.

Amid these conditions, based on its management strategy the Group focused efforts on two areas: “Concentrate efforts on business in the field of energy and the environment” and “Expand Fuji Electric from Japan to the world.” At the same time, in response to dramatic changes in market conditions, the Group moved forward with business restructuring aimed at strengthening the management of its hard disks and vending machines business to make these businesses more resilient to such changes.

Consolidated business results for the first quarter were as follows.

Net sales decreased ¥2.3 billion year on year, to ¥140.1 billion. By segments, net sales in the Power Electronics, ED&C Components, and Vending Machines segments showed year-on-year increases, while net sales in the Energy, Industrial Systems, Social Systems, and Electronic Devices segments decreased year on year.

In earnings, while net sales were down, this was offset by the effects of cost reductions stemming from business reform efforts. As a result, operating loss improved ¥0.2 billion year on year, to ¥5.5 billion, and ordinary loss improved ¥0.7 billion, ¥7.1 billion.

Net loss for the quarter decreased ¥15.3 billion, to ¥5.4 billion. This was primarily due to the recording of gain on sales of investment securities in the first quarter of the previous fiscal year.

Consolidated results of operations for the first quarter were as follows.

	(¥ billion)		
	1Q Fiscal 2010	1Q Fiscal 2011	Change
Net sales	142.4	140.1	-2.3
Operating income/loss	-5.6	-5.5	0.2
Ordinary income/loss	-7.8	-7.1	0.7
Net income/loss	10.0	-5.4	-15.3

Results by Segment

[Energy] YoY: Net sales decreased 5.1%, operating results improved ¥0.3 billion

Net sales decreased 5.1% year on year, to ¥8.6 billion, and operating results improved ¥0.3 billion, to ¥1.2 billion.

In power facilities, while we actively conducted repairs of thermal power facilities and performed other after-sales services to help support the recovery effort following the Great East Japan Earthquake, these efforts were not able to offset the year-on-year decreases in large-scale orders and both net sales and operating results deteriorated.

In the nuclear power-related equipment and radiation control systems, net sales and operating results improved due to strong demand for radiation dosimeters.

[Industrial Systems] YoY: Net sales decreased 10.2%, operating results improved ¥0.4 billion

Net sales decreased 10.2% year on year, to ¥14.2 billion, and operating results improved ¥0.4 billion, making for an operating loss of ¥0.6 billion.

Net sales decreased following the delaying of large-scale orders, primarily those for facilities. Operating results improved due to reductions in expenses and other costs.

[Social Systems] YoY: Net sales decreased 9.0%, operating results worsened ¥0.2 billion

Net sales decreased 9.0% year on year, to ¥20.3 billion, and operating results deteriorated ¥0.2 billion, making for an operating loss of ¥2.6 billion.

In smart communities, large-scale orders were delayed, resulting in a year-on-year decrease in net sales. Operating results were relatively unchanged.

In social information systems, orders for education systems declined, and both net sales and operating results declined accordingly.

[Power Electronics] YoY: Net sales increased 20.0%, operating results worsened ¥0.3 billion

Net sales increased 20.0% year on year, to ¥20.9 billion, and operating results deteriorated ¥0.3 billion, making for an operating loss of ¥0.9 billion.

In drives, net sales increased due to the strong demand for inverters in Japan and overseas. Operating results, however, worsened due to the effects of the strong yen on foreign exchange and increased expenses due to up-front investments in systems for electric vehicles (EVs) and other purposes.

In power supplies, the rising concern for safety and security in Japan created strong domestic

demand for emergency power generators and uninterruptible power supply systems (UPSs) for domestic data centers, resulting in improvements in both net sales and operating results.

[Electronic Devices] YoY: Net sales decreased 11.9%, operating results worsened ¥1.6 billion

Net sales decreased 11.9% year on year, to ¥29.0 billion, and operating results worsened ¥1.6 billion, making for an operating loss of ¥1.5 billion.

