

**Consolidated Financial Results for first half of the fiscal year ending March 31, 2014
(April 1, 2013 — September 30, 2013)**

Summary of Consolidated Financial Results (Six months ended September 30, 2013)

1. Summary of consolidated statements of operations

	Millions of yen		Millions of U.S. dollars
	1H FY2013	1H FY2012	1H FY2013
Net sales	328,489	333,836	3,352
Operating income	2,971	-5,365	30
Ordinary income	2,491	-7,875	25
Net income	329	-7,642	3
	Yen		U.S. dollars
Net income per share	0.46	-10.70	0.00

2. Summary of consolidated financial position

	Millions of yen		Millions of U.S. dollars
	9/30/2013	3/31/2013	9/30/2013
Total assets	731,262	765,563	7,462
Net assets	220,856	215,672	2,254
Net assets ratio (%)	27.1%	25.4%	-

Note: U.S. dollar amounts in this financial report are translated, for convenience only, at the rate of ¥98=U.S.\$1

**3. Forecast of consolidated earnings for the fiscal year ending March 31, 2014
(April 1, 2013 - March 31, 2014)**

	Millions of yen
	FY2013
Net sales	755,000
Operating income	30,000
Ordinary income	30,000
Net income	16,000
	FY2013
Net income per share	22.39

< 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
	<u>9/30/2013</u>	<u>3/31/2013</u>	<u>9/30/2013</u>
Assets			
Current assets:			
Cash and deposits	23,755	39,750	242
Notes and accounts receivable-trade	164,242	216,852	1,676
Merchandise and finished goods	52,031	42,464	531
Work in process	61,316	39,294	626
Raw materials and supplies	28,280	25,963	289
Other	58,409	60,783	596
Allowance for doubtful accounts	-416	-401	-4
Total Current assets	<u>387,620</u>	<u>424,706</u>	<u>3,955</u>
Noncurrent assets:			
Property, plant and equipment	169,126	168,442	1,726
Intangible assets	13,047	12,706	133
Investments and other assets			
Investment securities	122,292	119,464	1,248
Other	40,276	41,905	411
Allowance for doubtful accounts	-1,297	-1,798	-13
Total Investments and other assets	<u>161,270</u>	<u>159,572</u>	<u>1,646</u>
Total Noncurrent assets	<u>343,444</u>	<u>340,721</u>	<u>3,505</u>
Deferred assets	<u>198</u>	<u>135</u>	<u>2</u>
Total Assets	<u><u>731,262</u></u>	<u><u>765,563</u></u>	<u><u>7,462</u></u>

Consolidated Balance Sheets

	Millions of yen		<i>Millions of U.S. dollars</i>
	9/30/2013	3/31/2013	<i>9/30/2013</i>
Liabilities			
Current liabilities:			
Notes and accounts payable-trade	117,467	129,934	<i>1,199</i>
Short-term loans payable	61,362	62,594	<i>626</i>
Commercial papers	2,000	28,000	<i>20</i>
Income taxes payable	1,869	2,918	<i>19</i>
Advances received	41,379	39,620	<i>422</i>
Other	99,799	117,398	<i>1,018</i>
Total Current liabilities	323,879	380,466	<i>3,305</i>
Noncurrent liabilities:			
Bonds payable	60,500	40,500	<i>617</i>
Long-term loans payable	82,725	85,623	<i>844</i>
Provision for retirement benefits	11,465	11,681	<i>117</i>
Provision for directors' retirement benefits	210	266	<i>2</i>
Other	31,624	31,352	<i>323</i>
Total Noncurrent liabilities	186,526	169,424	<i>1,903</i>
Total Liabilities	510,405	549,890	<i>5,208</i>
Net Assets			
Shareholders' equity:			
Capital stock	47,586	47,586	<i>486</i>
Capital surplus	46,734	46,734	<i>477</i>
Retained earnings	85,889	87,620	<i>876</i>
Treasury stock	-7,124	-7,115	<i>-73</i>
Total Shareholders' equity	173,085	174,824	<i>1,766</i>
Accumulated other comprehensive income:			
Valuation difference on available-for-sale securities	23,805	20,383	<i>243</i>
Deferred gains or losses on hedges	-59	-83	<i>-1</i>
Foreign currency translation adjustments	1,146	-551	<i>12</i>
Total Accumulated other comprehensive income	24,892	19,747	<i>254</i>
Minority interests	22,879	21,100	<i>233</i>
Total Net assets	220,856	215,672	<i>2,254</i>
Total Liabilities and Net assets	731,262	765,563	<i>7,462</i>

