

**Consolidated Financial Results for first half of the fiscal year ending March 31, 2016
(April 1, 2015 – September 30, 2015)**

Summary of Consolidated Financial Results (Six months ended September 30, 2015)

1. Summary of consolidated statements of operations

	Millions of yen		Change(%) (A)/(B)	Millions of U.S. dollars
	1H FY2015 (A)	1H FY2014 (B)		1H FY2015
Net sales	354,321	345,341	102.6%	2,953
Operating income	6,884	5,885	117.0%	57
Ordinary income	7,000	6,072	115.3%	58
Profit attributable to owners of parent	4,170	1,974	211.2%	35
	Yen			U.S. dollars
Net income per share	5.84	2.76	211.6%	0.05

2. Summary of consolidated financial position

	Millions of yen		Millions of U.S. dollars
	9/30/2015	3/31/2015	9/30/2015
Total assets	841,159	904,522	7,010
Net assets	289,487	319,636	2,412
Equity ratio (%)	30.9%	32.1%	-

Note: U.S. dollar amounts in this financial report are translated, for convenience only, at the rate of ¥120=U.S.\$1

**3. Forecast of consolidated earnings for the fiscal year ending March 31, 2016
(April 1, 2015 - March 31, 2016)**

	Millions of yen
	FY2015
Net sales	850,000
Operating income	45,000
Ordinary income	45,000
Profit attributable to owners of parent	29,000
	FY2015
Net income per share	40.59

< 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>9/30/2015</u>	<u>3/31/2015</u>	<u>9/30/2015</u>
Assets			
Current assets:			
Cash and deposits	28,624	31,953	239
Notes and accounts receivable-trade	185,461	237,631	1,546
Merchandise and finished goods	59,467	54,495	496
Work in process	67,696	48,787	564
Raw materials and supplies	37,089	34,330	309
Other	62,236	56,548	519
Allowance for doubtful accounts	(1,176)	(777)	(10)
Total Current assets	<u>439,399</u>	<u>462,969</u>	<u>3,662</u>
Noncurrent assets:			
Property, plant and equipment	180,049	174,953	1,500
Intangible assets	19,855	15,295	165
Investments and other assets			
Investment securities	142,036	195,393	1,184
Net defined benefit asset	47,824	44,103	399
Other	12,843	12,880	107
Allowance for doubtful accounts	(996)	(1,175)	(8)
Total Investments and other assets	<u>201,708</u>	<u>251,201</u>	<u>1,681</u>
Total Noncurrent assets	<u>401,613</u>	<u>441,451</u>	<u>3,347</u>
Deferred assets	<u>146</u>	<u>102</u>	<u>1</u>
Total Assets	<u><u>841,159</u></u>	<u><u>904,522</u></u>	<u><u>7,010</u></u>

Consolidated Balance Sheets

	Millions of yen		<i>Millions of U.S. dollars</i>
	<u>9/30/2015</u>	<u>3/31/2015</u>	<u>9/30/2015</u>
Liabilities			
Current liabilities:			
Notes and accounts payable-trade	128,365	150,648	1,070
Short-term loans payable	63,623	68,095	530
Commercial papers	9,000	19,000	75
Current portion of bonds	500	15,000	4
Income taxes payable	3,275	5,905	27
Advances received	44,940	38,303	375
Other	99,489	107,795	829
Total Current liabilities	<u>349,194</u>	<u>404,748</u>	<u>2,910</u>
Noncurrent liabilities:			
Bonds payable	60,000	45,500	500
Long-term loans payable	63,059	43,629	525
Provision for directors' retirement benefits	178	236	1
Net defined benefit liability	31,287	32,518	261
Other	47,953	58,253	400
Total Noncurrent liabilities	<u>202,478</u>	<u>180,137</u>	<u>1,687</u>
Total Liabilities	<u>551,672</u>	<u>584,885</u>	<u>4,597</u>
Net Assets			
Shareholders' equity:			
Capital stock	47,586	47,586	397
Capital surplus	46,736	46,735	389
Retained earnings	109,209	109,543	910
Treasury stock	(7,197)	(7,184)	(60)
Total Shareholders' equity	<u>196,334</u>	<u>196,680</u>	<u>1,636</u>
Accumulated other comprehensive income:			
Valuation difference on available-for-sale securities	40,970	69,528	341
Deferred gains or losses on hedges	(258)	(513)	(2)
Foreign currency translation adjustments	7,858	10,978	65
Remeasurements of defined benefit plans	15,144	13,665	126
Total Accumulated other comprehensive income	<u>63,714</u>	<u>93,659</u>	<u>531</u>
Non-controlling interests	<u>29,437</u>	<u>29,296</u>	<u>245</u>
Total Net assets	<u>289,487</u>	<u>319,636</u>	<u>2,412</u>
Total Liabilities and Net assets	<u>841,159</u>	<u>904,522</u>	<u>7,010</u>