In power semiconductors, sales of products for power supplies continued to slump and the sales of products for automotive electronics applications fell due to the effects of the Great East Japan Earthquake. In industrial products, however, increased demand for inverters and industrial equipment in Japan as well as in China and other Asian markets drove sales up. These sales increases compensated for the declines in products for power supplies and automotive electronics applications, resulting in year-on-year improvements in net sales and operating results.

In hard disks, while we worked to reduce expenses and other costs to compensate for the effects of decreased demand and unfavorable foreign exchange conditions, we were not able to avoid the worsening of net sales and operating results.

[ED&C Components] YoY: Net sales increased 20.0%, operating results improved ¥1.2 billion

Net sales increased 20.0% year on year, to ¥17.9 billion, and operating results improved ¥1.2 billion, to ¥1.4 billion.

In the domestic market, the demand from manufacturers of machine tools and other machinery remained strong supported by the continued robust demand from China and other parts of Asia. Conditions in overseas markets were also favorable due to the strong demand from Asia. As a result, net sales increased significantly. The higher net sales also resulted in notable improvements in operating results.

[Vending Machines] YoY: Net sales increased 5.7%, operating results improved ¥0.5 billion

Net sales increased 5.7% year on year, to ¥19.1 billion, and operating results improved ¥0.5 billion, making for an operating loss of ¥1.0 billion.

In vending machines, net sales increased due to the strong demand from food and beverage makers for energy-saving vending machines to replace existing vending machines in response to the electricity shortages following the Great East Japan Earthquake. Operating results also improved due to the effects of higher net sales as well as the reductions in costs of sales and fixed costs as a result of business restructuring efforts.

In currency handling machines, net sales were down, but operating results improved due to lower fixed costs.

[Other] YoY: Net sales decreased 2.5%, operating results improved ¥0.3 billion

Net sales decreased 2.5% year on year, to ¥22.6 billion, and operating results improved ¥0.3 billion, making for an operating loss of ¥0.2 billion.

(2) Quantitative Information regarding Consolidated Financial Position

(¥ billion)

	March 31, 2011	Breakdown (%)	June 30, 2011	Breakdown (%)	Change
Total assets	805.8	100.0	755.3	100.0	-50.5
Interest-bearing debt	274.0	34.0	259.0	34.3	-15.0
Shareholder's equity ^{*1}	155.4	19.3	146.9	19.4	-8.5
Debt-equity ratio ^{*2} (times)	1.8		1.8		0.0

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

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

Total assets stood at ¥755.3 billion as of June 30, 2011, down ¥50.5 billion from March 31, 2011.

Inventories rose, but trade notes and accounts receivable fell, causing a ¥39.0 billion decline in current assets. Total noncurrent assets were down ¥11.4 billion during the period, primarily due to decreases in property, plant and equipment and investment securities.

Interest-bearing debt stood at ¥259.0 billion on June 30, 2011, down ¥15.0 billion from March 31, 2011. This decline was largely attributable to the redemption of bonds, which offset the increase in short-term loans payable. Further, net interest-bearing debt—interest-bearing debt net of cash and cash equivalents—declined ¥0.9 billion from March 31, 2011, to ¥191.3 billion at the end of the first quarter.

Net assets were ¥166.7 billion at the end of the first quarter, down ¥8.3 billion from March 31, 2011. This was the result of decreases in retained earnings and 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 ¥146.9 billion, down ¥8.5 billion from March 31, 2011. The debt-equity ratio at the end of the first quarter was 1.8 times, the same as on March 31, 2011. The net debt-equity ratio (net interest-bearing debt ÷ shareholders' equity) was 1.3 times, up 0.1 times.

(3) Qualitative Information Regarding Consolidated Forecasts

For information regarding the Company's consolidated forecasts for the fiscal year ending March 31, 2012, please refer to the Announcement Regarding Consolidated Forecasts for the Fiscal Year Ending March 31, 2012, which was released on July 28, 2011.