Consolidated Statements of Operations

	Millions of yen		Millions of U.S. dollars
	1H FY2013	1H FY2012	1H FY2013
Net sales	328,489	333,836	3,352
Cost of sales	253,920	272,281	2,591
Gross profit	74,569	61,554	761
Selling, general and administrative expenses	71,598	66,920	731
Operating income (loss)	2,971	-5,365	30
Non-operating income			
Interest income	163	64	2
Dividends income	624	1,595	6
Foreign exchange income	1,005	-	10
Other	562	898	6
Total Non-operating income	2,355	2,558	24
Non-operating expenses			
Interest expense	1,424	2,011	15
Equity in losses of affiliates	1,048	1,428	11
Foreign exchange losses	-	1,148	-
Other	362	479	4
Total Non-operating expenses	2,835	5,068	29
Ordinary income (loss)	2,491	-7,875	25
Extraordinary income			
Gain on sales of noncurrent assets	378	15	4
Gain on sales of investment securities	253	4	3
Insurance income	-	208	-
Total Extraordinary income	631	229	6
Extraordinary loss			
Loss on disposal of noncurrent assets	271	181	3
Loss on devaluation of investment securities	1	1,181	0
Settlement package	420	700	4
Other	69	269	1
Total Extraordinary loss	763	2,332	8
Income (loss) before income taxes and minority interests	2,360	-9,978	24
Income taxes	1,197	-2,652	12
Income (loss) before minority interests	1,162	-7,325	12
Minority interests in income of consolidated subsidiaries	833	317	9
Net income (loss)	329	-7,642	3

Consolidated Statements of Comprehensive Income

	Millions of yen		<i>Millions of U.S. dollars</i>
	1H FY2013	1H FY2012	<i>1H FY2013</i>
Income (loss) before minority interests	1,162	-7,325	12
Other comprehensive income (loss)			
Valuation difference on available-for-sale securities	3,480	-14,131	36
Deferred gains or losses on hedges	20	40	0
Foreign currency translation adjustments	2,052	-2,059	21
Share of other comprehensive income of associates accounted for using equity method	23	15	0
Total other comprehensive Income (loss)	5,577	-16,135	57
Comprehensive income (loss)	6,739	-23,461	69
Comprehensive income (loss) attributable to:			
Shareholders of the Company	5,473	-23,587	56
Minority interests	1,266	125	13

Consolidated Statements of Cash Flows
For the first Half of FY2013 (April 1 - September 30, 2013)