Consolidated Statements of Income

	Millions of yen		Millions of U.S. dollars
	1H FY2015	1H FY2014	1H FY2015
Net sales	354,321	345,341	2,953
Cost of sales	265,254	261,070	2,210
Gross profit	89,066	84,271	742
Selling, general and administrative expenses	82,181	78,386	685
Operating income	6,884	5,885	57
Non-operating income			
Interest income	135	116	1
Dividends income	1,531	1,115	13
Foreign exchange income	883	1,256	7
Other	397	488	3
Total Non-operating income	2,947	2,976	25
Non-operating expenses			
Interest expense	1,115	1,288	9
Equity in losses of affiliates	1,036	1,144	9
Other	680	356	6
Total Non-operating expenses	2,832	2,789	24
Ordinary income	7,000	6,072	58
Extraordinary income			
Gain on sales of noncurrent assets	107	53	1
Gain on sales of investment securities	917	46	8
Total Extraordinary income	1,024	99	9
Extraordinary loss			
Loss on disposal of noncurrent assets	210	464	2
Loss on devaluation of investment securities	77	255	1
Loss on sales of investment securities	51	5	0
Other	-	19	-
Total Extraordinary loss	339	745	3
Income before income taxes	7,685	5,427	64
Income taxes	2,422	2,508	20
Profit	5,262	2,918	44
Profit attributable to non-controlling interests	1,092	943	9
Profit attributable to owners of parent	4,170	1,974	35

Consolidated Statements of Comprehensive Income

	Millions of yen		<i>Millions of U.S. dollars</i>
	1H FY2015	1H FY2014	<i>1H FY2015</i>
Profit	5,262	2,918	44
Other comprehensive income			
Valuation difference on available-for-sale securities	(28,577)	6,127	(238)
Deferred gains or losses on hedges	244	256	2
Foreign currency translation adjustments	(3,280)	3,489	(27)
Remeasurements of defined benefit plans	1,474	2,085	12
Share of other comprehensive income of associates accounted for using equity method	29	68	0
Total other comprehensive Income	(30,108)	12,027	(251)
Comprehensive income	(24,845)	14,946	(207)
Comprehensive income attributable to:			
Comprehensive income attributable to owners of parent	(25,774)	13,508	(215)
Comprehensive income attributable to non-controlling interests	928	1,437	8

Consolidated Statements of Cash Flows
For the first Half of FY2015 (April 1 - September 30, 2015)

