

Consolidated Financial Results **for 3Q FY2013**

January 31, 2014
Fuji Electric Co., Ltd.

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

Operating income turned into the black for the first time in 7 years, since FY2006

(Billion yen)

	9 months FY2012	9 months FY2013	Change
Net Sales	500.8	502.6	1.8
Operating Income/Loss	-4.2	5.9	10.0
Ordinary Income/Loss	-4.6	6.6	11.2
Extraordinary Income/Loss	-1.3	-0.4	1.0
Income/Loss before Income Taxes	-5.9	6.2	12.2
Income Taxes	-3.3	2.5	5.7
Minority Interest in Income/Loss	0.8	1.4	0.6
Net Income/Loss	-3.4	2.3	5.8

(Yen)

Average Exchange Rate US\$	80.00	99.39	19.39
Average Exchange Rate EURO	102.17	132.23	30.6

Operating Income/Loss

Cost Reduction	+11.2	Price Decline	-4.7
Higher Production Volume	+5.9	Decrease in Sales	-3.1
Exchange Rate Effect	+1.4	Material Price Hikes	-0.9
Reduction in Fixed Costs	+0.4		
	+18.9		-8.7

Non-operating Income/Loss

Net Interest Expense	-0.7
Foreign Exchange Gain/Loss	+1.9
	+1.2

Extraordinary Income/Loss

Gain on Sales of Noncurrent Assets	+0.5
Other	+0.5
	+1.0

Net Sales and Operating Income by Segment for 9 months (Apr.-Dec.) (YoY Comparison)

(Billion yen)

	Net Sales			Operating Income/Loss		
	9 months FY2012	9 months FY2013	Change	9 months FY2012	9 months FY2013	Change
Power and Social Infrastructure	99.4	87.3	-12.1	-0.3	-0.9	-0.6
Industrial Infrastructure	122.7	108.7	-14.0	0.4	-1.3	-1.7
Power Electronics	103.5	118.6	15.1	-1.9	1.7	3.6

➤ Power and Social Infrastructure

[Net Sales]

- In the power plant business, net sales were down due to rebound from large-scale orders for thermal power generation facilities recorded in the previous equivalent period, which offset rises in orders for hydropower generation facilities and solar power generation systems.
- In the social engineering systems business, net sales were down due to lower demand for watt-hour meters in light of the ensuing switch to smart meters.
- In the social information business, net sales were up following a rise in large-scale orders.

[Operating Income/Loss]

- Operating results worsened because lower net sales counteracted cost reductions.

➤ Industrial Infrastructure

[Net Sales]

- In the transmission and distribution business, net sales were down, reflecting the absence of the previous fiscal year's large overseas orders.
- In the machinery and electronics systems business, net sales decreased following a year-on-year decline in order backlog seen at the beginning of the fiscal year.
- In the instrumentation and control systems business, net sales were up due to a rise in orders for measurement instruments.
- In the equipment construction business, net sales were down due to the absence of large orders in the previous fiscal year.

[Operating Income/Loss]

- Operating results worsened because lower net sales counteracted cost reductions.

➤ Power Electronics

[Net Sales]

- In the drive business, net sales improved thanks to higher demand for inverters and servos in Japan and overseas and the sales contributions from large overseas orders for electric equipment for railcars.
- In the power supply business, net sales improved due to increased demand for power conditioners for mega solar facilities and power supply equipment for data centers.
- In the ED&C components business, net sales improved due to increased demand in the renewable energy field and recovery in domestic demand in the machine tool and semiconductor fields.

[Operating Income/Loss]

- Operating results improved due to the higher sales and the benefits of the business restructuring in the previous fiscal year.