	Millions of yen		Millions of U.S. dollars
	1H FY2013	1H FY2012	1H FY2013
I Cash flows from operating activities			
Income (loss) before income taxes and minority interests	2,360	-9,978	24
Depreciation and amortization	14,576	14,584	149
Interest and dividends income	-787	-1,659	-8
Interest expenses	1,424	2,011	15
Loss (gain) on sales of noncurrent assets	-378	-15	-4
Loss (gain) on sales of investment securities	-253	-4	-3
Loss (gain) on disposal of noncurrent assets	271	181	3
Loss (gain) on devaluation of investment securities	1	1,181	0
Decrease (increase) in notes and accounts receivable-trade	55,048	29,638	562
Decrease (increase) in inventories	-32,234	13,643	-329
Increase (decrease) in notes and accounts payable-trade	-14,398	-17,006	-147
Increase (decrease) in advances received	1,699	-2,171	17
Other, net	-1,969	-3,506	-20
Subtotal	25,359	26,898	259
Interest and dividends income received	806	1,662	8
Interest expenses paid	-1,466	-2,096	-15
Income taxes paid	-3,027	-2,536	-31
Net cash provided by operating activities	21,673	23,926	221
II Cash flows from investing activities			
Purchase of property, plant and equipment	-6,811	-10,647	-70
Proceeds from sales of property, plant and equipment	647	200	7
Purchase of investment securities	-321	-7,534	-3
Proceeds from sales of investment securities	520	7,422	5
Purchase of investments in subsidiaries	-	-321	-
Purchase of investments in subsidiaries resulting in change in scope of consolidation	-	-3,975	-
Payments of loans receivable	-3,946	-1,533	-40
Collection of loans receivable	3,759	1,668	38
Other, net	-1,427	-1,962	-15
Net cash used in investing activities	-7,579	-16,683	-77
III Cash flows from financing activities			
Net increase (decrease) in short-term loans payable	-233	-8,591	-2
Increase (decrease) in commercial papers	-26,000	-10,000	-265
Proceeds from long-term loans payable	62	24,711	1
Repayment of long-term loans payable	-5,213	-11,536	-53
Proceeds from issuance of bonds	20,000	20,000	204
Redemption of bonds	-10,000	-40,510	-102
Repayments of lease obligations	-6,383	-5,804	-65
Proceeds from sales of treasury stock	-	0	-
Purchase of treasury stock	-8	-2	0
Cash dividends paid	-2,143	-1,429	-22
Cash dividends paid to minority shareholders	-458	-262	-5
Other, net	-91	-91	-1
Net cash used in financing activities	-30,469	-33,517	-311
IV Effect of exchange rate change on cash and cash equivalents	-345	-711	-4
V Net increase (decrease) in cash and cash equivalents (I + II + III + IV)	-16,721	-26,984	-171
VI Cash and cash equivalents at beginning of period	39,688	64,261	405
VII Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	725	-	7
VIII Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	-	2	-
IX Cash and cash equivalents at end of period	23,693	37,279	242

Consolidated Segment Information (1H FY2013)

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

As of April 1, 2013, reflecting change of organization structure, the reporting segments were reclassified in Power and Social Infrastructure, Industrial Infrastructure and Power Electronics, and contents of Others were changed.

The reporting segment information for first half of the fiscal year ended March 31, 2013 has been reclassified to reflect this change.

1H FY2012	Millions of yen								
	Power and Social Infrastructure	Industrial Infrastructure	Power Electronics	Electronic Devices	Food and Beverage Distribution	Others	Total	Adjustments	Consolidated
Net Sales									
Sales to third parties	68,812	78,550	63,559	50,203	56,637	16,071	333,836	-	333,836
Inter-segment sales and transfers	636	1,417	2,776	1,344	63	13,770	20,009	-20,009	-
Total sales	69,449	79,968	66,336	51,548	56,700	29,841	353,846	-20,009	333,836
Segment profits (losses)	-725	-791	-1,956	-2,864	2,441	950	-2,944	-2,420	-5,365

1H FY2013	Millions of yen								
	Power and Social Infrastructure	Industrial Infrastructure	Power Electronics	Electronic Devices	Food and Beverage Distribution	Others	Total	Adjustments	Consolidated
Net Sales									
Sales to third parties	56,720	68,065	69,273	57,476	62,239	14,714	328,489	-	328,489
Inter-segment sales and transfers	604	1,443	6,462	1,605	48	14,014	24,179	-24,179	-
Total sales	57,325	69,508	75,735	59,082	62,288	28,729	352,669	-24,179	328,489
Segment profits (losses)	-989	-1,547	896	1,729	4,654	1,048	5,792	-2,821	2,971

1H FY2013	Millions of U.S. dollars								
	Power and Social Infrastructure	Industrial Infrastructure	Power Electronics	Electronic Devices	Food and Beverage Distribution	Others	Total	Adjustments	Consolidated
Net Sales									
Sales to third parties	579	695	707	586	635	150	3,352	-	3,352
transfers	6	15	66	16	0	143	247	-247	-
Total sales	585	709	773	603	636	293	3,599	-247	3,352
Segment profits (losses)	-10	-16	9	18	47	11	59	-29	30