	Millions of yen		Millions of U.S. dollars
	1H FY2015	1H FY2014	1H FY2015
I Cash flows from operating activities			
Income before income taxes	7,685	5,427	64
Depreciation and amortization	14,966	16,511	125
Interest and dividends income	(1,666)	(1,232)	(14)
Interest expenses	1,115	1,288	9
Loss (gain) on sales of noncurrent assets	(107)	(53)	(1)
Loss (gain) on sales of investment securities	(865)	(40)	(7)
Loss (gain) on disposal of noncurrent assets	210	464	2
Loss (gain) on devaluation of investment securities	77	255	1
Decrease (increase) in notes and accounts receivable-trade	53,824	51,152	449
Decrease (increase) in inventories	(24,915)	(36,251)	(208)
Increase (decrease) in notes and accounts payable-trade	(22,344)	(11,728)	(186)
Increase (decrease) in advances received	6,363	10,389	53
Other, net	(11,889)	(4,324)	(99)
Subtotal	22,452	31,858	187
Interest and dividends income received	1,665	1,269	14
Interest expenses paid	(1,138)	(1,286)	(9)
Income taxes paid	(5,808)	(5,062)	(48)
Net cash provided by operating activities	17,171	26,779	143
II Cash flows from investing activities			
Purchase of property, plant and equipment	(9,422)	(6,113)	(79)
Proceeds from sales of property, plant and equipment	470	624	4
Purchase of investment securities	(3,964)	(67)	(33)
Proceeds from sales of investment securities	1,645	481	14
Payments of loans receivable	(3,149)	(2,905)	(26)
Collection of loans receivable	2,847	3,068	24
Other, net	(887)	(1,449)	(7)
Net cash used in investing activities	(12,460)	(6,362)	(104)
III Cash flows from financing activities			
Net increase (decrease) in short-term loans payable	(2,880)	(10,469)	(24)
Increase (decrease) in commercial papers	(10,000)	-	(83)
Proceeds from long-term loans payable	18,576	139	155
Repayment of long-term loans payable	(5,036)	(3,486)	(42)
Proceeds from issuance of bonds	15,000	-	125
Redemption of bonds	(15,000)	-	(125)
Repayments of lease obligations	(7,263)	(7,443)	(61)
Proceeds from sales of treasury stock	0	0	0
Purchase of treasury stock	(12)	(17)	(0)
Cash dividends paid	(3,572)	(2,857)	(30)
Cash dividends paid to non-controlling interests	(1,002)	(789)	(8)
Other, net	(70)	-	(1)
Net cash used in financing activities	(11,261)	(24,924)	(94)
IV Effect of exchange rate change on cash and cash equivalents	(458)	954	(4)
V Net increase (decrease) in cash and cash equivalents (I + II +III +IV)	(7,008)	(3,553)	(58)
VI Cash and cash equivalents at beginning of period	31,895	33,412	266
VII Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	3,552	1,680	30
VIII Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	17	-	0
IX Cash and cash equivalents at end of period	28,455	31,539	237

Consolidated Segment Information

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

As of April 1, 2015, reflecting change of organization structure, the reporting segments were reclassified in Power and Social Infrastructure, Industrial Infrastructure and Power Electronics.

The reporting segment information for the first half of the fiscal year ended March 31, 2015 has been reclassified to reflect this change.

1H FY2015

	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	69,947	66,366	83,458	61,129	55,977	17,441	354,321	-	354,321
Inter-segment sales and transfers	746	1,383	11,786	2,066	144	13,971	30,099	(30,099)	-
Total sales	70,694	67,749	95,245	63,195	56,122	31,413	384,420	(30,099)	354,321
Segment profits (losses)	1,414	(3,064)	2,106	4,853	3,275	1,062	9,647	(2,763)	6,884

1H FY2014

	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	60,736	67,740	78,474	61,721	60,857	15,811	345,341	-	345,341
Inter-segment sales and transfers	626	1,736	10,339	3,410	106	13,885	30,104	(30,104)	-
Total sales	61,362	69,476	88,813	65,132	60,963	29,697	375,445	(30,104)	345,341
Segment profits (losses)	(46)	(2,242)	1,254	3,699	4,950	1,006	8,622	(2,737)	5,885

1H FY2015

	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	583	553	695	509	466	145	2,953	-	2,953
Inter-segment sales and transfers	6	12	98	17	1	116	251	(251)	-
Total sales	589	565	794	527	468	262	3,204	(251)	2,953
Segment profits (losses)	12	(26)	18	40	27	9	80	(23)	57

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

	Billions of yen			
	1H FY2015	FY2015 [Forecast]	1H FY2014	FY2014
Net sales	354.3	850.0	345.3	810.7
Operating income	6.9	45.0	5.9	39.3
Ordinary income	7.0	45.0	6.1	43.1
Profit attributable to owners of parent	4.2	29.0	2.0	28.0