Net Sales and Operating Income by Segment for 9 months (Apr.-Dec.) (YoY Comparison)

(Billion yen)

	Net Sales			Operating Income/Loss		
	9 months FY2012	9 months FY2013	Change	9 months FY2012	9 months FY2013	Change
Electronic Devices	80.2	93.5	13.4	-3.8	4.0	7.9
Food and Beverage Distribution	80.5	87.5	7.0	3.7	5.2	1.4
Others	45.4	44.0	-1.4	1.4	1.6	0.2
Elimination and Corporate	-30.9	-37.0	-6.1	-3.7	-4.3	-0.7
Total	500.8	502.6	1.8	-4.2	5.9	10.0

➤ Electronic Devices

[Net Sales]

- In the semiconductors business, net sales were up due to strong demand in the automotive electronics business; a recovery trend in demand for inverters, servos, and other industrial machinery in the industrial business; and recovered demand for products for telecommunications equipment in the power supply application business.
- In the magnetic disks business, net sales declined due to lower demand from customers.

[Operating Income/Loss]

- The semiconductors business improved operating results due to higher earnings and the benefits of the business restructuring in the previous fiscal year.
- In the magnetic disks business, operating results deteriorated because lower net sales.

➤ Food and Beverage Distribution

[Net Sales]

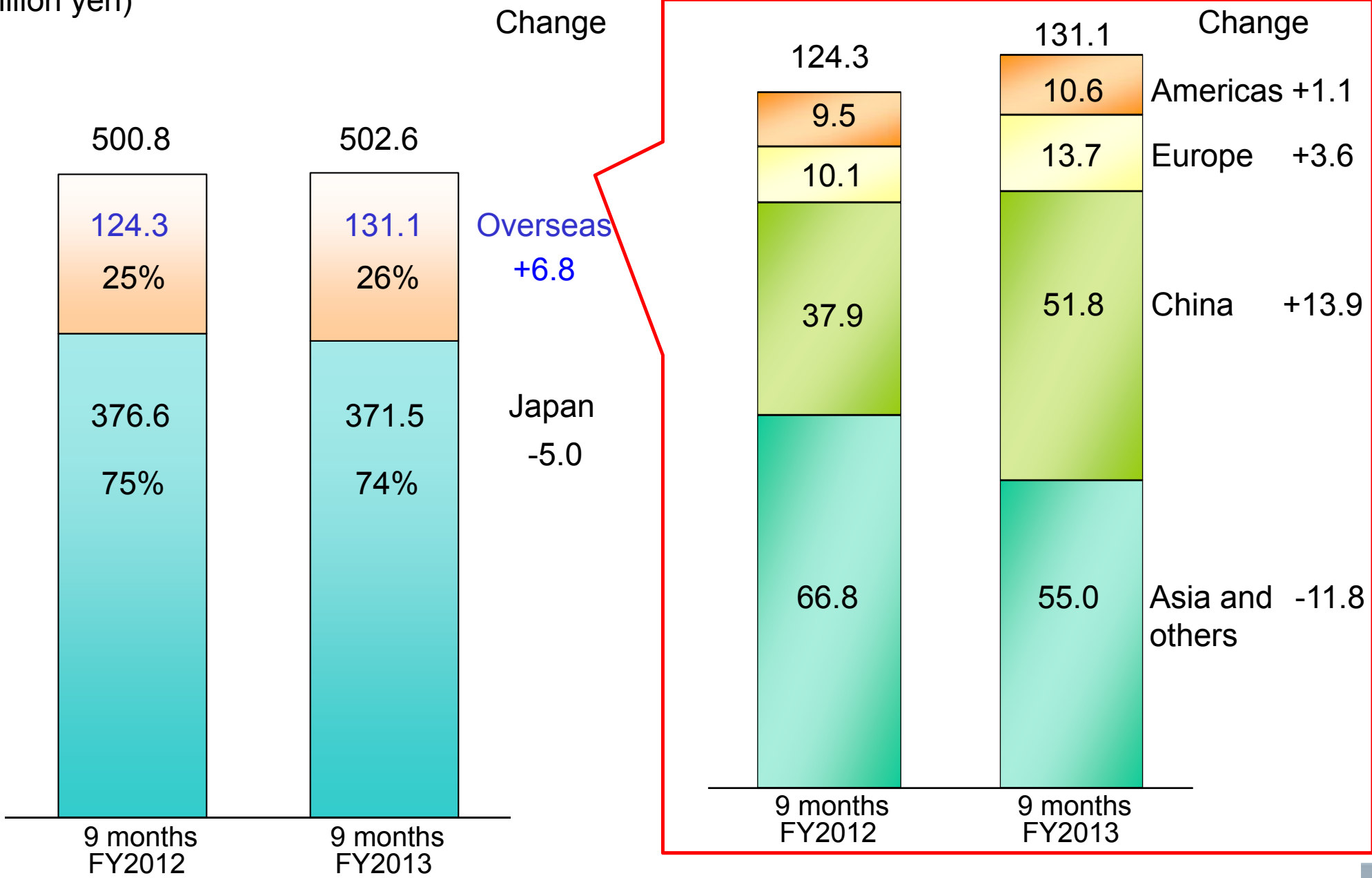
- In the vending machines business, net sales were up because steady sales of energy-saving environment-friendly vending machines compensated for the stoppage of sales of certain food and beverage items through vending machines.
- In the store distribution business, net sales increased due to higher orders for construction and renovation of convenience stores and super markets,