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

	Billions of yen			
	1H FY2012	FY2012	1H FY2013	FY2013 [Forecast]
Net sales	333.8	745.8	328.5	755.0
Operating income	-5.4	22.0	3.0	30.0
Ordinary income	-7.9	25.7	2.5	30.0
Net income	-7.6	26.4	0.3	16.0

2. Number of consolidated subsidiaries

	Billions of yen			
	1H FY2012	FY2012	1H FY2013	FY2013 [Forecast]
Number of consolidated subsidiaries	48	47	48	48
Japan	26	25	24	24
Overseas	22	22	24	24
Number of equity-method associates	5	5	5	5

3. Net income per share

	Yen			
	1H FY2012	FY2012	1H FY2013	FY2013 [Forecast]
Net income per share	-10.70	36.90	0.46	22.39

4. Sales exchange rate (Yen)

	Yen			
	1H FY2012	FY2012	1H FY2013	FY2013 [Forecast]
US\$	79.41	83.10	98.85	96.93
EURO	100.64	107.14	130.00	127.50

5. Net sales by reporting segment

	Billions of yen			
	1H FY2012	FY2012	1H FY2013	FY2013 [Forecast]
Power and Social Infrastructure	69.4	156.9	57.3	147.1
Industrial Infrastructure	80.0	198.7	69.5	200.0
Power Electronics	66.3	148.4	75.7	166.5
Electronic Devices	51.5	113.6	59.1	117.7
Food and Beverage Distribution	56.7	112.1	62.3	116.4
Others	29.8	60.6	28.7	56.9
Subtotal	353.8	790.2	352.7	804.4
Elimination	-20.0	-44.5	-24.2	-49.4
Total	333.8	745.8	328.5	755.0

Note : Net sales include inter-segment transactions.

6. Operating income by reporting segment

	Billions of yen			
	1H FY2012	FY2012	1H FY2013	FY2013 [Forecast]
Power and Social Infrastructure	-0.7	8.4	-1.0	8.0
Industrial Infrastructure	-0.8	11.0	-1.5	11.0
Power Electronics	-2.0	1.2	0.9	4.8
Electronic Devices	-2.9	-1.4	1.7	4.5
Food and Beverage Distribution	2.4	6.4	4.7	6.7
Others	1.0	1.6	1.0	1.5
Subtotal	-2.9	27.3	5.8	36.6
Elimination	-2.4	-5.3	-2.8	-6.6
Total	-5.4	22.0	3.0	30.0

7. Net overseas sales

	Billions of yen			
	1H FY2012	FY2012	1H FY2013	FY2013 [Forecast]
Asia (except for China)	44.8	95.8	34.5	-
China	22.0	54.6	32.3	-
Europe	6.2	14.4	8.5	-
America	6.0	13.8	7.2	-
Total	79.1	178.5	82.6	-

8. R&D expenditures

	Billions of yen	
	1H FY2012	FY2012
Power and Social Infrastructure	3.0	6.8
Industrial Infrastructure	2.1	4.1
Power Electronics	3.6	6.7
Electronic Devices	5.1	9.6
Food and Beverage Distribution	1.4	3.8
Others	0.0	0.1
Total	15.2	31.2
Ratio to net sales (%)	4.6%	4.2%

9. Plant and equipment investment (including leases)

	Billions of yen	
	1H FY2012	FY2012
Power and Social Infrastructure	0.6	2.2
Industrial Infrastructure	0.9	2.1
Power Electronics	1.4	7.1
Electronic Devices	5.3	17.2
Food and Beverage Distribution	0.9	2.2
Others	0.7	1.0
Total	9.8	31.8
(Leases)	(2.8)	(16.5)

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

10. Depreciation, Leases paid

	Billions of yen	
	1H FY2012	FY2012
Power and Social Infrastructure	1.4	2.6
Industrial Infrastructure	0.8	1.6
Power Electronics	2.0	4.1
Electronic Devices	9.7	20.2
Food and Beverage Distribution	1.4	2.7
Others	0.7	1.5
Total	15.9	32.7
(Leases)	(2.6)	(4.2)