2. Number of consolidated subsidiaries

	Billions of yen			
	1H FY2015	FY2015 [Forecast]	1H FY2014	FY2014
Number of consolidated subsidiaries	69	69	48	48
Japan	22	22	23	22
Overseas	47	47	25	26
Number of equity-method associates	5	5	5	5

3. Net income per share

	Yen			
	1H FY2015	FY2015 [Forecast]	1H FY2014	FY2014
Net income per share	5.84	40.59	2.76	39.16

4. Sales exchange rate (Yen)

	Yen			
	1H FY2015	FY2015 [Forecast]	1H FY2014	FY2014
US\$	121.80	118.40	103.04	109.93
EURO	135.07	130.03	138.92	138.77

5. Net sales by reporting segment

	Billions of yen			
	1H FY2015	FY2015 [Forecast]	1H FY2014	FY2014
Power and Social Infrastructure	70.7	178.8	61.4	169.2
Industrial Infrastructure	67.7	212.7	69.5	191.4
Power Electronics	95.2	218.5	88.8	200.9
Electronic Devices	63.2	124.1	65.1	137.2
Food and Beverage Distribution	56.1	123.6	61.0	119.1
Others	31.4	61.5	29.7	61.2
Subtotal	384.4	919.1	375.4	879.0
Elimination	(30.1)	(69.1)	(30.1)	(68.3)
Total	354.3	850.0	345.3	810.7

Note : Net sales include inter-segment transactions.

6. Operating income by reporting segment

	Billions of yen			
	1H FY2015	FY2015 [Forecast]	1H FY2014	FY2014
Power and Social Infrastructure	1.4	9.4	(0.0)	7.8
Industrial Infrastructure	(3.1)	13.0	(2.2)	11.1
Power Electronics	2.1	9.6	1.3	7.6
Electronic Devices	4.9	8.6	3.7	8.1
Food and Beverage Distribution	3.3	8.5	5.0	8.5
Others	1.1	2.1	1.0	1.9
Subtotal	9.6	51.1	8.6	45.0
Elimination	(2.8)	(6.1)	(2.7)	(5.7)
Total	6.9	45.0	5.9	39.3

7. Net overseas sales

	Billions of yen			
	1H FY2015	FY2015 [Forecast]	1H FY2014	FY2014
Asia (except for China)	46.3	-	35.7	85.2
China	44.7	-	41.6	87.7
Europe	8.1	-	8.5	16.5
America	6.7	-	6.3	15.5
Total	105.7	-	92.1	204.9

8. R&D expenditures

	Billions of yen			
	1H FY2015	FY2015 [Forecast]	1H FY2014	FY2014
Power and Social Infrastructure	2.4	5.9	1.8	4.6
Industrial Infrastructure	2.8	6.9	2.6	5.9
Power Electronics	4.4	9.7	5.0	10.4
Electronic Devices	4.7	9.8	4.3	9.3
Food and Beverage Distribution	2.5	6.0	2.3	4.9
Others	0.0	0.0	0.0	0.0
Total	16.8	38.4	16.1	35.0
Ratio to net sales (%)	4.7%	4.5%	4.6%	4.3%

9. Plant and equipment investment (including leases)

	Billions of yen			
	1H FY2015	FY2015 [Forecast]	1H FY2014	FY2014
Power and Social Infrastructure	1.1	2.6	1.3	2.4
Industrial Infrastructure	0.8	2.5	0.9	2.5
Power Electronics	2.7	11.3	3.5	9.2
Electronic Devices	4.7	8.4	3.1	10.6
Food and Beverage Distribution	0.9	3.2	0.9	2.4
Others	3.4	6.4	0.4	2.0
Total	13.7	34.4	10.1	29.0
(Leases)	4.6	12.3	4.3	12.2

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

10. Depreciation, Leases paid

	Billions of yen			
	1H FY2015	FY2015 [Forecast]	1H FY2014	FY2014
Power and Social Infrastructure	0.8	1.8	0.9	1.7
Industrial Infrastructure	1.1	2.6	0.9	1.9
Power Electronics	2.8	6.0	2.5	5.4
Electronic Devices	7.2	14.4	9.7	19.0
Food and Beverage Distribution	1.1	2.4	1.1	2.4
Others	0.7	1.4	0.6	1.3
Total	13.7	28.6	15.7	31.7
(Leases)	0.6	1.4	0.8	1.4