[Operating Income/Loss]

- In the vending machines business, operating results improved following higher revenues and lower costs.
- In the store distribution business, operating results deteriorated due to the impacts of higher upfront investments for the expansion of new businesses.

Net Sales for 9 months (Apr.-Dec.) (Japan and Overseas by Area)

(Billion yen)



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

(Billion yen)

	3Q FY2012	3Q FY2013	Change
Net Sales	167.0	174.1	7.2
Operating Income/Loss	1.2	2.9	1.7
Ordinary Income/Loss	3.3	4.1	0.9
Extraordinary Income/Loss	0.8	-0.3	-1.0
Income/Loss before Income Taxes	4.0	3.9	-0.2
Income Taxes	-0.6	1.3	1.9
Minority Interest in Income/Loss	0.4	0.6	0.1
Net Income/Loss	4.2	2.0	-2.2

(Yen)

Average Exchange Rate US\$	81.17	100.46	19.29
Average Exchange Rate EURO	105.25	136.69	31.44

Operating Income/Loss

Higher Production Volume	+3.0	Increase in Fixed Costs	-1.8
Cost Reduction	+2.5	Price Decline	-1.1
Exchange Rate Effect	+0.3	Decrease in Sales	-0.7
		Material Price Hikes	-0.5
	+5.8		-4.1

Non-operating Income/Loss

Net Interest Expense	-0.4
Equity in Losses of Affiliates	-0.4
Foreign Exchange Gain/Loss	-0.2
Other	+0.2
	-0.9

Extraordinary Income/Loss

Loss/Gain on Devaluation of Investment Securities	-0.9	(0.9→0.0)
Other	-0.1	
	-1.0	