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

11. Number of employees

	1H FY2012	FY2012
	Power and Social Infrastructure	4,340
Industrial Infrastructure	3,079	2,897
Power Electronics	5,618	5,524
Electronic Devices	6,868	6,689
Food and Beverage Distribution	2,014	1,985
Others	3,576	3,584
Total	25,495	24,956
Japan	18,716	18,271
Overseas	6,779	6,685

12. R&D expenditures

	Billions of yen	
	1H FY2013	FY2013 [Forecast]
Power and Social Infrastructure	2.2	4.5
Industrial Infrastructure	2.8	6.3
Power Electronics	3.5	7.7
Electronic Devices	4.5	9.5
Food and Beverage Distribution	2.2	4.8
Others	0.0	0.0
Total	15.2	32.8
Ratio to net sales (%)	4.6%	4.3%

13. Plant and equipment investment (including leases)

	Billions of yen	
	1H FY2013	FY2013 [Forecast]
Power and Social Infrastructure	0.5	2.2
Industrial Infrastructure	0.9	2.6
Power Electronics	3.6	9.6
Electronic Devices	5.3	13.3
Food and Beverage Distribution	0.9	2.8
Others	0.3	0.8
Total	11.3	31.4
(Leases)	(4.9)	(14.1)

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

14. Depreciation, Leases paid

	Billions of yen	
	1H FY2013	FY2013 [Forecast]
Power and Social Infrastructure	0.9	2.0
Industrial Infrastructure	1.1	2.5
Power Electronics	2.1	4.7
Electronic Devices	8.2	17.4
Food and Beverage Distribution	1.2	2.6
Others	0.7	1.4
Total	14.1	30.5
(Leases)	(0.9)	(1.9)

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

15. Number of employees

	FY2013 [Forecast]	
	1H FY2013	
Power and Social Infrastructure	2,551	2,533
Industrial Infrastructure	5,172	5,141
Power Electronics	6,137	6,359
Electronic Devices	6,680	6,844
Food and Beverage Distribution	2,389	2,397
Others	2,558	2,506
Total	25,487	25,780
Japan	18,233	18,147
Overseas	7,254	7,633

Financial Performance

(1) Qualitative Information regarding Consolidated Results of Operations

In the six-month period ended September 30, 2013, Fuji Electric's operating environment saw a gradual recovery trend in the domestic market spurred on by the government's fiscal and financial policies. In particular, areas related to renewable energy and energy saving performed solidly. Overseas, there were signs suggesting the end of the slump in the European economy and decelerated growth in China, but overall recovery was weak in overseas markets. Nevertheless, conditions in the power electronics and semiconductors areas proved strong.

In response to these conditions, Fuji Electric concentrated on advancing the management policies of expanding energy-related businesses and the globalizing operations. At the same time, having positioned the current fiscal year as the new base year for aggressive management, we established foundations of growth with a view to future business expansion and promoted business management strongly focused on earnings in order to strengthen profitability further.

Consolidated business results for the six-month period were as follows.

Net sales declined ¥5.3 billion year on year, to ¥328.5 billion, due to decreases in large-scale orders in the Power and Social Infrastructure and Industrial Infrastructure segments, which offset the revenue benefits from foreign exchange stemming from yen depreciation. By business segment, Power Electronics, Electronic Devices, and Food and Beverage Distribution increased net sales, while Power and Social Infrastructure, Industrial Infrastructure, and Others saw net sales decline.

Operating income was ¥3.0 billion, improving ¥8.3 billion year on year. This reflected improved profitability stemming from the rigorous reduction of costs and expenses. Further, ordinary income was ¥2.5 billion, improving ¥10.4 billion. Similarly, net income was ¥0.3 billion, improving ¥8.0 billion.

Consolidated results of operations for the six-month period were as follows.

(¥ billion)

	1H Fiscal 2012	1H Fiscal 2013	Change
Net sales	333.8	328.5	-5.3
Operating income/loss	-5.4	3.0	8.3
Ordinary income/loss	-7.9	2.5	10.4
Net income/loss	-7.6	0.3	8.0

Results by Segment

[Power and Social Infrastructure]

YoY: Net sales decreased 17%, operating loss worsened ¥0.3 billion

Net sales decreased 17% year on year, to ¥57.3 billion, while operating loss worsened ¥0.3 billion year on year, to ¥1.0 billion.