11. Number of employees

	Billions of yen			
	1H FY2015	FY2015 [Forecast]	1H FY2014	FY2014
Power and Social Infrastructure	2,505	2,510	2,535	2,498
Industrial Infrastructure	5,526	5,430	5,160	5,163
Power Electronics	7,740	7,765	6,834	6,923
Electronic Devices	6,467	6,533	6,502	6,593
Food and Beverage Distribution	2,410	2,446	2,446	2,456
Others	2,144	2,131	2,324	2,107
Total	26,792	26,815	25,801	25,740
Japan	17,877	17,832	18,103	17,814
Overseas	8,915	8,983	7,698	7,926

Financial Performance

(1) Qualitative Information regarding Consolidated Results of Operations

In the six-month period ended September 30, 2015, the domestic economy experienced a modest recovery trend, as evidenced by such factors as overall improvements in capital investment levels witnessed despite sluggish investment in certain sectors. Overseas, economic slowdown was seen in Asian countries, most notably China, but the overall trend was that of gradual improvement supported by the recovery of the United States and major European developed nations.

In this environment, the Company defined the basic policies of complete the FY2015 Medium-Term Management Plan and advanced growth strategies in preparation for the next medium-term management plan. We also pushed forward with measures to expand the power plant business as well as operations in the Industrial Infrastructure and Power Electronics segments and overseas businesses while also pursuing improvements in overall profitability.

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

Net sales rose ¥9.0 billion year on year, to ¥354.3 billion, following increased demand and beneficial foreign exchange translations. By business segment, Power and Social Infrastructure, Power Electronics, and Others saw increased net sales, while Industrial Infrastructure, Electronic Devices, and Food and Beverage Distribution saw net sales decline.

Operating income improved ¥1.0 billion year on year, to ¥6.9 billion. This improvement was largely attributable to increased profitability stemming from cost reductions. Furthermore, ordinary income increased ¥0.9 billion, to ¥7.0 billion. At the same time, profit attributable to owners of parent rose ¥2.2 billion, to ¥4.2 billion, due in part to the recording of gain on sales of investment securities. In this manner, operating income, ordinary income, and profit attributable to owners of parent all showed year-on-year increases.

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

(¥ billion)

	1H Fiscal 2014	1H Fiscal 2015	Change
Net sales	345.3	354.3	9.0
Operating income	5.9	6.9	1.0
Ordinary income	6.1	7.0	0.9
Profit attributable to owners of parent	2.0	4.2	2.2

Results by Segment

[Power and Social Infrastructure]

YoY: Net sales increased 15%, operating results improved ¥1.5 billion

Net sales increased 15% year on year, to ¥70.7 billion, and operating income improved ¥1.5 billion, to ¥1.4 billion.

In the power plant business, net sales were up year on year as the increase in orders for thermal power, geothermal power, and hydropower generation facilities outweighed the decrease in orders for solar power generation systems. In the social engineering systems business, net sales were up year on year due to higher sales of smart meters. In the social information business, net sales rose year on year following increased orders from the academic sector. Overall, the segment saw improved operating results due to higher net sales and the benefits of cost reduction efforts.

[Industrial Infrastructure]

YoY: Net sales decreased 2%, operating results worsened 0.8 billion

Net sales decreased 2% year on year, to ¥67.7 billion, and operating loss worsened ¥0.8 billion year on year, to ¥3.1 billion.

In the transmission and distribution business, net sales were down year on year, reflecting a decrease in large-scale orders in Japan. Net sales in the industrial plant business were up year on year due to strong energy saving and replacement demand in Japan. In the industrial and instrumentation equipment business, net sales were relatively unchanged year on year. The equipment construction business saw a year-on-year increase in net sales following higher orders for installation of electrical equipment and building equipment. Overall, the segment saw operating results worsen due to the decrease in net sales and the negative impacts of changes in the ratios of sales for specific models.