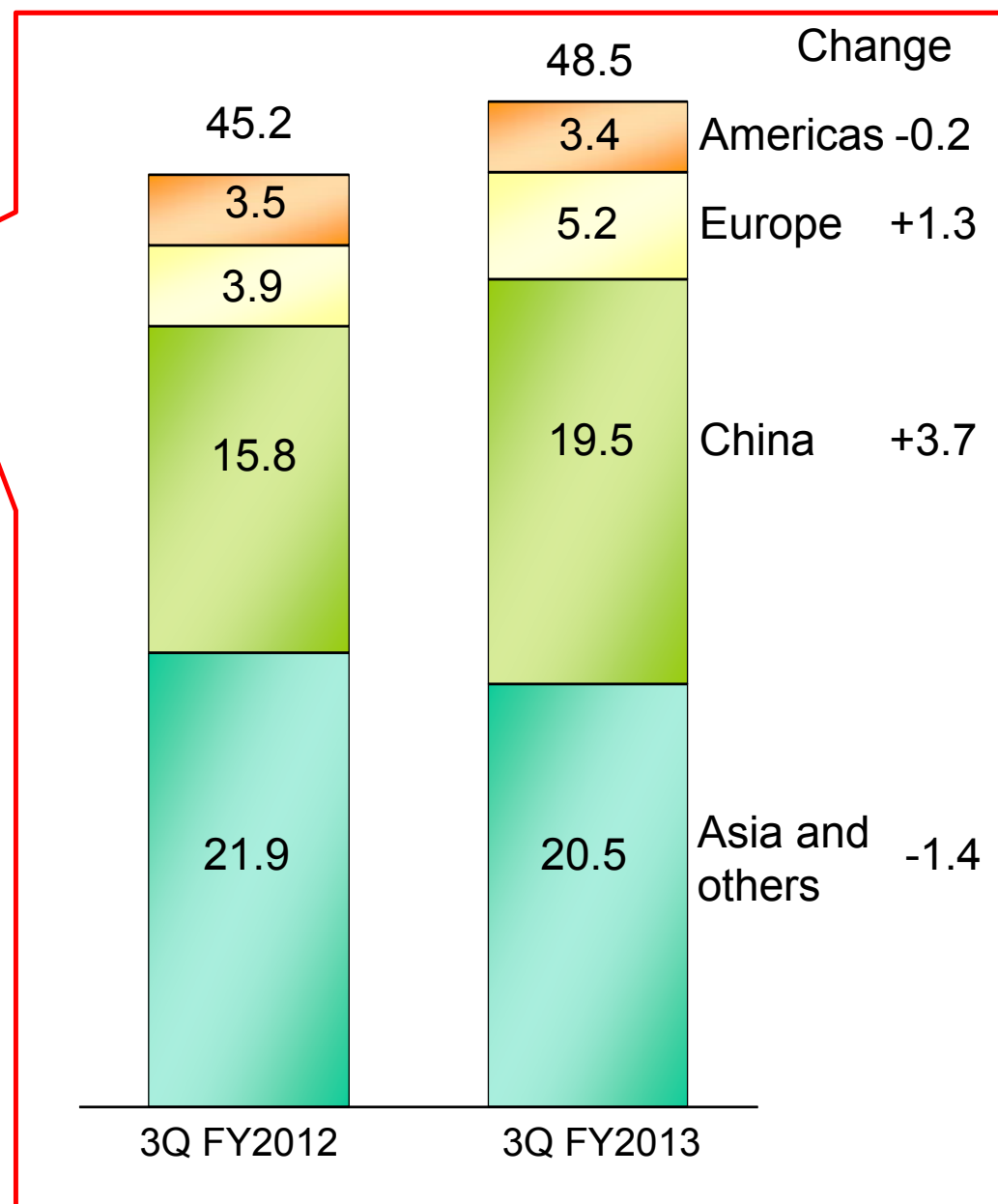
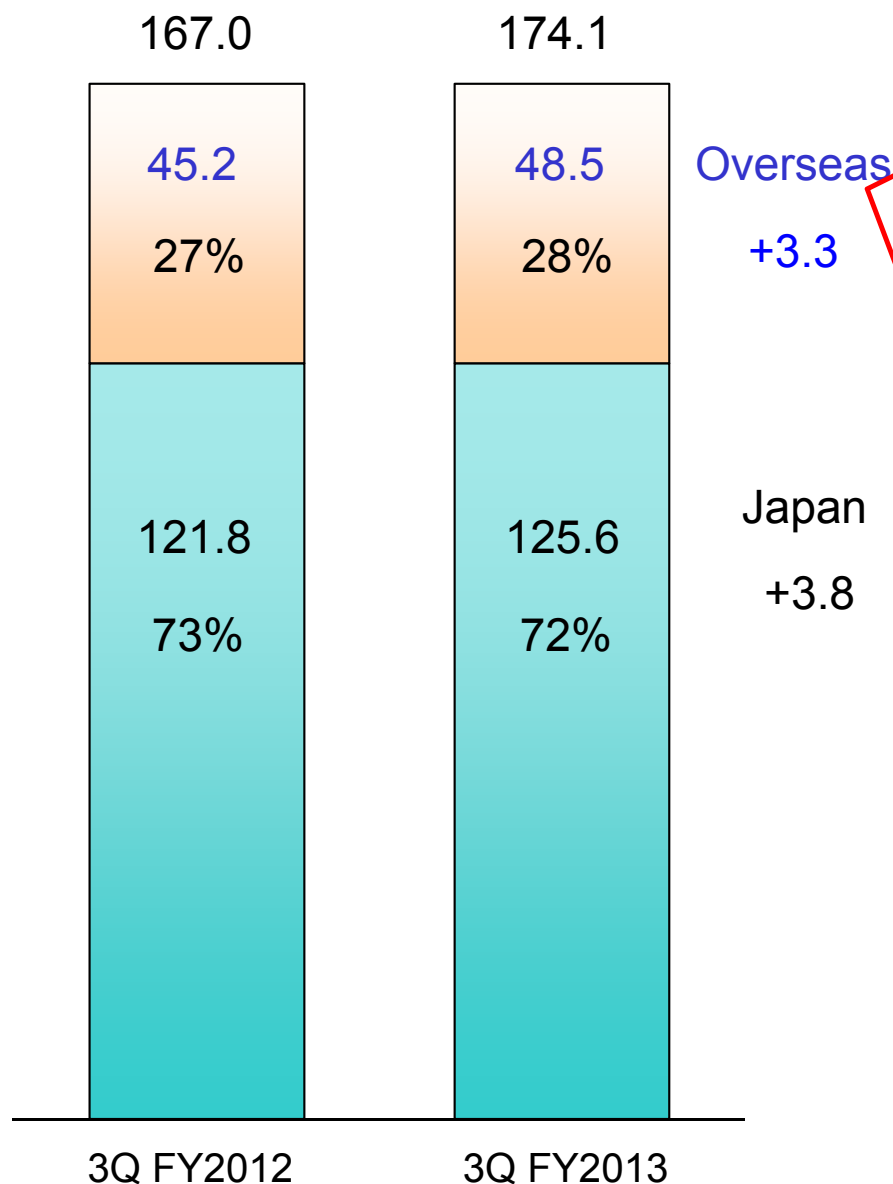
Net Sales and Operating Income by Segment for 3Q (Oct.-Dec.) (YoY Comparison)