In the power plant business, net sales were down year on year 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 up year on year due to increased orders in the power grid field. In the social information business, net sales were up year on year following a rise in large-scale orders. Overall, the segment saw a worsening in operating loss because lower net sales counteracted cost reductions.

[Industrial Infrastructure]

YoY: Net sales decreased 13%, operating loss worsened ¥0.8 billion

Net sales decreased 13% year on year, to ¥69.5 billion, while operating loss worsened ¥0.8 billion year on year, to ¥1.5 billion.

In the transmission and distribution business, net sales were down year on year, reflecting the absence of the previous fiscal year's large overseas orders. In the machinery and electronics systems business, net sales declined year on year because the yen's strength until last year curbed customers' capital investment in Japan. In the instrumentation and control systems business, net sales were relatively unchanged year on year. In the equipment construction business, net sales were down year on year due to the absence of large orders recognized in the previous fiscal year. In the business segment overall, operating loss worsened year on year because lower net sales and counteracted cost reductions.

[Power Electronics]

YoY: Net sales increased 14%, operating loss improved ¥2.9 billion

Net sales rose 14% year on year, to ¥75.7 billion, while operating loss improved ¥2.9 billion and operating income of ¥0.9 billion was recorded.

In the drive business, net sales improved year on year thanks to higher demand for inverters and servos overseas and the contribution to sales from large overseas orders for electric equipment for railcars. Likewise, operating results also showed a year-on-year improvement due to the higher sales and the benefits of the business restructuring conducted in the previous fiscal year. As for the power supply business, net sales and operating results improved year on year as a result of increased demand for power conditioners for mega solar facilities. In the ED&C components business, net sales and operating results improved year on year because demand picked up in Japan and overseas starting in the second quarter.

[Electronic Devices]

YoY: Net sales increased 15%, operating loss improved ¥4.6 billion

Net sales rose 15% year on year, to ¥59.1 billion, while operating loss improved ¥4.6 billion and operating income of ¥1.7 billion was recorded.

In the semiconductors business, net sales were up year on year 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. As a result of higher earnings and the benefits of the business restructuring conducted in relation to power semiconductors in the previous fiscal year, the business was able to realize substantially improved operating results. As for the magnetic disks business, net sales declined and operating results deteriorated due to a slowdown in the HDD market.

[Food and Beverage Distribution]

YoY: Net sales increased 10%, operating income improved ¥2.2 billion

Net sales rose 10% year on year, to ¥62.3 billion, and operating income improved ¥2.2 billion, to ¥4.7 billion.

In the vending machines business, net sales were up year on year because steady sales of energy-saving environment-friendly vending machines and coffee machines for convenience stores compensated for the stoppage of sales of certain food and beverage items through vending machines. Operating results improved following higher revenues and lower costs. The store distribution business recorded a year-on-year increase in net sales and an improvement in operating results due to higher orders for construction and renovation of convenience stores and super markets.

[Others]

YoY: Net sales decreased 4%, operating income unchanged

Net sales declined 4% year on year, to ¥28.7 billion, and operating income was unchanged at ¥1.0 billion.

(2) Quantitative Information regarding Consolidated Financial Position

(¥ billion)

	March 31, 2013	Breakdown (%)	September 30, 2013	Breakdown (%)	Change
Total assets	765.6	100.0	731.3	100.0	-34.3
Interest-bearing debt	226.7	29.6	206.6	28.3	-20.1
Shareholders' equity*1	194.6	25.4	198.0	27.1	+3.4
Debt-equity ratio*2 (times)	1.2		1.0		-0.2

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

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

Total assets stood at ¥731.3 billion on September 30, 2013, down ¥34.3 billion from the previous fiscal year-end. Total current assets declined ¥37.1 billion principally because of decreases in cash and deposits and notes and accounts receivable-trade. Total noncurrent assets were up ¥2.7 billion due to a higher valuation difference on available-for-sale securities.

Interest-bearing debt as of September 30, 2013, amounted to ¥206.6 billion, down ¥20.1 billion from the previous fiscal year-end, primarily due to a decrease in commercial papers. Further, net interest-bearing debt—interest-bearing debt net of cash and cash equivalents—declined ¥4.1 billion from the previous fiscal year-end, amounting to ¥182.9 billion on September 30, 2013.