[Power Electronics]

YoY: Net sales increased 7%, operating results improved ¥0.9 billion

Net sales increased 7% year on year, to ¥95.2 billion, and operating income improved ¥0.9 billion year on year, to ¥2.1 billion.

In the drive business, net sales and operating results improved year on year as the benefits of strong domestic demand for inverters, servos, and industrial motors and large overseas orders for electric equipment for railcars offset the impacts of a decline in demand due to the bearish state of the Chinese market. In the power supply business, net sales and operating results improved year on year due to the robust demand for power supply equipment in Japan as well as the benefits of the consolidation of Fuji SMBE Pte. Ltd. and its subsidiaries. In the ED&C components business, net sales

were down year on year as a result of the decline in demand from machinery equipment manufacturers for machine tools and other articles, but operating results were relatively unchanged year on year as the benefits of cost reduction efforts counteracted the lower net sales.

[Electronic Devices]

YoY: Net sales decreased 3%, operating results improved ¥1.2 billion

Net sales decreased 3% year on year, to ¥63.2 billion, and operating income improved ¥1.2 billion year on year, to ¥4.9 billion.

In the semiconductors business, net sales and operating results worsened year on year due to the impacts of sluggish demand resulted from the bearish state of the Chinese market in the industrial field and the power supply application field, lower demand from major domestic customers centered on machine tools in the industrial field, and reduced sales of certain vehicles equipped with the Company's products in the automotive field. In the magnetic disks business, net sales were up year on year due to increased demand from a customer. Overall, the segment saw improved operating results due to higher net sales and the benefits of cost reduction efforts.

[Food and Beverage Distribution]

YoY: Net sales decreased 8%, operating results worsened ¥1.7 billion

Net sales decreased 8% year on year, to ¥56.1 billion, and operating income worsened ¥1.7 billion year on year, to ¥3.3 billion.

In the vending machine business, net sales and operating results worsened year on year because the impacts of the reduced vending machine demand in Japan stemming from limited investment among domestic beverage manufacturers outweighed the benefits of increased sales following the expansion of operations in the Chinese market. In the store distribution business, net sales and operating results worsened year on year as a result of lower sales of freezing and refrigerating facilities for convenience stores.

[Others]

YoY: Net sales increased 6%, operating results improved ¥0.1 billion

Net sales increased 6% year on year, to ¥31.4 billion, and operating income improved ¥0.1 billion year on year, to ¥1.1 billion.

(2) Quantitative Information regarding Consolidated Financial Position

(¥ billion)

	March 31, 2015	Breakdown (%)	September 30, 2015	Breakdown (%)	Change
Total assets	904.5	100.0	841.2	100.0	(63.4)
Interest-bearing debt	191.2	21.1	196.2	23.3	5.0
Shareholder's equity* ¹	290.3	32.1	260.0	30.9	(30.3)
Debt-equity ratio* ² (time)	0.7		0.8		0.1

*1 Shareholders' equity = Total net assets - non-controlling interests

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

Total assets on September 30, 2015, stood at ¥841.2 billion, a decrease of ¥63.4 billion from the end of the previous fiscal year. Total current assets decreased ¥23.6 billion, as the decline in notes and accounts receivable-trade counteracted the rise in inventories. Total noncurrent assets were down ¥39.8 billion, due to a decrease stemming from valuation difference on available-for-sale securities.

Interest-bearing debt as of September 30, 2015, amounted to ¥196.2 billion, up ¥5.0 billion from the previous fiscal year-end. Further, net interest-bearing debt—interest-bearing debt net of cash and cash equivalents—increased ¥8.4 billion from the previous fiscal year-end, amounting to ¥167.7 billion on September 30, 2015.

Net assets on September 30, 2015, stood at ¥289.5 billion, down ¥30.1 billion from the previous fiscal year-end. This was because of a decrease stemming from valuation difference on available-for-sale securities. In addition, shareholders' equity—total net assets net of non-controlling interests—was down ¥30.3 billion from the previous fiscal year-end, standing at ¥260.0 billion on September 30, 2015. The debt-to-equity ratio (interest-bearing debt ÷ shareholders' equity) was 0.8 time, up 0.1 time from the previous fiscal year-end. Also, the net debt-to-equity ratio (net interest-bearing debt ÷ shareholders' equity) was 0.6 time, up 0.1 time.