(Billion yen)

	Net Sales			Operating Income/Loss		
	3Q FY2012	3Q FY2013	Change	3Q FY2012	3Q FY2013	Change
Power and Social Infrastructure	30.0	29.9	-0.0	0.4	0.1	-0.4
Industrial Infrastructure	42.7	39.2	-3.5	1.2	0.2	-1.0
Power Electronics	37.1	42.8	5.7	0.1	0.8	0.7
Electronic Devices	28.6	34.4	5.8	-1.0	2.3	3.3
Food and Beverage Distribution	23.8	25.2	1.4	1.3	0.5	-0.8
Others	15.6	15.3	-0.3	0.4	0.5	0.1
Elimination and Corporate	-10.9	-12.8	-1.9	-1.2	-1.5	-0.3
Total	167.0	174.1	7.2	1.2	2.9	1.7

Net Sales for 3Q (Oct.-Dec.) (Japan and Overseas by Area)

(Billion yen)



Consolidated Balance Sheet at the end of 3Q FY2013

(Billion yen)

Assets		3/31/13	12/31/13	Change
Cash and time deposit		39.8	27.7	-12.0
Notes and account receivables, trade receivables		216.9	172.3	-44.5
Inventories		107.7	156.5	48.8
Other current assets		60.4	59.8	-0.5
Total current assets		424.7	416.4	-8.3
Tangible fixed assets		168.4	171.2	2.8
Intangible fixed assets		12.7	13.3	0.6
Investments and other assets		159.6	185.6	26.0
Total long-term assets		340.7	370.2	29.4
Deferred assets		0.1	0.2	0.0
Total assets		765.6	786.8	21.2