Net assets on September 30, 2013, stood at ¥220.9 billion, up ¥5.2 billion from the previous fiscal year-end, which was mainly due to increases in valuation difference on available-for-sale securities. In addition, shareholders' equity—total net assets net of minority interests—was up ¥3.4 billion from the previous fiscal year-end, standing at ¥198.0 billion on September 30, 2013. The debt-to-equity ratio (interest-bearing debt ÷ shareholders' equity) declined 0.2 times from the previous fiscal year-end, to 1.0 time. Also, the net debt-to-equity ratio (net interest-bearing debt ÷ shareholders' equity) was 0.9 times, down 0.1 times from the previous fiscal year-end.

In the six-month period ended September 30, 2013, consolidated free cash flow (net cash provided by operating activities + net cash used in investment activities) was ¥14.1 billion, an improvement of ¥6.9 billion compared with positive free cash flow of ¥7.2 billion a year earlier.

Cash flows from operating activities

Net cash provided by operating activities was ¥21.7 billion, compared with ¥23.9 billion a year earlier. This was mainly due to our efforts to collect notes and accounts receivable-trade, which offset an increase in inventories and a decrease in notes and accounts payable-trade.

This was a deterioration of ¥2.3 billion year on year.

Cash flows from investing activities

Net cash used in investment activities was ¥7.6 billion, compared with ¥16.7 billion a year earlier. This was primarily related to the purchase of property, plant and equipment.

This was an improvement of ¥9.1 billion year on year.

Cash flows from financing activities

Net cash used in financing activities was ¥30.5 billion, compared with ¥33.5 billion a year earlier. This was principally due to a decrease in commercial papers.

As a result, consolidated cash and cash equivalents on September 30, 2013, amounted to ¥23.7 billion, down ¥16.0 billion from the previous fiscal year-end.

(3) Qualitative Information regarding Consolidated Forecasts and Forecast Information

In light of the business result trends of the six-month period ending September 30, 2013, Fuji Electric has revised its consolidated forecast of business results for the fiscal year ending March 31, 2014, which was announced on April 25, 2013.

The forecast for the fiscal year ending March 31, 2014, assumes exchange rates of US\$1 = ¥95 and € 1 = ¥125.

Consolidated Forecasts for the Fiscal Year Ending March 31, 2014

	Previous forecasts	Revised forecasts	Change
Net sales	750.0	755.0	5.0
Operating income	27.0	30.0	3.0
Ordinary income	26.0	30.0	4.0
Net income	14.0	16.0	2.0

Reference: Consolidated Forecasts for the Fiscal Year Ending March 31, 2014, by Segment (¥billion)

	Net sales			Operating income/loss		
	Previous forecasts	Revised forecasts	Change	Previous forecasts	Revised forecasts	Change
Power and Social Infrastructure	151.1	147.1	-4.0	8.0	8.0	0.0
Industrial Infrastructure	200.0	200.0	0.0	11.0	11.0	0.0
Power Electronics	164.5	166.5	2.0	4.8	4.8	0.0
Electronic Devices	111.7	117.7	6.0	1.5	4.5	3.0
Food and Beverage Distribution	115.4	116.4	1.0	6.7	6.7	0.0
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	750.0	755.0	5.0	27.0	30.0	3.0

For net sales by segment, the net sales in the Power and Social Infrastructure segment are expected to fall below previously released forecasts due to delays in recording large-scale orders. However, net sales in the Power Electronics, Electronic Devices, and Food and Beverage Distribution segments are projected to be higher than the prior forecasts due to the benefits of yen depreciation on foreign exchange as well as increased demand. As a result, overall net sales will be ¥5.0 billion higher than the previously released forecasts.

As for operating results, the Electronic Devices segment is expected to record operating income that exceeds the previously forecasted figures due to higher earnings and the benefits of the business restructuring conducted in relation to power semiconductors in the previous fiscal year. As a result, overall operating income will be ¥3.0 billion higher than the previously released forecasts.