In the six-month period ended September 30, 2015, consolidated free cash flow (net cash from operating activities + net cash from investing activities) was ¥4.7 billion, a deterioration of ¥15.7 billion compared with free cash flow of ¥20.4 billion in the previous fiscal year.

Cash flows from operating activities

Net cash provided by operating activities was ¥17.2 billion, compared with ¥26.8 billion for the previous fiscal year. Major factors increasing cash included a decrease in notes and accounts receivable-trade, a resulted from efforts to collect receivables. Major factors decreasing cash included an increase in inventories and a decrease in notes and accounts payable-trade.

This was a deterioration of ¥9.6 billion year on year.

Cash flows from investing activities

Net cash used in investing activities was ¥12.5 billion, compared with ¥6.4 billion in the previous fiscal year. This was primarily related to the purchase of property, plant and equipment.

This was a deterioration of ¥6.1 billion year on year.

Cash flows from financing activities

Net cash used in financing activities was ¥11.3 billion, compared with ¥24.9 billion in the previous fiscal year. This was principally due to repayment of lease obligations.

As a result, consolidated cash and cash equivalents on September 30, 2015, amounted to ¥28.5 billion, down ¥3.4 billion from the previous fiscal year-end.

(3) Qualitative Information regarding Consolidated Forecasts and Forecast Information

In light of the business result trends seen in the six-month period ended September 30, 2015, Fuji Electric has chosen to not revise the consolidated forecast for financial results for the fiscal year ending March 31, 2016, that was announced together with financial results for the fiscal year ended March 31, 2015, on April 27, 2015. Forecasts for performance by segment have been changed as follows.

The forecast for the fiscal year ending March 31, 2016, assumes exchange rates of US\$1 = ¥115 and € 1 = ¥125 for the period from October 1, 2015, onward.

(Consolidated Forecasts for the Fiscal Year Ending March 31, 2016) (¥ billion)

	Previous forecasts	Current forecasts	Change
Net sales	850.0	850.0	0.0
Operating income	45.0	45.0	0.0
Ordinary income	45.0	45.0	0.0
Profit attributable to owners of parent	29.0	29.0	0.0

Reference: Consolidated Forecasts for the Fiscal Year Ending March 31, 2016, by Segment (¥billion)

	Net sales			Operating income (loss)		
	Previous forecasts	Revised forecasts	Change	Previous forecasts	Revised forecasts	Change
Power and Social Infrastructure	178.1	178.8	0.7	8.9	9.4	0.5
Industrial Infrastructure	209.1	212.7	3.6	13.0	13.0	0.0
Power Electronics	219.5	218.5	(1.0)	9.6	9.6	0.0
Electronic Devices	135.3	124.1	(11.2)	9.3	8.6	(0.7)
Food and Beverage Distribution	120.0	123.6	3.6	8.5	8.5	0.0
Others	61.4	61.5	0.1	1.9	2.1	0.2
Elimination and Corporate	(73.4)	(69.1)	4.3	(6.1)	(6.1)	0.0
Total	850.0	850.0	0.0	45.0	45.0	0.0

Net sales are anticipated to fall below the previously released forecasts in the Power Electronics and Electronic Devices segments due to reduced demand resulted from the bearish state of the Chinese market. However, net sales are expected to exceed the previously released forecasts in the Power and Social Infrastructure, Industrial Infrastructure, Food and Beverage Distribution, and Others segments following higher demand. Accordingly, overall net sales will be in line with the previously released forecasts.

Meanwhile, operating results are projected to be worse than previously forecast in the Electronic Devices segment following lower net sales, while the benefits of higher net sales and the benefits of reduced costs will lead operating results in the Power and Social Infrastructure and Others segments to be better than anticipated. Accordingly, overall operating results will be in line with the previously released forecasts.