Liabilities and Net Assets		3/31/13	12/31/13	Change
Notes and account payables, trade payables		129.9	125.0	-4.9
Interest-bearing Debts		226.7	218.7	-8.1
Other liabilities		193.2	201.5	8.3
Total liabilities		549.9	545.2	-4.7
Common stock		47.6	47.6	-
Capital surplus		46.7	46.7	-
Retained earnings		87.6	85.8	-1.9
Treasury stock at cost		-7.1	-7.1	-0.0
Shareholders' equity		174.8	172.9	-1.9
Accumulated other comprehensive income		19.7	44.7	25.0
Minority interests in consolidated subsidiaries		21.1	23.9	2.8
Total net assets		215.7	241.6	25.9
Total liabilities and net assets		765.6	786.8	21.2

*Total net assets ratio =

(Total net assets – Minority interests in consolidated subsidiaries) / Total assets

Total Net Assets Ratio (%)*	25.4	27.7	2.3
Net Interest-bearing Debts	187.0	191.6	4.5
Net Debt-Equity Ratio (times)	1.0	0.9	-0.1

Consolidated Financial Result Forecasts for FY2013 (Comparison with previous forecasts)

Forecasts for individual segments revised in consideration of market trends

(Billion yen)

	FY2013 Forecasts (Oct. 24, 2013)	FY2013 Forecasts (Jan. 30, 2014)	Change
Net Sales	755.0	755.0	0.0
Operating Income/Loss	30.0	30.0	0.0
Ordinary Income/Loss	30.0	30.0	0.0
Net Income/Loss	16.0	16.0	0.0

Assumed Exchange Rate in 4Q FY2013

* Operating Income/Loss basis

	US\$	EURO
Assumed Exchange Rate	¥100.00	¥135.00
One Yen Effect* (Million yen)	20	20

(Billion yen)

	Net Sales			Operating Income/Loss		
	FY2013 Forecasts (Oct. 24, 2013)	FY2013 Forecasts (Jan. 30, 2014)	Change	FY2013 Forecasts (Oct. 24, 2013)	FY2013 Forecasts (Jan. 30, 2014)	Change
Power and Social Infrastructure	147.1	147.1	0.0	8.0	8.0	0.0
Industrial Infrastructure	200.0	194.0	-6.0	11.0	9.7	-1.3
Power Electronics	166.5	166.5	0.0	4.8	4.8	0.0
Electronic Devices	117.7	121.7	4.0	4.5	5.5	1.0
Food and Beverage Distribution	116.4	118.4	2.0	6.7	7.0	0.3
Others	56.9	56.9	0.0	1.5	1.5	0.0
Elimination and Corporate	-49.4	-49.4	0.0	-6.6	-6.6	0.0
Total	755.0	755.0	0.0	30.0	30.0	0.0

【Reference】 Consolidated Financial Result Forecasts for FY2013 (YOY Comparison)

(Billion yen)

	FY2012 Results	FY2013 Forecasts (Jan. 30, 2014)	Change
Net Sales	745.8	755.0	9.2
Operating Income/Loss	22.0	30.0	8.0
Ordinary Income/Loss	25.7	30.0	4.3
Net Income/Loss	26.4	16.0	-10.4

Assumed Exchange Rate in 4Q FY2013

* Operating Income/Loss basis

	US\$	EURO
Assumed Exchange Rate	¥100.00	¥135.00
One Yen Effect* (Million yen)	20	20

(Billion yen)

	Net Sales			Operating Income/Loss		
	FY2012 Results	FY2013 Forecasts (Jan. 30, 2014)	Change	FY2012 Results	FY2013 Forecasts (Jan. 30, 2014)	Change
Power and Social Infrastructure	156.9	147.1	-9.8	8.4	8.0	-0.4
Industrial Infrastructure	198.7	194.0	-4.8	11.0	9.7	-1.3
Power Electronics	148.4	166.5	18.1	1.2	4.8	3.6
Electronic Devices	113.6	121.7	8.1	-1.4	5.5	6.9
Food and Beverage Distribution	112.1	118.4	6.3	6.4	7.0	0.6
Others	60.6	56.9	-3.7	1.6	1.5	-0.1
Elimination and Corporate	-44.5	-49.4	-5.0	-5.3	-6.6	-1.3
Total	745.8	755.0	9.2	22.0	30.0	8.0

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